

Update RIO Professional Investment Fund Ltd

19.5.2010

This fund performed very well though 2009. In fact, when compared to the Aliquot Gold Bullion Fund which produced a gain of +21.51%, RIO Professional Investors Fund stands out, having gained +28.3%. It stole the show! As Manager of this fund I would comment that for the next quarter this fund is well positioned to benefit from current debt woes recently reported in the media. Last month our fund gained 1.29%. I expect it to continue to outperform others this quarter, partly since there is no sign of good news from the Debt crisis. I believe that will remain the status quo till early 2011, and will keep wide open the door of opportunity to trade. Thus I look forward to again surpassing the benchmark set for the Fund last year. For those who are unaware of the target return it is 12% pa.

May looks set to show a further positive return since all trades positioned over the past few weeks have been closed in profit. Most members know that Gold passed \$1,245 on 17th May, I see resistance at the \$1,250 figure and expect to see some profit taking occur as investment houses sell positions held, this will push the Gold price down temporarily. In recent reports I have said that this metal would continue its bull run. Many of you perhaps will note that I forecast gold to exceed \$1,300 an ounce before the end of this year. That said there will be a few corrections along the way since the current resistance threshold is currently \$1,250 this provides a buying opportunity at anything below \$1,200 for active traders. Once the \$1,250 threshold has been breached I expect gold to trade above \$1,300 as predicted.

I would draw member's attention to the fact that Aliquot Gold Fund charges are higher than ours, in fact much higher. Their administration charge is 1.50% compared to RIO Professional Investors Fund charge of 0.75%, our Fund charges therefore being 50% lower! Added to that is the Aliquot Gold Bullion Fund's management charge of 2% versus RIO Professional Investment Fund charge of 0.75%. The difference is significant; all told we are a whole 2% lower in our annual charging structure. **Buy RIO Professional Investors Fund.**

Hansard International

For those members still holding regular investment plans with Hansard International which are based in USD, I have attached the reports of each fund manager separately and the performance of funds selected by me for those members participating. The funds selected by me were chosen in hope of gaining balanced capital growth long term i.e. the Aliquot Gold fund was selected as that's the only Gold fund Hansard offered (I was at the time predicting a bull market in Gold) this holding has provided a reasonable return. Another fund selected by me for those involved was Invesco Japan Fund as you will see from statistics provided this has also performed well. Those involved will know that I am able to select holdings due to the fact that each member had signed the appropriate fund advisor's form. As those of you holding such investments may recall this allows me to select holdings on your behalf and can make switches at any time.

It must be noted that; RIO has not sold or promoted any Hansard product since 2004 due to the charges set by Hansard, indeed we took action closing both our RIO funds previously administered by Hansard. History shows that I then invested the time/money required to design and launch three mutual funds myself strengthening the RIO's commitment to our members. I went to great length to obtain the appropriate FSC licensees required. The end result was and still is a far lower charging structure offered to our members, in fact since setting these funds up I have never had need to increased the fund management charges, unlike many other investment houses who have done just that. It is perhaps reassuring in an ever changing world that some of us are still committed to keeping cost of investment down.

William Gray
Fund Manager
RIO Club