



RUFFER INVESTMENT COMPANY LIMITED

An alternative to alternative asset management

NOVEMBER 2009

ISSUE 55

Share price as at 30 Nov 2009

176.25p

NAV as at 30 Nov 2009

Net Asset Value (per share)

171.43p

Premium/(discount) to NAV

As at 30 Nov 2009

2.8%

Launch price as at 8 Jul 2004

100.00p

RIC A Class since inception

Total Return (NAV)¹

88.9%

£ Statistics since inception

Standard deviation ²	2.19%
Sharpe ratio ³	1.03
Maximum drawdown ⁴	-7.36%

¹Including 10.0p of dividends

²Monthly data (Total Return NAV)

³Monthly data annualised (Total Return NAV)

⁴Monthly data (Total Return NAV)

Source: Ruffer LLP

Percentage growth

In Total Return NAV

30 Sep 08 – 30 Sep 09	30.3%
30 Sep 07 – 30 Sep 08	10.5%
30 Sep 06 – 30 Sep 07	3.5%
30 Sep 05 – 30 Sep 06	2.0%
30 Sep 04 – 30 Sep 05	17.1%

Source: Ruffer LLP

Six monthly return history

Date	NAV	% Total return
30 Jun 09	152.59p	2.2%
31 Dec 08	150.9p	16.0%
30 Jun 08	131.3p	6.7%
31 Dec 07	124.2p	7.5%
30 Jun 07	116.7p	-1.4%
31 Dec 06	119.6p	0.6%
30 Jun 06	119.4p	-0.5%
30 Dec 05	120.5p	7.9%
30 Jun 05	112.2p	5.6%
31 Dec 04	106.7p	8.9%

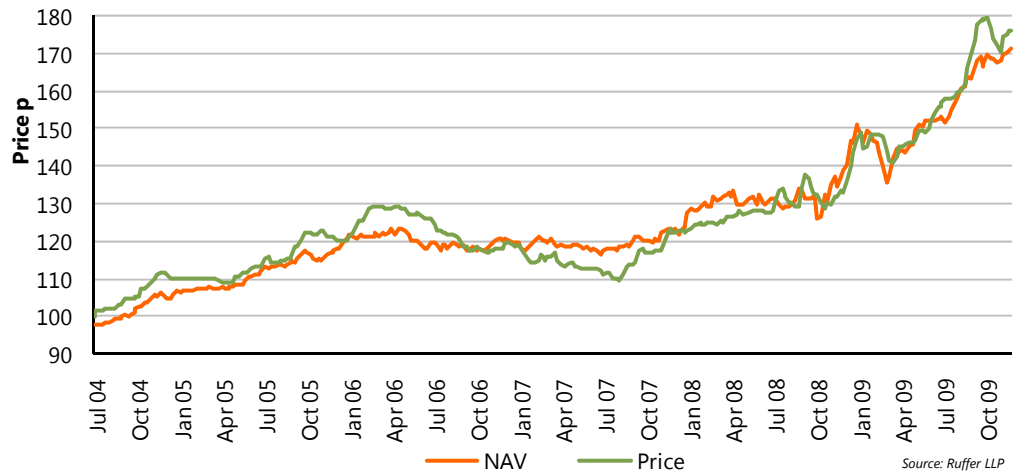
Source: Ruffer LLP

Dividends ex date: 0.5p 30 Mar 05, 30 Sept 05, 22 Mar 06 and 27 Sept 06, 1.25p 21 Mar 07, 26 Sept 07, 5 Mar 08 and 1 Oct 08, 1.5p 4 Mar 09 and 30 Sept 09

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 by investing 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.

RIC performance



Source: Ruffer LLP

Investment report

The net asset value of the Fund currently stands at 171.43p, a rise of 2.3% during the month. The share price rose 2.2% in November and the premium over NAV was 2.8%.

During the month 650,000 new shares were issued. The total number of shares is now 89,779,703 and the Company has the ability to issue a further 8,262,969 shares.

The main point of interest during the month was a sharp move into the US dollar, which has gone up as a percentage of the portfolio from 7.1% to 20.6% (not recognising the gold holdings as representative of the dollar, even when the holdings are expressed in dollar terms). This has been achieved by removing the dollar hedge which was due to mature anyway in mid-November, and further investing in US Treasury TIPS (index-linked stock) maturing in 2028, switching from a commensurate amount of Swedish government index-linked stock of a similar duration.

The other deals done during the month were to purchase ASOS plc, an internet retailing company which had drifted on to a rating very much lower than its growth prospects should warrant, and Syngenta, an old favourite representing an opportunity within the soft commodity sector. Both of these have got off to a good start. We also reinforced Japan, buying more of Kentaro Nishida's CF Ruffer Japanese Fund, and making a significant purchase of the life company T&D Holdings, on the basis that we expect the yield curve to steepen in Japan which should benefit a downward re-rating of the company's long-term liabilities. We sold Electric & General, of which Jonathan Ruffer is a Director, on the basis that, while Caesar's wife is a thoroughly good girl, it is better that she is seen to be a paragon of virtue,

and Jonathan Ruffer's directorship of Electric & General might militate against this.

The bright spots in the portfolio over the month were the index-linked stocks and gold; not much damage was done in any part of the investment spread.

The portfolio remains a combination of long-term commitment to a strong conviction as to the likely onset of inflation, together with an assortment of opportunism, whose main purpose is to protect the inflation investments. We hope not to be too caught out by the colourful zig-zags which occur when plentiful liquidity is married to an uncertain outlook. Our major concern on this latter front is that all asset classes seem to be rising simultaneously in the context of 'easy money', and are therefore likely to go down together if this monetary policy is reversed. We have identified the US dollar as being the likely beneficiary of such a setback, and the muffled voices which we hear from the earwigs in Congress is that the Fed is anxious to take liquidity out of the banking system, probably by means of a reverse-repo. The markets will take this badly, and we believe this initiative to be primary evidence that they are reversing their policies. Unless and until this happens we think there is a chance of a bubble occurring in certain asset classes, of which we think gold is the most likely victim. As this sector goes higher, we will take money out.

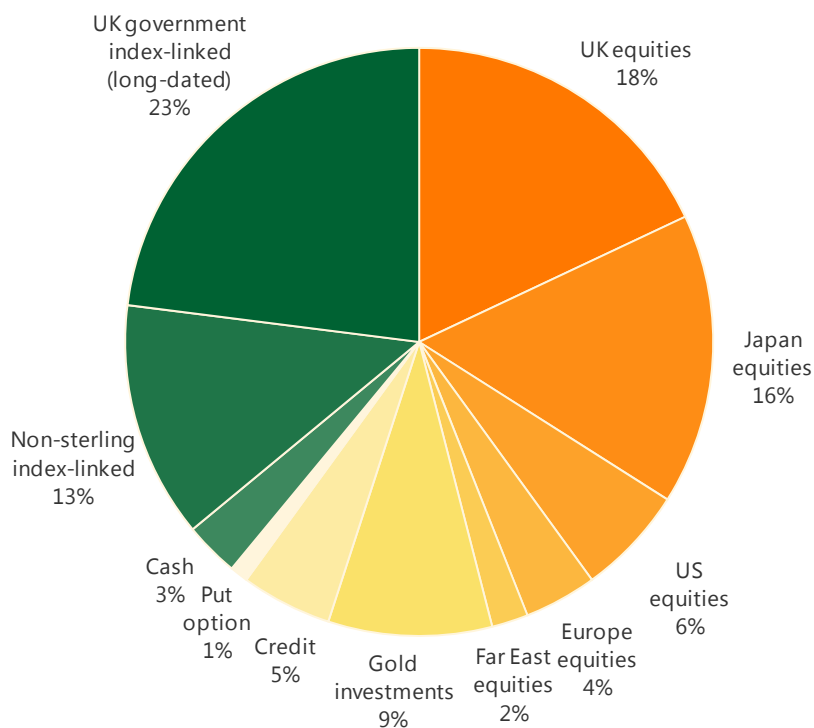
In short, it has been a satisfactory month for the nickel and dime returns of opportunism, but we await to see whether our big call of inflation, caused by currency compromise, is a chimera or a reality.

At the Annual General Meeting of the Company held on 26 November 2009, all Ordinary Resolutions set out in the AGM Notice sent to shareholders dated 9 November 2009 were duly passed.

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. Issued by Ruffer LLP, 80 Victoria Street, London SW1E 5JL.

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Portfolio structure as at 30 Nov 2009



Source: Ruffer LLP

Ten largest holdings as at 30 Nov 2009

Stock	% of fund
1.25% Treasury index-linked 2017	8.8
US Treasury 2.375% TIPS 2025	6.1
1.25% Treasury index-linked 2055	5.8
Japan (Govt Of) 1.3% index-linked 2017	5.5
US Treasury 1.75% TIPS 2028	4.5
Ruffer Illiquid Strategies Fund 2009 Ltd	4.4
Ruffer Baker Steel Gold Fund	3.7
BT	3.2
1.875% Treasury index-linked 2022	3.1
Vodafone	2.8

Five largest equity holdings* as at 30 Nov 2009

Stock	% of fund
BT	3.2
Vodafone	2.8
BP	2.6
Kraft Foods	2.4
Nippon Telegraph & Telephone	2.2

*Excludes holdings in pooled funds

Source: Ruffer LLP

NAV valuation point

Weekly – Friday midnight
Last business day of the month

NAV

£153.9m (30 Nov 2009)

Shares in issue

89,779,703

Market capitalisation

£158.2m (30 Nov 2009)

No. of holdings

47 equities, 8 bonds (30 Nov 2009)

Share price

Published in the Financial Times

Market makers

Winterflood Securities
ABN AMRO
Cenkos Securities
Cazenove
Numis Securities

Fund 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

RBC Dexia Investor Services

Ex dividend dates

March, September

Pay dates

April, November

Stock ticker

RICA LN

ISIN Number

GB00B018CS46

Sedol Number

B018CS4

Charges

Annual management charge 1.0%
with no performance fee

Enquiries

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JONATHAN RUFFER
Chief Executive

Trained as a stockbroker and barrister before moving into private client investment management in 1980, with Dunbar Fund Managers. Formerly Chief Investment Officer of Rathbone Bros plc, in 2001 became an independent non-executive director of Electric and General Investment Trust PLC. He established Ruffer Investment Management Ltd in 1994, which transferred its investment business to Ruffer LLP in 2004.



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 JP Morgan Fleming Continental Investment Trust in 2005 and is co-manager of the CF Ruffer Total Return Fund.

Ruffer LLP

Ruffer LLP manages funds exceeding £5.4bn on an absolute return basis, including over £1.9bn in open-ended Ruffer funds (as at 30 November 2009).