



RGB Perspectives

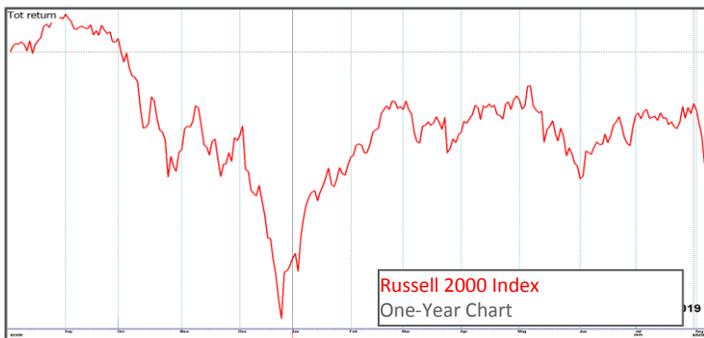
August 5, 2019

Written by Rob Bernstein (rob@rgbcapitalgroup.com)

RGB Capital Group LLC • 858-367-5200 • www.rgbcapitalgroup.com



Six days ago, the **S&P 500 Composite Index** reached a new all-time high. Since that time the widely followed large-cap stock index fell 6.0% as the ongoing trade war between the U.S. and China flared up again. The S&P 500 Composite Index is at about the same level it was one year ago.



Stocks across the market capitalization spectrum have fallen. The **Russell 2000 Index** (small-cap stocks) fell 6.2% over the last four trading days and is down over 11% from the levels seen one year ago.



The recent sell off has impacted most risk assets including junk bonds. The **BofAML High-Yield Master II Index** has fallen below its 50-day moving average which is an indication that investors are concerned about the risk in the current market environment.



During times of elevated risk, investors flee to the safety of US Treasuries. The **BofAML 20-Year Treasury Index** spiked higher over the last four trading days as investors shed risk in favor of the relative safety of US Treasuries.

The market is oversold on a short-term basis and is due for some type of bounce in the near future. The nature of that bounce will give us clues as to whether this is the beginning of a potentially longer-term decline or if this is another bout of short-term volatility that has become common place over the last few years.

The RGB Flexible and Flex+ strategies are down for the month while the RGB Conservative strategies are up a little. I will continue to monitor the market environment and make adjustments as necessary.

RGB Perspectives is provided for general information purposes only. It does not constitute an offer to sell or a solicitation to buy a security, and is not an offer to provide any specific investment advice. Securities held in the RGB models are subject to change without notice. Past performance is not a guarantee of future performance. It is not possible to invest directly in an index. Individual account results will vary from RGB models due to timing of investment, amount of investment and actual securities used. Advisory fees are deducted within the first month of the quarter for the prior quarter. Most data and charts are provided by www.fasttrack.net or TC2000 (www.worden.com). RGB Capital Group contact info: (858) 367-5200. Email: info@rgbcapitalgroup.com