



Orionis Fund

Class G Preference Shares



MONTHLY NEWSLETTER

MAY 2020



Alsa Asset Management
503, Montazah Tower B, Khalidiyah, Abudhabi



+971 2 6664443



info@orionisgold.com



www.orionisgold.com



Orionis – Gold backed Investment

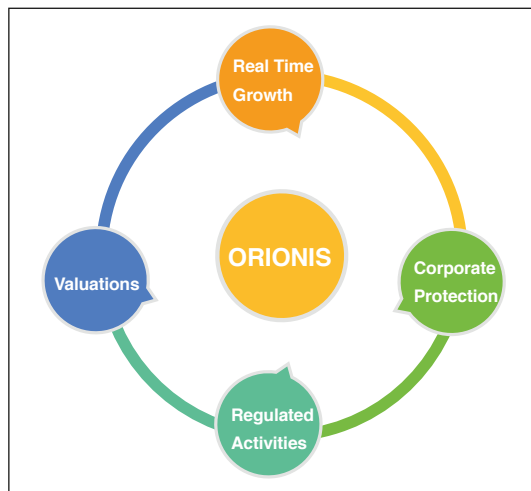
The Orionis Fund Ltd. Class G is a Gold-Centric Collective Investment Scheme focusing on generating yield for Investors. The Scheme is established in British Virgin Islands as a Collective Investment Scheme for Professional Investors to participate with an experienced management team in harnessing exceptional 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 '1.32%' for May '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 till date was 160.88%.

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

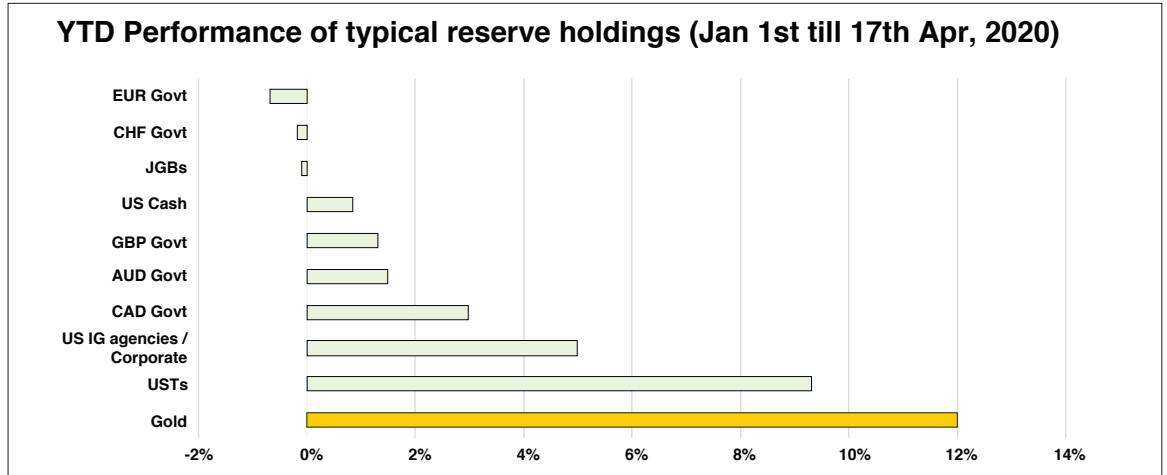
Orionis Fund Ltd. does sourcing and buying of raw gold, gold dust / nuggets mined from its Artisanal Gold Mine in Republic of Mali, West Africa. Fund engages a team of experts experienced in purchase and valuation of gold and has state of the art storage, security, transport and testing facilities. The 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 process is intended to deliver maximum return on investment according to the market conditions prevailing for raw gold or dore bars.





Gold and Central Bank Reserve Management during Covid 19

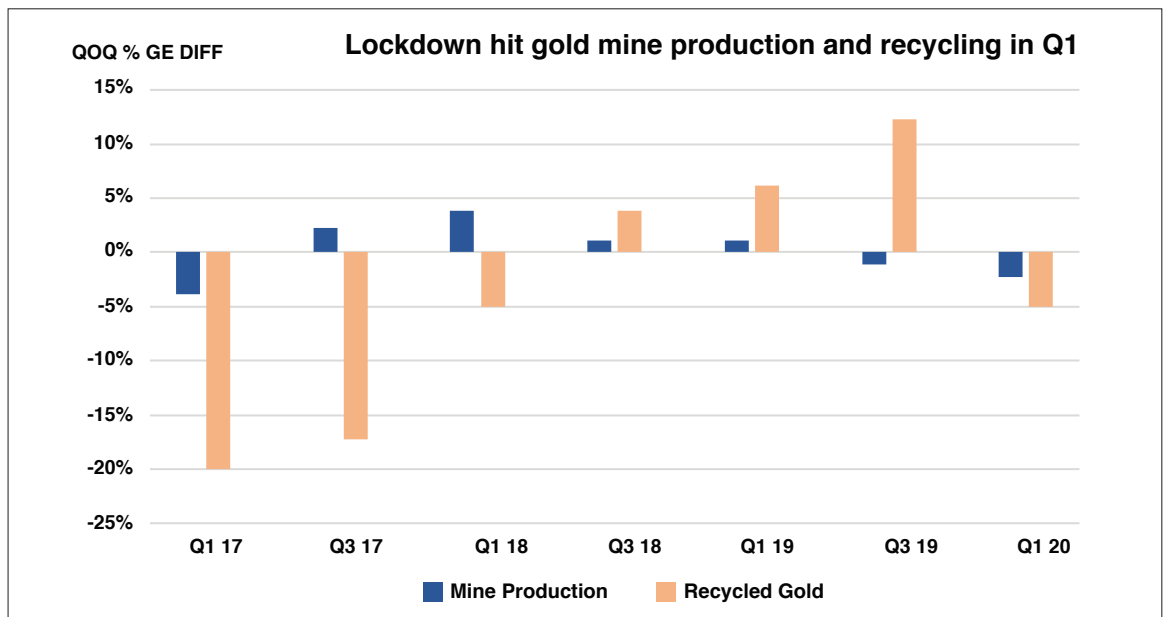
Source : www.centralbankgold.org



Central bank reserves are typically constructed according to three guiding principles: safety, liquidity and return. Traditionally, assets such as US Treasuries and G-10 sovereign bonds comprise the bulk of central bank reserve portfolios. But gold is widely held too, with key reason being its historical characteristic of outperformance during periods of market stress. To review gold’s role as a core Central Bank Asset, the world gold council recently reviewed the performance of gold during the present crisis and we are here detailing the findings. The year till date performance of a typical Central Bank Reserve holdings was evaluated to measure the performance. It was noticed that some of the safe haven assets has delivered better returns than others this year. Between 1 January and 17 April (review period), gold outperformed US treasury bonds and bills, USD – denominated investment grade agency and corporate debt and Eurozone Sovereign bonds. This outperformance underlines gold’s long history of resilience in times of turmoil and has continued during the Covid 19 pandemic phase reinforcing gold’s role as a counter cyclical asset during periods of market stress.

Gold supply chain shows resilience amid disruption

www.gold.org





The golds supply chain is vast and mining is done on all continents except Antarctica. The refined gold is converted to bars and coins which are further widely transported and onset of Covid'19 has caused disruption to various parts of the gold supply chain. The gold's supply has not remained unscathed during the current pandemic but has demonstrated resilience in the face of these challenges highlighting key strength of the gold market.

The travel restrictions during these period has had a significant impact on the gold trade. Availability of less commercial cargo planes has resulted in increased transportation costs as well as many resorting to expensive private charters resulting in supply distortions in various markets. Also, market witnessed a perceived shortage of Comex deliverable investment gold bars resulting in non-closure of arbitrages resulting in dislocation of Comex Futures and London OTC spot. While these issues resulted in some localized liquidity issues, overall liquidity in the gold market remains robust. As gold volatility increased in Q1, the standardization and the deep stock of LGD bars helped maintain liquidity in the wholesale gold market, benefitting individual and institutional investors alike.

Global Markets Overview – May 2020

Equity markets rose on the whole in May as Covid-19 lockdown measures began to be lifted and further support measures were announced. US equities gained in May, despite the confirmation that the economy had contracted by slightly more than expected in Q1. It was another month of gains for eurozone shares as many European countries began to ease out of lockdown. UK equities rose and the mining sector performed particularly well in response to a recovery in Chinese industrial activity. Equity investors globally have responded to an assumed reopening of economic activity, although the actual path for any return to a more normal environment for corporate earnings remains uncertain.

The 10-year US Treasury yield was little changed at 0.65%, trading in a relatively tight range throughout the month. In comparison, European government yields saw meaningful moves, reflecting developments around potential fiscal support. The UK 10-year yield was slightly lower, from 0.23% to 0.18%, while sterling weakened. Corporate bonds outperformed government bonds, with global high yield (HY) returning 4.5% amid stronger demand for riskier assets. The increased demand for riskier assets also led to positive returns for emerging markets bonds and currencies, led by higher yielding markets. Currencies of oil exporters made gains as oil prices recovered.

Global Markets Performance Snapshot

World Indices			
Index	Apr-20	May-20	YTD %
S&P 500	2,912.43	3,044.31	4.53%
Dow Jones	24,345.72	25,383.11	4.26%
Nasdaq	9,000.51	9,555.53	6.17%
DAX	10,861.64	11,586.85	6.68%
Nikkei 25	20,193.69	21,877.89	8.34%
FTSE 100	5,901.20	6,076.60	2.97%
Sensex	33,717.62	32,424.10	-3.84%
Hang Seng	24,643.59	22,961.47	-6.83%
Regional Indices			
Index	Apr-20	May-20	YTD %
ADX	4230.37	4,141.61	-2.10%
DFM	2026.61	1,945.09	-4.02%
Tadawul	7112.9	7,213.30	1.41%
QSI	8764.05	8,844.74	0.92%
MSM30	3539.46	3,544.58	0.14%
BAX	1310.73	1,269.63	-3.14%
Global Commodities & Currencies			
Commodities			
Index	Apr-20	May-20	YTD %
ICE Brent USD/bbl	25.27	35.33	39.81%
Nymex WTI USD/bbl	18.84	35.49	88.38%
Gold USD/t oz	1694.2	1,751.70	3.39%
Silver USD/t oz	15.315	18.68	21.99%
Platinum USD/t oz	805.5	877.20	8.90%
Copper USD/MT	2.344	2.43	3.46%
Currencies			
Index	Apr-20	May-20	YTD %
EUR/USD	1.0957	1.1099	1.30%
GBP/USD	1.2594	1.2346	-1.97%
USD/JPY	107.18	107.79	0.57%
CHF/USD	1.0359	1.0402	0.42%

Summary

While effects of Covid 19 is 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 but success will be measured by the extent to which companies avoid solvency problems and workers return to employment. While our trade continues to have an impact owing to supply chain disruptions, we are being encouraged to witness the buoyant performance of gold.

We have been continuously monitoring and managing our operations and are declaring monthly profits. 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

Disclaimer: The information provided in this report has been prepared without taking account of your objectives, financial situation or needs. You should, therefore before acting on the advice, consider the appropriateness of the advice having regards to these matters and, if appropriate, seek professional financial and investment advice. All observations, conclusions and opinions expressed in this report reflect the personal views of the Alsa Asset Management Advisory Team and are subject to change without notice. The information in this report has been obtained from sources Alsa Asset Management believes to be reliable. However, Alsa Asset Management does not warrant the accuracy, completeness or currency of, and will not be liable for any inaccuracies, omissions or errors in, or for any loss or damage (including any consequential loss) arising from reliance on the information in this report.