

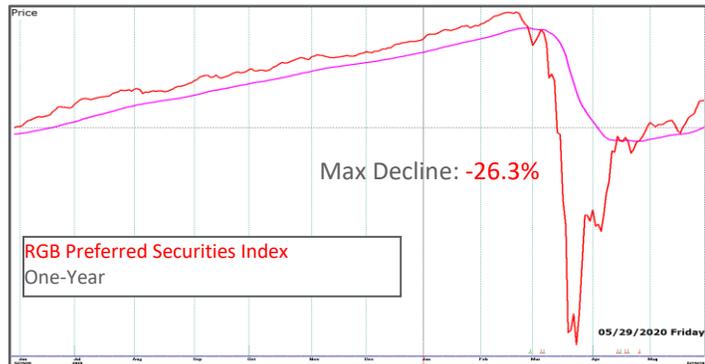
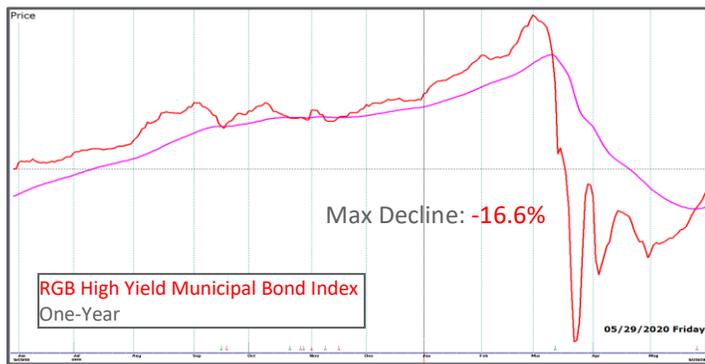
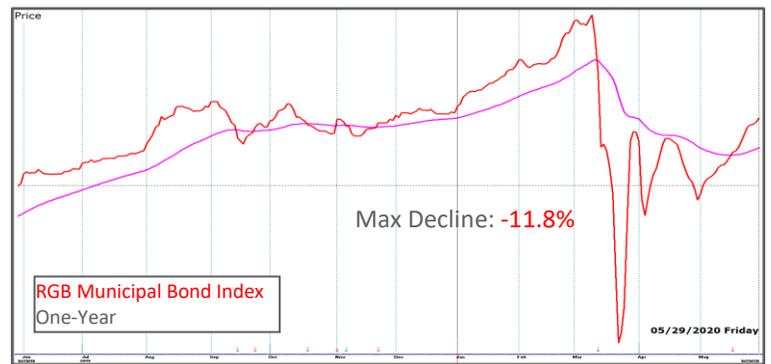
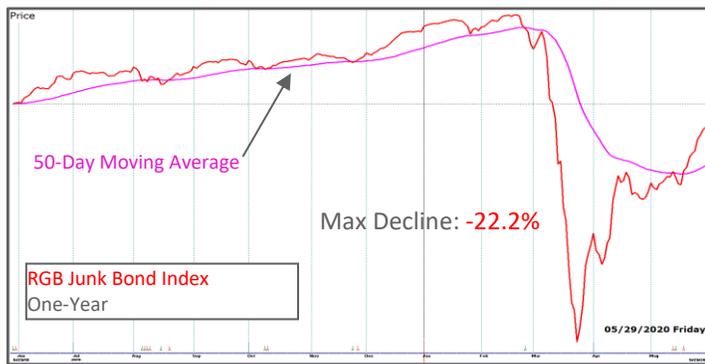


RGB Perspectives

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The charts above represent six indices that I maintain to track some of the bond / income segments of the market. Each index is derived from an equally-weighted composite of mutual funds representing the category (you cannot invest directly in these indices). These groups tend to trend on low volatility but are also subject to steep declines when market risk is elevated. As an example, these groups declined significantly during the recent market selloff as noted by the peak to trough declines (labeled Max Decline above) that started in late February and continued through late March. While these types of declines can be devastating to our ability to grow wealth, we can use moving average timing techniques (that is, own the asset when they are above a predetermined moving average and sell when they drop below their moving average) to minimize the decline when these types of events happen. This type of risk management allowed RGB Capital Group clients invested in our Core and Balanced strategies to avoid the majority of the recent decline.

All these groups bounced near the end of March and are providing exceptional risk-adjusted returns. The RGB Capital Group Core strategies are now fully allocated and the Balanced strategies have a majority of the strategy allocated to these types of funds. I don't know when the market will turn down again, but when it does, I will use these same techniques in order to protect our capital. Thanks for your continued trust during these extremely challenging times.

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