



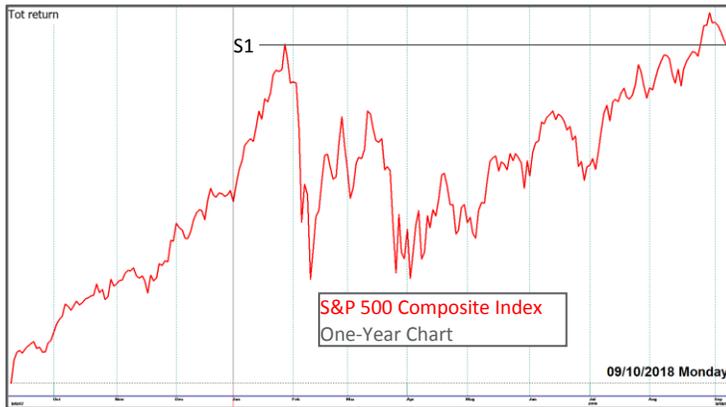
RGB Perspectives

September 10, 2018

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All clients and friends of RGB Capital Group are invited to attend our annual meeting scheduled for Saturday, September 29 in Los Angeles and Saturday, October 6 in San Diego. For details and online registration please use the following links: [Los Angeles Meeting Details and Registration](#) or [San Diego Meeting Details and Registration](#). If you would like to attend one of these meetings, you must register. For questions, please contact Lois at lois@rgbcapitalgroup.com or 858-367-5200.



As I mentioned in last week's RGB Perspectives, the market was extended and due for some sort of pullback. Therefore, it wasn't too surprising that most of the major indices were down last week, including the **S&P 500 Composite Index** which fell 1.45% from its recent peak. The small bounce today is encouraging but it will likely take a few more days before we know if this level of support will hold.



The **Nasdaq 100 Index**, one of the leading indices this year, also fell this past week. It was down 3% from its recent peak before bouncing modestly today. The index closed today just below support (S1) and below its intermediate uptrend line (T1). A decisive drop from this point would certainly be a negative for the market as a whole.



The **Merrill Lynch High-Yield Index** also fell with the rest of the market but the decline was only 0.20%. It recovered half of that today and remains well above its uptrending 50-day moving average. The junk bond index is not signaling any increased risk in the market.

The recent decline in the markets has worked off some of the overbought conditions that existed at the end of last month. I have increased our equity exposure slightly in the Flexible models and will add to those positions with additional confirmation that the recent downtrend has subsided. All the RGB Capital Group models are about flat for the month.

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