



The Volatility Watch

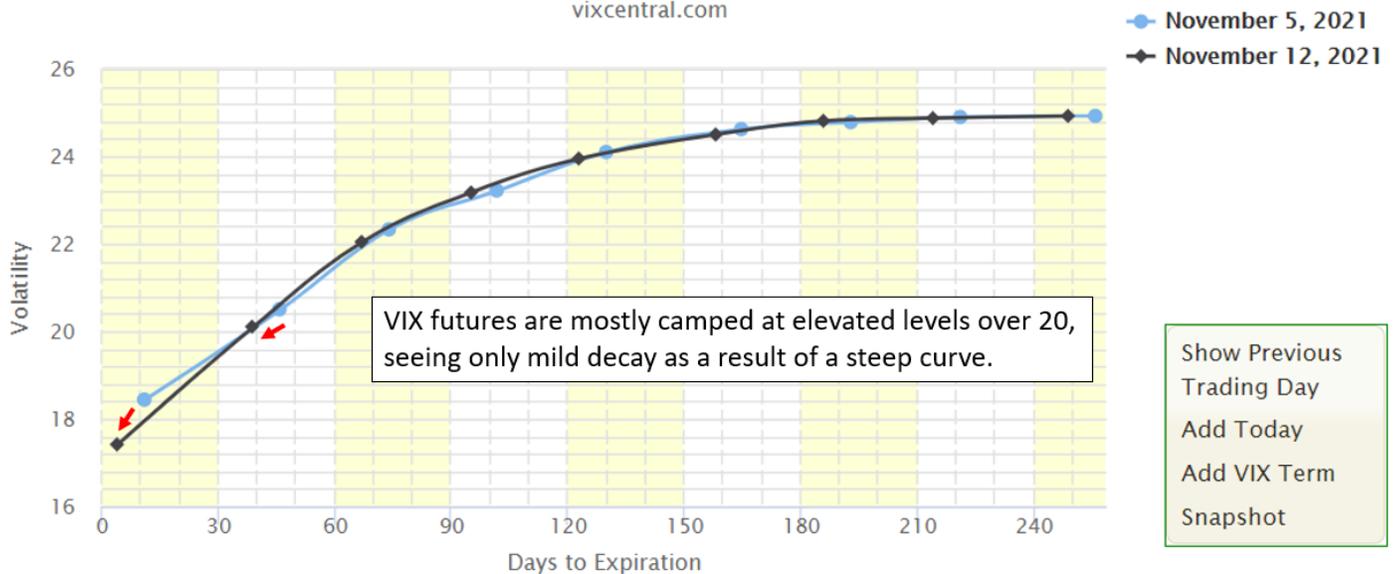
A Weekly Commentary On The Volatility Marketplace
Free weekly delivery

For Week Ending 11/12/2021:

After some back and forth, last week ended about where it began with the S&P 500 index and VIX futures both down slightly. Recently muted moves in U.S. stocks have held realized volatility at low levels, anchoring the VIX index and causing decay (i.e., gradually lower prices) in the VIX futures as they march toward expiration. This "holding pattern" in stocks has slowly begun to work off some of the disconnect we've been highlighting (i.e., overvalued VIX futures), though at a glacial pace with a lot of hesitation.

VIX Futures Historical Prices

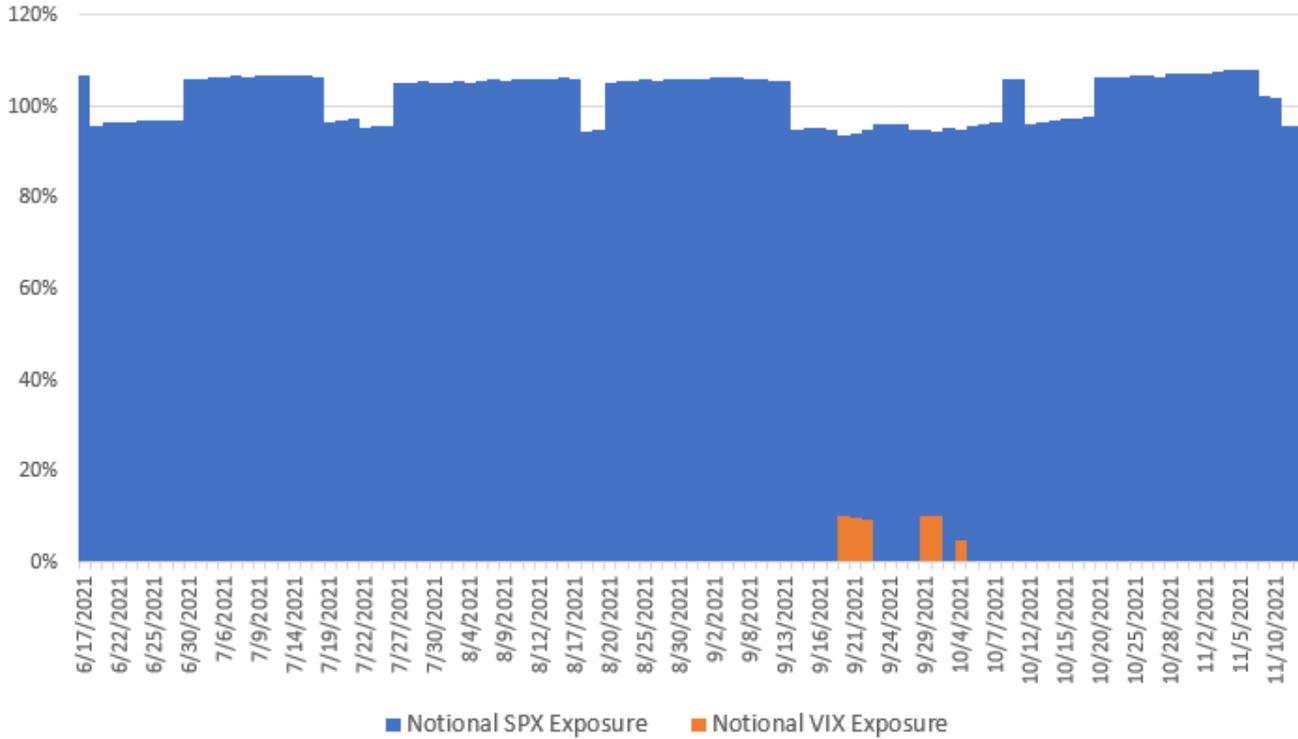
vixcentral.com



The Tactical Beta Strategy reduced the long S&P 500 holding to 95%.*

Tactical Beta Exposure

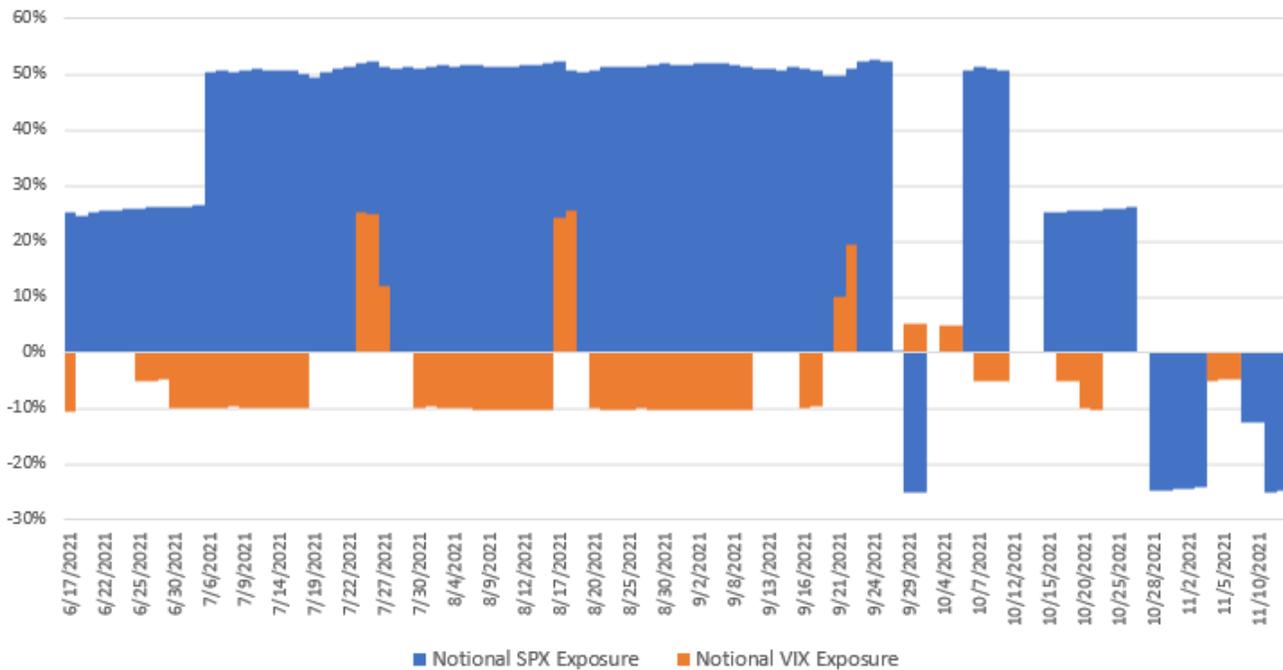
Sample Account, Trailing 100 Day as of 11/12/21



The Alpha Seeker Strategy continues to test small positions in both directions, seeking an early jump on the next significant move.**

Alpha Seeker Exposure

Sample Account Trailing 100 Day as of 11/12/21



Disclosure

Investing involves risk, including the possible loss of principal.

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**The Sample Account for the Tactical Beta Strategy (f/k/a U.S. Equity Smart Index strategy) is for the longest tenured account managed by Mike and Matt Thompson from November 1, 2016 through November 12, 2021. **The Sample Account for the Alpha Seeker Strategy consists of three accounts managed by Mike and Matt Thompson for portions of the time period between October 1, 2011 through November 12, 2021 to form one continuous Sample Account. Currently, at Thompson Capital Management LLC, a majority-owned affiliate of LHA, the Thompsons manage a composite of separately managed accounts for each strategy which has used substantially the same investment objectives, policies, and principles as while the Thompsons were at prior investment management firms. Mike and Matt Thompson, as employees of LHA, will implement the strategies for LHA clients.*

VIX is the ticker symbol for the Chicago Board Options Exchange (Cboe) Volatility Index, which shows the market's expectation of 30-day volatility. References to the S&P 500[®], the S&P, and to the market generally are to the Standard & Poor's 500[®] Index (SPX) which is the market capitalization-weighted index of 500 leading companies in leading industries of the U.S. economy that does not include re-investment of dividends in the calculation of the index total return.