



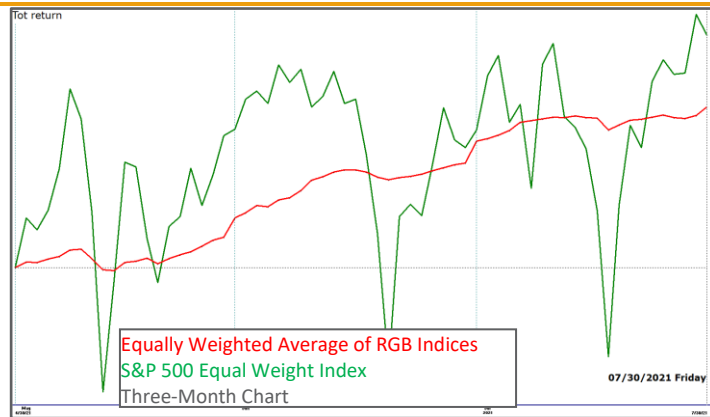
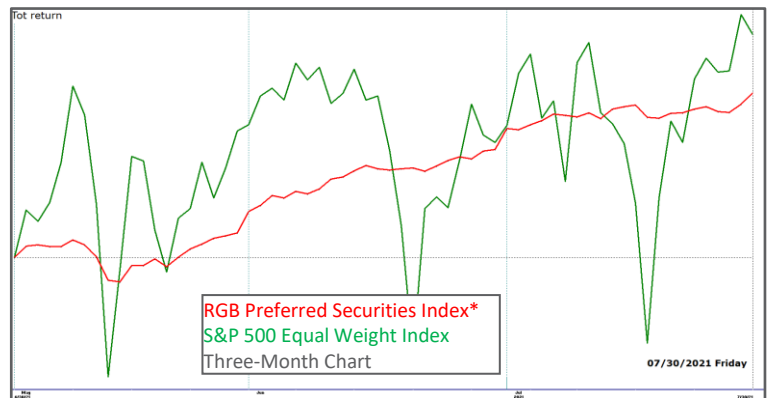
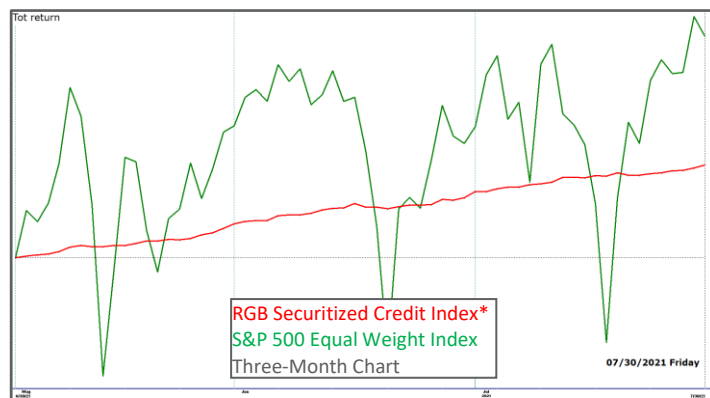
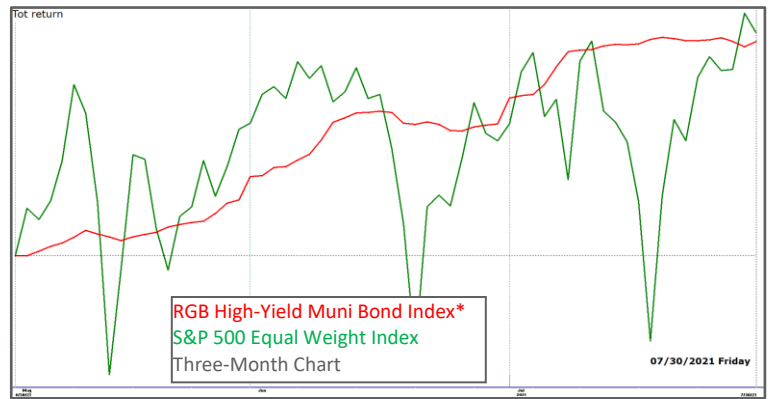
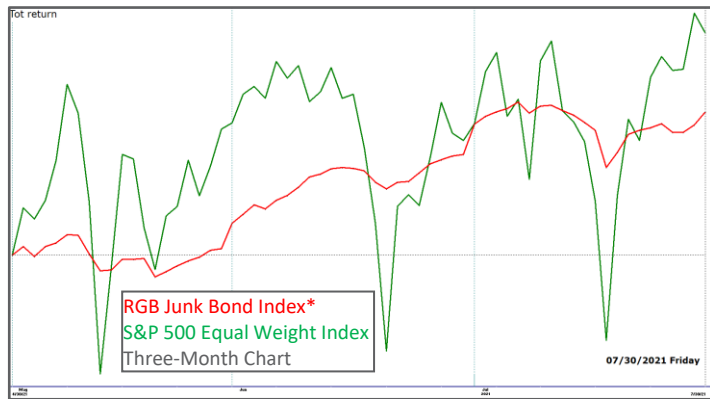
# RGB Perspectives

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The stock market environment has not changed much in the last week. With the exception of the mega-cap and largest technology stocks, most of the rest of the equity market remains in a trading range. The distance from the top to the bottom of the trading ranges is dependent on the index but has varied from  $\pm 3\%$  to almost  $\pm 10\%$ . The S&P 500 Equal-Weight Index, for example, has been in a trading range for the last three months trending up and down in approximately  $\pm 4\%$  swings. These swings can be frustrating for investors as there is inherent uncertainty in this type of environment. There are, however, other segments of the market that demonstrate lower volatility characteristics that can be good alternatives for investors seeking to reduce overall portfolio volatility and reduce much of the day-to-day uncertainty.



Taking an equal-weight average of the four RGB indices shown above, provides a less volatile experience that has continued to trend up. While the red line does not represent any of the RGB investment strategies, it does show how combining these lower volatility segments can provide a smoother path while reducing the uncertainty when the market turns down. As we all know, there is no guarantee that when the market turns down that it will bounce back again. The approach of using low volatility segments to reduce overall volatility is a key component in the RGB Core and Balanced strategies.

While I don't have the final numbers for July yet, all the RGB investment strategies will finish the month in positive territory.

\*The RGB indices are equally weighted average of mutual funds that track each segment displayed. You cannot invest directly in an index.

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