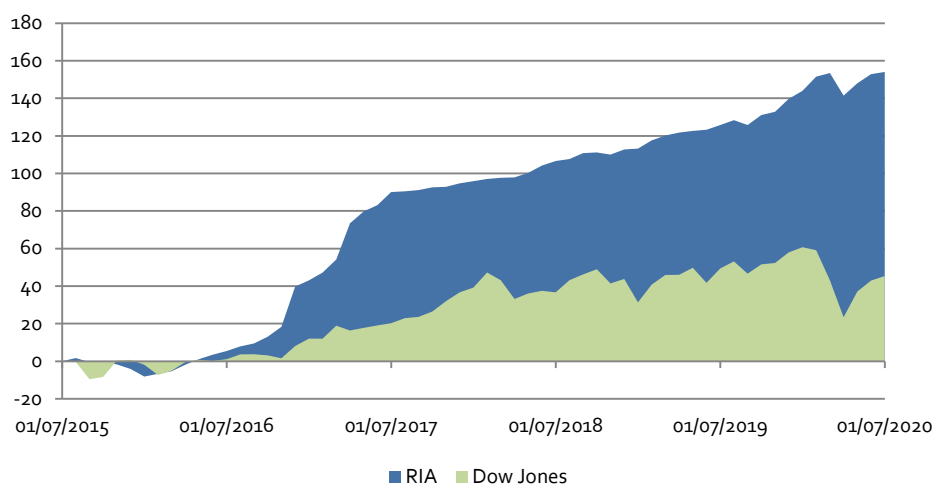




RIO REGULAR INVESTMENT ACCOUNT USD

The RIO Regular account produced a gain in June, at which point it was up 4.12% for the first six months of 2020, the 12-month returns had breached their target of 12% reaching 12.53% despite the COVID-19 carnage. The 5 year returns for this account stand at a spectacular 154.03% which is more than three times that of the accounts benchmark (Dow Jones) which has produced 45.36%.



That said, it's been a tough year for equity investments; RIO Regular USD navigated the volatility and as a result has done well. Now in week four of July we draw ever closer to the US election in November; as we move through August we are likely to see the start of what will become several investment opportunities created by Donald Trump, the incumbent president seeking reelection, he is likely to do everything in his power to drive up US equities. But there is also a major investment opportunity lurking in the escalating US China situation.

The US Market

The US Markets turned negative on Friday as China ordered the US to close its consulate in Chengdu, this only two days after the US told China to close its consulate in Houston.

Gold Prices have remained in rally mode and have even been pushed to record highs today as the tit for tat between the two super powers has intensified. All this rhetoric between the US and China has taken its toll on the US dollar. This, in my opinion, has cemented the expectation that central banks will move forward with further stimulus proposals to ease the economic strain from the continued threat to the economy as a result of the coronavirus pandemic.

Gold stock pick adds to gains

As members know from my recent RIO Regular Sterling report, I have been trading a select group of gold stocks for both RIO 888 and to a smaller degree for the Regular Investment Account GBP. Last week I added one of my favorite gold stock selections Polymetal International plc (POLY.L) to this account's holdings. The stock sky rocketed today reaching 1960.50, up over 6% on Fridays close. Three RIO accounts this month have now benefited from this stocks selection and purchase.

William Gray
The RIO Club