



Investment Manager Comments

The ARC Bullion Account (GBP) gained 4.12% for the month, with a return of 70.93% since its launch in December 2014. Importantly this shows very clearly that the active trading strategy utilised has achieved the objective, namely to outperform its benchmark return. The benchmark being untraded physical Gold, which it has exceeded by 38.57%.

Outperforming the benchmark is important as it portrays two things clearly;

- i) The investment product offered to membership has achieved its objective, to outperform the return of ungraded Bullion.
- ii) It also underlines the fact that the fund manager has expertise in the market and has outperformed.

The strong gains produced since inception have kept the ARC in prime position, this account remains the top performing physical Bullion investment in the world in Sterling terms, based on the absolute return produced since launch.

Bullion, having fallen in July, rallied back over a 1,000 an ounce during August. Looking forward as we enter September, with the German election looming there is still potential for Gold to rally further. Mrs Merkel has suffered some frustration, as the Turkish President calls for all Turkish people holding Germany residence not to vote for her. This could cause further tension, I believe that she will ultimately be re-elected as there is no other strong candidate.

The Brexit negotiations are on-going and it's important to mention that should we see any further delay, and or a move towards a hard Brexit, it would certainly send gold on a rally.

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