

Rid Investment LLC FZ. 01/11/2022

Report October 2022.

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Report

Financial markets experienced significant volatility driven by a convergence of macroeconomic factors, including central bank policies, key economic data releases, geopolitical tensions, and ongoing global supply chain disruptions.

The US Federal Reserve maintained its aggressive stance to combat inflation, which remained elevated due to persistent supply chain issues and robust consumer demand, by raising interest rates by another 75 basis points.

This move further strengthened the US dollar, impacting global currency markets. The US dollar appreciated against major currencies, supported by the Fed's tightening stance and a strong US economic outlook. The EUR/USD pair faced downward pressure as the European Central Bank began to signal potential rate hikes but remained cautious due to uncertainties in the Eurozone's economic recovery and inflation dynamics. Geopolitical tensions, particularly the Russia-Ukraine conflict, continued to add complexity to the forex market, increasing the demand for safe-haven assets like the US dollar and causing fluctuations in pairs such as EUR/USD and USD/JPY. Commodity markets were heavily influenced by geopolitical tensions, especially energy commodities like crude oil and natural gas.

The ongoing conflict in Ukraine, a major transit route for Russian energy exports to Europe, raised concerns about potential disruptions to global energy supplies. Consequently, oil prices remained elevated, with Brent crude trading around \$85 per barrel. Natural gas prices also surged due to supply concerns in Europe. Gold had mixed performance, initially rising as a safe-haven asset but later facing pressure from a stronger US dollar and rising real interest rates. Silver, influenced by both monetary and industrial demand, exhibited volatility amid ongoing supply chain issues.

Crude oil saw significant gains driven by supply fears related to the Ukraine conflict. Equity markets displayed substantial volatility as investors weighed the impact of higher interest rates on corporate profitability and economic growth. The S&P 500 index fluctuated sharply, with technology and growth stocks particularly affected by rising borrowing costs. However, sectors like energy and materials benefitted from higher commodity prices, providing some support to broader market indices. In response to market conditions, we adjusted our asset allocations across five investment accounts to optimize returns and manage risk effectively.

Account 1 had a 40% allocation to forex, focused on EUR/USD, GBP/USD, and AUD/CAD; a 10% allocation to indices, with investments in S&P 500 and other indices; a 10% allocation to commodities, primarily in gold, silver, and crude oil; and a 40% allocation in other diversified markets. Account 2 had a 10% allocation to forex, focused on EUR/USD and GBP/USD; a 50% allocation to indices, primarily in S&P 500 and technology indices; a 30% allocation to commodities, with a focus on crude oil and natural gas; and a 10% allocation in other diversified assets. Account 3 had a 30% allocation to forex, focused on EUR/USD, GBP/USD, and AUD/CAD; a 30% allocation to indices, with investments in S&P 500 and other indices; and a 40% allocation to commodities, primarily in gold, silver, and crude oil. Account 4 had a 20% allocation to forex, focused on EUR/USD and GBP/USD; a 10% allocation to indices, primarily in S&P 500 and technology indices; and a 70% allocation to commodities, with a significant focus on energy commodities, gold, and silver. Account 5 had a 30% allocation to forex, focused on EUR/USD, GBP/USD, and AUD/CAD; a 30% allocation to indices, primarily in S&P 500 and other indices; and a 40% allocation to commodities, with a focus on gold, silver, and crude oil.

Overall, our strategic adjustments in October 2022 resulted in a notable profit. The diversified approach and adaptive asset allocation across forex, commodities, and equity markets allowed us to

navigate market volatility and capitalize on emerging opportunities. The total monthly profit was 4.02%, driven by strong positions in major currency pairs, significant gains in energy commodities and precious metals, and selective gains in energy and materials sectors amidst overall market volatility. This report underscores our expertise in managing investments in complex and dynamic macroeconomic environments, leveraging diversified strategies to achieve optimal returns while effectively managing risks.