



MONTHLY NEWSLETTER

SEPTEMBER 2019

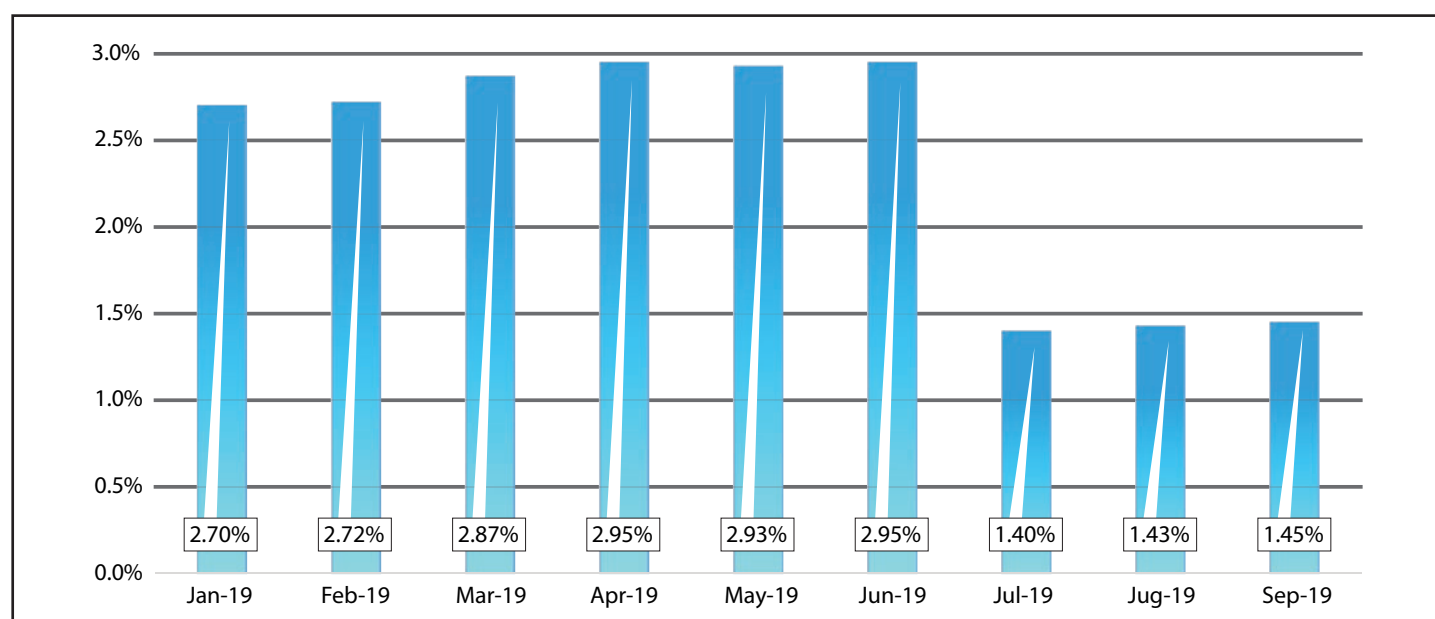


Investment Objective

Orionis fund carries active opportunistic trade of raw gold by integrating the supply chain in midstream artisanal gold mining and generating significant yield on investment.

The fund engages experienced professionals in every step of purchase and sale of gold generating optimum yield. Security, transparency and traceability of origin of dore bars are at the heart of process. The fund does investment only in raw gold sourcing and doesn't diversify outside its field of expertise.

Orionis Performance – YTD Sep '19



For the year, fund has been consistent barring in Q3 where monthly returns were lower than previous monthly averages. During Q3, yield significantly reflects a decline owing to lower available artisanal gold to transact which was due to monsoon in the mine area. The fund during Q4 expects to break through the low activity phase and to rebound to the level of its previous performance.

Performance Tracker of Orionis (Since Inception)

Orionis since its inception has been generating yield on investments. With its historical average performance, initial investors had received a 100% return on investments within a payback period of 39 months. The fund does sourcing of gold in Western Africa, in particular Republic Of Mali.

At the site, Orionis have appointed local precious metal agent who supervises the operations. Security, transparency and traceability of the origin of raw gold or dore bars are at the heart of the process of Orionis. The transportation of gold and its continued security is handled by best in class vaulting agent.

With the promoter's experience and state of the art operational facility, the fund has been consistently generating yield on its investment. The fund does investment only in raw gold sourcing and doesn't diversify outside its field of expertise.

Monthly Results

Orionis Fund Ltd, Class G. (CIS) continued its profitable operations and declared dividends of 1.45% for September 2019. The fund commenced in 2015 and follow a unique - monthly dividend distribution model.

For year 2019 till September, fund has distributed cumulative dividends of 21.40%. The CIS achieves its objective by strictly following best mining practices. Orionis Gold conducts its business in ethical, transparent, accountable and fair manner within applicable guidelines and regulations.

	2015	2016	2017	2018	2019
Jan	4.36%	7.39%	2.25%	2.75%	2.70%
Feb	2.17%	3.18%	2.50%	2.80%	2.72%
Mar	3.27%	2.25%	2.30%	2.80%	2.87%
Apr	3.27%	2.30%	2.50%	2.93%	2.95%
May	3.20%	2.54%	2.40%	2.90%	2.93%
June	3.68%	2.15%	2.45%	2.95%	2.95%
July	3.68%	2.05%	1.50%	1.40%	1.40%
Aug	2.33%	1.80%	1.50%	1.45%	1.43%
Sep	1.41%	1.80%	1.50%	1.42%	1.45%
Oct	2.36%	2.15%	2.85%	2.87%	
Nov	1.35%	2.20%	2.95%	2.92%	
Dec	1.71%	2.20%	2.92%	2.95%	
TOTAL	32.80%	32.01%	27.62%	30.14%	21.40%
SINCE INCEPTION				143.97%	

M&A /Cost Cuts has potential to unlock \$13 Billion

www.bloomberg.com



A group of investors said “significantly mismanaged” gold companies could unlock \$13 billion in value through mergers and cost cuts. The investors are looking to boost shareholder value in gold mining companies to capture the benefits from the precious metal’s meteoric rise to a six-year high. The Shareholders’ Gold Council of 18 investors found that the median spending of senior gold producers is double that of mining companies that produce other metals. The potential for cuts is greater among so-called mid-tier gold producers. About \$2.5 billion of the combined profits of 47 gold companies the council tracked were spent on salaries and costs of head office management and boards, amounting to more than 10% of their aggregate market value. The potential to create more value is highest among mid-tier miners which were found to be “most inefficient” in managing costs.

Premier pours first gold bar from El Niño mine

www.miner.com



China's gold-buying spree tops 100 tonnes during trade war

www.reuters.com



China has added more than 100 tons of gold to its reserves since it resumed buying last December, reinforcing its standing as one of the major official accumulators as central banks stock up on the precious metal. China's gold reserves rose for the 10th straight month in September, as the People's Bank of China (PBOC) raised its holdings of the precious metal to 62.64 million ounces last month from 62.45 million in August. This puts China's gold reserves at around US\$93 billion. In tonnage terms, the latest inflow totals 5.9 tones, and follows the addition of about 99.8 tones over the prior nine months. Along with China, Russia has also been adding substantial quantities of bullion. In the first six months, central banks worldwide picked up 374.1 tones, helping push total gold demand to a three-year high, the World Gold Council has said.

Premier Gold Mines (TSX:PG) announced that it has started processing ore from the El Niño mine located at the company's 40%-owned South Arturo property in Nevada. Premier suggested that since ore is being processed ahead of schedule and considering that a first gold bar was poured on September 26, 2019, production at El Niño is expected to ramp up before the end of H2-2019.

“Premier attributable gold production is estimated to meet the high end of guidance for the year and the company expects that, owing to the high-grade ore at El Niño, South Arturo will have a positive effect on cash flow,” the Thunder Bay-based company said in a media statement. South Arturo's pre-commercial production estimate for 2019 has been calculated between 5,000 and 10,000 ounces of gold.

Global Markets

US equities made modest gains in Q3, despite ongoing growth concerns and uncertainty surrounding US-China trade. While the economy continued to add jobs, the pace of growth of aggregate hours worked in the economy has slowed meaningfully. Consumer confidence also declined from elevated levels. US equities delivered 1.7% over the quarter in USD.

In September, the European Central Bank (ECB) took steps to boost the Euro zone (flagging economy), including restarting quantitative easing and committing to buying assets until its inflation target is reached. UK equities recorded modest gains in what was a mixed quarter for global stocks. A strong performance from quality growth stocks, and other defensive sectors, helped the UK stock market achieve positive returns over the period. Emerging market equities were down as US-China trade tensions escalated and concerns over global growth continued to mount. The MSCI Emerging Markets Index decreased in value and underperformed the MSCI World. China underperformed by a more modest margin. Government bond yields declined markedly over the quarter due to risk aversion in August when US-China trade tensions escalated. The US announced a marked increase in tariffs and China retaliated with its own measures including allowing a devaluation of the renminbi.

In commodities, the S&P GSCI Spot Index posted a negative return in Q3, negatively impacted by US dollar strength. Energy was the weakest component, amid a selloff in crude oil prices as demand concerns outweighed ongoing supply risks. Soft commodities were also weaker, led by corn. By contrast, precious metals delivered solid gains, with gold and silver up 4.5% and 11% respectively as investors moved into perceived safe haven assets.

Overall, the global economy faces several binary and highly unpredictable risks. Will the trade war escalate? Will a UK election lead to a no-deal Brexit? Will the recent tension in the Middle East escalate and cause another spike in the oil price? And will companies respond to slowing growth and profits by cutting jobs? Until we have more clarity on the answers to these questions, we continue to believe that it makes sense to avoid overweight positions in equities and credit. Within alternatives, investors may find diversification through investments in gold.

Investment Summary

Orionis Fund Ltd. has declared dividends of 1.45% for September 2019 resulting in year till date dividends of 21.40%. The fund historically returns lower than average during the monsoon period in Mali which it recoups post rains and we expect to reverse the trend in Q4 2019.

We maintain our opinion that gold remains a risk hedge against ongoing political and potential inflationary risks and Orionis Fund offers an attractive opportunity for potential investors to earn monthly dividends by investing in this Gold Centric Collective Investment Scheme.

Abdul Jabbar Al Sayegh Chairman

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