

**The Stock Market is likely to continue to see volatility, given recent announcements!**

With Donald Trump announcing heavy tariffs on steel and aluminum imports, and his administration initially stressing that there would be no exclusion for any country this announcement caused quite a stir. The rhetoric from US friendly countries gave way to some pull back from the US administration, who have since back pedaled granting exceptions to both Canada and Mexico. Donald Trump is set to formally declare tariffs on imported steel and aluminium as early as Thursday, according to his main trade adviser Peter Navarro. Trump will sign off on the proposed plan on Thursday afternoon.

In recent comments Donald Trump condemned the EU for making it "almost impossible for us to do business with them," hinting at the fact that hefty punitive taxes on the import of cars manufactured in the bloc could change that. "The EU has been particularly tough on the US," Trump said during a press conference alongside Swedish Prime Minister Stefan Lofven in the White House. "They make it almost impossible for us to do business with them, and yet they send their cars back to the US," Trump said. "If we tax them 25%, believe me, they won't be doing it for long."

Donald Trump's top economic adviser Gary Cohn felt appalled by the recent announcement and felt compelled to resign over it. This adds to a series of high-profile departures, the recent speculation is that Mr Cohn, a supporter of free trade, had been angered by Mr Trump's plans to impose tariffs on aluminum and steel imports. Mr Cohn, a former president of the Goldman Sachs bank had assisted President Trump to push through his sweeping tax reforms late last year.

The resulting fear of another trade war is bad for the stock market, but is good news for active traders like myself as I can and will take full advantage of the stock market volatility. Looking forward, any counter reaction to President Trump's proposal, by China for example, would almost certainly instil panic amongst investors.

The added weight behind the possibility of a global trade war, will also lead to a sell-off in US dollars, as indicated by the dollar index which had already weakened from its 5-week high.

**Now is the time to protect your investment portfolio** – My recommendation is to move 20% to safety, The RIO ARC Bullion Account offers portfolio protection in times of uncertainty, as in times of uncertainty Bullion usually rallies due to its safe haven status.

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