



# RGB Perspectives

September 30, 2019

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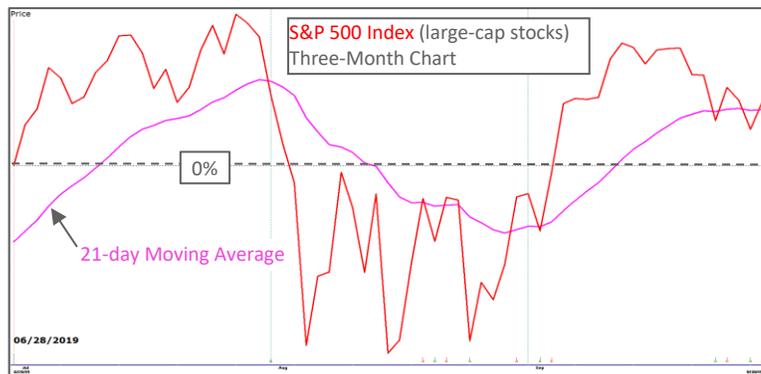
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The RGB Capital Group Annual Meeting is scheduled for Saturday, November 2 at 10 am PDT at the DoubleTree by Hilton San Diego – Del Mar and simultaneously broadcast via a live webinar. The meeting is open to both clients and non-clients who want to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

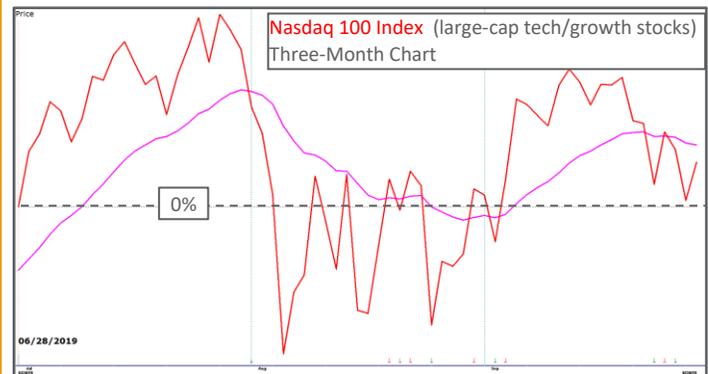
[Register to Attend in Person](#)

[Register to Attend the Webinar](#)

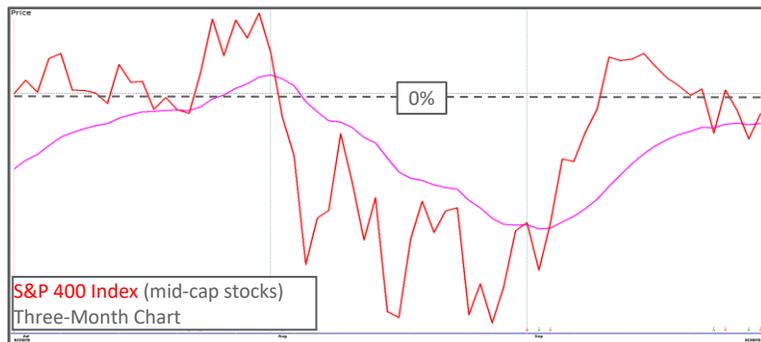
If you plan to attend, please register by October 18<sup>th</sup> so that we can make the necessary arrangements. Thank you.



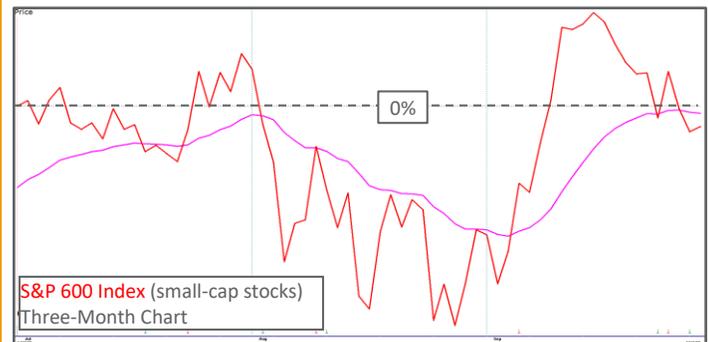
The third quarter was a particularly volatile time in the stock market. After moving up in July and down in August, the S&P 500 ended up just +1.2% for the quarter and is now 1.6% below its all-time high set back in July.



The Nasdaq 100 had a similar chart pattern and ended up +1.0% for the quarter. The Nasdaq 100 is about 3.3% below its all-time high set in July.



Mid-cap stocks did not participate in the July uptrend. As a result, it ended the quarter about where it began – down -0.5%. S&P 400 is down 5.6% from its August 2018 all-time high.



Despite a strong rally in early September, small-cap stocks ended the quarter down -0.6%. Small-cap stocks are down over 13% from their all-time high set back in August 2018.



The BofA Merrill Lynch High-Yield Master II Index is in an uptrend, trending above its 21-day moving average. While the index did not participate in the July rally, it has rallied 1.8% since mid-August.

Generally, stocks have moved sideways over the last three months and, if I look back 12 months, I see the same type of sideways trend. The market is being driven up and down based on news headlines...China trade negotiations, Federal Reserve announcements, global growth concerns and now impeachment hearings. While junk bonds declined slightly over the last week, the trend remains up. When junk bonds are trending up it is generally a good sign for the stock market as a whole.

While I won't have the final September numbers, my estimates indicate that the RGB Capital group investment strategies are ending the month mixed: Conservative strategy close to breakeven; Flexible +0.5%; and Flex+ > +1%.

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