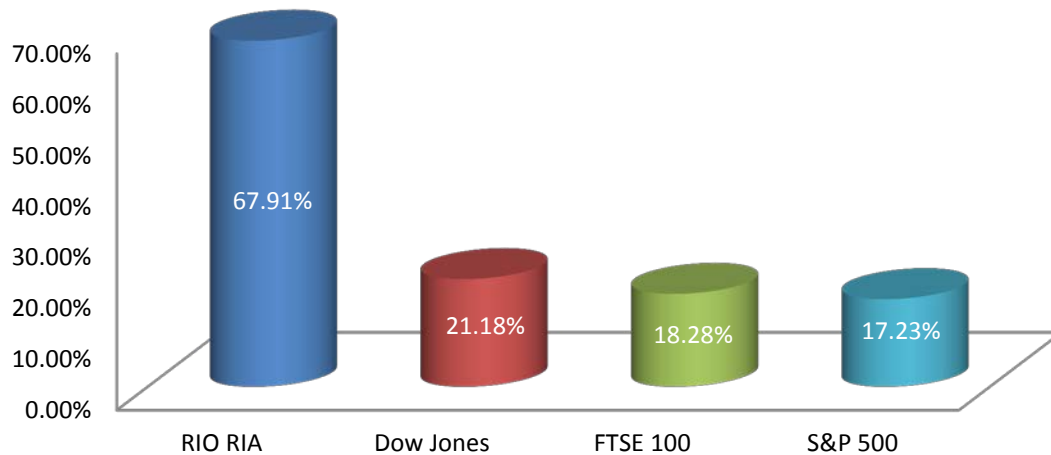




RIO REGULAR INVESTMENT ACCOUNT

Active trading continues to produce positive results those invested, in fact the Regular Investment Account continues to exceed expectation. The performance over the 14 month period from January 2016 to date has been nothing short of exceptional. This investment has recorded 14 consecutive gaining months producing a total return of 67.91%.



Returns for the period 01 January 2016 to 01 March 2017

This month has been more of the same, during the first three weeks of March I have already successfully closed all trades in profit. The gains produced are so far are above the monthly target. Hence, I switched 87% of the Regular account to safety to reduce risk, both protecting the capital and recent gains. As a result, March looks set to be the account's best performing month since November last year. The remainder of this month will be focused on limiting any potential downside risk, but I intend to maximize the potential from the remaining trade.

Recent trades

I used the short term US dollar strength to sell US Dollars and buy Sterling, and then acquired Group Four Security stock, G4S is listed on the London Exchange. The account added G4S stock to its assets on 28th February at 262.10. This trade was closed during the 10th March, with 100% of the stock sold at 294.20 taking profits.

Another notable trade in this month was Bovis Homes, this particular stock acquired in Sterling on Thursday, 9th March at a price of 849.46. Interestingly, Bovis Homes had been brought to my attention by our analysts who had simply highlighted that the stock could be undervalued when compared alongside the 10% rally which the sector had produced on the FTSE 350 (Household Goods & Home Construction Index).

The home builder looked to be a prime target for takeover, and had recently revealed that it was already in talks to be bought by competitor Galliford Try Plc. The stock was, however, sold swiftly taking profits the following Monday 13th at 915.70, another short term gain.

My short term stock trading in the UK markets continued acquiring yet another stock in Sterling on Monday the 20th of March, this time Hastings Plc. This company listed on the London Stock Exchange, the ticker symbol being HSTG was bought at 247.23, and subsequently sold a day later at 262.87.

UK Inflation drives Sterling higher

UK inflation, according to the Consumer Prices Index, has jumped to 2.3% in February, passing the Bank of England's set target to reach the highest level in almost three and a half years. The UK pound as a result rallied against the US dollar, which afforded me the opportunity to sell the Sterling acquired at 1.216 back to US Dollars at 1.239 on 17th March. Throughout the month, I took full advantage of the short term currency volatility, again selling the US dollar which had rallied on the 20th of March once again acquiring Sterling at 1.17. The Sterling then utilized to place and acquire Hastings Plc stock on the day, the stock was sold on 21st March taking profits in Sterling which were converted back to US dollars on the 23rd at 1.246.

Looking forward

Most members invested in the Regular Investment Account are well aware, from either a direct conversation with myself and/or the investment reports, that I am very confident that both March and April will be profitable months for those invested.

This confidence partly comes from the fact that RIO has identified a select group of stocks which could perform well in the short term. As always any trades are both executed and reviewed daily, and are in full consideration of a review of the market condition at the time of trade.

William Gray
The RIO Club