



Investment Manager Comments

The RIO Regular Investment Account (USD) produced a gain of 1.19% during June. This was achieved in spite of the mayhem experienced by the US stock market, following Italy's Central Bank warning that the nation was only "a few short steps" away from losing investor confidence. Consequently, financial markets suffered the biggest sell-off in years on fears that repeat elections in Italy would become a proxy vote on euro membership.

The Account continues to break all previous RIO consecutive return performance related records. I would draw attention to the fact that this is a significant achievement since our investment statistics date back over twenty years.

The record breaking thirty months of consecutive gain has produced a return of 125.02%. This dwarfs the benchmark return and exceeds the forecasted return fivefold.

The Dow Jones also performed well over the same period, returning 39.29%, but bears poor comparison with the traded RIO Account.

Finally, as I have said several times previously, active trading is vastly superior to a 'buy and hold' strategy, especially if one seeks to limit the risks taken. As always, it is important to remember, although we have continued to see back to back gains, this product is a high risk investment and can also produce losses.

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