



The Volatility Watch

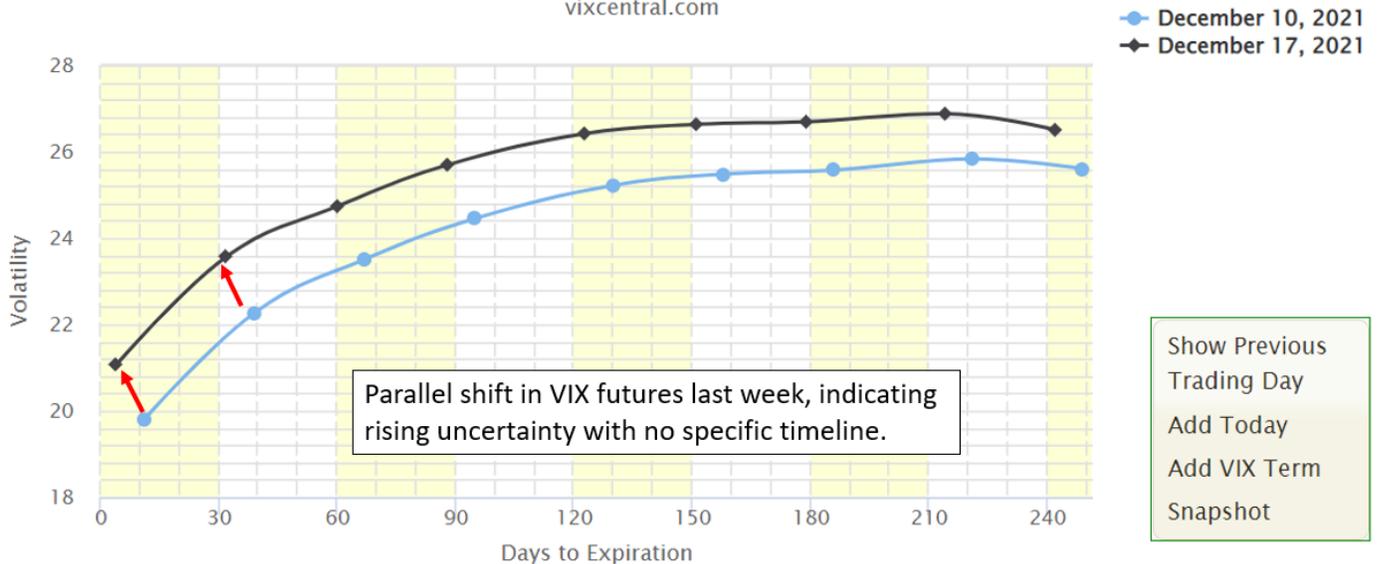
A Weekly Commentary On The Volatility Marketplace
Free weekly delivery

For Week Ending 12/17/2021:

The Fed kicked off some volatility last week with their announcement of a doubling in the pace of bond purchase "tapering", first sending the S&P 500 to near all-time highs on Wednesday before an about-face and drop back near the low of the month by Friday. Judging by the parallel shift in the VIX futures curve with no emphasis on any particular time frame, it appears the inflation / tightening boogeyman has rattled some nerves in a general way. This is understandable given how poorly the last few "taper" attempts have gone for U.S. markets. With no crisis signals yet in VIX, it's wait and see for now.

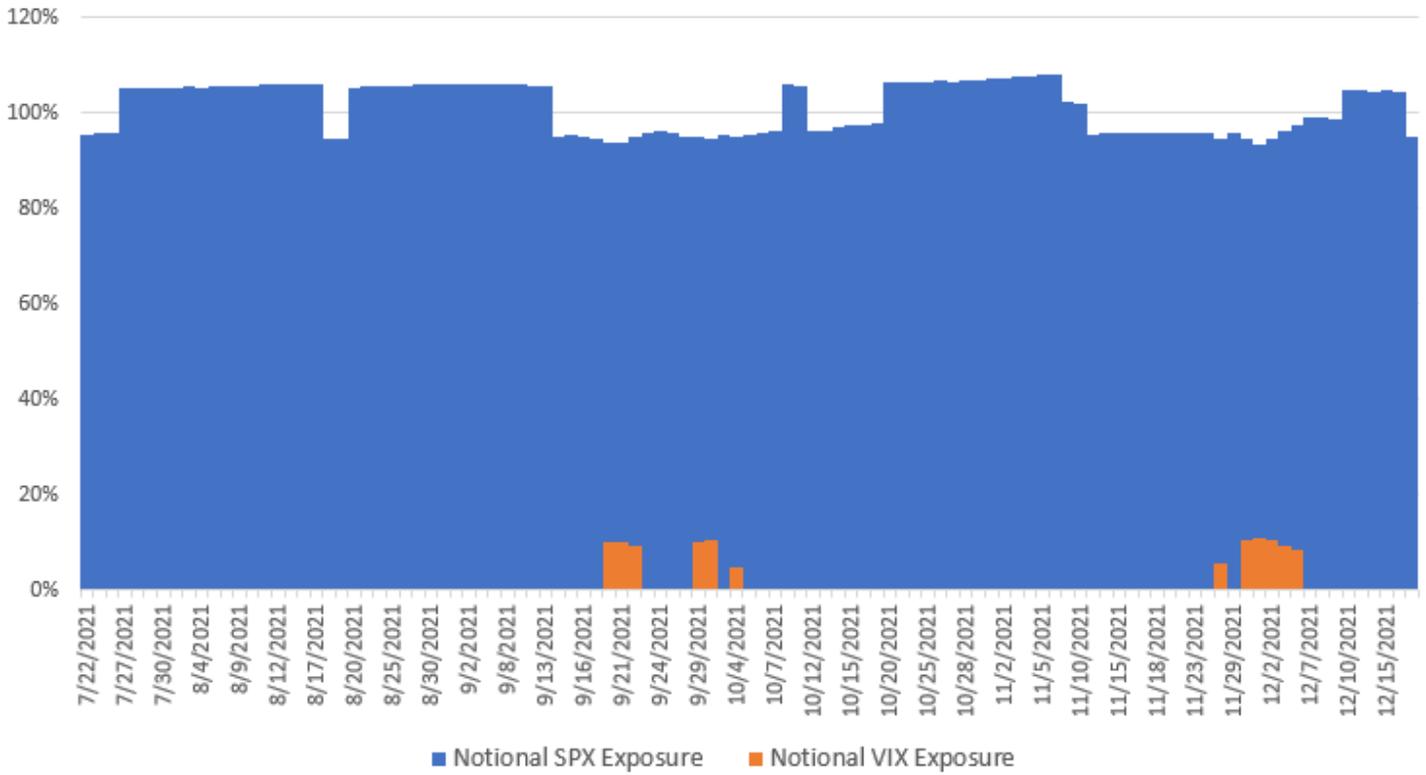
VIX Futures Historical Prices

vixcentral.com



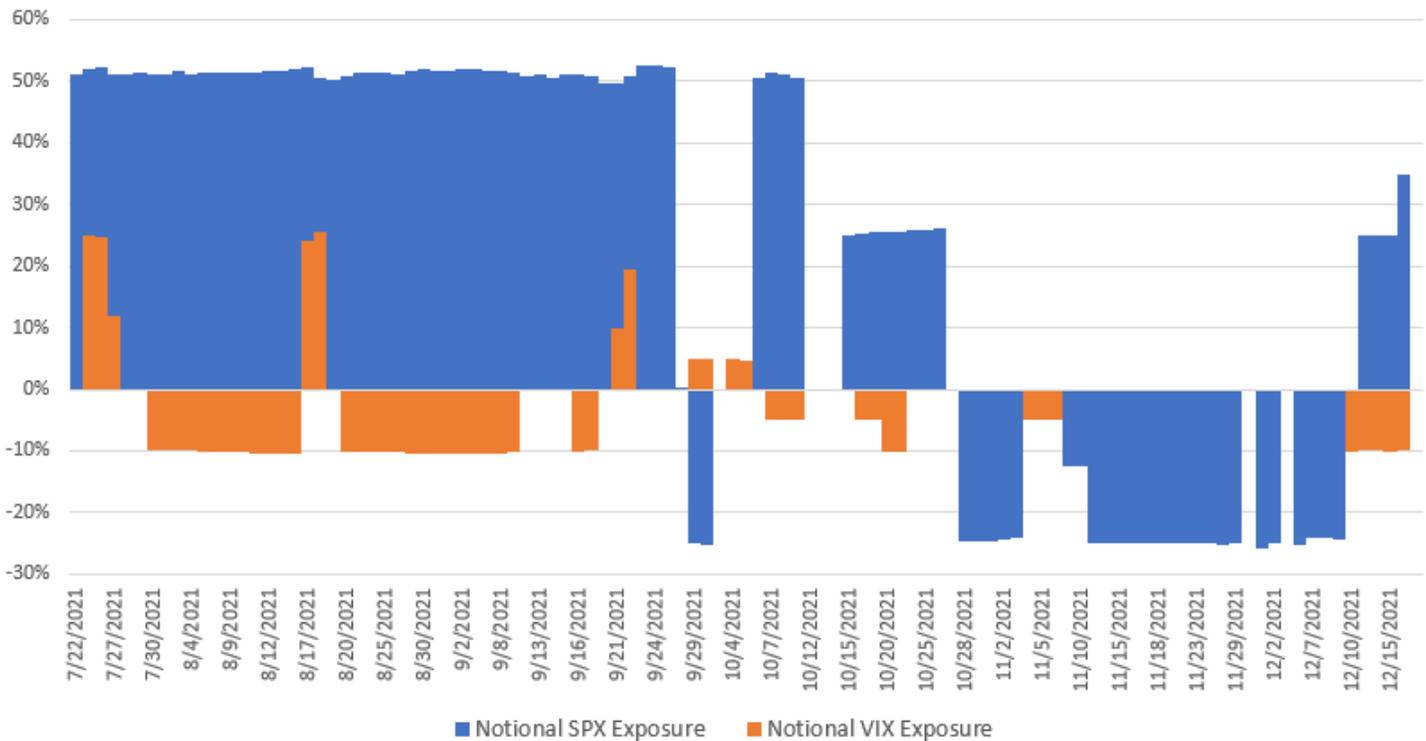
The Tactical Beta Strategy took it's S&P holdings to 95% on Friday, no VIX holdings yet.*

Tactical Beta Exposure Sample Account, Trailing 100 Day as of 12/17/21



After a nauseating few days on the long beta side, the Alpha Seeker Strategy ended the week flat (no positions).**

Alpha Seeker Exposure Sample Account Trailing 100 Day as of 12/17/21



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 December 17, 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 December 17, 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.

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