

# Ruffer Total Return International

Positive returns with low volatility

During June, the fund price fell by 3.1%. This compared to the FTSE All-Share TR which fell by 6.0% and a fall of 1.8% in the FTSE Govt All Stocks Index (all figures total returns in sterling).

June began calmly, as markets (like us) mooted the idea that the worst of the inflation and interest rate damage might be past. The CPI inflation release on June 10 put paid to any such thinking, catalysing a sharp selloff in both bond and equity markets as global central banks accelerated their interest rate hikes. On a global basis nothing escaped the selloff: no major asset class delivered a positive return in the month, with the exception of Chinese equities. The last time this happened was in March 2020 in the depths of the covid crisis.

June's inflation release closed the window for a potential equity market rally by shifting the moment of peak inflation later into the year. We have high conviction that the triple tightening being executed by the Federal Reserve is likely to prove exceptionally damaging to financial markets over the next few months, meaning there will not be time for the peak inflation thesis to prove itself before markets or the economy crack under the tightening pressure.

We reflect this with the lowest weight to equities (25%) for the Ruffer strategy since March 2003. This is accompanied by a full suite of derivative protections. There are times in the market cycle that just need to be got through and we have to accept some volatility in the returns. Our preoccupation remains in avoiding a permanent and significant loss of capital.

Looking at June in isolation this extreme defensiveness was not enough. The only large positive contribution (+1%) came from the credit protections (these express a bearish view on corporate bonds) and the protective options (these express a bearish view on equity markets and interest rates), showing once again the importance of unconventional assets. Equities detracted around 2.5% from performance, with the allocation to Alibaba the only bright spot. Gold exposure and inflation-linked bonds accounted for most of the remaining negative performance.

In an episode of surprising and persistently high inflation, no allocation to risk escapes repricing. This has become clear to public market investors this year and will become clear to private market investors when their asset managers deign to reprice their private assets accurately (our bet: 2025). An allocation to cash is an underrated decision in such an environment because it offers the certainty of a slow loss. We have talked previously about putting the portfolio into a 'crouched' position - we are now unequivocally flat on the ground as bullets whizz overhead.

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. Future performance is subject to taxation which depends on each investor's personal situation, and may be subject to change in the future.

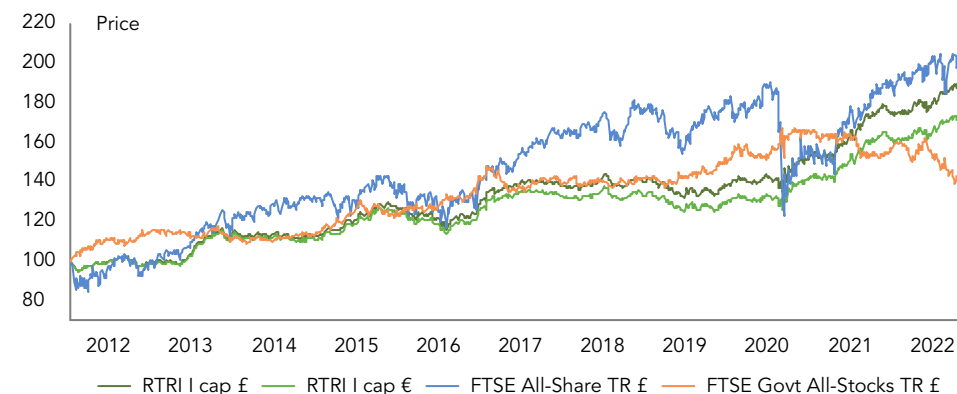


## Investment objective

The investment objective of Ruffer Total Return International ('the fund') is to achieve positive returns with low volatility from an actively managed portfolio. The fund may have exposure to the following asset classes: cash, debt securities of any type (including government and corporate debt), equities and equity related securities and commodities (including precious metals). Pervading this objective is a fundamental philosophy of capital preservation.

## Performance since fund launch on 14 July 2011

Past performance does not predict future returns



Performance I cap shares %	GBP	EUR	USD	Share price as at 30 June 2022
June 2022	-3.1	-3.2	-3.0	I EUR Capitalisation 166.12
Year to date	1.8	1.2	1.9	I CHF Capitalisation 159.02
1 year	3.4	2.4	3.5	I USD Capitalisation 188.63
3 years	32.2	28.8	34.6	I GBP Distribution 176.37
5 years	30.7	24.3	36.9	I SEK Capitalisation 169.26
10 years	82.8	67.8	90.4	I USD Distribution 184.19
				I CAD Capitalisation 152.08
				I SGD Capitalisation 152.53
				I GBP Capitalisation 181.62

12 month performance to June %	2018	2019	2020	2021	2022
RTRI I cap £	1.5	-2.6	10.8	15.5	3.4
RTRI I cap €	0.4	-3.9	9.6	14.7	2.4
FTSE All-Share TR £	9.0	0.6	-13.0	21.5	1.6
FTSE Govt All-Stocks TR £	1.9	4.9	11.2	-6.2	-13.6

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# Ruffer Total Return International as at 30 Jun 2022

## Asset allocation



## Asset allocation %

Short-dated bonds	19.2
Index-linked gilts	13.5
Cash	9.5
Long-dated index-linked gilts	8.2
Gold exposure and gold equities	7.9
Non-UK index-linked	7.7
Illiquid strategies and options	7.1

UK/Europe equities	14.6
Japan equities	5.0
North America equities	4.9
Asia ex-Japan equities	0.6
Other equities	1.5

## Currency allocation %

Sterling	69.0
Yen	7.2
Australian dollar	6.9
US dollar	4.8
Euro	3.7
Other	8.4

## Currency allocation



## 10 largest equity holdings\*

Stock	% of fund
BP	2.1
ORIX	1.0
Ambev SA	1.0
Cigna	1.0
Banco Santander	1.0
Mitsubishi UFJ Financial Group	1.0
Shell	0.9
GlaxoSmithKline	0.8
Vodafone Group	0.8
Telefonica	0.7

## 5 largest bond holdings

Stock	% of fund
UK Treasury index-linked 1.875% 2022	7.4
UK Treasury 0.125% 2023	7.4
US Treasury 0.625% TIPS 2023	5.9
UK Treasury index-linked 2.5% 2024	4.6
US Treasury FRN 2023	3.5

\*Excludes holdings in pooled funds

Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding. The base currency of the fund is GBP. Share classes denominated in other currencies are hedged to reduce the impact on your investment of movements in the exchange rate between the base currency of the fund (GBP) and the currency of the share class.

The fund data displayed is designed only to provide summary information. This marketing communication 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.

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Fund size £5,245m €6,092.9m

## Fund information

Ongoing Charges Figure	0.94
Maximum annual management fee (I class)	1.0
Annual management fee	0.9
Maximum subscription fee	5.0
Minimum investment (or equivalent in other currency)	£25m
Record date	Third Monday of November
Ex dividend dates	Next NAV following the record date
Payment	Within five business days after ex dividend date
Dealing	Weekly, every Wednesday (if not a business day, on the following business day) Plus on the last business day of each month
Cut off	4pm Luxembourg time on the day before valuation day (so typically Tuesday and the penultimate business day of the month)

ISIN and SEDOL	Currency	Cap	ISIN	ISIN
	EUR	I cap	LU0638558394	B4LVH08
	CHF	I cap	LU0638558477	B4QLM86
	USD	I cap	LU0638558550	B4L04N7
	GBP	I dis	LU0779209195	B8BHYH0
	SEK	I cap	LU0923103534	B94R6P6
	USD	I dis	LU0955560437	BCDYZK7
	CAD	I cap	LU1296766634	BYSW6J6
	SGD	I cap	LU1400661093	BD2YGL3
	GBP	I cap	LU0638558121	B4WP6Q8

Structure Sub-fund of Ruffer SICAV, a Luxembourg domiciled UCITS SICAV

Management company, administrative agent, registrar and transfer agent, paying and domiciliary agent FundPartner Solutions (Europe) S.A.

Investment manager Ruffer LLP

Depository bank Pictet & Cie (Europe) S.A.

Auditors Ernst & Young S.A.

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## Fund Managers

### Jacques Hirsch

INVESTMENT DIRECTOR

Joined Ruffer in 2011, previous work included fund management and macro research at Goldman Sachs, GLG Partners and Fulcrum Asset Management. Graduated from École Centrale Paris in 1999, and holds an MSc in Mathematics from Oxford University.



### Alex Lennard

INVESTMENT DIRECTOR

Joined Ruffer in 2006 after graduating from Exeter University with an honours degree in economics and finance. He is a member of the Chartered Institute for Securities & Investment. He is co-manager of two of Ruffer's flagship funds.



## Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 May 2022, assets managed by the Ruffer Group exceeded £26.6bn.

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