



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 '1.30%' for October '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 '14.56%' and cumulative returns since its inception is '166.55%'.

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.

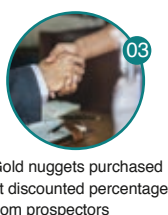
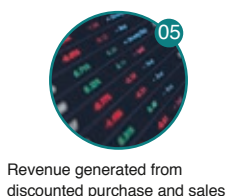
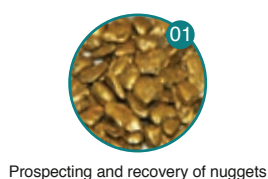
Investment Process

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 '14.56%' and cumulative returns since the inception of the fund is '166.55%'.

Orionis Fund Ltd



**Gold demand trends in Q3 2020**Source : www.gold.org

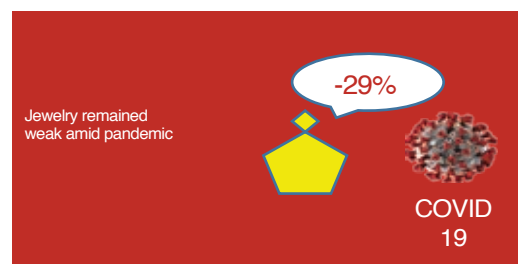
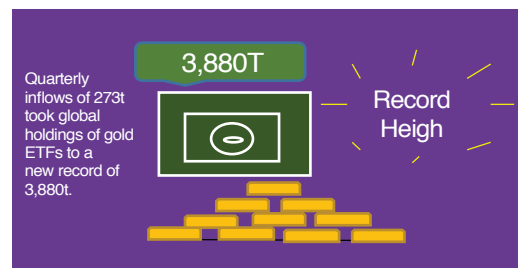
Demand for gold dropped to 892.3t in Q3 – its lowest quarterly total since Q3 2009 – as consumers and investors continued to battle the effects of the global pandemic. At 2,972.1t year-to-date (y-t-d) demand is 10% below the same period of 2019. Although jewelry demand improved from the Q2 record low, the combination of continued social restrictions, economic slowdown and a strong gold price proved onerous for many jewelry buyers: demand of 333t was 29% below an already relatively anemic Q3 2019.

By contrast, bar and coin demand strengthened, gaining 49% y-o-y to 222.1t. Much of the growth was in official coins, due to continued strong safe-haven demand in Western markets and Turkey, where coins are the more prevalent form of gold investment. Q3 also saw continued inflows into gold-backed ETFs, although at a slower pace than in the first half. Investors globally added 272.5t to their holdings of these products, taking y-t-d flows to a record 1,003.3t. Central banks generated small net sales of gold in Q3, the first quarter of net sales since Q4 2010. Sales were generated primarily by just two central banks – Uzbekistan and Turkey – while a handful of banks continued steady albeit small purchases. Demand for gold used in technology remained weak in Q3, down 6% y-o-y at 76.7t. But the sector saw a decent quarterly improvement as some key markets emerged from lockdown. The total supply of gold fell 3% y-o-y in Q3 to 1,223.6t, despite 6% growth in gold recycling, with mine production still feeling the effects of the H1 COVID-19 restrictions.

Investors continue to add Gold to portfoliosSource : www.gold.org

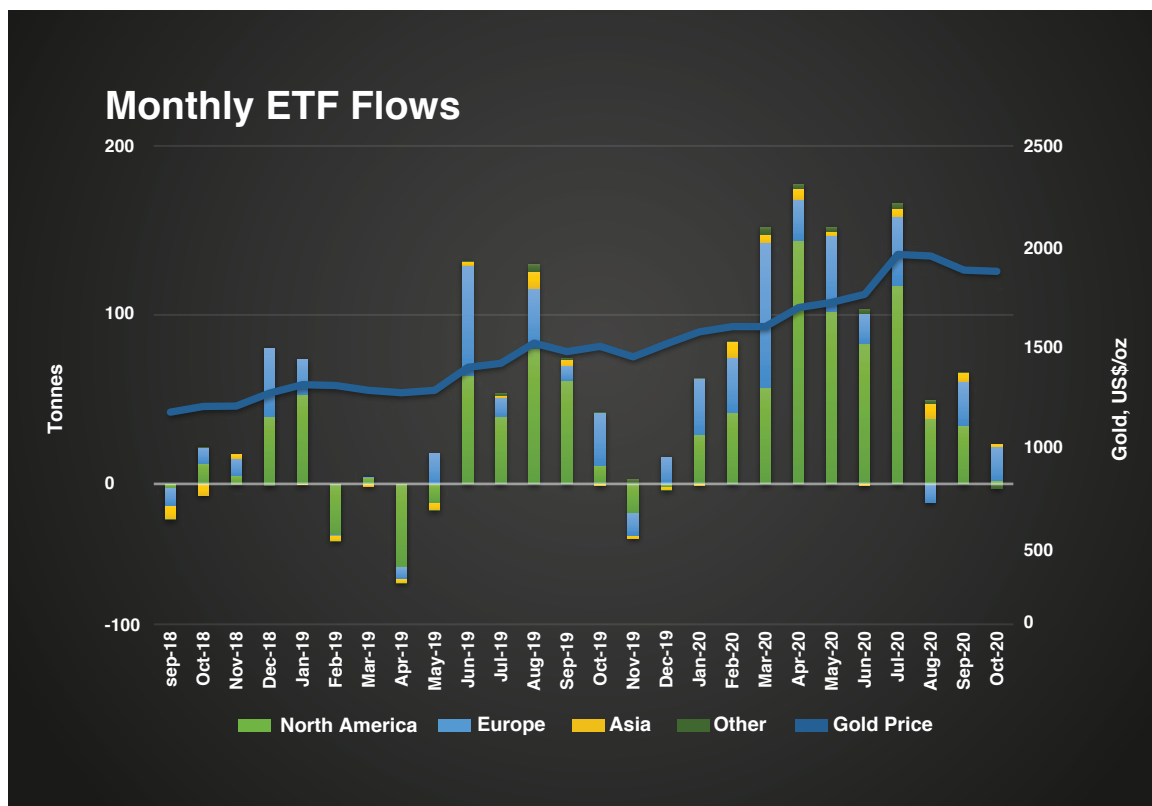
Institutional investors around the globe have embraced alternatives to traditional investments and gold allocations have been recipients of this shift. The principal factors behind this growth include Emerging market growth, ease of Market access, effective risk management, Monetary policy, Central bank demand etc.

Few reasons identified for gold to be included in the portfolio were possibility of US dollar continuing to weaken, higher premium on offer to bars and coins owing to the resultant shortage created by gold supply chain disruptions and the negative yield on government debt resulting in low cost of owning gold.



Gold ETF Inflows continued in Oct 2020

Source : www.gold.org



Gold-backed ETFs (gold ETFs) recorded their 11th consecutive month of net inflows during October. Gold ETF holdings increased by 20.3 tonnes (t), +US\$1.4bn or 0.6% of assets under management (AUM), during the month as the gold price moved mostly sideways, finishing slightly below US\$1,900/oz.

- ▶ Holdings in European funds increased by 20.2t.
- ▶ North American funds had inflows of 1.8t (US\$166mn, 0.1%)
- ▶ Funds listed in Asia saw holdings rise by 1.1t (US\$76mn, 1.0%)
- ▶ Other regions had outflows flows of 2.8t (US\$144mn, 3.8%).

Gold Loans help India weather the Covid 19 storm

Source : www.economictimes.com

Pledging gold as collateral to meet financing needs has been an ever-present feature of the Indian gold market. Indian households use gold loans to meet the financing needs for health, education and marriage, while small businesses use them for their working capital requirement. Demand for gold loans, both through banks and non-banking financial companies (NBFCs) has grown in response to the economic impact of the COVID-19 pandemic. As a result, outstanding organized gold loan is expected to grow to INR 4,051bn (US\$55.2bn) in FY 2021 from INR 3,448bn (US\$47bn) in FY 2020. Technology has been a key enabler in the growth of gold loan NBFCs in recent years. While gold demand in India has softened in 2020, it has not fallen out of favour. Gold has been increasingly used as a collateral to meet the financing needs of individuals and small businesses. It provides capital preservation, liquidity, and source of funding during tough economic times – supporting the relevance of gold as a strategic asset in India.



Retail Gold in focus of Chinese Commercial Banks

Source : www.reuters.com

China's physical gold investment market has come a long way since its liberalization in 2004. After the establishment of the Shanghai Gold Exchange (SGE) in 2002 a number of banks began their institutional gold businesses providing gold industry services such as gold financing and leasing. Primarily driven by rising gold demand in China, these institutional businesses took off quickly and have been warmly welcomed by the gold industry. For instance, gold leased to corporates increased eightfold between 2010 and 2019 in tonnage terms. And when China's retail gold market was liberated, these banks expanded into retail gold businesses, offering individual investors a variety of products. Primarily driven by the nation's economic expansion, in 2013 it became the largest gold bar and coin market in the world and it hasn't looked back since. Chinese commercial banks have played a vital role in this development; their widespread network allows country-wide accessibility and their well-established reputation engenders trust.

Global Markets Overview – October 2020 Equities

Global equities had a declining trend in October. US shares fell amid rising Covid-19 cases, uncertainty over the election and lack of progress on further fiscal stimulus. Eurozone shares declined, underperforming other regions, as Covid-19 infections rose sharply and a number of countries reintroduced national lockdown measures. UK equities fell amid renewed fears around a pick-up in Covid-19 and Japanese shares declined, largely due to the renewed uncertainty affecting other global regions. Emerging market equities gained due to expectations of additional fiscal stimulus in US.

Bonds

Markets were volatile in October, with mixed performance from bonds. Corporate bonds held up well overall. Government bonds diverged over the month. European 10-year yields fell by 10bps across the board amid the continued resurgence of Covid-19. Corporate bonds outperformed government bonds. US investment grade debt saw a marginal negative total return. The performance of emerging markets bonds were mixed. Convertible bonds proved to be very resilient versus equities.

Commodities

Commodities, as measured by the S&P GSCI Index, registered a negative return. Energy was the weakest component with crude oil falling sharply on concerns over demand related to the coronavirus. Livestock and precious metals also lost ground, though they fell by less than the index. Industrial metals rose, aided by strong gains for copper and zinc, and agricultural commodities posted positive returns.

Global Markets Performance Snapshot

World Indices			
Index	Sep-20	Oct-20	YTD %
S&P 500	3,363.00	3,269.96	-2.77%
Dow Jones	27,781.70	26,501.60	-4.61%
Nasdaq	11,418.06	11,052.95	-3.20%
DAX	12,760.73	11,556.48	-9.44%
Nikkei 25	23,185.12	22,977.13	-0.90%
FTSE 100	5,866.10	5,577.29	-4.92%
Sensex	38,067.93	39,614.07	4.06%
Hang Seng	23,459.05	24,107.42	2.76%
Regional Indices			
Index	Sep-20	Oct-20	YTD %
ADX	4,518.06	4,660.04	3.14%
DFM	2,273.48	2,187.66	-3.77%
Tadawul	8,299.80	7,907.72	-4.72%
QSI	9,990.39	9,691.02	-3.00%
MSM30	3,614.64	3,557.77	-1.57%
BAX	1,434.39	1,427.18	-0.50%
Global Commodities & Currencies			
Commodities			
Index	Sep-20	Oct-20	YTD %
ICE Brent USD/bbl	40.95	37.46	-8.52%
Nymex WTI USD/bbl	40.22	35.79	-11.01%
Gold USD/t oz	1895.5	1,878.87	-0.88%
Silver USD/t oz	23.495	23.65	0.64%
Platinum USD/t oz	903.3	847.10	-6.22%
Copper USD/MT	3.0325	3.05	0.49%
Currencies			
Index	Sep-20	Oct-20	YTD %
EUR/USD	1.1718	1.1647	-0.61%
GBP/USD	1.2916	1.2941	0.19%
USD/JPY	105.45	104.64	-0.77%
CHF/USD	1.0855	1.0904	0.45%

Remarks

Positive gains in US and European stocks over the first few weeks of October were erased in the last week of the month, as market volatility spiked in reaction to new lockdowns. Asia was the regional winner, with stocks returning 2.1% over the month.

Summary

Orionis Fund Ltd has been continuing its profitable operations since inception and has declared dividends every month. For Oct 2020, the dividends are '1.30%' resulting in YTD returns of '14.56%' & total returns of 166.55% since its inception. 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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