

CF Ruffer Japanese Fund

Providing capital growth by investing in a portfolio of Japanese equities

During the period from 1 April to 28 April the price of the fund's O accumulation shares increased by 0.04% from 209.27 pence to 209.36 pence. In the same period the FTSE Japan Total Return Index on a sterling adjusted basis fell by 1.9%, while the FTSE Japan Total Return Index in yen went up by 1.3%. As of the close on 28 April, the fund was 92% invested in Japanese equities, its cash position was 8% and its exposure to the yen was about 8%.

Regarding attribution for the above-mentioned period, Seven & I Holdings [3382 JP], ORIX Corp [8591 JP], Nabtesco Corp [6268 JP], Resona Holdings [8308 JP] and Misumi Group [9962 JP] were the largest positive contributors, while Dai-ichi Life Insurance Holdings [8750 JP], Mitsubishi Electric Corp [6503 JP], FujiFilm Holdings [4901 JP], Murata Manufacturing [6981 JP] and SMC Corp [6273 JP] provided the largest negative contributions.

The consolidation phase, which had started around the middle of March, continued into the first half of April. The TOPIX, which had recorded its year-to-date high of 1,578.51 on 13 March, continued downwards and hit its year-to-date low of 1,452.15 on 17 April, a fall of 8.0% from its year-to-date high. However, the second half of the month saw a rapid rebound: the TOPIX recovered by 5.5% from its low and ended the month with a small monthly gain of 1.3%.

During April, Japanese equities were driven mainly by external factors, with investors awaiting the announcement of company results for the financial year ended 31 March 2017. The first half of the month saw optimistic views about the US economy receding, which triggered a switch out of equities into long-term government bonds. Lower long-term interest rates in the US led to a further appreciation of the yen against the US dollar, which in turn depressed Japanese equities. The risk-off mode was further enhanced by geopolitical risks regarding Syria and North Korea, as well as worries about the outcome of the first round of the French presidential election. However, the second half of the month saw investors coming back to risk assets as political and geopolitical risks were seen as gradually receding. US Treasury Secretary Steven Mnuchin commented on 21 April that 'The Trump administration plans to release a major tax reform plan very soon'. This led to higher US equity prices and a higher US dollar. Following this, the outcome of the first round of the French presidential election on 23 April was also better than feared, which contributed to a global risk-on sentiment, helping the yen to fall and Japanese equity prices to rise.

Japanese companies started announcing their results for the financial year ended 31 March 2017 during the final week of April. The general picture so far is that results are better than expected, but that guidance is more conservative than the prevailing market forecasts. However, a more important point we would like to make here is that there are tangible signs that Japanese companies are focusing more and more on profitability and efficient capital allocation. At the same time, investor engagement with investee companies has been increasing thanks to the Japanese Financial Services Agency's efforts, and thanks to the adoption of the Stewardship Code by an increasing number of institutional investors. This is only a beginning and may face many challenges, but it is a positive step in the right direction.

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 Japanese Fund is not registered for distribution in any country other than the UK.



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Investment objective

The investment objective of CF Ruffer Japanese Fund is to provide capital growth by investing in a portfolio of predominantly Japanese equities, though Japanese fixed income securities and fixed income securities and equities from other geographical areas may be utilised if the Investment Manager believes they will assist in meeting the overall objective of the sub fund. The fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions and other investments to the extent that each is permitted by the regulations. There will be no particular emphasis on any industrial or economic sector.

Performance since launch on 14 May 2009



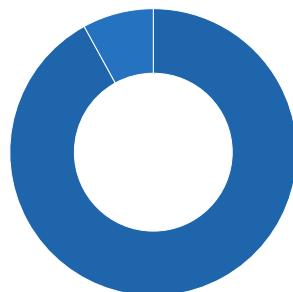
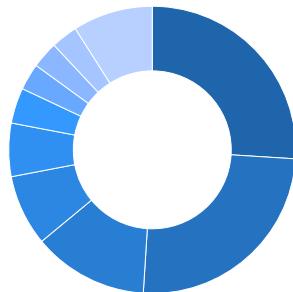
Performance %	April 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation	0.0	1.4	29.3	38.9	100.6	na
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Percentage growth (O acc)	%					
31 Mar 2016 – 31 Mar 2017	27.0					
31 Mar 2015 – 31 Mar 2016	-14.8					
31 Mar 2014 – 31 Mar 2015	23.4					
31 Mar 2013 – 31 Mar 2014	18.6					
31 Mar 2012 – 31 Mar 2013	22.1					
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Share price as at 28 April 2017						p
O accumulation						209.36
C accumulation						212.62
C income						100.15

Source: Ruffer LLP, FTSE International (FTSE)†. The performance comparator has changed from the TOPIX to the FTSE Japan Index as Ruffer adopts FTSE as a data provider for all funds.

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 Japanese Fund as at 28 April 2017

Portfolio structure



10 largest of 62 equity holdings

Stock	% of fund	Stock	% of fund
Sony Corp	4.5	Mitsubishi Electric	3.2
ORIX	4.3	Dai-ichi Life Insurance	2.7
Recruit	3.7	Tokio Marine	2.5
Fujitsu	3.4	Seven & I	2.5
T&D Holdings	3.2	Keyence	2.3

Source: Ruffer LLP

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 Ruffer LLP 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. 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 £526.7m

Fund information

%	O class	C class
Ongoing Charges Figure*	1.55	1.25
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.03	0.24
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	
Share classes	Accumulation only	
ISIN	GB00B3SGKR77 (acc)	GB00B846SB60 (acc) GB00B88MBW20 (inc)
SEDOL	B3SGKR7 (acc)	B846SB6 (acc) B88MBW2 (inc)
Investment adviser	Ruffer LLP	
ACD	Capita Financial Managers Limited	
Depository	BNY Mellon Trust & Depositary (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

Kentaro Nishida

INVESTMENT DIRECTOR



After obtaining a BEcon in Japan and studying Russian in Moscow he worked as an interpreter in both Russia and the UK. He moved into equity sales in 1988 for James Capel & Company Limited and then SG Warburg Securities in 1989. He joined Ruffer in 2008 to concentrate on Japanese equities and manages the CF Ruffer Japanese Fund.

Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 30 April 2017, assets managed by the Ruffer Group exceeded £21.1bn, of which over £11.9bn was managed in open-ended Ruffer funds.

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