



RGB Perspectives

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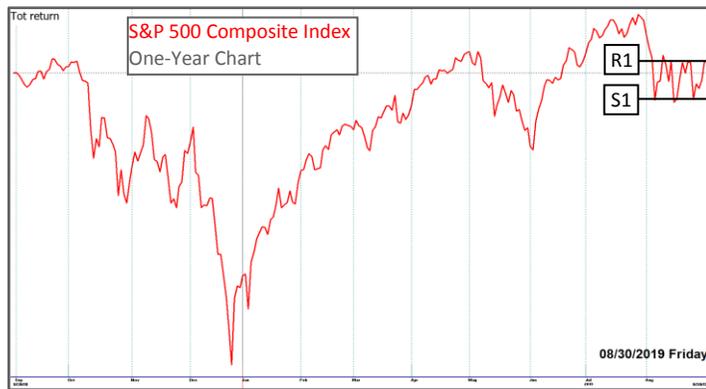
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The RGB Capital Group Annual Meeting is scheduled for Saturday, November 2 at 10 am PDT at the DoubleTree by Hilton San Diego – Del Mar and will simultaneously be broadcast via a live webinar. The meeting is open to both clients and non-clients that want to learn more about our risk management techniques and business operations. Details of the meeting can be found at www.rgbcapitalgroup.com/events. To attend, you must register using one of the two links below.

[Register to Attend in Person](#)

[Register to Attend the Webinar](#)

Of course, if you have any questions, please don't hesitate to give us a call in the office (858-367-5200).



The **S&P 500 Composite Index** was down -1.8% for the month but finished at the top of a short-term trading range. After an initial drop, the large-cap stock index spent most of the month bouncing between support (S1) and resistance (R1), a distance of approximately 3%. Movement within this trading range, should be considered noise as there appears to be a balance between buyers and sellers. A definitive break above or below this area will provide an indication that the balance has shifted.



Small-cap stocks have a less favorable chart. The **Russell 2000 Index** has been in a wide trading range for most of 2019 and finished the month of August close to the bottom of that trading range. The index was down just over 5% for the month. When small-cap stocks underperform, it is generally a sign of market weakness.



While the stock indices above are indicating some uncertainty in the current environment, the **BofAML High-Yield Master II Index** (junk bonds) continue to trend up above their rising 50-day moving average. As a risk asset, junk bonds tend to act as a barometer of the overall health of the stock market. As long as junk bonds continue to trend higher, it is a sign that investors are willing to take on risk.

The market continues to demonstrate an uncertain environment. While that uncertainty is likely to persist as long as the U.S. – China trade war lingers on, a positive resolution to the trade war would almost certainly benefit the stock market. The RGB Capital Group investment strategies ended the month mixed with the Conservative strategies up for the month, the Flex+ down in line with the large-cap stocks, and the Flexible strategies ending just below breakeven.

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