

LF Ruffer Equity & General Fund

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

People who entered our business 50 years or so ago would say that back then only a handful decided to become fund managers: a very small percentage of the best university graduates wanted to practise investing. Nowadays investing is one of the most popular professions. Warren Buffett is an idol – an overwhelming number of people follow his every word. Companies are as efficient as they have ever been, returns on equity are high and profit margins are at almost record levels. The concept of shareholder value has never been accepted so widely. Despite the proliferation of technology and the use of machines which are reducing inefficiencies and hence, have made the market more difficult to beat, investing seems to be as lucrative and as fashionable as ever. You may ask what does all this mean? We should probably be more sceptical of the markets and expect much lower average future returns. Nevertheless, investing will remain interesting and rewarding as long as humans exhibit fear and greed. The margin of safety, which has become such a popular phrase, is a cornerstone of our practice but we have had to adapt. We have always said that we buy part of a business not just a stock. We continue to identify potential mispricing of businesses within out of favour sectors and are also backing special situations. As long as economic activity and/or markets remain buoyant, it is probable that our potential investments focus more on the latter. These restructuring cases involve ‘value and change’, backing the right people. Picking outstanding individuals and management depends on very subjective judgement, and hence, an area where hopefully competition will continue to be somewhat less fierce.

Since we started managing the fund in 2008, the return has been 177.1% versus 97.7% for IAF. The result over the last 16 years has been a portfolio with relatively low volatility (approximately half that of the market) and rare annual losses (in 2018). It should be remembered however, that while we try hard to preserve our capital, it is almost certain that we will lose money at some point in time; we aim to outperform and build value during falling markets. Importantly, we expect higher market volatility in the next few years and we are putting even higher emphasis on the ‘jockey’: we believe strong CEOs who have significant stakes in their firms will keep making the difference, in particular through the more turbulent times. We admire the intensity and back the money makers Martyn Ratcliffe at Science Group, Sue Nabi at Coty, Leo Quinn at Balfour Beatty, Larry Culp at GE, E Vassilakis at Aegean/Autohellas.

We have recently been allocating capital to Roche and Pfizer. The share price of Roche has suffered as its R&D capabilities are questioned. We back the new CEO Schinecker to gradually rebuild the pipeline and deliver value for shareholders over time. Roche complements well our higher risk and potentially higher reward investment in Pfizer – we bet on Albert Bourla, the intense leader, who was so successful during covid.

With fixed income securities vulnerable, stock markets at worryingly high levels and cash more valuable, our portfolio structure is increasingly appealing. We always aim for risk-adjusted returns in building and managing our portfolio of intensely researched equities.

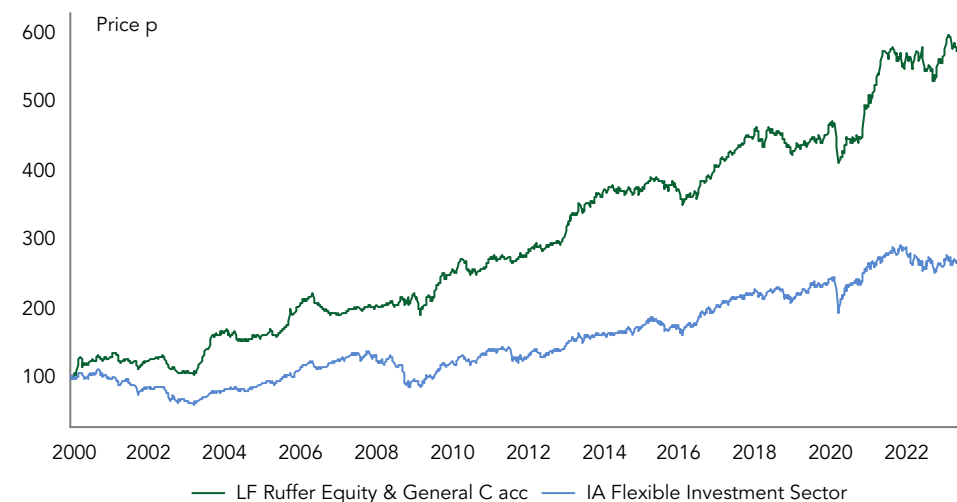
Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally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



Investment objective

To seek to achieve capital growth over the longer term (at least seven years), after all costs and charges have been taken. Underlying this objective is a fundamental philosophy of capital preservation. 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 December 1999



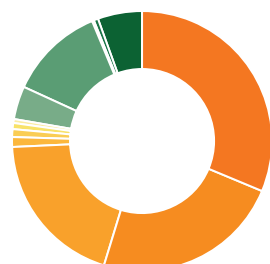
C accumulation shares	Performance %	Share price as at 29 September 2023	p
Q3	0.5	C accumulation	570.81
Year to date	1.1	C income	508.77
1 year	7.3		
3 years	29.2		
5 years	25.7		
10 years	60.1		

12 month performance to September %	2019	2020	2021	2022	2023
LF Ruffer Equity & General C acc	-1.6	-1.1	29.0	-6.7	7.3
IA Flexible Investment Sector	3.2	1.0	18.5	-9.1	3.8

Source: Ruffer LLP, Morningstar

LF Ruffer Equity & General Fund as at 29 Sep 2023

Portfolio structure



Asset allocation	%		%
● Gold exposure and gold equities	5.4	● UK equities	30.9
● Options and protection	0.9	● Europe equities	22.1
● Credit	0.3	● North America equities	20.6
● Short dated bonds and cash equivalents	13.1	● Japan equities	0.9
● Cash	3.3	● Central and South America equities	1.0
		● Asia ex-Japan equities	0.8
		● Australasia equities	0.6



Currency allocation	%
● Sterling	75.8
● US dollar	10.0
● Yen	4.7
● Euro	0.9
● Australian dollar	0.6
● Other	8.0

10 largest of 91 equity holdings

Stock	% of fund	Stock	% of fund
Science Group	6.1	Dassault Aviation	1.7
Coty	2.4	Suncor Energy	1.7
Groupe Bruxelles Lambert	1.9	Pfizer	1.6
Roche	1.9	ConvaTec	1.6
British American Tobacco	1.8	Unilever	1.5

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 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 investors' 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 funds 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 Equity & General Fund is not registered for distribution in any country other than the UK.

Fund size £228.9m

Fund information

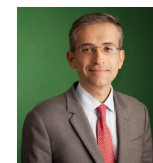
	%
Ongoing Charges Figure (acc shares)	1.27
Annual management charge	1.20
Maximum initial charge	5.0
Yield	1.35
Minimum investment	£1,000
Ex dividend dates	15 Mar, 15 Sep
Pay dates	15 May, 15 Nov
Dealing	Weekly forward, every Wednesday where this is a business day Plus the last business day of the month
Cut off	10am on Wednesday (where it is a business day) and the last business day of the month
ISIN	Accumulation GB00B7VZQV57 Income GB00B6Y8PL75
SEDOL	B7VZQV5 B6Y8PL7
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

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 manages two of Ruffer's specialist funds.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 August 2023, assets managed by the Ruffer Group exceeded £24.2bn.

Dealing line

0345 601 9610

Enquiries

Ruffer LLP +44 (0)20 7963 8218
80 Victoria Street rif@ruffer.co.uk
London
SW1E 5JL ruffer.co.uk

This financial promotion is issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL. Ruffer LLP is authorised and regulated by the Financial Conduct Authority. © Ruffer LLP 2023