

## Celebrating Milestones

This month's commentary is a short but meaningful one. We are proud to report some very important milestones:

**25 Years:** Last month we celebrated our 25<sup>th</sup> year in business. Craig started Van Hulzen Asset Management in 1998 in order to provide custom investment solutions for a small group of clients who believed in him. John moved to California from New York to join the team 16 years ago, and Stefan moved his family from Amsterdam to join the Firm two years later. We have built a great business, and we're proud to say we are just as focused on service as we are on performance. We appreciate the trust our clients have in us.

**Top 100:** Van Hulzen was a new addition to the CNBC **FA 100**, a compilation of the Top 100 financial advisory firm in the US. The list in partnership between CNBC and data provider AccuPoint Solutions. A variety of core data points from AccuPoint Solutions' database of RIAs were analyzed, ranging from the firm's compliance record and years in business to total accounts and assets under management. We are incredibly proud to be recognized on this list for the first time.

**22 Years:** Van Hulzen's institutional covered call strategy celebrates its 22<sup>nd</sup> anniversary later this month. The strategy is one of the longest running actively managed covered call track records in the world and consistently ranks at or near the top in both **alpha** and **downside protection**. Since inception, the strategy has delivered 88% of the S&P 500's total return at 39% less risk. Its unique combination of yield and protection has resulted in an **annualized alpha of 2.4%** versus both of its primary benchmarks (the CBOE buy-write index and the high yield bond index).

**8 Years:** The Firm launched a small cap equity strategy eight years ago this month (December 2015). This "core" small cap strategy focuses on quality growth companies in up-and-coming industries. The strategy has delivered a 10.8% annualized return over the past eight years, versus 6.6% for the Russell 2000 and 8.2% for the S&P 600 small cap index, at 12% less risk. That's an **annualized alpha of 4.5%** versus the Russell and 3.2% versus the S&P. We plan to market this strategy more actively in the next growth cycle.

### Van Hulzen Asset Management New Addition to CNBC's Top 100 Advisors List



## Financial Advisor 100

### FA 100: CNBC ranks the top-rated financial advisory firms of 2023

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#### 2023 FA 100 LIST

2023 RANK	FIRM	HQ	TOTAL AUM	YEARS IN THE BUSINESS	ACCOUNTS UNDER MANAGEMENT	2022 RANK
34	<a href="#">YCG Investments</a>	TX	\$1.2B	16	247	-
35	<a href="#">Scharf Investments</a>	CA	\$4.3B	40	6,381	-
36	<a href="#">Van Hulzen Asset Management</a>	CA	\$1.4B	22	2,222	-
37	<a href="#">Sage Advisory Services</a>	TX	\$15.3B	26	4,888	-
38	<a href="#">Southeast Asset Advisors</a>	GA	\$3.2B	30	1,296	-

Methodology: According to CNBC's website, the methodology for the 2023 edition of CNBC's annual FA 100 ranking of registered investment advisors was prepared in partnership with data provider AccuPoint Solutions. A variety of core data points from AccuPoint Solutions' database of RIAs were analyzed, ranging from the firm's compliance record and years in business to total accounts and assets under management.

## A 60/40 Solution for Today's Markets

More and more, we are seeing advisors allocate capital to our covered call strategy from two distinct categories: large cap equities *and* fixed income. As interest rate risk and duration risk have reared their heads over the past few years, advisors are seeking a strategy that can deliver a strong total return as well as an attractive yield, but low interest rate and duration risk. Our strategy does just that, as we do not tolerate excess leverage and credit risk. Also, most economists are projecting mid-single digit returns for both stocks and bonds over the coming decade, making our 7-8% targeted yield look very appealing. And our long-term average market exposure (61%) lines up almost exactly with a traditional 60/40 approach. It compares especially well with high yield bonds.

## Happy Holidays from the entire Van Hulzen Team!

We would like to wish all of our current and future clients a Merry Christmas and a very Happy New Year!

And now...A word from the World's Most Interesting Man.



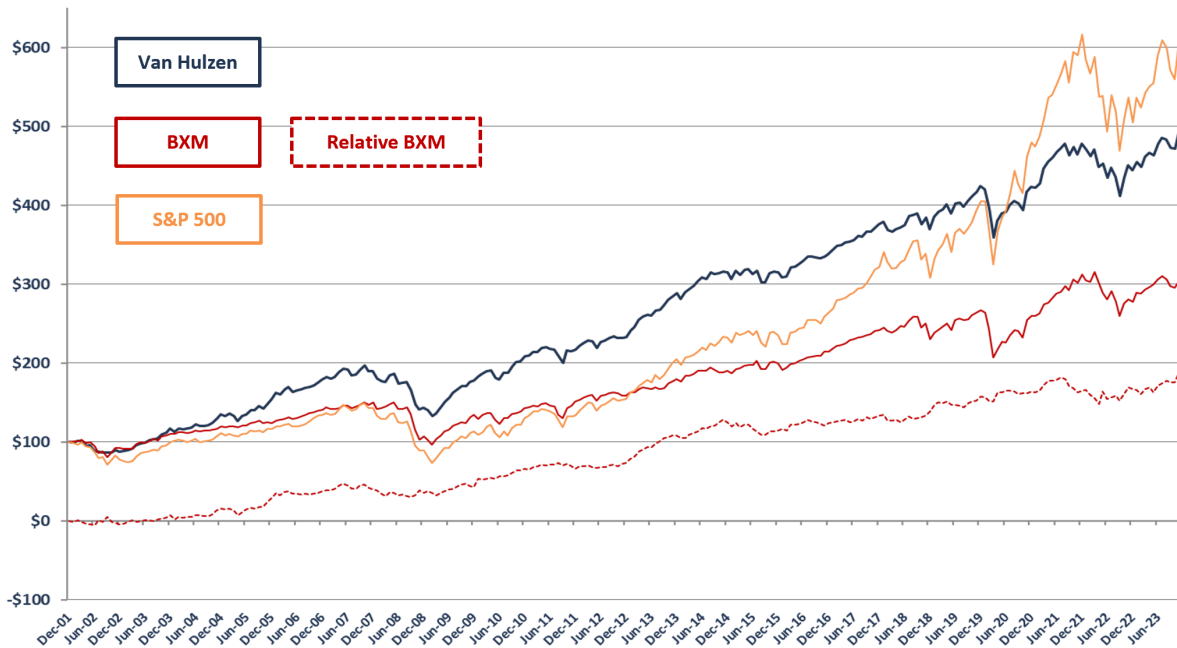
## Key Takeaways

- We are celebrating numerous milestones this year. We are proud of our accomplishments and, above all else, appreciate our clients.
- Quality has rarely mattered more than it does today. We believe we are in a “higher for longer” interest rate environment that will prove challenging for levered companies as well as fixed income solutions.
- Our strategy has been designed to perform well in most markets and compares favorably to the traditional 60/40 allocations that we have all become accustomed to.
- As always, our portfolio has higher ROIs, higher dividend growth and lower debt. Plus we use call options to add additional yield and valuable downside protection.
- Our strategy is well hedged and is currently yielding 7-8%. We are ready for whatever the market throws at us.

## Van Hulzen Covered Call Strategy

The Van Hulzen Covered Call strategy invests in US companies that we consider to have high shareholder yield (dividends and share repurchases) and uses call options with the goal of reducing portfolio volatility and creating incremental income. The goal is a portfolio that has equity exposure while seeking higher than average annual income (target of 6-8% annual), although there is no guarantee that the strategy will achieve its objective, generate profits or avoid losses. Below you will find the graph of the Van Hulzen Covered Call Strategy and the Covered Call Index BXM.

Covered Call Strategy Performance (gross as of 11/30/2023)



Returns (annualized)*	Nov 2023	3M	6M	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception
<b>Van Hulzen (Gross)</b>	4.4%	1.8%	6.3%	10.9%	9.3%	5.7%	5.1%	5.6%	5.6%	7.5%
<b>Van Hulzen (Net)</b>	4.4%	1.7%	6.0%	10.3%	8.7%	5.2%	4.5%	5.1%	5.0%	6.7%
<b>BXM</b>	2.9%	-0.5%	1.4%	9.7%	8.3%	6.0%	4.0%	5.1%	5.6%	5.2%
<b>Difference (Gross-BXM)</b>	1.5%	2.3%	4.9%	1.2%	1.0%	-0.3%	1.1%	0.5%	0.0%	2.3%

\*Inception date : 12/31/2001. Figures greater than one year are annualized. Van Hulzen returns represent actual returns from composite of accounts

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