



Investment Manager Comments

The RIO ARC Bullion Account (USD) was launched in October 2013 and has posted strong gains, the total return recorded to date being 62.03% or over 12% per annum on average, much to the satisfaction of those invested.

Gold

Today there are approximately six billion ounces of gold in the world and at today's price the valuation would be in excess of \$7 trillion. Filed statistics reveal that the mined supply adds very little to the figure above.

Due in part to the massive sovereign debt issue globally, we are witnessing virtually every government in the world striving to promote inflation. Simply, with several governments looking at previously unseen debt levels, these very same governments have three simple choices: default, restructure, or inflate their respective currencies. Almost all politicians, given the chance, will choose the last option.

I would stress again that we are in a period of heightened geopolitical risk, with the potential to impact the global economy and send gold on a rally. With the status quo seeming to be supportive of gold, even if the dollar were to strengthen, the metal is a 'buy' at present.

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