

# LF Ruffer Gold Fund

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

During the quarter, the fund's C accumulation shares fell by 10.64% from 235.16p to 210.14p. This compares to a fall of 6.20% in the FTSE Gold Mines Total Return Index in sterling terms. Over the period the gold price fell by 8.12% in US dollar terms but rose by 0.25% in sterling terms.

It has been another challenging quarter for gold mining stocks and the gold price. Investors have continued to liquidate positions across almost all asset classes as the Federal Reserve has continued to hike interest rates. The US dollar has continued to soar, presenting a significant headwind to gold.

The Q2 operating results for gold miners were generally disappointing with reported Q2 results showing the impact of a full quarter of high oil prices on costs. In addition, labour shortages and supply chain issues continued to cause production shortfalls. With a lack of buyers in the market, stocks reporting bad news were often hit disproportionately hard.

The fund performed poorly this quarter due to continued underperformance of our Western Australian positions and some stock specific bad news. As noted last quarter, Western Australian domestic miners have been particularly hard hit this year by labour shortages as Covid impacts of re-opening have been more significant than the increased supply of labour from outside of the State which has been relatively small to date. Falls in Westgold Resources, Ramelius Resources and Red 5 (down 28%, 16% and 20% respectively in sterling terms) all materially impacted the portfolio over the quarter. Whilst operating conditions were challenging in the first half of the year, these stock price falls seem over-stated on a longer term view. Outside of Australia, Centerra Gold (down 29% in sterling terms) was a material negative contributor to performance as the stock reacted to the news that there would be a lengthy delay to the re-opening of their Oksut mine in Turkey. Whilst this news was disappointing, we are confident of the value on offer in this stock.

On the positive side, our position in Kinross Gold (up 15% in sterling terms) delivered a significant positive contribution as management announced an enhanced buy-back programme in September.

Sterling weakness sheltered the fund somewhat during the quarter as HMG explored the limits to the market's tolerance of expansionary UK fiscal policy in September. It will be interesting to see the lasting impact on UK fiscal policy of this episode and also the degree to which it impacts fiscal policy elsewhere.

With the recent rapid rise in interest rates we believe we are getting close to a point where something will break in financial markets. This may mean more pain for the portfolio in the short term but we believe this will ultimately result in a scenario which is positive for gold. Despite the operational challenges of recent quarters, we continue to believe our portfolio is attractively valued relative 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.

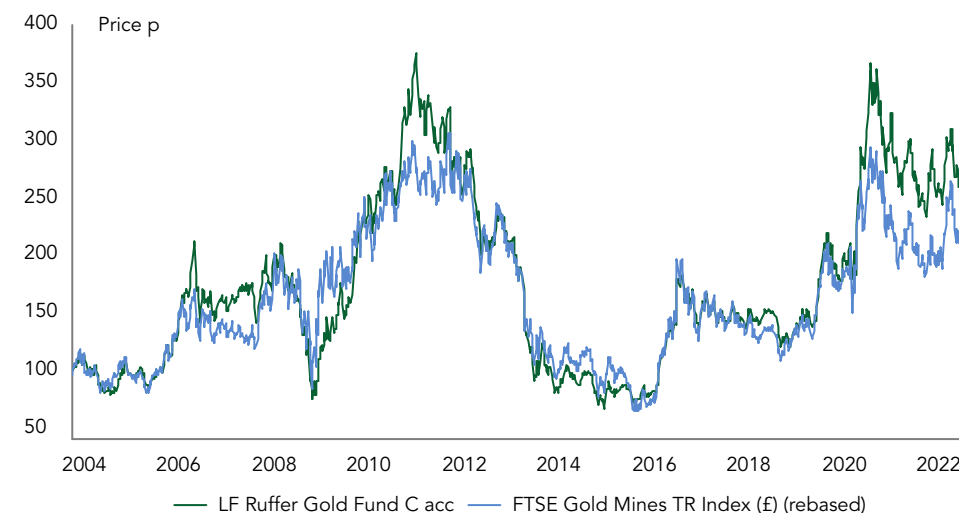


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## Investment objective

To seek to achieve capital growth over the longer term (at least seven years), after all costs and charges have been taken. 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 October 2003



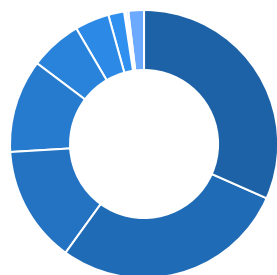
C accumulation shares	Performance %	Share price as at 30 September 2022	p
Q3	-10.6	O accumulation	203.78
Year to date	-20.2	C accumulation	210.14
1 year	-10.5	C income	127.19
3 years	4.0		
5 years	43.3		
10 years	-11.1		

12 month performance to September %	2018	2019	2020	2021	2022
LF Ruffer Gold Fund C acc	-13.8	59.7	64.7	-29.5	-10.5
FTSE Gold Mines TR Index (£) (rebased)	-19.1	61.1	43.0	-30.2	-2.9

Source: Ruffer LLP, FTSE International (FTSE) †

# LF Ruffer Gold Fund as at 30 Sep 2022

## Portfolio structure



Asset allocation	%
• North America	31.6
• Africa	28.3
• Australia	14.2
• Asia	11.2
• South America	6.2
• Europe	4.2
• Options and protection	1.9
• UK	0.3
• Other equities	0.2
• Cash	1.9

### Capitalisation breakdown

% market exposure	Size	Market cap
5.7	Large	US\$5bn+
37.0	Mid	US\$1-\$5bn
57.3	Small	US\$0-\$1bn

## 10 largest of 111 holdings

Stock	% of fund	Stock	% of fund
Kinross Gold	8.1	Mandalay Resources	4.1
Endeavour Mining	7.8	Westgold Resources	3.7
Perseus Mining	7.4	OceanaGold	3.5
Centerra Gold	5.4	Ramelius Resources	3.4
AngloGold Ashanti	4.5	Pan African Resources	3.3

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

The views expressed in this report 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.

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](http://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 **£463.1m**

## Fund information

%	O class	C class
Ongoing Charges Figure*	1.54	1.24
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	GB0033628156 (acc)	GB00B8510Q93 (acc) GB00B88BZBT51 (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 31 August 2022, assets managed by the Ruffer Group exceeded £26.3bn.

## Dealing line

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