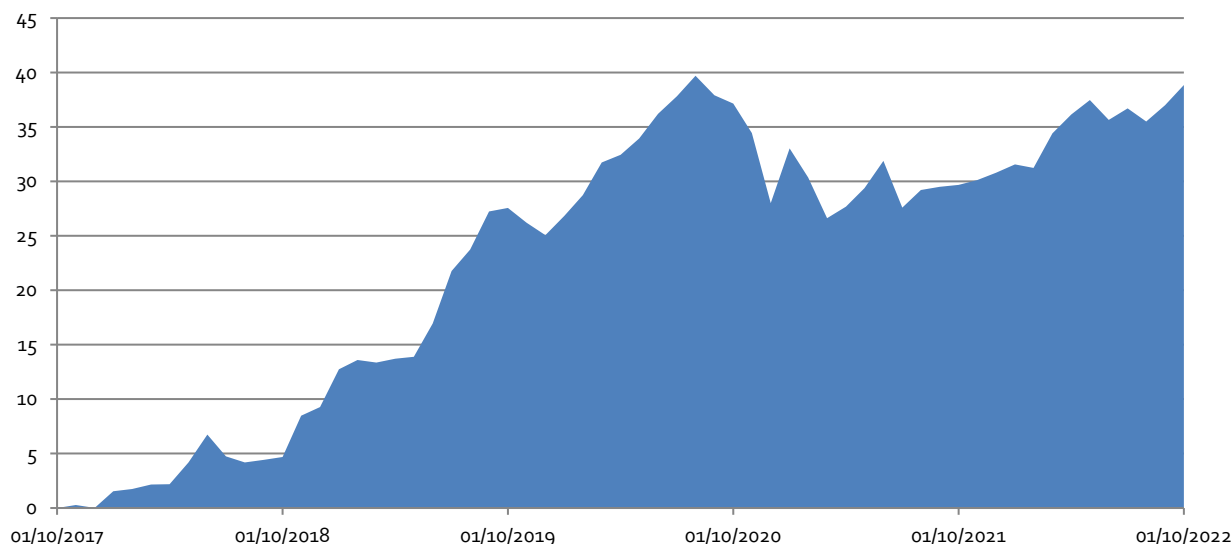




The ARC Bullion Account GBP gained 1.35% in September and this added to the gain produced the month before. During August gold had secured a new price range, and as I had expected, on Monday the 3rd of September, as markets opened in London, the value of the metal hovered around £1,470 and was still firm in the new range.



In Fact as we moved through September, gold had remained settled in its current price range through to the 21st. But on the 22nd, things changed and by Friday the 23rd, as the Sterling fell against the Dollar, the metal had rallied, breaching £1,500 as markets closed in the UK. The action didn't stop there and on Monday the 26th at 0200 hrs GMT, while markets were closed, gold spiked to a new high, reaching £1,582.87. I waited, and as the hours passed and the London market opened for business on Monday, the value sat at a little over £1,535, which presented the ideal opportunity to sell, and I did, locking in gains for those invested.

Looking back at the period during August, the metal tried several times to breach £1,490, but it was pushed lower each time as institutional traders took profits. Fund managers and traders scrambled on Monday, the 26th of September, as it was much anticipated that the Bank of England would intervene to support Sterling's fall. But since the intervention was not guaranteed, I took profits ahead of any announcement, knowing that other financial institutions were almost certain to take profits on their gold before the BOE statement.

This was the right decision, I had correctly anticipated that the metal would fall back and by Friday the 30th gold was £1,495, I bought back in using 5% of the cash held to do so. I hope to acquire additional gold at below £1,475; as yet this month, this has not been possible. Gold today sits at £1,485.

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