

LF Ruffer Total Return Fund

Positive absolute returns with low volatility

During November the fund price rose by 0.4%. This compared with a rise of 2.2% in the FTSE All-Share Index and a fall of 0.8% in the FTSE Govt All Stocks Index (all figures total returns in sterling).

At Ruffer, we recently marked our 25th anniversary of managing investments for our clients. Over the quarter century since we were founded, we have broadly succeeded in our twin aims of avoiding losing money in the big market collapses (notably 2000-2003 and 2008) and delivering a decent return over and above that of cash (currently compounding at 8% pa over 25 years). This outcome has been achieved by steadfastly adhering to our investment philosophy of always holding a combination of both 'fear' and 'greed' assets in our portfolios.

The greed assets are relatively self-explanatory. They consist largely of equities, though we often shun the more expensive and crowded areas of the stock market that turn out to be the cause of maximum damage when markets reverse.

The fear side of the equation is less straightforward and of course changes with each market cycle. In essence we seek to invest in those assets that investors will panic into when times get truly difficult. Such assets will normally be dull, or even costly, in the good times, but have successfully delivered for us in each major market downturn. In 1999-2000 it was long-dated conventional bonds (and no tech stocks) that protected our investors, whilst in 2008 it was Swiss government bonds and the yen. Today it is index-linked bonds, gold and credit protections that we believe will do the job when markets break.

Such an approach can be harder to execute in the rare periods when both greed and fear assets rise in tandem, as has occurred this year. 2019 has seen strong returns not only from equities, but also gold and long duration inflation-linked bonds. Such a situation cannot last, you cannot both have your cake and eat it, despite the blandishments of politicians, and accordingly we have adjusted our portfolios to reflect this. We have taken some profits in gold mining stocks, and similarly, after making significant gains from index-linked gilts earlier this year, we took some profits here too, thereby reducing the overall duration of our portfolios. Supporting this move is an appreciation that a Conservative victory in the coming election, combined with some relief at avoiding a 'no deal' Brexit, plus a likely fiscal boost to the domestic economy, could see both sterling and gilt yields rise, at least temporarily.

Following these tactical adjustments, we remain confident that we still hold sufficient protection to preserve investors' capital should markets fall precipitously, or indeed should current polls prove misleading and a very different government is elected. In the meantime, by holding close to 40% in equities (often those in more economically sensitive areas) we should be able to make money if markets continue to gorge on 'cake'.

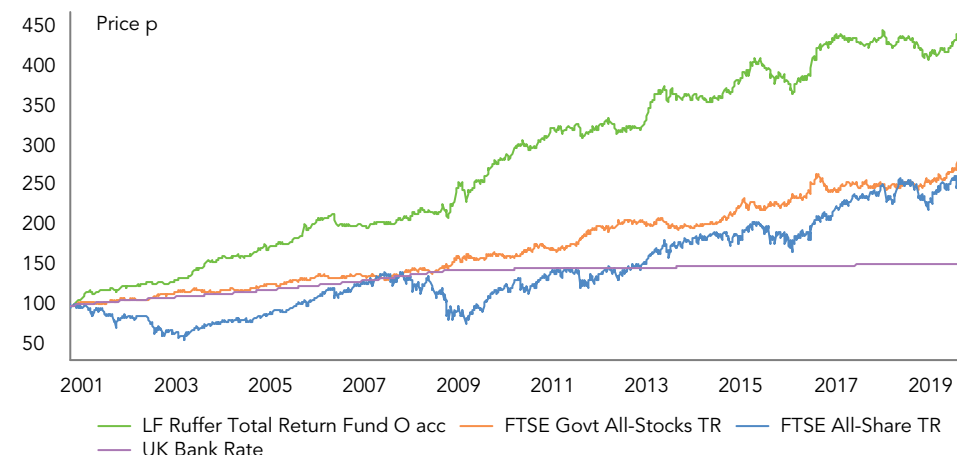
The fund's prospectus and key investor information documents are provided in English and available on request or from www.ruffer.co.uk. Please note that LF Ruffer Investment Funds is a UK UCITS. The LF Ruffer Total Return Fund is not registered for distribution in any country other than the UK. In line with the Prospectus, it is possible that at any one time the LF Ruffer Total Return Fund may invest more than 35% of its assets in transferable securities issued or guaranteed by an EEA state, one or more local authorities, a third country or a public international body to which one or more EEA States belong. The only aforementioned securities where Ruffer would currently consider holding more than 35% would be UK or US government issued transferable securities.



Investment objective

The fund aims to achieve low volatility, positive returns from an actively managed portfolio of different asset classes, including equities, bonds and currencies. Capital invested is at risk and there is no guarantee that a positive return will be delivered over any one or a number of twelve-month periods. The fund may also invest in collective investment schemes, cash, money market instruments, other transferable securities and derivatives and forward transactions. Pervading this objective is a fundamental philosophy of capital preservation.

Performance since fund launch on 29 September 2000



Performance %	November 2019	Year to date	1 year	3 years	5 years	10 years
O accumulation shares		0.4	6.1	4.5	1.0	12.6
Percentage growth (O acc)		%	Share price as at 29 November 2019			
30 Sep 2018 – 30 Sep 2019		1.4	O accumulation		434.58	
30 Sep 2017 – 30 Sep 2018		1.3	O income		283.74	
30 Sep 2016 – 30 Sep 2017		0.0				
30 Sep 2015 – 30 Sep 2016		12.9				
30 Sep 2014 – 30 Sep 2015		2.3				

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 will be influenced by the rate of exchange.

LF Ruffer Total Return Fund as at 29 Nov 2019

Asset allocation

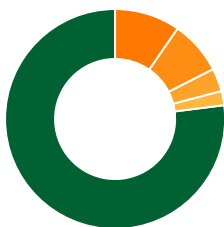


Asset allocation	%
Non-UK index-linked	21.2
Long-dated index-linked gilts	10.0
Gold and gold equities	7.6
Cash	7.4
Illiquid strategies and options	6.9
Short-dated bonds	4.6
Index-linked gilts	2.0

UK equities	13.8
North America equities	10.1
Japan equities	8.5
Europe equities	4.7
Asia ex-Japan equities	3.0

Currency allocation	%
Sterling	77.0
Yen	9.7
Gold	7.7
Euro	2.0
Other	3.6

Currency allocation



10 largest of 62 equity holdings*

Stock	% of fund
Walt Disney Company	2.1
iShares Physical Gold	2.0
Lloyds Banking Group	2.0
Tesco	1.8
Sony	1.5
ExxonMobil	1.4
Bristol-Myers Squibb	1.3
BP	1.2
BHP Group	1.0
Mitsubishi Electric	1.0

5 largest of 14 bond holdings

Stock	% of fund
US Treasury TIPS 1.25% 2020	6.1
US Treasury 1.125% TIPS 2021	4.8
UK government 2.0% 2020	4.6
US Treasury 0.125% TIPS 2021	4.1
UK Treasury index-linked 0.125% 2068	3.8

*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 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.

† © FTSE. '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.

Fund size £3,160.9m

Fund information

Ongoing Charges Figure	1.52
Annual management charge	1.50
Maximum initial charge	5.0
Yield	1.55
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 GB0009684100 Income GB0009684878
SEDOL	0968410 0968487
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

Dealing line 0345 601 9610

Enquiries

Ruffer LLP +44 (0)20 7963 8254
80 Victoria Street rif@ruffer.co.uk
London
SW1E 5JL www.ruffer.co.uk

Fund Managers

Steve Russell

INVESTMENT DIRECTOR

Graduated from Oxford in PPE and started work as an equity analyst at Confederation Life in 1987, progressing to Head of Equities. In 1999 he moved to HSBC Investment Bank as Head of UK and European Equity Strategy, before joining Ruffer in 2003.



Matt Smith

INVESTMENT DIRECTOR

Joined Ruffer in 2011 after graduating from Edinburgh University with a first class honours degree in history and German. He spent 2015 seconded to Ruffer's Hong Kong office as an equity analyst, and is a fellow of the Chartered Institute for Securities & Investment, having achieved a distinction in the Financial Derivatives paper. He primarily manages portfolios for pension schemes and institutions.



Alexander Chartres

INVESTMENT DIRECTOR

Joined Ruffer in 2010 after graduating from Newcastle University with a first class honours degree in history and politics. In 2012, he became a member of the Chartered Institute for Securities & Investment. He specialises in geopolitics and its investment implications, with a particular focus on European and Great Power politics.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 October 2019, assets managed by the Ruffer Group exceeded £20.1bn.

Issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL
Ruffer LLP is authorised and regulated by the Financial Conduct Authority. © Ruffer LLP 2019

