

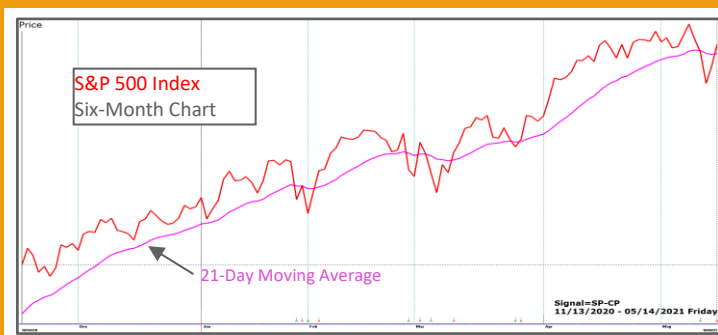


# RGB Perspectives

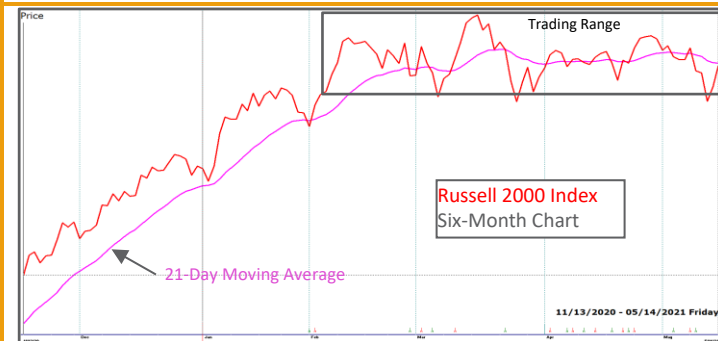
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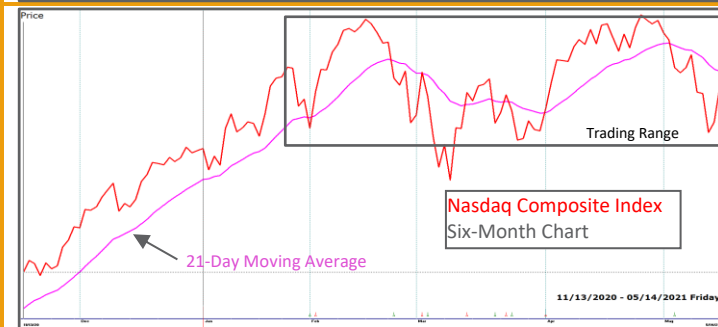
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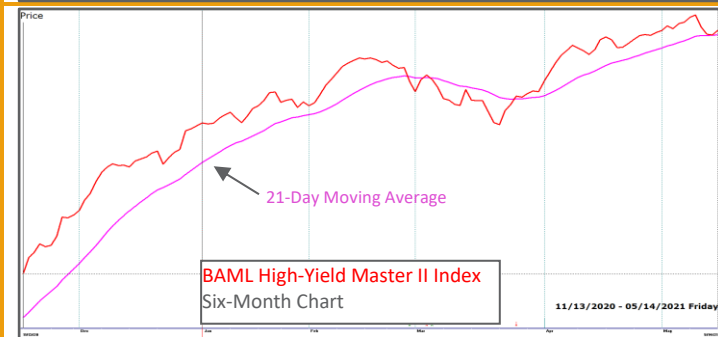
It was a volatile week for the stock market. The **S&P 500 Index** fell 4% during the first three days of last week before recovering some of the decline at the end of the week. The trend of the S&P 500 has flattened out and is at about the same level it was one month ago.



Small cap stocks remain in a multi-month trading range. The **Russell 2000 Index** is moving back and forth across its flat 21-day moving average and at the same level it was at in early February. The Russell 2000 Index is down just under -1.9% for the month.



The **Nasdaq Composite Index** has been quite volatile and is trending down within a wide trading range. The index is down -3.8% for the month.



Junk bonds held up well given the increase in volatility in the stock market. The **BAML High-Yield Master II Index** declined about -0.4% last week before bouncing on Friday. The index is flat for the month and remains above its 21-day moving average.

Much of the volatility last week was blamed on the Consumer Price Index (CPI) that rose at a 4.2% rate compared to last year. This spooked investors as fears rose that the Federal Reserve will need to tighten monetary policy by either tapering the current bond buying program or increasing interest rates sooner than expected.

We don't know what will happen in the future and I remain focused on risk management within all the RGB Capital Group investment strategies. The Core strategy remains invested in low volatility mutual funds and the Flex+ strategy moved to a reduced risk profile in March. No changes have been made to the strategies this month but I remain prepared to take action if our sell stops are triggered.

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Prepared with data through 5/14/2021