

CF Ruffer Gold Fund

Achieving capital growth by investing principally in gold and precious metal related companies



During May, the fund's O accumulation shares declined by 3.7% from 132.05p to 127.15p. This compares to a 10.9% fall in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price fell by 6.1% in US\$ and by 5.2% in sterling.

In the second half of the month, the gold price corrected sharply as commentary from members of the US Federal Open Market Committee and incrementally positive economic data from the US prompted the market to price in a higher probability of a near term US interest rate rise. As a result, gold mining stocks suffered significant falls in price for the first time this year, with some larger cap stocks down 25% from their peaks by the end of the month.

During the month, the outperformers in our portfolio were principally our Australian mid-capitalisation stocks, for example Northern Star Resources and St Barbara up 6.8% and 8.5% respectively over the month (in sterling terms). After a very strong 2015 performance, Australian listed gold miners have been relative underperformers year to date and so still screen as attractive relative to Northern American listed peers on valuation.

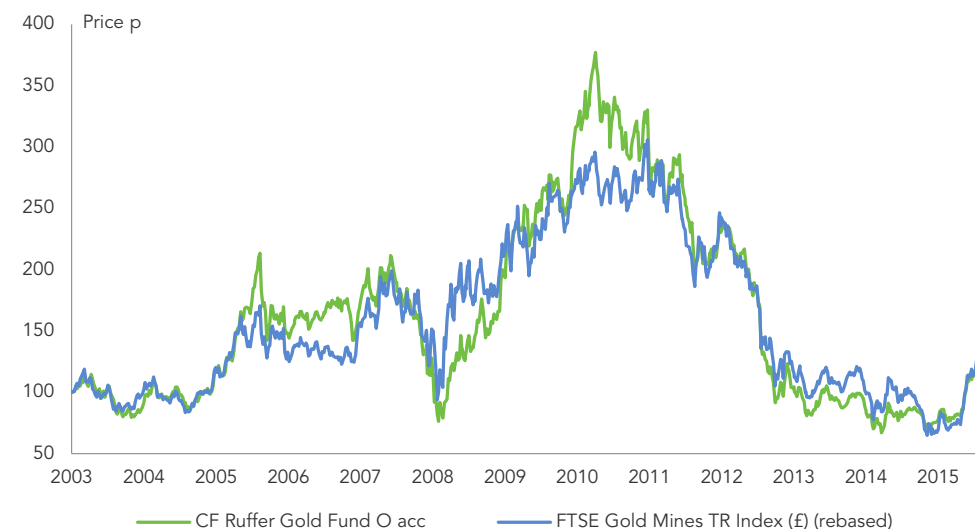
The largest detractors from performance were Kinross Mining (down 24.1% during the month in sterling terms) and our two larger South African positions, AngloGold Ashanti and Gold Fields (down 17.7% and 24.5% respectively in sterling terms). Kinross Mining reported a couple of minor setbacks during the month but probably the fall in price simply reflected investors choosing to take profits after extremely strong stock performance year to date. South African stocks suffered to an extent from concerns regarding political developments but we believe the discount at which South African listed miners are valued is now significant. We took the opportunity to add to Kinross Mining, AngloGold Ashanti and Gold Fields during the month.

We continue to believe that the shift in investor sentiment towards gold this year is probably structural, but that there is plenty of scope for pullbacks in gold and gold mining stocks as expectations for the US rate-rising cycle wax and wane. The fall in the sector in the second half of May is consistent with this view and so we used the pullback to add to our positions. However, given the extent of the rally in gold mining stocks year to date and the high valuations relative to gold of the large capitalisation 'go to names' in the sector we currently have low exposure to stocks which typically offer generic beta to the gold price and have tilted the portfolio towards special situations which offer a better risk/reward.

Investment objective

The fund aims to achieve capital growth over the long term by investing principally in gold and precious metal related companies within the mining industry.

Performance since launch on 1 October 2003



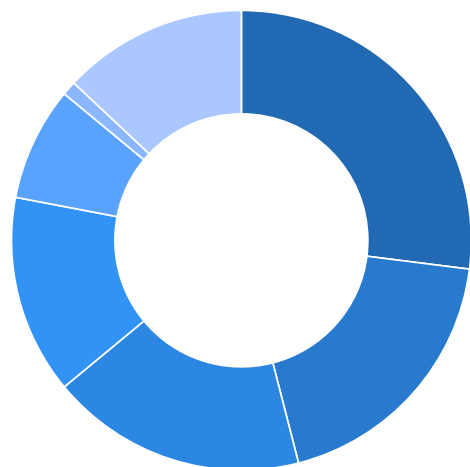
Performance %	May 2016	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-3.7	56.2	45.3	5.4	-58.6	-26.5

Percentage growth (O acc)	%	Share price as at 31 May 2016	p
31 Mar 2015 – 31 Mar 2016	39.2	O accumulation	127.15
31 Mar 2014 – 31 Mar 2015	-15.6	C accumulation	128.65
31 Mar 2013 – 31 Mar 2014	-46.8		
31 Mar 2012 – 31 Mar 2013	-28.3		
31 Mar 2011 – 31 Mar 2012	-23.5		

Source: Ruffer LLP

CF Ruffer Gold Fund as at 31 May 2016

Portfolio structure



	%
• Africa	27
• Australia	19
• North America	18
• Asia	14
• South America	8
• Other	1
• Cash	13

Capitalisation breakdown

% market exposure	Size	Market cap
25.0	Large	US\$5bn+
38.7	Mid	US\$1-\$5bn
36.3	Small	US\$0-\$1bn

10 largest of 114 holdings (representing 83 companies)

Stock	% of fund	Stock	% of fund
Endeavour Mining	6.6	Mandalay Resources	3.7
AngloGold Ashanti	5.0	Silver Wheaton	3.5
Kinross Gold	4.1	Acacia Mining	3.5
Northern Star Resources	4.1	Nord Gold	3.1
Evolution Mining	3.8	Gold Fields	3.0

Source: Ruffer LLP

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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 £609.8m

Fund information

%	O class	C class
Ongoing Charges Figure	1.66	1.33
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.20	0.32
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	
ISIN	O class GB0033628156	C class GB00B8510Q93
SEDOL	3362815	B8510Q9
Investment adviser	Ruffer LLP	
ACD	Capita Financial Managers Limited	
Depositary	BNY Mellon Trust & Depositary (UK) Limited	
Auditors	Grant Thornton UK LLP	
Structure	Sub-fund of CF Ruffer Investment Funds (OEIC) UK domiciled UCITS Eligible for ISAs	

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Fund Manager

Paul Kennedy

RESEARCH DIRECTOR



Joined Ruffer in 2012 from L.E.K. Consulting. He holds a degree in Jurisprudence from Oxford University and an MBA with Distinction from London Business School. He has many years of experience evaluating investments across industry sectors and has managed the CF Ruffer Gold Fund since February 2015.

Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 May 2016, assets managed by the Ruffer Group exceeded £18.2bn, of which over £9.5bn was managed in open-ended Ruffer funds.

Dealing line

0345 601 9610

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