



# *Ruffer Investment Company Limited*

Investment Manager's Year End Review  
for the year ended  
30 June 2021 (unaudited)

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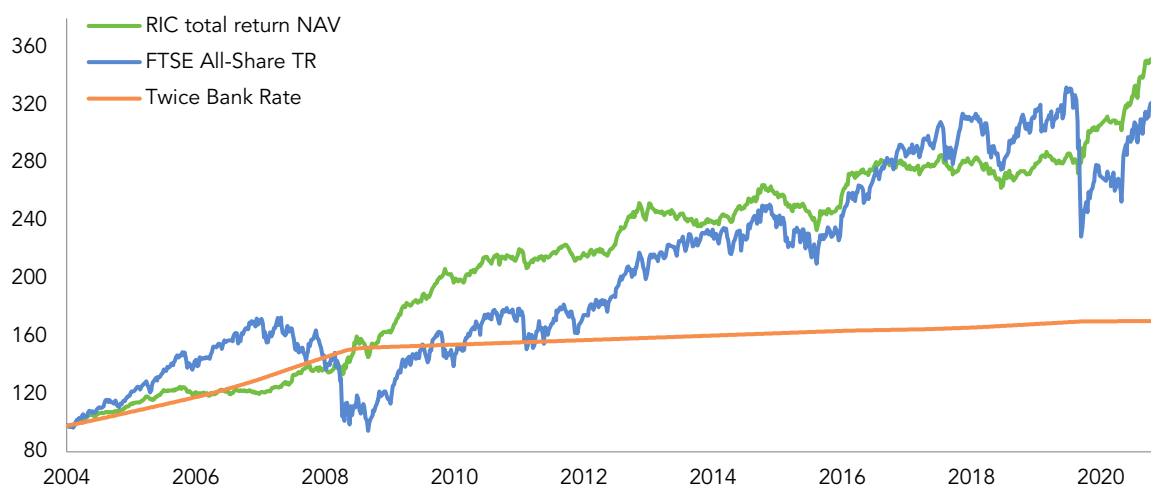
### Key performance indicators

	30 June 2021 %	30 June 2020 %
Share price total return over 12 months <sup>1</sup>	19.5	12.4
NAV total return per share over 12 months <sup>1</sup>	15.3	10.1
Premium/(discount) of share price to NAV	2.0	(1.5)
Dividends per share over 12 months <sup>2</sup>	1.90p	1.85p
Annualised dividend yield <sup>3</sup>	0.7	0.8
Annualised NAV total return per share since launch <sup>1</sup>	7.9	7.4
Ongoing charges ratio <sup>4</sup>	1.08	1.08

### Financial highlights

	30 June 2021	30 June 2020
Share price	287.00p	242.00p
NAV	£575,913,008	£444,389,282
Market capitalisation	£587,541,854	£437,507,967
Number of shares in issue	204,718,416	180,788,416
NAV per share <sup>5</sup>	281.32p	245.81p

- 1 Assumes reinvestment of dividends
- 2 Dividends paid during the period
- 3 Dividends paid during the year divided by closing share price
- 4 Calculated in accordance with AIC guidance
- 5 NAV per share as released on the London Stock Exchange



Source: RAIFM Ltd, FTSE International (FTSE). Data to 30 June 2021. All figures include reinvested income. Ruffer performance is shown after deduction of all fees and management charges. Performance data is included in the appendix.

# Investment Manager's report

## Performance review

For the year to 30 June 2021 the company had a share price return of 19.5% and the NAV return of 15.3%.

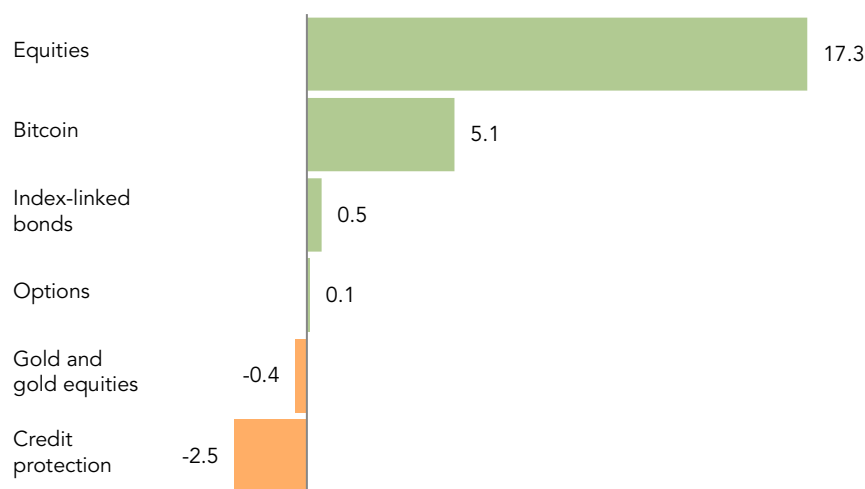
The company has achieved its objective of preserving shareholder capital regardless of the market conditions. In last year's report we wrote "we feel confident about our prospects from here" and results have borne that out.

Today, our conviction in the long-term inflationary endgame has never been higher but we are cognisant of the fact that the journey to that point will not be direct and the timing is uncertain. For that reason it has never been more important to hold a mix of assets that will deliver our investment objectives regardless of the direction of financial markets. We will continuously aim to provide a superior risk adjusted return which focuses on preservation of capital and is uncorrelated with equities or any other asset class.

Performance	NAV TR %	NAV TR annualised %	Share price TR %	Share price TR annualised %	Correlation with equities
1 year	15.3	15.3	19.5	19.5	0.69
3 years	25.8	8.0	26.9	8.3	0.43
5 years	37.9	6.6	41.2	7.1	0.45
10 years	62.7	5.0	59.5	4.8	0.51
Since inception (Jul 2004)	259.4	7.8	265.2	7.9	0.45

## Portfolio attribution

12 months to 30 June 2021



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Ruffer Investment Company is not alone in posting good performance numbers over the last 12 months. However, our returns are distinctive both in terms of their source and profile.

- 1 The shape of the equity book – our equity risk has been focused on value, cyclicals, commodities, and financials since 2018. We added to these positions in the summer of 2020 when the market was most enamoured with the ‘covid winners’. We enjoyed particularly strong returns from the stocks geared into re-opening and recovery; UK banks (+57% and 256bps), Walt Disney (+67% and 82bps), General Motors (+135% and 84bps), Cemex (+115% and 40bps) and Arcelor Mittal (+97% and 65bps). These thematic exposures in the portfolio drove significant performance, particularly since the announcement of the vaccine approvals in November 2020.

Exposure to UK equities, previously unloved by investors, also came to life with our smaller companies exposure of around 5% adding 186bps to the return in the 12 months.

- 2 Bitcoin – exposure to bitcoin was a significant contributor over the period (+515bps) and offers a good example of the flexibility of the Ruffer strategy and our willingness to embrace uncomfortable or idiosyncratic risks. A well-timed exit of our exposure in April 2021 avoided giving back much of the gain in the recent sell-off. MicroStrategy (+421% and 47bps) and Galaxy Digital (+337% and 58bps) were also sold in February.
- 3 Active duration management – Q1 2021 was one of the worst for bonds in modern history. Despite having over 30% of the portfolio in index-linked bonds, we were able to offset the damage from this risk through the opportunistic use of payer swaptions that lowered the net portfolio duration (sensitivity to changes in interest rates) to zero and index-linked bonds were helped by rising inflation expectations.

Credit protections which helped the portfolio to weather the covid crash were significantly monetised in the heat of the crisis in March 2020. However, within the period, the remaining position gave back 250bps of performance as governments and central banks rode to the rescue of corporate debt markets. We decided it was necessary to retain some of these positions due to ongoing fragility and uncertainty in markets, but the position was reduced in both size and potency.

Gold’s contribution was also negative, something that feels quite anomalous in the context of rampant monetary stimulus and inflation concerns. On 30th June 2020, the gold price was \$1,780 and it closed the period a year later at \$1,790 up less than 1% with the gold mining equities index also flat. Our exposure is focused on higher beta, more operationally geared smaller gold mining stocks.

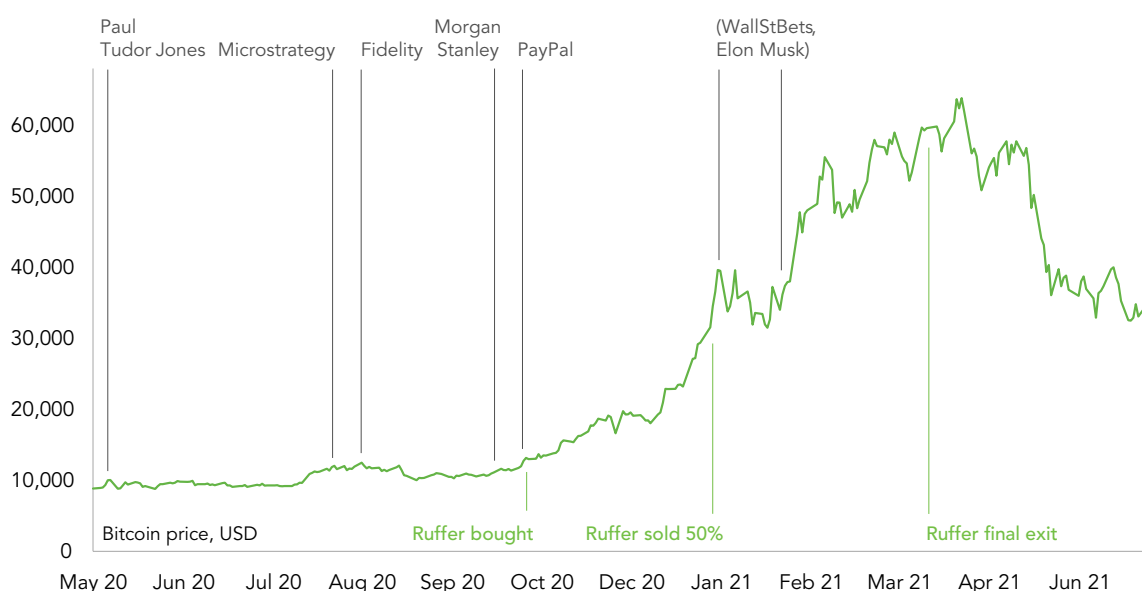
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### Portfolio changes

In the interim report we covered our rationale for adding bitcoin exposure plus two bitcoin proxies (MicroStrategy and Galaxy Digital) in November 2020. The rationale was that bitcoin was an emerging store of value and institutional investors would move to adopt it as a ‘digital gold’. This narrative played out faster than we could have foreseen as show in the chart below.

Bitcoin may yet fulfil its potential, but the market displayed many signs of froth – retail speculation, excessive leverage, the Coinbase IPO, Tom Brady’s laser eyes, Dogecoin, Elon Musk hosting Saturday Night Live, \$60m non-fungible tokens (NFTs) etc.

### Bitcoin – surfing a wave of institutional adoption... and liquidity



Source: Bloomberg, Ruffer, data to 30 June 2021

In the short term at least, bitcoin was exhibiting the characteristics of a risky, speculative asset and therefore no longer fulfilled the portfolio role we had intended for it as a protective and diversifying asset. We sold all our exposure in April (+515bps performance contribution). Our Chief Investment Officer, Henry Maxey, surmised that excess liquidity has a wonderful way of bringing the hopes of the future into the prices of the present.

During the period there were two returns of capital from Ruffer Illiquid Multi-Strategies Fund 2015. Firstly 0.7% in March and then 2.3% in June 2021. In effect, this was a return of some of the profits from the bitcoin exposure.

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Having been hedged for the interest rate spike in Q1 2021, in May and June we added 3% to the long-dated UK index-linked gilts taking these to 13% of the portfolio. We continue to believe these are the best assets for the extended period of financial repression we envisage for the coming years (see below).

Within the equity book, we have been focused on reducing risk in the summer months after value and cyclical stocks experienced a strong run. We have kept equities at around 40% with consistent sales and we have slowly rotated into what we have come to call ‘the forgotten middle’ making up around 8% of the portfolio. This is a cohort of defensive companies which are delightfully dull, sit outside the bluster of the value/growth debate and offer solid cyclically insensitive earnings on low valuations. This includes Tesco, Cigna and Centene, but also newer purchases like GlaxoSmithKline, Fresenius Medical and BAE Systems.

### Investment outlook

#### A new inflationary regime

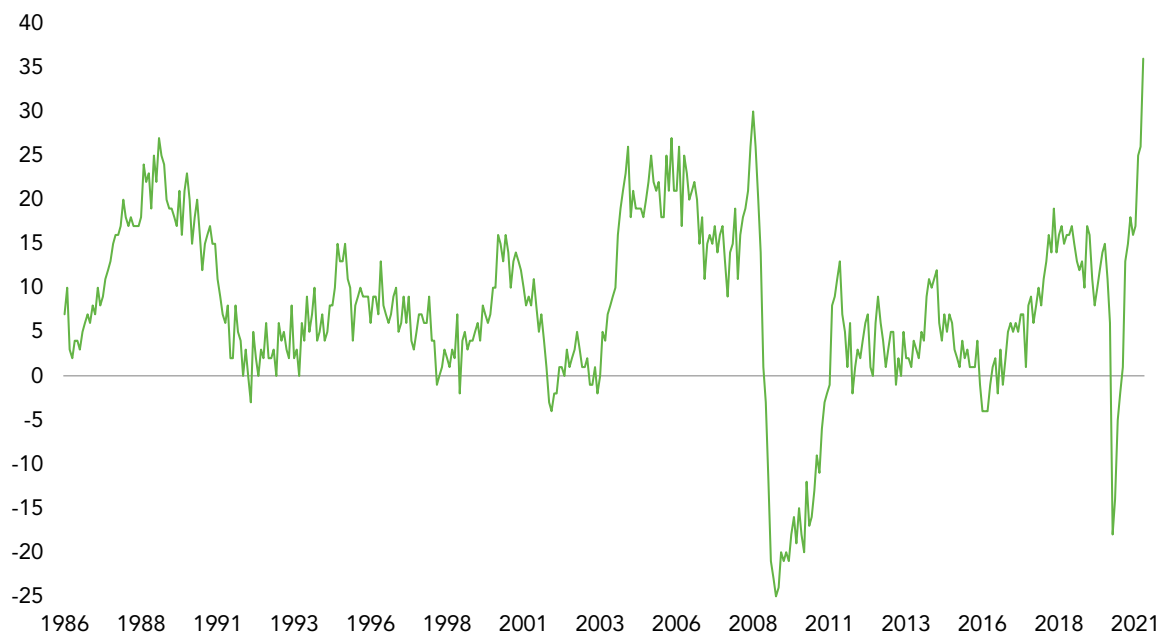
In previous reports and elsewhere we have argued covid has acted as an accelerant, catapulting the world into a new economic regime. This new regime is characterised by the adoption of more interventionist policies to target explicitly political causes such as climate change or inequality. This blurring of the lines between monetary and fiscal policy will lead to higher economic and inflation volatility and marks a stark contrast to the benign period of the past 40 years.

However, we are currently enjoying an economic boom which may well extend into 2022. What is the recipe? Take one-part unleashed animal spirits as we exit lockdown, mix with accumulated lockdown savings, pour on lashings of stimulus – serve in a supply constrained glass.

The debate *du jour* is whether the current inflationary spurt we are living through is a symptom of this new economic regime or a transitory hangover from the supply and demand disruptions of the lockdowns. The scale and breadth of the inflationary impulse is stunning. The chart shows the percentage of businesses raising prices is at a 35 year high in the US.

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### Net of US firms reporting higher selling prices



Source: National Federation of Independent Businesses monthly survey

This is not a US phenomenon: global data is very similar. Wage pressures are everywhere, companies cannot get staff. McDonalds are paying candidates \$50 to attend interviews. Shortages are a key sign of inflation. The US administration has no sympathy for corporates: if you want workers back, pay them more – this is about levelling up and inequality too.

Used car prices, container shipping rates, house prices, hotel rates, the cost of eating out – the trend is clear, and it is up. Yet long term measures of inflation expectations remain anchored, the market is confident this impulse shall recede.

We think this ‘transitory debate’ misses the point entirely. Of course, house prices will not rise at 10-20% annualised forever. Inflation is simply a measure of the rate of change. If that delicious beer garden pint was £4.50 in 2019 and now it costs £6, it has inflated by 33%. Next year it might cost £6.25. The Bank of England might say “See! Inflation was transitory, it’s only 4%, we told you!”, but unless wages have risen by 39% since 2019, you should be feeling worse off.

We fully appreciate that due to base effects it is highly likely that as re-opening enthusiasm wanes inflation is likely to be lower next year. Technically, the transitory crew might be correct, but unless the beer reverts to £4.50, we would say it is 1-0 to the inflation hawks in the real world. The price level is what comes out of your pocket not the second derivative.



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This is a febrile environment for a wage and demand spiral considering the context of vast ongoing quantitative easing and seemingly endless fiscal stimulus packages.

The big problem is if the inflationary genie is out of the bottle, how might policymakers get it back in?

The textbook response is that the central bank should raise interest rates. Realistically however, this tool is not available to today's cohort of central bankers for multiple reasons. Firstly, the burden of debt in the world is just too great to service at higher interest costs. Secondly, the political pressures to keep financial conditions supportive in aid of activist policy goals such as tackling climate change or inequality have only grown stronger. So, if these inflationary pressures prove more than transitory, we may realise for the first time in a few decades that central bankers are not omnipotent.

*“No, Mr Bond, I expect you to die.”*

What are the portfolio implications of all this?

Despite global stock indices finishing the period at all-time highs, bond yields remaining low, credit spreads tight and property prices booming, we must re-emphasise how dangerous we believe the coming environment of inflation and volatility is for conventional portfolios.

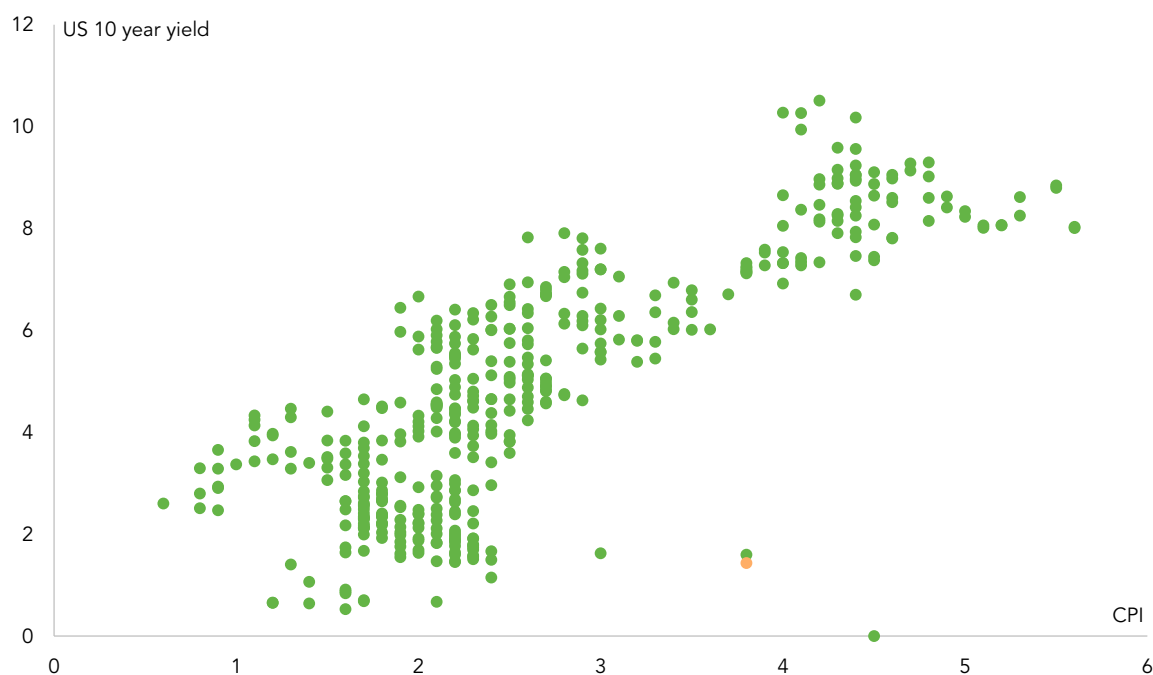
Inflation changes the way cross-asset correlations behave. Today, the portfolio role of bonds is spent: their role as a hedge is suspect and they effectively guarantee investors will miss their return targets. Remind me why you own bonds?

We saw a glimpse of the future in Q1 2021 when the 30 year US Treasury, supposedly the safest asset in the world, fell by more than 20% for the first time ever.

As the chart below shows, current inflation readings (the orange dot) correlate to a US ten year bond yield of 5-6% not the current 1.5%. The evidence is the market is sanguine about any enduring inflation risks.

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### Current inflation suggests bond yields are too low

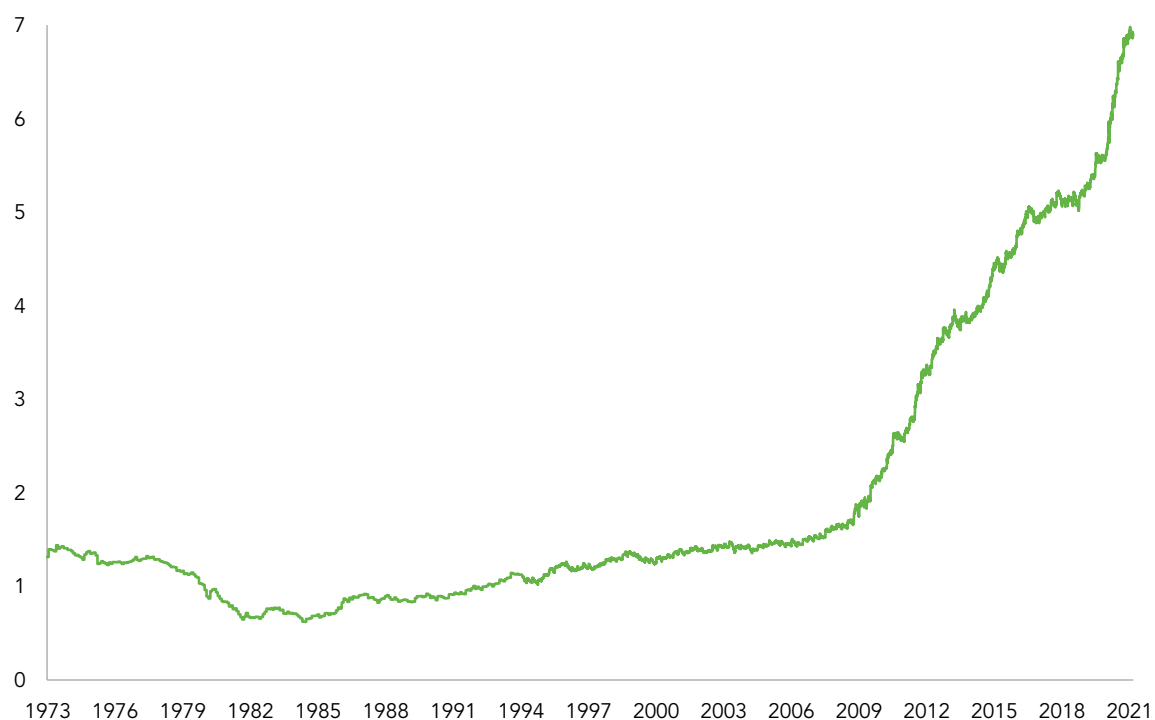


Source: Bloomberg, data from June 1985 to June 2021

There is an asymmetry of risk, however. Bonds are a mathematically bounded asset class – returns are certain to be low, a best case of 1.5% over 10 years before any inflation risk. If inflation risks recede, then bond investors will earn a zero or slightly negative after inflation return. If inflation remains elevated, then the risks for bond owners are catastrophic. Heads you don't win much, tails you lose a lot. The US ten year yield moving to just 3% (where it was in 2018) would cause a loss of about 15% to bond holders.

Going further, investment grade credit paradoxically offers record low yields despite record levels of debt outstanding. The mathematics of bonds is such that at lower rates the duration increases. This asset class is vulnerable to even the smallest change in yields in response to a change in inflation, credit or term risk premiums. Just a 1% change in investor's required returns will wipe out seven years of coupon income in capital losses (see below).

Years of coupon to recoup loss from a 1% lift in yield



Source: Minack Advisers, Bloomberg-Barclays, NBER

### How are we protecting our shareholder's capital?

The key takeaway is the traditional portfolio ballast in bonds is not just failing to protect, but is actively adding to overall risk. But if conventional hedges are not going to cut it in the new inflationary world, what else is there?

The benefit of being global, multi-asset, unbenchmarked investors is you can go anywhere and invest in anything. This flexibility is increasingly essential in a world where safe havens are so expensive they have become dangerous.

Inflation-linked bonds offer the natural bolthole for investors fleeing the tyranny of fixed income. At the period end we had 26% of the portfolio in these bonds, the key asset being 13% in long-dated UK inflation-linked gilts. The main driver for index-linked returns is the gap between inflation and bond yields. This is something we expect to widen significantly as inflation and growth accelerate, but bond yields remain pinned to the floor under the heavy boot of central bankers.

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Gold continues to be a key asset for protection against rising inflation, financial repression and failing trust in institutions. In the last year, precious metals lost some limelight to bitcoin, but the relative stability in recent months has reminded investors of its attractions. We continue to think of the gold price as the inverse of the market's faith in central bankers' ability to micromanage the economy.

We believe for true protection we will need to rely upon the unconventional protective toolkit we have assembled in the last few years.

Credit protection proved its worth last March when these investments almost doubled. Being long credit spreads via Ruffer Multi-Strategies Fund 2015 continues to look a very attractive proposition. The risk/reward is highly skewed in our favour from the current starting point and from a portfolio perspective is almost certain to have a negative correlation to risk assets.

Payer swaptions offer the right, but not the obligation, to enter in a 'pay fixed, receive floating swap agreement'. In essence, an option which benefits from rising bond yields. Rising yields are a tough environment for most asset classes and that makes this a rare and potent protection.

Equity puts – we continue to utilise puts on indices as a direct hedge to manage risk and net exposure.

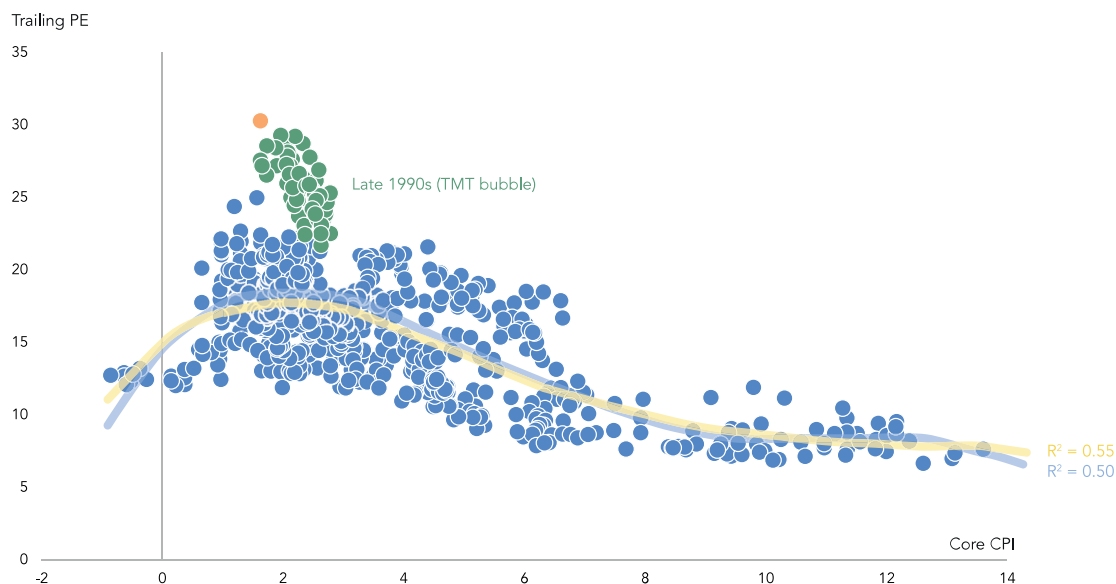
Other tools – although not currently of meaningful size in the portfolio we continue to monitor the VIX, relative value arbitrage, FX volatility and cryptocurrencies as tools for further protection and diversification.

We are also finding attractive investment opportunities in select real assets which are slightly off the beaten track – PRS Reit, Hipgnosis Songs Fund, Trident Royalties, Weiss Korea, Tufton Oceanic Assets and Taylor Maritime Investments all add something different to the portfolio.

Equities – there is currently one big duration trade going on in markets. Growth stocks are underpinned by the same low bond yield that makes conventional bonds an unattractive addition to the portfolio.

This dynamic is pervasive, reflecting a huge swathe of portfolios in the market and yet, as per bond prices, it could break down spectacularly if inflationary pressures persist. Some investors have bought into the siren-song that equities are an inflation hedge. Unfortunately, the facts do not support this, particularly from the current starting point.

The chart below shows inflation versus price/earnings multiples and the relationship is clear. Equities like low and stable inflation, as we have had in the last 30 years. Equities do not like deflation or higher inflation – both scenarios cause a de-rating of the market. This risk is particularly pernicious from the current starting point (orange dot) of the highest equity multiples on record.



Source: Minack Advisers. Operational earnings from 1988, monthly data from 1955. This chart shows two lines of best fit. R<sup>2</sup> at 0.55 excludes the TMT bubble.

To use a crude example, Microsoft may have the pricing power to pass on inflation but perhaps inflation adds an economic risk premium that takes the p/e multiple from the current 34x to 20x, where it was five years ago (a 40% drawdown). In 2012, Microsoft's P/E ratio was 10x.

Reality is more nuanced; there are many equities which could act as inflation hedge. We own many in the portfolio – banks, financials, energy stocks and commodity producers like Glencore or Yara.

The problem for passive or benchmarked investors is these stocks have withered to a small percentage of the index. If you own the index, you do not own enough of them to make a difference. In 1980 the energy sector, an obvious inflation beneficiary, was 28% of the S&P 500, in 2008 it was 15%, today it is 3% – the whole sector is about half as big as Apple.

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### Energy sector weighting in S&P 500 index



Source: Bloomberg, data to 7 July 2021

The bull case for commodity stocks is simple. They are a pure beneficiary of higher global economic activity. The trends for growth, technology and ESG investing have left them unloved and lowly valued. The green transition, which we fully embrace and have encouraged our investee companies to embrace, has raised the cost of capital for these industries meaning there has been little new supply or capex for several years. But the demand picture is, perhaps counterintuitively, rather bright. Global oil demand is forecast to continue to grow for at least another five years and a green world requires fixed capital and commodity investment spent upfront. One cannot make an electric car or a smart grid without a lot of copper and cobalt (Glencore) or a significant amount of oil related products (BP, Royal Dutch Shell, Equinor). Therefore, the earnings for these stocks are potentially higher and more enduring than is currently factored into the price.

Our equity book continues to look nothing like the broader indices and the opportunity that presents excites us.

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### A note of caution

There are two quotes which keep wandering through our minds.

The first is from nineteenth century titan Lord Rothschild to “buy on the cannons and sell on the trumpets”.

One of the great ironies about investing is that the best time to invest in risky assets is when everything seems utterly bleak, like March 2020. A more dangerous time to invest is when everything is going well and it seems obvious. At the end of June 2021, the US market completed seven consecutive days of new all time highs, a feat not completed since the dot.com bubble.

The second quote is Robert Louis Stevenson’s accidentally sage investment advice when he acknowledged sometimes “it is better to travel hopefully, than arrive”.

Just as the Coinbase IPO marked the recent top in bitcoin, perhaps ‘freedom day’ will mark the top in markets? That would be delightfully paradoxical. The truth is nobody knows, but we believe caution is warranted.

The Ruffer portfolio was flat when the market was down 30% at the March 2020 lows, we preserved capital in the crisis, and we have made around a 30% return since then. Since November 2020 markets have been pricing in a recovery and re-opening which has yet to fully materialise. There are clearly bubbles of exuberance in the economy and markets, trumpets if you will, that urge prudence and caution.

There is a battle of competing forces. On the one hand we have a spring of economic momentum, government and central bank support for markets and this is all underwritten by a sense that investors earning nothing on cash have no alternative but to invest.

On the other hand, ponder an economy drowning in debt unevenly staggering out of a huge recession with the looming threat of inflation because of a cocktail of supply chain bottlenecks, reduced capacity and trillions of stimulus. And that cocktail, if served up, will be negative for all asset markets.

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## Summary

Our key points are as follows

- 1 We have transitioned into a new economic regime of higher inflation and volatility
- 2 Conventional bonds no longer have a useful portfolio role
- 3 We are prepared with a broad toolkit of assets to protect against inflation and financial repression
- 4 After a huge recovery, some parts of the markets are showing signs of froth and caution is warranted

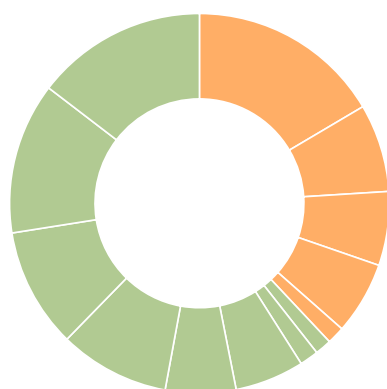
What we try to do at Ruffer is build an all-weather portfolio. One that offers our investors the antidote to bubbles and hysteria. We have forged our reputation by making money in the three major bear markets since the firm began in 1995 – dot.com, the financial crisis and then the covid crash.

When we see bubbles forming, our approach has always been to eschew the mania and try to find the assets people will panic into when the bubble pops. We owned no tech stocks in 2000 and we owned no banks or property stocks in 2008.

Sometimes what you do not own is just as important as what you do own and that's why being totally un-benchmarked and being truly multi-asset, go-anywhere global investors is so important as we pursue our capital preservation objective.



Asset allocation



	%	Top 10 equity holdings	%
Long-dated index-linked gilts	21.9	Lloyds Banking Group	2.6
Cash	9.5	Royal Dutch Shell	1.9
Short-dated bonds	9.3	BP	1.9
Illiquid strategies and options	8.5	NatWest Group	1.6
Non-UK index-linked	7.0	Centene	1.3
Gold and gold equities	3.0	GlaxoSmithKline	1.2
Index-linked gilts	5.6	Bristol-Myers Squibb	1.2
UK equities	20.1	Tesco	1.2
Japan equities	7.4	Cigna	1.1
North America equities	6.6	Sumitomo Mitsui Financial	1.0
Europe equities	5.7		
Asia ex-Japan equities	0.6		
Other equities	1.0		

As at 30 June 2021. Pie chart totals may not equal 100 due to rounding

# Portfolio statement

as at 30 June 2021 (unaudited)

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
<b>Government bonds 34.27%</b>				
(30 Jun 20: 35.78%)				
<b>Non-UK index-linked bonds</b>				
Japanese index linked bond 10/03/2026	JPY	350,000,000	2,360,535	0.41
Japanese index linked bond 10/03/2027	JPY	350,000,000	2,373,286	0.41
Japanese index linked bond 10/03/2028	JPY	350,000,000	2,356,737	0.41
US Treasury inflation indexed bond 0.125% 15/04/2022	USD	18,000,000	14,652,159	2.55
US Treasury inflation indexed bond 0.625% 15/04/2023	USD	24,100,000	19,799,732	3.44
<b>Total non-UK index-linked bonds</b>			<b>41,542,449</b>	<b>7.22</b>
<b>Long-dated index-linked gilts</b>				
UK index-linked gilt 0.375% 22/03/2062	GBP	6,050,000	19,488,142	3.38
UK index-linked gilt 0.125% 22/11/2065	GBP	8,100,000	24,153,776	4.20
UK index-linked gilt 0.125% 22/03/2068	GBP	9,100,000	30,557,016	5.31
<b>Total long-dated index-linked gilts</b>			<b>74,198,934</b>	<b>12.89</b>
<b>Short-dated index-linked gilts</b>				
UK index-linked gilt 1.875% 22/11/2022	GBP	20,500,000	32,385,876	5.62
<b>Total short-dated index-linked gilts</b>			<b>32,385,876</b>	<b>5.62</b>
<b>Short-dated bonds</b>				
UK gilt 3.75% 07/09/2021	GBP	26,000,000	26,176,020	4.55
US Treasury floating rate bond 31/10/2021	USD	11,000,000	7,960,943	1.38
UK index-linked gilt 0.125% 31/01/2023	GBP	15,000,000	15,014,850	2.61
<b>Total short-dated bonds</b>			<b>49,151,813</b>	<b>8.54</b>
<b>Total government bonds</b>			<b>197,279,072</b>	<b>34.27</b>

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
<b>Equities 41.39%</b>				
(30 Jun 20: 29.93%)				
<b>Europe</b>				
Aena SME	EUR	26,000	3,079,798	0.54
Banco Santander	EUR	1,850,000	5,105,061	0.89
Bank of Ireland Group	EUR	800,000	3,097,283	0.54
Europcar Mobility Group	EUR	8,500,000	3,473,729	0.60
Equinor	NOK	260,000	3,979,231	0.69
Fresenius Medical Care	EUR	50,000	3,006,771	0.52
Koninklijke Vopak	EUR	60,000	1,969,144	0.34
Unicredito	EUR	360,000	3,069,272	0.53
Vinci	EUR	22,000	1,696,717	0.30
Volkswagen	EUR	9,000	1,628,439	0.28
Yara International	NOK	75,000	2,855,775	0.50
<b>Total Europe equities</b>			<b>32,961,220</b>	<b>5.73</b>
<b>United Kingdom</b>				
Bae Systems	GBP	400,000	2,088,000	0.36
Barclays	GBP	2,200,000	3,764,640	0.65
Belvoir Lettings	GBP	500,000	1,200,000	0.21
BP	GBP	3,500,000	11,025,000	1.91
Breedon Group	GBP	1,200,000	1,293,600	0.22
BT Group	GBP	1,300,000	2,521,350	0.44
Countryside Properties	GBP	1,050,206	4,963,274	0.86
Glaxosmithkline	GBP	500,000	7,097,000	1.23
Glencore International	GBP	1,000,000	3,094,000	0.54
Grit Real Estate	GBP	1,626,850	715,814	0.12
Hipgnosis Songs Fund	GBP	1,400,000	1,702,400	0.30

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
Lloyds Banking Group	GBP	31,776,800	14,836,588	2.58
Marks & Spencer Group	GBP	1,200,000	1,757,400	0.31
Melrose Industries	GBP	1,600,000	2,480,000	0.43
Natwest Group	GBP	4,509,790	9,159,383	1.59
PRS Real Estate Investment Trust	GBP	1,350,000	1,377,000	0.24
Renn Universal Growth Trust	GBP	937,500	0	0.00
Royal Dutch Shell B	GBP	800,000	11,192,000	1.94
Ruffer SICAV UK Mid & Smaller Companies Fund*	GBP	73,147	21,563,627	3.74
Taylor Maritime Investments	GBP	3,600,000	2,736,000	0.48
Tesco	GBP	3,050,000	6,798,450	1.18
Trident Royalties	GBP	4,117,647	1,523,529	0.26
Tufton Oceanic Assets	USD	3,348,400	2,759,870	0.48
<b>Total UK equities</b>			<b>115,648,925</b>	<b>20.07</b>
<b>North America</b>				
Alexion Pharmaceuticals	USD	29,000	3,850,452	0.67
American Express	USD	15,000	1,792,061	0.31
Bristol Myers Squibb CVR	USD	144,000	6,953,771	1.21
Cabot Oil & Gas	USD	150,000	1,893,572	0.33
Centene	USD	140,000	7,379,076	1.28
Chesapeake Energy	USD	70,000	2,626,202	0.46
Cigna	USD	38,000	6,513,383	1.13
Ehealth	USD	60,000	2,533,439	0.44
General Motors	USD	56,000	2,395,720	0.42
Northrop Grumman	USD	7,000	1,838,999	0.32
<b>Total North America equities</b>			<b>37,776,675</b>	<b>6.57</b>

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
<b>Japan</b>				
Central Glass	JPY	13,000	179,700	0.03
Dena	JPY	28,600	438,895	0.08
Fuji Electric	JPY	65,000	2,191,258	0.38
Fuji Media	JPY	34,600	277,870	0.05
Fujitec	JPY	18,900	302,954	0.05
Fujitsu	JPY	24,000	3,241,787	0.56
Japan Petroleum Exploration	JPY	10,800	140,293	0.02
Kato Sangyo	JPY	17,900	393,750	0.07
Koito Manufacturing	JPY	6,500	291,886	0.05
Mitsubishi Electric	JPY	280,000	2,938,382	0.51
Mitsubishi Heavy Industries	JPY	100,000	2,127,480	0.37
NEC	JPY	78,000	2,903,629	0.50
Nippo	JPY	13,500	277,633	0.05
Nippon Seiki	JPY	35,500	273,777	0.05
Nippon Television	JPY	22,300	186,491	0.03
Nissan Shatai	JPY	55,800	260,378	0.05
Nomura Real Estate	JPY	250,000	4,583,289	0.80
Orix	JPY	370,000	4,512,548	0.78
Rakuten Group	JPY	320,000	2,609,465	0.45
Sekisui Jushi	JPY	8,800	120,784	0.02
Shin-Etsu Polymer	JPY	33,100	221,017	0.04
Sony	JPY	37,000	2,600,614	0.45
Sumitomo Mitsui Financial Group	JPY	220,000	5,483,678	0.95
Tachi-S	JPY	43,200	417,785	0.07
Teikoku Sen-I	JPY	26,900	366,239	0.06
Toagosei	JPY	31,600	231,978	0.04

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
Toei Animation	JPY	6,500	555,852	0.10
Toei	JPY	2,000	270,084	0.05
Token	JPY	4,400	290,363	0.05
Tokio Marine	JPY	77,000	2,559,718	0.44
Tokyo Broadcasting System	JPY	17,400	193,187	0.03
Toppan Forms	JPY	26,800	188,718	0.03
Torii Pharmaceutical	JPY	9,700	153,338	0.03
Toyota	JPY	5,100	318,966	0.06
TS Tech	JPY	20,000	223,226	0.04
TV Asahi	JPY	15,900	182,121	0.03
<b>Total Japan equities</b>			<b>42,509,133</b>	<b>7.37</b>
<b>Asia (ex-Japan)</b>				
Weiss Korea Opportunity Fund	GBP	800,000	2,144,000	0.37
Wilmar International	SGD	600,000	1,451,223	0.25
<b>Total Asia (ex-Japan) equities</b>			<b>3,595,223</b>	<b>0.62</b>
<b>Other equities</b>				
Ambev	USD	2,400,000	5,951,847	1.03
<b>Total other equities</b>			<b>5,951,847</b>	<b>1.03</b>
<b>Total equities</b>			<b>238,443,023</b>	<b>41.39</b>
<b>Gold and gold equities 6.62%</b>				
(30 Jun 20: 11.61%)				
AngloGold Ashanti	USD	120,000,000	1,612,031	0.27
IAmGold	USD	1,200,000	2,550,792	0.44
Ishares Physical Gold	USD	220,000	5,480,912	0.95
Kinross Gold	USD	1,060,000	4,866,604	0.85
LF Ruffer Gold Fund*	GBP	7,676,617	21,602,768	3.75
Wheaton Precious Metals	USD	65,000	2,070,638	0.36
<b>Total gold and gold equities</b>			<b>38,183,745</b>	<b>6.62</b>

	Currency	Holding at 30 June 21	Fair value £	% of total net assets
Credit protection and options 7.46%				
(30 Jun 20: 12.97%)				
Ruffer Illiquid Multi Strategies Fund 2015*	GBP	29,930,171	24,456,899	4.25
Ruffer Protection Strategies International*	GBP	5,935,102	18,488,436	3.21
Total credit protection and options			42,945,335	7.46
Total investments			516,851,175	89.74
Cash and other net current assets			59,061,833	10.26
			575,913,008	100.00

\* Ruffer Protection Strategies International and Ruffer Illiquid Multi Strategies Fund 2015 Ltd are classed as related parties as they share the same Investment Manager (Ruffer AIFM Limited) as the Company. LF Ruffer Gold Fund and Ruffer SICAV Global Smaller Companies Fund are also classed as related parties as their investment manager (Ruffer LLP) is the parent of the Company's Investment Manager.

# Appendix

## Regulatory performance data

To 31 Dec %	+2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
RIC NAV TR	8.9	14.0	0.1	6.0	23.8	15.1	16.5	0.7	3.4	9.5
FTSE All-Share TR	12.3	22.0	16.8	5.3	-29.9	30.1	14.5	-3.5	12.3	20.8
Twice UK Bank Rate	9.9	9.4	11.0	11.2	3.4	1.0	1.0	1.0	9.9	1.0
	2014	2015	2016	2017	2018	2019	2020	#2021	Annualised	
	1.8	-1.0	12.4	1.6	-6.0	8.4	13.5	8.3		7.9
	1.2	1.0	16.8	13.1	-9.5	19.2	-9.8	12.3		7.5
	1.0	1.0	1.0	0.5	1.0	1.5	0.5	0.1		3.8

† From July 2004

‡ To June 2021

Source: Ruffer, Thomson Datastream, FTSE International (FTSE)†. Please note that past performance is not a reliable indicator of 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. Calendar quarter data has been used up to the latest quarter end. Ruffer LLP is authorised and regulated by the Financial Conduct Authority.

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