

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 fell by 0.2%. This compares with a fall of 1.7% in the FTSE All-Share Index.

Eric Cantona wisely said "You can buy everything except passion". At REG we aim to collect outstanding leaders who run businesses trading at reasonable prices. Top management makes an enormous difference over time – there is a compound effect that drives superior performance under a strong leader (and vice versa). While most good businesses are generally not cheap, intangible value has become critical for future compounding. We put particular emphasis on the 'jockey' and believe great CEOs who have significant stakes in their firms, will keep making a difference over the long run. We admire their intensity and back the money makers: Rich Handler at Leucadia, E Vassilakis at Autohellas, Leo Quinn at Balfour Beatty, Martyn Ratcliffe at Science Group, Richard Mathews at RPM Global, Jamie Dimon at JPMorgan and Martin Sorrell at WPP.

As businesses grow, common symptoms of adulthood often include the building of bureaucracy, unnecessarily complex processes, and capable passionate leaders may become side-lined by the more politically astute 'process managers'. Even in very strong franchises, the negative effect of weak leadership will eventually become obvious, however it may take a while. We recently started buying General Electric (GE). Jeff Immelt's sixteen year tenure leading GE is the manifestation of the negative compounding effect. Some argue Jack Welch did not leave GE in good shape, and Immelt had to deal with a very challenging situation. This may be true, but time is a friend of exceptional CEOs and will not help the average ones. For example, Jamie Dimon became the CEO of JPMorgan (JPM) in 2006, five years after Immelt. Back then, JPM was a shadow of its current self. Since Mr Dimon took over, the bank's assets have risen approximately 110%, while earnings have nearly tripled. The share price of JPM has more than doubled during the last ten years but GE has more than halved. We do not think GE's portfolio is weak, but it has been managed under a 'soft/sales-like' manner for sixteen years. This is currently a risky investment case, because it carries a lot of debt and the business will probably take time to start performing to its full potential. Nevertheless, the new CEO, Flannery, seems focused, direct and keen to optimise GE's portfolio and improve its cash flow and return on capital.

In November we added to our shareholding in Vivendi. It owns Universal Music Group (UMG), one of the 'big three' record labels. The dynamics of the music industry are rapidly evolving – streaming seems to be unleashing the value of content. Thus, UMG's financials have been rejuvenated and this is now a growing, highly cash generative business. Canal+'s operations are improving and Telecom Italia, under new leadership, has significant potential. As Havas, Aegis and the Bolloré Group have shown, most of Vincent Bolloré's ventures in the public markets have made money for all his shareholders. Vivendi is characterised by hidden value, with a moneymaker in charge. We recently met Mr Bolloré, an industrialist with the instinct of a value investor. Every time we get exposed to Mr Bolloré's business mind, it is like watching Pelé playing football – an outstanding leader to collect!

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.

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 %	November 2017	Year to date	1 year	3 years	5 years	10 years
O accumulation shares	-0.2	10.7	13.3	18.7	48.5	117.9

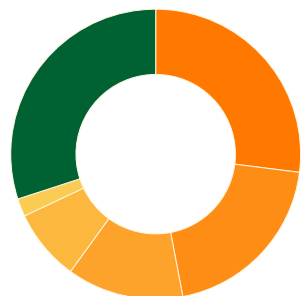
Percentage growth (O acc)	%	Share price as at 30 November 2017	p
30 Sep 2016 – 30 Sep 2017	14.2	O accumulation	443.66
30 Sep 2015 – 30 Sep 2016	3.9	O income	411.64
30 Sep 2014 – 30 Sep 2015	-0.4	C accumulation	450.77
30 Sep 2013 – 30 Sep 2014	4.3	C income	415.59
30 Sep 2012 – 30 Sep 2013	19.4		

Source: Ruffer LLP, FTSE International (FTSE)

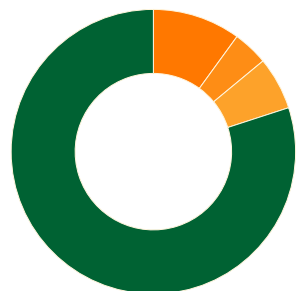
Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally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

CF Ruffer Equity & General Fund as at 30 November 2017

Portfolio structure



Asset allocation	%
North America	27
UK equities	20
Europe equities	13
Australasia	8
Japan equities	2
Cash	30



Currency allocation	%
Sterling	80
US dollar	10
Euro	4
Other	6

10 largest of 76 equity holdings

Stock	% of fund	Stock	% of fund
Runge	7.7	DaVita Inc.	1.9
Science Group	6.7	Leucadia National	1.8
Imperial Oil	3.2	Milestone Japan Value Fund	1.7
Vivendi	2.9	Scandinavian Tobacco	1.7
Balfour Beatty	1.9	Autohellas	1.5

Source: Ruffer LLP

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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 **£146.5m**

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	0.04
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	

*Refers to accumulation shares

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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 November 2017, assets managed by the Ruffer Group exceeded £22.0bn, of which over £13.3bn was managed in open-ended Ruffer funds.

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