Ruffer Investment Company Limited

An alternative to alternative asset management

As indicated in the Annual Report, the Company's board is preparing to offer new shares to existing and new shareholders. Further details will be published shortly and all shareholders will be notified. The offer will be open to both retail and institutional investors.

During October, the Net Asset Value of the Company rose by 2.3% and the share price by 5.4%, after allowing for a dividend of 1.55p paid during the month. This compared with a rise of 1.8% in the FTSE All-Share index.

The last two months represent a good outcome for – we held our own in September as equity and bond markets fell in tandem, and then captured the bounce in October. Performance in October was driven by inflation-focused assets - particularly gold, energy companies and inflation-linked bonds.

The policy landscape is shifting. In the last week of October there was a whiff of panic amongst fixed income investors. Short yields rose sharply as fears mounted that central bankers are behind the curve in tackling inflation. This led to some extraordinary moves. The Reserve Bank of Australia was forced to abandon its policy of yield curve control and the Bank of Canada stopped its quantitative easing programme. The Bank of England now seems likely to raise rates, the Fed has dropped the word 'transitory' from its narrative and is likely to taper its \$120bn monthly asset purchase scheme. Until recently, the sure message was that inflation would wash out and no action was required.

In other markets there is broad insouciance on inflation, and while inflation assets have performed well, so has almost everything else. According to the Bank of America Investor Survey a record number of portfolio managers are bearish on bonds, but the volume of renewables and infrastructure issuance would suggest they still love bond proxies. The gold price is down 5% year to date, the US 10-year yield is still only at 1.5% and the S&P 500 is trading at a 21x P/E multiple. This all suggests that markets are comfortable with inflation reverting lower relatively soon.

While Central Bank credibility is being threatened at the short end, perversely it seems that it is strengthening at the long-end of the yield curve. The expectation of near-term tightening is anchoring longer-term inflation expectations and long-term bond yields. Essentially the market is saying that despite lower credibility on their recent actions, Central Banks have the willpower and means to tame inflation. This emphasises the power and complacency of the belief in central bank omnipotence and underscores just how shocking it might be were that to change. Citigroup strategist Matt King summarised: 'Expect tantrums in risk [assets] if central banks respond to inflation - and tantrums in bonds if they don't.' Monetary policy setters are firmly wedged between a rock and a hard place.

While we expect inflation and real rate volatility to increase, it will not be a straightforward journey. This will necessitate a nimble portfolio. To use one example, interest rate options have allowed us to manage the Company's duration this year - making money in bonds even as yields were rising. This flexibility will be useful going forwards.

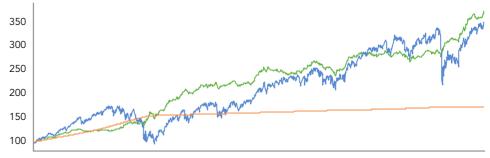
We are holding a meeting for shareholders on 30 November at our office in London. If you would like to attend please click here or email ruffer@ruffer.co.uk



Investment objective

The principal objective of the Company is to achieve a positive total annual return, after all expenses, of at least twice the Bank of England Bank Rate by investing predominantly in internationally listed or quoted equities or equity related securities (including convertibles) or bonds which are issued by corporate issuers, supranationals or government organisations.

Performance since launch on 8 July 2004



2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

— RIC NAV total return —— FTSE All-Share Total Return —— Twice Bank Rate

Performance %	Net Asset Value	Share price	As at 29 October 2021	р
October 2021	2.3	5.4	Share price	304.00
Year to date	11.5	15.6	Net Asset Value (NAV) per share	288.10
1 year	19.9	28.3		%
3 years	32.6	34.8	Premium/discount to NAV	5.5
5 years	30.9	31.5	NAV total return since inception ²	270.0
10 years	69.3	72.9	Standard deviation ³	1.89
·	ed on a total return basis (ir	ocluding	Maximum drawdown ³	-8.62
reinvestment of incon		icidaling	2 notuding 42 En of dividende 3 Monthly data (to	

reinvestment of income

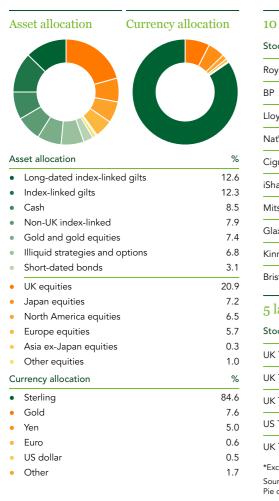
²Including 42.5p of dividends ³Monthly data (total return NAV)

12 month performance to September %	2017	2018	2019	2020	2021
RIC NAV total return	1.6	1.5	1.5	8.2	15.4
FTSE All-Share Total Return	11.9	5.9	2.7	-16.6	27.9
Twice Bank Rate	0.5	1.0	1.4	0.8	0.1

Source: Ruffer LLP, FTSE International (FTSE) †

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 wil be influenced by the rate of exchange.

Ruffer Investment Company Limited as at 29 Oct 2021



Stock	% of fund
Royal Dutch Shell	2.8
BP	2.7
Lloyds Banking Group	2.5
NatWest Group	1.6
Cigna	1.4
iShares Physical Gold	1.4
Mitsubishi UFJ Financial Group	1.2
GlaxoSmithKline	1.2
Kinross Gold	1.2
Bristol-Myers Squibb	1.0
5 largest bond holdings	
Stock	% of fund
UK Treasury index-linked 0.125% 2068	6.3
UK Treasury index-linked 1.875% 2022	5.1
UK Treasury index-linked 0.125% 2024	4.8
US Treasury 0.625% TIPS 2023	4.5
UK Treasury index-linked 0.125% 2065	4.1
*Excludes holdings in pooled funds Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding.	

The views expressed in this report are not intended as an offer or solicitation for the purchase or sale of any investment or financial instrument. The views reflect the views of RAIFM at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice. 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. RAIFM has not considered the suitability of this investment against any specific investor's needs and/or risk tolerance. If you are in any doubt, please speak to your financial adviser.

The portfolio data displayed is designed only to provide summary information and the report does not explain the risks involved in investing in this product. Any decision to invest must be based solely on the information contained in the Prospectus and the latest report and accounts. The Key Information Document is provided in English and available on request or from www.ruffer.co.uk.

Issued by Ruffer AIFM Limited (RAIFM), 80 Victoria Street, London SW1E 5JL. RAIFM is authorised and regulated by the Financial Conduct Authority. © RAIFM 2021

NAV £641.5m Market capitalisation £676.9m Shares in issue 222,663,416

Company information				
Annual management c	harge (no performance fee) 1.0%			
Ongoing Charges Ratio	o* 1.08%			
Ex dividend dates	March, October			
NAV valuation point	Weekly, every Tuesday and the last business day of the month			
Stock ticker	RICA LN			
ISIN GB00B018CS46	SEDOL B018CS4			
Administrator	Praxis Fund Services Limited			
Broker	Invested			
Custodian	Northern Trust (Guernsey) Limited			
Company structure	Guernsey domiciled limited company			
Share class	£ sterling denominated preference shares			
Listing	London Stock Exchange			
NMPI status	Excluded security			
Wrap	ISA/SIPP qualifying			
Discount management	Share buyback Discretionary redemption facility			

Fund Managers

Hamish Baillie

A graduate of Trinity College Dublin, he joined the Ruffer Group in 2002. Founded and manages the Edinburgh office of Ruffer LLP and is a director of Ruffer (Channel Islands)

Ruffer (Channel Islands) Limited. He is a member of the Chartered Institute for Securities & Investment.

Duncan MacInnes

Joined Ruffer in 2012. He graduated from Glasgow University School of Law in 2007 and spent four years working at Barclays in Glasgow, London and Singapore. He is a



London and Singapore. He is a CFA charterholder and is co-manager of Ruffer Investment Company.

* Audited as at 30 June 2021

London SW1E 5.II

† © FTSE 2021. 'FTSE®' is a trade mark of London Stock Exchange Group companies and is used by FTSE under licence. All rights in the FTSE Data vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability in relation to the FTSE Data data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

EnquiriesRuffer AIFM Ltd+44 (0)20 7963 825480 Victoria Streetrif@ruffer.co.uk

rit@rutter.co.uk www.ruffer.co.uk

Ruffer LLP

The Ruffer Group manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 30 September 2021, assets managed by the group exceeded £23.2bn.