



The Volatility Watch

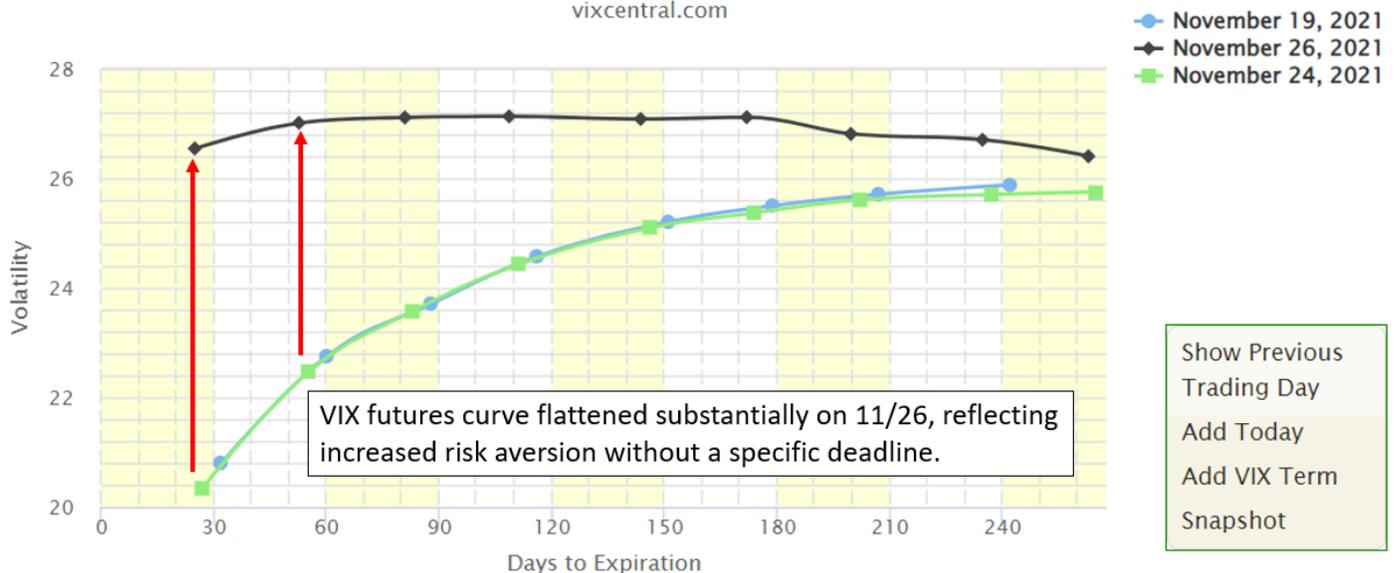
A Weekly Commentary On The Volatility Marketplace
Free weekly delivery

For Week Ending 11/26/2021:

A typically quiet holiday week was interrupted by "coronavirus 2.0" worries during Friday's half day session, sending the S&P 500 sharply lower and flattening the VIX futures curve as investors struggled to define a specific timeline to this issue. In our experience, markets tend not to get fooled by the same issue twice and it rarely pays to read too much into signals on a light volume holiday-shortened session. Indeed, over the weekend Goldman was out calling Friday's move an overreaction and futures have recovered half of last week's drop. With volatility elevated and VIX signals right at the edge, we're looking for follow-through in either direction before making any further changes.

VIX Futures Historical Prices

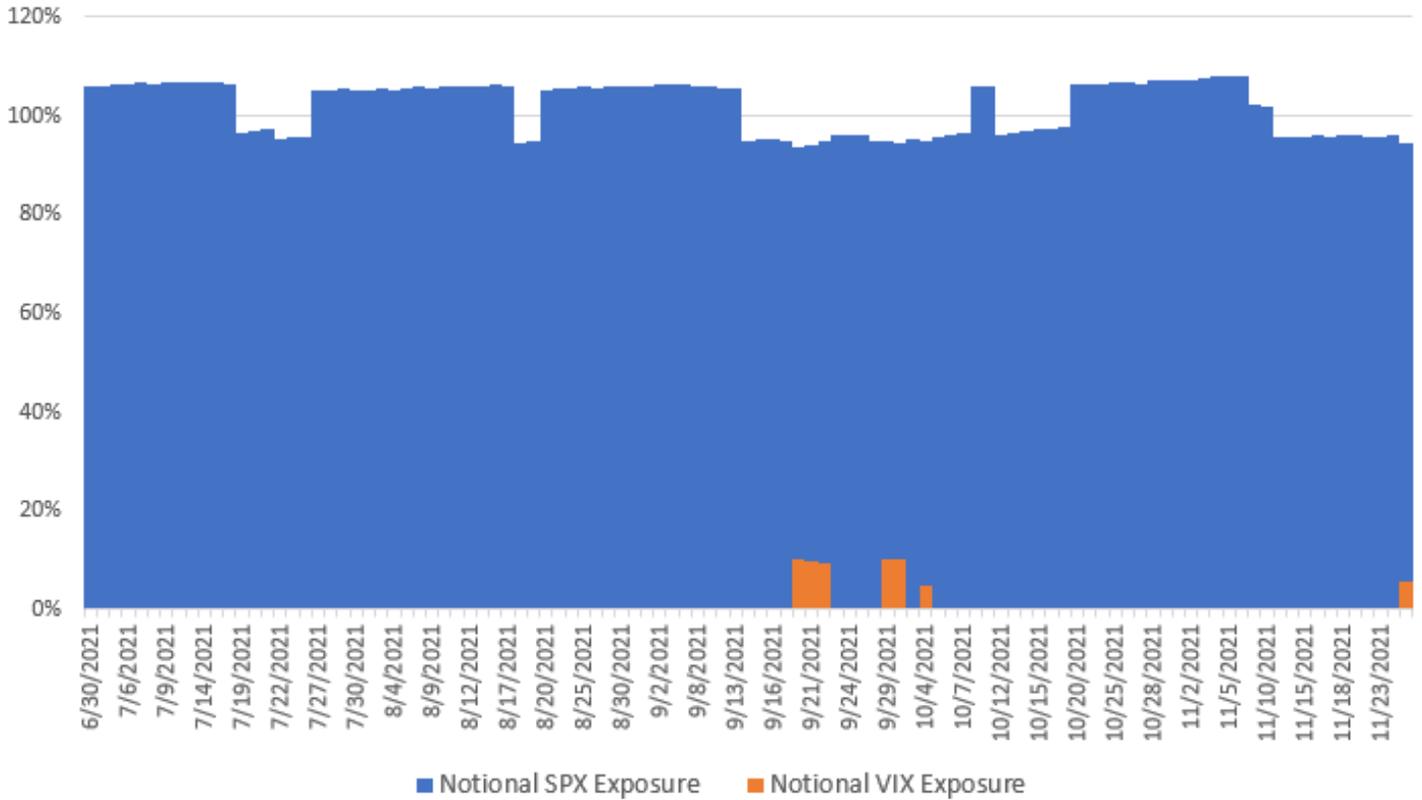
vixcentral.com



Friday's stress was enough to trigger our "fast" (purple) indicator though we opted to move slowly and wait to see how things look on a regular trading day, adding 5% VIX to the existing 95% S&P exposure for the Tactical Beta strategy.*

Tactical Beta Exposure

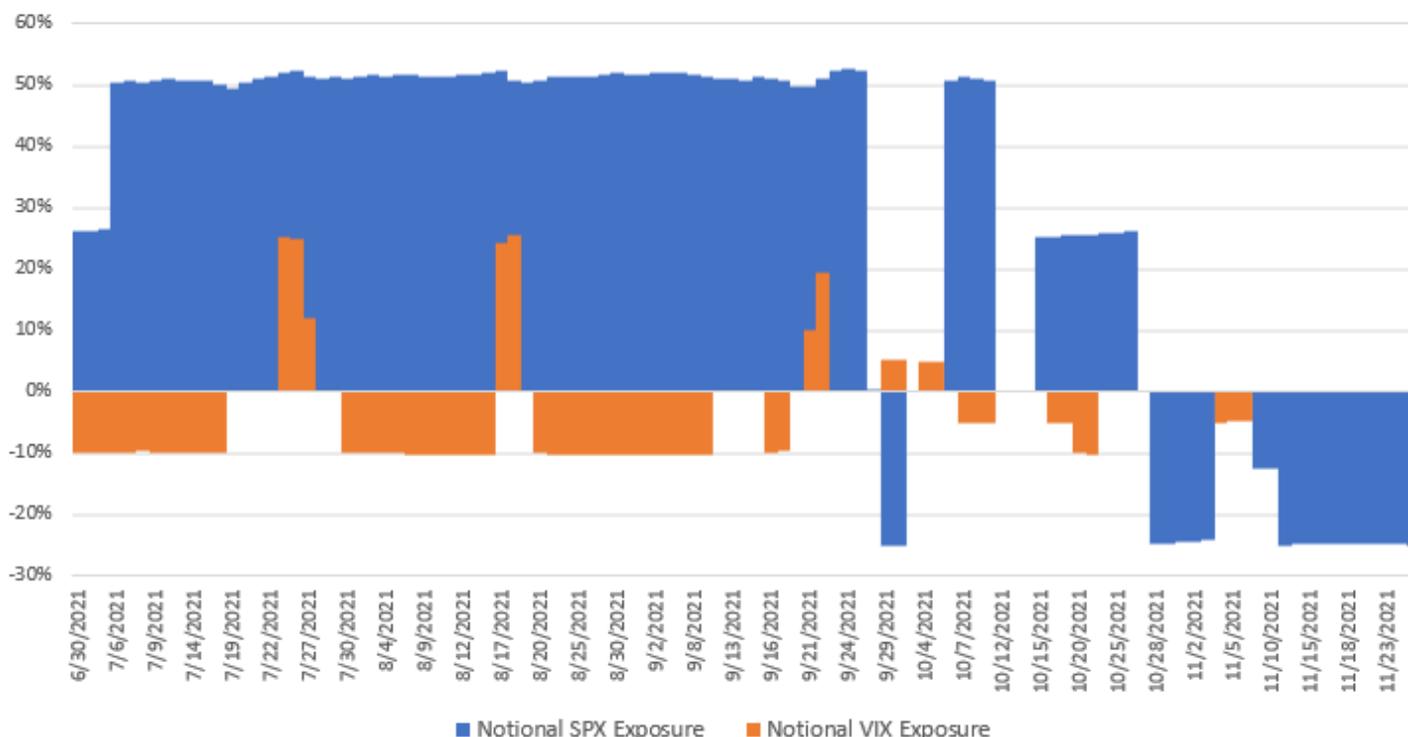
Sample Account, Trailing 100 Day as of 11/26/21



The Alpha Seeker strategy made no changes last week and remains 25% short S&P.**

Alpha Seeker Exposure

Sample Account Trailing 100 Day as of 11/26/21



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 26, 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 26, 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.