

# CF Ruffer Gold Fund

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



During September, the fund's O accumulation shares fell by 4.3% from 150.94p to 144.40p. This compares to a 10.0% fall in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price was down 3.1% in US dollar terms and 6.5% in sterling terms.

At the beginning of the month the gold price momentum, which had built through July and August, continued. However, gold fell sharply from the second week of September and ended the month back at around \$1,280 per ounce, a similar level traded to early August. The reversal in the gold price was driven principally by a re-appraisal of the probability of a rise in US interest rates in December as several members of the Federal Open Market Committee adopted a relatively hawkish tone. The market also adopted an incrementally less negative view of the Trump presidency as he secured a deal with Democrats to extend the debt ceiling and fears of impulsive military action against North Korea faded somewhat. Towards the end of the month, the market became increasingly optimistic about the prospects for meaningful US tax reform which is viewed as positive for the S&P, but negative for gold.

The two largest positive contributors to the fund performance in the month were Westgold (up 7% in sterling terms) and Centerra Gold (up 13% in sterling terms). Westgold has been a core position in the fund for a number of years. The company consolidated gold mining assets in Western Australia throughout the down turn and has been investing in these assets over the past couple of years. We are slowly seeing the first fruits of their labour and expect the company to continue to grow production and resources over the next few years. During the month, the company issued a one for five bonus option to shareholders. These have been granted to indicate management's intent to pay a meaningful dividend when circumstances allow. This year, they are investing all the cash generated from the mines into future growth.

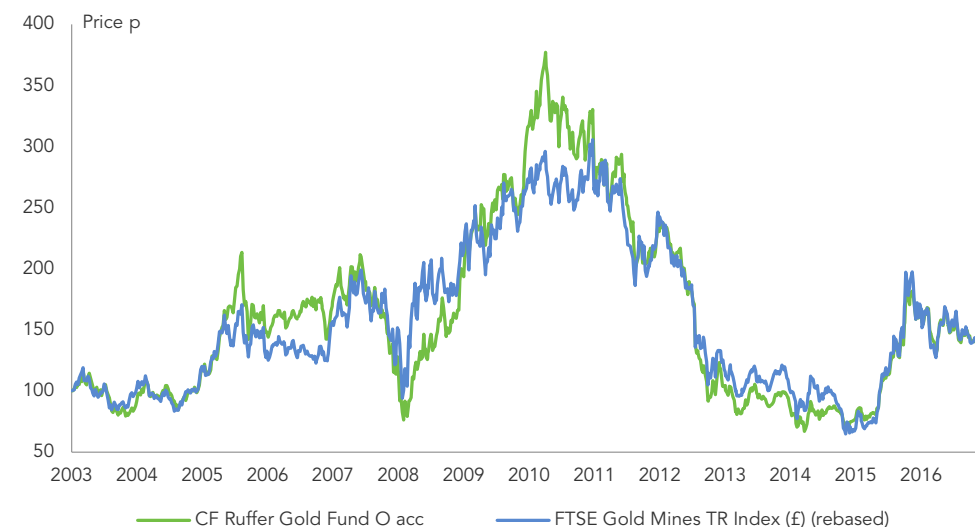
We invested in Centerra as it has an attractive valuation and a portfolio of high quality assets. Their current flagship asset is a world class mine in the Kyrgyz Republic. The company announced a settlement with the Kyrgyz government on their outstanding disputes. This was taken positively by the market and we believe that the stock should continue to re-rate from this point.

We did not have any companies that particularly stood out in terms of negative contributions this month. Our largest holdings fell broadly in line with the overall decline in gold mining shares. Whilst this month has been volatile, we continue to see attractive investment opportunities and actively invest in companies which are lowly valued and have been effectively ignored by the market.

## 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 %	September 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-4.3	0.7	-13.1	70.1	-38.9	-16.5

Percentage growth (O acc)	%	Share price as at 29 September 2017	p
30 Sep 2016 – 30 Sep 2017	-13.1	<b>O accumulation</b>	<b>144.40</b>
30 Sep 2015 – 30 Sep 2016	113.8	<b>C accumulation</b>	<b>146.69</b>
30 Sep 2014 – 30 Sep 2015	-8.4	<b>C income</b>	<b>88.78</b>
30 Sep 2013 – 30 Sep 2014	-18.7		
30 Sep 2012 – 30 Sep 2013	-55.8		

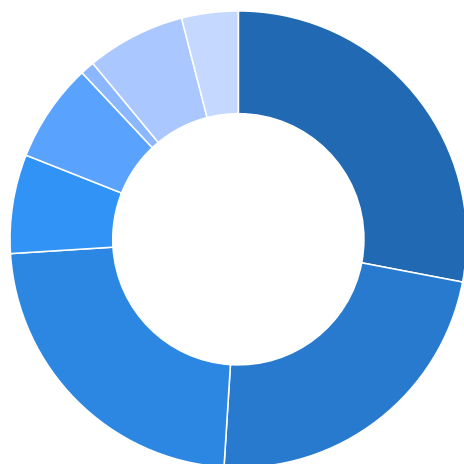
Source: Ruffer LLP, FTSE International (FTSE)†

The fund's prospectus and key investor information documents are provided in English and available on request or from [www.ruffer.co.uk](http://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 29 September 2017

## Portfolio structure



	%
• North America	28
• Australia	23
• Africa	23
• Asia	7
• South America	7
• Europe	1
• Other	7
• Cash	4

### Capitalisation breakdown

% market exposure	Size	Market cap
19.5	Large	US\$5bn+
40.4	Mid	US\$1-\$5bn
40.2	Small	US\$0-\$1bn

## 10 largest of 107 holdings (representing 105 companies)

Stock	% of fund	Stock	% of fund
Evolution Mining	5.0	iShares Physical Gold	3.9
Gold Fields	4.9	Endeavour Mining	3.6
Kinross Gold	4.7	Wheaton Precious	3.4
Northern Star Resources	4.6	St Barbara	2.7
Westgold Resources	4.0	Barrick Gold	2.4

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 £704.2m

## Fund information

%	O class	C class
Ongoing Charges Figure*	1.57	1.27
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.35	0.60
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	GB0033628156 (acc)	GB00B8510Q93 (acc) GB00B8BZBT51 (inc)
SEDOL	3362815 (acc)	B8510Q9 (acc) B8BZBT5 (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

### 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 30 September 2017, assets managed by the Ruffer Group exceeded £21.7bn, of which over £12.9bn was managed in open-ended Ruffer funds.

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