

Ruffer Investment Company Limited

SHARE PRICE PERFORMANCE SINCE LAUNCH ON 7 JULY 2004



February saw a continuation of the AI-fuelled rally with both the S&P and Nasdaq indices ending the month at new all-time highs. The equity market exuberance was given a shot in the arm by Nvidia's earnings announcement mid-month, following which the stock rallied more than 16% in a day. Nvidia's market value gain on that day alone was greater than the total value of US gold mining companies. The market jitters evident around a single company's earnings release hints to us of an unstable trend that could just as easily surprise to the downside. This observation makes the derivative protections we hold especially attractive, albeit they were a drag on performance during the month.

Equities were a key driver of performance during February despite our low weight. Notably, Chinese equity markets rebounded. This turnaround followed an announcement by the Chinese securities regulator at the end of January banning stock lending. We believe sentiment and positioning in Chinese equities has reached extreme lows and this is reflected in attractive valuations. Furthermore, the incremental support being provided to asset markets by the Chinese authorities gives us comfort they are pushing in our direction. This stands in stark contrast to the setup for US equity markets where, needless to say, we remain cautious of both valuations and momentum.

Meanwhile bond yields continued to rise in February, as expectations for the number of interest rate cuts in 2024 fell, increasing the divergence between bond and equity market performance so far this year. Despite this, long-dated UK inflation-linked bonds were a positive contributor to performance as the oversold dynamics of January were reversed. However, our other interest rate sensitive holdings such as gold mining equities and the yen suffered as yields rose.

Having entered 2024 believing markets were priced for perfection (aka a soft landing), we are now watching closely as growth and inflation risks start to be re-priced. Expectations of a US recession in the next six months are falling fast, and the pace of disinflation has abated. Looking ahead, we expect persistent inflation to remain an issue as policy makers have shown a willingness to deliver a swift and deep-pocketed response to any economic pain and the most realistic long term solution to bulging government deficits is inflation. We continue to position the fund to benefit from this structural theme, through exposure to gold, inflation-linked bonds and commodities.

However, our focus in the immediate future remains on liquidity risks, as central bankers continue to shrink the size of their balance sheets. Any meaningful fiscal or monetary support for markets is, in our view, likely only to arrive after asset prices have been hit. In such an environment, we find confidence in a portfolio that leans heavily on the attractive real return available in cash and short dated bonds whilst holding additional protection to benefit from falling markets.

FEBRUARY 2024

Performance %	Net Asset Value	Share price
February	-0.2	-0.6
Year to date	-2.1	-4.0
1 year	-6.1	-13.8
3 years pa	2.2	-0.5
5 years pa	6.2	5.9
10 years pa	4.1	3.3
Since inception pa	6.9	6.4

Share price

RIC	264.00
Net Asset Value (NAV) per share	279.75

	Net	Gross
Duration (years)	2.4	2.5
Equity exposure %	16.7	19.5

RIC GBP	Volatility %	Sharpe	Sortino
3 years	5.5	-0.0	-0.0
5 years	6.6	0.7	1.2
10 years	5.9	0.5	0.9
Since inception	6.4	0.8	1.5

	%
Premium/discount to NAV	-5.6
NAV total return since inception ¹	268.7
Standard deviation ²	1.85
Maximum drawdown ²	-9.59

12 month performance to 31 December 2023

%	2019	2020	2021	2022	2023
RIC	8.4	13.5	12.0	8.0	-6.2
FTSE All-Share TR £	19.2	-9.8	18.3	0.3	7.9
Twice Bank Rate	1.5	0.5	0.2	2.9	9.6

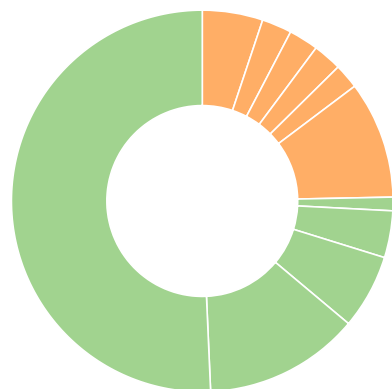
¹ Including 46.4p of dividends ² Monthly data (total return NAV). All figures in the performance table are calculated on a total return basis (including reinvestment of income). If monthly performance is quoted in the commentary, it may be calculated on a price return basis and differ from the information in this table. One to twelve month performance figures are cumulative, all others are annualised. Source: Ruffer LLP, FTSE International. 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

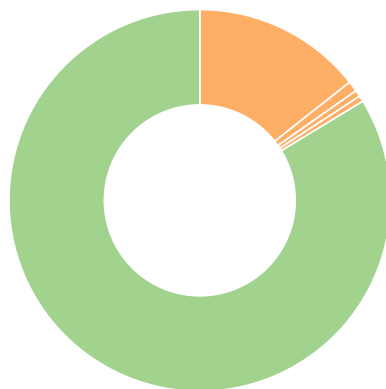
The principal objective of the Company is to achieve a positive total annual return, after all expenses, of at least twice the Bank of England base rate. The Company predominantly invests in internationally listed or quoted equities or equity-related securities (including convertibles) or bonds which are issued by corporate issuers, supra-nationals or government organisations. Where appropriate, collective investment schemes will also be used to gain exposure to these assets.

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ASSET ALLOCATION



CURRENCY ALLOCATION



Asset allocation	%
Short-dated bonds	50.7
Credit and derivative strategies	13.2
Long-dated index-linked gilts	6.3
Gold exposure and gold equities	4.0
Cash	1.1
Commodity exposure	5.1
Consumer staples equities	2.5
Energy equities	2.5
Consumer discretionary equities	2.4
Financials equities	2.1
Other equities	9.9

Currency allocation	%
Sterling	83.7
Yen	14.4
Hong Kong dollar	0.9
AU dollar	0.5
Other	0.5
Geographical equity allocation	%
UK equities	7.6
Asia ex-Japan equities	4.2
North America equities	3.2
Europe equities	3.2
Other equities	1.3

5 LARGEST EQUITY HOLDINGS

Stock	% of fund
BP	1.6
iShares MSCI China A UCITS ETF	1.5
Alibaba Group ADR	1.0
TSMC ADR	0.8
Swire Pacific	0.7

Largest equity holdings exclude Ruffer funds | Source: Ruffer LLP | Totals may not equal 100 due to rounding

RUFFER LLP

The Ruffer Group manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 January 2024, assets managed by the Ruffer Group exceeded £22.9bn.

NAV **£1,054.1M**

SHARES **376,787,764**

MARKET CAPITALISATION **£994.7M**

FUND INFORMATION

Annual management charge %	(no performance fee) 1.00	
Ongoing Charges Ratio %	(audited at 30 Jun 23) 1.08	
Valuation point	Weekly, every Tuesday and the last business day of the month	
Ex dividend dates	March, October	
Administrator	Apex Fund and Corporate Services (Guernsey) Limited	
Custodian	Northern Trust (Guernsey) Limited	
Broker	Investec	
Structure	Guernsey domiciled limited company	
Discount management	Share buyback Discretionary redemption facility	
Listing	London Stock Exchange	
NMPI status	Excluded security	
Stock ticker	RICA LN	
Wrap	ISA/SIPP qualifying	
Share class	ISIN	SEDOL
RIC	GB00B018CS46	B018CS4

ENQUIRIES

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FUND TEAM



Duncan MacInnes

FUND MANAGER

Joined Ruffer in 2012. He graduated from the University of Glasgow School of Law in 2007 and spent four years working at Barclays in Glasgow, London and Singapore. He is a CFA charterholder and co-manager of two of Ruffer's flagship funds.



Jasmine Yeo

FUND MANAGER

Joined Ruffer in 2017, having graduated with a degree from Warwick Business School. She is a member of the CISI, and co-manager of two of Ruffer's flagship funds and Ruffer's investment trust.

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)

DISCLAIMER

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