

CF Ruffer Equity & General Fund

An actively-managed fund emphasising absolute growth with diversity of risk



During the month, the fund's O accumulation shares increased by 1.9%. This compared with a decline of 0.4% in the FTSE All-Share Total Return Index.

Investing will remain interesting and rewarding as long as humans exhibit fear and greed. Nevertheless, after a very strong bull market since 2009 (one of the 'oldest' in history), we should probably be sceptical of the markets and expect lower average future returns. The 'margin of safety' remains the cornerstone of our practice but we/REG have to adapt. We have always said that we buy part of a business not just a stock. We will keep identifying potential mispricing of businesses in out of favour sectors and betting on restructurings. In times of crisis when fear kicks in, it is probable that we will allocate capital in 'statistically' cheap stocks, mainly using numerical criteria (as we did in 2008/09 and during the euro crisis in 2011). For example, in the first half of 2009 our top positions involved well-known brands such as Kraft, Phillip Morris International and Johnson & Johnson. We were asked back then what we knew better than the market owning these well-known companies. The answer was simply that in our view these stocks were significantly undervalued. Our investment process has not changed; we intensely look for asymmetric returns: we own part of businesses we understand well, with favourable risk-reward. Thus, currently as the markets have moved significantly higher and the quality/well-known companies are not undervalued, our portfolio is more idiosyncratic. REG's top positions are mostly special situations; these restructuring cases involve 'value and change', backing the right people. Picking people and management who can make a difference depends on very subjective judgement, hence it is an area where competition (via 'human' or artificial intelligence) will continue to be somewhat less fierce.

Thus, we keep putting particular emphasis on the 'jockey' and believe great CEOs who have significant stakes in their firms make a difference in the long term. A great example has been Martyn Ratcliffe at Science Group (SAG), an entrepreneur who combines operational acumen with focus on capital allocation. Mr Ratcliffe is the chairman and major shareholder of SAG, a key position for REG. It is a very cash generative business, an exporter which benefits from sterling weakness. SAG has significant property value and net cash and has been an opportunistic buyer of its shares. It is likely that it becomes a larger business over time, enhancing its earnings power via opportunistic acquisitions.

We first met Martyn in 2012 when he was leading the restructuring of RM, the supplier of IT to UK education. RM's stock was at its knees and after meeting Mr Ratcliffe we invested. Importantly he identified the right CEO to lead RM after he left in the beginning of 2013. We are not shareholders in RM anymore, but we have subsequently followed Martyn and invested in Science Group and Microgen.

Managers should be judged not only by the performance of the business during their tenure but also on the outcome after they leave. Martyn was instrumental in building Microgen. After many years as CEO, his decision to retire in 2016 occurred at a time of strength (as with RM), with the operating managers now leading the business and consistently exhibiting solid results.

Investment objective

The fund aims to provide capital growth by investing in a diversified global portfolio of predominantly equities. The fund is actively managed, and is not constrained by any requirement to track indices or conform to investment fashion.

Performance since launch on 1 December 1999



Performance %	April 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	1.9	4.6	15.3	12.9	43.7	108.4

Percentage growth (O acc)	%	Share price as at 28 April 2017	p
31 Mar 2016 – 31 Mar 2017	13.5	O accumulation	419.21
31 Mar 2015 – 31 Mar 2016	-5.5	O income	388.95
31 Mar 2014 – 31 Mar 2015	2.2	C accumulation	425.16
31 Mar 2013 – 31 Mar 2014	10.8	C income	392.16
31 Mar 2012 – 31 Mar 2013	14.8		

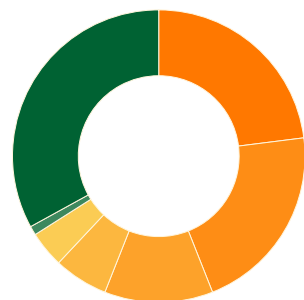
Source: Ruffer LLP, FTSE International (FTSE)

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 CF Ruffer Investment Funds is a UK UCITS. The CF Ruffer Equity & General Fund is not registered for distribution in any country other than the UK.

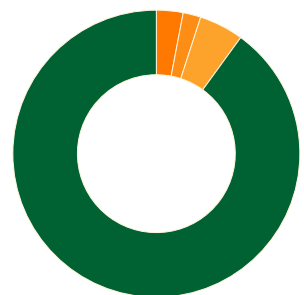
Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange.

CF Ruffer Equity & General Fund as at 28 April 2017

Portfolio structure



Asset allocation	%		%
● Cash	33	● UK equities	23
● Illiquid strategies	1	● North America	21
		● Europe equities	12
		● Australasia	6
		● Japan equities	4



Currency allocation	%
● Sterling	90
● US dollar	3
● Euro	2
● Other	5

10 largest of 81 equity holdings

Stock	% of fund	Stock	% of fund
Science Group	6.5	Imperial Oil	1.8
Runge	5.4	Leucadia National	1.7
Novartis	2.3	Hornby	1.7
Microgen	2.1	Groupe Bruxelles Lambert	1.6
Balfour Beatty	1.9	McColl's Retail Group	1.6

Source: Ruffer LLP

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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 **£168.6m**

Fund information

%	O class	C class
Ongoing Charges Figure*	1.58	1.28
Annual management charge	1.50	1.20
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 to 10am Wednesday, based on NAV Plus forward from 10am on last Wednesday of the month to last business day of the month	
	O class	C class
ISIN	GB0009346718 (acc) GB0009340802 (inc)	GB00B7VZQV57 (acc) GB00B6Y8PL75 (inc)
SEDOL	0934671 (acc) 0934080 (inc)	B7VZQV5 (acc) B6Y8PL7 (inc)
Investment adviser	Ruffer LLP	

ACD Capita Financial Managers Limited

Depository BNY Mellon Trust & Depository (UK) Limited

Auditors Grant Thornton UK LLP

Structure Sub-fund of CF Ruffer Investment Funds (OEIC) UK domiciled UCITS Eligible for ISAs

Fund Manager

Alex Grispos

INVESTMENT DIRECTOR



Graduated from Imperial College with a First Class degree in Mechanical Engineering, started in equity research in 1998 at Alpha Trust in Greece, then worked in venture capital for six years. Joined Top Technology Ventures in the UK, and subsequently became Investment Manager with RTF based in London and St. Petersburg, Russia. Joined Ruffer in 2005 and is manager of the CF Ruffer Equity and General 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.

Dealing line

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*Refers to accumulation shares

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