

The RJA PutWrite Select Fund (the PWSF) added 0.10% net of fees during the March-April expiration cycle¹. The algorithm dictated the PWSF roll the strike down as the SPX Index came off its highs. The PWSF pays premium when re-striking down but collects additional volatility risk premium. The volatility risk premium can provide additional return relative to the PUT and SPX Indices. The final position of the PWSF, the April 2017 2340 put, expired worthless and the PWSF outperformed the PUT and SPX Index by 0.31% and 1.34%, respectively.

The SPX print on April 21st at 11:00 AM ET set the May 19th strike at 2350. The 2350 puts were selling at an 11.4% implied volatility, which is the first double digit volatility seen in 2017 on an expiration roll. The PWSF rolled up on the global rally following the first round of the French election results. The runoff election will be held on May 7th with the markets pricing in a Macron victory. Minimal volatility is being attributed to this event as May 8th SPX options were trading at 8.26%² implied volatility.

The RJA PWSF gained 1.31% net of fees in the month of April, whereas the PUT and SPX Index rose 0.76% and 0.91%, respectively.

Period	Net Returns ³ RJA PWSF
March 17 th – April 17 th	0.10%
Month of April	1.31%
Inception ⁴ to April 30 th	11.93%

¹ Returns are measured close-to-close from 3/17/17 to 4/21/17.

² Implied volatility of the SPX 5/8/17 100% strike option on 4/28/2018 at 4:00PM ET on Bloomberg.

³ Please note that these figures are based on preliminary, unaudited estimates and may change at month end. Performance is net of commissions, transaction costs, and accrued fund expenses. RJA fees have been waived starting 5/1/16.

⁴ Inception date is 4/15/16.