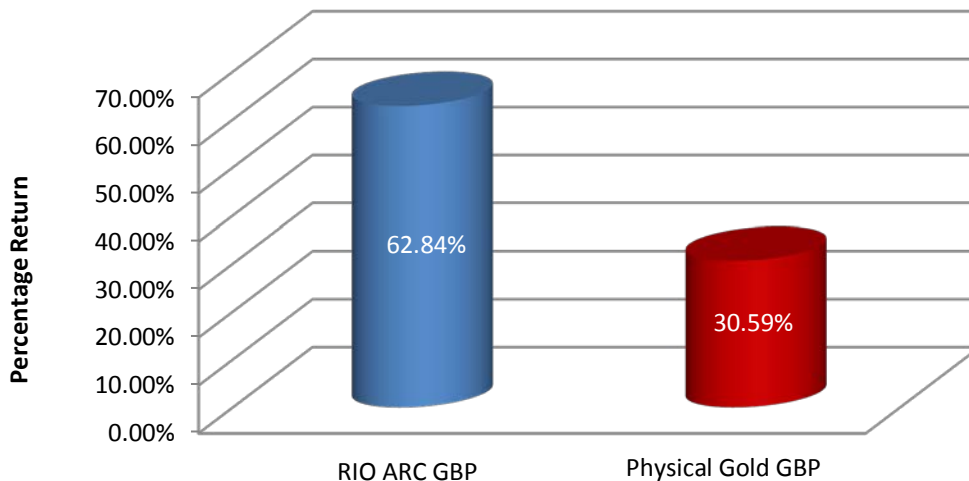




Below is a direct comparison of simple buy and hold physical gold versus The ARC Bullion Account Sterling (physical gold but actively traded).



Figures from 01 December 2014 to 01 March 2017

The ARC Bullion Account GBP did well in February gaining 3.64%. The last trade executed that month was a sell order for gold which I closed at 1,012.70. By the 27th February The ARC Bullion Account had produced a 62.84% return on investment since the products inception in December 2014.

As March opened Bullion remained over 1,000 an ounce, it held the higher side of its recent trading range till the 10th when Gold finally fell back, volumes began to rise as the price fell, indicating that there were many buyers at this price. I therefore decided to reacquire the metal at 984.40, and this proved to be the right course of action as gold rallied back to 1004.42 by the 22nd of March.

The ARC Bullion account remains unchallenged as the top performing physical bullion investment in the offshore market, in Sterling terms.

Given that the UK has just reported the highest increase in inflation since September 2013, and since gold is often used as an excellent hedge against the negative effects of rising inflation, at the moment it is an obvious buy! The smart money has already begun to move into bullion as any further signs of higher inflation will simply push gold prices higher.

The bullion price will remain supported also due to the increased political risk in Europe, with two key elections scheduled for France and Germany, where parties of dissent have made gains in recent times. As the political uncertainty across Europe rises, it is certain to have a significant impact on demand for safety assets which, in turn, would cause bullion to move higher.

In addition to the above, we also have that within the UK there is also an element of anti-EU and anti-immigration sentiment. If a “hard Brexit” were enacted, this would most certainly see the price of gold rally further.

William Gray
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