



RIO REGULAR INVESTMENT ACCOUNT GBPInvestment Manager Comments

During September the Regular Investment Account (GBP) had already proved its worth to RIO members. Since launch the Account has recorded fifteen gaining months with only two losing months, the total return to date stands at 34.10% with both the short term strategy and active trading proving their worth. Importantly this investment continues to outperform its benchmark return, the FTSE 100, which has produced a loss of 4.81% in the past 12 months, compared with the Regular Investment Account, which has showed a gain of 25.46% over the same period.

Trading during October; Barclays Bank stock was added to the Account's assets on the 16th October at 162.84 using 10% of the cash held to acquire the stock. I was able to close 100% of the position at 170.70 on the 24th October taking profits and capital back to safety.

I also acquired Barrett Developments stock on 26th October at 488.90, by investing 15% of the cash held in the new position. I have set a sell order at plus 535 to close 100% of the position, and I am confident that this order will be fulfilled. Should this be the case then yet again I will be able to take profits and move the capital back to safety.

Rumours have emerged that the UK and EU are close to a deal on financial services, giving access to EU markets after Brexit. Sterling traded higher on this news. In addition, Mark Carney confirmed that interest rates were to remain unchanged, although he noted that a 'smooth exit' from the EU could potentially lead to a faster pace of interest rate hikes.

Consumer confidence in the UK fell in October despite accelerating wage growth and pre-budget reports about the imminent end of government austerity. Confidence dropped one point to minus 10 in GFK's long-running Consumer Confidence Index amid conditions normally sufficient to boost consumer sentiment.

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