



The RIO ARC Bullion Account (GBP) gained 2.84% during August adding further to its recent gains. Launched in December 2014 the total gains to date now stand at 113.23% and, over this period, the Account is, in Sterling terms, the top performing physical gold investment in the world.

Gold

Boris Johnson, the new UK Prime Minister made a bold move, underlining his pledge to take the UK out of the EU by October 31st with or without a divorce deal, when he announced his decision to suspend Britain's parliament for five weeks from the second week of September until the Queen's speech on 14th October, which is customarily given at the start of a new parliamentary session. This process of prorogation, as it is styled, is itself standard. What is unusual, of course, is the timing and the underlying purpose to limit anti- no deal debate within the House of Commons. There is then scheduled a big meeting of European leaders in Brussels on 17 October, just 3 days after parliament has reconvened for the Queen's speech. This is followed just 2 weeks later on the default date of 31st October, when Britain is scheduled to leave the European Union (EU), unless some political change is effected before then.

It is obvious to any onlooker that the goal here is to effectively sideline the various coalitions of MPs, who want to thwart Brexit, through hugely restricting their time to voice opposition. The UK parliament is currently nearing the end of its summer break and members are scheduled to return to office on 3rd September. One impact of the PM's action has been that it drove Gold's value higher.

Gold has also benefited from the escalation in tensions between the US and China. Bullion is profiting not only from the escalation of the trade dispute itself, but also from the resulting weak stock markets and falling bond yields.

It may be of interest to note that several of RIO members, invested in the ARC Bullion Account, have recently sent me emails stipulating they are feeling at ease in the recent turmoil. Each also added that they are glad they came on board the aptly named "The ARC", aka The ARK.

Members' comments highlight the fact that physical gold has truly lived up to its status as a safe haven. The fact that gold has climbed to a five year high in the recent turmoil, should make anyone invested in this metal feel relatively comfortable.

Looking ahead, technical analysts have pointed to more near-term gains for the yellow metal. If gold breaks out of its current recent range, it has plenty of room to run.

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