



The Volatility Watch

A Weekly Commentary On The Volatility Marketplace
Free weekly delivery

For Week Ending 3/4/2022:

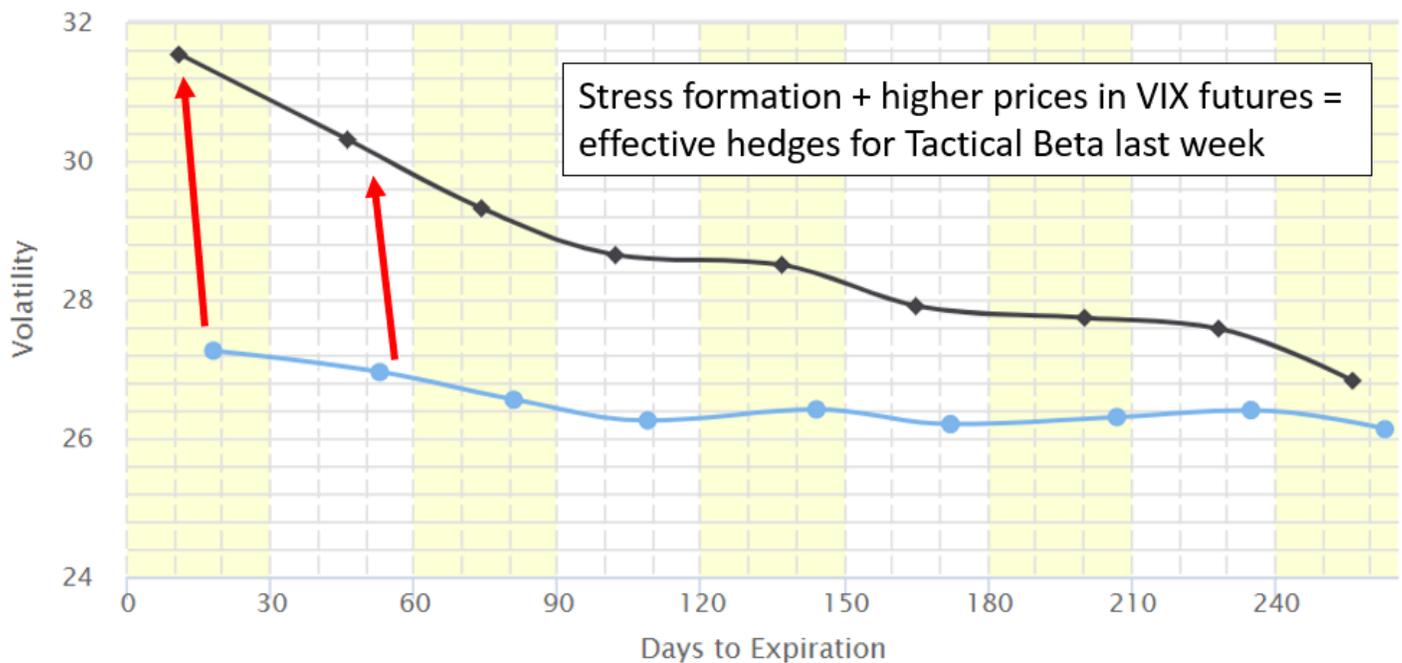
With the S&P 500 lower on skyrocketing commodity prices and tensions in Ukraine, VIX futures were higher and remained in stress formation last week, benefitting hedging positions in the Tactical Beta strategy and widening the strategy's positive spread to the index in March.

Ranges in the S&P continue to be massive (S&P 500 futures have erased an overnight loss of nearly 2% as we write), but with little progress in either direction away from the 10% "correction" line first reached on 1/24. This nervous holding pattern has so far kept a lid on VIX futures prices, but the tension is apparent in the consistently inverted curve since mid-February.

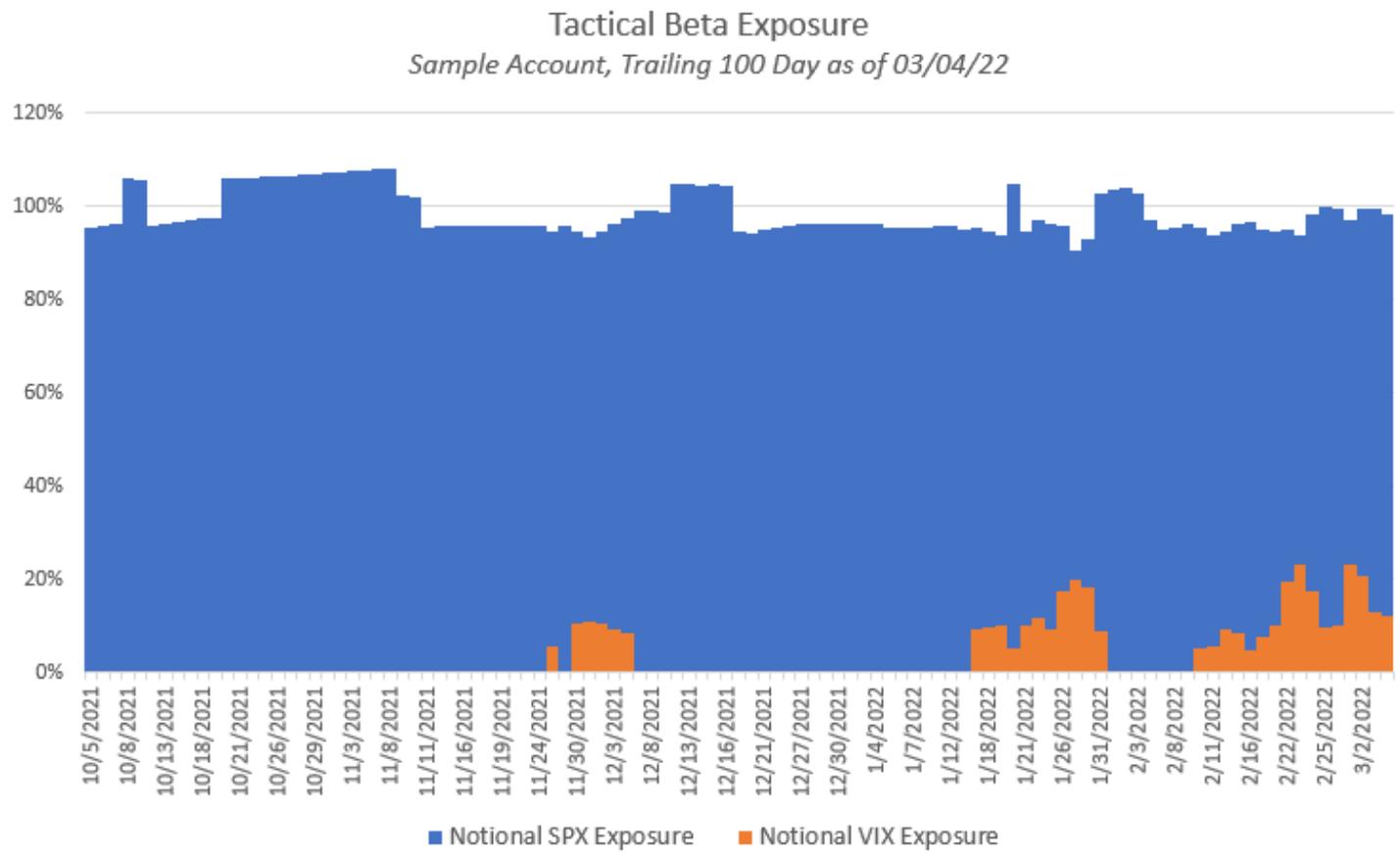
● February 25, 2022
◆ March 4, 2022

VIX Futures Historical Prices

vixcentral.com



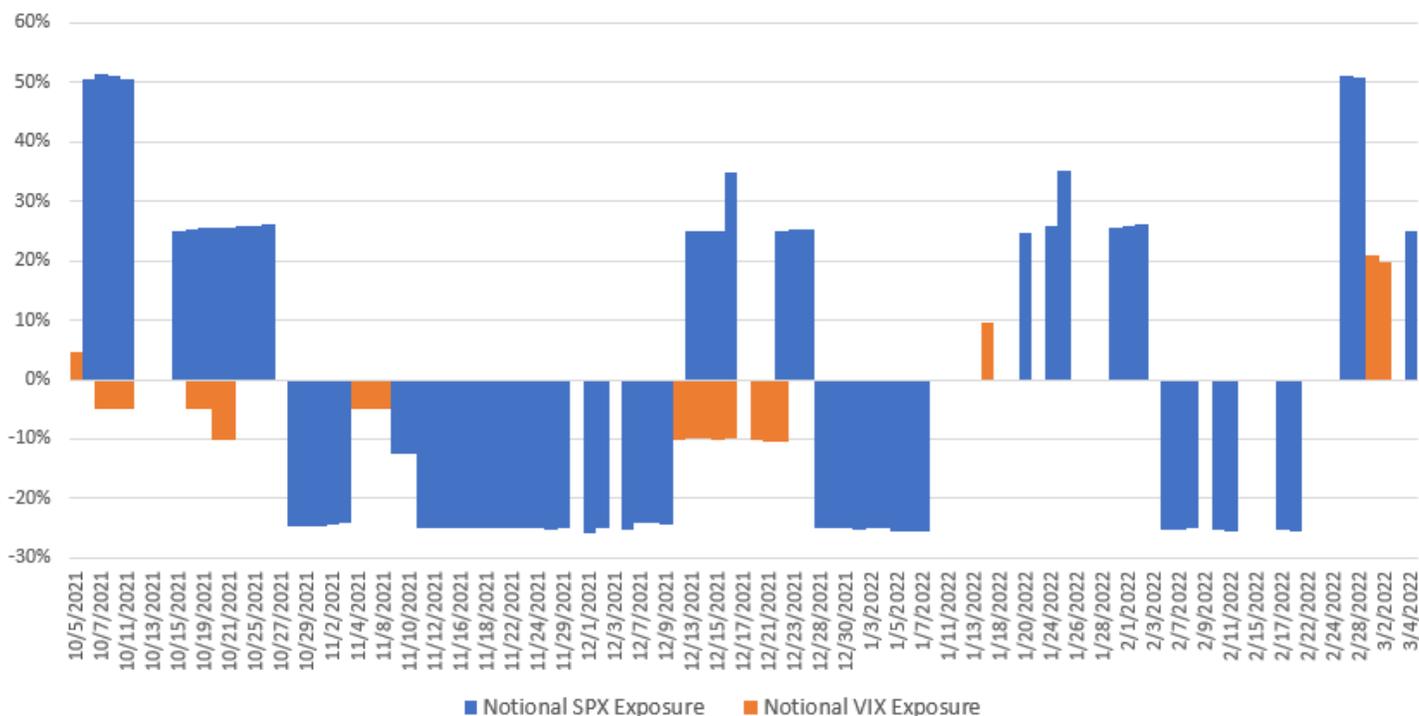
Hedging continues to be active in the Tactical Beta strategy, with positions on 27 of 34 days since the first signal on Jan 14th. In February, VIX exposure has ranged from 5% to 23% out of a maximum 30%, and currently stands at 12.5% against 98% long S&P exposure.**



The Alpha Seeker strategy continues to trade small positions through the chop, so far with a slightly negative market bias in 2022. (YTD avg VIX exposure of +17% and SPX exposure of -1%).*

Alpha Seeker Strategy Exposure

Sample Account Trailing 100 Day as of 03/04/22



Disclosure

Investing involves risk, including the possible loss of principal.

This information is provided for informational purposes only and does not involve the rendering of investment advice. This is not an offer to sell or a solicitation of an offer to buy an interest in any investment fund, instrument, or financial product, or for the provision of any investment management or advisory services. Recipients should not rely on this material in making any future investment decision. This Commentary should not be regarded as a complete analysis of the subjects discussed. Little Harbor Advisors, LLC (LHA) makes no representation that any strategy would be appropriate for any particular investor. All expressions of opinion reflect the current view of LHA as of the date of the original use of this information and are subject to change. While LHA uses reasonable efforts to obtain information from reliable sources, it makes no representation or warranty as to the accuracy, reliability, or completeness of any information prepared by another party. There can be no assurance that either strategy will continue to hold the same positions or percentage of instruments described herein and each strategy may change any position at any time.

**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 March 4, 2022. **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 March 4, 2022 to form one continuous Sample Account. Currently, at Thompson Capital Management LLC (TCM), 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. LHA has an exclusive license from TCM to employ and market the TCM LHA Tactical Beta strategy and the Alpha Seeker strategy referred to herein.*

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.

Little Harbor Advisors, LLC at 781.639.3000 (ext.147) and <http://www.littleharboradvisors.com>.