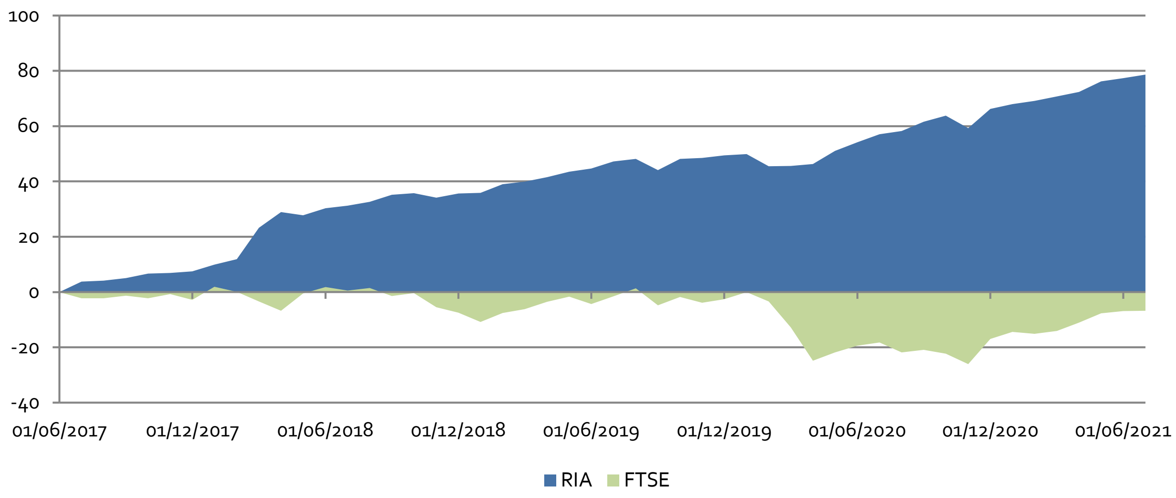
RIO REGULAR INVESTMENT ACCOUNT GBP

The political uncertainty, hanging over British shores for several years has, for the most part, cleared and the sun could be set to shine on the London Stock Exchange once again. However there are some short term concerns such as the recent announcement from the UK that they will deviate from the Brexit deal this week unless the EU shows more flexibility over Northern Ireland.

That said, looking back to last year many UK companies and sectors delivered more than reasonable returns, which in turn assisted the RIO Regular to post consistent gains through 2020/21. More recently, the UK's economic recovery from the pandemic continues, it may have slowed a little in June but has seen a very sharp rise in economic activity in the hospitality sector. Bars, restaurants and other hospitality businesses reported their strongest performance in nine years as restrictions on indoor service were lifted.

Looking forward, while the economic effects of Brexit remain to be seen, I would point to the fact that stock markets are in business to anticipate the future and there's plenty evidence of renewed confidence in UK corporate valuations. The interest in investment in UK stocks is not so surprising, especially when you take into consideration the Bank of England base rate, most bank and or building society saving rates fail to preserve the real value or purchasing power of money against the insidious effect of inflation. The Consumer Prices Index (CPI) is increasing by an annual rate of 1.5% while the Retail Prices Index (RPI) is rising roughly twice as fast.

In short, following a period of several years in which political uncertainty had depressed confidence in the London Stock Exchange, RIO recognized this as an opportunity and launched the RIO Regular GBP Account which has done well since its launch in June 2017. This account has benefited from investing in British stocks, and in fact with an average return of 1.61% per month since launch its the envy of many in the investment industry. More recently, in the past twelve months the account has posted gains of 13.76% and today as I write this investment is in profit for the month of July.



Members seeking growth should consider the recent upward trend in the UK, and the fact that this market is arguably undervalued when compared to most other developed stock markets. That being so, it could prove rewarding for those prepared to accept the risk. Add to that, the recent opening and lifting of all restrictions on the 19th of July can only add fuel to the UK economy.

To underline the point, the UK FTSE-100 today is 6,998.28, as such it's a major equity index which has not yet risen to pre-Covid levels, which were 7,500; this market has yet to rally back to pre-Covid levels when most other markets have moved higher than their pre-Covid levels. My point being simple, if the FTSE rallied back into the 7500 range by December it would be a +7% gain on today. I would seek to take full advantage of any preserved positive move in the UK market and would position the account to benefit. Let's not forget that the UK is still one of the leading countries globally on the vaccine roll-out, this could pay dividends as we move through the rest of 2021.

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