

31 January 2025

Investor Report

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

Key Facts¹

Portfolio Managers	Ian 'Franco' Francis Keith Watson Robert Crayford
Launch Date	August 2003
Total Gross Assets	£146.7m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 208.32p Mid-Market Price: 185.50p
Dividend Yield (est.)	3.6%
Net gearing ⁴	7.7%
Discount	(11.0%)
Ordinary Shares in Issue	64,157,838
Ongoing Charge Ratio	2.00%
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	1.26p interim paid 22 Nov 2024 1.26p interim payable 28 February 2025
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 Crayford

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	9.6	(2.2)	1.7	10.9	24.4	135.0	651.3
Share Price	0.0	(4.1)	2.9	21.0	26.9	171.3	641.8
MSCI World Energy Sector Index ³	3.2	3.0	(1.1)	9.7	51.8	86.8	535.9
MSCI World Metals & Mining Index ³	5.6	(4.4)	(3.4)	0.8	19.1	79.8	459.5

Commentary⁴

Notwithstanding the tariffs imposed on goods imported from Mexico, Canada and China, President Trump's use of geopolitics as a negotiating tool extended to talk of increasing US influence over Greenland and the Panama Canal. This added to broader market uncertainty that benefitted the Company's current large weighting to the precious metal sector. Safe haven assets benefitted from this increased global uncertainty and, after retracing into the year-end, gold's upward momentum returned with the price ending the month up 6.6% at \$2,798/oz. Indicative of the broader investment mood since Trump's election, the price of gold on the US Comex exchange has traded at a premium to the official price on both the London Bullion Market and also the Shanghai Exchange. Additionally, People's Bank of China data indicated it bought more gold into the year-end.

Helped by manufacturers front-loading orders in anticipation of further US tariffs, a theme that also boosted trade data, China's better-than-expected headline GDP and Industrial Production readings were followed by robust comments from government authorities. This covered their ability to loosen economic policy to help support the economy with central planners indicating "ample fiscal policy room and tools to deal with new domestic and external problems". They further included plans to loosen fiscal rules, allowing an acceleration in spending from around 3% of GDP to 4% in order to lift domestic consumption as the region attempts to reduce reliance on export markets. This helped buoy industrial metal prices with copper rising 3% over the month and iron ore benchmarks (CIF China) rising almost 5% higher, to end the month hovering just below \$100/tonne.

Energy price moves were more muted with crude benchmarks up between 1-3% during the month. Regional gas prices were more variable with US natgas futures modestly lower, while Asian LNG prices rose around 2% and weather-related demand and depleting inventories in Europe pushed up regional gas prices by 10% in January.

The Company's January NAV total return was a positive 9.6% driven by robust contributions from the considerable weighting to precious metal equities. Notable among these was Emerald Resources' share price rise of over 33% which followed strong operational performance. Explorer TDG Resources also made an outstanding contribution with the share price more than quadrupling after positive drilling results on their boundary by Freeport and Amarc, followed by a strategic investment by gold producer Skeena Resources. More broadly precious metal equities showed robust gains as illustrated by the GDXJ ETF gaining 13% over the month. The performance of equities in the energy and industrial metals sectors was minimal. This was illustrated by the XOP energy ETF and COPX copper mining ETF which both rose between 1%-2% with sentiment struggling to overcome the need for more stimulus to generate demand.

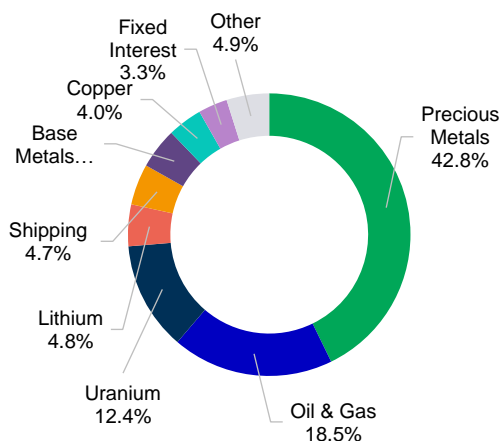
On the 4 February 2025 shareholders rejected the proposed change of board, manager and strategy by 29% shareholder Saba Capital. Non-Saba shareholders voted 98.5% in support of the existing company mandate and strategy. We thank all shareholders for their support especially on the strong voter turnout.

Sources: 1 Manulife | CQS Investment Management and Frostrow LLP 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.

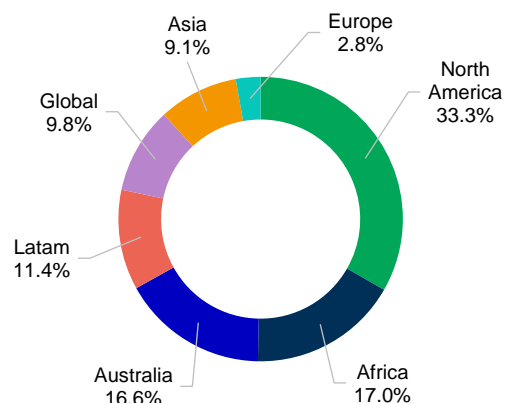
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Portfolio Analysis^{1,2}

Sector



Region



Top 20 Holdings (% of MV) ^{1,2}

Name	(% of MV)
NEXGEN ENERGY NPV	7.2
EMERALD RESOURCES NPV	5.9
ORA BANDA MINING NPV	5.0
WEST AFRICAN RESOURCES NPV	4.1
TAMBORAN RESOURCES CORP CDI NPV	4.0
CALIBRE MINING CORP NPV	3.1
REA HLDGS 9% CUM PREF GBP1	3.0
TRANSOCEAN USD0.01	2.8
UR ENERGY NPV	2.8
WESTGOLD RESOURCES NPV	2.8
Top 10 Holdings Represent	40.7

Name	(% of MV)
BW LPG LTD USD 0.0100	2.7
VERMILION ENERGY COM NPV	2.4
DIAMONDBACK ENERGY USD0.01	2.3
THUNGELA RESOURCES NPV	2.2
LEO LITHIUM NPV	2.1
FRONTLINE USD1.0000	2.0
GREATLAND GOLD GBP0.001	1.9
WHEATON PRECIOUS METALS CORP	1.7
LYNAS RARE EARTHS NPV	1.6
EQUINOX GOLD CORP NPV	1.6
Top 20 Holdings Represent	61.2

AIFMD Leverage Limit Report (% of NAV)

	Gross Leverage (%) ³	Commitment Leverage (%) ³
CQS Natural Resources Growth and Income	108	108

Sources: 1 Manulife | CQS Investment Management and Frostrow LLP as at the last business day of the month indicated at the top of this investor report. 2 All holdings data are rounded to one decimal place. Totals may therefore differ to sum of constituents. 3 Manulife | CQS Investment Management, as at the last business day of the month indicated at the top of this investor report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 7, 9 and 10 of Delegated Regulation 231/2013. 5 Manulife | CQS Investment Management as at the last business day of the month indicated at the top of this investor report. For methodology details see Article 4(3) of Directive 2011/61/EU (AIFMD) and Articles 6, 8, 9, 10 and 11 of Delegated Regulation 231/2013. These include historic returns and past performance is not a reliable indicator of future results. The value of investments can go down as well as up. Please read the important legal notice at the end of this document.

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