

RIO Professional Investors Fund

Fund Manager's Comments

1st September 2013

As always this month is less active this is the norm, the reason simply many institutional traders are on leave.

That said, I took the opportunity and turned my full attention to one particular asset class representing 23.73% of the fund- the property holdings. I predicted months ago that this market would see an upswing, well it's begun to see activity in fact during the past two months many experts have begun to predict a positive outlook for UK property values aligning their views with mine all be it many months later. This is why the property sector will feature in my coming September investment update on the Professional Investors Fund this will be composed when I return to Asia later this month.

During August I took time to visit each and every tenanted commercial property held by the Fund whilst in the UK. During June I had informed our appointed surveyors that this would take place since two work permits had been issued to carry out important maintenance works at two of our Government tenanted properties. The cost will be borne by tenants as per terms of leases. These works will ensure buildings are maintained to top standard, which is very important to protect future valuations. I also can report that planning permission was granted for a change of use at another property held and that a building warrant has now been issued after some alteration to original drawings and planned renovation works which are under way. This hands-on approach is one reason that I am continually able to maximize any possible gains from the UK property market holdings as a whole, and can thus produce results in excess of general property market returns.