

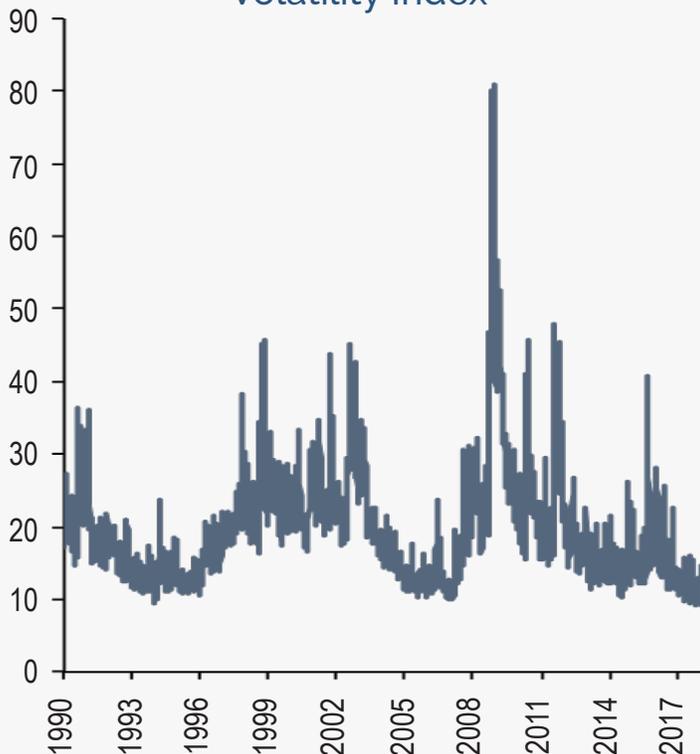
## Is Volatility Back? Time to Think Defense?

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. To say that the current low volatility environment is unprecedented, is not a stretch. 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>13.54</b>	<b>01/31/2018</b>
<b>All-Time</b>		
All-Time Low	9.14	11/03/2017
All-Time High	80.86	11/20/2008
Average	19.34	
<b>Past 5 Years</b>		
5 Year Low	9.14	11/03/2017
5 Year High	40.74	08/24/2015
5 Year Average	14.36	
<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

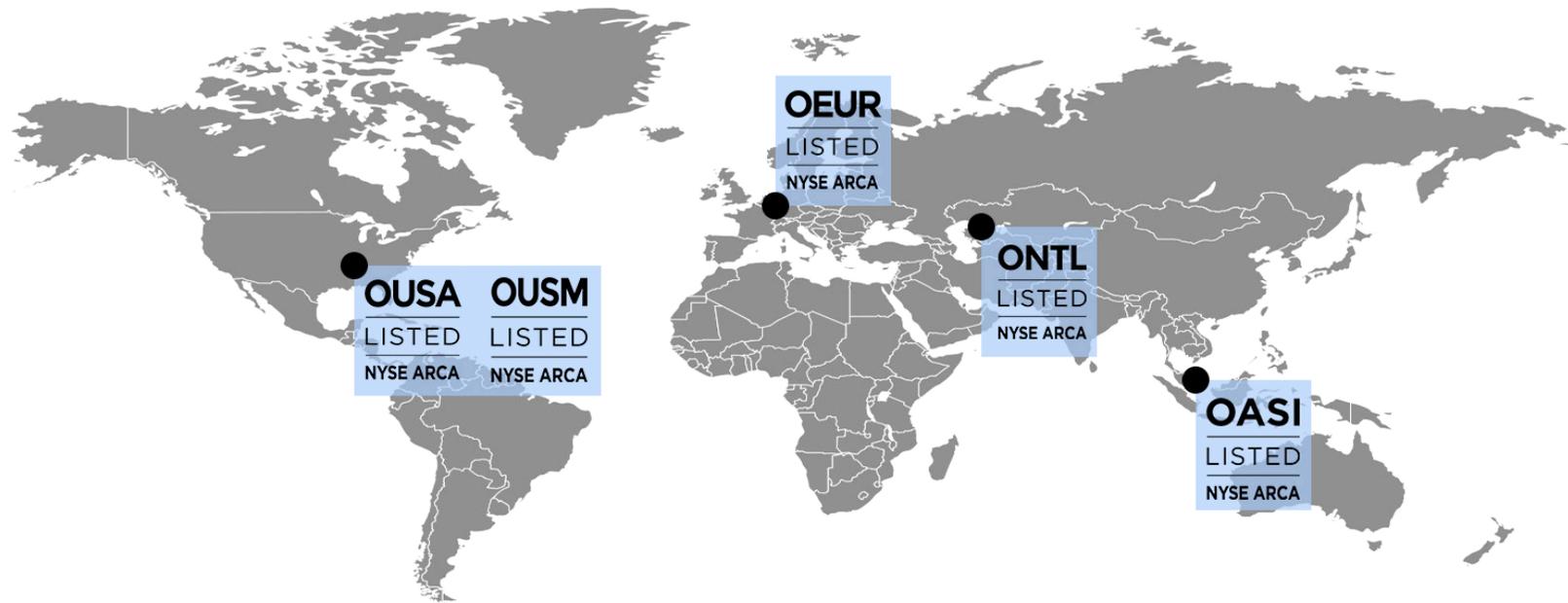


Chicago Board Options Exchange SPX Volatility Index - January 2018



Source: Bloomberg. Data as of 1/31/2018. Past performance is not a guarantee of future results. One cannot invest in an index.

## O'Shares ETFs: ETFs for Conservative Long-Term Investors Consistent investment process focused on Quality, Volatility & Yield



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Past performance does not guarantee future results. Shares are bought and sold at market price (not NAV), are not individually redeemable, and owners of the Shares may acquire those Shares from the Funds and tender those shares for redemption to the Funds in Creation Unit aggregations only, consisting of 50,000 Shares. Brokerage commissions will reduce returns.

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