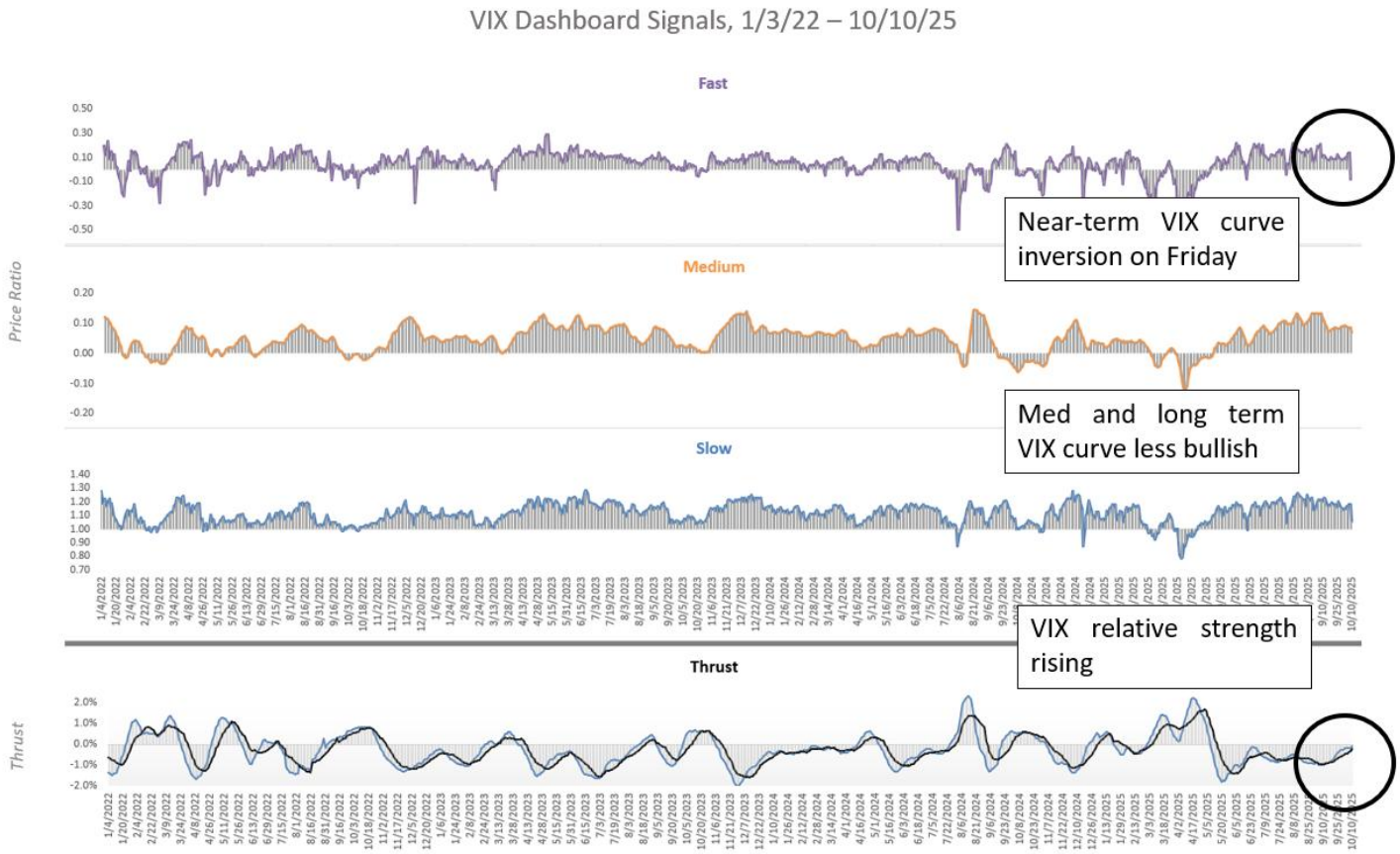
The Volatility Watch

A Weekly Commentary On The Volatility Marketplace

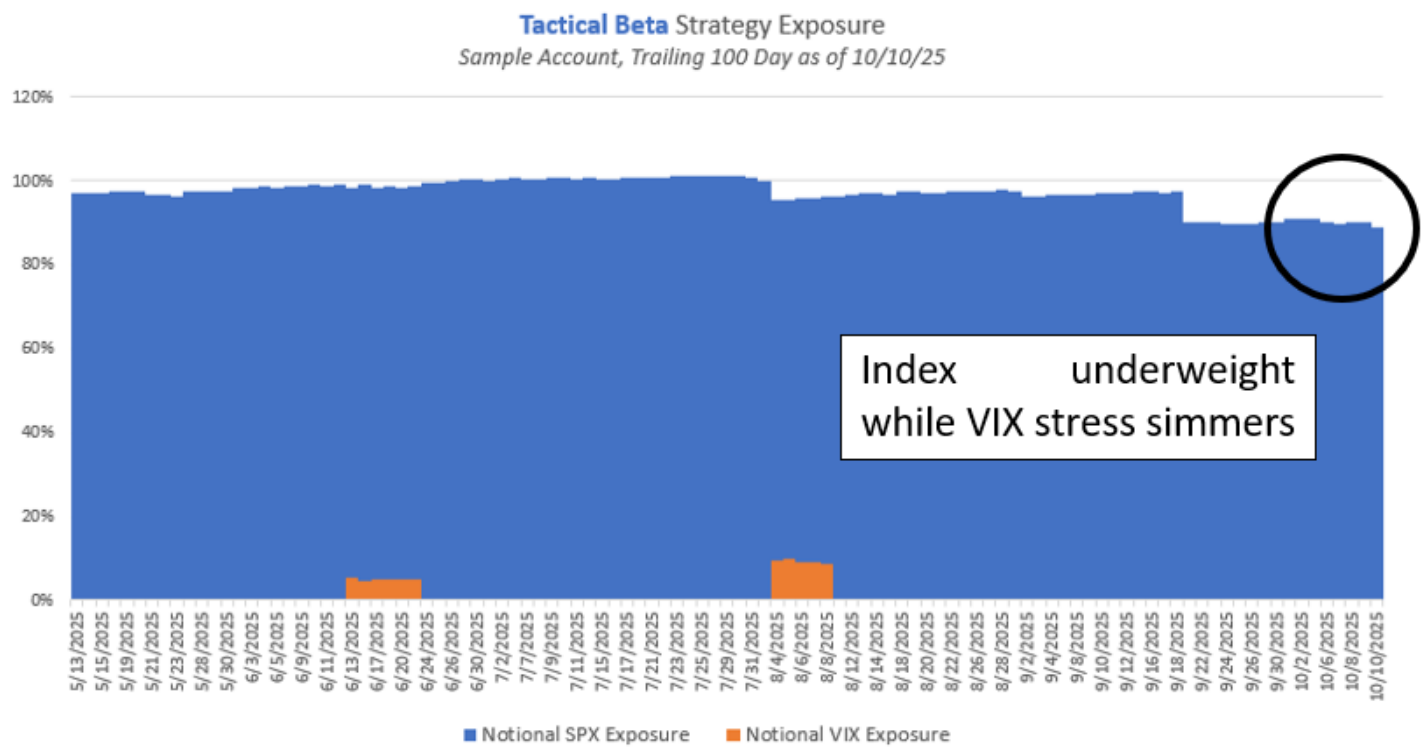
Free weekly delivery

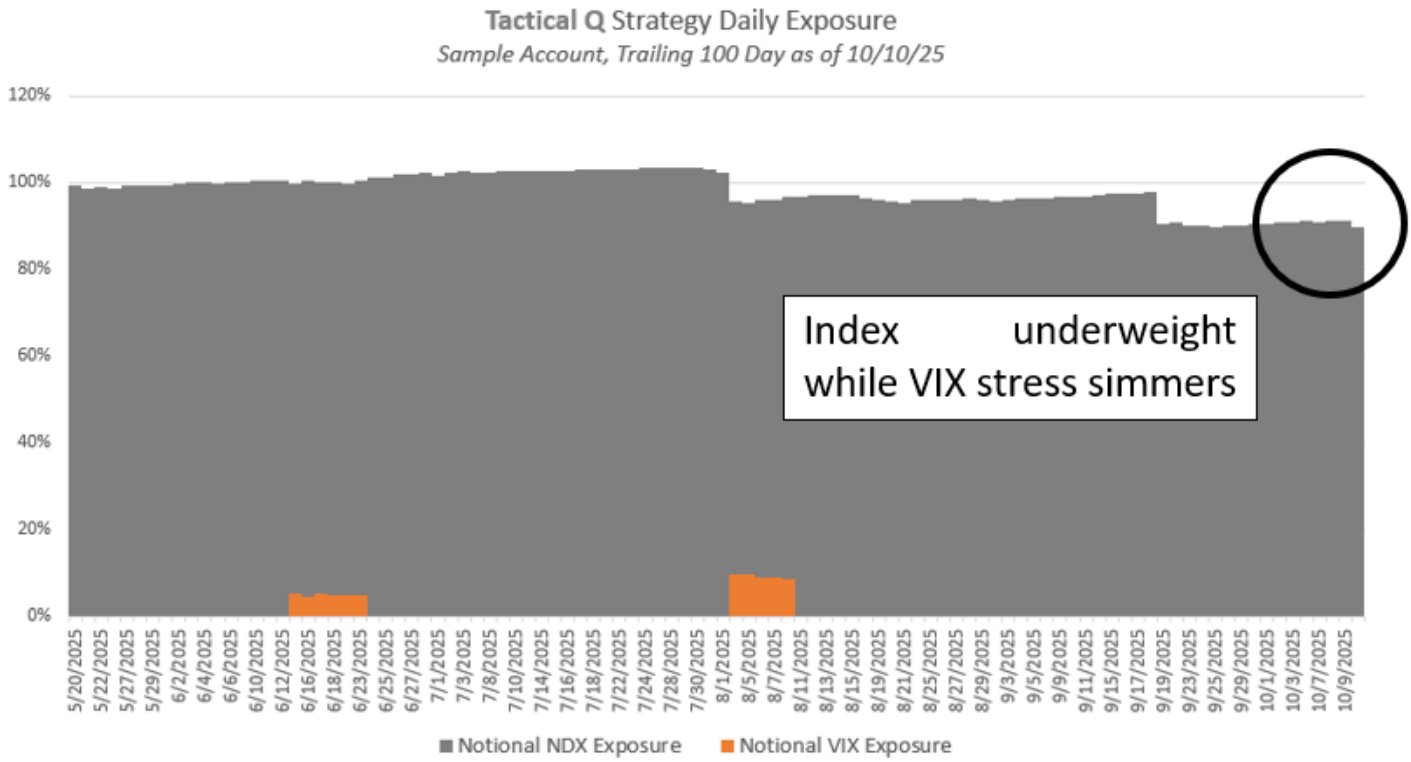
For Week Ending 10/10/2025:

Shaken from their slumber after new tariffs on China were threatened, a sharp drop for stocks on Friday sent the VIX index over 20 with inversion in the "Fast" VIX Dashboard indicator reflecting a scramble for near-term protection while dragging VIX "Thrust" (relative strength) toward positive territory for the first time since April. With other parts of the VIX curve remaining in bullish territory, the jury is still out on whether this is the start of the next market crisis but after Friday's shock, the next few days will be critical in determining the path forward.



The Tactical Beta and Tactical Q strategies remain underweight equity index exposure as VIX stress continues to simmer.*/**





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 October 10 2025. **The Sample Account for the Tactical Q Strategy consists of two accounts managed by Mike and Matt Thompson for portions of the time period between May 1, 2020 through October 10, 2025 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 use substantially the same investment objectives, policies, and principles. 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 Tactical Q strategy referred to herein. TCM is the Source for all the charts found 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. The VIX Vol Dashboard™ is a trademark of TCM.

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