THE RIO CLUB

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RIO CURRENCY CONCEPT

RIO Currency Concept has registered a gain of 1.19% in the second quarter of 2024.

This investment was established to exclusively trade 'the cable', namely the British Pound and US Dollar; I would draw attention to the fact that the selected currency pair is one of the oldest, and most widely traded currency pairs in the world and as such trading represents real investment opportunity. As for the short-term position on this pair for now the Dollar has had some reprieve, I underline for now, as this does not detract from the fact that there are several reasons which will ensure that the downward pressure on the USD will almost certainly return later this year.

This investment has seen a significant rise in inward money flow. The past performance may have influenced members interest, and the figures are compelling; to date, this investment has an exceptional record, having filed 23 gaining quarters, records show that Currency Concept has reported only one losing quarter since its launch in October 2018. The lack of volatility has made Currency Concept one of the marketplace's most coveted currency investment products. It is not surprising then that Currency Concept has been very popular with our membership since launch.

The Market

The British Pound extended its losing streak against the US Dollar in the final week of the second quarter, reaching a six-week low near 1.2600.

Looking forward, the upcoming UK general election on the 4th of July, and the US Nonfarm Payrolls data released on the 5th of July, are likely to significantly impact the British Pound and US Dollar in the short term.

The US Dollar strength in the last week had been fuelled by renewed hawkish expectations from the Federal Reserve. Fed policymakers pushed back against interest rate cuts this year, citing signs of resilience in the US economy. This included a surge in the S&P Global preliminary US business activity index to a 26-month high and hawkish comments from Fed officials.

This rekindled hawkish stance has boosted US Treasury bond yields, which in turn had attracted additional institutional investment in the US Dollar. That said, the market remains divided on the timing of a potential Fed rate cut in September, with CME FedWatch Tool indicating a 57% chance of a 25 basis point reduction.

As for Sterling's recovery attempts these have been subdued due to a lack of market-moving data from the UK. This despite the positive revision of the UK's first-quarter GDP growth to 0.7%. The Pound remained under pressure simply due to anxieties surrounding the upcoming general election.

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