

LF Ruffer Gold Fund

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

During the fourth quarter, the fund's O accumulation shares fell by 2.1% from 198.67p to 193.38p. This compares to a 0.8% rise in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price was up 3.0% in US dollar terms but down 4.5% in sterling terms.

We have become accustomed to the fourth quarter being a relatively weak period for the gold price and after the strong rise in gold through the first eight months of the year there was clear potential for a correction in the gold price into the year end. In the event, gold did trend lower into December but held at a relatively high level before rising sharply in the final weeks of the year. We believe the solidity of the gold price over the final quarter of 2020 reflects a significant change in investor attitude towards gold and continued central bank buying. Whilst the gold price still appears vulnerable to a correction, these two supportive factors seem likely to persist.

The performance of gold mining stocks was rather mixed over the quarter with the market showing zero tolerance for any kind of slip-up and general pressure on the less well-understood parts of the sector (ie smaller cap. stocks, non-producing companies and stocks with less vanilla geographical exposures). The fund suffered somewhat in this environment as the portfolio has a strong 'value' bias and hence holds positions which tend to be less well-known and/or have a higher risk of generating negative headlines. However, we expect the majority of the stock-specific 'hits' we suffered in this quarter to reverse over time.

The nearly 8% appreciation of sterling against the US dollar during the quarter was a substantial headwind to performance as the vast majority of holdings in the fund are not denominated in sterling. Sterling recovered from distressed levels as the UK and EU avoided a 'no deal' Brexit and some level of political stability returned to the UK following the December general election.

Whilst gold mining stocks have risen strongly this year, the vast majority do not yet price in the current gold price. As usual, the fund holds positions which should appreciate if the current gold price persists and offer an attractive risk/reward profile relative to gold.



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



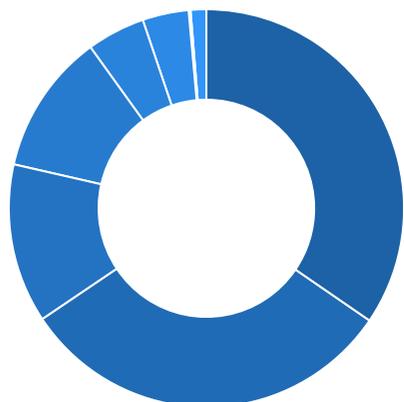
Performance %	Q4	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-2.1	44.0	44.0	35.0	165.6	-17.4

Percentage growth (O acc)	%	Share price as at 31 December 2019	p
31 Dec 2018 – 31 Dec 2019	44.0	O accumulation	193.53
31 Dec 2017 – 31 Dec 2018	-8.9	C accumulation	197.94
31 Dec 2016 – 31 Dec 2017	3.0	C income	119.80
31 Dec 2015 – 31 Dec 2016	76.1		
31 Dec 2014 – 31 Dec 2015	11.7		

Source: Ruffer LLP, FTSE International (FTSE) †

LF Ruffer Gold Fund as at 31 Dec 2019

Portfolio structure



Asset allocation	%
North America	34.5
Africa	31.0
Australia	13.0
Asia	11.5
Europe	4.6
South America	3.8
Options and protection	0.2
Cash	1.3

Capitalisation breakdown

% market exposure	Size	Market cap
25.2	Large	US\$5bn+
21.6	Mid	US\$1-\$5bn
53.2	Small	US\$0-\$1bn

10 largest of 117 holdings

Stock	% of fund	Stock	% of fund
Kinross Gold	7.3	AngloGold Ashanti	5.4
Gold Fields	7.2	Westgold Resources	5.2
Centerra Gold	7.0	Ramelius Resources	3.9
IAMGOLD	6.5	Semafo	3.9
Silver Lake Resources	5.6	Perseus Mining	2.6

Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding.

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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 **£907.3m**

Fund information

%	O class	C class
Ongoing Charges Figure*	1.54	1.24
Annual management charge	1.5	1.2
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, every Wednesday where this is a business day Plus the last business day of the month	
Cut off	10am on Wednesday (where it is a business day) and the 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	Link Fund Solutions Limited	
Depository	The Bank of New York Mellon (International) Limited	
Auditors	Ernst & Young LLP	
Structure	Sub-fund of LF 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 LF 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 November 2019, assets managed by the Ruffer Group exceeded £19.8bn.

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