



Investment Manager Comments

The RIO Silver Lining is an actively traded physical silver investment. The account has done well recording an 8.99% gain since launch. This positive performance has been achieved despite the fact that the metal has lost 14.50% in the same period. This clearly shows that trading silver is a far superior method of investment over that of a buy and hold strategy. A buy and hold strategy involves little work and in today's market simply would have failed to deliver. RIO's trading provides the opportunity to take full advantage of the volatility and results in the gains posted to date.

To date RIO has recorded five gaining quarters and just one losing quarter, again this despite the downturn in the silver market, mostly due to the knock on effect of the recent actions taken by parties involved in the trade wars. It must be said that it is this same downturn which makes the metal a real buy today, given that silver is currently priced at \$15.15 an ounce.

At present silver is both oversold, and arguably under-owned. Market indicators will come to identify this, which will then, almost certainly, shine a light on the metal causing professional investors to react. A further positive statistic is the fact that the current silver to gold ratio is high and this adds further weight to silver's potential upside as we move throughout the rest of 2019. To clarify, when the silver to gold ratio is low, the opposite is true and usually signals a good time to buy gold.

Looking ahead, silver could perform well as investors and traders begin to focus on this market's demand fundamentals post the current trade war, which has had a negative effect on this market. I would again reiterate that once these trade disputes are resolved, it would in turn lead to a higher demand for silver, which has strong industrial uses and as a result would see the metal rally. Our forecast is that silver will move above \$17 an ounce in 2019, should we see an end to the recent trade wars.

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