Orionis Fund

Class G Preference Shares

MONTHLY NEWSLETTER

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Orionis Fund Ltd

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. As of Dec '19, the fund has completed five years of its operation with a strong track record of return on investments.

Monthly Results

Orionis Fund Ltd, Class G. (CIS) continued its profitable operations and has declared dividends of '2.60%' for Jan '20. This open ended fund commenced in Jan 2015 & permits only professional investors to participate with the experienced management to generate exceptional returns by investing in the highly lucrative field of Artisanal Gold Mining. The cumulative returns of the fund till date since inception is 154.59%. i.e an annual average of 30.40%.

Investment Strategy

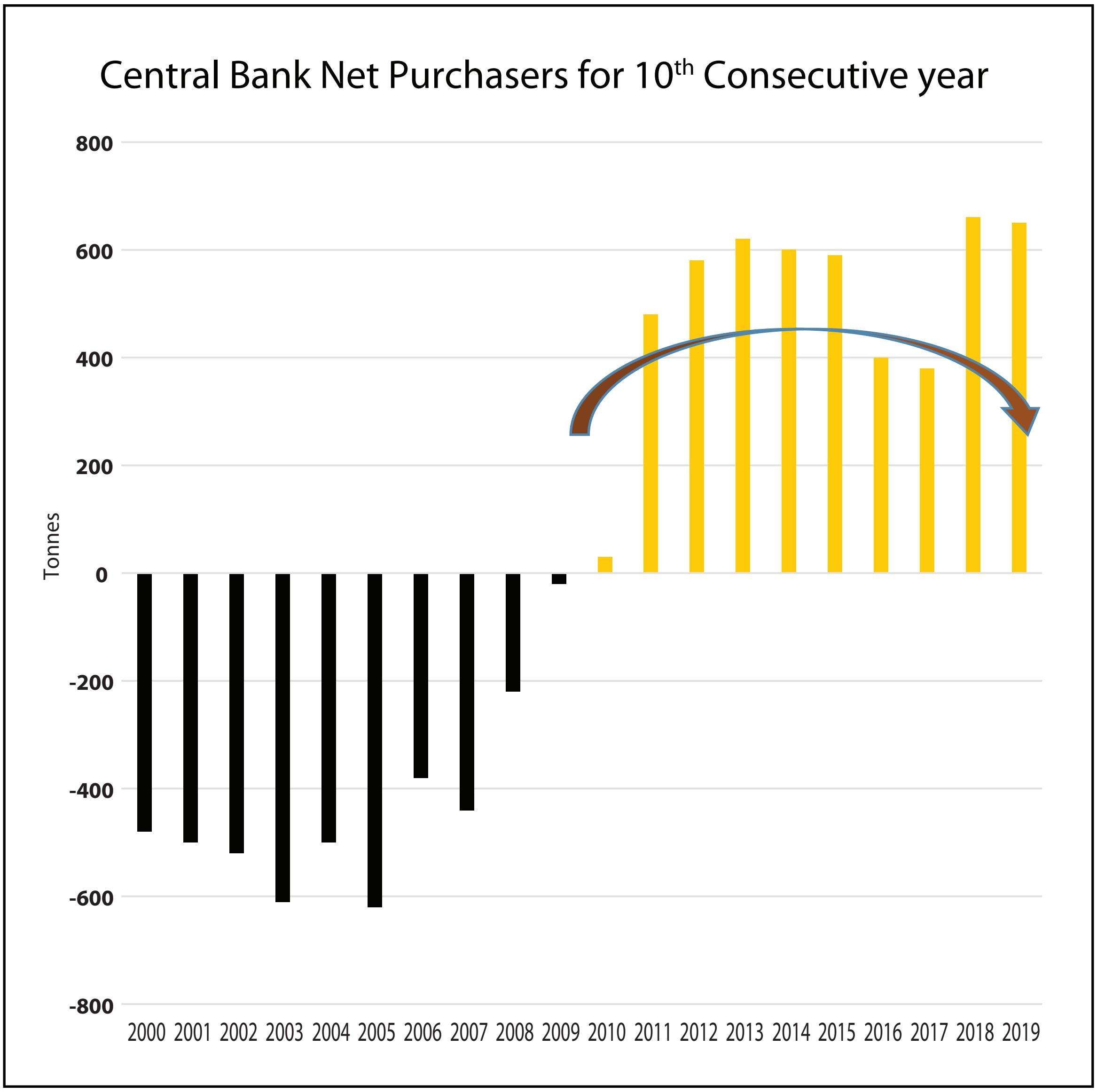
Fund Objective

Strategy of the CIS is to engage artisan miners with a view to pre-finance artisanal extraction of Gold. The fund bridges the Midstream Artisanal Gold Mining in its mining facility in Republic of Mali, West Africa.

Optimal risk free returns are harnessed by engaging best in class professionals in sourcing raw gold from Artisan Miners at maximum possible discount and reselling scrap gold. The fund management team is in the trade for over two decades in West Africa and leverages its deep experience generating substantial return on investment.

Central bank demand totaled 650t in 2019 – the 10th consecutive year of annual net purchases

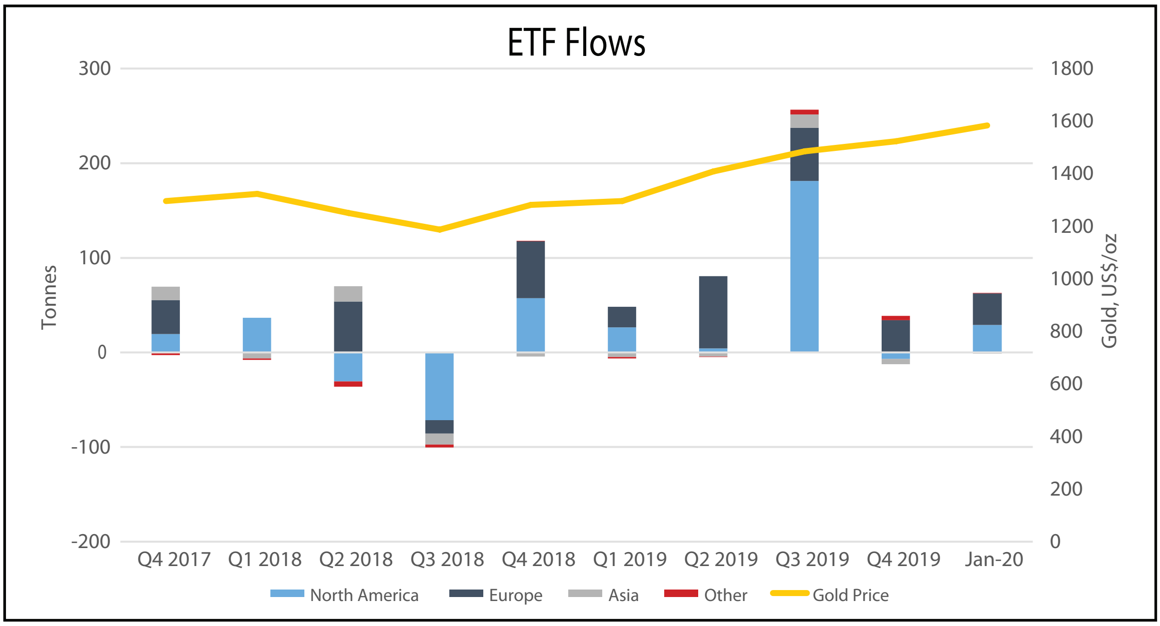
www.gold.org



Central bank net purchases in 2019 were remarkable. The annual total of 650.3t is the second highest level of annual purchases for 50 years, highlighting the importance central banks place on having an allocation to gold in their reserve portfolio. The highest level was recorded in 2018 and buying in 2019 was not widely expected to repeat these levels for a second consecutive year. Turkey, which began buying gold in 2017, emerged as the largest buyer in 2019, growing gold reserves by 159t. This brought total holdings to 413t, 63% higher y-o-y and equal to 20% of total reserves. Poland, which purchased 25.7t in 2018, made the biggest single purchase in 2019, buying 94.9t in June. In total, annual Polish net purchases amounted to 100t, taking reserves to 228.6t. Russian gold reserves rose by a healthy 158.1t, albeit 42% lower than a year earlier, partly because in May the central bank began offering a discounted purchase price aimed at encouraging domestic producers to export more gold. Chinese gold reserves grew by 95.8t over the first nine months, taking total gold reserves to 1,948t (3% of total reserves). No further purchases were reported after September. Central banks in Kazakhstan (35t), India (32.7t), UAE (13.5t) Qatar (11t), Ecuador (10.6t) and Serbia (10t) also increased official gold reserves by at least 10 tonnes.

Gold ETF holdings made new all-time highs in Jan 2020

www.gold.org



Global gold-backed ETFs and similar products added 61.7 tonnes (t), or net inflows of US$3.1bn, in January across nearly all regions, boosting holdings to new, all-time highs of 2,947t. Combined with a gold price increase of nearly 5%, assets under management (AUM) grew 8% in US dollars during the month. European funds led regional inflows (+33t, US$1.7bn, 2.4% AUM), originating mainly from the UK (+21t, US$1.1bn, 3.5%) ahead of Brexit. North American funds added 2% to assets (+29t, US$1.4bn), as coronavirus uncertainty drove inflows into safe havens. Asian funds finished the month relatively flat, losing 1.2t (US$57mn, 1.4%), while funds in other regions grew 1.8%, adding 0.7t and US$41mn.

Gold reached new, seven-year highs of US$1,584/oz and continues to make all-time highs in many global currencies. One of the best performing broader asset classes in January (+4.6%), it outpaced global equity markets and commodities as a whole. China oil demand concerns significantly hurt oil prices — WTI was down 15% — the worst monthly performance in over a year. This drove the overall Bloomberg Commodity Index 7% lower. This is a clear example of gold's ability to separate itself from the broader commodity constituents.

London Bullion Market elevate responsible gold sourcing standards

www.lbma.org.uk

The London Bullion Market Association (LBMA) is looking to elevate the standards of its responsible precious metals sourcing programme. When responsible sourcing guidance was launched in 2012, the main focus was on ensuring that links with conflicts, money laundering and terrorist financing were broken, and since then it has also embraced environmental, social and governance (ESG) enhancement and sustainability. The membership of LBMA, a gold and silver trade association, is made up of banks, traders and logistics companies across the world, resulting in it being given custody of the good delivery lists by the Bank of England. Described as the fulcrum for the global wholesale and over-the-counter precious metal markets, the LBMA sets standards from the purity, form and provenance of the bars to the sourcing of the precious metals and the way in which they are traded. However, governments and exchanges around the world also use this list, known as the good delivery list, to sell their precious metals into other international markets and not just London.

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Gold prices will still rise in 2020 despite big gains in 2019

www.livemint.com/markets/commodities

Gold's blistering rally isn't over, according to fund managers who see another leg up for the precious metal. Lower-for-longer interest rates, a weaker dollar and the U.S. presidential election will provide multiple catalysts for gains, even as tentative trade peace breaks out between China and the U.S. Gold has surged up more than 2% this year, hovering near the highest in almost seven years.

The price increase, combined with capital discipline among the larger miners, is generating a bonanza of free cash flow while mergers could spark share gains among smaller players, according to five precious metals fund managers interviewed by Bloomberg. In fact, the ratio of share price-to-free cash flow among senior miners, an indicator of valuation, still hasn't caught up to the gold price, suggesting more room to run for stocks. After more than $20 billion in mergers and acquisitions among large-cap miners last year, small and medium-sized companies could be next, providing another reason to buy. Combining the best management teams with the best assets will attract more ETF flows, keeping them relevant. Even though rates will probably not go much lower, the Fed's dot plot forecasts show they'll be low for a while.

Miners face funding squeeze as green investing surges

www.reuters.com

As global investors shift away from heavy industry in favour of cleaner sectors, mining companies are losing billions in financing, raising the cost of capital and jeopardising projects. Making the mining industry more sustainable by running mines on renewable energy, for example, is a key focus, as companies hunt for new sources of capital including private equity, debt, offtake finance and royalty finance. The average cost of capital for early-stage mining projects rose by two percentage points over the past two years, as per estimates.

A number of specialist funds have shut up shop, and generalists aren't investing in commodities anymore. Mining-specific private equity funds raised $300-million in 2019, a fifth of the amount raised in 2009, and just barely more than the $200-million raised in 2014 during a global commodity crash, data from Preqin shows.

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Barrick Gold chief hits fund managers over new-found Environment, Social & Governance Practices

www.ft.com

Mark Bristow, CEO of Barrick Gold, the world's second biggest gold producer with operations that span the globe lashed at the fund management industry and its new-found focus on social and ethical investing.

CEO pointed out that ESG metrics had been around for a while under other names, such as corporate and social responsibility. "Essentially ESG measures the impact these factors have on a company's ability to sustain its business in the long term," he said. "Its significance is that it has recently become a key investment criteria." The growth of passive investing has forced active fund managers to find new ways to attract investor money and ESG-focused investing has been one way they have been able to fight back. In a wide-ranging speech, Mr Bristow also said poverty was a bigger issue than climate change, adding that it was ludicrous that countries in Africa were facing pressure to cut carbon emissions when they produced a small percentage of the global total.

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World's biggest hedge fund expects gold rally

www.ft.com

Gold could spike 30% to a record high of over $2,000 an ounce as central banks allow inflation and political fears mount, Bridgewater Associates boss Greg Jensen told the Financial Times. The Federal Reserve and other central banks won't clamp down on inflation or raise interest rates in the near term, supporting a higher gold price, Ray Dalio's co-chief at the world's largest hedge fund, told the newspaper."There is so much boiling conflict, that gold being part of a portfolio makes sense to us," Jensen said.

Gold could also benefit from the widening gap between rich and poor Americans, and rising tensions between the US and China, Iran, and others, Jensen told the Financial Times. The FT article didn't specify a time-frame for the gold rally. There is so much boiling conflict, that gold being part of a portfolio makes sense to us.

Global Markets – A Glimpse of Jan 2020

Global risk appetite dampened with rising contagion fears of Wuhan coronavirus weighing heavily on the market sentiment. The optimism of the progress on US-China trade deal reversed last week on reports of the coronavirus travelling overseas while lack of clarity on the fatality and the infectivity of the virus rattled the markets. Global equities came under selling pressure on concerns of the prospective impact on global growth and global trade. Emerging market equities, in particular Chinese equities underperformed the most. European equities recorded modest losses as the ECB stuck to its accommodative stance while preliminary PMI releases beat expectations. US equities tumbled after large-cap stocks and NASDAQ reached new record highs.

Oil prices were the worst hit with market participants fearing that the coronavirus outbreak could reduce demand for oil. Demand for safe-haven assets rose amidst the contagion fears. The US Treasury yields declined across the curve, with the long-end yields dropping the most and thus flattening the curve. In Europe, bonds rallied with the ECB signalling that subdued inflation to keep policy accommodative.

Gold reached new, seven-year highs of US$1,584/oz and continues to make all-time highs in many global currencies. One of the best performing broader asset classes in January (+3.93%), it outpaced global equity markets and commodities as a whole. China oil demand concerns significantly hurt oil prices and drove the overall Bloomberg Commodity Index 7% lower. This is a clear example of gold's ability to separate itself from the broader commodity constituents.

Global Markets Performance Snapshot		
World Indices		
Index	31.01.2020	YTD %
S&P 500	3,225.52	-0.16%
Dow Jones	28,256.03	-0.99%
Nasdaq	8,991.51	2.96%
DAX	12,981.97	-2.02%
Nikkei 25	23,205.18	-1.91%
FTSE 100	7,286.01	-3.40%
Sensex	40,723.49	-1.29%
Hang Seng	26,312.63	-6.66%
Regional Indices		
Index	31.01.2020	YTD %
ADX	5,156	1.58%
DFM	2,790	0.92%
Tadawul	8,247	-1.70%
QSI	10,442	0.16%
MSM30	4,079	2.46%
BAX	1,657	2.92%
MSCI		
MSCI World	2,342	-0.68%

Global Commodities & Currencies		
Commodity		
Index	31.01.2020	YTD %
ICE Brent USD/bbl	58.16	-11.88%
Nymex WTI USD/bbl	51.56	-15.56%
Gold USD/t oz	1582.9	3.93%
Silver USD/t oz	18.012	0.51%
Platinum USD/t oz	962.65	-0.95%
Copper USD/MT	2.517	-10.01%
Aluminium	1725.75	-3.55%
Currencies		
	31.01.2020	YTD %
EUR/USD	1.1094	-1.05%
GBP/USD	1.3201	-0.45%
USD/JPY	108.39	-0.21%
CHF/USD	1.0382	0.49%

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Summary

Orionis Fund Ltd. has declared dividends of 2.60% for January 2020 and fund expects to continue its profitable operations. As of January 2020, the cumulative returns of Orionis fund is 154.59% i.e an annual average of 30.40%.

As we continue witnessing global uncertainties in investment spectrum, 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