

CF Ruffer Gold Fund

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



During July, the fund's O accumulation shares fell by 0.5% from 143.17p to 142.44p. This compares to a 2.5% rise in the FTSE Gold Mines Total Return Index in sterling terms. Over the period, the gold price was up 2.2% in US dollar terms and up 0.8% in sterling terms.

The gold price started the month on a weak footing, as the market continued to have confidence that the Federal Open Market Committee (FOMC) would continue to raise US interest rates despite weak inflation data. However, as the month progressed, the continued weakness of the US dollar began to be reflected in a stronger gold price and the gold mining index bounced from its recent lows. The FOMC meeting during the month was uneventful as no changes were made to benchmark interest rates and no new information was provided regarding the planned start of the Federal Reserve's balance sheet unwind.

The two largest positive contributors to fund performance in July were Gold Fields (up 13% in sterling terms) and Newmont Mining (up 13% in sterling terms). There were no material developments regarding Gold Fields. It is an attractively valued gold stock with most of its assets in Australia, but is valued as if most of its assets are in South Africa. Newmont Mining announced strong quarterly results. Operationally, production and costs were better than expectations and hence the company revised their guidance for the year higher. This is the second consecutive quarter that Newmont's results have been better than most of its peers and so the market reacted positively and the stock was re-rated.

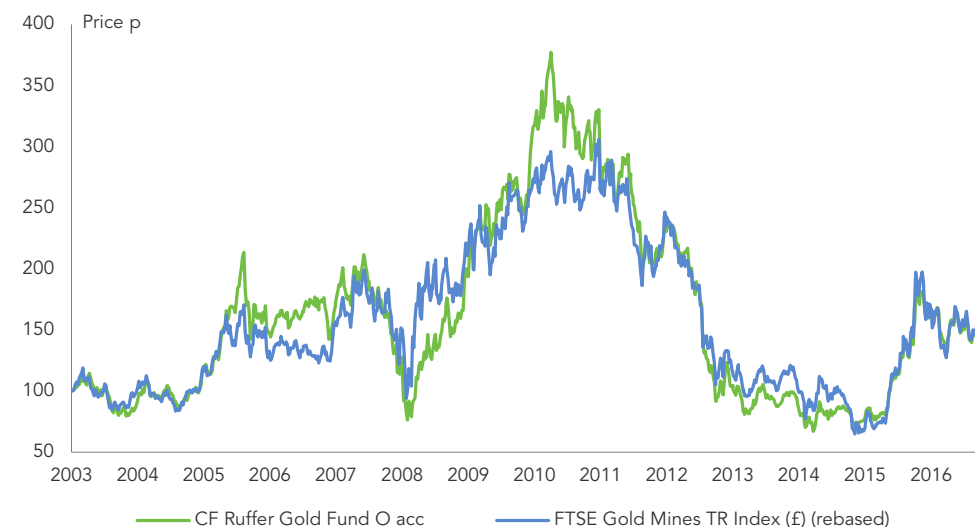
The largest negative contributor to the performance of the fund in July was Acacia Mining (down 41% in sterling terms). The company announced their second quarter results and these were better than expected. However, Tanzania chose to further escalate its dispute with the company by, amongst other things, issuing the company with a tax bill for US\$190bn! This is clearly a ridiculous claim and is part of a campaign by the president of Tanzania to extract financial concessions from the company. We understand that negotiations between Barrick, the largest shareholder, and the president of Tanzania have commenced and over the next few months we expect to find out what the president's true intentions are. Geopolitical risk of this type is a normal part of investing in the mining sector and we limit our exposure to individual countries at the portfolio level to mitigate this.

As noted in previous factsheets, gold mining stocks have generally performed poorly relative to the gold price this year and hence the sector is now inexpensive relative to gold. In addition, the market is tending to reward only a handful of large cap stocks which have performed well operationally, whilst effectively ignoring the rest of the sector, making this an interesting stock-pickers' market for investors with longer investment horizons. The fund has been selectively investing in a number of companies which are attractively valued, but have been effectively ignored.

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 %	July 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-0.5	-0.6	-19.1	45.7	-33.4	-15.9

Percentage growth (O acc)	%	Share price as at 31 July 2017	p
30 Jun 2016 – 30 Jun 2017	-8.0	O accumulation	142.44
30 Jun 2015 – 30 Jun 2016	87.2	C accumulation	144.63
30 Jun 2014 – 30 Jun 2015	-9.6	C income	87.63
30 Jun 2013 – 30 Jun 2014	0.5		
30 Jun 2012 – 30 Jun 2013	-55.8		

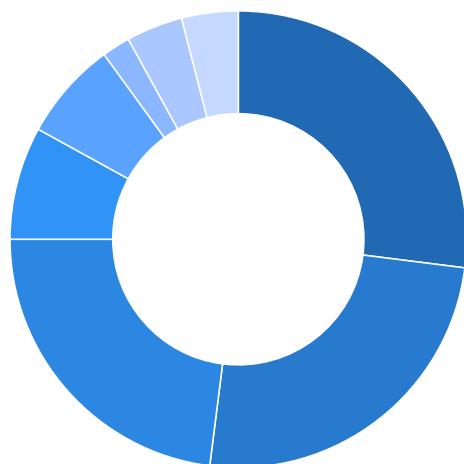
Source: Ruffer LLP, FTSE International (FTSE)†

The fund's prospectus and key investor information documents are provided in English and available on request or from www.ruffer.co.uk. 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 July 2017

Portfolio structure



	%
• North America	27
• Australia	25
• Africa	23
• South America	8
• Asia	7
• Europe	2
• Other	4
• Cash	4

Capitalisation breakdown

% market exposure	Size	Market cap
16.6	Large	US\$5bn+
44.9	Mid	US\$1-\$5bn
38.5	Small	US\$0-\$1bn

10 largest of 98 holdings (representing 93 companies)

Stock	% of fund	Stock	% of fund
Evolution Mining	5.4	Endeavour Mining	4.3
Northern Star Resources	5.4	ETFs Metal Securities	3.4
Gold Fields	5.2	Westgold Resources	3.4
Kinross Gold	4.8	St Barbara	3.0
Kirkland Lake Gold	4.4	Yamana Gold	2.5

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 £683.9m

Fund information

%	O class	C class
Ongoing Charges Figure*	1.59	1.29
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.36	0.55
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 (acc)	C class 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 31 July 2017, assets managed by the Ruffer Group exceeded £21.3bn, of which over £12.5bn was managed in open-ended Ruffer funds.

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