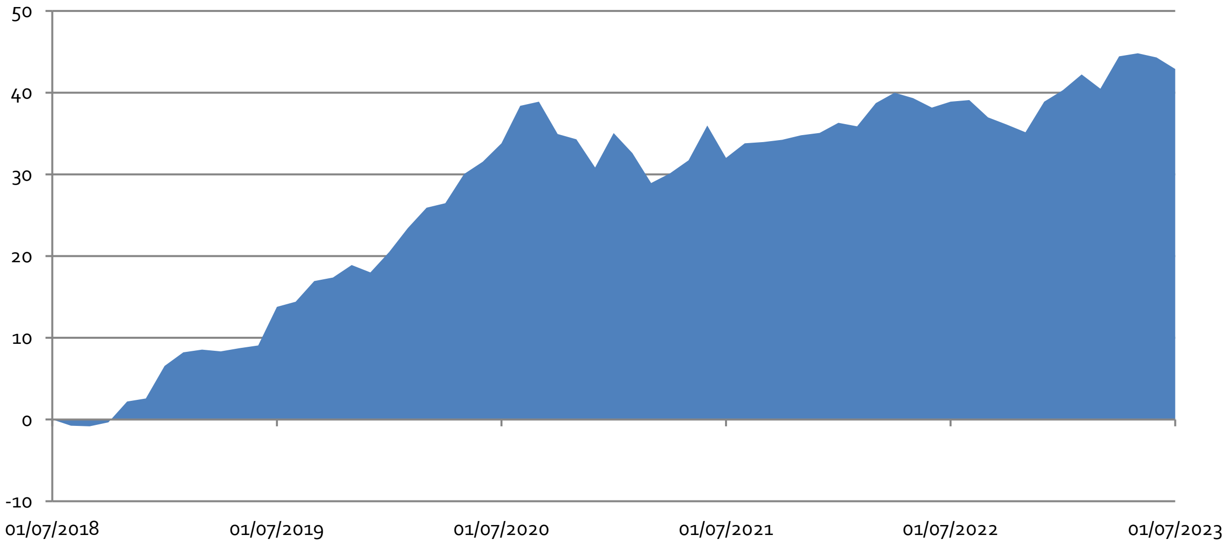
RIO ARC BULLION ACCOUNT USD



The ARC Bullion Account USD added to its physical gold holdings this month. On the 1st of June, as the month opened, gold was around $1,968; the metal then remained in the range to 20th, when the downward correction began. As the month closed, gold had moved to $1,919, nearing the support level ($1,900). This represented a buying opportunity and a chance to add to the gold held by the account, as such I acquired the metal at $1,913. At the start of June, the account had held 32.55% of its net assets in physical gold, and by the 1st of July, this had been raised to 37.09%.

Today, gold has held above $1,900, the critical psychological level. Looking back to the 1st of July manager comments, I commented that gold could move higher but stressed that any higher rally would be primarily short-term. As I write, I stand ready to sell, returning any profits and original capital to safety. The metal remains caught in a tug-of-war between competing forces in the marketplace, while bullish and bearish sentiment among Wall Street analysts looks evenly balanced.

Gold bulls continue to underline rising concern over a global economic recession and mixed signals from the latest US economic data. Of course, this is just one reason to buy gold, the rising US recession risk and any conformation of such would almost certainly drive a run to safe-haven assets such as gold.

But there are other sportive reasons to buy gold right now, and the first is that central bank gold demand will likely remain robust. Some pundits may have forgotten that 2022 marked the 13th consecutive year of net gold purchases by global central banks, with the highest annual demand on record. This buying spree is driven by geopolitical risks and the need for diversification away from the USD.

Central banks are likely to buy around 700 metric tons of gold this year, and if I am proven correct, this would be higher than the last decade's average. This alone will help support gold's value.

Looking forward, de-dollarization is building. Eventually, this will weaken the dollar and a falling dollar is good for gold, but this financial repositioning may take time to gain traction.

On that note - the following is an excerpt from The ARC Bullion report circulated on the 12th of May;

The USA's decision to weaponize the US dollar has helped drive a group of five economically aligned countries to action. These members of BRICS have potentially agreed on a significant move closer to a strategic alliance to challenge the US dollar's decades-long role as the world's key reserve currency. Members, including Brazil, Russia, India, China and South Africa, are aligned on this move. According to South Africa's BRICS ambassador, a further 11 countries have informally requested to be part of this alliance. If they agree, that will bring the total number of nations in agreement to 22. With 22 countries contemplating an alliance to challenge the US dollar's role as the world's reserve currency, the negative pressure on the US dollar looks to be significantly building.

The word on the street is that Saudi Arabia, Iran, Argentina, the United Arab Emirates, Algeria, Egypt, Bahrain and Indonesia have all voiced interest in joining a strategic pact. Sputnik, a Russian state-owned news agency, reported that the strength of the BRICS alliance is building, and they are now in the early stages of developing a new global currency to circumvent the US dollar. Assets, including precious metals like gold, have been touted as a backing for this new currency. We are keeping a close eye on the developing situation, keeping in mind that the group are set to meet in South Africa for the BRICS summit on the 22nd of August. The plot thickens.

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