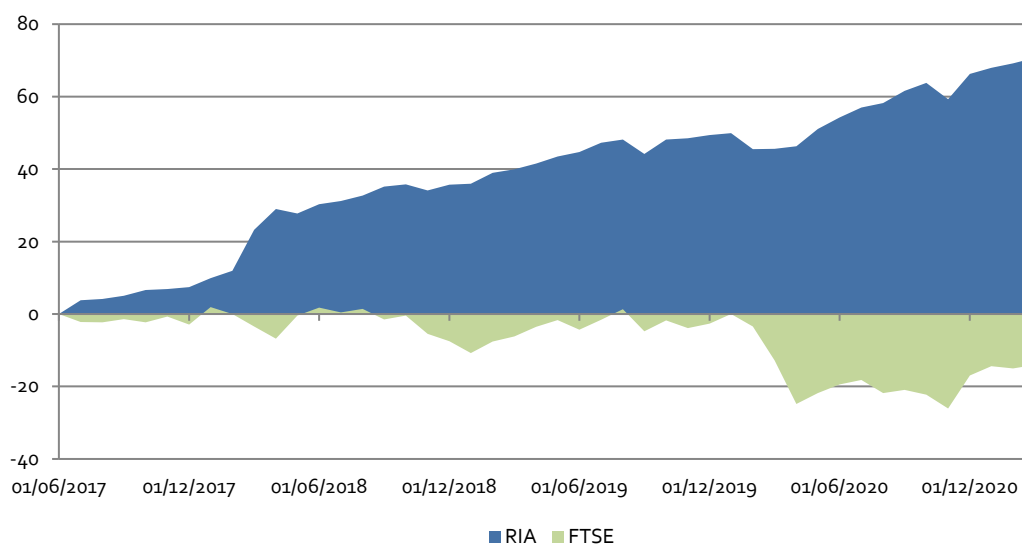




RIO REGULAR INVESTMENT ACCOUNT GBP



The Regular Account GBP has posted its second consecutive gain in 2021, with every trade closed registering a profit. As such the account finished February up 0.92%. The FTSE 100 began to show signs of stress and as such experienced a sharp sell-off in the second half of the month. Fortunately, RIO had already banked profits and had the capital returned to safety, ready to buy into the correction as we enter March.

With the Brexit fiasco behind us, I am happy that this year has been as I had predicted, the first few months of the post-Brexit landscape continues to provide the best opportunity to trade. As I said last month, 'the true measure of an investment, is not just about generating gains, it is equally about avoiding losses.' The most recent example of RIO's measure being the sudden and sharp market moves seen during the March 2020 mayhem, which surprised most mainstream investment companies and devastated almost all equity funds. Importantly this stock-based account was one of the very few equity-based investments in the world not to lose, in fact it did the opposite by posting a gain in the March meltdown.

Looking forward, the account is ideally positioned as we enter March, the regular account now holding 65% in cash, ready to take full advantage should I be proven correct and the stock market does come under pressure.

All this has benefited members who have been invested over and through the above period, but for those who agreed with our well-known position on the US Dollar, and invested their dollars in this Sterling based investment, well these members have benefited even more.

The Brexit vote in June 2016 had pushed Sterling to fall strongly, the pound had remained very much beaten down to near historic lows during and through this period of uncertainty. But throughout the whole of this four year period I reiterated multiple times that the possible upside in Sterlings value could easily be seen from the fact that any positive news had always caused Sterling to rally. Finally, as this chapter drew to an end in December 2020 Sterling did indeed rally strongly, helped not only by the end of uncertainty surrounding Brexit, but also supported by Boris Johnson's government roll out of the Covid-19 vaccination program, which has been massively successful to date.



In short many members who had been holding USD could see the potential in our forecast and sold their US Dollars to Sterling simply by remitting US Dollars to invest in a Sterling denominated investment. It may be of interest that to note that near 70% of our membership which invested in the RIO Regular Investment Account GBP have done so using Dollars. Any RIO members who had taken the opportunity over the period to invest have basically seen a double dip, gaining both in investment terms and currency terms.

Looking forward the US Dollar has been trading low, this is likely to continue as more and more investors worldwide hedge their exposure to the greenback given the massive \$1.9 trillion stimulus program proposed, if passed this would favour riskier assets, stocks.

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