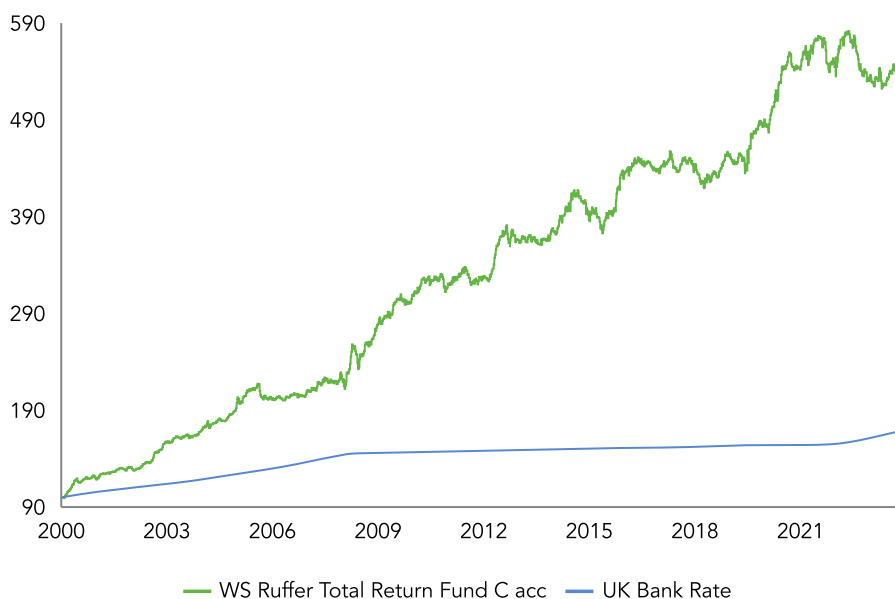


# WS Ruffer Total Return Fund

SHARE PRICE PERFORMANCE SINCE LAUNCH ON 27 SEPTEMBER 2000



The fund fell back marginally over the month as equity markets continued to move higher, albeit in increasingly narrow fashion. The S&P 500 was up 4% over the last month, whilst the same index equal-weighted was down by 1%, this is illustrative of a world of fewer winners and more losers. There is an adage that when markets are broad, they are strong, but when they are narrow, they are weak.

Over the past nine months we have managed to maintain a level of protection in portfolios we believe will be essential when market conditions deteriorate. But in contrast to the second quarter of last year, the growth assets have contributed to ensure that the fund isn't retreating in the intervening period. This has been driven by proactive portfolio adjustments. Adding duration in the fourth quarter gave us a positive year end; an increased equity weighting and dynamic management of the portfolio's commodity exposure have supported returns this year.

There is something of a dichotomy at play in markets; many investors express concerns but these are not yet reflected in their positioning. In a recent Bank of America Fund Manager survey 69% of respondents consider the 'Magnificent 7' to be the most crowded trade in markets, meanwhile about half of those respondents expect large-cap US growth stocks (dominated by the same seven names) to lead the market higher. There is no telling how much crossover there was from individual respondents, but it indicates a market displaying both uncertainty and great confidence in a benign outcome, given the level of valuations. This is a potentially dangerous combination, particularly when positioning is increasingly extreme in nature (and when leverage is involved).

Our predominant contention in the short term is that investor positioning is yet to adjust to reflect higher risk-free rates. Investors are currently paid more than 5% to not take risk. Meanwhile, risk premiums (the additional return an investor should receive for coming out of cash) are low, particularly in the US. It might be the case that conditions remain benign, but the potential upside of that outcome is limited. This informs our continued focus on ensuring that the portfolio is well positioned to make money should the certainties break and take advantage of the opportunities any sell-off presents.

The yen remains a key protection; we see many reasons for the yen to strengthen, but key to its role in the portfolio is that if the yen is strengthening it is likely to be against a backdrop of financial stress. Credit spreads give us exposure should the current compressed nature of risk premiums reverse. If liquidity is less readily available, a significant re-pricing of corporate debt is likely. We must also remain conscious of the need to participate should the current benign environment persist; the combination of a 25% allocation to equities, a recently increased position in oil plus exposure to gold mining equities, should allow us to participate, but without compromising our capital preservation mandate.

## C CLASS JUNE 2024

| Performance C acc % | GBP  |
|---------------------|------|
| June                | -0.5 |
| Year to date        | -0.4 |
| 1 year              | 0.4  |
| 3 years pa          | -0.4 |
| 5 years pa          | 4.1  |
| 10 years pa         | 3.9  |
| Since inception pa  | 7.3  |

### Share price, p

|                |        |
|----------------|--------|
| C GBP acc      | 536.07 |
| C GBP inc      | 323.37 |
| Dividend yield | 1.99   |

|                   | Net  | Gross |
|-------------------|------|-------|
| Duration (years)  | 3.1  | 3.3   |
| Equity exposure % | 24.0 | 25.8  |

| C acc GBP       | Volatility % | Sharpe | Sortino |
|-----------------|--------------|--------|---------|
| 3 years         | 5.3          | -0.6   | -0.7    |
| 5 years         | 6.4          | 0.4    | 0.5     |
| 10 years        | 6.0          | 0.5    | 0.7     |
| Since inception | 6.9          | 0.7    | 1.3     |

### 12 month performance to 30 June 2024

| %            | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------|------|------|------|------|------|
| RTRF C acc   | 9.0  | 13.8 | 0.5  | -2.2 | 0.4  |
| UK Bank Rate | 0.6  | 0.1  | 0.4  | 3.2  | 5.2  |

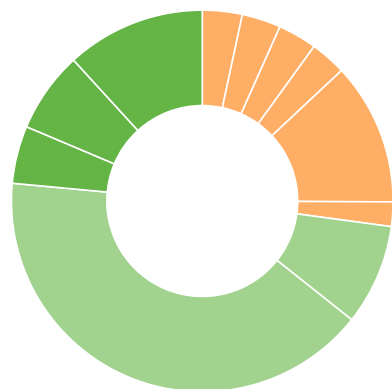
One to twelve month performance figures are cumulative, all others are annualised. Source: Ruffer LLP, Bloomberg. The comparator benchmark shown in this document is as stated in the fund's prospectus. C acc share class performance includes data calculated prior to the inception date, 12 September 2012, based upon a simulated/extended track record using the track record of WS Ruffer Total Return Fund O acc. 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

To seek to achieve positive returns in all market conditions over any 12 month period, after all costs and charges have been taken. Underlying this objective is a fundamental philosophy of capital preservation. Capital invested is at risk and there is no guarantee that a positive return will be delivered over any 12 month period.

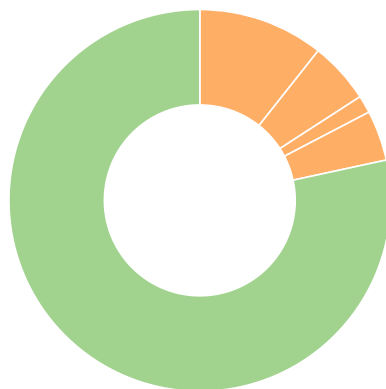
# WS Ruffer Total Return Fund 30 Jun 24

## ASSET ALLOCATION



|                                          | %    |
|------------------------------------------|------|
| <b>Inflation protection</b>              |      |
| Non-UK inflation-linked bonds long-dated | 12.1 |
| Gold and precious metals exposure        | 7.1  |
| UK inflation-linked bonds long-dated     | 5.0  |
| <b>Sell-off protection</b>               |      |
| Short-dated nominal bonds                | 42.0 |
| Cash                                     | 8.8  |
| Credit and derivative strategies         | -3.0 |
| <b>Economic growth</b>                   |      |
| Healthcare equities                      | 3.5  |
| Financials equities                      | 3.4  |
| Energy equities                          | 3.4  |
| Consumer staples equities                | 3.1  |
| Other equities                           | 12.4 |
| Commodity exposure                       | 2.1  |

## CURRENCY ALLOCATION



|                                       | %    |
|---------------------------------------|------|
| <b>Currency allocation</b>            |      |
| Sterling                              | 78.4 |
| Yen                                   | 10.7 |
| US dollar                             | 5.2  |
| Hong Kong dollar                      | 1.5  |
| Other                                 | 4.3  |
| <b>Geographical equity allocation</b> |      |
| UK equities                           | 11.3 |
| Europe equities                       | 5.2  |
| Asia ex-Japan equities                | 5.0  |
| North America equities                | 4.1  |
| Other equities                        | 0.3  |

## 5 LARGEST EQUITY HOLDINGS

| Stock                          | % of fund |
|--------------------------------|-----------|
| iShares MSCI China A UCITS ETF | 3.2       |
| BP ADR                         | 1.4       |
| Roche                          | 1.1       |
| Alibaba Group                  | 1.0       |
| Pfizer                         | 0.9       |

The credit and derivatives strategies allocation is calculated using market value. In some cases, this allocation might be negative due to the nature of how the instruments, in particular credit default swaps, are priced. 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 May 2024, assets managed by the Ruffer Group exceeded £21.8bn.



**FUND SIZE £2,074.0M**

## FUND INFORMATION

|                                                      |                                                                                                       |         |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------|
| Annual management charge %                           | 1.2                                                                                                   |         |
| Maximum initial charge %                             | 5.0                                                                                                   |         |
| Minimum investment (or equivalent in other currency) | £1,000                                                                                                |         |
| Ongoing Charges Figure %                             | 1.23                                                                                                  |         |
| Cut offs                                             | 10am on Wednesday (where it is a business day) and the last business day of the month                 |         |
| Dealing frequency                                    | Weekly forward, every Wednesday where this is a business day, plus the last business day of the month |         |
| Ex dividend dates                                    | 15 Mar, 15 Sep                                                                                        |         |
| Pay dates                                            | 15 May, 15 Nov                                                                                        |         |
| Investment adviser                                   | Ruffer LLP                                                                                            |         |
| Depository                                           | The Bank of New York Mellon (International) Limited                                                   |         |
| Authorised Corporate Director                        | Waystone Management (UK) Limited                                                                      |         |
| Auditors                                             | Ernst & Young LLP                                                                                     |         |
| Structure                                            | Sub-fund of WS Ruffer Investment Funds (OEIC)<br>UK domiciled UCITS<br>Eligible for ISAs              |         |
| Share class                                          | ISIN                                                                                                  | SEDOL   |
| C GBP acc                                            | GB00B80L7V87                                                                                          | B80L7V8 |
| C GBP inc                                            | GB00B58BQH88                                                                                          | B58BQH8 |

## ENQUIRIES

Ruffer LLP  
80 Victoria Street  
London SW1E 5JL

rif@ruffer.co.uk  
+44 (0)20 7963 8218  
ruffer.co.uk/rtrf

## DEALING LINE

0345 601 9610

## FUND TEAM



**Steve Russell**  
FUND MANAGER

Graduated from the University of Oxford in PPE and started work as an equity analyst at Confederation Life in 1987, progressing to Head of Equities. In 1999 he moved to HSBC Investment Bank as Head of UK and European Equity Strategy, before joining Ruffer in 2003. He is co-manager of two of Ruffer's flagship funds.



**Matt Smith**  
FUND MANAGER

Joined Ruffer in 2011 after graduating from the University of Edinburgh with a first class honours degree in history and German, and is a fellow of the CISI. He co-manages two of Ruffer's flagship funds.



**Alexander Chartres**  
FUND MANAGER

Joined Ruffer in 2010 after graduating from Newcastle University with a first class honours degree in history and politics. He is a Fellow of the CISI and co-manager of two of Ruffer's flagship funds.

## 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

**UK Bank Rate** the rate the Bank of England charges banks and financial institutions for loans with a maturity of one day

**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)

This financial promotion is issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL. Ruffer LLP is authorised and regulated by the Financial Conduct Authority. © Ruffer LLP 2024

## DISCLAIMER

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/rtrf](https://ruffer.co.uk/rtrf) WS Ruffer Investment Funds is a UK UCITS. The WS Ruffer Total Return Fund is not registered for distribution in any country other than the UK. In line with the Prospectus, it is possible at any one time the WS Ruffer Total Return Fund 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.

