



**The RIO Club membership nears 1,000 for the first time** and we are likely to cross this landmark threshold in the coming weeks. Only eight more members are required to hit the magical four digit membership. This will be an historic event for the club and a proud moment for me personally, since it will be the first time after founding the Club in 1995 that membership can be measured in thousands and not just hundreds.

RIO is the largest private investment club in Asia, with its membership numbers growing every month. Perhaps it's also reassuring to note that the money under management has increased in line with membership and as the Club has identified and researched new investment opportunities we have increased our product range. The RIO Club boasts eight managed investment products today, having added three new investment products in 2017.

However, it will not stop there because the success of our actively traded physical gold and platinum products has led to the launch of a fourth new product this month, an actively traded silver account. There will be more on this unique investment and the current opportunity in the silver market in a later report.

Importantly we have also expanded our service personnel, and two new staff members have been added in 2017 to bolster the service provided to the even increasing membership.

### **Currency**

Since June, Sterling has regained ground against the USD, just as predicted. This will positively affect the performance of the RIO Professional Investors Fund in the coming months.

As I had expected, BoE Governor Mark Carney has updated guidance on monetary policy, shifting expectations over September. Accordingly, it is expected that we will see a 0.25% hike to 0.5% in November 2017, with possibly two further 0.25% hikes in 2018. The Bank has hinted at a rate hike before, in fact during 2015, and then not proceeded with it. Should the Bank repeat this behavior again, its credibility would be at risk. Hence, I believe that the BoE are likely to lift rates in November.

More importantly, just as I had forecast, Sterling rallied as a direct result of the Bank's revised guidance, and this time the situation holds more 'conviction' than the four "attempts at a rally" seen since June 2016. The currency to a large degree remains oversold, due in most part to uncertainty caused by ongoing Brexit negotiations, which have stagnated.

Looking ahead to October, Sterling could lose some upward momentum as the Dollar sees a short term reprieve from its downward trend as a result of talk of tax reforms and a rate hike in December. However the Dollar is likely to return to its downward trend should no clear sign be seen on either a hike or a move on tax cut promises.

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