

# LF Ruffer Gold Fund

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

During the quarter, the fund's O accumulation shares rose by 7.70% from 301.39p to 324.61p. This compares to a 3.21% rise in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price was up 5.89% in US dollar terms and 1.6% in sterling terms.

During this quarter gold exhibited particularly strong negative correlation to the US dollar, rising very strongly as the dollar weakened at the beginning of the quarter, making a new all time high in July and then peaking at over \$2,000 per oz in August. The gold price has fallen back since the second week of August but still finished significantly higher over the quarter. Gold miners followed the gold price, giving back much of the gains on the quarter in September. Sterling was a significant headwind for the fund, rising by 4% against the US dollar over the quarter, principally reflecting US dollar weakness.

Gold Fields Ltd was the single largest contributor to fund performance over the quarter, rising by over 25% in sterling terms as investors continued to re-appraise this stock. Gold Fields has been a core position of the fund over many years as we saw that the market missed the excellent combination of value, growth and disciplined management this company offers. Kinross Gold Corp (up 17% in sterling terms) was the second largest contributor to performance. Similarly to Gold Fields, this has been a core position in the fund for many years. Whilst the value on offer at Kinross has always been obvious, the company surprised the market by showing that it also offers production growth over the next few years as it comes to an end of a reinvestment phase. After years of hard work, both Gold Fields and Kinross appear well-placed to reap the rewards of a higher gold price.

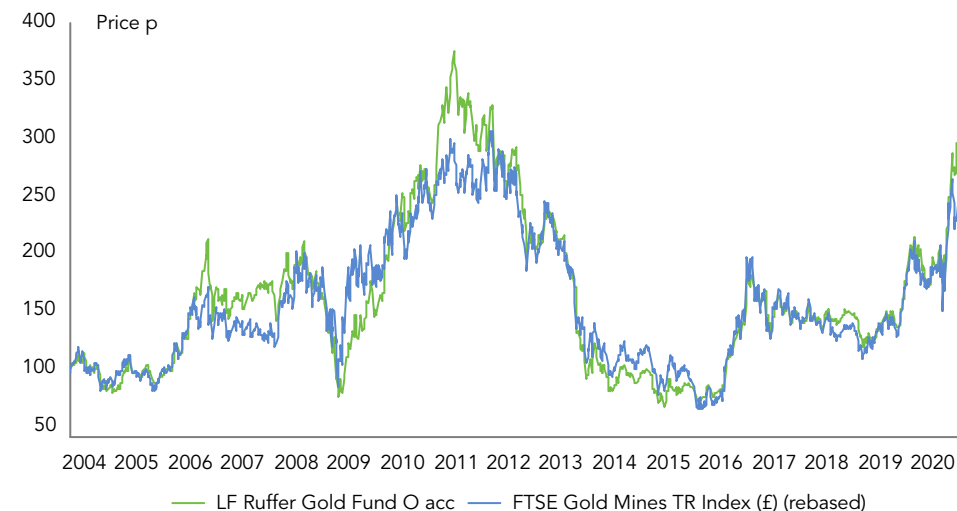
Gold mining stocks remain generally at a discount to gold and at this stage do not seem to be facing the inflationary pressures which blighted the last period of high gold prices. As noted in previous reports, the sector is much more investible than most realize, with competent management teams focused on costs, capital allocation and shareholder returns. In the short term the performance of gold and the fund is likely to depend on the US dollar but longer term we remain optimistic about the outlook for gold, gold mining equities and the fund.



## 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



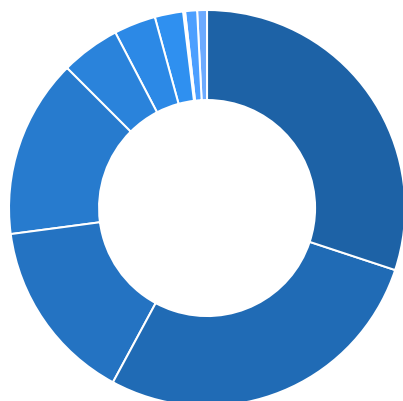
Performance %	Q3	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	7.7	67.7	64.2	124.8	317.5	2.5

Percentage growth (O acc)	%	Share price as at 30 September 2020	p
30 Sep 2019 – 30 Sep 2020	64.2	O accumulation	324.61
30 Sep 2018 – 30 Sep 2019	59.2	C accumulation	332.75
30 Sep 2017 – 30 Sep 2018	-14.0	C income	201.39
30 Sep 2016 – 30 Sep 2017	-13.1		
30 Sep 2015 – 30 Sep 2016	113.8		

Source: Ruffer LLP, FTSE International (FTSE) †

# LF Ruffer Gold Fund as at 30 Sep 2020

## Portfolio structure



Asset allocation	%
• North America	30.1
• Africa	27.8
• Australia	14.9
• Asia	14.7
• South America	4.7
• Europe	3.4
• Options and protection	2.4
• UK	0.1
• Other	1.0
• Cash	0.8

Capitalisation breakdown		
% market exposure	Size	Market cap
16.5	Large	US\$5bn+
45.3	Mid	US\$1-\$5bn
38.2	Small	US\$0-\$1bn

## 10 largest of 130 holdings

Stock	% of fund	Stock	% of fund
Centerra Gold	10.0	Gold Fields	5.1
Endeavour Mining	6.4	Westgold Resources	4.6
Kinross Gold	5.7	Perseus Mining	3.5
IAMGOLD	5.5	AngloGold Ashanti	2.9
Ramelius Resources	5.4	Asanko Gold	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 **£1,179.6m**

## 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 31 August 2020, assets managed by the Ruffer Group exceeded £19.9bn.

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