

# Ruffer Total Return International

Positive returns with low volatility

During November the fund was up 1.7%.

Following three consecutive negative quarters across almost all asset classes, the final quarter of 2022 is at last delivering some seasonal cheer for investors. November saw strong gains in both equities and bonds, though obviously not digital assets thanks to the collapse of FTX. This late burst of optimism is founded on the hope that inflation is finally peaking, though by now it clearly no longer warrants either the 'transitory' or 'temporary' labels. Evidence supporting the long-awaited peak in inflation arrived mid-month with US CPI below expectations and crucially lower than previous year on year readings. This sparked a sharp rally in both equities and bonds, as did US Federal Reserve Chair Powell's unexpectedly dovish speech on the very last day of the month. Investors may want to consider, however, whether such short-term volatility (one day gains for US equities of 5% and 3%) really constitutes a sound base for a sustained rally.

We have no argument with the idea that inflation (at least in the US) may have peaked and could fall quite sharply in coming months. Where we disagree with both central bank forecasts and market expectations is in their faith that inflation will return to target anytime soon. We think wage rises will make inflation stickier than predicted and see evidence for this in the strength of both US and UK private sector wage inflation, plus the depressing sight of increasing numbers of strikes here in the UK. This, plus concerns that markets currently underestimate the impact on corporate profits of a likely recession next year, has made us nervous of adding to equities. Instead, we added risk into portfolios through long-duration inflation linked bonds, principally in the US. These holdings performed strongly in the recent market rally.

Ruffer aims to deliver 'all weather' returns whatever happens in financial markets, and we do this by holding a combination of fear (protection) and greed (growth) assets. Over the last 20 years this approach has delivered a positive correlation to stock markets when they are healthy, so we aim to harvest a proportion of equity gains in the good times. However, we have been negatively correlated to equities when times are more difficult, protecting investors in each of the major stock market crises of the last quarter century. This year has been no exception. Ruffer portfolios were negatively correlated to both equities and bonds as they fell sharply earlier in the year. Adjustments to the portfolio meant it was positively correlated to equities in November, as markets staged a recovery. Such 'perfect' shifts in correlation cannot be expected every month, but it is reassuring to see both sides of our investment approach in good working order.

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.



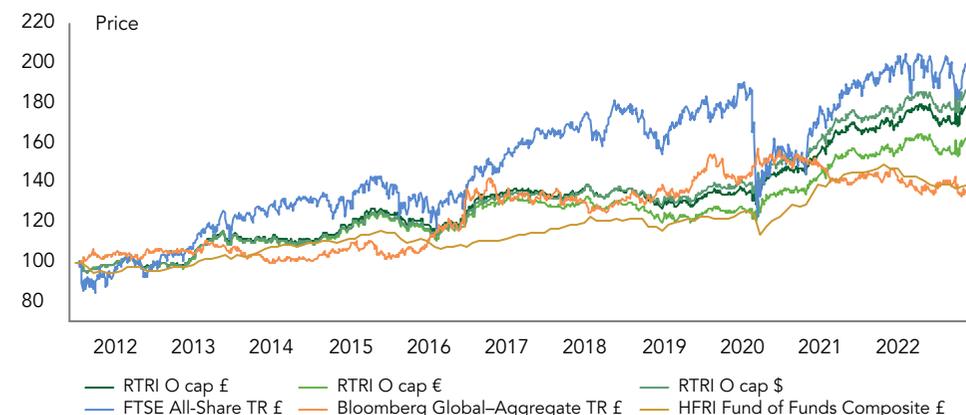
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## Investment objective

The investment objective of the Ruffer Total Return International ('the fund') is to achieve low volatility, 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.

## Performance since fund launch on 14 July 2011

Past performance does not predict future returns



Performance O cap shares %	GBP	EUR	USD	Share price as at 30 November 2022				
November 2022	1.7	1.5	1.7	O CHF Capitalisation	1.5429			
Year to date	5.1	3.6	5.5	OI EUR Capitalisation	1.6146			
1 year	5.0	3.5	5.5	O EUR Capitalisation	1.6134			
3 years	31.7	28.1	33.8	O GBP Capitalisation	1.7772			
5 years	31.4	24.5	37.6	O USD Capitalisation	1.8517			
10 years	77.5	62.1	85.5	OI USD Capitalisation	1.8526			
12 month performance to September %				2018	2019	2020	2021	2022
RTRI O cap £				1.9	-0.1	8.4	14.1	6.4
RTRI O cap €				0.7	-1.5	7.4	13.4	5.1
RTRI O cap \$				3.2	1.6	9.5	14.5	6.8
FTSE All-Share TR £				5.9	2.7	-16.6	27.9	-4.0
Bloomberg Global-Aggregate TR £				1.5	13.9	1.3	-5.0	-3.9
HFRI Fund of Funds Composite £				6.0	5.8	0.8	9.6	13.1

Source: Ruffer LLP, FTSE International, Bloomberg, Hedge Fund Research Inc. The comparator benchmarks shown in this document is as stated in the fund's prospectus.

# Ruffer Total Return International as at 30 Nov 2022

## Asset allocation



Asset allocation	%
● Short-dated bonds	23.4
● Index-linked gilts	16.2
● Cash	13.6
● Non-UK index-linked	11.1
● Long-dated index-linked gilts	6.8
● Long-dated bonds	6.5
● Illiquid strategies and options	4.6
● Gold exposure and gold equities	4.1
● UK/Europe equities	8.3
● North America equities	3.3
● Japan equities	1.5
● Other equities	0.6

## 10 largest equity holdings\*

Stock	% of fund
BP	2.1
Ryanair	0.7
Glencore	0.6
Ambev SA	0.6
ArcelorMittal	0.5
Hoya	0.5
Yara International	0.5
Unilever	0.4
NEC	0.4
Synchrony Financial	0.4

## 5 largest bond holdings

Stock	% of fund
UK Treasury index-linked 2.5% 2024	8.0
UK Treasury index-linked 0.125% 2024	6.9
US Treasury 0.625% TIPS 2023	6.4
US Treasury 0.125% TIPS 2052	5.1
US Treasury 0.125% TIPS 2051	4.1

\*Excludes holdings in pooled funds

Fund size £5,429.8m €6,280.1m

## Fund information

Ongoing Charges Figure	1.45
Maximum annual management fee (O class)	1.5
Annual management fee	1.4
Maximum subscription fee	5.0
Minimum investment (or equivalent in other currency)	£1,000
O share classes	Capitalisation only (equivalent to accumulation)
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	CHF O cap LU0638558808 B4R1SD2 EUR Olcap LU2252564898 BMYP2W0 EUR O cap LU0638558717 B42NV78 GBP O cap LU0638558634 B41Y053 USD O cap LU0638558980 B449LX0 USD Olcap LU2252564971 BMYP2X1

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.

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## 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 the University of Oxford.



### 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 CISI. 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 31 October 2022, assets managed by the Ruffer Group exceeded £25.1bn.

## Enquiries

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

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