

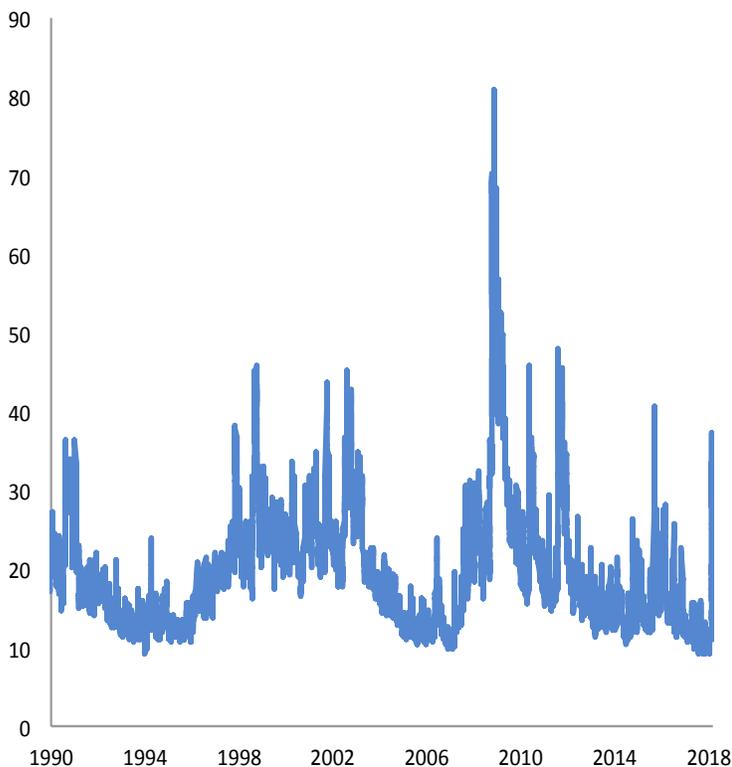
## Is Volatility Back? Time to Think Defense?

Also known as Wall Street's "fear gauge", the Chicago Board Options Exchange SPX Volatility Index is often used as a proxy for market volatility. Spikes in the VIX often correspond with periods of market stress. On November 3, 2017, the VIX index closed at 9.14, an all-time low.

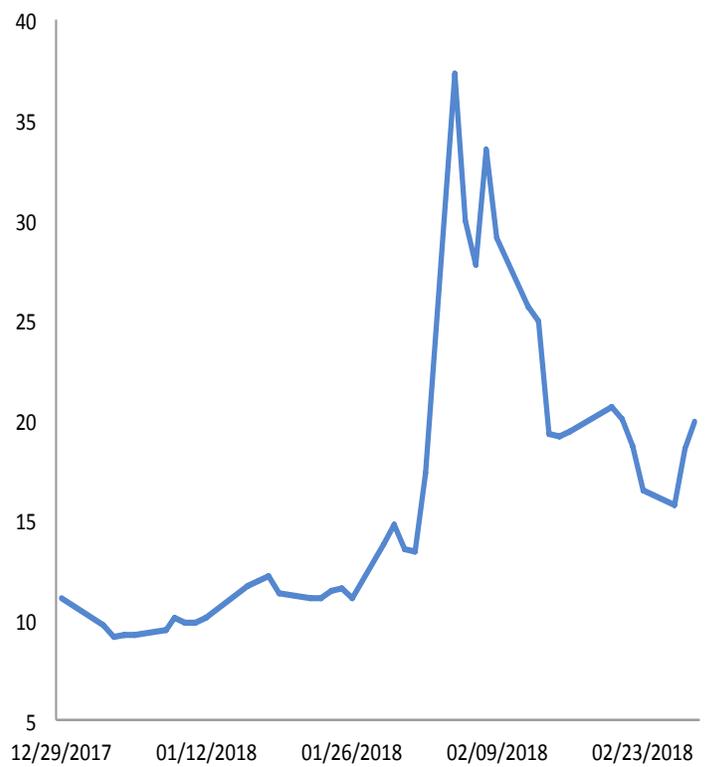
The VIX has closed below 10 a total of 68 times since 1990. 52 of these occurrences have happened in 2017. With the recent uptick in market volatility, could the market be due for a correction? There are certainly arguments to stay invested in the market, but it might be a good time for investors to revisit their portfolios and assess their risk tolerance. Lower volatility, high quality stocks may allow investors to maintain their equity exposure but avoid the full brunt of market pull-backs.

|   | VIX Level    | Date             |
|---|--------------|------------------|
| <b>Last</b>                               | <b>19.85</b> | <b>2/28/2018</b> |
| <b>All-Time</b>                           |              |                  |
| All-Time Low                              | 9.14         | 11/03/2017       |
| All-Time High                             | 80.86        | 11/20/2008       |
| Average                                   | 19.35        |                  |
| <b>Past 5 Years</b>                       |              |                  |
| 5 Year Low                                | 9.14         | 11/03/2017       |
| 5 Year High                               | 40.74        | 8/24/2015        |
| 5 Year Average                            | 14.49        |                  |
| <b># of times closed below 10</b>         | <b>68</b>    |                  |
| <b># of times closed below 10 in 2017</b> | <b>52</b>    |                  |

Chicago Board Options Exchange SPX Volatility Index

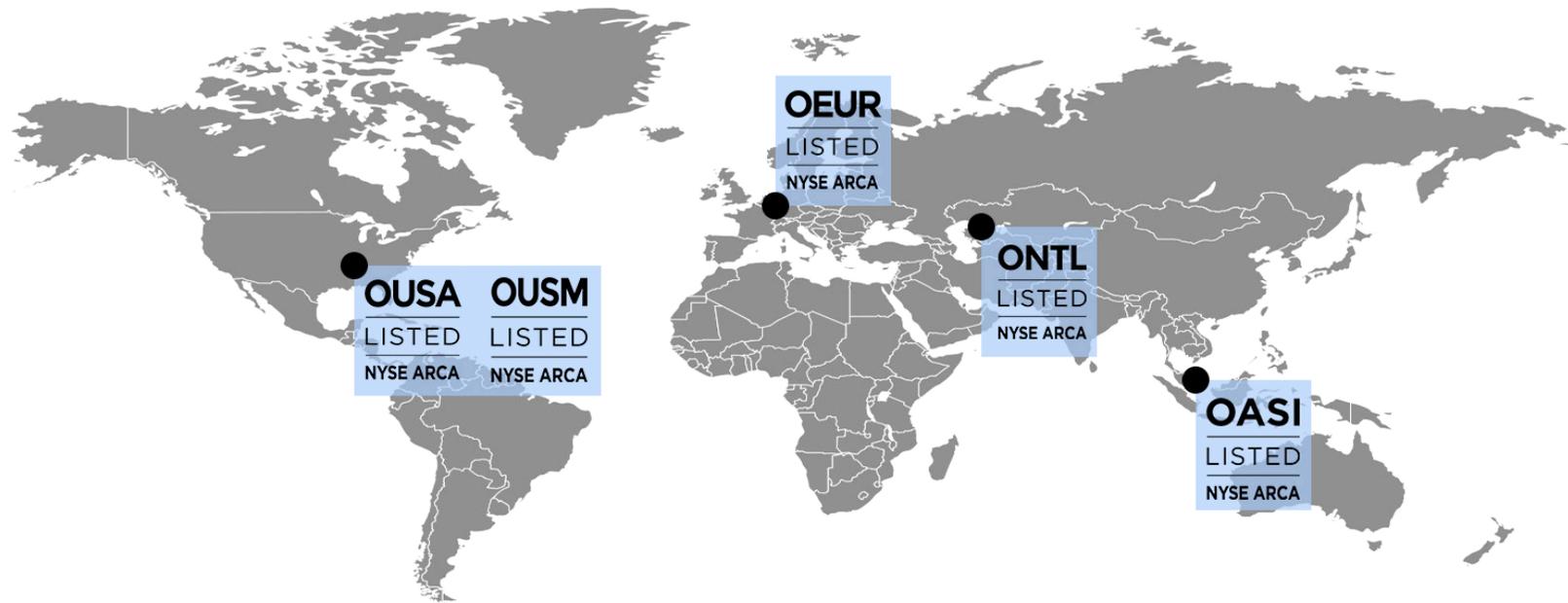


Chicago Board Options Exchange SPX Volatility Index - Year to date



Source: Bloomberg. Data as of 2/28/2018. Past performance is not a guarantee of future results. One cannot invest in an index.

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