

Charity Assets Trust

Positive absolute returns with low volatility for charities

During April the fund price increased by 4.4%. This compared with a rise of 5.0% in the FTSE All-Share Index and a 1.5% rise in the FTSE Government All-Stocks Index (both figures are total return in sterling).

Central banks have dominated the headlines this month. They have continued to commit huge-scale monetary firepower, complementing the fiscal support provided by governments to prevent the economic downturn developing into a financial crisis. Easy monetary policy and large asset-purchase programmes have provided liquidity, low real interest rates (adjusted for inflation) and ultimately eased the stress on the financial system. This environment saw the fund's gold exposure perform strongly over the month. Gold bullion offers investors an effective store of value when money over-supply looks to be undermining the worth of paper currencies. Within the fund, exposure is principally gained via gold mining companies. Not only are these businesses benefitting from a structural increase in the gold price but their primary cost input, oil, has undergone an historic price collapse. The fund's inflation-linked bonds also performed positively over the month, as real yields fell, a deliberate objective for the US Federal Reserve.

Though the situation remains solemn many countries have experienced positive progress on the viral front and policymakers are tentatively turning to the discussion of releasing lockdowns. This combined with the flood of central bank liquidity has also provided respite for stock markets and they have rallied on cue. The fund's equities therefore provided a further positive impulse in the month, particularly those companies deemed to benefit from the stay-at-home orders and shift to online, such as Ocado and Sony. The equity rebound was particularly sharp in the US, where a return to near pre-crisis valuations now appears somewhat at odds with the underlying economic situation. Under lockdown, retail sales have collapsed, and business optimism has followed suit. In the US, weekly unemployment claims, real-time data for the jobs market, has dwarfed those seen in the global financial crisis. The true extent of the economic damage is only starting to be revealed and equity market optimism looks misplaced. The fund retains a small equity weighting, but to companies which we believe will thrive on reaching the other side of this crisis when the economy can be rebooted.

Policy maker intervention has successfully averted a liquidity crisis, but investors must now come to terms with the economic consequences of the pandemic. A definitive pathway back to normal activity is not clear for many businesses and solvency problems loom on the horizon. The fund therefore continues to have a bias towards protection, against both fragile corporate credit markets and also inflation. In the short term the pandemic and ensuing lockdowns are providing a deflationary pressure, as global aggregate demand has plummeted. However, this clouds the inflationary setup that is in place. The world that emerges from this crisis will look starkly different to the one we have become accustomed to over the last decade with a disruption of global supply chains, and a refocusing on corporate resilience rather than efficiency. Government spending funded by fiscal deficits in the context of supportive monetary policy provides the fuel to the inflationary fire. The index-linked bonds are held to offset against this.

Please note that the Charity Assets Trust is an unregulated collective investment scheme (UCIS) available only to eligible charities as defined overleaf.



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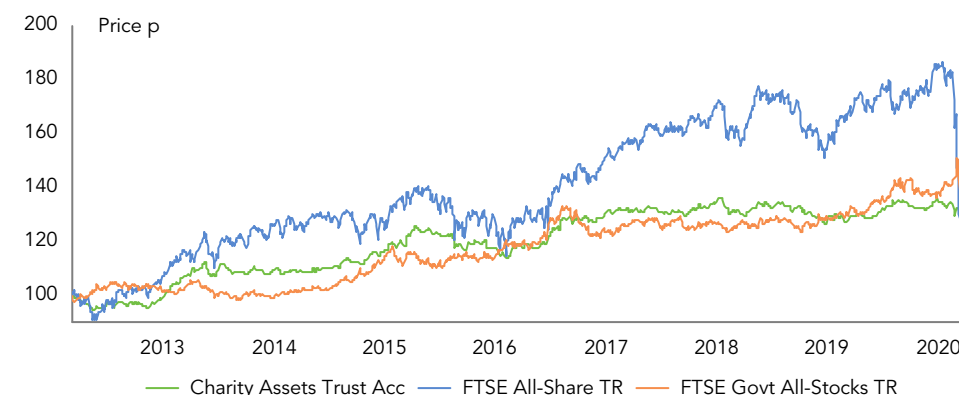
Investment objective

The fund aims to achieve low volatility and positive returns from an actively managed portfolio of different asset classes, including equities, bonds and currencies. Pervading this objective is a fundamental philosophy of capital preservation.

Responsible Investment Policy

The fund has strict restrictions on investment in alcohol, armaments, gambling, pornography, tobacco, oil sands and thermal coal. It also follows a proactive voting and engagement approach with companies held within the fund. The fund is monitored against UN Global Compact principles, MSCI's ESG Metrics and the managers also monitor the fund's carbon metrics.

Performance since launch on 8 March 2012



Performance %	April 2020	Year to date	1 year	3 years	5 years
Accumulation units	4.4	4.0	8.7	7.3	13.8

Percentage growth	%	Unit price as at 30 April 2020	p
31 Mar 2019 – 31 Mar 2020	4.5	Accumulation	141.26
31 Mar 2018 – 31 Mar 2019	-1.0	Income	120.91
31 Mar 2017 – 31 Mar 2018	-0.6		
31 Mar 2016 – 31 Mar 2017	10.5		
31 Mar 2015 – 31 Mar 2016	-2.5		

Source: Ruffer LLP, FTSE International (FTSE) †

Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange.

Charity Assets Trust as at 30 Apr 2020

Asset allocation



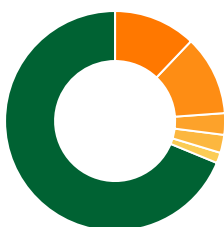
Asset allocation %

● Illiquid strategies and options	21.6
● Non-UK index-linked	20.6
● Gold and gold equities	12.2
● Long-dated index-linked gilts	11.1
● Short-dated bonds	4.9
● Cash	1.7
● UK equities	9.3
● North America equities	7.5
● Japan equities	6.3
● Europe equities	3.2
● Asia ex-Japan equities	1.6

Currency allocation %

● Sterling	68.8
● Yen	12.1
● Gold	11.7
● US dollar	2.8
● Euro	1.5
● Other	3.1

Currency allocation



10 largest equity holdings*

Stock	% of fund
iShares Physical Gold	5.6
Newmont Mining	3.0
Kinross Gold	2.5
Sony	2.0
Tesco	1.6
Countryside Properties	1.4
Walt Disney Company	1.3
Equinor	1.3
Royal Bank of Scotland	1.3
Wheaton Precious Metals	1.1

5 largest of bond holdings

Stock	% of fund
UK government 8.0% 2021	4.9
UK Treasury index-linked 0.5% 2050	4.0
UK Treasury index-linked 0.125% 2068	3.8
US Treasury 0.25% TIPS 2050	3.7
US Treasury 1.75% TIPS 2028	3.2

*Excludes holdings in pooled funds

Source: Ruffer LLP.

Pie chart totals may not equal 100 due to rounding.

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The information contained in this document does not constitute investment advice and should not be used as the basis of any investment decision. References to specific securities are included for the purposes of illustration only and should not be construed as a recommendation to buy or sell these securities. Ruffer LLP has not considered the suitability of this fund against any specific investor's needs and/or risk tolerance. If you are in any doubt, please speak to your financial adviser.

The fund data displayed is designed only to provide summary information and the report does not explain the risks involved in investing in the fund. Any decision to invest must be based solely on the information contained in the Prospectus, Key Investor Information Document and the latest report and accounts.

Fund size **£126.9m**

Fund information

	%
Ongoing Charges Figure	1.15
Annual management charge	1.0 + VAT
Maximum initial charge	1.0
Yield	1.73
Minimum investment	£500
Ex dividend dates	15 January, 15 April, 15 July, 15 October
Pay dates	15 March, 15 June, 15 September, 15 December

Dealing Weekly forward, every Wednesday where this is a business day
Plus the last business day of the month

Cut off Close of business on Wednesday

Unit classes Accumulation and income

	Accumulation	Income
ISIN	GB00B740TC99	GB00B7F77M57
SEDOL	B740TC9	B7F77M5

Manager and investment adviser Ruffer AIFM Limited

Trustee BNY Mellon Fund & Depository (UK) Ltd

Custodian Bank of New York Mellon SA/NV

Administrator Bank of New York Mellon (International) Limited

Auditors Ernst & Young UK LLP

Legal advisers Simmons & Simmons LLP

Structure Common Investment Fund established under section 24 of The Charities Act 1993

Eligible charities are those registered as a charity with the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator and/or Inland Revenue Charities, Bootle, Merseyside (including charities established in Northern Ireland), or exempt from registration with the Charity Commission by virtue of the Charities Act 1993 (as amended).

Fund Managers

Christopher Querée

INVESTMENT DIRECTOR

Previously Director at Le Masurier, James & Chinn, now absorbed within the HSBC Group. He spent thirteen years there, with responsibility for offshore private clients before moving to Chiswell Associates in 2001, focusing on charity fund management. He holds an MBA from Henley Management College and joined the Ruffer Group in 2004.



Jenny Renton

INVESTMENT DIRECTOR

Joined Ruffer in 2013. After reading politics at Newcastle University, she worked with oil and gas companies on their corporate and financial strategies before joining the fund team at Ingenious Investments. She is a CFA charterholder.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 March 2020, assets managed by the Ruffer Group exceeded £19.1bn.

Dealing line

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