



RIO ARC BULLION ACCOUNT (USD)

The RIO ARC Bullion Account (USD) posted a gain of 0.31% during May. Statistics to date clearly show that, since launch, this investment has produced a net gain of 72.28%. It remains the top performing physical gold investment in the world, in terms of returns in USD. It is also important to note that the risk reward ratio is 6.15:1, which is far above the industry norm.

Recent trades

As the month started, I added to the gold held by the Account, selling 15% of USD cash held to buy bullion on 2nd May at \$1,271.21. This reduced the cash position of the account to 27.88%. Adding to the gold weighting was proved to be the right move, as gold rallied close to the \$1,300 mark. I then sold 100% the gold which I had acquired on the 2nd, taking both capital and profits back to cash.

Between the unprecedented events surrounding the Trump presidency, and the continued uncertainty around the UK's Brexit plans, the Anglo-American economic climate is set for a turbulent year. This is especially so considering the fact that the Eurozone is also very much struggling with the impending Italian banking crisis, the continuing conflicts in the Middle East, and corruption scandals that sweep across the Brazilian and Korean governments. Whether investing or to secure your finances against potential instability, there has never been a better time to invest in physical assets such as gold.

Against the above backdrop, it is perhaps telling that, during 2018, Central Banks bought more gold than in any year since 1971. This was the year when the then acting US President Nixon unpegged gold from the USD, ending the so-called Gold Standard.

Many mainstream investment analysts are beginning to fall in line with RIO's forecast, namely that 2019 looks set to be a volatile year for a multitude of reasons. Nevertheless, physical gold offers portfolio protection against political and economic turmoil that could affect wealth. The price of gold tends to be inversely proportional to the value of the USD, so can be used as a hedge against concerns about currency devaluation. It also almost invariably increases in value when the stock market declines as people flock to safe haven namely gold when times become volatile.

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