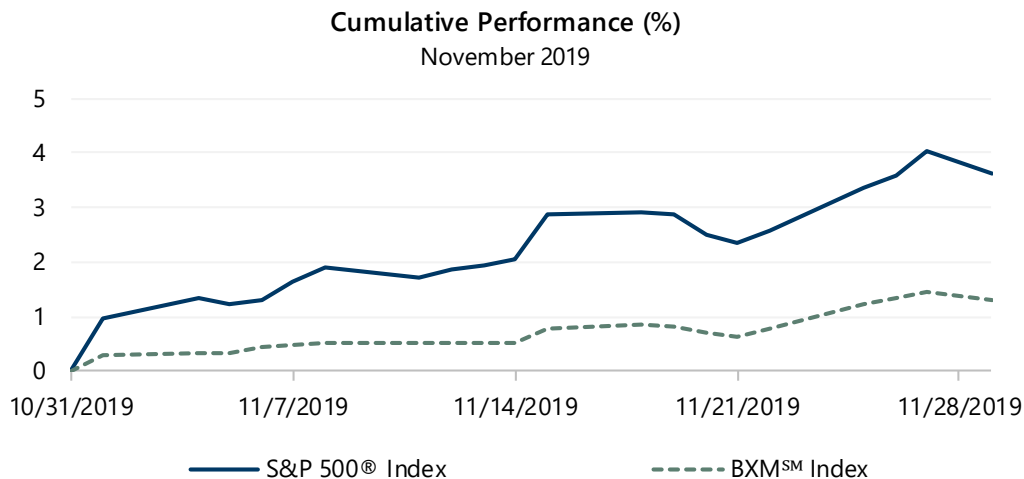


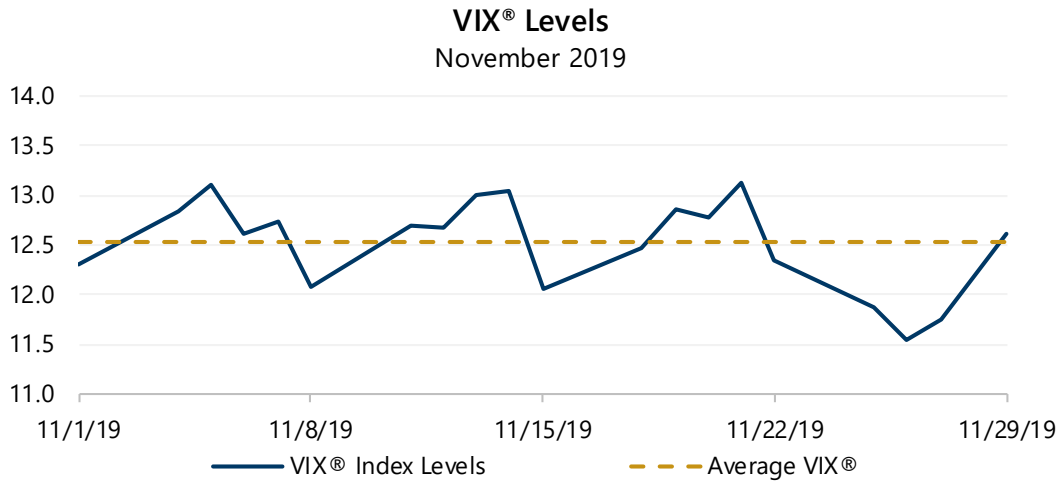
The S&P 500® Index advanced 3.63% in November, bringing its year-to-date return to 27.63%. The rise of the S&P 500® Index in November was driven by better than expected earnings reports, progress toward a “Phase 1” trade deal between the U.S. and China, and a stabilizing global macroeconomic backdrop that supported the U.S. Federal Reserve’s wait-and-see approach to additional policy adjustments after three consecutive rate cuts.

November data releases showed a solid economic backdrop, which helped to mitigate concerns of a domestic slowdown. The second estimate of Gross Domestic Product growth for the third quarter of 2019 was 2.1%, at the top of consensus expectations and stronger than the 2.0% growth rate of the second quarter. The unemployment rate ticked up from 3.5% to 3.6% in October, in line with consensus expectations, as the labor participation rate climbed to 63.3%. The October Consumer Price Index, released on November 13, showed a 1.8% year-over-year increase, at the high end of consensus expectations. With over 97% of companies reporting, third quarter corporate earnings growth appeared better than expected. Aggregate operating earnings declined less than 1% quarter-over-quarter and grew nearly 2% year-over-year. Over 82% of companies that have reported earnings met or exceeded analyst estimates.

Implied volatility, as measured by the Cboe® Volatility Index (the VIX®), exceeded realized volatility and averaged 12.52 in November, while the standard deviation of daily returns for the S&P 500® Index was 5.77%. The VIX® opened the month at 12.30, peaked at 13.13 on November 21, and reached a year-to-date low of 11.54 on November 26. The VIX® closed the month at 12.62.



The Cboe® S&P 500 BuyWriteSM Index (the BXMSM) returned 1.29% in November, bringing its year-to-date return to 14.63%. On the third Friday of each month, the BXMSM writes a new index call option as the option it wrote the previous month expires. The premium the BXMSM collects on its written index call options have significant influence on its return potential over a period when the market advances. The premium collected as a percentage of the BXM’sSM underlying value was 1.26% for the month, which did not provide enough return potential to keep pace with the above-average equity market advance over the course of the month.



The Bloomberg Barclays U.S. Aggregate Bond Index declined 0.05% in November, bringing its year-to-date return to 8.79%. The yield on the 10-year U.S. Treasury Note (the 10-year) started the month at its low point of 1.71% before reaching an intra-month high of 1.94% on November 8. The yield on the 10-year closed the month at 1.78%. The shape of the U.S. Treasury yield curve was little changed over the course of the month as the spread between the yield of the 2-year U.S. Treasury Note and the 10-year ended the month where it started, at 16 basis points.

IMPORTANT INFORMATION

Sources: Morningstar DirectSM, Bloomberg, L.P. Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.

The BXMSM is a passive total return index designed to track the performance of a hypothetical buy-write strategy on the S&P 500[®] Index. The construction methodology of the index includes buying an equity portfolio replicating the holdings of the S&P 500[®] Index and selling a single one-month S&P 500[®] Index call option with a strike price approximately at-the-money each month on the Friday of the standard index-option expiration cycle and holding that position until the next expiration.

For more information and access to additional insights from Gateway Investment Advisers, LLC, please visit www.gia.com.