



Investment Manager Comments

The RIO ARC Bullion Account (GBP) produced a gain of 1.53% in October, recording its eighth gain in 2016. The investment has averaged over 3% a month over the past ten months, and to date the Account remains the RIO Club's top performing investment for 2016.

Interestingly, the largest loss for the Account in 2016 came in May and was due to the selloff in Gold ahead of a perceived decision for the UK to remain in the European Union. On the back of Brexit Gold rallied strongly at the end of June. The figures show that the ARC Bullion Account (GBP) has gained 30.54% in a short ten months, dwarfing the returns of any and all comparable physical gold investment products offered by the general bullion investment market.

Short term concerns on gold over the outcome of the US election will undoubtedly provide some upside potential for the shiny metal next month. Longer term support comes from a number of factors, including the People's Bank of China which is set to continue to increase its Gold holdings, as global currency wars heat up.

Aside from the on-going upside potential, it is important to hold at least 10-15% of ones assets in bullion as this provides wealth perseveration and reduces exposure to risk.

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