

# RUFFER INVESTMENT COMPANY LIMITED ('THE COMPANY')

## Interim Management Statement – 1 July 2014 to 30 September 2014

### PERFORMANCE SUMMARY

The NAV per share increased from 206.1p at 1 July 2014 to 209.0p at 30 September 2014. For the period under review, the Company recorded a total return (net of fees and expenses) of 1.4% compared to the objective return of 0.25%, being twice the time-weighted Bank of England base rate over the period. Since inception (on 7 July 2004), the Company has achieved a positive total return of 147.6%, compared to twice the time-weighted Bank of England base rate return of 64.1%.

The share price fell from 202.25p at 1 July 2014 to 201.75p at 30 September 2014. The share price at the end of the period traded at a discount of 3.5% to the NAV, having widened from a discount of 1.8% at the start of the period.

#### Annual return history

Date	30 Sep 04**	30 Sep 05	30 Sep 06	30 Sep 07	30 Sep 08	30 Sep 09
NAV (p)	101.2*	117.4*	118.8*	120.4*	131.8*	166.8*
Company growth (%) <sup>†</sup>	3.3	17.1	2.0	3.5	10.5	30.3
Twice Bank Rate (%)	2.2	9.9	9.5	11.2	11.2	2.7

  

Date	30 Sep 10	30 Sep 11	30 Sep 12	30 Sep 13	30 Sep 14
NAV (p)	184.1*	193.0*	192.8*	213.7*	209.0*
Company Growth (%) <sup>†</sup>	12.3	5.6	2.3	11.7	-0.6
Twice Bank Rate (%)	1.0	1.0	1.0	1.0	1.0

<sup>†</sup> Total return

\* Dividend ex date: 0.5p on 30 Mar 05, 30 Sept 05, 22 Mar 06 and 27 Sept 06  
 1.25p on 21 Mar 07, 26 Sept 07, 5 Mar 08 and 1 Oct 08  
 1.5p on 4 Mar 09, 30 Sept 09, 3 Mar 10, 1 Sept 10, 2 Mar 11 and 5 Oct 11  
 1.6p on 29 Feb 12, 26 Sept 12, 6 Mar 13,  
 1.7p on 2 Oct 13, 5 Mar 14,

\*\* Partial period: Inception (7 July 2004) to 30 September 2004

### FINANCIAL POSITION

#### Ten largest holdings

1 July 2014		30 September 2014	
Security	% fund	Security	% fund
1.25% Treasury Index-Linked 2017	7.1	1.25% Treasury Index-Linked 2017	7.0
1.25% Treasury Index-Linked 2055	5.5	1.25% Treasury Index-Linked 2055	5.1
USA Treasury Note 0.625% TIPS 2021	3.8	US Treasury FRN 2016	4.3
USA Treasury Note 1.625% TIPS 2018	3.7	USA Treasury Note 0.625% TIPS 2021	4.0
0.375% Treasury Index-Linked 2062	3.3	USA Treasury Note 1.625% TIPS 2018	3.9
BP	3.2	0.375% Treasury Index-Linked 2062	3.7
T&D Holdings	2.8	Gold Bullion Securities	2.6
USA Treasury Notes 0.625% TIPS 2043	2.8	Ruffer Japanese Fund	2.4
Ruffer Japanese Fund	2.4	USA Treasury Notes 2.125% TIPS 2041	2.2
USA Treasury Notes 2.125% TIPS 2041	2.3	T&D Holdings	2.2

**RUFFER INVESTMENT COMPANY LIMITED ('THE COMPANY')**
*Interim Management Statement – 1 July 2014 to 30 September 2014*
**Five largest equity holdings**

<i>1 July 2014</i>		<i>30 September 2014</i>	
<b>Security</b>	<b>% fund</b>	<b>Security</b>	<b>% fund</b>
BP	3.2	T&D Holdings	2.2
T&D Holdings	2.8	Mitsubishi UFJ Finance	2.1
Mitsubishi UFJ Finance	2.2	IBM	2.0
IBM	1.8	BP	2.0
Lockheed Martin	1.6	Lockheed Martin	1.9

**MATERIAL TRANSACTIONS**
**Five largest purchases**
*1 July 2014 – 30 September 2014*

<b>Security</b>	<b>Cost (£)</b>
US Treasury FRN 2016	£16,409,610
Gold Bullion Securities	£3,317,281
Humana Inc	£3,149,502
Check Point Software	£1,631,497
ASOS plc	£1,588,194

**Five largest sales**
*1 July 2014 – 30 September 2014*

<b>Security</b>	<b>Proceeds (£)</b>
ITV plc	£3,669,216
Goldcorp Inc	£3,270,916
BP plc	£2,850,834
US Treasury FRN 2016	£2,815,052
1.25% Treasury Index-Linked 2055	£2,793,851

The Company increased its cash weighting during the period from 5.3% at 1 July 2014 to 9.4% at 30 September 2014.

The NAV of the Company at 1 July 2014 was £317.3m and this increased to £321.8m at 30 September 2014. The market capitalisation was £311.5m at the start of the period under review and this decreased to £310.7m at 30 September 2014.

*Interim Management Statement – 1 July 2014 to 30 September 2014*

**MATERIAL EVENTS**

---

The Board of the Company is not aware of any significant event that has occurred between 30 June 2014 and the date of the publication of this statement that would have had a material impact on the financial position of the Company. The Board has approved an investment policy consistent with a highly volatile economic climate.

The following announcements were made during the period –

**18 July 2014**

Notice of appointment of Ruffer AIFM Limited, a wholly owned subsidiary of Ruffer LLP, as the Company's alternative investment fund manager. This adjustment in operational arrangements was to ensure compliance with the Alternative Investment Fund Managers Directive (AIFMD).

**25 September 2014**

Declaration of an interim dividend payable in respect of the year ending 30 June 2014 as follows:

Ex date	01 October 2014
Record date	03 October 2014
Pay date	24 October 2014
Dividend per share	1.7p

**25 September 2014**

Publication of the Annual Financial Report for the twelve months ended 30 June 2014