



The RIO Currency Concept Account recorded its best quarterly return since launch, gaining 8.11% in the three month period. This Sterling based currency trading account is yet another RIO investment which has outperformed its target return. The active trading of Sterling/Dollar positions in the run up to Brexit certainly delivered the desired results, with a six month return of 12.33% and a total of 19.5% for 2019 it certainly has been rewarding.

Following on from last quarter's performance ; this quarter is looking good as we enter week two of February. The account continues to trade Sterling/Dollar/Sterling positions with a high degree of accuracy.

Recent profitable and importantly, closed positions:

The last quarter closed on the 1st January, as the first quarter on 2020 got under way I sold Sterling to US Dollars, on the 6th January at 1.31, taking profits. I successfully reacquired Sterling at 1.2942 on the 23rd January. As January came to an end I reversed the position selling the Sterling back to US Dollars on 31st January at 1.32, ending the month on a high.

As for February again I was able to acquire Sterling at near the bottom of its current range buying at 1.2954 on Tuesday 11th, as the pound had entered an oversold position. Looking forward the Pound is likely to recover ground in a matter of weeks and I expect to be able to take profits and have already positioned a sale order at 1.31.

Looking back this investment was purposely launched to take advantage of the predicted currency volatility caused by the ongoing political turmoil in the UK. To date, this investment has done just that, it has successfully capitalised on the trading opportunities created by volatility in capital exchange rates. The results are excellent with five consecutive gaining quarters, the net gain a very respectable 22.51%.

Being an events trader of some repute, I took full advantage of the opportunity presented by the Conservative government, when they declared a sudden general election; this produced what can only be described as the ideal conditions to trade. The election and subsequent rally in Sterling gave me the opportunity to bank gains for those invested, the period was almost like a gift from the UK government, a cash give away. As at the time I was certain that a Conservative victory would produce a rally in Sterling, so I had positioned the account for exactly that outcome. Importantly, I had previously acquired Sterling at 1.2850 and 1.29, as such the account was perfectly positioned. It went very well and as the markets and Sterling began to price in a Conservative victory, I sold Sterling to US dollars at 1.33, 1.335 and 1.34 taking profits.

As history shows, my forecast had been correct, the Conservatives won, Boris in fact gaining a landslide majority in the house. Sterling peaked at 1.35, before losing ground due to the prime minister announcing a swift and bold move to put a limit on the time frame to secure a trade deal with the EU.

Many regarded the time limit as putting the possibility of a hard Brexit back on the table, as such this negative sentiment put a downward pressure on Sterling. I took advantage of this situation and acquired Sterling as it became oversold, that done the account was positioned to take profits of any

positive move the UK Pound. Again this trade paid off as I banked gains for those invested.

The mighty Pound is the oldest currency still in use, being 1,200 years old. Even so due to ongoing EU issues, in the short term I expect volatility to keep the UK Pound range bound, most likely moving between 1.29 and 1.31. That said, as we move through 2020, and closer to the deadline on the EU trade deal we should see lots of action. I would be surprised if Boris didn't push, and push hard, it is important to be aware that any positive news will drive Sterling higher. And of course, any bad news, would drive it lower, however at present the pound is supported at 1.29. The take away is that I will almost certainly have plenty of opportunity to trade, and that is usually profitable news.

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