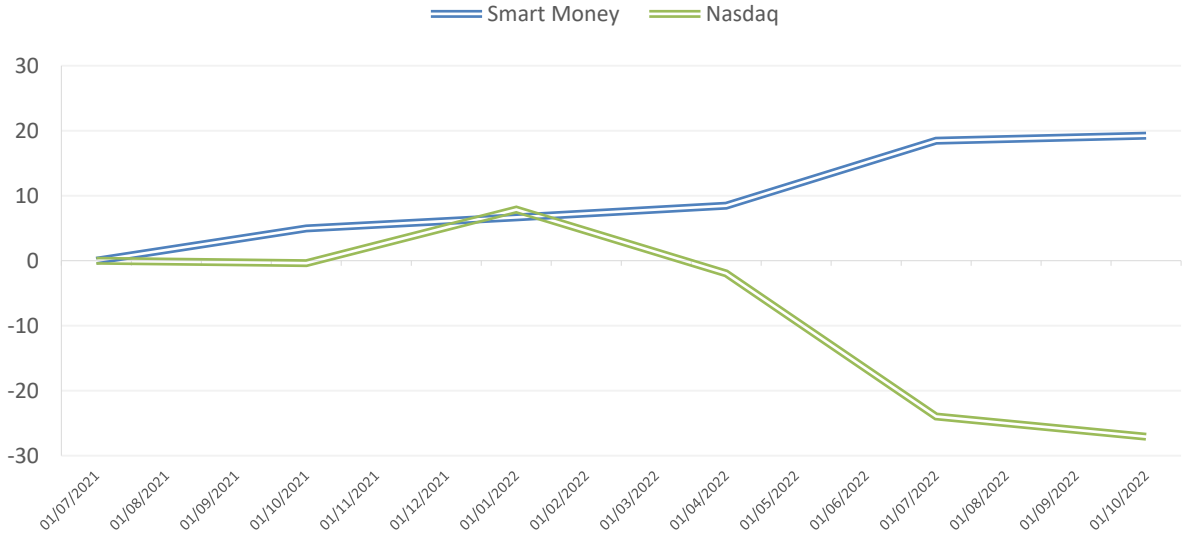




RIO Smart Money has produced a return of 0.65% during the third quarter of 2022, which is the fifth consecutive gain since launch. Yet again, this quarter's recovery has been achieved by monetising the total holdings in NIO stock, sold on the 19th and which netted a profit. I have subsequently moved both the capital and the gains to a cash position. Buying the dip ahead of the unveiling of NIO's newest product launch, it is Groundhog Day as I await yet another downward sell-off to secure a better re-entry point.



The EV market in the United States has seen sales increase by more than 40% every year since 2016. The tipping point in EV adoption occurred in the second half of 2020 when EV sales and penetration accelerated in major markets despite the economic crisis caused by the COVID-19 pandemic. Europe spearheaded this development, where EV adoption was up 8% due to policy mandates such as stricter emissions targets for OEMs and generous subsidies for buyers. In 2021, there were discussions on the ending of new internal combustion engine vehicle sales. These talks resulted in the issue of new targets in the European Union, and the United States now aim for an EV share of at least 50 percent by 2030. Several countries have announced accelerated timelines for internal combustion engine car sales with bans in 2030 or 2035.

Today with petroleum prices rocketing due to geopolitical instability in Europe and efforts by the global community to curtail carbon emissions, the EV sector offers a significant economic opportunity. According to McKinsey, regulations and incentives in China and Europe will likely catapult EV market share to at least a third of all light-vehicle sales.

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