



# Orionis Fund

Class G Preference Shares



## MONTHLY NEWSLETTER

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## Orionis – Gold backed Investment

The Orionis Fund Ltd. Class G is a Gold-Centric Collective Investment Scheme focusing on generating yield for Investors. The Scheme is established in British Virgin Islands as a Collective Investment Scheme for Professional Investors to participate with an experienced management team in harnessing exceptional return on investment. The fund constituted in 2015 and continues to operate with a strong historical track record of return on investments.

## Monthly Results

Orionis Fund Ltd, Class G. (CIS) continued its profitable operations and has declared dividends of '1.07%' for August '20. This open-ended fund commenced in Jan 2015 wherein professional investors may participate with the experienced management to generate exceptional returns by investing in highly lucrative field of Artisanal Gold Mining. With the latest results, the year till date returns of the fund is '12.21%' and cumulative returns since its inception is '164.20%'.

## Investment Philosophy

Orionis is focused on leading its business in a moral, straightforward, responsible and reasonable way, consistent with the laws and guidelines of the purviews in which Orionis works. The Fund is focused on its partners, particularly its workers, financial specialists and the locale in which it works, to accomplish manageable development. Orionis Fund is persuaded that maintainable and productive mining must be accommodated with ecologically neighborly and socially capable improvement. In this manner, the organization has defined itself the objective of advancing the earth, wellbeing, security and social advancement of individuals.

## Investment Process

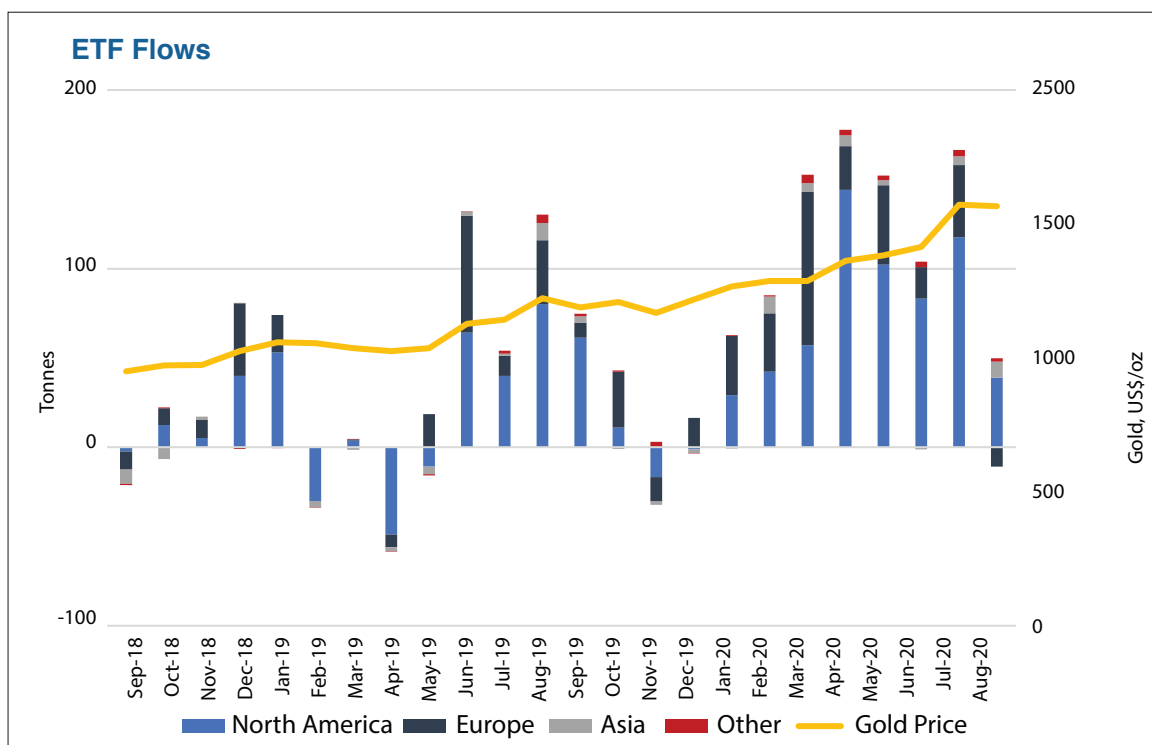
Orionis Fund Ltd. does sourcing and buying of raw gold, gold dust / nuggets mined from its Artisanal Gold Mine in Republic of Mali, West Africa. Fund engages a team of experts experienced in purchase and valuation of gold and has state of the art storage, security, transport and testing facilities. The collected raw gold is further converted to dore gold bars and is sold to international buyers / refiners in UAE. By surrounding with high quality professionals across every step of purchase and sale cycle, the fund offers an unique perspective of trading in gold generating optimal returns. Security, transparency and traceability of the origin of all raw gold or dore bars purchased are at the heart of the process. The fund restricts any diversification on its investment which is strictly carried as per investment objective. The investment process is intended to deliver maximum return on investment according to the market conditions prevailing for raw gold or dore bars. With the latest results, the year till date returns of the fund is '12.21%' and cumulative returns since the inception of the fund is '164.20%'.





## Appetite for gold ETFs in Asia increased as global demand levels off overall

[www.gold.org](http://www.gold.org)



The gold price hit an all-time high early in August on higher trading volume, but remains well below the inflation-adjusted, all-time high of US\$2,800/oz. Gold-backed ETFs and similar products (gold ETFs) recorded their ninth consecutive month of inflows in August, albeit at their slowest pace for 2020. Collectively, gold ETFs added 39 tonnes (t) during the month, equivalent to US\$2.2bn or 0.9% of assets under management (AUM).

### Regional Flows

- » North American funds had inflows of 39t (US\$2.5bn, 1.9% AUM)
- » Holdings in European funds decreased by 11t (US\$938mn, 0.9%)
- » Funds listed in Asia saw holdings rise by 8.9t (US\$552mn, 7.7%)
- » Other regions had inflows of 1.9t (US\$108mn, 2.7%).

### Long Term Trends

- » Over the first eight months of 2020, global gold ETF holdings (in tonnes) have increased by 38%
- » Collective gold ETF AUM has grown 70% this year through August
- » Holdings in both tonnage and value terms continue to reach new highs
- » North American funds represent 2/3 of global net inflows on the year.

### Central Bank net purchases lowest since Dec 2018

[www.gold.org](http://www.gold.org)

Gold Available data for July highlights central bank net purchases of 8.8t – the lowest level of monthly net purchases since December 2018 (-1.5t). Gross purchases totaled 27.2t, with buying continuing to be concentrated amongst recent purchasers, a trend we have seen for most of the year. Turkey (19.4t), Qatar (3.1t), India (2.8t), and Kazakhstan (1.9t) all saw gold reserves grow during the month. Gross sales, on the other hand, totalled 17.7t in July, its highest level since July 2019 (24.6t). Despite the lower level of growth in global official gold reserves in July, year-to-date central banks net purchases remain comfortably above 200t. But eight central banks have reduced their gold reserves (by a tonne or more) compared to seven who have increased their gold holdings (by a tonne or more). World Gold Council continue to expect that central banks will remain net purchasers in 2020, extending their annual net buying to eleven consecutive years.



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## Despite High Prices, Gold Miners Aren't Playing it Fast and Loose

[www.reuters.com](http://www.reuters.com)

The world's top gold miners are retrenching after Covid-19 related shutdowns despite record prices for the yellow metal, with cost-conscious executives prioritizing investor returns over production growth. In bygone eras of high gold prices, GDX components often rush to boost output with little regard for their balance sheets. That led to a multi-year malaise for the group, but with balance sheets in the industry now as strong as they've ever been, gold miners are liking the fact that investors will reward financial prudence. It's no secret that gold has been a major beneficiary during the coronavirus pandemic as a viable safe haven asset amid all the uncertainty in the capital markets. But investors don't actually have to get pure-play gold exposure in order to reap the benefits of the precious metal—enter gold miners. “The caution is a reversal from the 2011 gold price boom, which prompted buyers to overspend on acquisitions and led to billions in impairments when prices crashed in subsequent years.”



## Monthly Market Review – August 2020 Equities

US equities (S&P 500) reached a new peak in August, despite of trade tensions between the US and China escalating. Eurozone equities notched up gains in August but lagged other regions. UK equities rose as risk appetite recovered generally due to improving global growth outlook. The MSCI Asia ex Japan index posted a strong return, aided by hopes for a Covid-19 vaccine and ongoing economic recovery, as well as US dollar weakness. Emerging market (EM) equities recorded a positive return as hopes for a Covid-19 vaccine increased, and as the Fed's new monetary policy strategy suggested that interest rates could remain low for longer.

## Commodities

The S&P GSCI (commodities index) registered a positive return. Agriculture was the strongest component, with corn and soy beans recording particularly robust returns. Energy and industrial materials components also delivered strong gains. Energy price rises were driven by increased demand as economic activity continued to pick up globally. Nickel and zinc drove gains in industrial metals, amid increased demand from China. In precious metals, silver continued to generate stellar gains while gold slightly lost ground.

## Remarks

The swift and sizeable Covid-19 policy response from central banks and governments has managed to cushion the economic shock and lift markets. However, the second wave in Europe reminds us that the battle is far from over and until a vaccine is widely available, economies will likely remain constrained by measures aimed at slowing the spread of the virus. Hence its imperative that the government continues to support the economy until a solution is arrived for the pandemic control.

## Global Markets Performance Snapshot

World Indices			
Index	Jul-20	Aug-20	YTD %
S&P 500	3,271.12	3,500.31	7.01%
Dow Jones	26,428.32	28,430.05	7.57%
Nasdaq	10,905.88	12,110.70	11.05%
DAX	12,313.36	12,945.38	5.13%
Nikkei 25	21,710.00	23,139.76	6.59%
FTSE 100	5,897.76	5,963.57	1.12%
Sensex	37,606.89	38,628.29	2.72%
Hang Seng	24,595.35	25,177.05	2.37%

## Regional Indices

Index	Jul-20	Aug-20	YTD %
ADX	4,304.74	4,519.32	4.98%
DFM	2,050.77	2,245.29	9.49%
Tadawul	7,459.21	7,940.70	6.45%
QSI	9,368.17	9,845.17	5.09%
MSM30	3,568.10	3,771.89	5.71%
BAX	1,290.57	1,380.89	7.00%

## Global Commodities & Currencies Commodities

Index	Jul-20	Aug-20	YTD %
ICE Brent USD/bbl	43.3	45.28	4.57%
Nymex WTI USD/bbl	40.27	42.61	5.81%
Gold USD/t oz	1985.9	1,978.60	-0.37%
Silver USD/t oz	24.216	28.59	18.08%
Platinum USD/t oz	919.7	936.80	1.86%
Copper USD/MT	2.868	3.04	6.03%
Currencies			
Index	Jul-20	Aug-20	YTD %
EUR/USD	1.1776	1.1936	1.36%
GBP/USD	1.309	1.3369	2.13%
USD/JPY	105.89	105.89	0.00%
CHF/USD	1.0955	1.1063	0.99%

## Summary

While effects of Covid-19 evading, significant uncertainty remains over when global economy can fully and sustainably reopen. Central banks and governments have so far helped cushion the blow to the global economy and markets, but success will be measured by the extent to which companies avoid solvency problems and workers return to employment. Also, it appears that progress is being made towards a potential vaccine, but it is early to sound it has succeeded. While our trade continues to have an impact owing to supply chain disruptions and prevalent monsoon season in our mine area, we had during August witnessed a political regime change in Mali. As the country has a long history of honoring its mining convention, we are optimistic that new government will protect the interest of mining community.

We are in the meanwhile encouraged to witness the buoyant performance of gold and maintain our opinion that 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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