

31 March 2006

Japanese Stocks outperform as predicted by RIO in August 05

During August 05 RIO forecasted Japan to out perform main markets over the coming two quarters, the chat below depicts our predictions were accurate. We acted on our own forecasts by investing a percentage of the monies from the closure of RIO's Funds administered by Hansard in September; Members will continue to benefit from our Fund management experience as promised we continue to select holdings for those members invested in Hansard products. RIO invested 15% of the proceeds from Fund closure in Hansard Japan MC 06 sighting strong growth potential the Hansard Japan Fund should do well in current market.



Japanese Stocks out perform Dow and FTSE

Japanese stocks edged higher Friday, extending a recent surge that saw the Nikkei index top the 17,000 level for the first time in 5½ years surprising many.

The Nikkei 225 index added 14.32 points, or 0.08 percent, to finish at 17,059.66 on the Tokyo Stock Exchange. The index now has gained 3.46 percent over the past six trading days.

Friday's finish was the Nikkei's highest close since Aug. 29, 2000.

The government also said Friday that Japan's jobless rate fell to 4.1 percent in February, down 0.4 percent from January.

RIO Professional Investors Fund; provides members with the opportunity benefit from the boom in commodity prices.

Associated News

Institutional investors, pension funds and assurance groups, are increasingly are beginning to view commodities as a distinct asset class to be included in their portfolios alongside more traditional investments in shares and bonds.

I believe one key driver for the change is that institutional investors are unhappy with the returns they are seeing from traditional investments.

This decade is being characterized by a significant deterioration in the performance of bond and equity returns, according to Deutsche Bank Global Markets Research.

Equities, which were increasingly perceived as a low risk, high return assets during the 1990s have become a high risk, low return investment during this decade, while bond returns are under threat from strong growth, inflation shocks and persistently low interest rates, according to our research.

As we predicted institutions are now viewing the buying of shares in companies, particularly in Europe and the US as risky since many of them face uncertain futures, with costs rising due to high energy and raw material prices and with growing competition from Chinese or Indian firms.

Lending money to companies or governments, which often use the bond market to raise finance, is also unattractive because low interest rates mean yields are low.

Many analysts are predicting that commodity prices will continue to rise, because of growth in demand and a scarcity of resources.

Those members who have already expressed an interest in the launch of RIO Professional Investors Fund thank you for your interest. This Funds launch is immanent; the final structure will be complete by April 06, negotiations with our legal team and administration office are now reaching the final stages. I hope to be in a position to forward literature on this Fund by end of April.

William Gray
Executive chairman