

## **How to Protect Your Portfolio from Excessive Volatility**

Markets are getting rocked.

Since late April, the Dow has now fallen from about 35,500 to 32,803. And unless the Dow can hold triple bottom support dating back to late February, we could test 32,272. After that, there's no support, until we drop under 31,000.

Let's just hope that doesn't happen.

Unfortunately, traders are running to the exits. Inflation is only getting worse. Fears of recession are mounting. Your average American consumer is struggling. The situation with Russia isn't exactly helping. And no one knows what comes next.

And if you believe the bottom is in, I have a bridge to sell you.

It's why just last week we highlighted opportunity in volatility ETFs and ETNs including:

### **Pro Shares Ultra VIX Short-Term Futures ETF (UVXY)**

As the VIX pops, so does the UVXY ETF.

For those of you that are new to the UVXY, the ETF was designed to match two times (2x) the daily performance of the S&P 500 VIX Short-Term Futures Index. As the VIX moves higher, the UVXY typically follows. Since last Wednesday, the UVXY has now popped from about \$17 to \$19.07. We believe it could run to \$23 near-term.

### **iPath S&P 500 VIX Short-Term Futures (VXX)**

The VXX ETN, which provides exposure to the S&P 500 VIX Short-Term Futures Index. Since last Wednesday, the VXX ran from about \$26 to \$28.40. We believe it could see \$32.

### **ProShares VIX Short-Term Futures ETF (VIXY)**

ProShares VIX Short-Term Futures ETF provides long exposure to the S&P 500 VIX Short-Term Futures Index, which measures the returns of a portfolio of monthly VIX futures contracts with a weighted average of one month to expiration. Since last Wednesday, the VIXY ran from about \$20 to \$21.27. We believe it could test \$24 shortly.

All are still solid opportunities as markets head lower.