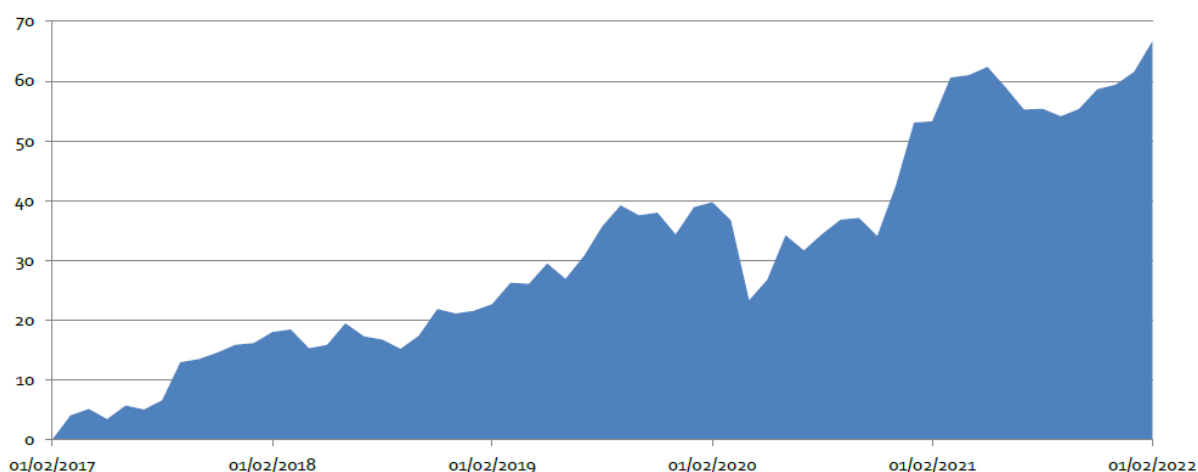




The Platinum Account GBP was the star performer in January, posting a 3.15% gain as the year opened.

Platinum has recovered ground from the fall in value driven by the reduced demand from the auto industry shut down, auto makers had accounted for around 40% of the annual platinum demand (or near 8 million ounces annually). The semiconductor chip shortages slammed the brakes on the car industry production capabilities. Despite platinum's fall the account filed a gain of 5.57% during 2021, the positive performance last year very much in stark contrast to that of spot platinum which had lost 9.29% during the same period. The staggering 14.86% difference in performance in favour of RIO clearly demonstrates the advantage of investing in an actively traded account such as RIO Platinum. Lackluster buy and hold strategies used by most in the investment industry are simply unsuitable in today's market.



As January opened, I had reduced the accounts exposure to platinum and had initially increased the weighted position to cash. This was to protect those invested from any further fall back in platinum's value due to the ongoing semiconductor chip shortages, these shortages had after all caused auto makers to grind to a halt, and in turn the demand for platinum to fall. The metal did in fact fall during the month and as a result I was able to acquire platinum at a lower price as the month opened, this assisted in the posting of a strong gain.

Looking forward, platinum will almost certainly benefit from the rising demand from the hydrogen industry. Today prices have rebounded as the economy continues to recover from the negative effects of the pandemic and demand is rising. The metal will witness a surge in demand from the rebound trade when the normalisation of chip shortages spur the auto industry back into production. Further upside comes from the fact that there has been building speculation that in the auto industry there will be a switch from the use of palladium to platinum.

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