



Investment Manager Comments

The Account has produced eight gaining months in 2016 and, to date, this investment remains the RIO Club's top performing product this year.

Figures show that it has gained 24.16% in a short eleven months, dwarfing the returns of all comparable physical gold investment products offered by the general bullion investment market.

I sold 40% of bullion held at 1,033.69/oz on 8th November taking profits, the sale being expedited as a result of the gold rally caused by the Trump victory. I had correctly predicted both, the Trump victory and the subsequent gold rally.

Gold has seen some short term downward pressure in November, as investment houses cut their losses, while the metal witnessed a +9% correction. As a result a buying opportunity was created, full advantage was taken to average down on 24th November, and bullion was acquired at 954/oz, the lowest mark since June 2016.

Looking longer term, upward support comes from a number of factors, such as the looming Italian banking crisis, which will cause a run to safe assets and almost certainly see gold rally. The People's Bank of China is also set to continue acquiring bullion as it always has on a correction. As China increases its Gold holdings their massive appetite will continue to support the gold price.

As global currency wars heat up, holding gold is a 'must'.

William Gray  
The RIO Club