

### Key Fund Facts<sup>1</sup>

Fund Managers	Ian 'Franco' Francis Keith Watson Robert Crayfourd
Launch Date	August 2003
Total Gross Assets	£162.23m
Reference Currency	GBP
Ordinary Shares	Net Asset Value: 217.12p Mid-Market Price: 173.75p
Dividend Yield (estimated)	3.2%
Net gearing <sup>4</sup>	9.6%
Discount	(19.98%)
Ordinary Shares in Issue	66,888,509
Annual Management Fee	1.2% on adjusted net assets
Bloomberg	CYN LN
Reuters	CYN.L
Sedol	0035392
Year End	30 June
Contact Information	contactncim@cqsm.com
Company Broker	FinnCap +44 (0) 203 772 4697
AGM	December
Dividend Information 2021/22	1.26p interim paid 30 Nov 2021 1.26p interim paid 25 February 2022 1.26p interim paid 27 May 2022 1.82p interim paid 26 August 2022
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 2022/23 1.26p (interim, payable 25 Nov. 2022)
Investor Report	Monthly Factsheet
Annual Report & Accounts	Published: October
Results Announced	Finals: October Interims: March

**Please see page 2 for footnotes**



### Portfolio Managers

Ian Francis, Keith Watson and Robert Crayfourd

### Fund Description

The Fund 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 Performance<sup>2</sup>

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
NAV	-4.5%	8.4%	-7.4%	25.6%	109.8%	94.9%	620.0%
Share Price	-8.5%	2.5%	-12.0%	31.4%	130.2%	105.1%	547.8%
Benchmark	0.1%	2.8%	-16.0%	5.3%	44.0%	74.1%	541.6%

### Commentary<sup>3</sup>

#### Market

Recession fears dominated Commodities in September, with energy prices falling and systematic quant Commodity Trading Advisor (CTA) funds selling, further weighed by US dollar strength. Base metals, though, were supported by the London Metal Exchange (LME) reporting that they are looking to ban Russian metal, whilst the energy crisis continues to reduce smelting capacity, especially in Europe.

Chinese lockdowns remain a headwind to commodity intensive activity, but there are some signs that the country's zero-Covid stance may be easing. While we wait for more confirmation on this, the impact on the domestic economy and weakening yuan is increasing pressure to reopen.

#### Performance

The Fund lost 4.48% in September, reducing its year-to-date gain to 13.5%.

#### Positioning

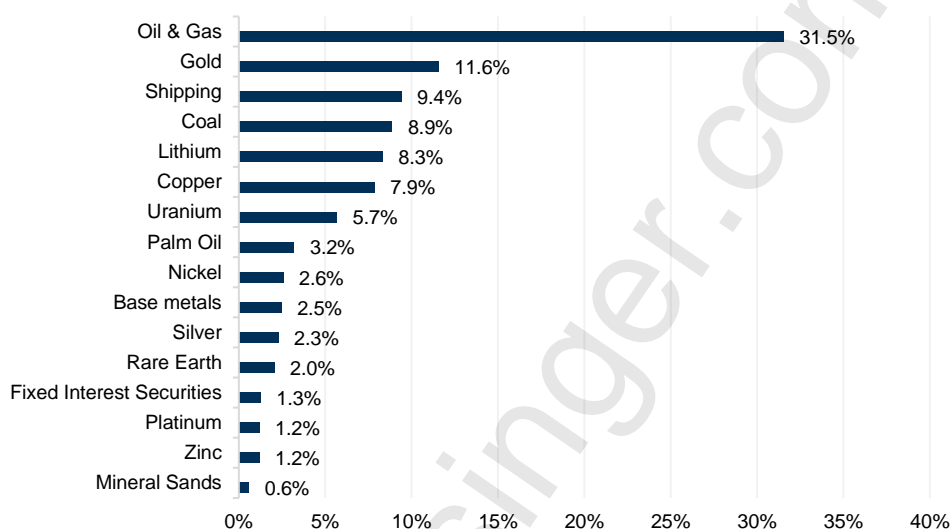
The Fund added to Transocean, an offshore oil and gas driller, and Noram, a US-focused onshore Shale driller in its IPO. It also bought Tamboran, an early-stage gas development project in Australia, which geologically looks promising, but now has a US-based team backed by large US driller Helmerich and Payne taking US technology to apply to the basin. The Fund added Vermilion Energy, a Canadian listed energy producer with a large exposure to European gas. Whilst the company is exposed to the windfall taxes that the EU is proposing on energy producers, we believe this is already implicit in the current valuation.

The Fund took some profits on Sigma Lithium, with their lithium development project in Brazil after posting strong performance, and Frontline, a global crude shipper. We reduced Lynas Rare Earths due to concerns about the wider economic slowdown risks to demand. Although the long-term thematics on electric vehicles and wind power remain firm, we don't believe present valuations compensate for the risk.

#### Outlook

We remain constructive on the fundamentals for Energy markets even against a slowing demand backdrop. This is primarily led by: the upcoming EU sanctions on Russian oil exports; the end of the scheduled release of US strategic reserves; OPEC's clear signal that it will defend oil prices; China eventually reopening from its zero-Covid policy, and producers remaining highly disciplined in not adding more supply. All combined, this means that the supply / demand balance can remain tight even in a recessionary weak-demand scenario.

### Sector Breakdown<sup>4</sup>



### Top 20 Holdings (%)<sup>1,7</sup>

Name	(% of MV)
SIGMA LITHIUM CORP	6.4%
PRECISION DRILLING COM	6.3%
VERMILION ENERGY COM	5.0%
DIAMONDBACK ENERGY	4.5%
BW LPG	4.3%
NEXGEN ENERGY	4.0%
DIVERSIFIED ENERGY	3.8%
EURONAV	3.7%
REA HLDGS 9% CUM PREF	3.5%
WEST AFRICAN RESOURCES	3.4%
<b>Top 10 Holdings Represent</b>	<b>44.9%</b>

Name	(% of MV)
TRANSOCEAN	3.1%
EOG RESOURCES	2.9%
ERO COPPER CORP	2.6%
TALON METALS CORP	2.6%
WHITEHAVEN COAL	2.5%
EMERALD RESOURCES	2.1%
THUNGELA RESOURCES	2.1%
LYNAS RARE EARTHS	2.0%
FORAN MINING CORP	1.9%
GALENA MINING	1.9%
<b>Top 20 Holdings Represent</b>	<b>68.6%</b>

### AIFMD Leverage Limit Report (% NAV)

	Gross Leverage (%) <sup>5</sup>	Commitment Leverage (%) <sup>6</sup>
CQS Natural Resources Growth and Income	110	110

Sources: <sup>1</sup>CQS as at Sept. 30th. <sup>2</sup>Total return performance net of fees and expenses as at 30 Sept. 2022. The Company's investment benchmark is 80 per cent. Euromoney Global Mining Index (sterling adjusted) and 20 per cent Credit Suisse High Yield Index (sterling adjusted). Performance data is calculated from 1 August 2003 (total return basis). <sup>3</sup>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. <sup>4</sup>CQS as at 31 August 2022. <sup>5</sup>CQS, as at 31 August 2022. 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. <sup>6</sup>CQS as at 31 August 2022. 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. <sup>7</sup>All holdings data are rounded to one decimal place. Totals may therefore differ to sum of constituents. 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. Total return performance net of fees and expenses as at 31 August 2022. The Company's investment benchmark is 80 per cent. Euromoney Global Mining Index (sterling adjusted) and 20 per cent Credit Suisse High Yield Index (sterling adjusted). Performance data is calculated from 1 August 2003 (total return basis).

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PRI is an investor initiative in partnership with UNEP Finance and the UN Global Compact. GMv10.

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**CQS (UK) LLP**

4th Floor, One Strand, London WC2N 5HR, United Kingdom  
T: +44 (0) 20 7201 6900 | F: +44 (0) 20 7201 1200

**CQS (US), LLC**

152 West 57th Street, 40th Floor, New York, NY 10019, US  
T: +1 212 259 2900 | F: +1 212 259 2699

**CQS (Hong Kong) Limited**

1308 One Exchange Square, 8 Connaught Place, Central, Hong Kong, China  
T: +852 3920 8600 | F: +852 2521 3189

[CQSClientServices@cqsm.com](mailto:CQSClientServices@cqsm.com) [www.cqs.com](http://www.cqs.com) [Follow us on linkedin.com](https://www.linkedin.com)

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