



The Fed are scheduled to announce the interest rate decision this Thursday. I predict that this decision will simply be 'no interest rate rise.'

The market is poised, focusing on this week's Fed interest rate announcement on Thursday. The Federal Reserve rate decision to me is almost certainly that there will be no change. Why? Well for a multitude of reasons, which would take several pages to convey.

The market still seems beset eagerly awaiting an announcement on interest rates in the US with many touting a rise. My professional opinion is that there will be no such rise. There you go, I've said it, no rise!

Furthermore it is my opinion that the Fed will almost certainly delay hiking rates until at least December this year and perhaps not until early 2016. Accordingly, over the past few months the Fed has been successful in leading the market up the garden path; smoke and mirrors as usual. I expect the FOMC to leave the target range for the federal funds rate at 0-0.25%.

I would add that I find it amazing that the market seems to be split between a September or December hike, especially with all the talk on a global slowdown coupled with the economic downturn in China, albeit exaggerated by recent market moves. These facts alone are enough to discourage the Fed from raising rates at their meeting.

Importantly; RIO Professional Investors Fund is positioned to benefit from a 'no change' announcement on Thursday.

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