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**Account Manager Comments RIO ARC GBP**

The ARC Sterling produced a gain of 3.56% during the month on the back of trading. Gold stayed below a 3½ month high after strong U.S. inflation data supported the dollar, the metal came under pressure losing a little steam due to bets that the Federal Reserve may hike interest rates this year- my comment is that it is doubtful.

Recently gold market commentators are finally coming around to my way of thinking as they predict the bear market is over and that the gold price is ready to continue its upward trend. The world remains at risk, even central bankers from the IMF and the Bank of England are now finally warning that the next economic crash may be just around the corner. Should we see this then it would cause a strong rally in gold.

I would also sight the obvious, that these very same Central bankers now have very few tools left to stimulate the economy should the outlook deteriorate, lending more weight to any gold upside. Are the recent rises in gold prices and the falling global stock markets a sign that the smart money is already positioning itself for the next major economic meltdown?

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