

DISCLAIMER

The information immediately below is required by our registrations, and it includes the actual performance of our managed futures accounts, which posted strong performance, after fees and costs, for the third year in the past four (the managed futures program was only active for one month and one day in 2012).

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HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

Actual performance of the Volatility Capture Total Return Strategy managed by McMillan Analysis Corp (after fees):

Strategy	Nov-Dec 2012	2013	2014	2015	2016	Totals
Volatility Capture (Futures)	+1.13%	+13.19%	+2.68%	+18.20%	+13.19%	+57.21%

THE OPTION STRATEGIST NEWSLETTER 26-YEAR TRACK RECORD

The following performance results for The Option Strategist newsletter are hypothetical; these positions were not actually traded in an account.

The material assumptions made in calculating the hypothetical results are:

- 1) the investment for a position assumes exchange minimum margin requirements for normal customer account (*not* portfolio margin)
 - 2) the average investment for a group of positions is the unweighted average of 1) above
 - 3) the profit for a position includes a commission of \$15 round turn in futures, \$15 per side in futures options, \$2.00 per option for stock and index options, and 2 cents per share for stock.
 - 4) the average profit/loss for a group of positions is the unweighted average of 3) above
 - 5) the average annual return for a group of positions is 4) divided by 2), divided by the average holding period (in years) for the same group of positions
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The Option Strategist Performance Summary by Strategy

The below strategies/performance are hypothetical. See page 1 for assumptions and disclaimers.

Figures in each box show 1) number of recommendations made, 2) average dollar investment, 3) average profit or loss, and 4) for totals, avg. gain at annual rate

STRATEGY:		Hedged Futures Options	Hedged Equity Options	Hedged Index Options	Inter- market Spreads	All Hedged Trading	Speculative Option Buying	Totals By Year
TOTALS	# positions:	467	1484	354	312	2617	2146	4763 positions
	Avg. Invt.:	\$12158inv	\$5921 inv	\$18827 inv	\$5998 inv	\$8789 inv	\$1951 inv	\$5708 inv
	Avg pft/loss:	+\$777 pft	-\$18 pft	+\$272 pft	+\$482 pft	+\$223 pft	-\$15 pft	+\$116 pft
	Avg annual	+39.8%	-1.5%	+11.4%	+63.5%	+14.4%	-7.9%	+14.5%
2016	# positions:	17	66	20	16	119	112	231
	Avg. Invt.:	\$45776	\$2880	\$48645	\$6635	\$17205	\$1688	\$9681
	Avg pft/loss:	+\$2861	+\$31	+\$423	+\$132	+\$515	-\$24	+\$253
	Avg annual	+110.8%	+59.1%	+8.2%	+28.9%	+66.2%	-13.3%	+34.6%
2015	# positions:	18	63	23	22	126	125	251
	Avg. Invt.:	\$28729	\$4083	\$42728	\$2787	\$14431	\$1513	\$7998
	Avg pft/loss:	+\$1038	+\$141	+\$706	+\$460	+\$428	-\$54	+\$188
	Avg annual	+49.4%	+115.5%	+14.5%	+187.4%	+48.2%	-32.2%	+27.4%
2014	# positions:	19	18	22	21	80	116	196
	Avg. Invt.:	\$22770	\$6649	\$31374	\$2845	\$16278	\$1484	\$7522
	Avg pft/loss:	+\$197	-\$194	-\$46	-\$170	-\$54	-\$212	-\$148
	Avg annual	+7.3%	-30.6%	-1.2%	-64.2%	-3.1%	-124.1	-17.4%
2013	# positions:	16	48	17	13	94	82	176
	Avg. Invt.:	\$24271	\$6348	\$24735	\$3674	\$12354	\$1730	\$7404
	Avg pft/loss:	+\$1051	-\$139	+\$81	-\$357	+\$73	-\$369	-\$133
	Avg annual	+39.4%	-12.2%	+2.2%	-68.7%	+3.8%	-264.0%	-14.8%
2012	# positions:	12	79	15	27	133	111	244
	Avg. Invt.:	\$26833	\$4782	\$27617	\$3918	\$9170	\$1720	\$5781
	Avg pft/loss:	+\$1100	-\$121	+\$453	-\$220	+\$134	-\$3223	-\$83
	Avg annual	+49.9%	-22.1%	+19.4%	-91.0%	+4.4%	-132.2%	-11.7%
2011	# positions:	24	89	22	16	151	96	247
	Avg. Invt.:	\$17547	\$8818	\$12809	\$2740	\$10143	\$1727	\$6872
	Avg pft/loss:	+\$1572	-\$30	+\$453	+\$1370	+\$443	-\$257	+\$171
	Avg annual	+103.0%	-3.7%	+34.6%	+810.8%	+48.7%	-129.3%	+25.0%
2010	# positions:	30	90	23	23	167	78	245
	Avg. Invt.:	\$16128	\$9940	\$13965	\$2843	\$10586	\$1670	\$7748
	Avg pft/loss:	\$805	-\$49	\$420	\$508	\$245	\$29	\$176
	Avg annual	+41.7%	-3.9%	+30.7%	+211.7%	+19.9%	+17.3%	+20.5%
2009	# positions:	28	78	15	27	149	83	232
	Avg. Invt.:	\$15463	\$8284	\$12532	\$3679	\$9255	\$1958	\$6643
	Avg pft/loss:	+\$983	-\$103	\$7	-\$345	+\$69	-\$515	-\$140
	Avg annual	+53.0%	-3.6%	+0.6%	-87.2%	+3.3%	-314.0%	-11.9%
2008	# positions:	34	107	14	24	179	100	279
	Avg. Invt.:	\$11015	\$10049	\$6981	\$2158	\$9448	\$2277	\$6878
	Avg pft/loss:	+\$1300	-\$65	\$1290	\$140	+\$417	\$118	\$309
	Avg annual	+96.3%	-3.6%	+60.0%	+253.6%	+28.9%	+48.7%	+33.1%
2007	# positions:	22	117	8	4	151	109	261
	Avg. Invt.:	\$12246	\$8793	\$10024	\$3535	\$9222	\$2549	\$6406
	Avg pft/loss:	+\$821	-\$5	\$787	\$3699	+\$256	\$204	\$231
	Avg annual	+38.6%	-0.3%	+41.3%	+839.5%	+15.9%	+84.2%	+25.6%
2006	# positions:	5	120	3	5	133	86	219
	Avg. Invt.:	\$4384	\$3558	\$8260	\$3260	\$7264	\$2047	\$5122
	Avg pft/loss:	+\$165	\$14	+\$176	\$2882	+\$155	-\$155	\$27
	Avg annual	+15.6%	+0.8%	+7.6%	+365.9%	+9.5%	-76.6%	+1.9%
2005	# positions:	13	92	3	8	116	105	222
	Avg. Invt.:	\$6970	\$5975	\$9185	\$4342	\$6058	\$2177	\$4208
	Avg pft/loss:	+\$1094	\$23	+\$204	+\$1994	+\$284	-\$152	+\$80
	Avg annual	+51.6%	+1.5%	+10.6%	+227.6%	+18.5%	-60.3%	+10.2%

