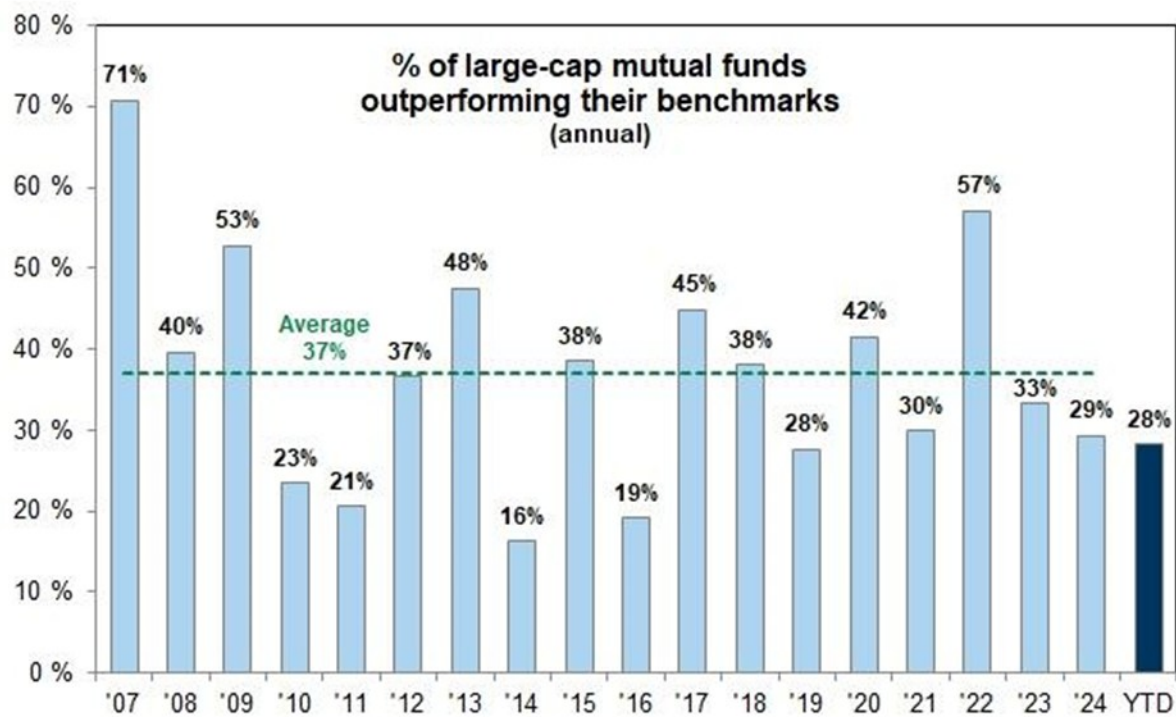


Beating The Odds As An Active Manager

It's no secret that the S&P 500 has been a difficult benchmark to outperform. So far in 2025, only 28% of active managers have done it. And that percentage isn't much better if you look further back. Since 2006, approximately 37% of large cap managers have outperformed their benchmark. See below. The growing concentration at the top of the market and trend towards passive funds have each contributed to these underwhelming statistics.



Source: Goldman Sachs Global Investment Research

What about hedged strategies?

With valuations pushing all-time highs and more investors looking into hedged strategies, it's worth asking if this trend (active manager underperformance) has been similar in the alternatives space.

Although hedged strategies and their benchmarks vary widely, we of course track the covered call index (CBOE buy-write index, ticker BXM) closely. **Van Hulzen has outperformed this benchmark handily, both year-to-date (+12.0% vs 7.4%) as well as since inception (+8.0% vs 5.9%).** And we've done it with a lower standard deviation.

It's All About Alpha

Whichever risk profile you find yourself in, your investment manager's skill is always measured the same way: alpha. This metric measures investment returns relative to the risk taken to achieve that return. By definition, a passive index has an alpha of 0%.

The following table shows the Alpha of Van Hulzen's covered call strategy since inception (24 years this month!), relative to the covered call index, the high yield bond index and the S&P 500. We believe this profile makes the strategy attractive to both equity and fixed income investors.

Alpha	Relative to...		
	CC Index	High Yield	S&P 500
$a = R_p - [R_f + (R_m - R_f) \beta]$			
R_p = Realized return of portfolio	8.1%	8.1%	8.1%
R_m = Market return	5.8%	5.6%	9.8%
R_f = risk-free rate	1.5%	1.5%	1.5%
β = Beta	0.7	0.7	0.5
Alpha	3.6%	3.5%	2.2%

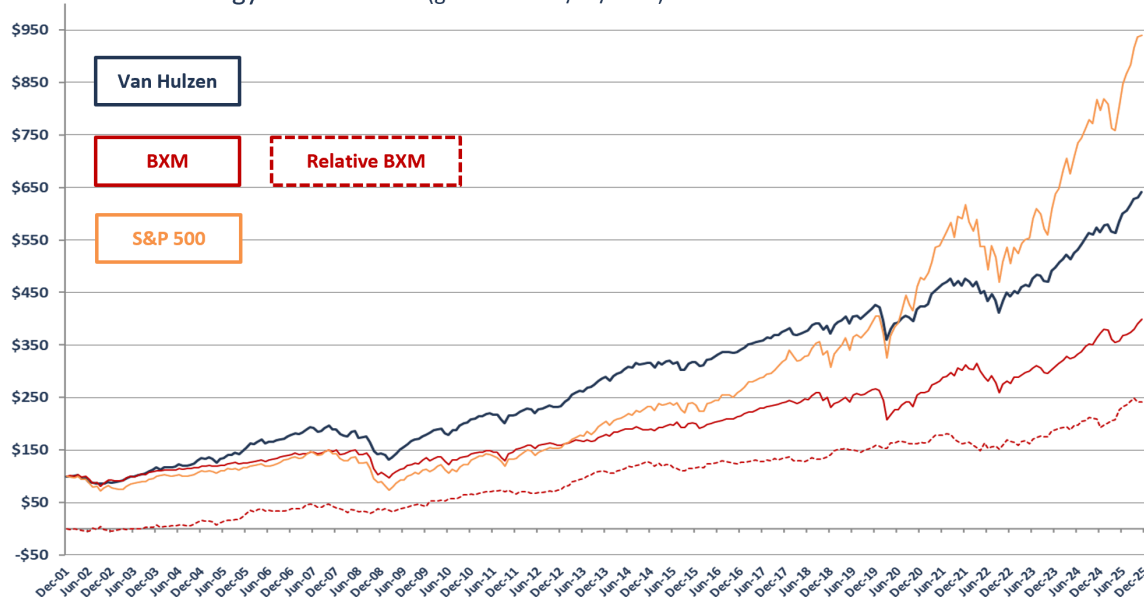
The Timing Is Right

After a third straight double-digit year for stocks, it makes sense to do a risk assessment and decide how much of your portfolio should be at "full risk." You may decide that hedging your portfolio makes a lot of sense. But one thing is sure: The timing is always right to find a manager who can consistently outperform its benchmark.

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 11/30/2025)



Returns (annualized)*	Nov 2025	3M	6M	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception
Van Hulzen (Gross)	1.5%	4.0%	9.7%	13.4%	11.6%	12.5%	9.0%	7.5%	7.3%	8.1%
Van Hulzen (Net)	1.4%	3.8%	9.3%	12.7%	10.9%	11.8%	8.2%	6.7%	6.5%	7.2%
BXM	2.2%	6.7%	11.4%	7.1%	9.5%	12.4%	9.4%	6.9%	7.0%	6.0%
Difference (Gross-BXM)	-0.7%	-2.7%	-1.7%	6.2%	2.1%	0.1%	-0.4%	0.6%	0.2%	2.1%
S&P 500	0.2%	6.3%	16.6%	17.8%	15.0%	20.6%	15.3%	15.7%	14.6%	9.8%

*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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