

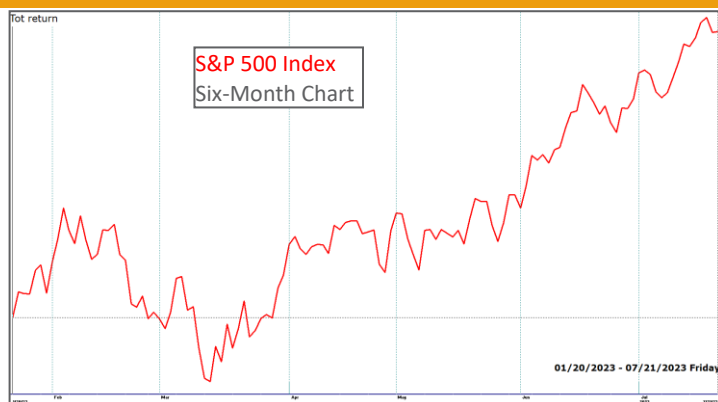


RGB Perspectives

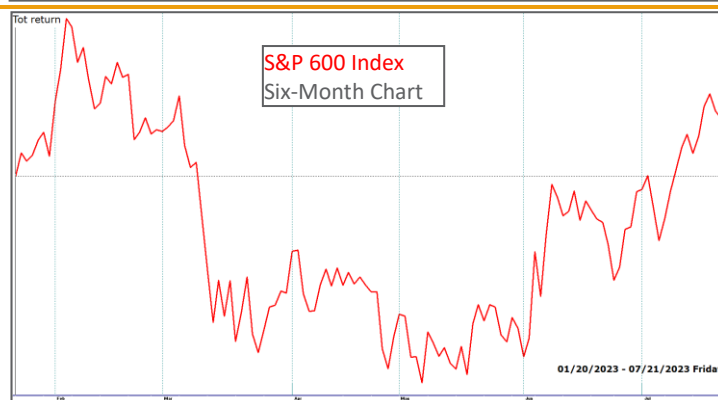
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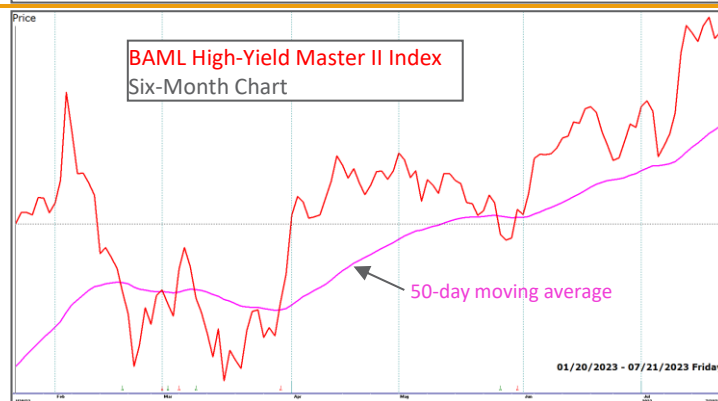
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The stock market continues to climb higher. The **S&P 500 Index** is in a steady uptrend.



Other portions of the market are now participating as well. The **S&P 600 Index** (small-cap stocks), which continued to trend down through the first part of the year, is now in a strong uptrend. The more recent participation of small-cap stocks indicates broader participation in the current rally.



Junk bonds are also trending higher. The **BAML High-Yield Master II Index** is in an uptrend trending above its 50-day moving average. This is another sign that investors are willing to take on risk.

This coming week is a busy week with the meeting of the Federal Open Market Committee (FOMC). It is widely expected that the FOMC will raise rates by 0.25%. What investors will be looking for is any guidance on the future path of interest rates. Recent reports indicate inflation is moving closer to the Fed's 2% target and investors will be looking for clues to when the rate hikes might end. The [CME Group FedWatch Tool](#) is currently predicting that this will be the last rate hike in this cycle. Anything that suggests otherwise would likely have a negative impact on the stock market. In addition, this is a big week for corporate earnings reports which will provide investors an update on how the aggressive monetary policies over the last year have impacted corporate profits and whether a "soft landing" is still possible.

The RGB Capital Group investment strategies remain fully invested and are all up for the month. I remain optimistic about the current market rally but will continue to monitor the strategies and take appropriate steps to protect capital should the market environment change.

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Prepared with data through 7/21/2023