

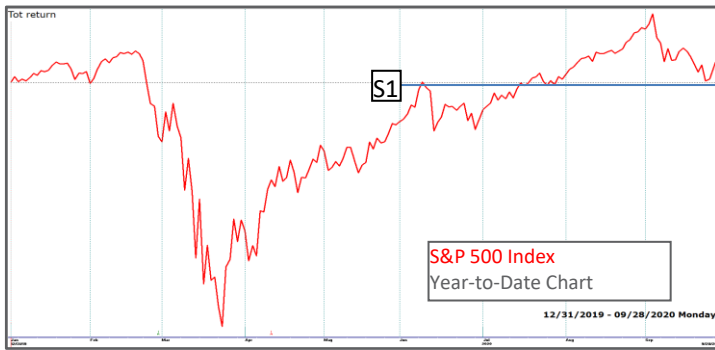


# RGB Perspectives

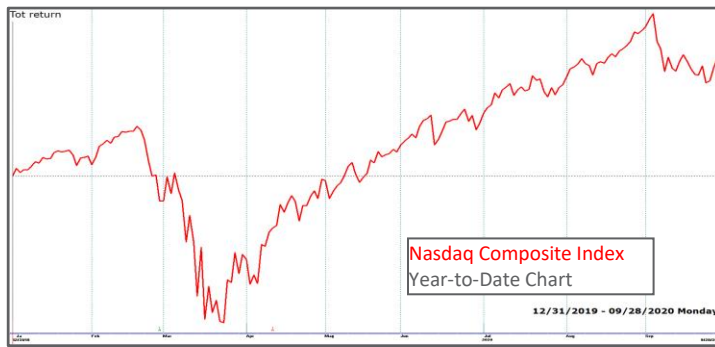
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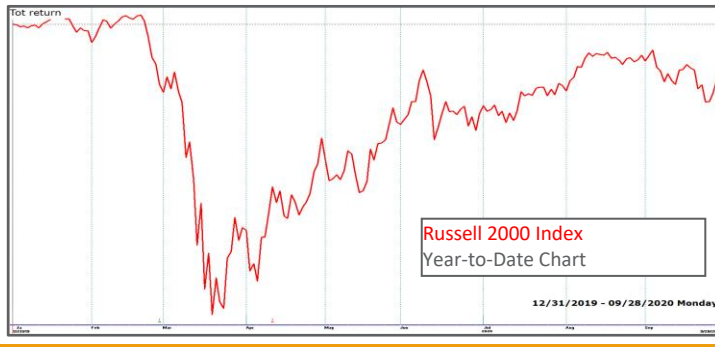
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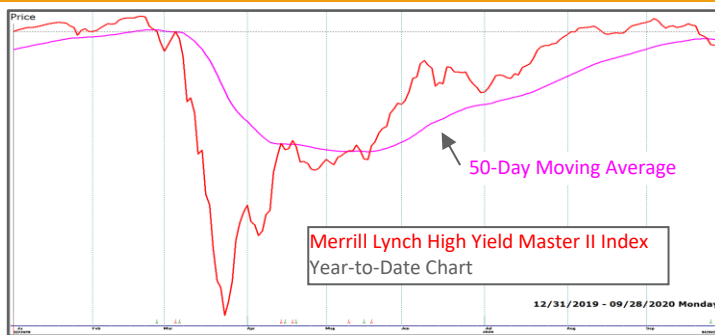
The stock market has struggled through most of September. After reaching a new, all-time high earlier this month, the **S&P 500 Index** fell 9.6% before recovering some of that decline over the last few trading days. The index fell to the June 2020 highs which is now acting as support (S1) for the market. The index is down -4.3% for the month and up 3.7% year-to-date.



The technology sector remains one of the stronger segments of the market on a year-to-date basis. However, this month's selloff impacted the tech heavy **Nasdaq Composite Index** as the index fell almost 12% from its early September peak before recovering some of that over the last three trading days. The Nasdaq Composite Index is down -5.6% for the month but remains up 23.9% year-to-date.



Many other segments of the market continue to struggle. While the **Russell 2000 Index** outperformed this month (only down -3.3% for the month) it remains down -9.5% on a year-to-date basis. If we are truly in a bull market which tends to lift all stocks, I would expect to see some more gains in other areas of the market besides large-cap tech stocks.



Junk bonds held up for the first part of the month trending mostly sideways, but started to trend down over the last week. The **Merrill Lynch High Yield Master II Index** fell below its 50-day moving average. A break below this level does not mean that the market will continue to fall, but it does alert us to be a bit more cautious of the current environment.

The recent decline in the stock market has impacted the RGB Balanced and Flex+ strategies and both remain down for the month. However, the Core investment strategies, which are invested primarily in low volatility mutual funds are flat to up slightly with a few more trading days until the end of the month. All strategies remain positive for the year-to-date period. I look forward to seeing many of you on our webinar coming up this Saturday, October 3 at 9 am PDT which will delve into how we uniquely use leverage on low volatility portfolios to create good risk-adjusted returns. If you would like to attend and haven't already done so, please [register here](#).

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