



RGB Perspectives

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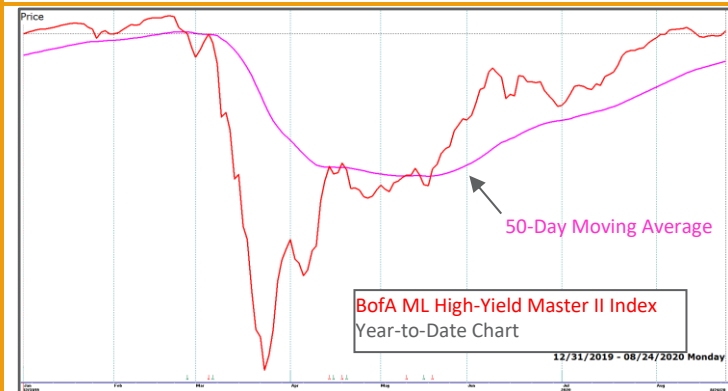
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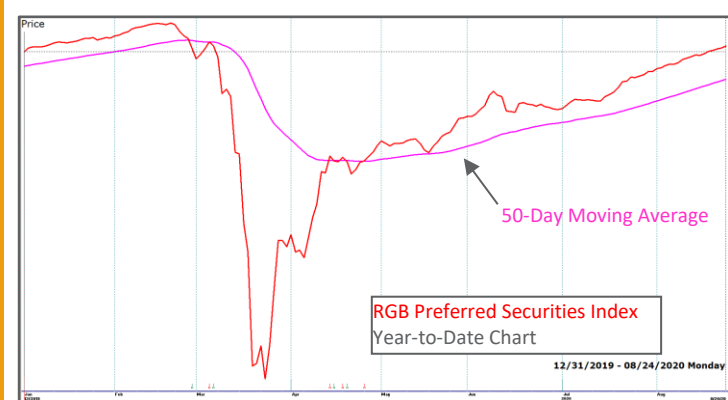
The **S&P 500 Index** has broken out to new highs over the last week and now sits 1.3% above the previous high set this past February, just before the coronavirus pandemic. The large-cap index is up 6.2% year-to-date. Other indices, such as the Nasdaq Composite Index and Nasdaq 100 (not shown) continue to notch out new highs.



Not all indices are performing as well. While the **S&P 400 Index** (mid-cap stocks) and the **S&P 600 Index** (small-cap stocks) are in intermediate-term uptrends, they still remain below their 2020 highs. The S&P 400 has to climb another 8.7% to reach its 2020 high and the S&P 600 has another 14.4% to reach that level. Obviously, not all stocks are trending up at the same rate.



Junk bonds, as represented by the **BofA ML High-Yield Master II Index**, continue to trend up on very low volatility and remain above their 50-day moving average. Junk bonds tend to be a good barometer of the overall health of the economy so the continued uptrend is a positive indicator for the overall market.



Other low income groups, such as preferred securities continue to trend up providing good risk-adjusted returns. The **RGB Preferred Securities Index** has started to trend up on extremely low volatility, something that we witnessed throughout 2019 and in 2020 prior to the pandemic.

No changes have been made to the RGB investment strategies over the last week and remain fully invested. The strategies are positive month-to-date and year-to-date. I continue to monitor the markets and will adjust our holdings when appropriate. However, for now, let's continue to enjoy the uptrends that the market is providing.

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