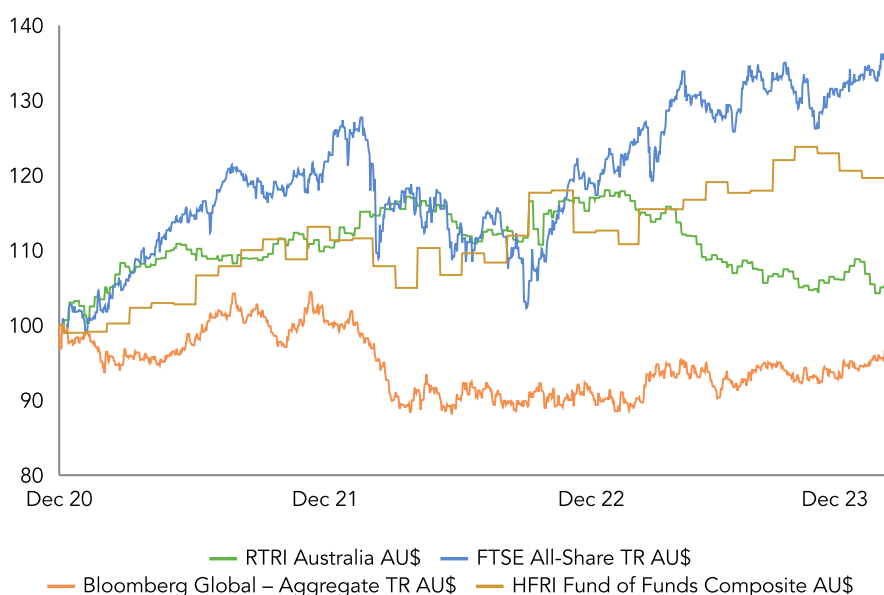


Ruffer Total Return International – Australia Fund

SHARE PRICE PERFORMANCE SINCE LAUNCH ON 24 DECEMBER 2020

Past performance does not predict future returns



Global asset markets started the year almost unanimously priced for a perfect soft landing, following the strong rally in both equities and bonds into the year end. This left scope for disappointment in January if either assumption of early interest rate cuts or steady growth were dialled back. In the end it was bonds that gave way as doubts emerged over the speed of likely US rate cuts, whilst equities in aggregate continued to make gains. Tensions in the Middle East remained high, leading to the oil price rising 6% and freight costs rising sharply to more than double the post-covid low seen in October. As yet this has had no impact on inflation expectations, with markets now convinced that this dragon has been slain.

The backup in bond yields, especially in the UK, meant that our remaining holding in long-duration UK inflation-linked bonds was a drag on performance. Having chosen to add risk into portfolios through a significant increase in bond duration in the final quarter of 2023, we took the profits on this position by the year end, adding instead to our net equity exposure this month, in light of continued US economic resilience. We believed yields had fallen too far, too fast, given our concerns over the likely stickiness and volatility of inflation, and so started this year with just a core holding in UK inflation-linked bonds. This was the largest detractor to performance in the month, but we see this as temporary volatility in a core element of our long-term inflation protections. Gold and gold equities also fell back in January.

Global equities were positive overall in January, with the S&P 500 hitting an all-time high during the month. However, it is worth remembering this merely constitutes a recovery from the 2022 bear market, with equities still broadly flat over the last two years and in our view does little to support the current, almost euphoric, levels of stock market positioning. Once again, as we saw last year, equity gains in January remained narrowly based. The S&P 500 rose 1.7% in the month, but the equal weighted version was in negative territory. There has also been what might be considered a worrying concentration of performance within the dominant mega-cap tech stocks. NVIDIA and Meta recorded double digit gains, but Tesla fell 20%, and Apple and Alphabet were flat to down. Elsewhere, investors continued to shun value, with the cheapest markets (China, emerging markets and the UK) all down on the month. For us, the UK appears anomalously undervalued while China now seems to be pricing in despair.

Overall, the big questions for investors remain unresolved. Most equity markets have now recovered their 2022 losses and are increasingly priced on the assumption that inflation will fall to target and stay there, without a decline in profit margins or economic growth. Bond markets appear to be more realistically pricing in a regime of higher interest rates, even if they show periods of over optimism. Has the Fed 'put' now been restored, with the central bank free to cut rates if growth falters, or will sticky and volatile inflation leave them facing more difficult choices? In other words, are equities and bonds still positively correlated or have we returned to the 'Goldilocks' conditions of the pre-covid era? We remain unconvinced that inflation has vanished for good and that there will be no lasting impact from higher interest rates. Therefore protection remains key to the Ruffer portfolio.

JANUARY 2024

Performance cap %	AUD
January	-2.7
Year to date	-2.7
1 year	-9.9
3 years pa	1.7
5 years pa	-
10 years pa	-
Since inception pa	1.7

Share price		Net	Gross
AUD cap			1.0549
Duration (years)	2.8		3.1
Equity exposure %	25.3		21.0
Z cap AUD	Volatility %	Sharpe	Sortino
3 years	6.0	-0.1	-0.1
5 years	-	-	-
10 years	-	-	-
Since inception	5.9	-0.1	-0.1

12 month performance to 31 December 2023

%	2019	2020	2021	2022	2023
RTRI AUD	-	-	9.6	6.0	-7.3
FTSE All-Share TR AU\$	-	-	24.0	-4.4	13.7
B'berg Gbl-Agg TR AU\$	-	-	0.9	-10.7	5.8
HFRI FOF Comp AU\$	-	-	12.5	1.2	6.2

One to twelve month performance figures are cumulative, all others are annualised. Source: RTRI-AU, FTSE International, Bloomberg, HFRI. The comparator benchmarks shown are those of the underlying fund, hedged in AUD which were chosen because they represent the investible universe of the strategy, both in terms of instruments and geographies. 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 investment objective of the Fund is to achieve positive returns 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). Overriding this objective is a fundamental philosophy of capital preservation. Investors should note that there can be no assurance that the investment objective will be achieved. Returns are not guaranteed.

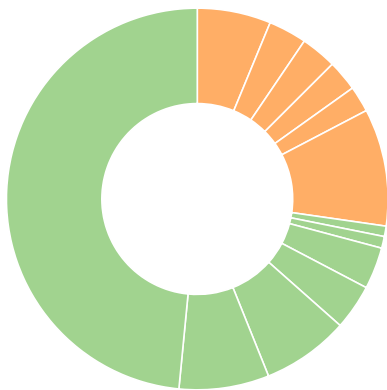
TARGET MARKET SUMMARY

This product is likely to be appropriate for a consumer seeking capital growth to be used as a major, core, minor or satellite component within a portfolio where the consumer has a minimum five year investment timeframe, medium to high risk/return profile and needs monthly access to capital. Investors should refer to the TMD for further information.

Ruffer Total Return International – Australia Fund

31 Jan 24

ASSET ALLOCATION



Asset allocation	%	Currency allocation	%
Short-dated bonds	48.5	Sterling	75.6
Long-dated index-linked gilts	7.6	Yen	15.9
Cash	7.4	US dollar	3.9
Gold exposure and gold equities	3.8	Euro	1.5
Non-UK index-linked	3.5	Other	3.1
Credit and derivative strategies	1.0	Geographical equity allocation	%
Index-linked gilts	0.9	UK equities	6.3
Commodity exposure	6.2	Asia ex-Japan equities	5.5
Consumer discretionary equities	3.2	North America equities	4.4
Financials equities	3.0	Europe equities	4.2
Energy equities	2.6	Other equities	0.5
Healthcare equities	2.2		
Other equities	9.9		

5 LARGEST EQUITY HOLDINGS

Stock	% of fund
iShares MSCI China A UCITS ETF	2.8
BP	1.8
Alibaba Group	0.9
TSMC ADR	0.9
Alibaba ADR	0.7

Asset allocation is shown for the underlying fund, Ruffer Total Return International. Largest equity holdings exclude Ruffer funds | Source: Ruffer LLP | Totals may not equal 100 due to rounding

RUFFER LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 December 2023, assets managed by the Ruffer Group exceeded A\$44.3bn.



FUND SIZE A\$302.3M

FUND INFORMATION

Management costs	1.02% per annum of net asset value of fund comprising: a management fee 0.77% administration costs 0.10% indirect costs 0.15%	
Minimum initial investment	AU\$20,000	
Cut offs	Redemptions and subscriptions weekly, typically 2.00pm Friday	
Dealing frequency	Weekly, typically a Thursday	
Distribution	Annual, although not expected. Year end is 30 June	
Settlement dates	Redemptions and subscriptions T+5, typically a Thursday	
Investment manager	Ruffer LLP	
Administrator	Apex Fund Services Pty Ltd	
Custodian	Apex Fund Services Pty Ltd	
Responsible entity	The Trust Company (RE Services) Limited	
Auditors	Ernst & Young	
Fund regulator	Australian Securities and Investments Commission (ASIC)	
Structure	Managed Investment Scheme	
APIR	PIM1038AU	
ARSN	643 278 693	
Asset class	Multi-Asset	
Buy/sell spread	0%	
Share class	ISIN	Ticker
AUD cap	AU60PIM10382	PIM1038 AU

ENQUIRIES

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FUND TEAM



Alex Lennard
FUND MANAGER

Joined Ruffer in 2006 after graduating from Exeter University with an honours degree in economics and finance. He is a member of the CISI. He is comanager of two of Ruffer's flagship funds.



Fiona Ker
FUND MANAGER

Joined Ruffer in 2017 from Ernst & Young. She manages portfolios for institutions with a focus on international clients and is a member of the CISI and the Institute of Chartered Accountants for England & Wales.

GLOSSARY

Volatility measures the extent to which returns vary over a given period. High volatility means returns have been more variable over time

Duration measures the sensitivity of a bond or fixed income portfolio's price to changes in interest rates.

The higher the duration, the more sensitive the price or portfolio is to changes in interest rates

Sharpe ratio measures the performance of an investment, adjusting for the amount of risk taken (compared to risk-free). The higher the ratio, the better the returns compared to the risk taken

Sortino ratio measures the extra return an investment makes for each unit of bad risk (the chance of losing money below a certain target)

DISCLAIMER

The fund's dealing day, subscription and redemption cut-off will be impacted by public holidays in Luxembourg, the UK and/or Australia. Impacted dates are available from ruffer.co.uk/rtri-au

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