

LF Ruffer Equity & General Fund

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



March 2022 Issue 206

During the quarter LF Ruffer Equity & General Fund (REG)'s O accumulation shares increased by 1.2%. This compares with an increase of 0.5% in the FTSE All-Share Total Return Index. First, please let me answer a question we have received often during the last few weeks: REG has not had any direct exposure to Russian equities. Of course some of our stocks have small, most often single digit percentage of their revenues coming from Russia, eg Unilever.

The invasion of Ukraine by Russia is a tragedy. It is very sad to watch the evolution of Russia from the fall of the Soviet Union and the early Putin era full of hope and engagement with the West, to the turning point of the Yukos bankruptcy and the gradual journey to the current dark phase of intense hostility. This is a very dangerous and dynamic situation affecting not only Europe but the broader globe. It is unlikely to just lead to short term noise and we would expect the repercussions of the recent events to last. In the short term, the already undergoing trends have been enhanced, thus the rate of inflation has increased further and the expensive government bonds have been aggressively repricing lower.

During the quarter, we made money from our energy holdings. We were buying Exxon and Chevron when they were hugely out of favour during the last few years. Exxon in particular, has been very controversial but we always believed in the intrinsic value of the franchise. During covid the thesis was tested but they acted consistent to our intelligence and tried hard to honour their long term commitments to shareholders and to keep their dividend. Despite the recent outperformance, Exxon's dividend yield is still higher than 4%. Similarly, our defence related holdings have been benefiting from the war in Ukraine. We were buying Dassault Aviation when it was deeply unpopular during covid in 2020, trading at almost negative enterprise value. Currently this well-run family business is a unique strategic asset with the Rafale fighter jet. We benefitted from our gold exposure over the last few months. We view gold as insurance against extreme outcomes which complements our equity portfolio and had beefed up our exposure late last year. Finally, it was pleasing to see Alleghany, the mini Berkshire Hathaway (BH), be acquired by BH. Mr Buffett is acquiring solid assets at a very reasonable price and importantly he is 'buying' Joe Brandon, the new CEO of Alleghany, a capable and trusted insurance manager.

Our biggest drag in performance came from Science Group (SAG). We view this as 'volatility', a correction from the very strong share price in 2021. Importantly SAG exhibited excellent results and we have full confidence in Chairman Ratcliffe and his team to keep producing outstanding shareholder returns -SAG is likely to be a much larger business over time.

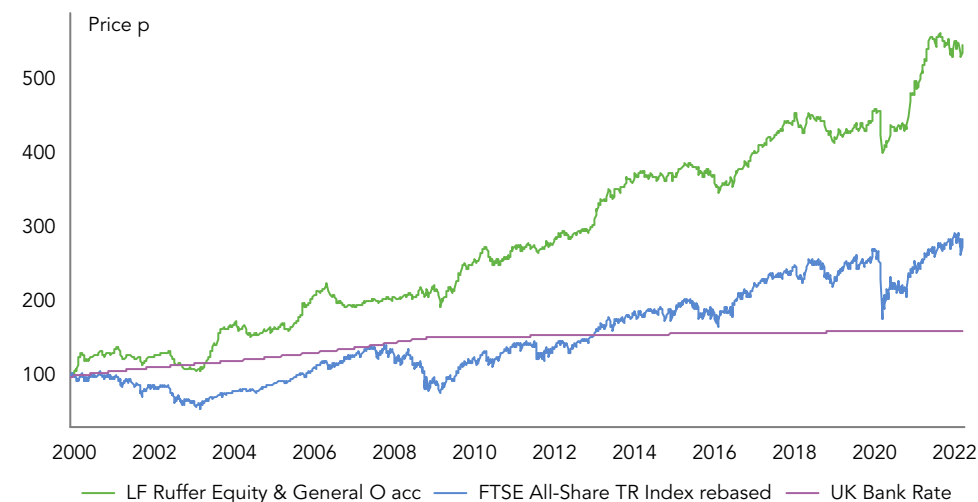
Historically we have been active in volatile markets and during the quarter we increased our shareholding in a few stocks, eg Unilever and Bayer and initiated positions in Twitter and Danone. The current macro environment is characterised by very high unpredictability, bonds are increasingly vulnerable and stock indices are at worryingly high levels. At REG we seek to invest in equities in a conservative, low risk manner – we 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

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



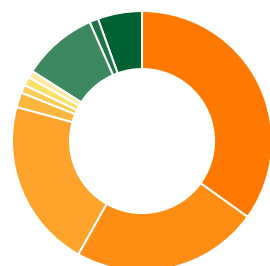
O accumulation shares	Performance %	Share price as at 31 March 2022	p
Q1	1.2	O accumulation	549.51
Year to date	1.2	O income	508.06
1 year	5.2	C accumulation	565.61
3 years	28.9	C income	515.09
5 years	33.5		
10 years	86.4		

12 month performance to March %	2018	2019	2020	2021	2022
LF Ruffer Equity & General O acc	4.8	-1.1	-5.5	29.6	5.2
FTSE All-Share TR Index rebased	1.2	6.4	-18.5	26.7	13.0
UK Bank Rate	0.4	0.7	0.7	0.1	0.2

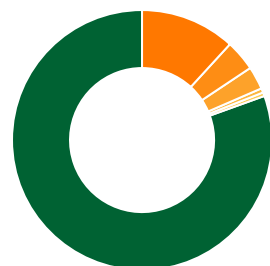
Source: Ruffer LLP, FTSE International (FTSE) †

LF Ruffer Equity & General Fund as at 31 Mar 2022

Portfolio structure



Asset allocation	%		%
● Gold exposure and gold equities	5.6	● UK equities	34.9
● Options and protection	1.0	● North America	23.2
● Cash	9.4	● Europe equities	21.2
		● Japan equities	1.7
		● Asia ex-Japan equities	1.1
		● Japan index-linked	1.1
		● Australasia	0.8



Currency allocation	%
● Sterling	80.6
● US dollar	11.8
● Yen	2.8
● Euro	0.6
● Australian dollar	0.3
● Other	3.9

10 largest of 99 equity holdings

Stock	% of fund	Stock	% of fund
Science Group	6.3	Coty	1.9
Titan Cement	4.2	Serco Group	1.9
iShares Physical Gold	3.4	Balfour Beatty	1.8
Unilever	2.6	ConvaTec	1.7
ExxonMobil	2.4	Jet2	1.7

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.

The fund's 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 **£199.8m**

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	0.15	0.43
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	O class GB0009346718 (acc) GB0009340802 (inc)	C class GB00B7VZQV57 (acc) GB00B6Y8PL75 (inc)
SEDOL	0934671 (acc) 0934080 (inc)	B7VZQV5 (acc) B6Y8PL7 (inc)
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	

*Refers to accumulation shares

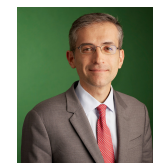
† © FTSE 2022. 'FTSE®' is a trade mark of London Stock Exchange Group companies and is used by FTSE under licence. All rights in the FTSE Data vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability in relation to the FTSE Data data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Fund 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 LF 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 28 February 2022, assets managed by the Ruffer Group exceeded £25.3bn.

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

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 2022