

LF Ruffer Gold Fund

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

Gold and gold miners were under pressure throughout this quarter, as continued solid economic data from the US pushed back expectations that the top of the US rate raising cycle was near. The gold price fell 2.5% over the quarter, finishing at \$1,919 per oz. Gold miners suffered more, both because of normal leverage to the gold price, but also because Q1 operating results were generally a bit weaker than expected. Sterling strength was a headwind for the fund again this quarter, with the fund finishing down 8.5% (roughly in line with the fall of the FTSE Gold Mines Total Return Index in sterling terms of 8.8%).

Given the weakness in the sector, most holdings contributed negatively over the quarter but three positions which climbed against the trend were Westgold Resources, Emerald Resources and Red 5 (up 6.3%, 36.2% and 22.5% respectively in sterling terms). These are all Australian listed stocks and we have generally seen relatively strong performance year to date from Australian gold miners after disproportionately poor performance last year, in the context of especially severe labour shortages and cost pressures in Australia. However, each of these companies has also undergone or is undergoing transformative change.

Westgold Resources is an Australian domestic producer which has been investing to ramp up its mines. It is now reaching the point where it should produce significant free cash flow and demonstrate the value of its assets to a sceptical market. Emerald Resources successfully developed a gold mine in Cambodia at impressively low cost and is demonstrating the strength of its potential future projects. Red 5 is developing the most exciting new Western Australian gold mine of recent years. After several hiccups as the project nears completion, the market is now starting to look forward to this mine reaching full production.

Whilst the path to completing a new mining project is fraught, once they are operating successfully, new mines tend to offer better cash flow and risk profile than older mines and we hope Westgold Resources and Red 5 in particular can continue to outperform the market for a considerable time.

In the short term, the gold price may continue to be under pressure if the top of the US rate rising cycle continues to be pushed back, however we believe the global economy and financial system is struggling to cope with the rapid rise in rates – the banking crisis earlier in the year being one indicator of that. We believe it is likely something will eventually break under the pressure and a soft landing will prove elusive. This would be a bullish environment for gold, and with mining cost inflation more muted, potentially an even better environment for gold miners.

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.

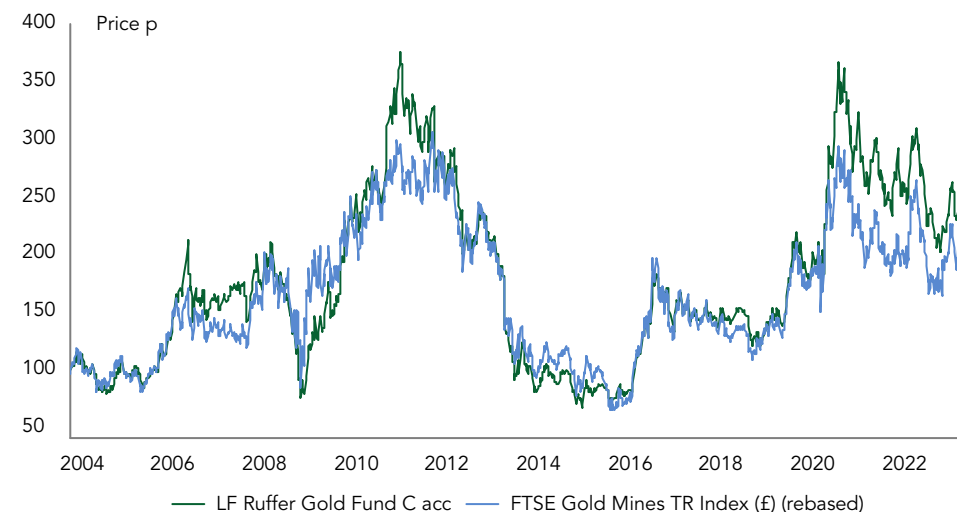


June 2023 Issue 199

Investment objective

To seek to achieve capital growth over the longer term (at least seven years), after all costs and charges have been taken. Capital invested is at risk and there is no guarantee that the objective will be achieved over any time period.

Performance since launch on 1 October 2003



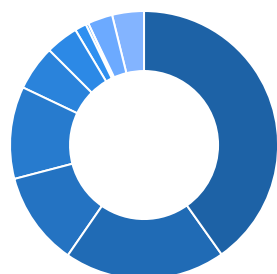
C accumulation shares	Performance %	Share price as at 30 June 2023	p
Q2	-8.5	C accumulation	237.05
Year to date	1.5	C income	143.48
1 year	0.8		
3 years	-23.2		
5 years	58.2		
10 years	158.5		

12 month performance to June %	2019	2020	2021	2022	2023
LF Ruffer Gold Fund C acc	18.3	74.1	-14.2	-11.3	0.8
FTSE Gold Mines TR Index (£) (rebased)	24.4	50.3	-20.4	-6.0	4.3

Source: Ruffer LLP, FTSE International

LF Ruffer Gold Fund as at 30 Jun 2023

Portfolio structure



Asset allocation	%		%
• North America	40.3	• Options and protection	1.4
• Africa	19.3	• UK	0.3
• Australia	11.4	• Other equities	0.1
• Asia	11.2	• Other	2.9
• South America	5.5	• Cash	3.9
• Europe	3.9		

Capitalisation breakdown

% market exposure	Size	Market cap
28.6	Large	US\$5bn+
25.7	Mid	US\$1-\$5bn
45.7	Small	US\$0-\$1bn

10 largest of 95 holdings

Stock	% of fund	Stock	% of fund
Centerra Gold	6.3	Perseus Mining	4.3
Kinross Gold	6.0	Ramelius Resources	4.3
Endeavour Mining	5.4	AngloGold Ashanti	3.5
Westgold Resources	4.9	Mandalay Resources	3.3
Newmont Mining	4.9	Pan American Silver	3.1

Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding.

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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.

The fund's prospectus and key investor information documents are provided in English and available on request or from 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.

Fund size **£527.1m**

Fund information

	%
Ongoing Charges Figure*	1.24
Annual management charge	1.2
Maximum initial charge	5.0
Yield	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	Accumulation GB00B8510Q93 Income GB00B8BZBT51
SEDOL	B8510Q9 B8BZBT5

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 May 2023, assets managed by the Ruffer Group exceeded £25.2bn.

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