Orionis Fund

Class G Preference Shares

MONTHLY NEWSLETTER

APRIL 2020

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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 '1.12%' for March '20. The open ended fund commenced since 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. With the latest results, cumulative returns generated by the funds since inception is 158.26%.

Orionis Fund Ltd

01

Prospecting and recovery of nuggets

02

Gold nuggets refined to Scrap Gold

03

Gold nuggets purchased at discounted percentage from prospectors

04

Sell to potential buyers

05

Revenue generated from discounted purchase and sales

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.

Gold ETF Assets realised largest quaterly gain in Q1 2020

Source : www.gold.org
Year to March 2020

Country ETF flows

COUNTRY	TOTAL AUM (BN)	HOLDINGS (TONNES)	FLOWS (US$ MN)	IN FLOW / OUT FLOW	FLOWS % (AUM)
US	77.8	1504	6825.3	▲	8.80%
UK	34.8	672.6	4830.1	▲	13.90%
Germany	19.5	377.6	687.1	▲	3.50%
Switzerland	18.4	356	1046.8	▲	5.70%
China P. R. Mainland	2.7	51.9	392.5	▲	14.60%
France	2.4	45.5	1191.6	▲	50.70%
Australia	1.4	27.6	268.3	▲	18.80%

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India	1.1	20.9	189.6	▲	17.50%
Ireland	0.2	3.8	195.8	▲	98.80%
Malaysia	0	0.2	-3.9	▼	-49.80%
Thailand	0	0.1	-0.1	▼	-1.60%

Q1 2020 Highlights

Global gold-backed ETFs (gold ETFs) and similar products added 298 tonnes(t), or net inflows of US$23bn, across all regions in the first quarter of 2020 – the highest quarterly amount ever in absolute US dollar terms and the largest tonnage additions since 2016. During the past year, gold ETFs added 659t, the highest on a rolling annual basis since the financial crisis, with assets under management (AUM) growing 57% over the same period.

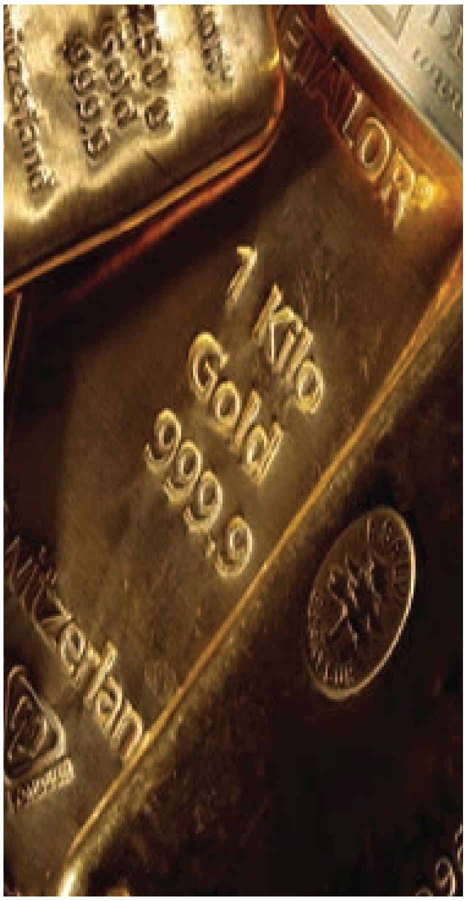
March 2020 Highlights

Globally, gold ETFs added 151t – net inflows of US$8.1bn (+5%) – in March, boosting holdings to new all-time highs of 3,185t.Trading volumes and AUM reached record highs as gold volatility increased to levels last seen during the financial crisis, yet gold price performance was mostly flat in US dollars for the month. Gold prices denominated in many other currencies, however, continued to reach all-time highs although the price in US dollars remained 15% below its 2011 high. This highlights a continued trend of growth in gold ETFs outside of the US over the past few years; a trend underscored by European funds seeing the largest absolute inflows and Asia and other regions registering the largest percentage growth during the month.

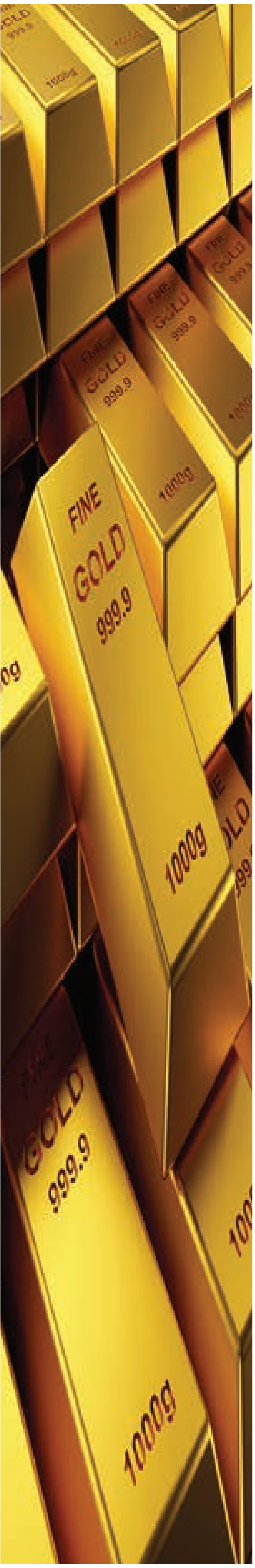
Gold's futures rises and reflects a gap with the spot prices

Source : www.reuters.com (Research)

Gold futures has surged above $1,700 an ounce to the highest since 2012, pushing out the spread over spot prices, as investors weighed the economic fallout from the pandemic and the prospect of more stimulus. The precious metal is in demand, with JPMorgan Chase & Co. reports that the disease will lead to a major downturn. Its jump came even as risk assets, including equities, posted gains on signs the outbreak is leveling off. Markets are witnessing a huge US demand for physical contrasts with European selling and is particularly impacting futures deliverable contracts resulting in widening of bid/offer spreads in spot gold.



Gold Futures rallied as much as $1,742.60 an ounce on Comex in London. Spot gold was lower at $1,659.53 an ounce, putting the spread between London and New York prices at more than $50. Earlier, the difference topped $60. That widening gap between futures and spot prices echoes a pattern seen last month, when there were concerns about a shortage of physical bullion for delivery against contracts in New York because of virus-driven disruptions. The jump in futures brought them to within 10 per cent of their all-time high set in 2011. Amid expectations that there'll be more stimulus to offset the hit from the pandemic, global holdings in ETFs have expanded to a record.

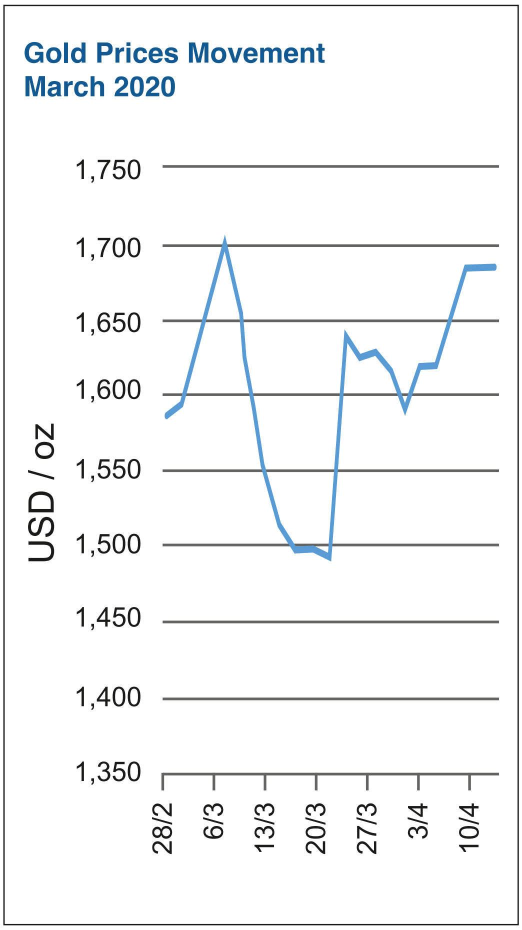


Gold Prices rise on the back of Safe Haven Status

www.economictimes.com

Gold prices by early April 2020 climbed on safe haven buying amid hopes the coronavirus pandemic is close to peaking.

Gold has, on occasion, risen in tandem with equity markets recently, with wider market selloffs also seeping into precious metals as investors covered losses elsewhere. Holdings of gold by ETFs has rose in to a record high of 3,185 tonnes, worth $165 billion, as per published data of World Gold Council. UBS recently further commented that due to aggressive monetary policy of various Central Banks to tackle the economic hardships of Covid, investors are being driven to gold owing to its safe haven characteristic. In a bid to support economies hammered by the outbreak, governments and central banks around the world have unleashed unprecedented fiscal and monetary stimulus. Standard Chartered has recently released a report that " given the unprecedented global fiscal and monetary stimulus, they maintain a positive view on gold," forecasting prices to average $1,725 an ounce in the second quarter. Reflecting appetite for bullion, holdings in SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, continued to rise.



Gold expects to soar to USD 2,000/- says ANZ Bank

www.kitco.com

Gold's performance in the weeks since Covid-19 became a pandemic has been anything but stellar. Prices were volatile, briefly turning lower for the year before climbing to their highest level since late 2012. The precious metal has been torn between its potential as a haven investment and a mad scramble to sell the tangible asset in a bid for cash to cover losses in the stock market. Because of Covid-19, refiners were knocked offline and the ability to move gold became a challenge as normal means of transport has become almost impossible.

Gold is expected to go through a shakeout of weak hands before hitting new highs which tracks the junior mining exploration and development sector, referring to futures traders who don't intend to take delivery of the underlying commodity. "Gold is breaking out into new all-time highs against most currencies except the U.S. dollar, which is the strongest fiat currency left. "A hold above $1,700 would be very constructive in terms of giving [gold] a boost up to the all-time highs," but it will "take time" for the metal to reach those levels, It's difficult to imagine an economy that flourishes through the remainder of this year, and for that reason ANZ expects to see higher gold prices. The bank see a "higher probability" that prices move up to hit all-time highs than drop back toward $1,500 by year-end. Asset manager of Sprott, however, believes prices may rise beyond a record. "We are close followers of trading and flows in the bullion markets, as well as the underlying technical analysis, most of which point to gold over $2,000 sometime late this year or early next,"

"There is too much debt at all levels. We have borrowed from the future, and there is not enough economy to pay it down. That equation requires much more financial repression going forward, and gold is a great hiding place from that process," he says. An opportunity in the gold-mining space is also developing. "It is a great time to buy gold equities which were sold off with general equities in the rush to meet margin calls" last month, says Grosskopf. "Their margins will be at record levels going forward."

Global Markets Overview Q1 2020

This quarter has not been an easy one for most investors. Nobody could have predicted that large parts of the global economy would be brought to an abrupt halt by the COVID-19 pandemic. As markets have moved to reflect this new reality, equities have fallen sharply, with the worst returns coming in March 2020. The S&P500 fell 20% over the quarter and the FTSE all share declined by 25%.

Central bankers have thrown the kitchen sink at the problem, cutting rates to their lower bound and restarting and expanding asset purchase programmes. The Fed's commitment to purchase as many government bonds as necessary is a substantial step, which should enable it to keep government borrowing costs low, despite the massive fiscal stimulus that is required to deal with the economic consequences of the virus. The Fed's corporate credit programme should also prove a significant support for investment grade corporate bonds.

At least the defensive part of portfolios has performed as expected with government bonds rising in price, as central banks cut interest rates and restarted quantitative easing. Gold has also delivered positive returns year to date, up nearly 5%. However, concerns about the effect of the shutdowns on corporate profits have led to corporate bond prices declining, which will have detracted from the returns of some fixed income portfolios. As should be expected, riskier, junk-rated corporate bonds have fallen by more than investment grade rated companies, with high yield energy bonds the worst hit.

Global Markets performance Snapshot			
Workd Indices			
Index	Feb-20	Mar-20	YTD %
S&P 500	2,954.22	2,626.65	-11.09%
Dow Jones	25,409.36	21,917.16	-13.74%
Nasdaq	8,461.83	7,813.50	-7.66%
DAX	11,890.35	9,935.84	-16.44%
Nikkei 25	21,142.96	18,917.01	-10.53%
FTSE 100	6,580.61	5,671.96	-13.81%
Sensex	38,297.29	29,468.49	-23.05%
Hang Seng	26,129.93	23,603.48	-9.67%
Regional Indices			
Index	Feb-20	Mar-20	YTD %
ADX	4901.43	3,735	-23.80%
DFM	2590	1,771	-31.61%
Tadawul	7628.34	6,505	-14.72%
QSI	9490.14	8,207	-13.52%
MSM30	4130.91	3,448	-16.52%
BAX	1660.48	1,351	-18.66%
Global Commodities & Currencies			
Commodities			
Index	Feb-20	Mar-20	YTD %
ICE Brent USD/bbl	50.52	22.74	-54.99%
Nymex WTI USD/bbl	44.76	20.48	-54.24%
Gold USD/t oz	1566.7	1596.6	1.91%
Silver USD/t oz	16.387	14.135	-13.74%
Platinum USD/t oz	866.35	718.65	-17.05%
Copper USD/MT	2.546	2.213	-13.08%
Currencies	Feb-20	Mar-20	YTD %
EUR/USD	1.1026	1.1031	0.05%
GBP/USD	1.2821	1.242	-3.13%
USD/JPY	108.08	107.54	-0.50%
CHF/USD	1.036	1.0406	0.44%

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Performance of Gold

Commodity prices, other than gold, fell sharply over the quarter. Gold has also delivered positive returns year to date, up nearly 5%. As countries around the world halted activity to try to bring the spread of the virus under control, demand for most commodities declined, hitting prices but investor's haven't shunned gold investments underlying its safe haven status.

Summary

The month of March 2020 witnessed a torrent shift in the global trade due to Covid '19. While our artisanal mining is continuing, we are facing a temporary slowdown due to logjams in the air cargo sector. The logistical costs have increased five-fold at a time when, we are observing reduced mining activity at our mining sites. Airlines have shut transit routes and to that extent we have invested in charter flights in order to keep open our trading activities, further, Dubai is in lockdown and currently the only route and market open is Turkey. It also gives Orionis the opportunity to consolidate our position on ground at a time when most of our competitors have stopped all economic activity on mine sites and are out of business. Such consolidation will give us a strong unassailable position on ground into the future.

As we continue witnessing economic uncertainties, gold has been exhibiting its safe haven characteristic and Orionis Fund offers investors an opportunity to earn monthly dividends on the strength of a gold backed investment.

Abdul Jabbar Al Sayegh
Chairman