

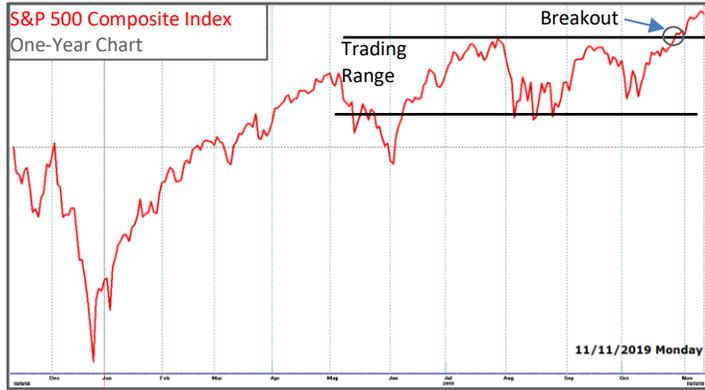


RGB Perspectives

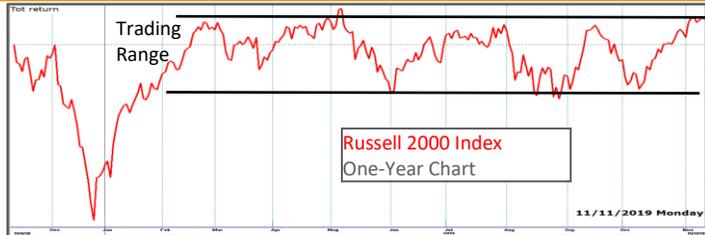
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The recent breakout in the **S&P 500 Composite Index** can now be considered a decisive breakout as it continues to march higher. The index is approximately 2.5% above the breakout point.



The **Russell 2000 Index** is in a steady, short-term uptrend and near the top of its nine-month trading range. While the small-cap index has not surpassed its 2019 high, the recent increase in relative strength compared to the S&P 500 (circled area) indicates a potential change in the market. Even the 21-day moving average of the relative strength line has started to turn up.



The **BofA Merrill Lynch High-Yield Master II Index** is confirming the recent uptrend in the equity markets as it continues to trend up above its 50-day moving average. The index is trending up at about a 9% annualized rate of return since June.

The stock market environment remains positive with stocks across the market capitalization spectrum in short-term uptrends. The relative outperformance of small-cap stocks may be an indication that investors are starting to move back into riskier, small-cap stocks. This is something to keep an eye on.

The RGB investment strategies are mixed for the first part of November. The RGB Core strategies are down a little for the month, the Balanced strategies are up a little and the Flex+ strategy is up. While I continue to maintain a fully invested posture, we will take action if necessary if market conditions change.

I am writing this note to you from Dallas this week, where the RGB Core strategy was a finalist in a Shark Tank-style, investment competition sponsored by the National Association of Active Investment Managers. It was really a fantastic experience and an honor to be able to present the strategy to a group of my peers.

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