

**PERFORMANCE SUMMARY**

The NAV per share decreased from 215.0p at 1 July 2013 to 213.7p at 30 September 2013. For the period under review, the Company recorded a total return (net of fees and expenses) of -0.6% compared to the objective return of 0.3%, 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 149.1%, compared to twice the time-weighted Bank of England base rate return of 62.5%.

The share price increased from 216.25p at 1 July 2013 to 220.8p at 30 September 2013. The price-to-NAV at the end of the period was a premium of 3.3%, up from 0.6% at the start of the period. 2.625m shares were issued at an average premium of 3% to the prevailing NAV under the block listing facility during the period, thus ensuring that such share issuance was value enhancing to our shareholders.

**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 (%)†	3.3	17.1	2.0	3.5	10.5	30.3
Twice Bank Rate (%)	100.2	110.0	120.5	133.9	148.9	153.0
Date	30 Sep 10	30 Sep 11	30 Sep 12	30 Sep 13		
NAV (p)*	184.1	193.0	192.8	213.7		
Company Growth (%)†	12.3	5.6	2.3	11.7		
Twice Bank Rate (%)	154.6	156.1	157.7	159.3		

† 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 March 13

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

**FINANCIAL POSITION**
**Ten largest holdings**
**1 July 2013**

Security	% fund
1.25% Treasury Index-Linked 2017	7.0
1.25% Treasury Index-Linked 2055	5.1
Gold Bullion Securities	4.8
Ruffer Protection Strategies	4.5
USA Treasury Notes 1.625% TIPS 2018	4.1
CF Ruffer Japanese Fund	3.5
USA Treasury Notes 0.125% TIPS 2022	3.3
T&D Holdings	3.1
0.375% Treasury Index-Linked 2062	3.1
USA Treasury Notes 2.125% TIPS 2041	2.9

**30 September 2013**

Security	% fund
1.25% Treasury Index-Linked 2017	7.0
1.25% Treasury Index-Linked 2055	5.1
Gold Bullion Securities	4.9
USA Treasury Notes 1.625% TIPS 2018	3.8
USA Treasury Notes 0.125% TIPS 2022	3.1
0.375% Treasury Index-Linked 22/03/62	3.1
Ruffer Protection Strategies	2.7
T&D Holdings	2.7
USA Treasury Notes 2.125% TIPS 2041	2.7
CF Ruffer Japanese Fund	2.2

**Interim Management Statement – 1 July 2013 to 30 September 2013****Five largest equity holdings****1 July 2013**

<b>Security</b>	<b>% fund</b>
Gold Bullion Securities	4.8
T&D Holdings	3.1
BP	2.3
Vodafone Group	2.2
Kao	1.8

**30 September 2013**

<b>Security</b>	<b>% fund</b>
Gold Bullion Securities	4.9
T&D Holdings	2.7
International Business Machines	1.9
BP	1.9
Japan Residential Investment Company	1.7

**MATERIAL TRANSACTIONS****Five largest purchases****1 July 2013 – 30 September 2013**

<b>Security</b>	<b>Cost (£)</b>
Annaly Capital Management	£3,654,794
International Business Machines	£3,316,077
NTT Urban Development	£1,789,930
Better Capital (2012)	£1,143,135
Globo	£572,878

**Five largest sales****1 July 2013 – 30 September 2013**

<b>Security</b>	<b>Proceeds (£)</b>
CF Ruffer Japanese Fund	£4,407,600
Hitachi	£4,355,122
Mitsubishi Electric	£3,988,134
PICC Property & Casualty Insurance	£3,358,232
Vodafone	£3,117,901

The Company increased its cash weighting during the period from 6.9% at 1 July 2013 to 14.6% at 30 September 2013.

The NAV of the Company at 1 July 2013 was £320.7m and this increased to £324.4m at 30 September 2013. The market capitalisation was £322.6m at the start of the period under review and this increased to £335.1m at 30 September 2013.

## **MATERIAL EVENTS**

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The Board of the Company is not aware of any significant event that has occurred between 30 June 2013 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 –

### **10 July 2013**

The tap issue of 350,000 Redeemable Participating Preference Shares of £0.01 at a price of 224.25p.

### **16 July 2013**

The tap issue of 300,000 Redeemable Participating Preference Shares of £0.01 at a price of 227.25p.

### **23 July 2013**

The tap issue of 200,000 Redeemable Participating Preference Shares of £0.01 at a price of 226.75p.

### **30 July 2013**

The tap issue of 150,000 Redeemable Participating Preference Shares of £0.01 at a price of 224.50p.

### **13 August 2013**

The tap issue of 400,000 Redeemable Participating Preference Shares of £0.01 at a price of 223.00p.

### **3 September 2013**

The tap issue of 125,000 Redeemable Participating Preference Shares of £0.01 at a price of 222.00p.

### **10 September 2013**

The tap issue of 200,000 Redeemable Participating Preference Shares of £0.01 at a price of 221.75p.

### **17 September 2013**

The tap issue of 600,000 Redeemable Participating Preference Shares of £0.01 at a price of 221.25p.

### **24 September 2013**

The tap issue of 300,000 Redeemable Participating Preference Shares of £0.01 at a price of 222.3p.

### **25 September 2013**

Declaration of a final dividend payable in respect of the year ending 30 June 2013 as follows:

Ex date	2 October 2013
Record date	4 October 2013
Pay date	25 October 2013
Dividend per share	1.7p

### **26 September 2013**

Publication of the Annual Financial Report for the year ended 30 June 2013.