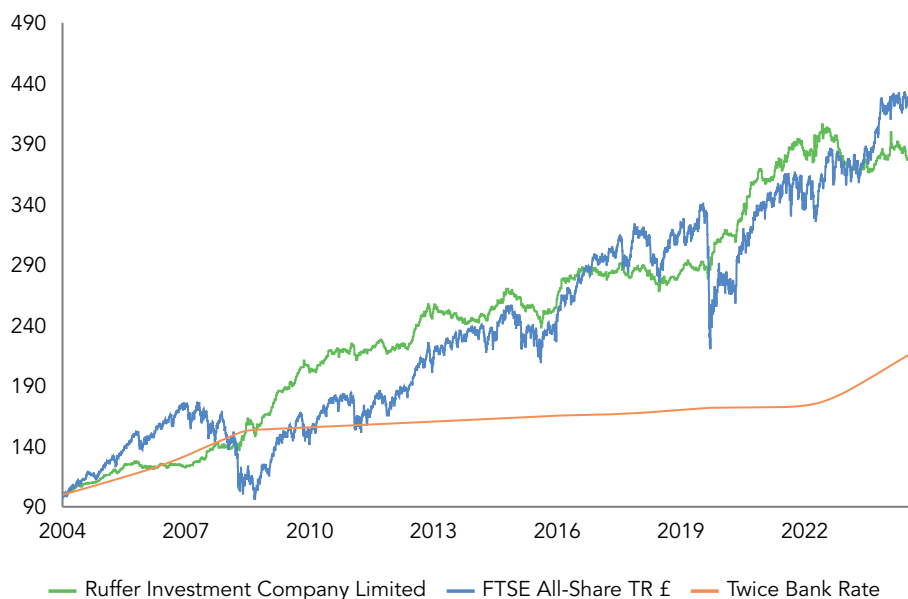


Ruffer Investment Company Limited

SHARE PRICE PERFORMANCE SINCE LAUNCH ON 7 JULY 2004



January witnessed three distinct market environments: initial pain caused by rising interest rates, then relief across equity and bond markets, and finally a short-lived market volatility shock. It was encouraging to see the portfolio perform positively through each of these phases.

Initially, the dollar strength and rising bond yields prompted by Donald Trump's election victory weighed on markets, with global equities and bonds both falling. This presented an opportunity as 10 year real (inflation-adjusted) yields rose above 2.3%, a level in our view unsustainable for the real economy. We moved nearly 5% of the portfolio into 10 year US Treasury Inflation Protected Securities (TIPS). We felt comfortable taking on this risk because the portfolio's credit protections started to work as higher real yields translated into wider corporate bond spreads. The portfolio also benefited as the pound weakened, given our 30% exposure out of sterling, half of which is in the yen.

The second phase was ushered in by an unremarkable US inflation print, which brought relief to rates and equity markets, with the S&P 500 printing its strongest rise since the day after Trump's election. Given our significant position in protection assets and, in the short term, a slightly more benign view on equity markets, we took advantage of the earlier weakness to increase equity exposure through S&P 500 call options. As markets rebounded, the options helped the portfolio's net equity exposure rise to its highest level since 2022. Alongside the options, we took some profits in energy, recycling the proceeds into a diversified basket of Japanese equities. We also increased exposure to platinum and silver, which have since appreciated sharply, reflecting the all-time high in the gold price.

The third market environment was short-lived but significant. DeepSeek, a Chinese ChatGPT rival released in January, claims that its model has been trained at a fraction of the cost. This potentially imperils US tech's dominance in AI and challenges investment in AI infrastructure. Chip maker Nvidia's shares fell 17% in one day, wiping \$590 billion off its market capitalisation, the largest ever daily loss of value for a company. However, while the pain has persisted for many AI-focused stocks, it did not result in broader market contagion. The VIX (a measure of US equity volatility) spiked from 15 to over 21 in a single morning but swiftly retreated below 17 by the end of the month. We built up a significant position in VIX call options while volatility was lower earlier in the month, but we did not consider the spike significant enough to monetise the options, especially since the portfolio was protected by its negligible exposure to US tech.

Our focus is on capital preservation. Nonetheless, January demonstrates that the portfolio can generate positive returns when markets are rising, as well as holding potent protections in case a volatility shock translates into a market correction.

JANUARY 2025

Performance %	Net Asset Value	Share price
January	2.6	2.6
Year to date	2.6	2.6
1 year	4.6	5.5
3 years pa	1.0	-1.6
5 years pa	6.2	5.9
10 years pa	4.0	3.5
Since inception pa	6.8	6.4

Share price

RIC	275.00
Net Asset Value (NAV) per share	287.93
Yield	1.90

	Net	Gross
Duration (years)	2.4	2.4
Equity exposure %	35.6	32.2

RIC GBP	Volatility %	Sharpe	Sortino
3 years	5.4	-0.5	-0.7
5 years	6.6	0.6	1.0
10 years	6.0	0.4	0.7
Since inception	6.3	0.8	1.4

	%
Premium/discount to NAV	-4.5
NAV total return since inception	286.3
including dividends of	53.1p
Standard deviation ¹	1.84
Maximum drawdown ¹	-9.59

12 month performance to 31 December 2024

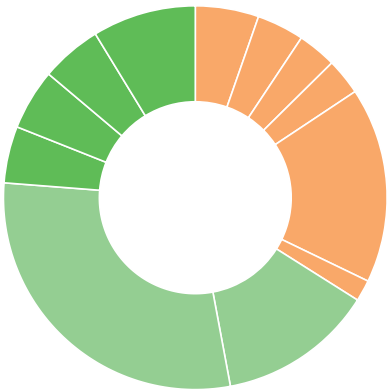
%	2020	2021	2022	2023	2024
RIC NAV total return	13.5	12.0	8.0	-6.2	0.0
FTSE All-Share TR £	-9.8	18.3	0.3	7.9	9.5
Twice Bank Rate	0.5	0.2	2.9	9.6	10.5

¹ 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

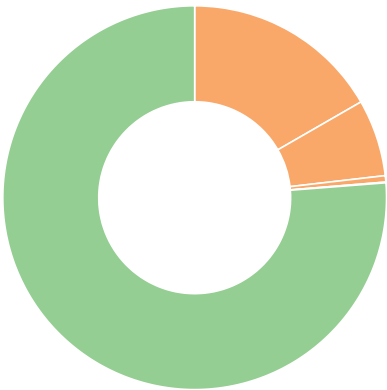
The principal objective of the Company is to achieve a positive total annual return, after all expenses, of at least twice the Bank of England base rate. The Company predominantly invests in internationally listed or quoted equities or equity-related securities (including convertibles) or bonds which 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.

ASSET ALLOCATION



Inflation	%
Gold and precious metals exposure	8.8
Long-dated UK inflation-linked bonds	5.1
Short-dated non-UK inflation-linked bonds	5.1
Long-dated non-UK inflation-linked bonds	4.8
Protection	
Short-dated nominal bonds	29.0
Cash	-0.4
Credit and derivative strategies	13.1
Growth	
Financials equities	5.4
Consumer discretionary equities	4.0
Energy equities	3.3
Materials equities	3.1
Other equities	16.5
Commodity exposure	2.2

CURRENCY ALLOCATION



Currency allocation	%
Sterling	76.2
Yen	16.7
Euro	6.5
Swiss franc	0.5
Other	0.1
Geographical equity allocation	%
UK equities	11.8
North America equities	7.2
Asia ex-Japan equities	5.5
Europe equities	5.2
Japan equities	2.0
Other equities	0.6

5 LARGEST EQUITY HOLDINGS

Stock	% of fund
iShares MSCI China EUR H acc	3.7
BP	2.2
Prudential	1.4
Alibaba Group ADR	1.3
Citigroup	1.0

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

The Ruffer Group manages investments on a discretionary basis for private clients, trusts, charities and pension funds. As at 31 December 2024, assets managed by the Ruffer Group exceeded £19.2bn.

NAV £938.4M

SHARES 325,907,764

MARKET CAPITALISATION £896.2M

FUND INFORMATION

Annual management charge %		(no performance fee) 1.00
Ongoing Charges Ratio %		(audited at 30 Jun 24) 1.06
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

Ruffer AIFM Ltd
80 Victoria Street
London SW1E 5JL

rif@ruffer.co.uk
+44 (0)20 7963 8100
ruffer.co.uk/ric

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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