



RIO REGULAR INVESTMENT ACCOUNT GBP

The RIO Regular Investment Account (Sterling) is positioned to see a strong return this month, given that I have already taken profits closing all positions held resulting in a gain overall of 4.98% this month already. Since the current positive position represents what would already be a record month in terms of return, I am holding a larger cash position once again which will reduce risk as we move through the rest of this month. In adopting this strategy I intend to be able to ensure that this month posts what may become the highest monthly return seen since launch of the product.

As I have said several times in the past, active trading is the only way to trade this market. Continually taking profits, as I did for this account last week, secured the positive position and underpinned the success of the Regular Investment Account as a new product.

Members should remember that this product was initially created and designed to benefit from actively trading stock listed in the UK through the expected volatility caused by Brexit. That said, I was ideally positioned in January and, as above, had taken profits. As such the Account held a strong cash reserve, enabling me to acquire stocks with cash held at the start of February.

Sterling

Sterling has also strengthened, following data revealing that UK inflation was close to the highest levels in 6 years. I believe that this will, in turn, increase the market expectation for action by the BOE to raise interest rates in May and should they do so this would further support Sterling.

As for the UK inflation rate it was firm at 3% in January, this being unchanged from December. More importantly, the number recorded was slightly above the market expectation of 2.9%.

Finally, core inflation rate was 2.7% in January, up from 2.5% in December, and again above the market expectation of 2.6%.

The GBP/USD ratio climbed to a four day high level of \$1.3923 following release of the data on earlier this week and has since climbed to 1.3950.

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