



RIO REGULAR INVESTMENT ACCOUNT GBP

The Regular Sterling account posted a gain this month of 2.10%. This was mainly due to the sale of three stocks; Barrett Developments, Poly Metals and TESCO which all closed in profit.

The FTSE 100 closed Friday 28th down -0.43%, but our counter play in Poly Metals posted a gain of +1.9% on the day and as such I closed the trade. RIO Regular is yet another investment which has done well for those invested up 7.74% YTD. In comparison the account's benchmark, the FTSE 100 has fallen almost 21% during the same period.

The FTSE is still 18% off February levels; as such the UK market remains relatively cheap when compared to the Dow Jones. The statistics confirm and reaffirm that the RIO trading system and the adherence to the same can produce positive results in what has been a difficult market to trade. Looking back, this investment has filed 35 gaining months since launch with only 4 losing months recorded, good results in anyone book! Looking forward, today this account like its sister, the RIO Regular USD, is well positioned; as such I anticipate being able to post further gains this month.

The UK Market

Recent statistics confirm what I had predicted, that we would see a rise in optimism as both the economic and trading prospects look to have improved.

The Prime Minister has launched a campaign this week; the agenda to get people back in their offices as working from home could cause further layoffs. He has encouraged the civil service to return to their desks, in the "All In, All Together" campaign which is focused on providing a safe working place for returnees.

As for the ongoing fiasco of trade negotiations they look stagnant for now, but a deal is still possible to achieve, if you listen to Downing Street. The UK has been pushing the EU to agree on the easy parts of the trade deal, I would suggest that such tactics are simply to get momentum going and I would point out that any move closer to a deal is likely to push Sterling higher.

On that point, things look even better for the members who used the overvalued USD to invest in this account given the Pound's recent rally. Sterling has now made a strong comeback, importantly this just as I had forecast some months ago. In fact, the GBP/USD now hovers near an 8-month high at \$1.3283. I am sure this is much to the satisfaction of those members who invested USD in this Sterling denominated account, such members are now benefiting from a double dip gain, a profit from both the gain posted and from the exchange rate, which is up 2.25% for the month of August, an overall gain of 4.35% in the 31 days period.

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The RIO Club