

LF Ruffer Equity & General Fund

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



In January we wrote: “in 2022 the huge excesses of the last many years mostly disappeared: bonds with negative yields are almost non-existent, solid franchises such as Exxon are not worth less than profitless tech companies and on average valuations are currently more balanced/less extreme. Nevertheless, securities of most quality businesses are still not undervalued; in particular the US market is not cheap and we would not be surprised if equities de-rate further over time”. Conversely, so far 2023 has been somewhat of a reversal of last year: the losers of 2022 have outperformed e.g. bitcoin, Nasdaq/tech, ‘growth equities’ have been winners. We stick to our knitting: REG seeks to generate equity-like returns over the long term, take less risk than the market and avoid permanent loss of capital. We intensely look for asymmetric returns, owning businesses we understand well. During the last few years, we have viewed most quality companies to be overvalued, thus our portfolio has been more idiosyncratic and REG’s top positions have been mostly special situations.

Coty has done well for us this year. Coty had been managed badly, focusing on cost cutting for years but after many changes, it now has an outstanding CEO, Sue Nabi, a former L’Oréal executive, who deeply understands the beauty industry. She focuses on the ‘product’, aiming to drive innovation and enhance revenues and so far, results have been consistently solid. Ms Nabi is a good complement to Dr Harf, Coty’s Chairman, main shareholder, and a key pillar to our investment. We back them to make Coty a much bigger business over time and build shareholder value. Not only has Ms Nabi been executing well but she and her team have also been very wise in capital allocation: last year when the business was consistently delivering and as the market was ignoring the shares, Coty’s management structured very intelligent buybacks: these were done opportunistically at low prices, creating value for Coty’s long-term shareholders.

We have been gradually adding to Science Group (SAG), the research and development consultancy which has significant property value, net cash and has been an astute acquirer of businesses. We back its chairman (and main shareholder) M. Ratcliffe, an entrepreneur with a unique combination of operational acumen and focus on capital allocation. The acquisition of Frontier in 2019 proved to be outstanding, SAG remains strongly cash generative and is becoming a more diversified business. During the tough times of covid, Science Group demonstrated solid operational performance and increased its profitability. In September 2021 we participated in the first placing of SAG since 2010 and the acquisition of TP Group was recently finalised. We are confident, as history has repeatedly showed, that Mr Ratcliffe and his team will keep generating value for SAG’s long-term shareholders.

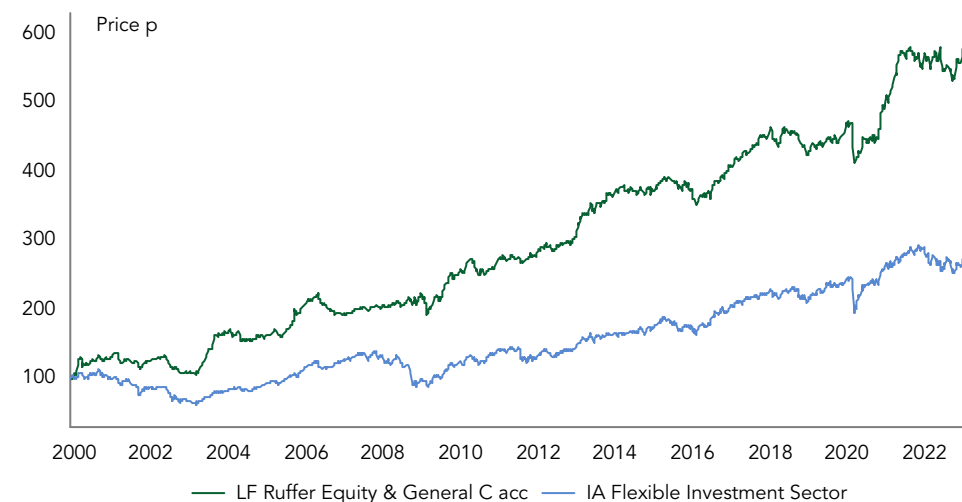
So far this year we have lost money from our collection of well managed financials in the US. In our view, it is not probable that the securities of quality banks will keep suffering while the broader market is strong. Our balanced approach and focus on adjusting our return for the risk we take, means that we are likely to hold more cash, as stocks offer less value and vice versa. Finally, this year we have increased our position in gold securities – we see this as insurance against extreme outcomes, complementing our collection of human capital.

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



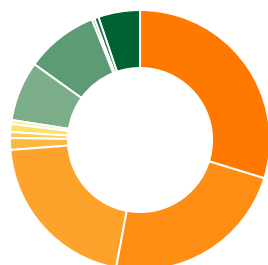
C accumulation shares	Performance %	Share price as at 31 March 2023	p
Q1	2.7	C accumulation	579.85
Year to date	2.7	C income	523.86
1 year	2.5		
3 years	40.7		
5 years	32.3		
10 years	71.0		

12 month performance to March %	2019	2020	2021	2022	2023
LF Ruffer Equity & General C acc	-0.8	-5.2	30.0	5.6	2.5
IA Flexible Investment Sector	3.3	-8.0	29.4	5.0	-4.1

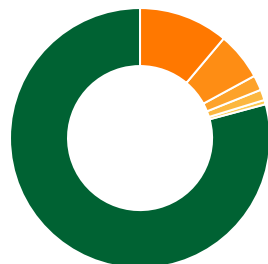
Source: Ruffer LLP, Morningstar

LF Ruffer Equity & General Fund as at 31 Mar 2023

Portfolio structure



Asset allocation	%		%
● Gold exposure and gold equities	5.2	● UK equities	29.8
● Options and protection	0.6	● Europe equities	23.1
● Credit	0.3	● North America	20.9
● Short dated bonds and cash equivalents	8.9	● Japan equities	1.4
● Cash	7.5	● Asia ex-Japan equities	0.9
		● Central and South America	0.9
		● Australasia	0.5



Currency allocation	%
● Sterling	79.1
● US dollar	11.1
● Euro	1.8
● Yen	1.4
● Australian dollar	0.5
● Other	6.1

10 largest of 97 equity holdings

Stock	% of fund	Stock	% of fund
Science Group	5.6	Pfizer	1.8
Coty	2.6	Bayer	1.8
Titan Cement	2.4	Dassault Aviation	1.7
Conduit	2.1	ExxonMobil	1.5
Groupe Bruxelles Lambert	2.0	ConvaTec	1.5

Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding.

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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 £240.4m

Fund information

	%
Ongoing Charges Figure*	1.27
Annual management charge	1.20
Maximum initial charge	5.0
Yield	0.75
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

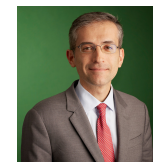
*Refers to accumulation shares

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 2023, assets managed by the Ruffer Group exceeded £26.2bn.

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