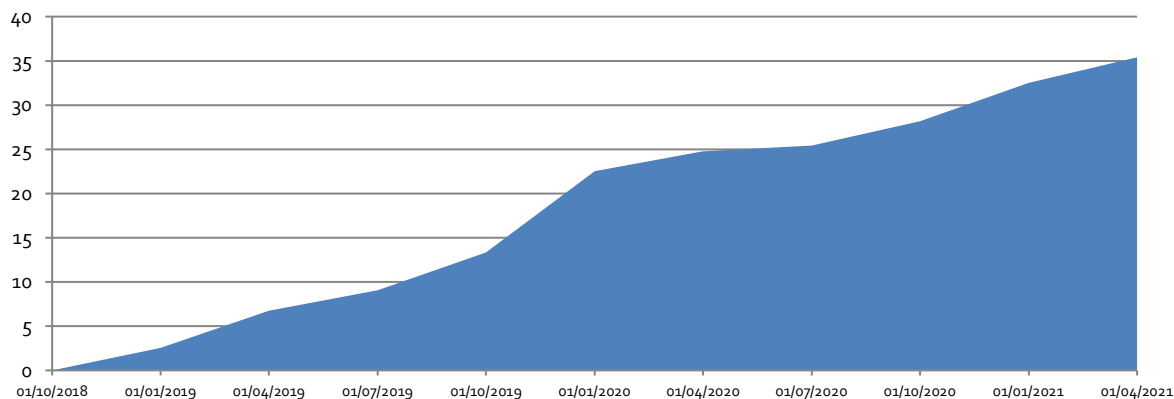




The Currency Concept Account has done well, producing 10 gaining quarters since its launch in 2018. For the quarter to date I have already closed several trades which have banked gains and we are currently in profit and set to record what should be another positive result.



Looking back at last week there was plenty of opportunity to trade; GBP/USD reached 1.42493 on Tuesday, which was the high for the week, it then fell back to end the week near the 1.4183 mark.

The good news is that I took full advantage of the high, placing and subsequently closing a trade to sell 15% of the Sterling held at 1.4240, in doing so I had increased the weighting of the US Dollars held by the account. The rationale being that Sterling, at that point, had surpassed the previous high of 1.4240 set in February 2021. In fact, the recent rally had lifted the currency pair to the highest level since April 2018, taking profits was, for me, a given.

The sale was subsequently proven to be the correct decision as the mighty Sterling failed to break higher, basically, for now, it had lost steam. The trend moved lower Wednesday when I was able to reacquire Sterling at 1.4120, all in all, two successful trades. I say that as the action on Thursday pushed Sterling higher as it again tested a swing area between 1.41937 and 1.4200 and I again took profits as the Pound climbed back above 1.4200. Yet again this proved prudent as the Pound failed to break through and fell lower. The weaker US job report sent the pair surging and again it was resistance at 1.4200 that ultimately stalled the rally.

As always, the constant trading and banking of profits has the effect of reducing the potential downside risk as we move through what is now the final few weeks of the second quarter.

Looking forward, this week could finally see a break above the high of 1.42193, as such I have held the newly acquired Sterling as I believe we will yet again test February's high of 1.4240. If Sterling moves above that level for the second time, I am almost certain that I will be presented with an opportunity to sell the position and bank profits for those invested.

Looking further forward even if the current rally stalls, I predict that the GBP/USD rate is likely to move higher and continue its rally in the post-Brexit recovery and we will bank gains if I am proven correct!

William Gray
The RIO Club