



US DOLLAR'S REIGN AS RESERVE CURRENCY COULD BE OVER

Pressure for this colossal change builds worldwide

The US Dollar almost became the global currency of the world and certainly historically it has become the closest thing to being a world currency. Indeed records show that, for decades, the use of the US Dollar has been absolutely dominant in international trade.

I have many times pointed out that this dominant global position has had tremendous benefits for the US financial system and for US consumers over the years; it has given the US government far-reaching power and influence around the globe. Even today, more than 60% of all foreign currency reserves in the world are held in US Dollars.

However, research simply confirms my previous predictions that there are monumental changes on the horizon. I have found it amazing that the mainstream media in the United States have been strangely silent on this topic of change. In previous investment reports I have pointed out that more than a few of the world's largest economies have been making agreements with each other to move away from using the US Dollar in international trade. The USA sees this change as a major threat to the US petrodollar system which has been in place for nearly four decades.

I have also written that oil producing nations have already begun selling oil in currencies other than the US Dollar and some have even embraced the idea of gold for oil recently.

Both the UN and the IMF now both seem to agree with predictions I forecast years ago on this monumental change. The UN and IMF have joined the voices of those calling for change; they have gone on record with several official reports stating that they believe that there is a need to move away from the US Dollar towards a new global reserve currency. **I repeat, change is on the cards.**

That being the case I must draw to members' attention that the effects of this change are vast indeed; those invested in RIO Professional Investors Fund should be very at ease since this Fund remains positioned to benefit from any negative sentiment in the US Dollar. However, trying to preserve wealth by switching US Dollars for some other currency remains risky, even though I would agree that this strategy may be absolutely correct in the long run.

Recently when the Euro crisis struck last summer, the US Dollar was still considered the world's 'go-to' currency of safety. This is like going from the frying pan into the fire! But there is no easy way to prepare for a US Dollar crisis, something which is very likely to continue to unfold.

I reiterate that there is a strong case for trading Gold and Silver, benefiting from the shaky ground on which the US Dollar finds itself today. The RIO Professional Investors Fund trades both of these and is likely to benefit from any further US Dollar downside. As such this Fund is likely to post further gains in coming months.

Europe election news– Francois Hollande seizes victory in France.

Well there you go! Socialist Francois Hollande has been elected just I predicted and is celebrating victory in the French presidential election.

Mr Hollande polled almost 52% of votes on Sunday 6th. An interesting statistic is the fact that Centre-right incumbent Nicolas Sarkozy is the first French president not to win a second term since 1981.

This is a strong sign indeed, to quote Bob Dillon, "that the times they are a changing". The French people have not seen a Socialist president for 17 years.

Mr Hollande has committed himself to reworking a deal on government debt in eurozone member countries to try and promote growth. This change was added perhaps to Mr Hollande's speeches on pursuing his pledge to refocus EU fiscal efforts from austerity to "growth".

"Europe is watching us, austerity can no longer be the only option", the new President of France remarked. "We are a movement that is rising up throughout Europe", he shouted!

Sarkozy becomes yet another head to fall as European leaders are being voted out of office, victims of widespread voter anger at austerity measures triggered by the eurozone debt crisis.

Greek elections have also brought change; previous ruling parties are ousted!

Greece's two main parties, which back tough austerity measures, have lost their parliamentary majority, which could lead Greece into political uncertainty.

The message is clear though as parties Pasok and New Democracy attracted less than a third of the vote in elections on Sunday. The overwhelming success of the new-right Golden Dawn party brings home just how comprehensive the rejection of the political mainstream is. Greece has secured two EU-IMF bailouts, but the above result is seen as a rejection of their stringent demands. For those unaware of how big a change is going on, ND and the socialist Pasok have between them run Greece since the 1970s. The above event signals the beginning of uncertainty and considerable change.

Greece is now in a period of historic political instability which does not help the eurozone at all. **I predict that this will most certainly lead to unrest on the financial markets and to the eurozone as a whole. The not-so-new currency, the Euro, will be under greater pressure!**

Nor should one forget the looming international creditors, if Greece were to hold another election; such a prospect would alarm them even more. Under the current plan, Greece has a further 11bn euros of savings in spending due to be found in June. Let's see what this brings! That said, the Greeks are sending a very strong message abroad, as they echo France's theme, ie no more talk of austerity.

My prediction is that there could well be trouble ahead and this region will have further difficulty maintaining a reliable Dollar linkage which will cause some political and economic instability in some areas. The situation becomes even more complicated as the Euro faces an uphill struggle to hold its value in Dollar terms.

Members invested in RIO Professional Investors Fund have seen four consecutive gaining months this year. As we enter May the Fund continues to be positioned for any bad news out of the Euro zone, as is very likely. Thus I expect to see this Fund post further gains in coming months.

Members not yet invested should look again at the facts. This Fund has significantly outperformed both its bench mark return and the main markets for the past three years.

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