

CF Ruffer Equity & General Fund

An actively-managed fund emphasising absolute growth with diversity of risk



During the month, the fund's O accumulation shares increased by 1.8%. This compared with a rise of 1.2% in the FTSE All-Share Total Return Index. Our investment principles for managing REG have not changed since 2007 but the content of our portfolio has varied significantly depending on what we judged to be the most asymmetric investment opportunities among global equities. After years of strong markets, few sectors are out of favour enough to be characterised by significant asymmetry. Hence, we are finding value mainly in special situations. We back CEOs who think and act like owners: they make a difference to our equity selection.

During the last few months we have taken profits in Microgen and Lennar which have performed very well, trimmed GBL, a solid performer since 2011, and decided to sell Hornby, a fragile turnaround which was our worst performer last year. Importantly, our cash balance, our protection and ammunition in falling markets, remains at 30-35% of REG. Here is a brief recap of our top ten holdings.

Runge is an Australian software provider. Richard Mathews has made us money in the past and despite the weak commodities environment, Runge has been launching new products and could become a much larger business over time.

Science Group (SAG) is an R&D consultancy, a solid cash generative business. SAG benefits from sterling weakness and has significant property value and net cash. Its Chairman and main shareholder, Martyn Ratcliffe, is an entrepreneur with a unique combination of operational acumen and focus on capital allocation. Imperial Oil (IMO), is 'Exxon in Canada'. We have been increasing our shareholding in IMO, which is geared to higher oil prices but its earning power is protected by its refining assets. Imperial consists of quality, long life assets and has been streamlining its cost structure, thus enhancing its free cash flow potential and buying back its shares.

Balfour Beatty, the construction company, has been a turnaround case under Leo Quinn who has made us money in the past. The potential for infrastructure spending and its US presence has given it an extra macro tailwind. Vivendi, the conglomerate, has been a new addition. The key asset is UMG, the music publisher benefiting from streaming.

McColl's, the operator of convenience stores in the UK, became interesting a few years ago after its shares were offered at much lower price than its IPO. Its management has been executing well and a recent transaction increased significantly the safety of the c 5% dividend yield. Leucadia, run by Rich Handler, is a conglomerate, covered by only one 'sell-side' analyst and consists of various different business units such as Jefferies, the investment bank, a beef processing company, and a mortgage related joint venture with Berkshire Hathaway.

Novartis, the healthcare conglomerate, has optionality in its portfolio: Alcon is showing better operational trends while expectations for the core pharma products and future pipeline are improving.

Milestone Japan Value Fund is a fund focusing on micro caps in Japan where the managers have a significant competitive advantage identifying 'deep value' opportunities.

Scandinavian Tobacco, the producer of cigars, is a recent spin off which has faced operational problems and has disappointed the market, thus offering a higher than 5% dividend yield.

The fund's prospectus and key investor information documents are provided in English and available on request or from www.ruffer.co.uk. Please note that CF Ruffer Investment Funds is a UK UCITS. The CF Ruffer Equity & General Fund is not registered for distribution in any country other than the UK.

Investment objective

The fund aims to provide capital growth by investing in a diversified global portfolio of predominantly equities. The fund is actively managed, and is not constrained by any requirement to track indices or conform to investment fashion.

Performance since launch on 1 December 1999



Performance %	July 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	1.8	6.8	13.5	15.9	46.2	110.7

Percentage growth (O acc)	%	Share price as at 31 July 2017	p
30 Jun 2016 – 30 Jun 2017	17.4	O accumulation	427.86
30 Jun 2015 – 30 Jun 2016	-6.4	O income	396.98
30 Jun 2014 – 30 Jun 2015	3.4	C accumulation	434.28
30 Jun 2013 – 30 Jun 2014	7.8	C income	400.56
30 Jun 2012 – 30 Jun 2013	17.8		

Source: Ruffer LLP, FTSE International (FTSE)

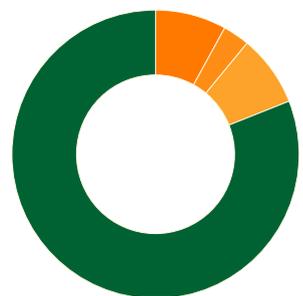
Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally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

CF Ruffer Equity & General Fund as at 31 July 2017

Portfolio structure



Asset allocation	%
North America	24
UK equities	19
Europe equities	14
Australasia	7
Japan equities	4
Cash	32



Currency allocation	%
Sterling	81
US dollar	8
Euro	3
Other	8

10 largest of 77 equity holdings

Stock	% of fund	Stock	% of fund
Runge	6.7	McColl's Retail Group	1.8
Science Group	6.1	Leucadia National	1.7
Imperial Oil	4.1	Novartis	1.7
Balfour Beatty	1.9	Milestone Japan Value Fund	1.5
Vivendi	1.9	Scandinavian Tobacco	1.5

Source: Ruffer LLP

The views expressed in this report are not intended as an offer or solicitation for the purchase or sale of any investment or financial instrument. The views reflect the views of Ruffer LLP at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice.

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 **£149.3m**

Fund information

%	O class	C class
Ongoing Charges Figure*	1.58	1.28
Annual management charge	1.50	1.20
Maximum initial charge	5.0	5.0
Yield	0.00	0.00
Minimum investment	£1,000	
Ex dividend dates	15 Mar, 15 Sep	
Pay dates	15 May, 15 Nov	
Dealing	Weekly forward to 10am Wednesday, based on NAV Plus forward from 10am on last Wednesday of the month to last business day of the month	
	O class	C class
ISIN	GB0009346718 (acc) GB0009340802 (inc)	GB00B7VZQV57 (acc) GB00B6Y8PL75 (inc)
SEDOL	0934671 (acc) 0934080 (inc)	B7VZQV5 (acc) B6Y8PL7 (inc)
Investment adviser	Ruffer LLP	
ACD	Capita Financial Managers Limited	
Depository	BNY Mellon Trust & Depository (UK) Limited	
Auditors	Grant Thornton UK LLP	
Structure	Sub-fund of CF Ruffer Investment Funds (OEIC) UK domiciled UCITS Eligible for ISAs	

*Refers to accumulation shares

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Fund Manager

Alex Grispos

INVESTMENT DIRECTOR



Graduated from Imperial College with a First Class degree in Mechanical Engineering, started in equity research in 1998 at Alpha Trust in Greece, then worked in venture capital for six years. Joined Top Technology Ventures in the UK, and subsequently became Investment Manager with RTF based in London and St Petersburg, Russia. Joined Ruffer in 2005 and is manager of the CF Ruffer Equity and General Fund.

Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 July 2017, assets managed by the Ruffer Group exceeded £21.3bn, of which over £12.5bn was managed in open-ended Ruffer funds.

Dealing line

0345 601 9610

Enquiries

Ruffer LLP +44 (0)20 7963 8254
80 Victoria Street rif@ruffer.co.uk
London
SW1E 5JL www.ruffer.co.uk

Issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL.

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