



RGB Perspectives

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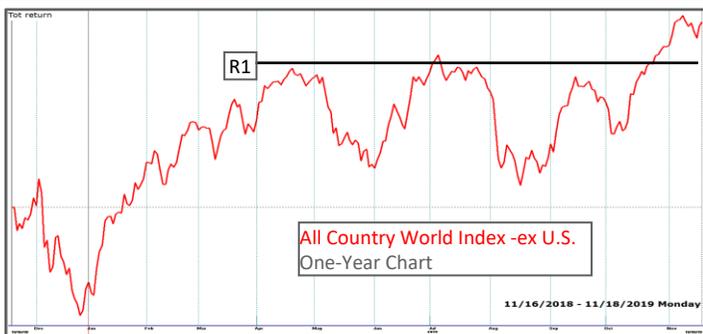
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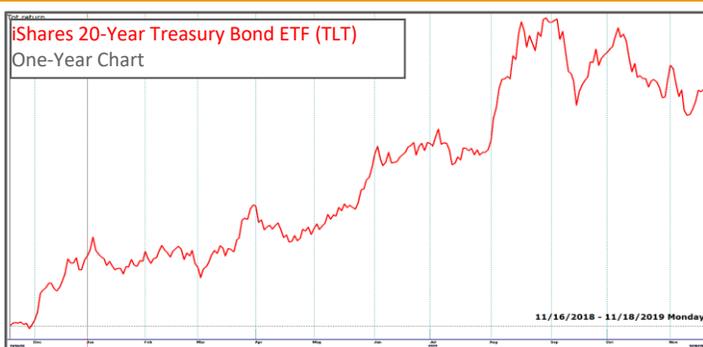
The **S&P 500 Composite Index**, along with most large cap stock indices, continues to trend up. The trend of this large-cap index has taken on some low volatility characteristics since the October lows.



The **Russell 2000 Index** (small-cap stocks) has trended up recently but stalled at the top of the trading range that has persisted for the most of 2019. While the index remains range bound, the sideways trend that has developed over the last few weeks is a constructive way to consolidate the 8.62% gain accumulated over a 4-week period following the October low.



Even international stocks are trending higher. The **All Country World Index -ex U.S.**, which includes exposure to both developed and emerging market stock markets, has broken above recent resistance levels (R1) and is sitting just below its 2019 high.



While stocks have trended up, Treasury bonds have trended down as investors sell the relative safety of bonds in exchange for higher rewarding stocks. The **iShares 20-Year Treasury Bond ETF** is now in a short-term downtrend.

With domestic and global stocks in well-defined uptrends, it appears to be a 'risk on' environment. Couple that with declining Treasury bond prices and you have a positive market environment for risk-takers. While this won't last forever, it appears that the market is positioned well as we head into the last six weeks of the year, which has generally been a positive time for the markets.

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