

Monthly Results

Orionis Fund Ltd. continued its profitable operations in March '19 and has declared monthly dividends of 2.87% on its investment. The year till date returns were 8.29% which is a repeat of its strong past performance. The fund adopts a monthly dividend distribution model making it very unique.

The cumulative returns paid since its inception is 130.86% where initial investors have already earned back 100% of their investments within 39 months. The fund commenced in 2015 and annual average dividend yield till date is 30.79%.

Dividend Trail – Orionis Fund

	2015	2016	2017	2018	2019
Month	%ge Div	%ge Div	%ge Div	%ge Div	%ge Div
Jan	4.36%	7.39%	2.25%	2.75%	2.70%
Feb	2.17%	3.18%	2.50%	2.80%	2.72%
March	3.27%	2.25%	2.30%	2.80%	2.87%
April	3.27%	2.30%	2.50%	2.93%	
May	3.20%	2.54%	2.40%	2.90%	
June	3.68%	2.15%	2.45%	2.95%	
July	3.68%	2.05%	1.50%	1.40%	
Aug	2.33%	1.80%	1.50%	1.45%	
Sep	1.41%	1.80%	1.50%	1.42%	
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%	
Annual	32.80%	32.01%	27.62%	30.14%	8.29%
Cumulative	32.80%	64.81%	92.43%	122.57%	130.86%

Analysts list reasons to remain bullish on gold

Source : Financial times



Gold price is witnessing a sea saw rally; commodity over a short term faces a stronger dollar, US - China trade pact and the rising equity markets. Analysts of Gold Man Sachs view that Fed reserve pausing interest rate and the growth witnessed in emerging markets would weaken US dollar and trigger upward gold price. Also, the slowing European economy, ECB's outlook for raising interest rates, negative German 10 year real rates – all are positives for gold investors. The investment bank also expects Central Banks of China, Russia and Kazakhstan continue strengthen the bid tone over yellow metal.

Investment Objective

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 the safe haven status of gold investment generating optimal risk free returns. The fund restricts any diversification on its investment which is strictly carried as per investment objective.

Performance Comparison – Orionis Fund

Index (Global Indices)	2015	2016	2017	2018	YTD '19	Since Jan 15
S&P 500	-0.7%	9.5%	19.4%	-6.2%	13.1%	37.7%
Dow Jones	-2.2%	13.4%	25.1%	-5.6%	11.2%	45.5%
Nasdaq	8.4%	5.9%	31.5%	-1.0%	16.6%	74.2%
FTSE 100	-4.9%	14.4%	7.6%	-12.5%	8.2%	10.9%
Index (Regional Indices)						
ADX	-4.9%	5.6%	-3.3%	11.7%	3.2%	12.0%
DFM	-16.5%	12.1%	-4.6%	-24.9%	4.2%	-30.2%
Global Commodities						
ICE Brent USD / bbl	-35.0%	52.4%	17.7%	-19.5%	27.1%	19.3%
Nymex WTI USD / bbl	-30.5%	45.0%	12.5%	-24.8%	32.4%	12.9%
Rates						
USD 10 yr Treasury	4.6%	7.8%	-1.7%	11.7%	-9.6%	11.9%
Investment						
Orionis Fund Ltd.	32.80%	32.01%	27.62%	30.14%	8.29%	130.86%

Global gold backed ETFs has grew incrementally in 2019

Sources: Bloomberg, Company Filings, ICE Benchmark Administration, World Gold Council;

	Total AUM (bn)	Holdings (Tonnes)	Flows (Tonnes)	Flows (US\$m)	Flows (%AUM)
North America	52.4	1,257.9	26.4	1,119.4	2.1%
Europe	46.5	1,117.1	20.1	991.7	2.1%
Asia	3.2	76.3	-3.4	-127.5	-4.0%
Other	1.3	31.5	-1.2	-55.2	-4.2%
Total	103.4	2,482.8	41.9	1,928.4	1.9%
Global inflows			67.8	2,874.5	2.8%
Global outflows			-25.9	-946.1	-0.9%

Though gold remained range bound in 2019, the gold backed ETFs until March witnessed a 1.90% surge in fund inflow; investments where into North American & European based ETFs. While prevalent decoupling between stock and fixed income markets, US/China trade relations and Brexit uncertainty continue to worry investors globally, the ETFs fund flows need to viewed as long position taken by investors to manage portfolio returns. On the back of prevalent financial market volatility, possible shift in monetary policy and the range bound US Dollar; Gold price is forecasted to exhibit improved performance while risk cushioning the portfolio basket.

Mali's gold exports up by 23% in 2018

Source : www.reuters.com



Orionis Fund Ltd. is having its Artisanal mining facility in Republic of Mali, the third largest gold exporter in Africa.

It is Gold production which dominates Mali's natural resource sector, comprising nearly 70% of total exports in 2018. The Mines ministry commented that exports have increased on account of start of production at two new mines in 2018.

Saudi Arabia's Gold Miner plans to be a global top – 20 supplier

Source : www.arabianbusiness.com

Maaden, the state-backed company plans to boost gold output from about 415,000 ounces this year to one million by 2025 and would catapult the oil-rich kingdom from a marginal gold producer to one of the world's top-20 suppliers. With declining prices of few commodities including aluminum, which generated 40 percent of Maaden's revenue last year, the company may be counting on the precious metal's allure as a safe-haven investment to soften the hit.

Maaden will boost its exploration budget to 250 million Saudi riyals (\$66.7 million) this year, about triple its average annual spending over the past decade. Saudi Arabia plans to spend more than \$7.4 billion exploring for metals and minerals by 2035, part of a \$426 billion infrastructure spending plan. Maaden is creating a mining city which is spanning 440km². Saudi's energy ministry estimates the kingdom's unused mineral resources to be valued at 5 trillion riyals (US\$1.3 trillion). The Kingdom has vast mineral resources which, due to the ready supply and market for its oil, remained largely untapped for decades. However, as the Kingdom attempts to diversify its economy and revenue stream away from its reliance on oil, mining has taken on more importance as a growth driver.

Global Markets

March 2019 witnessed growth concerns easing with upbeat economic data coming out of US and China and optimism on a possible US-China trade deal boosted the risk-on sentiment. China manufacturing numbers spurred a rally in risk assets which was further supported by strong print of US manufacturing and services PMI. US employers added 196,000 jobs in March and with the markets receiving confirmation on the health of the economy, stock markets added gains while the safe-haven assets underperformed. The biggest relief was in the form of the US long-term bond yields adjusting higher and hence reversing the "inversion" of the 10yr-3month bond spread which had sparked recession worries in the last week of March. Across the Atlantic, Brexit concerns also eased with a no-deal Brexit looking less likely and markets pricing in the possibility of a soft-Brexit. Separately, improvement in global growth outlook also boosted oil prices.

While US payrolls may have passed the test on the US economy check, market attention will now move towards the inflation releases, the Fed minutes and the consumer sentiment report. Following job report, market will be looking out signs of strong wage gains finally having pass through the overall pricing pressures of the economy. This will be important for the bond market and will further have implications of the future rate movements by the fed. As for Brexit, a soft Brexit continues to be priced in the most realistic scenario making the downside for risk assets in particularly pound sterling bigger than the upside.

Investment Summary

Orionis Fund Ltd. has declared dividends of 2.87% in month of March 2019 resulting in year till date dividends of 8.29%. The fund since its inception has been consistent in its performance and till date has generated cumulative dividends of 130.86%; annual average dividend yield is 30.79%.

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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