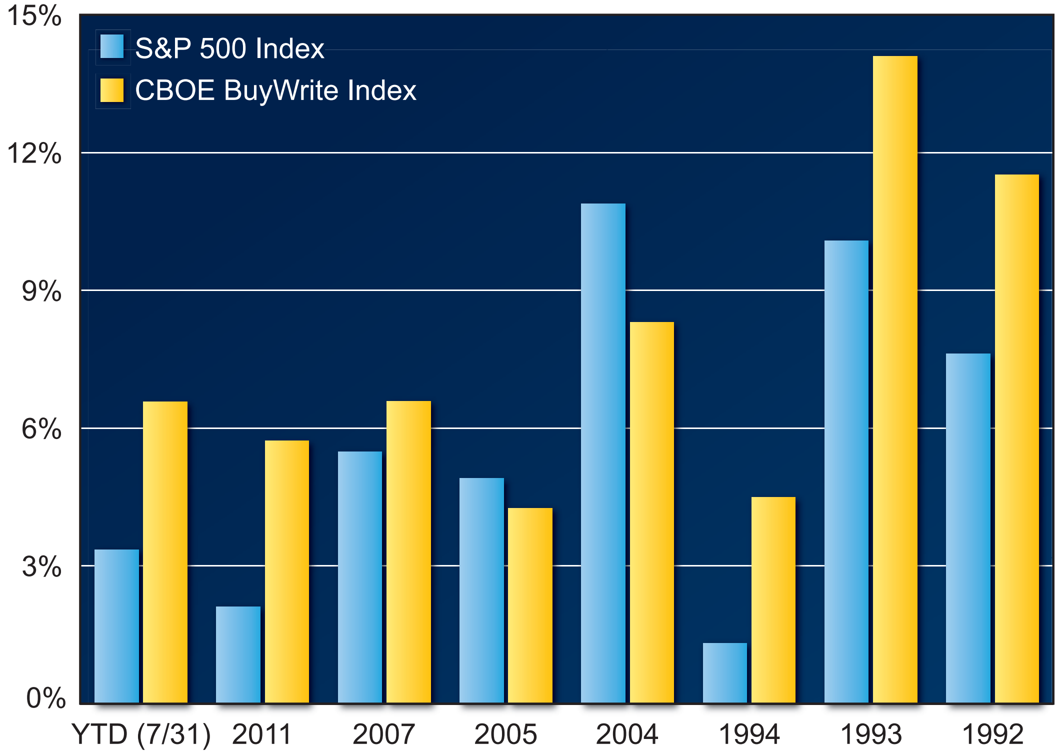
A Good Climate For Equity Covered Call Writing

S&P 500 Index vs. CBOE BuyWrite Index
(When S&P 500's Annual Total Return is 0% to 11%)



Source: Bloomberg

View from the Observation Deck

1. From 1926-2014, the average annual total return on the S&P 500 Index was 10.12%, according to data from Ibbotson Associates/Morningstar.
2. Since 1990, there were seven calendar years in which the S&P 500 Index posted a total return that was greater than zero, but less than 11%.
3. The CBOE BuyWrite Index outperformed the S&P 500 Index in five of the seven years.
4. The CBOE BuyWrite Index has outperformed the S&P 500 through the first seven months of 2015 (see chart).
5. We believe that corporate earnings determine the direction of stock prices over time.
6. Bloomberg's consensus 2015 earnings growth rate estimate for the S&P 500 Index was 4.65% as of 8/11/15.

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