



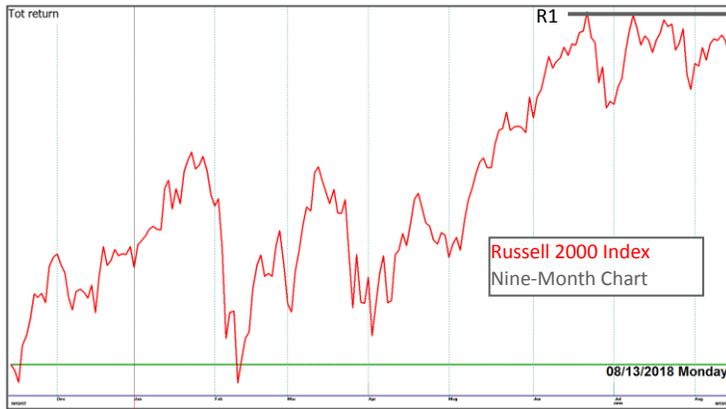
RGB Perspectives

August 13, 2018

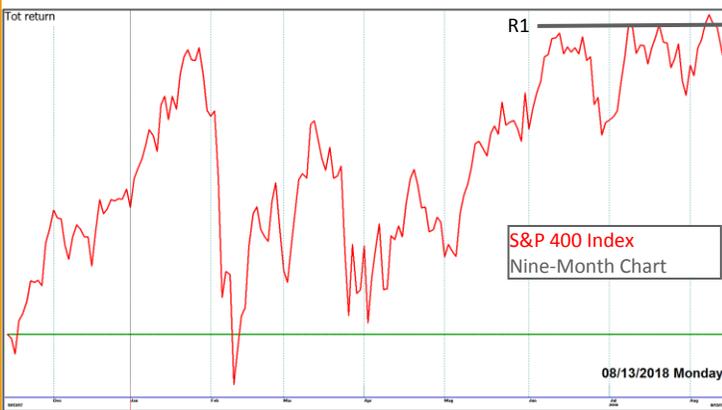
Written by Rob Bernstein (rob@rgbcapitalgroup.com)

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

All clients and friends of RGB Capital Group are invited to attend our annual meeting scheduled for Saturday, September 29 in Los Angeles and Saturday, October 6 in San Diego. For details and online registration please use the following links: [Los Angeles Meeting Details and Registration](#) or [San Diego Meeting Details and Registration](#). If you would like to attend one of these meetings, you must register. For questions, please contact Lois at lois@rgbcapitalgroup.com or 858-367-5200.



The **Russell 2000 Index** (small-cap stocks) has had difficulty breaking out to new highs over the last three months. After reaching a new, all-time high in June, it has bounced along sideways bouncing up against resistance (R1). It is currently 1.9% below its most recent peak.



Mid-cap stocks have a similar chart pattern. The **S&P 400 Index** is moving primarily sideways. Although the S&P 400 broke out to a new high earlier this month, it quickly reversed course and is back down below resistance (R1).



The **S&P 500 Composite Index** has been outperforming both small- and mid-cap stocks recently as it has continued to trend up. It trended right up to its January high (R1) before turning back down. It is too early to tell if this is a reversal of the recent uptrend, but is something to keep an eye on. A reversal at this point, could be the beginning of a significant double top.

It is not surprising for the market to pull back as it approaches significant levels of resistance as investors take profits. A definitive penetration of recent highs will be required in order for the uptrends to continue. It will likely be a few more days (or even weeks) until we know for certain if the bulls drive the market higher or the bears step in to take the market lower.

The RGB Capital Group models are flat for the month (up or down a very small percentage).

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