



The Account has produced a more than reasonable return, posting a gain of 3.15% in the month of August.

Looking back at last month Platinum opened August at £701 and remained in range until the afternoon of the 28th August when the metal produced a strong gain to end the day at above £735 an ounce. The rally continued on the 29th and closed the trading day at £765.19 an ounce, this is important as it was just off £768 which was the highest recorded price in the past twelve months. I took full advantage of the spike in Platinum to both take profits and lower risk as I sold 11% of the metal held by the account at £753.62. As we entered the last day of trading the metal remained near the high for the year.

As September trading begun Platinum volumes were steady, with the market open near £773, Monday was a quiet day. The action came on Tuesday as volumes spiked up and the rally continued, and again I responded by selling into the rally, I sold 5% of the metal held at £790.50 taking profits and lowering risk as the metal climbed higher. Platinum's rally hadn't run out of steam yet, and by the 4th of September the metal crossed the all important £800 mark. The high for the month so far was hit on the 5th, £814.96 but by Friday the 6th it had fallen back in to the £770's.

Looking ahead, platinum has now recovered some ground from the undervalued position highlighted in my previous monthly comments. However, despite its recent movements, the metal still trades almost 40% below the price of gold. That being so the metal today still remains historically low and, as such, the downside looks limited.

As I stressed in last month's comments, it is important to note that over 50% of Platinum mining operations in South Africa are not profitable at the current price. This is very important, especially when one considers the fact that South Africa accounts for 52% of the global platinum supply. I would point out that any winding back of operations could see a fall in the global supply, which would have a positive the effect the price of Platinum.

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