

29 November 2024

Investor Report

CQS Natural Resources Growth and Income PLC (the “Company”)

Key Facts¹

Portfolio Managers	Ian ‘Franco’ Francis Keith Watson Robert Crayfourd
Launch Date	August 2003
Total Gross Assets	£146.9m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 208.65p Mid-Market Price: 202.00p
Dividend Yield (est.)	3.3%
Net gearing ⁴	7.3%
Discount	(3.2%)
Ordinary Shares in Issue	64,157,838
Annual Management Fee	1.2% p.a. on net assets up to £150 million 1.1% p.a. on net assets over £150 million and up to £200 million 1.0% p.a. on net assets over £200 million and up to £250 million 0.9% p.a. on net assets greater than £250 million
Bloomberg	CYN LN
Reuters	CYN.L
Sedol	0035392
Year End	30 June
Contact Information	CQSClientservices @cqsm.com
Company Broker	Cavendish Capital Markets Limited 020 7220 0500
AGM	December
Dividend Information 2024/25	1.26 interim payable 22 Nov 2024
Fiscal Year-End	30 June
Previous Dividend Information	2012/13 Total 5.50p 2013/14 Total 5.60p 2014/15 Total 5.60p 2015/16 Total 5.60p 2016/17 Total 5.60p 2017/18 Total 5.60p 2018/19 Total 5.60p 2019/20 Total 5.60p 2020/21 Total 5.60p 2021/22 Total 5.60p 2022/23 Total 8.60p 2023/24 Total 6.60p
Investor Report	Monthly Factsheet
Annual Report & Accounts Published:	October
Results Announced	Finals: October Interims: March



Portfolio Managers

Ian Francis, Keith Watson and Robert Crayfourd

Description

The Company aims to generate capital growth and income, predominantly from a portfolio of mining and resource equities, and from mining, resource and industrial fixed interest securities.

Key Advantages for the Investor

- Access to under-researched, mid and smaller-cap companies in the Natural Resources sector
- Quarterly dividend paid to shareholders
- Potential inflation hedge

Ordinary Share and NAV Performance²

	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Year (%)	5 Year (%)	Since Inception (%)
NAV	(2.7)	4.7	(6.2)	7.8	21.8	129.2	647.9
Share Price	4.3	14.6	4.8	17.0	44.1	196.1	706.7
MSCI World Energy Sector Index ³	5.2	(0.1)	(3.9)	5.7	76.4	72.1	523.3
MSCI World Metals & Mining Index ³	(1.3)	(2.0)	(9.7)	0.2	26.2	75.2	454.1

Commentary⁴

It was a softer month for commodities as markets digested the implications of another Donald Trump term and the impact that it may have on commodity demand following his November 5th election win. The dollar strengthened and, as the reference currency for commodities, this weighed broadly on them. We summarise the probable implications below.

Tariffs will likely be a key tool for Trump's presidency with China a major focus. This may take time to fully enact but it is likely to weigh on Chinese growth, thus on base metal and iron ore demand, where the Company has a low and zero weight respectively. This also impacts oil, where the Company has reduced exposure as demand growth slows, but this could be offset if Trump takes a stronger approach with oil export sanctions on Iran.

His more aggressive geopolitical stance will likely support continued central bank buying of gold. In the near term, there may be risks of more aggressive government spending and tariffs adding to inflation pressures and a slowing of rate cuts in the US. A portion of the gold buying is financially driven and has been reflected in physical gold ETF selling after his win, yet gold remains close to all-time highs and should lead to strong earnings for the miners as cost pressures ease.

Trump's team will likely support nuclear and uranium mining. Trump and Elon Musk are vocally pro-nuclear. Additionally, the new energy secretary, Chris Wright, sits on the board of Oklo, a US SMR (Small Modular Reactor) start-up.

Whilst this should be positive for further reactor life extensions and the advancement of SMRs, geopolitics is increasingly vital as Russia banned the export of nuclear material to the US. This should support the Company's uranium mining exposure. This includes the Company's most prominent position, Nexgen, which received the environmental approval for its permitting ahead of expected final approvals in Q1 2025. This led to a substantial performance contribution over the month.

Trump's 2016 term was marked by higher commodity volatility and we have therefore reduced gearing to give greater flexibility to benefit from any outsized moves.

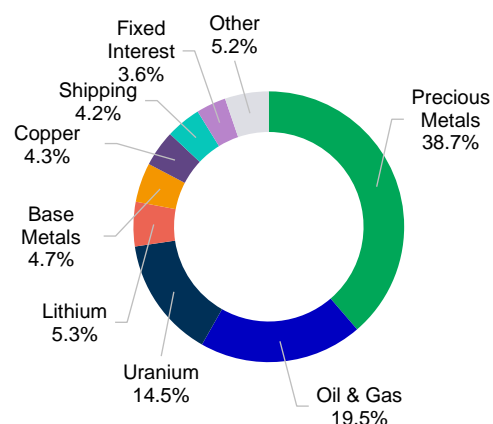
Profit taking in the Australian precious metal miners weighed on the Company's NAV with these positions having previously been some of the strongest names. Ora Banda, West African Resources, and Emerald were the largest monthly detractors for the Company.

Sources: 1 Manulife | CQS Investment Management as at the last business day of the month indicated at the top of this investor report. 2 Total return performance net of fees and expenses as at the last business day of the month indicated at the top of this investor report. 3 Source: MSCI is total return. 4 All market data sourced from Bloomberg unless otherwise stated. All returns quoted in local currency unless otherwise stated. The Company may since have exited some or all of the positions detailed in the commentary.

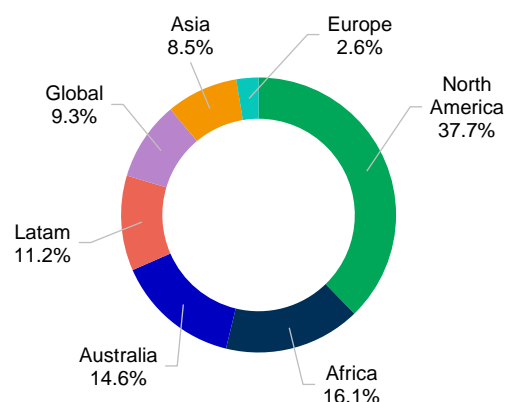
Monthly Investor Report – CQS Natural Resources Growth and Income PLC – November 2024

Portfolio Analysis^{2,3}

Sector



Region



Top 20 Holdings (% of MV)^{2,3}

Name	(% of MV)
NEXGEN ENERGY NPV	9.2
EMERALD RESOURCES NPV	5.1
ORA BANDA MINING NPV	4.5
WEST AFRICAN RESOURCES NPV	3.7
CALIBRE MINING CORP NPV	3.4
UR ENERGY NPV	3.3
WESTGOLD RESOURCES NPV	3.2
TRANSOCEAN USD0.01	3.1
REA HLDGS 9% CUM PREF GBP1	2.9
EOG RESOURCES USD0.01	2.6
Top 10 Holdings Represent	41.0

Name	(% of MV)
VERMILION ENERGY COM NPV	2.6
BW LPG LTD USD 0.0100	2.6
DIAMONDBACK ENERGY USD0.01	2.4
LEO LITHIUM NPV	2.2
THUNGELA RESOURCES NPV	2.1
TAMBORAN RESOURCES CORP CDI NPV	2.0
LYNAS RARE EARTHS NPV	1.8
GREATLAND GOLD GBP0.001	1.8
WHEATON PRECIOUS METALS CORP	1.7
FORAN MINING CORP NPV	1.7
Top 20 Holdings Represent	61.9

AIFMD Leverage Limit Report (% of NAV)

	Gross Leverage (%) ⁴	Commitment Leverage (%) ⁵
CQS Natural Resources Growth and Income	108	108

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