

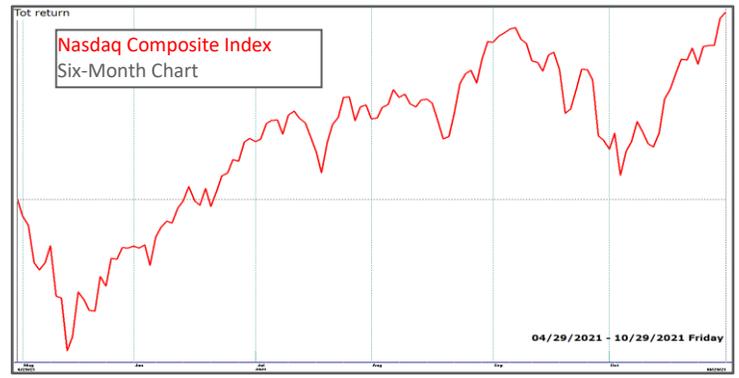
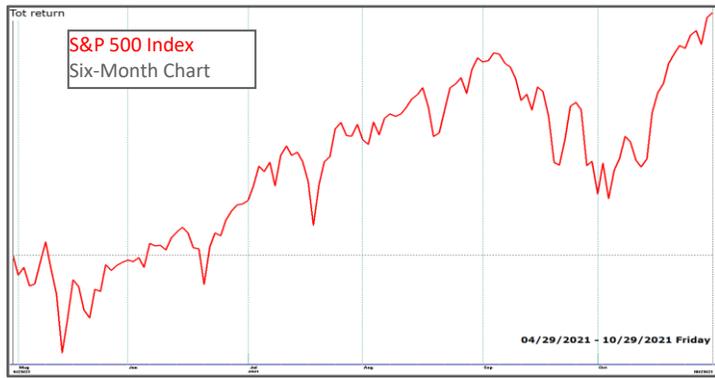


# RGB Perspectives

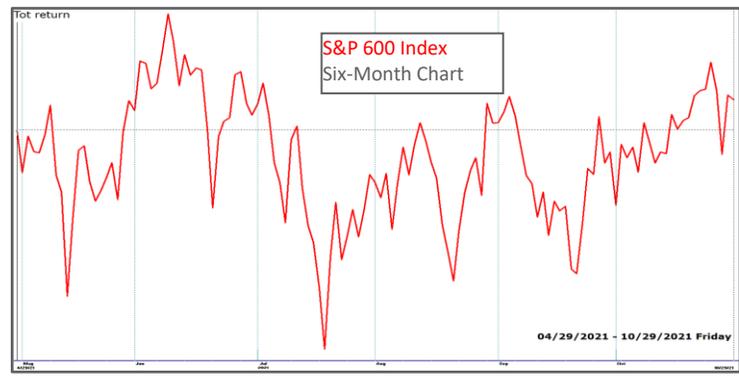
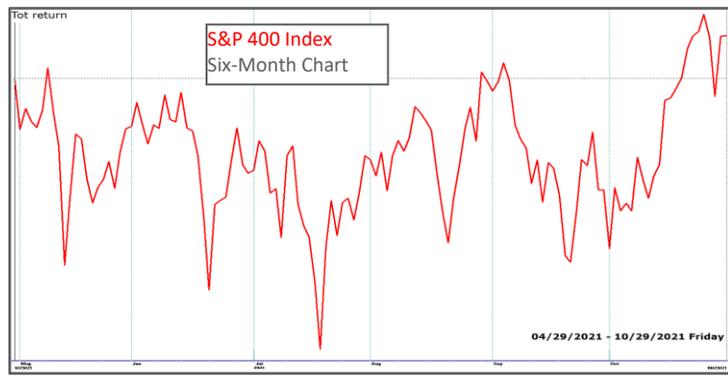
November 1, 2021

Written by Rob Bernstein ([rob@rgbcapitalgroup.com](mailto:rob@rgbcapitalgroup.com))

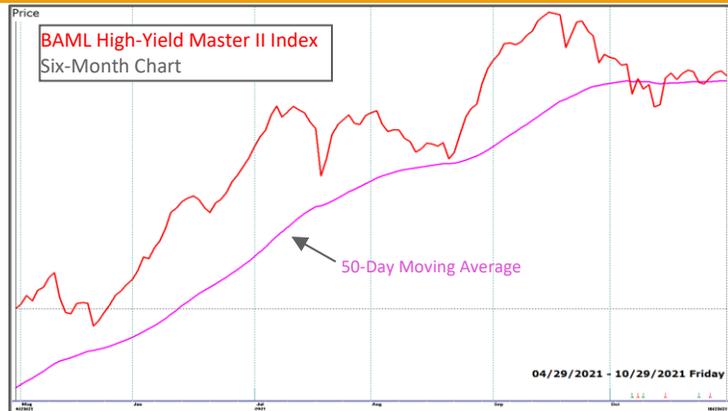
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Large-cap and technology stocks continued to climb higher and ended the month of October at all time highs. The **S&P 500 Index** was up 6.9% for the month and the **Nasdaq Composite Index** was up over 7%.



The **S&P 400 Index** (mid-cap stocks) and the **S&P 600 Index** (small-cap stocks) also trended up last month. Mid-caps are just breaking out above the top of their long-term trading range (a positive sign), while small-cap stocks continue to signal some uncertainty with the index entrenched in a trading range that has persisted for most of this year.



Junk bonds are indicating some uncertainty in the stock market with the **BAML High-Yield Master II Index** moving back and forth across its 50-day moving average over the last month. While a sideways trading pattern doesn't mean the uptrend in the stock market can't continue, it does indicate some increased concern as a strong stock market rally is usually accompanied by a rally in junk bonds. At some point junk bonds will either resume their uptrend or enter a new downtrend which will provide important clues to the future direction of the stock market.

I don't have the final numbers for October yet, but the RGB Flex+ and Balanced strategies enjoyed the nice uptrend in equities during the month and will end the month in positive territory. The Core strategies have generally moved sideways and will likely end the month with little change. While a little sideways movement isn't all that concerning, I am continuing to monitor our options for other good risk-adjusted return opportunities and will make adjustments, if necessary.

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