



### Investment Manager Comments

The ARC Bullion Account (GBP) remains the top performing physical bullion investment in the world in terms of returns generated in GBP.

The figures confirm that since launch, the Account has returned 75.51% and, by direct comparison, hold-in-hand physical gold has returned far less, realising just 24.57%. The ARC (GBP) has surpassed its benchmark return (the market in which gold bullion is traded) by more than 50% since launch and, in doing so, it has proved its worth to all those invested.

**Gold** - I mentioned last month that recent data had revealed that China, the world's biggest gold producer, has cut its production, which has fallen by over 9%. To put this into perspective, it is only the second time since 1980 that China's gold output has fallen.

The important point to bear in mind is that China accounts for 15% of total global output. The fall in production has been caused by changes implemented by the authorities in Beijing, and the country's plan to consolidate the mining industry further.

This will be an ongoing process, and will lead to shrinkage in supplies at a time when demand is rising. This will underpin the price of bullion and it is likely to provide a positive outlook for gold prices as we move through 2018.

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