

Ruffer Total Return International

Positive returns with low volatility

During July, the fund price rose by 0.4%. This compared to the FTSE All-Share TR which rose by 4.4% and a rise of 2.6% in the FTSE Govt All Stocks Index (all figures total returns in sterling).

In June almost all asset classes posted a negative return in the face of a surprise increase in the US inflation rate (US CPI rose from 8.3% to 8.6%) and the prospect of increased monetary tightening by the US Federal Reserve. In July, risk appetite roared back even as inflation increased again, from 8.6% to 9.1%, and the US Federal Reserve increased interest rates by 75bps for the second month in a row. The fund was broadly flat on the month, its defensive positioning articulated in last month's factsheet holding it back. Underneath the surface, performance contributions from the fund's equity exposure (+1.5%) and UK long-dated index-linked bonds (+1.3%) were offset by the unconventional protections (-1.6%) and gold exposure (-0.3%).

What explains the positive market outturns in a month which, according to Deutsche Bank, saw one of the steepest quarter-on-quarter declines in underlying company earnings in the last decade? We are back in the territory of bad news being good news for equity and bond markets. Over the last few months, investor expectations have shifted from stagflation risk to recession risk and are now starting to re-price the re-establishment of a Fed 'put' – the moment when the US Federal Reserve will abandon its monetary tightening and focus on growth stabilisation which will either directly or indirectly support equity markets. Interest rate futures now price that the central bank will be cutting interest rates by early next year.

How likely is this outcome? Possible, but not likely. We have been through numerous 'unprecedented' events in the last few years. 'Unprecedented' amounts of peace-time fiscal stimulus in 2020 and 2021, combined with 'unprecedented' monetary policy; but it would be truly unprecedented to slow the economy sufficiently to bring down the highest inflation rate for 40 years with an after-inflation policy rate that never goes positive. It would require a much deeper economic slowdown than is implied in 2023 earnings estimates, which have barely budged.

This bear market is not over, and we believe that we are entering its most dangerous phase. Liquidity is being drained from the financial system. Jamie Dannhauser, Ruffer's Economist, covered this in detail in the latest [Green Line](#). The interest rate on US dollar short-dated bonds is now providing a genuine alternative to taking risk. One of the pushbacks to the view that a move lower in equity markets was likely, was the already extremely bearish investor sentiment and positioning. A low-liquidity summer rally, sucking in those who can't afford relative underperformance, should see this box ticked. We have used the last month's moves to reduce direct equity exposure further to try and ensure the portfolio is robust to the risks we see. Capital preservation is at the forefront of our minds.

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. Future performance is subject to taxation which depends on each investor's personal situation, and may be subject to change in the future.

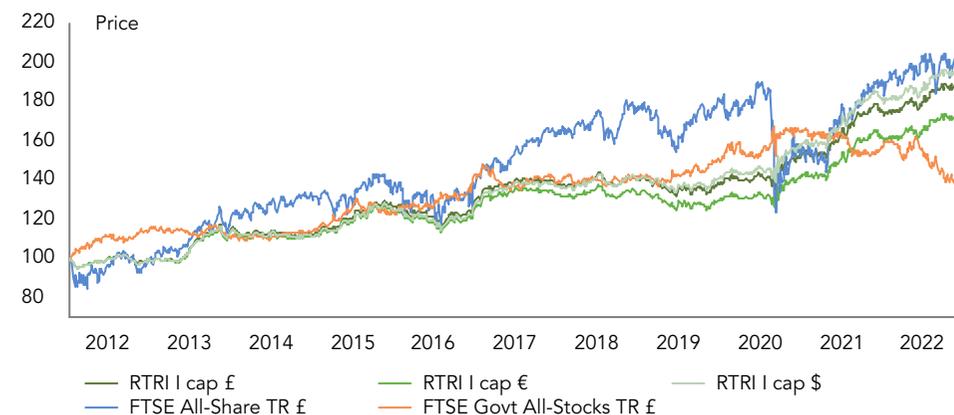


Investment objective

The investment objective of Ruffer Total Return International ('the fund') is to achieve positive returns with low volatility 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). Pervading this objective is a fundamental philosophy of capital preservation.

Performance since fund launch on 14 July 2011

Past performance does not predict future returns



Performance I cap shares %	GBP	EUR	USD	Share price as at 31 July 2022	
July 2022	0.4	0.2	0.4	I EUR Capitalisation	166.46
Year to date	2.2	1.4	2.3	I CHF Capitalisation	159.40
1 year	4.5	3.4	4.6	I USD Capitalisation	189.40
3 years	29.8	26.4	32.1	I GBP Distribution	177.01
5 years	32.7	26.1	39.0	I SEK Capitalisation	169.76
10 years	83.2	67.9	90.9	I USD Distribution	184.95
				I CAD Capitalisation	152.71
				I SGD Capitalisation	153.17
				I GBP Capitalisation	182.28

12 month performance to June %	2018	2019	2020	2021	2022
RTRI I cap £	1.5	-2.6	10.8	15.5	3.4
RTRI I cap €	0.4	-3.9	9.6	14.7	2.4
RTRI I cap \$	2.7	-1.0	12.3	15.9	3.5
FTSE All-Share TR £	9.0	0.6	-13.0	21.5	1.6
FTSE Govt All-Stocks TR £	1.9	4.9	11.2	-6.2	-13.6

Source: Ruffer LLP, FTSE International

Ruffer Total Return International as at 31 Jul 2022

Asset allocation



Asset allocation	%
Short-dated bonds	27.9
Index-linked gilts	17.5
Non-UK index-linked	9.1
Cash	8.6
Long-dated index-linked gilts	8.4
Illiquid strategies and options	6.2
Gold exposure and gold equities	1.7
UK/Europe equities	10.8
North America equities	4.4
Japan equities	3.8
Asia ex-Japan equities	0.6
Other equities	1.0

Currency allocation	%
Sterling	66.9
US dollar	12.7
Yen	10.1
Australian dollar	7.1
Euro	2.1
Other	1.1

Currency allocation



10 largest equity holdings*

Stock	% of fund
BP	1.5
Ambev SA	1.0
Mitsubishi UFJ Financial Group	1.0
Unilever	0.8
ORIX	0.7
Hertz	0.7
Cigna	0.7
Alibaba Group ADR	0.6
Shell	0.6
NatWest Group	0.5

5 largest bond holdings

Stock	% of fund
UK Treasury 0.125% 2023	9.7
UK Treasury index-linked 2.5% 2024	8.5
US Treasury 0.625% TIPS 2023	7.9
UK Treasury index-linked 1.875% 2022	7.5
US Treasury FRN 2023	5.4

*Excludes holdings in pooled funds

Source: Ruffer LLP. Pie chart totals may not equal 100 due to rounding. The base currency of the fund is GBP. Share classes denominated in other currencies are hedged to reduce the impact on your investment of movements in the exchange rate between the base currency of the fund (GBP) and the currency of the share class.

The fund data displayed is designed only to provide summary information. This marketing communication 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. Ruffer SICAV is a Luxembourg UCITS and subject to Luxembourg law. Ruffer SICAV is authorised by and subject to the supervisory authority in Luxembourg, the CSSF, and is a scheme recognised by the UK's Financial Conduct Authority (FCA). Ruffer Total Return International (RTRI) is not registered for distribution in any country other than Belgium, Denmark, Finland, France, Germany, Iceland, Ireland, Italy (qualified investors only), Luxembourg, the Netherlands, Norway, Portugal, Singapore (institutional and accredited investors only), Spain, Sweden, Switzerland (qualified investors only) and the UK. The fund's prospectus is provided in English and French; Key Investor Information Documents are provided in a variety of languages and are available, with the Prospectus (in English and French), on request or from ruffer.co.uk. A Summary of Investor Rights is available in English from group.pictet/asset-services/fundpartner-solutions. Ruffer LLP is not able to market RTRI in other countries, except under certain exemptions. In line with the Prospectus, it is possible at any one time RTRI may invest more than 35% of its assets in transferable securities issued or guaranteed by an EEA state, one or more local authorities, a third country or a public international body to which one or more EEA States belong. The only aforementioned securities where Ruffer would currently consider holding more than 35% would be UK or US government issued transferable securities. This investment concerns the acquisition of units in a fund, and not in a given underlying asset such as shares of a company, as these are only the underlying assets owned by the fund. 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. No further distribution of FTSE data is permitted without FTSE's express written consent.

Fund size £5,130.3m €6,122.8m

Fund information

Ongoing Charges Figure	0.94
Maximum annual management fee (I class)	1.0
Annual management fee	0.9
Maximum subscription fee	5.0
Minimum investment (or equivalent in other currency)	£25m
Record date	Third Monday of November
Ex dividend dates	Next NAV following the record date
Payment	Within five business days after ex dividend date
Dealing	Weekly, every Wednesday (if not a business day, on the following business day) Plus on the last business day of each month
Cut off	4pm Luxembourg time on the day before valuation day (so typically Tuesday and the penultimate business day of the month)

ISIN and SEDOL	Currency	Cap	ISIN	ISIN
EUR	I cap	LU0638558394	B4LVH08	
CHF	I cap	LU0638558477	B4QLM86	
USD	I cap	LU0638558550	B4L04N7	
GBP	I dis	LU0779209195	B8BHYH0	
SEK	I cap	LU0923103534	B94R6P6	
USD	I dis	LU0955560437	BCDYZK7	
CAD	I cap	LU1296766634	BYSW6J6	
SGD	I cap	LU1400661093	BD2YGL3	
GBP	I cap	LU0638558121	B4WP6Q8	

Structure	Sub-fund of Ruffer SICAV, a Luxembourg domiciled UCITS SICAV
Management company, administrative agent, registrar and transfer agent, paying and domiciliary agent	FundPartner Solutions (Europe) S.A.
Investment manager	Ruffer LLP
Depository bank	Pictet & Cie (Europe) S.A.
Auditors	Ernst & Young S.A.

The views expressed in this marketing communication 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. Ruffer LLP or FundPartner Solutions (Europe) S.A. may terminate arrangement for marketing of the fund under new Cross-border Distribution Directive denotification process.

Fund Managers

Jacques Hirsch

INVESTMENT DIRECTOR

Joined Ruffer in 2011, previous work included fund management and macro research at Goldman Sachs, GLG Partners and Fulcrum Asset Management. Graduated from École Centrale Paris in 1999, and holds an MSc in Mathematics from Oxford University.



Alex Lennard

INVESTMENT DIRECTOR

Joined Ruffer in 2006 after graduating from Exeter University with an honours degree in economics and finance. He is a member of the Chartered Institute for Securities & Investment. He is co-manager of two of Ruffer's flagship funds.



Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 30 June 2022, assets managed by the Ruffer Group exceeded £26.0bn.

Enquiries

Ruffer LLP +44 (0)20 7963 8254
 80 Victoria Street rif@ruffer.co.uk
 London SW1E 5JL www.ruffer.co.uk

Notice for Investors in Switzerland: Ruffer SICAV has not been and will not be registered with the Swiss Financial Market Supervisory Authority (FINMA). Any offering materials relating to Ruffer SICAV may be made available in Switzerland solely to Qualified Investors as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended. Ruffer SICAV's prospectus, KIIDs, articles of association and the annual and semi-annual reports are available free of charge at the office of the Swiss representative: FundPartner Solutions (Suisse) S.A., Route des Acacias 60 CH - 1211 Geneva 73. Ruffer SICAV's paying agent in Switzerland is Banque Pictet & Cie S.A. of the same address. This marketing communication 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