



RGB Perspectives

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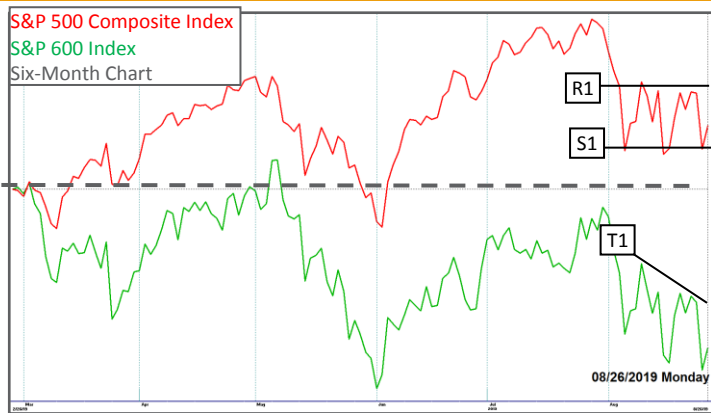
The RGB Capital Group Annual Meeting is scheduled for Saturday, November 2 at 10 am PDT at the DoubleTree by Hilton San Diego – Del Mar. While in previous years we have held two meetings (one in San Diego and one in Los Angeles), I have decided to change things up slightly this year. We will hold one meeting in San Diego and provide access to the meeting to those outside the San Diego area by offering the ability to participate in the meeting via a webinar. While it was a difficult decision to not hold the Los Angeles meeting, I think the webinar option will provide access to many who are unable to participate in person in San Diego. I will certainly evaluate how things go this year and make appropriate adjustments in the future.

The details of the meeting can be found at www.rgbcapitalgroup.com/events. An RSVP is required to attend either the meeting in person or via the webinar. Please use one of the two links below to register for the meeting.

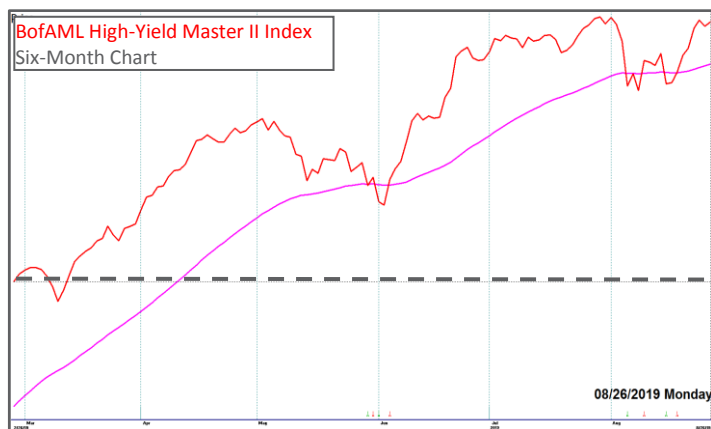
[RSVP to Attend in Person](#)

[RSVP to Attend the Webinar](#)

Of course, if you have any questions, please don't hesitate to give us a call in the office (858-367-5200).



After dropping precipitously at the beginning of August, the **S&P 500 Composite Index** (large-cap stocks) has settled into a volatile trading range marked as the area between R1 and S1. The S&P 500 Composite Index is down 3.4% month-to-date. Small-cap stocks, as represented by the **S&P 600 Index**, continue to underperform large-cap stocks and have trended down during this same period (note the series of declining peaks marked by the trendline T1). The small cap index is down -6.0% month-to-date. When small-cap stocks underperform, it is generally a sign of elevated risk.



Junk bonds have trended sideways over the last few weeks but continue to have a slight, upward bias as can be seen by the gently rising 50-day moving average of the **BofAML High-Yield Master II Index**. While the trend is not strong, the fact that junk bonds have not sold off during the recent increase in stock market volatility is an indication that investors are not too concerned with the recent swings in the market...at least not yet. The BofAML High-Yield Master II Index is down -0.1% for the month.

This has become a news driven stock market. More specifically, it has become a stock market driven by the POTUS twitter account which created a lot of volatility over the last few weeks. While market risk is increasing, the fact that junk bonds have held up so well is an encouraging sign.

The RGB Capital Group investment strategies are heading into the last week of August with mixed results. The Flexible and Flex+ investment strategies, that have exposure to the equity markets, are down for the month, while the both the Conservative Levered and Conservative Unlevered are positive month-to-date. We have made a few adjustments to our portfolio holdings during this time period but we remain invested. I will continue to monitor the strategies and make adjustments as our stops are triggered.

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