

Ruffer UK Mid and Smaller Companies

Positive results from UK mid and smaller companies

The fund's C capitalisation shares rose 2.5% from £237.63 to £243.45 in the month. The FTSE 250 Total Return index dropped 0.6% and the FTSE Small Cap Total Return index slipped 0.4%.

After the disappointment of July, the fund bounced back well in August. This was kicked off by Games Workshop who announced their full year results and a level of confidence in their future expectations, which sent the stock up around 20% as a result and which contributed 0.8% to the fund. Other names with positive trading statements ahead of expectations included Volex and Elektron which added 0.6% and 0.4% respectively.

Volex continues to navigate its road to recovery and having stabilised and rationalised its operations and supply chain, it is now in a stronger position to capitalise on its market leading potential. Management now focuses on the integration of their recent acquisitions and, over time, may well be able to act as the consolidator in what remains a highly fragmented market.

Elektron, under the leadership of John Wilson, is also driving on with its new refined business structure. Having sold many of the smaller business units, it now moves forward with three clear offerings: Bulgin, Elektron Eye Technology (EET) and Checkit. Bulgin announced continued momentum with the order book and year-to-date sales at record levels, whilst EET is now able to benefit from improved distribution channels. Checkit has now transitioned from its 'start-up' stage to a well regarded and highly valued service used by many well-known names in the industry. With years of investment and building of a robust platform, it is now apparent that usability and value will allow it to grow into new markets and geographies, with contract wins producing a doubling of revenue year-on-year.

It was not all good news, however. The recurring theme across the month impacting the portfolio was the ongoing cooling in sentiment towards pure UK domestic stocks. With Brexit discussions continuing to hit the headlines and companies navigating disrupted consumer shopping patterns and supply chains this year as a result of the extreme weather we have experienced, we saw some pressure on names such as Dixons, Headlam, ITV and Tesco which combined to cost us 0.7%. These names remain core elements of the portfolio and we remain reassured by their dominant market positions, modest ratings and high quality management teams.

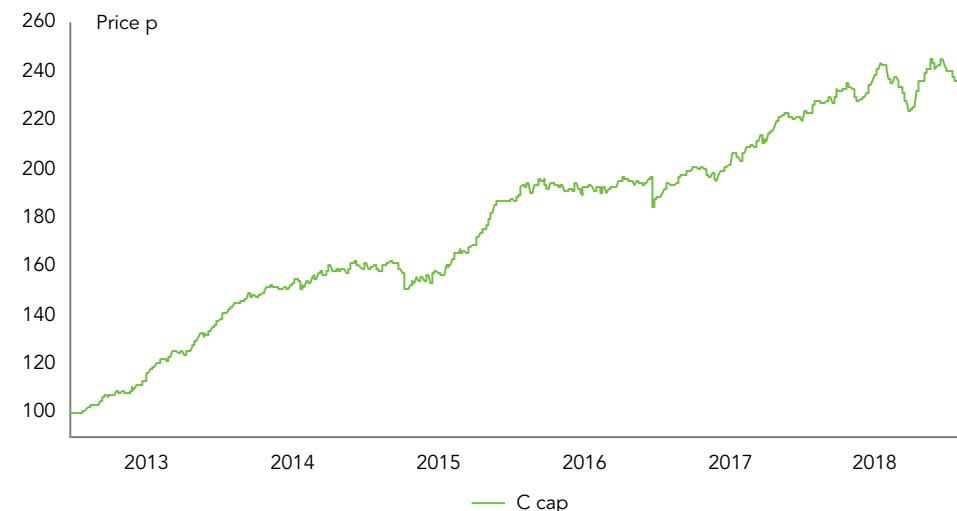
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Investment objective

The investment objective of the sub-fund is to achieve positive returns from an actively managed portfolio mainly of equities and equity-related securities of companies admitted to or dealt on a Regulated Market or Other Regulated Market in the United Kingdom and with market capitalisations below the level which would warrant inclusion in the FTSE 100 Index.

Performance since launch on 26 June 2012 – C class shares GBP



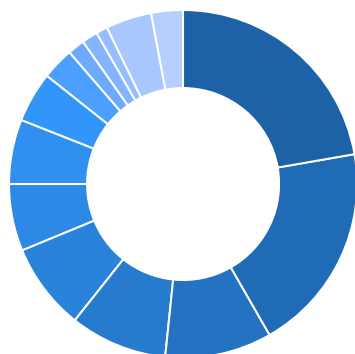
Performance %	August 2018	Year to date	1 year	3 years	5 years
C capitalisation shares	2.5	1.7	6.6	27.8	66.4
Percentage growth (C GBP cap)	%	Share price as at 31 August 2018			
30 Jun 2017 – 30 Jun 2018	9.1	O capitalisation	243.45		
30 Jun 2016 – 30 Jun 2017	17.8	C capitalisation	238.32		
30 Jun 2015 – 30 Jun 2016	0.1	C distribution	208.73		
30 Jun 2014 – 30 Jun 2015	17.4	Z capitalisation	261.34		
30 Jun 2013 – 30 Jun 2014	15.7	Z distribution	218.17		

Source: Ruffer LLP

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.

Ruffer UK Mid and Smaller Companies as at 31 Aug 2018

Portfolio structure



Asset allocation	%		%
Industrial Engineering	22.3	Media	4.8
Retail	19.4	Oil and Gas	3.0
Food & Beverage	10.0	Real estate	1.6
Options	9.0	Industrial Services	1.4
Building	8.1	Financial	1.2
Technology	6.2	Other	4.1
Support Services	5.9	Cash	3.0

10 largest of 65 holdings

Stock	% of fund	Stock	% of fund
Tesco	9.1	ITV	4.6
FTSE 250 Short ETP	9.0	Castings	4.0
Volex	7.4	Headlam	3.7
Finsbury Food	7.4	Dixons Carphone	3.5
Games Workshop	4.8	BP	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.

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Fund size **£329.4m**

Fund information

Ongoing Charges Figure* %	Cap	Dis	
O class GBP	1.65	na	
C class GBP	1.31	1.31	
Z class GBP	0.16	0.16	
%	O class	C class	Z class
Max annual management charge	1.5	1.2	0.0
Maximum initial charge	5.0	5.0	7.5
Minimum investment £	£1,000	£10m	£30m

Record date Third Monday of November

Ex dividend dates Next NAV following the record date

Payment Within five business days after ex dividend date

Dealing Weekly, every Monday (if not a business day, on the following business day) Plus on the last calendar day of each month

Cut off 4pm Luxembourg time on the day before valuation day (so typically Friday and the penultimate business day of the month)

ISIN O class C class Z class

Cap LU0788206679 LU0788036498 LU0788036654

Dis LU0788036571 LU0788036738

Structure Sub-fund of Ruffer SICAV, a Luxembourg domiciled UCITS SICAV

Investment manager Ruffer LLP

Management company, administrative agent, registrar and transfer agent, paying and domiciliary agent FundPartner Solutions (Europe) S.A.

Custodian Pictet & Cie (Europe) S.A.

Auditors Ernst & Young S.A.

* As at 22 January 2018

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Fund Managers

Trevor Wild

RESEARCH DIRECTOR

Worked for BZW from 1983, where he led a number of successful research teams, joining Commerzbank in 1999 to begin his career as a Portfolio Manager. In 2005 moved to Lehman Brothers as Managing Director of the Long Term Value Fund. Joined Ruffer in 2008.



Alex Jamieson

RESEARCH ASSOCIATE

Joined Ruffer in 2012 as Risk and Attribution Manager, moving to the Ruffer Mid and Smaller Companies team in 2014. Prior to this, he spent four years at F&C Investments and State Street. Holds a Masters degree in international financial analysis from Newcastle University. He is a CFA charterholder.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 July 2018, assets managed by the Ruffer Group exceeded £22.4bn.

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