



APRIL 2013

ISSUE 95

Share price as at 30 Apr 2013

221.50p

NAV as at 30 Apr 2013

Net Asset Value (per share)

215.94p

Premium/(discount) to NAV

As at 30 Apr 2013

2.6%

NAV total return¹

Since inception

151.7%

£ Statistics since inception

Standard deviation ²	2.01%
Maximum drawdown ³	-7.36%

¹Including 20.8p of dividends

²Monthly data (Total Return NAV)

³Monthly data (Total Return NAV)

Percentage growth in total return NAV

31 Mar 2012 – 31 Mar 2013	9.3
31 Mar 2011 – 31 Mar 2012	3.9
31 Mar 2010 – 31 Mar 2011	8.7
31 Mar 2009 – 31 Mar 2010	29.6
31 Mar 2008 – 31 Mar 2009	9.4

Source: Ruffer LLP

Six monthly return history

Date	NAV (p)	TR NAV* (p)	% Total return
31 Dec 12	196.8	223.1	3.4
30 Jun 12	191.9	215.8	0.0
30 Dec 11	193.5	215.8	-0.3
30 Jun 11	195.6	216.5	1.0
31 Dec 10	195.2	214.4	7.8
30 Jun 10	182.6	198.9	8.1
31 Dec 09	170.3	184.0	12.6
30 Jun 09	152.6	163.3	2.2
31 Dec 08	150.9	159.8	16.0
30 Jun 08	131.3	137.7	6.7
31 Dec 07	124.2	129.0	7.5
29 Jun 07	116.7	120.0	-1.4
29 Dec 06	119.6	121.7	0.6
30 Jun 06	119.4	121.0	-0.5
30 Dec 05	120.5	121.6	7.9
30 Jun 05	112.2	112.7	5.6
31 Dec 04	106.7	106.7	8.9

*Includes re-invested dividends

Source: Ruffer

Dividends ex date: 0.5p 30 Mar 05, 7 Sep 05, 22 Mar 06 and 27 Sep 06, 1.25p 21 Mar 07, 26 Sep 07, 5 Mar 08 and 1 Oct 08, 1.5p 4 Mar 09, 30 Sep 09, 3 Mar 10, 1 Sept 10, 2 Mar 11 and 5 Oct 11, 1.6p on 29 Feb 12, 26 Sep 12 and 6 Mar 13

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.

RUFFER INVESTMENT COMPANY LIMITED

An alternative to alternative asset management

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 Bank Rate by investing predominantly in internationally listed or quoted equities or equity related securities (including convertibles) or bonds which are issued by corporate issuers, supranationals or government organisations.

RIC performance since launch on 8 July 2004



Investment report

Performance details

The net asset value at 30 April was 215.94p, representing a rise of 1.2% during the month and a new high for the NAV since the company's inception in 2004. The FTSE All-Share rose by 0.6% during the month on a total return basis.

Performance contributions

Positive contributions came from the long dated index-linked gilts (+0.3%), Vodafone (+0.1%), Microsoft (+0.2%), M1 (+0.3%) and Japanese equities (+1.5%). The principal detractor from performance was the exposure to gold and gold mining companies (-1.5%).

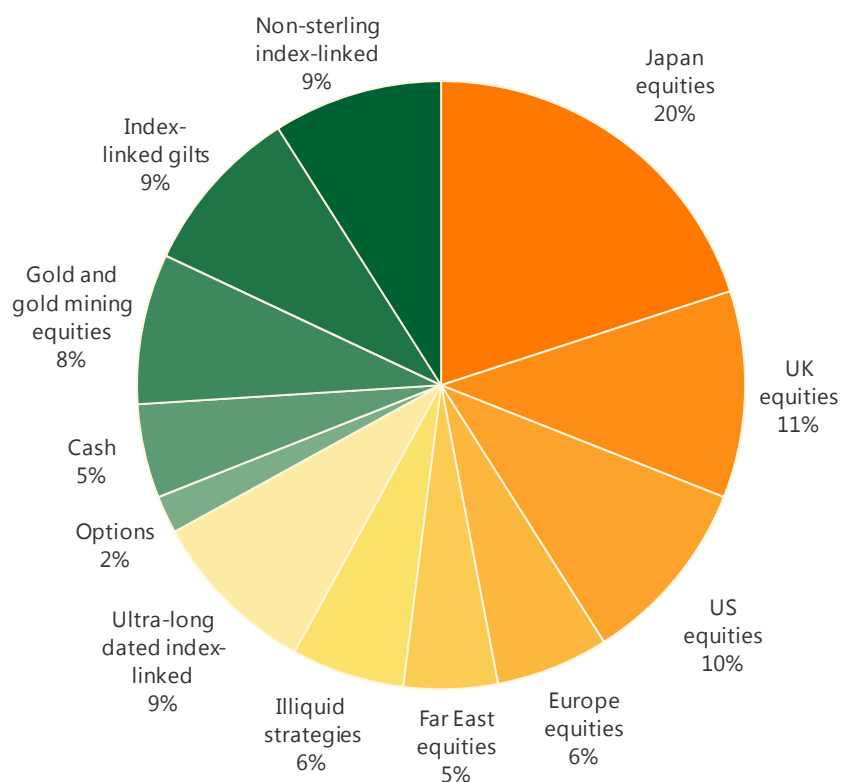
Market commentary

We have written in the past that we have always felt that gold makes an uncomfortable and yet necessary bedfellow and this month's price move was a painful reminder of that fact; in dollar terms the gold price fell 7.6% (9.7% in sterling) in April. Many theories have been put forward to explain the sell-off but the truth is that we will probably never know exactly what the drivers were. Gold is impossible to analyse as it is fundamentally a pretty useless thing; supply may fluctuate as mines come on and off line, central banks buy and sell and there will be some demand fluctuation from the Indian jewellery market, but the price of gold is overwhelmingly determined by investment demand (or speculation as the cynics might say). However, as long as gold is not able to be created by alchemists it will represent a store of value and

no more so than at times when central banks are endeavouring to debase their easily printable paper currencies. We have ample protection from monetary instability in the shape of our index-linked bonds. This is a much larger weighting (27%) than we have to gold (8%) and for good reason – index-linked bonds are a relatively simple play on real interest rates whereas gold is held by different people for many different reasons; currency debasement, inflation protection, geopolitical risk, financial Armageddon, etc. However, index-linked bonds do not give us protection from rising sovereign risk and the threat of government default; gold does provide such protection and for that reason will continue to form part of our asset allocation until that threat has disappeared. It would be much more worrying if gold was deserting us at a time of financial stress but its volatility is easier to stomach when the rest of the portfolio has been pretty robust.

In terms of trading during the month we took some profits in Sumitomo Mitsui Financial Group which has had a stellar run and has appreciated 89.5% since purchase. We also sold our holding in Mondelez, the confectionary offshoot of Kraft, which again has been an excellent performer (+61.6%) but we are concerned by its exposure to potentially weakening emerging markets, which make up 45% of its sales.

Portfolio structure as at 30 Apr 2013



Source: Ruffer LLP

Ten largest holdings as at 30 Apr 2013

Stock	% of fund
1.25% Treasury index-linked 2017	7.3
1.25% Treasury index-linked 2055	5.7
Gold Bullion Securities	5.7
US Treasury 1.625% TIPS 2018	4.2
US Treasury 0.125% TIPS 2022	3.6
CF Ruffer Japanese Fund	3.5
0.375% Treasury index-linked 2062	3.5
T&D Holdings	2.7
Ruffer Protection Strategies	2.4
BP	2.3

Five largest equity holdings* as at 30 Apr 2013

Stock	% of fund
Gold Bullion Securities	5.7
T&D Holdings	2.7
BP	2.3
Vodafone	2.3
BT	2.2

*Excludes holdings in pooled funds

Source: Ruffer LLP

NAV valuation point

Weekly – Friday midnight
Last business day of the month

NAV

£319.1m (30 Apr 2013)

Shares in issue

147,788,416

Market capitalisation

£327.4m (30 Apr 2013)

No. of holdings

60 equities, 7 bonds (30 Apr 2013)

Share price

Published in the Financial Times

Market makers

Canaccord Genuity
Cenkos Securities | Numis Securities
JPMorgan Cazenove | Winterflood Securities



HAMISH BAILLIE Investment Director

Joined Ruffer in 2002. Founded and manages the Edinburgh office of Ruffer LLP which opened in September 2009 and is a director of Ruffer (Channel Islands) Limited. As well as acting as the lead manager on the Ruffer Investment Company he also manages investment portfolios for individuals, trusts, charities and pension funds. He is a member of the Chartered Institute for Securities & Investment and a graduate of Trinity College Dublin.



STEVE RUSSELL Investment Director

Started as a research analyst at SLC Asset Management in 1987, where he became Head of Equities in charge of £5bn of equity funds. In 1999 moved to HSBC Investment Bank as Head of UK and European Equity Strategy, before joining Ruffer in September 2003. Became a non-executive director of JPMorgan European Investment Trust in 2005 and is co-manager of the CF Ruffer Total Return Fund.

Company information

Company structure	Guernsey domiciled limited company
Share class	£ sterling denominated preference shares
Listing	London Stock Exchange
Settlement	CREST
Wrap	ISA/SIPP qualifying
Discount management	Share buyback Discretionary redemption facility
Investment Manager	Ruffer LLP
Administrator	Northern Trust International Fund Administration Services (Guernsey) Limited
Custodian	Northern Trust (Guernsey) Limited
Ex dividend dates	March, September
Stock ticker	RICA LN
ISIN	GB00B018CS46
SEDOL	B018CS4
Charges	Annual management charge 1.0% with no performance fee
Enquiries	Alexander Bruce Tel +44 (0)20 7963 8104 Fax +44 (0)20 7963 8175 rif@ruffer.co.uk www.ruffer.co.uk

Ruffer LLP

Ruffer LLP manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 30 April 2013, assets managed by the group exceeded £15.8bn.