

CF Ruffer Gold Fund

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



During October, the fund's O accumulation shares fell by 2.1% from 166.23p to 162.68p. This compares to a 1.4% fall in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price fell by 2.9% in USD but rose by 2.9% in sterling.

At the beginning of October the gold price fell sharply as confidence increased that Hillary Clinton would win the US presidential election and the Federal Open Market Committee (FOMC) would raise US interest rates in December. The gold price fell through the psychologically important level of \$1,300 per oz for the first time since June and this prompted a sharp fall in gold mining equities. Since the middle of the month, the gold price and gold mining equities have recovered as Donald Trump has enjoyed a resurgence in the opinion polls. During the month, a further 5.6% depreciation of sterling against the US dollar greatly reduced the impact of the fall in the gold mining sector on reported performance of the fund.

We used the fall in stock prices as an opportunity to re-invest some of the cash balance we had built up over the previous months as many stocks returned to levels at which we believe prices are attractive. Whilst our list of ten largest holdings is largely unchanged, during the month we initiated a number of new positions in stocks which have corrected heavily.

Stock performance varied greatly over the month with some stocks recovering quickly and others falling hard and staying down. A number of our largest holdings fell into the latter category, notably AngloGold Ashanti down 8.5%, Gold Fields down 9.2%, Northern Star down 6.0% and Evolution down 5.2% (all in sterling terms). We do not believe this reflects any fundamental issue with any of these companies and we increased our positions in all four over the month.

Our largest positive contributions came from relatively obscure sources with a number of our Australian listed small capitalisation stocks performing particularly well, for example, Silver Lake Resources +24% and Perseus Mining +16% (both in sterling terms). We regard both of these stocks as still materially undervalued and potentially exciting stories for next year.

In the month ahead, the key drivers of performance of our sector are likely to be the outcome of the US presidential election in November and the perceived prospects for a US rate rise in December. The most likely outcome of the US presidential election (according to polls at the time writing) appears to be a Clinton victory, which would likely be followed by increased market focus on a likely FOMC interest rate rise in December. In this scenario, November will be painful for the fund. We are remaining quite heavily invested over this period because a victory for Donald Trump would likely be positive for gold mining stocks and because we believe that our holdings are now generally at price levels which are attractive on a longer term view.

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 %	October 2016	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-2.1	99.9	97.3	57.5	-43.1	4.0

Percentage growth (O acc)	%	Share price as at 31 October 2016	p
30 Sep 2015 – 30 Sep 2016	113.8	O accumulation	162.68
30 Sep 2014 – 30 Sep 2015	-8.4	C accumulation	164.81
30 Sep 2013 – 30 Sep 2014	-18.7		
30 Sep 2012 – 30 Sep 2013	-55.8		
30 Sep 2011 – 30 Sep 2012	-13.7		

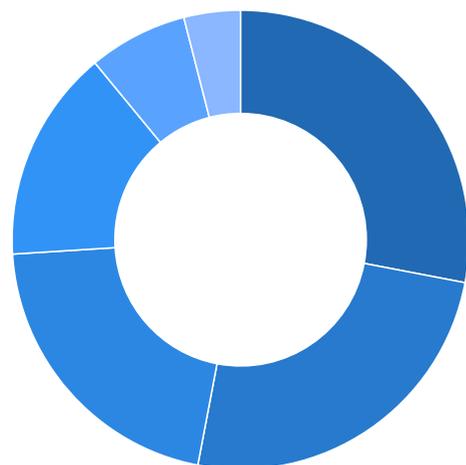
Source: Ruffer LLP, FTSE International (FTSE)†

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 Gold Fund is not registered for distribution in any country other than the UK.

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 Gold Fund as at 31 October 2016

Portfolio structure



	%
• Africa	28
• Australia	25
• North America	21
• Asia	15
• South America	7
• Cash	4

Capitalisation breakdown

% market exposure	Size	Market cap
9.0	Large	US\$5bn+
49.9	Mid	US\$1-\$5bn
41.1	Small	US\$0-\$1bn

10 largest of 111 holdings (representing 90 companies)

Stock	% of fund	Stock	% of fund
Endeavour Mining	5.7	AngloGold Ashanti	4.1
Evolution Mining	5.7	Nord Gold	3.9
Northern Star Resources	5.6	Gold Fields	3.6
Kinross Gold	4.8	Metals X	3.2
Mandalay Resources	4.2	Acacia Mining	2.9

Source: Ruffer LLP

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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 £748.3m

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	0.16	0.28
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	

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 October 2016, assets managed by the Ruffer Group exceeded £20.4bn, of which over £11.4bn was managed in open-ended Ruffer funds.

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