



The Platinum Account posted a strong gain during December 2019 up 4.96%. This account continues to perform well posting a gain of 8.96% in 6 months, better still is the year to date number, a very respectable 18.07%.

Since it's launch in March 2017 many have commented that this account has surpassed their expectations. That said, there were some who failed to realise that the ongoing US China trade war which had raged for over three years, was in fact partly responsible for creating an investment opportunity in metals, platinum had, like silver, been driven down as a direct result of the power struggle. Simply put, the trade war between the US and China had put a downward pressure on markets, this negative pressure has finally begun to dissipate with the signing of phase one of the trade agreement.

Looking back, the accounts return of 36.28% since it's launch in March 2017 stands as a true testament to successfully trading the volatility which had plagued the platinum market. The benefit of trading platinum over the standard buy and hold strategy can be clearly seen, hold in hand platinum recorded a loss of 4.13% in the same period.

Looking forward, since the US and China have now signed the much awaited 86 page, phase one trade agreement, the market should now start to factor in the deal, and as such prices would be expected to rise. After all, this could finally be the beginning of the end to the menacing tit for tat tariffs, which had been imposed by each, as the two largest economies battled it out.

The signing is certainly good news for the markets and with China reporting an increasing demand for platinum, this is more good news for the metals value. In fact, several events could boost platinum's value significantly. Platinum mining output was also lower in the third quarter of 2019 due to some mine closures.

William Gray
The RIO Club