

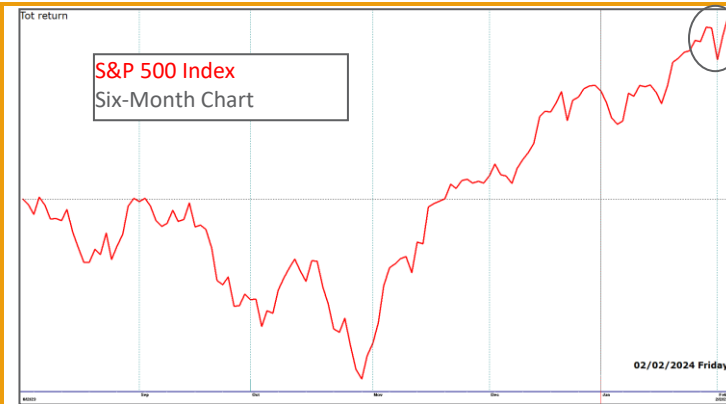


# RGB Perspectives

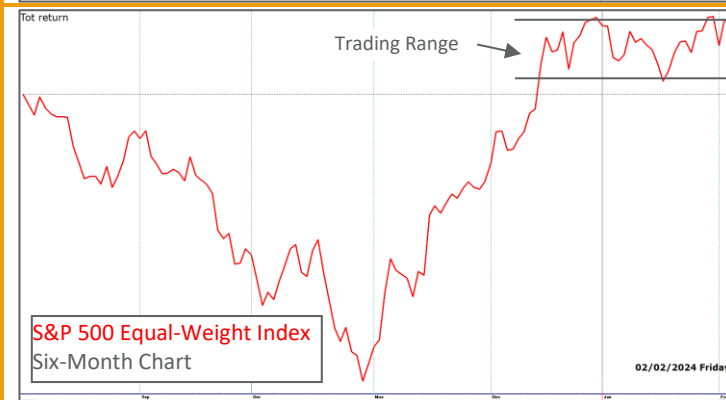
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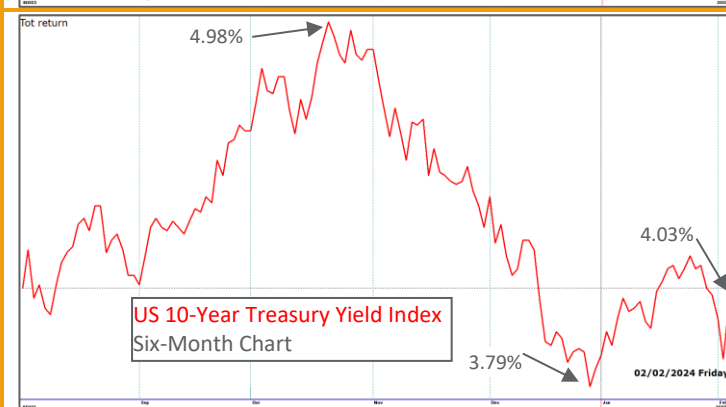
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This past week, the Fed indicated that they were in no hurry to reduce interest rates and effectively removed any chance of an interest rate reduction at the next meeting in March. The **S&P 500 Index** sold off on the news but strong earnings announcements at the end of the week from some of the major technology companies quickly reversed the decline and sent the index to a new all-time high on Friday (see circled area).



However, the uptrend in stocks has become narrower as fewer and fewer stocks participate in the rally. Looking at the **S&P 500 Equal-Weight Index** (which gives equal weight to every stock on the performance of the index) you can see that the index has moved sideways since mid-December. This implies that the largest stocks in the S&P 500 Index are carrying the index to new highs.



While it is highly anticipated that the Fed will start reducing rates this year, the exact timing is anything but certain. This has created some volatility in the bond markets as the steady decline in the **US 10-Year Treasury Yield Index** at the end of last year has become more volatile. Rates started moving up in early January but fell sharply towards the end of the month. I suspect this increase in volatility will remain until the Fed clarifies the timing of their interest rate reductions.

I have not made any adjustments to the RGB Capital Group Investment strategies over this past week and all strategies remain fully invested. The Balanced and Flex+ strategies continue to benefit from the strong uptrend in large-cap stocks. While the Core strategy was impacted by the increase in rates in early January, most of those declines were recovered during the last week of the month. If you are interested in learning more about how we manage risk during challenging market periods, please join us for the [RGB Capital Group Annual Update Webinar](#) that will be held on Wednesday, February 7, 2024 at 5 pm PT (8 pm ET). With just a few days to go, now is the time to register if you haven't already done so. The webinar is intended for clients, as well as others interested in learning more about the services we provide. Specifically, we will review the current market environment, the RGB Capital Group investment strategies, and our approach to risk management. In addition, you will be able to connect with the RGB Capital Group team and have your questions answered. If you haven't already registered and would like to join the webinar, please register [here](#). A recording will be available to those that register.

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