



RIO REGULAR INVESTMENT ACCOUNT GBPInvestment Manager Comments

The Regular Investment Account (GBP) has produced yet another gain, up 1.15% in March. Looking back, the account has outperformed its benchmark in 2018 posting net gains of 23.69%, this much to the satisfaction of those invested. In comparison the account's benchmark return (the FTSE) was down -12.48% for the year. Perhaps this demonstrates that the Regular Account has done exactly what any well managed investment sets out to do, that is to outperform its benchmark return, and return a reasonable gain for those invested. More importantly, in doing so, it has also underlined the fact that the trading strategy utilised throughout the period was highly effective.

Sterling's position began to brighten in March, as some hoped to see a positive note from the third round of votes on the Prime Ministers Brexit deal, but it wasn't to be. Yet again Brexit negotiations plagued the currency as Theresa May's deal again suffered defeat. The Prime Minister made it clear that the door is open to a possible Brexit delay, but any further delay in Article 50 would be something that the European parliament has already made clear that they would be opposed to. Looking ahead, there will still be volatility in the currency until a clearer position is seen on Brexit.

Stocks were given a tailwind yet again as investors opted for riskier assets based on hopes of an end to the trade dispute between the U.S. and China. Should we see a deal finally announced then stocks would rally. Conversely, if no deal is done then we are likely to see gold rally a little as investors run to safety assets.

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