



RIO PLATINUM ACCOUNT GBP

The RIO Platinum Account (GBP) has had a positive start to the year, gaining 4.43% over the first 5 months. It continues to benefit from active trading, which minimizes any potential loss, while maximizing the potential return for those invested. Since its launch in March 2016, this investment has generated a positive return of 63.39%. To put this in perspective, for those invested in untraded physical platinum over the same period, the return produced would have resulted in a loss of 5.20%. The difference is highly staggering and without doubt underlines the benefit of investing in an actively traded investment product such as this.

As Platinum opened at the start of the month, the Account held a 47.45% cash position basically a safety stance, the position taken due to the fact that I had expected volatility given the recent comments by Donald Trump on the ongoing trade war with China. I sold a further 15% of Platinum held to cash as the market opened at 676.10 on 1st May. This additional move to a weighted safety position was proved to be the correct strategy as the metal fell back to 651.04 by Friday the 3rd. The metal then remained in this range until 16th May, and hence I had little opportunity to trade. I am pleased to comment that this also proved to be the correct decision, as the metal fell steadily to the end of the month on the back of escalated trade war rhetoric from both the US and China. As if the above wasn't enough the market also suffered additional volatility due to the U.S. President vowing to impose a 5% levy on Mexican goods until they stop immigrants from entering the U.S. illegally. It reflects Trump's increased use of tariffs as a weapon to achieve non-economic foreign policy goals.

Platinum ended the month losing almost 8%, and entered a massively oversold at around 630 per ounce, at this price Platinum represents a real investment opportunity. Accordingly, I bought back in using 15% of the Sterling cash held to do so. That being so, the Account is now well placed as we enter June. I expect Platinum to regain some ground in the coming weeks and afford me the opportunity to close this trade in a positive position, and take profits and capital back to cash.

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The RIO Club