

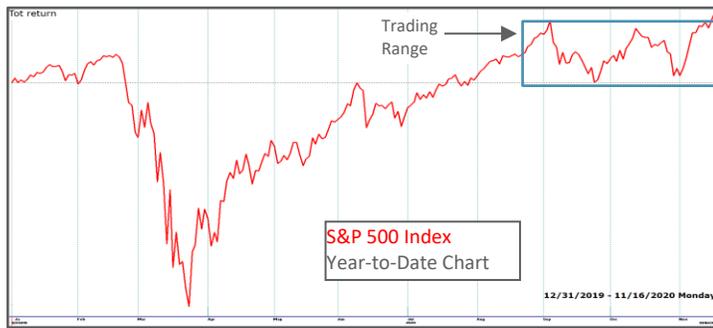


RGB Perspectives

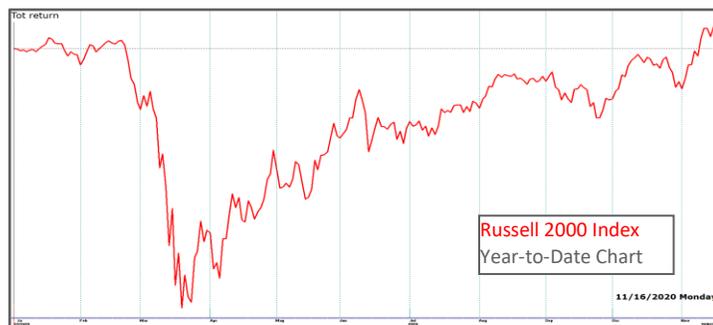
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The stock market continues to rally as Pfizer/BioNTech and Moderna announce success with their Phase 3 trials of a coronavirus vaccine. The **S&P 500 Index** broke through the top of its multi-month trading range to close at a new all-time high today. The index is up 10.9% for the month and up 12.2% year-to-date.



Small-cap stocks, which were particularly hard hit as a result of the pandemic, are also participating in the recent rally as investors look towards a future that will look more normal sometime in 2021. The **Russell 2000 Index** is now outperforming most of the major indices with the index up a whopping 16.1% month-to-date and is now positive year-to-date (up 7.0%).



Junk bonds are confirming the uptrend in the stock market. The **BofA ML High Yield Master II Index** which trended sideways over the last several months has turned up and is trending up above its 50-day moving average. This is a good sign for the overall market.



While many of the major indices are hitting new all-time highs, the **Nasdaq 100 Index** is still stuck in a trading range. The index, which has outperformed all year, has lagged recently as investors are rotating out of large-cap growth stocks into stocks that will likely benefit from the availability of a coronavirus vaccine. This type of rotation is a hallmark of a healthy market.

The road to returning to a more normal life is likely to be bumpy in the short-term as the number of virus cases are increasing across the United States. However, despite the surge in cases, I am optimistic about the stock market as we enter the usually positive end of year period and for 2021. I believe there is a tremendous amount of pent up demand and families will be eager to spend the money they have saved over the course of the pandemic once they feel safe to do so. All the RGB Capital Group investment strategies remain fully invested and are positive for the month and year-to-date periods. While I am optimistic about the future, I will continue to manage risk according to the objectives of each investment strategy and take action if necessary.

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