



## The Volatility Watch

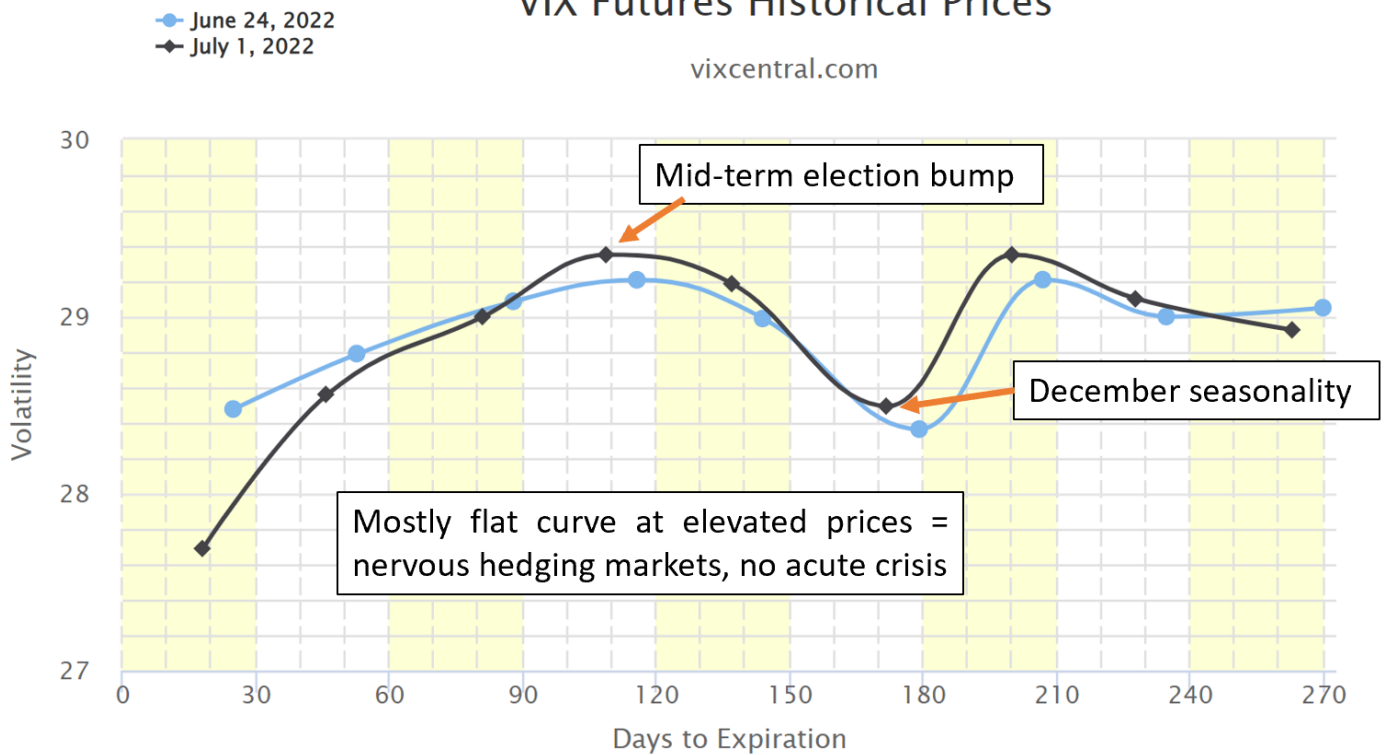
A Weekly Commentary On The Volatility Marketplace  
Free weekly delivery

### For Week Ending 7/1/2022:

VIX futures (VIXY: ProShares Short Term VIX Futures ETF) were 1.7% lower despite a -2.2% drop in the S&P 500 last week, continuing the 2022 syndrome of elevated levels that refuse to cross into crisis territory even as negative pressure builds. With a recession and earnings downgrades now appearing imminent, this pressure may soon reach a boiling point that the U.S. equity hedging markets cannot deny.

### VIX Futures Historical Prices

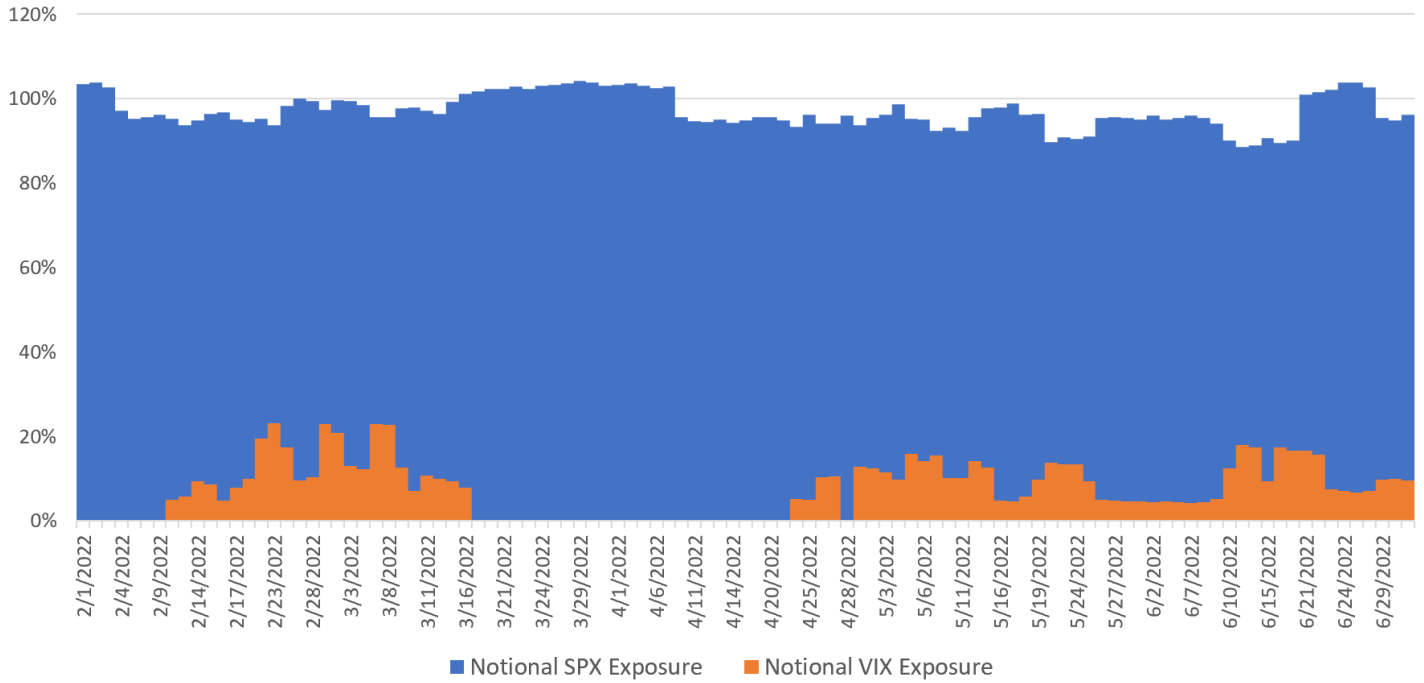
vixcentral.com



The Tactical Beta strategy moved back towards the defensive side, 95% long S&P with 10% VIX futures.\*

### Tactical Beta Strategy Exposure

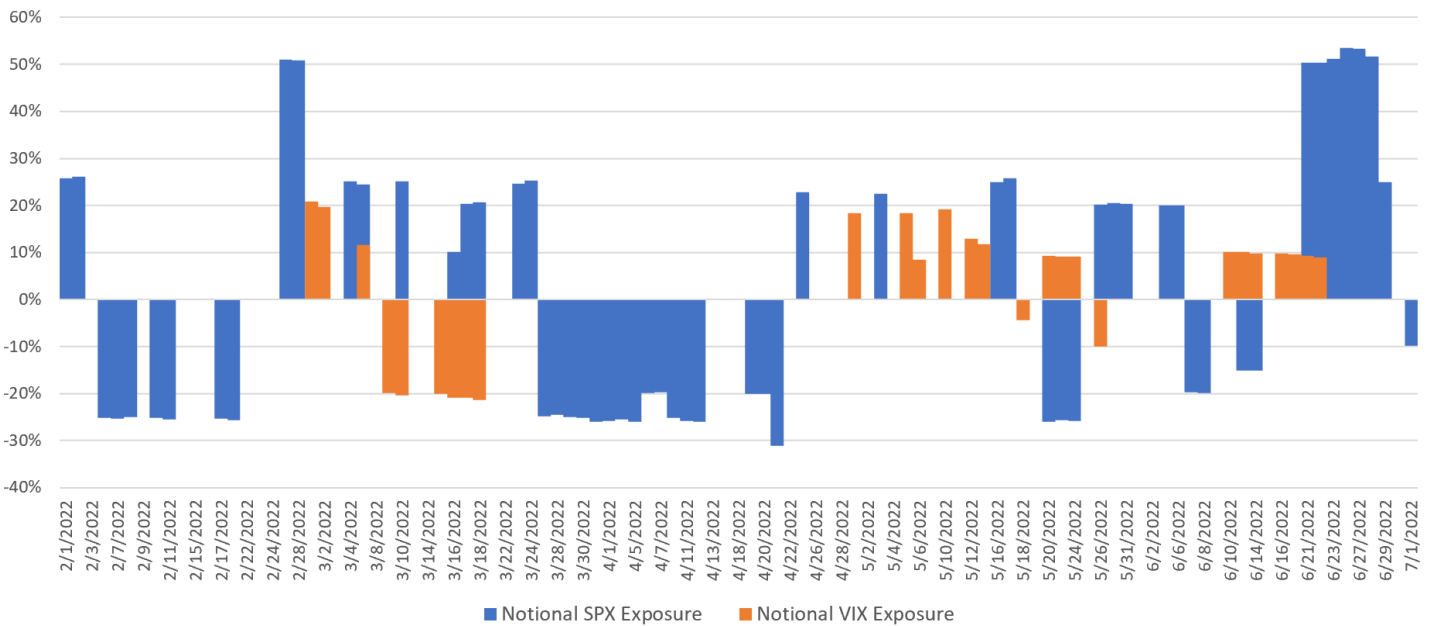
Sample Account, Trailing 100 Day as of 07/01/22



The Alpha Seeker strategy made similar moves, from 50% long to the first tranche of short S&P 500 exposure by the end of the week.\*\*

### Alpha Seeker Strategy Exposure

Sample Account Trailing 100 Day as of 07/01/22



## 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 July 1, 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 July 1, 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<sup>®</sup>, the S&P, and to the market generally are to the Standard & Poor's 500<sup>®</sup> 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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