

LF Ruffer Gold Fund

Achieving capital growth by investing principally in gold and precious metal related companies

During the quarter, the fund's O accumulation shares rose by 12.1% from 228.29p to 255.93p. This compares to a 11.0% rise in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price rose by 4.1% in US dollar terms and by 3.7% in sterling terms.

Gold rallied over the first half of the quarter as we saw increasing evidence of strong underlying inflationary pressures across the US and global economy. Gold mining stocks rebounded quite strongly from the very depressed levels they had reached at the end of September. The rebound went into sharp reverse in the middle of November, the catalyst being the renomination of Jerome Powell as Chair of the Federal Reserve which was seen as a relatively hawkish decision. Indeed it was almost immediately followed by a perceptibly hawkish shift in Fed signalling, culminating at the FOMC meeting in the middle of December where the Fed indicated their intention to lean against inflation, doubling the pace of tapering of quantitative easing and hence clearing the path for multiple interest rate hikes in 2022. Gold mining stocks had already been sold down in anticipation of this however and managed to hold on to some gains for the quarter, albeit giving back most of the rally to the middle of November.

The fund performed mildly better than the index due to significant positive contributions from our Australian positions where gold mining stocks benefitted from a weakening Australian dollar and a number of stocks had endured disproportionately large falls in Q3. Our largest Canadian positions were disappointing over the quarter. Kinross Gold took a significant hit to its stock price on the announcement of the acquisition of Great Bear Resources. It is always difficult for the market to assess the value of an asset which is not yet in production because of limited publicly available information but the general market view is clearly that Kinross is over-paying. Only time will tell whether or not this is the case, however the investment case for Kinross remains strong regardless. Over the quarter we significantly increased the size of our position because we see the value on offer here as exceptional in a liquid stock.

Endeavour Mining, our second largest Canadian position, experienced a dramatic fall in its stock price from the middle of November for no discernible reason, despite being a low cost producer with high free cash flow. We believe this reflects a sharp withdrawal of capital from the sector without regard to price impact or stock specifics.

2021 has been a difficult year for the gold mining sector and the fund. Whilst the gold price has remained fairly strong, gold miners have had to deal with inflationary pressures and operational disruptions due to direct and indirect impacts of covid. However, we end the year with the valuations of gold miners still very low compared to gold, more than compensating investors for these difficulties. Most likely this reflects a lack of confidence in the gold price as we move through the end of QE and enter a rate-rising cycle. Whilst this challenging period for gold and gold related investments may have further to run, we believe that the fund is poised to perform well when interest returns to gold.

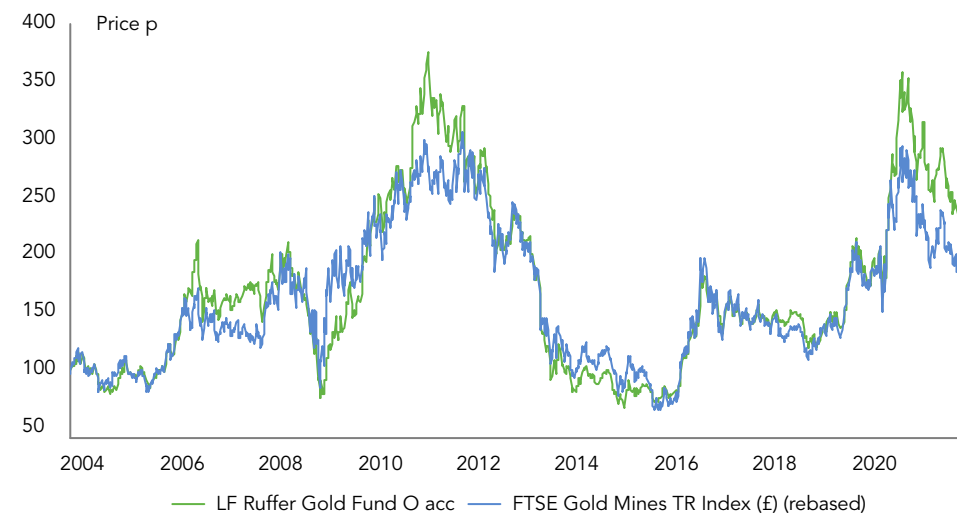
Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Past performance is not a guide to future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally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



Investment objective

The fund aims to achieve capital growth over the long term by investing principally in gold and precious metal related companies within the mining industry.

Performance since launch on 1 October 2003



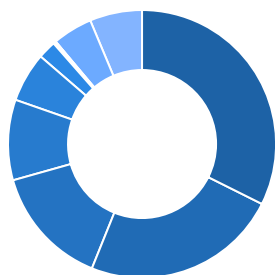
O accumulation shares	Performance %	Share price as at 31 December 2021	p
Q4	12.1	O accumulation	255.93
Year to date	-13.9	C accumulation	263.33
1 year	-13.9	C income	159.38
3 years	90.4		
5 years	78.5		
10 years	0.5		

12 month performance to December %	2017	2018	2019	2020	2021
LF Ruffer Gold Fund O acc	3.0	-8.9	44.0	53.6	-13.9
FTSE Gold Mines TR Index (£) (rebased)	0.7	-4.5	37.2	21.1	-9.6

Source: Ruffer LLP, FTSE International (FTSE) †

LF Ruffer Gold Fund as at 31 Dec 2021

Portfolio structure



Asset allocation	%		%
• North America	32.3	• Other equities	0.2
• Africa	23.9	• UK	0.1
• Australia	14.5	• Options and protection	0.1
• Asia	9.6	• Other	4.7
• South America	6.1	• Cash	6.4
• Europe	2.2		

Capitalisation breakdown

% market exposure	Size	Market cap
24.7	Large	US\$5bn+
29.6	Mid	US\$1-\$5bn
45.7	Small	US\$0-\$1bn

10 largest of 116 holdings

Stock	% of fund	Stock	% of fund
Kinross Gold	8.8	Centerra Gold	4.2
Perseus Mining	5.4	Ramelius Resources	3.9
Westgold Resources	5.3	Gold Fields	3.5
Endeavour Mining	5.0	AngloGold Ashanti	3.4
Etf's Physical Silver	4.5	Red 5	3.2

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

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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.

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 Gold Fund is not registered for distribution in any country other than the UK.

Fund size **£796.5m**

Fund information

%	O class	C class
Ongoing Charges Figure*	1.55	1.25
Annual management charge	1.5	1.2
Maximum initial charge	5.0	5.0
Yield	0.00	0.00
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 GB0033628156 (acc)	C class GB00B8510Q93 (acc) GB00B8BZBT51 (inc)
SEDOL	3362815 (acc)	B8510Q9 (acc) B8BZBT5 (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

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Fund Manager

Paul Kennedy

RESEARCH DIRECTOR

Joined Ruffer in 2012 from L.E.K. Consulting. He holds a degree in Jurisprudence from Oxford University and an MBA with Distinction from London Business School. He has many years of experience evaluating investments across industry sectors and has managed the LF Ruffer Gold Fund since February 2015.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 30 November 2021, assets managed by the Ruffer Group exceeded £23.7bn.

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

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