



Never say never again

Once again RIO bullion investments have produced stellar returns!

As all members know, RIO predicted the bullion bull market as early as 1998. It then gained much standing for the significant predictive comment in the February 2002 article 'Gold to shine again' (<http://www.therioclub.com/investment-magazines/feb2002.pdf>) when it was recommended to buy gold at \$281. Having successfully traded Gold for over twelve years we finally closed 100% of all positions and withdrew from the bullion market in September 2012 selling gold at \$1,779.

Having identified an investment opportunity in Gold, RIO re-entered the market in October 2013 with the launch of its new product, the RIO ARC Bullion Account, now the envy of the Gold market.

	1 Month	6 Months	1 Year	Since Launch
RIO ARC USD Account	3.36	5.64	18.17	26.86
Gold Bullion USD	4.29	-5.83	-11.33	-11.21

Figures to 01 September 2015

Firstly, due to the sheer volume of emails on the above with over 78 members commenting during past few weeks alone I have to say thanks to all participating members, who have taken time to praise or comment on the performance. As you all can see and as requested I have laid the figures out in plain form for the doubters to see.

Above is the RIO Club's star performer, the ARC USD, which exceeded members expectations with its outstanding performance against the bench mark return, physical bullion in Kilo bar form.

The USD version of the RIO ARC Bullion account, a physical Gold account, has outperformed Bullion in one Kilo bar form by an astounding 38.07% since its launch in October 2013. The ARC has secured its position not only as the Club's star performer, but also as the top performing physical Gold investment in the world over this period.

Due to the popularity of the ARC USD investment, the ARC Sterling was added to our offering in December 2014. The latter produced its best month of the year during July when gold recorded its worst month of the year, losing over 9%. Looking back to January 2015's report I had forecast that the ARC Sterling would become the Club's top performing investment this year and indeed it has been to date as September is shaping up to add to the margin.

	1 Month	6 Months	1 Year	Since Launch
RIO ARC GBP Account	5.31	7.07	n/a	20.77
Gold Bullion GBP	6.17	-5.28	n/a	-3.76

Figures to 01 September 2015

The stats show that both ARC accounts have significantly outperformed any and all comparable physical gold investment products available on any market, whether such products are a structured mutual fund, unit trust or indeed ETF, for example the massive GLD EFT. Sadly most of these traditional Gold products follow the Gold price, unlike the RIO ARC which trades physical gold in the format of one ounce bullion coins.

The RIO ARC Bullion Account is at this time ranked as the highest performing physical bullion investment in the world (in terms of percentage gain over the reported period - October 2013 to date). For those who are of a mind to buy and hold gold personally, had you bought a kilo of gold bullion in October 2013 and kept it at home to avoid the insurance and storage cost, not only would it be taking more risk but it would have resulted in the kilo bars depreciation in value (in other words more risk and obvious losses).

Looking ahead the Account is expected to rally strongly as I trade the metal through September. Those who have read my bullion reports over the years may recall that September is traditionally gold's best month, for a multitude of reasons, including India's wedding season.

Gold

During July, China reported its gold holdings for the first time since 2009. Like many gold experts I believe that this was vastly under-declared (if the true number were to be declared it would cause gold to rally significantly).

Since 2007 China has been the largest producer of gold, currently 400 Tons a year, none of which is exported. In addition, they have also become the largest importer of gold in 2014. Therefore, it clearly looks like another under-declaration by the Chinese Government, occurring as currency wars continue to escalate.

Banks are convinced that gold is a low risk. Cash is no longer king unless 'it's as good as gold.' A little reported fact is that gold was declared a Tier1 asset in January 2013 (a Tier1 asset is seen as money, which means financial institutions and banks can conveniently borrow 100% against the gold they hold). Gold previously held a Tier3 asset classification, meaning that borrowing against it would be limited to a maximum of 50%.

Historically, September is a good month for this commodity in terms of performance as I have pointed out above but better still is that fact that October looks sweet for all invested in the ARC with the IMF's recently electing to delay the inevitable, the Yuan becoming a reserve currency. The IMF, by putting off this decision on the Yuan till October 2016, will add to the continued volatility in the stock markets.

William Gray
The RIO Club