

LF Ruffer Gold Fund

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



During April, the fund's O accumulation shares rose by 5.5% from 139.29p to 147.00p. This compares to a 2.8% rise in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price was down 0.8% in US dollar terms but up 1.0% in sterling terms.

There was nothing particular to drive the gold price in April and it continued to trade with negative correlation to the US dollar. Gold mining stocks continued their recovery from the sharp fall in February but then fell back into the end of the month as the US dollar rose and gold fell. Sterling was volatile during the month. It rose in the first half of the month but fell sharply as the Bank of England backed away from a May rate rise and UK economic data disappointed.

Our two largest positive contributors to fund performance in April were Silver Lake Resources (up 42% in sterling terms) and Barrick Gold (up 10% in sterling terms). Silver Lake Resources is an Australian gold miner which we have owned for several years but we materially increased our position around this time last year when it fell to a low valuation as a result of the wholesale re-balancing of the Global Junior Gold Mining Index which was announced in April 2017. As we noted at the time, this resulted in the largest passive tracker fund which follows this index (the VanEck Vectors Junior Gold Miners ETF) holding a fire sale of large positions in small capitalisation gold mining stocks on a pre-advertised date without regard to price. We used that opportunity to selectively acquire substantial positions in high quality smaller capitalisation companies, including Silver Lake Resources, at discounted prices. Since the middle of December, these stocks have started to be noticed by the market and they have been an important contributor to the performance of the fund since that time.

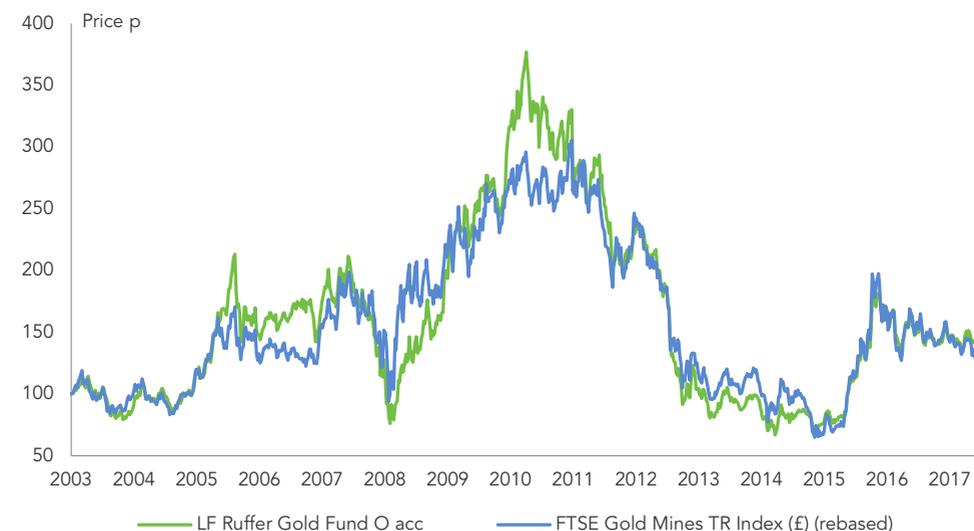
Two of our largest negative contributors were Gold Fields (down 3% in sterling terms) and AngloGold Ashanti (down 4% in sterling terms). Gold Fields announced relatively disappointing Q1 results but the share prices of the South African gold miners have generally been weak over the past couple of months. We like these two stocks because they are valued as if the relatively small proportion of production which they now have in South Africa is representative of their entire portfolios. We used the share price weakness to increase our positions in both stocks over the month.

Overall, we have not made significant changes to the fund positioning during the month. We regard gold mining stocks as materially under-valued relative to gold and remain close to fully invested.

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 %	April 2018	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	5.5	-0.4	3.8	71.9	10.8	-13.3

Percentage growth (O acc)	%	Share price as at 30 April 2018	p
31 Mar 2017 – 31 Mar 2018	-7.1	O accumulation	147.00
31 Mar 2016 – 31 Mar 2017	32.5	C accumulation	149.60
31 Mar 2015 – 31 Mar 2016	39.2	C income	90.54
31 Mar 2014 – 31 Mar 2015	-15.6		
31 Mar 2013 – 31 Mar 2014	-46.8		

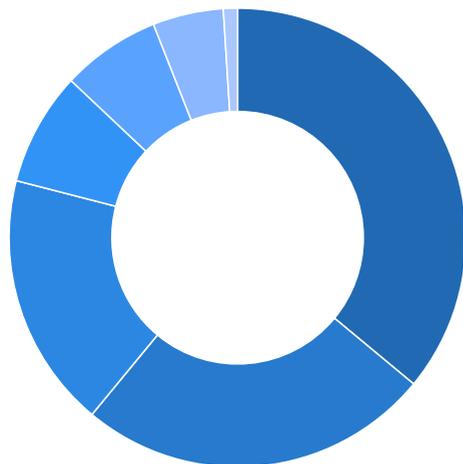
Source: Ruffer LLP, FTSE International (FTSE)†

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 LF Ruffer Investment Funds is a UK UCITS. The LF 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.

LF Ruffer Gold Fund as at 30 April 2018

Portfolio structure



	%
• North America	36
• Africa	25
• Australia	18
• Asia	8
• South America	7
• Other	5
• Cash	1

Capitalisation breakdown

% market exposure	Size	Market cap
12.6	Large	US\$5bn+
45.6	Mid	US\$1-\$5bn
41.8	Small	US\$0-\$1bn

10 largest of 117 holdings (representing 115 companies)

Stock	% of fund	Stock	% of fund
Kinross Gold	6.1	Westgold Resources	3.4
Gold Fields	5.0	OceanaGold	3.2
ETFS Physical Silver	4.0	SSR Mining	3.1
AngloGold Ashanti	3.9	Evolution Mining	2.9
Barrick Gold	3.8	Goldcorp	2.9

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 £718.2m

Fund information

%	O class	C class
Ongoing Charges Figure*	1.58	1.28
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.00	0.08
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	Link Fund Solutions Limited	
Depository	The Bank of New York Mellon (International) Limited	
Auditors	Grant Thornton UK 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 April 2018, assets managed by the Ruffer Group exceeded £22.1bn, of which over £13.9bn was managed in open-ended Ruffer funds.

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