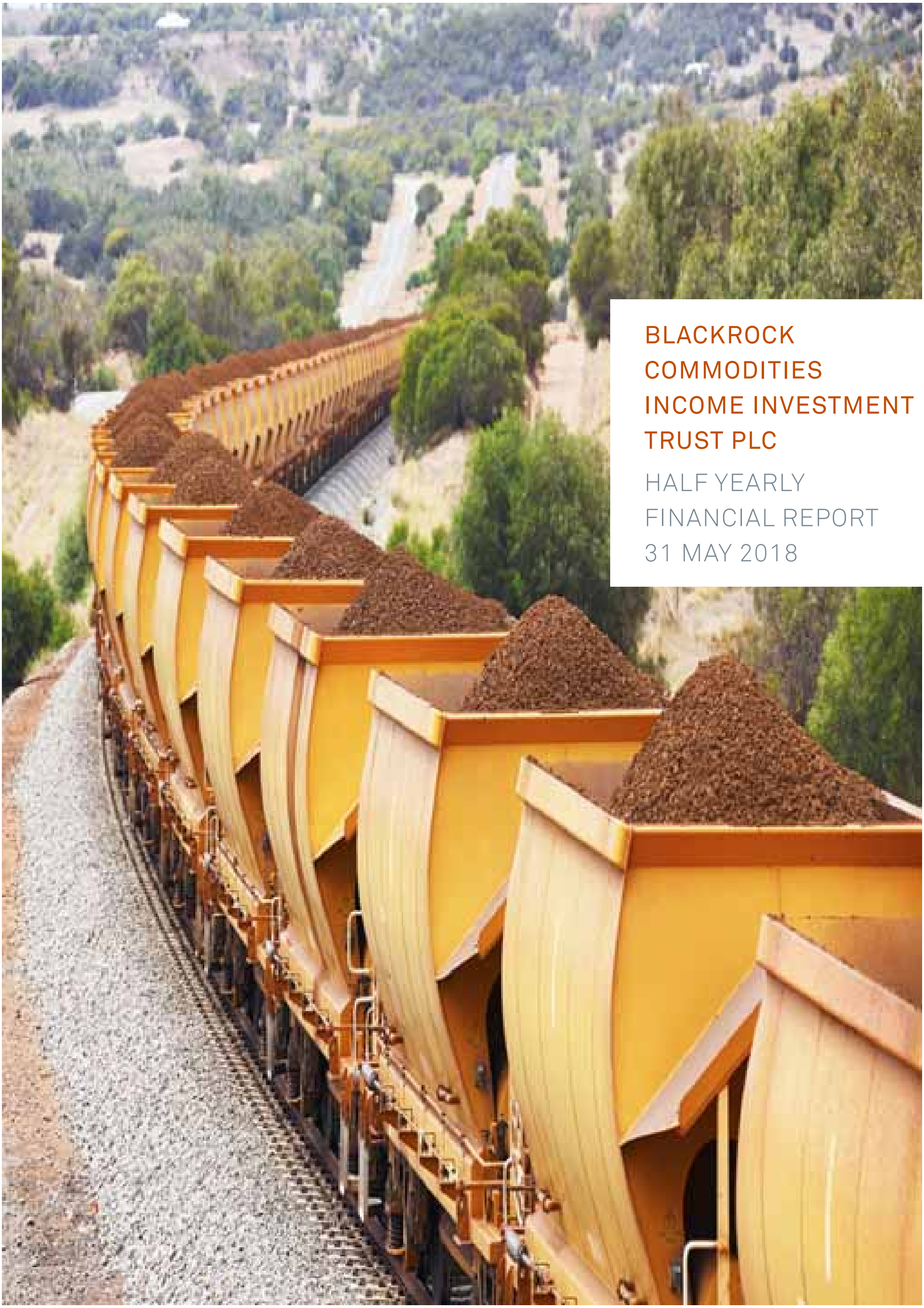


BLACKROCK COMMODITIES INCOME INVESTMENT TRUST PLC

HALF YEARLY FINANCIAL REPORT 31 MAY 2018

BLACKROCK®

Contents

BlackRock Commodities Income Investment Trust plc

The Company's objectives are to achieve an annual dividend target and, over the long term, capital growth by investing primarily in securities of companies operating in the mining and energy sectors.

The Association of Investment Companies

A MEMBER OF THE ASSOCIATION OF INVESTMENT COMPANIES

Details about the Company are available at blackrock.co.uk/brci

Performance record

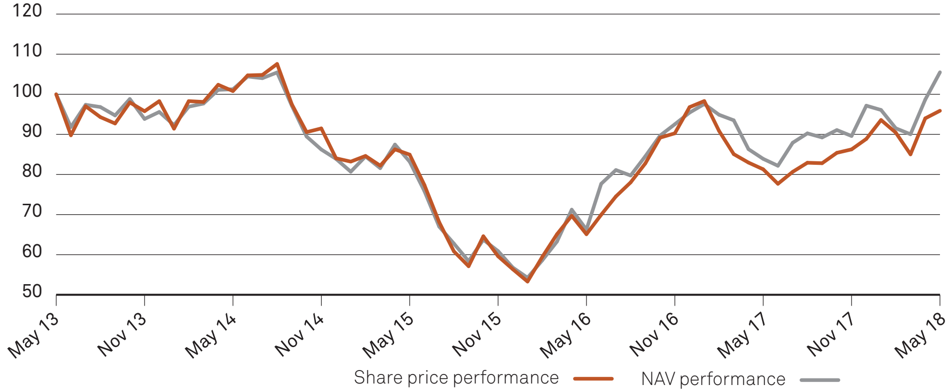
FINANCIAL HIGHLIGHTS

Attributable to ordinary shareholders	31 May 2018 (unaudited)	30 November 2017 (audited)	Change %
Assets			
Net assets (£'000)*	104,298	91,357	+14.2
Net asset value per ordinary share	88.28p	76.92p	+14.8
- with dividends reinvested			+17.7
Ordinary share price (mid-market)	81.20p	75.00p	+8.3
- with dividends reinvested			+11.2

	For the six months ended 31 May 2018 (unaudited)	For the six months ended 31 May 2017 (unaudited)	Change %
Revenue			
Net profit after taxation (£'000)	2,587	3,224	(19.8)
Revenue earnings per ordinary share	2.18p	2.72p	(19.9)
Interim dividends			
1st interim	1.00p	1.00p	–
2nd interim**	1.00p	1.00p	–

* The change in net assets reflects market movements, the issue of 250,000 shares and the buyback of 871,000 shares into treasury during the period.
** Paid on 20 July 2018.

PERFORMANCE FROM 31 MAY 2013 TO 31 MAY 2018



Sources: BlackRock and Datastream.
Performance figures are calculated on a mid-market basis in sterling terms, with dividends reinvested.
Share price and NAV at 31 May 2013, rebased to 100.

PERFORMANCE TO 31 MAY 2018

	Six months	One year	Five years (actual)	Five years (annualised)
Net asset value per ordinary share	17.7%	25.7%	5.5%	1.1%
Ordinary share price (mid-market)	11.2%	18.0%	-4.1%	-0.8%

All performance calculations in the above table are on the basis that any dividends are reinvested on the ex-dividend date. The net asset value ('NAV') performance calculations are based on a cum income NAV in sterling terms. Share price performance figures are calculated on a mid-market price in sterling terms.
Source: BlackRock.

Chairman's statement

MARKET OVERVIEW

The natural resources sector remained buoyant during the six months ended 31 May 2018, driven by strong performance from the energy sector (up by 10.2%) and the mining sector (which rose by 11.1%), both outperforming broader equity markets (all numbers in US Dollar terms on a total return basis). In the energy sector, declining inventories and healthy demand against a backdrop of geopolitical tension drove up oil prices to over US$60 per barrel on a sustained basis, which in turn enhanced sector returns over the period. Performance in the mining sector was more mixed, with concerns over the potential for trade wars between the US and China overshadowing the markets; however, companies in the commodities sector as a whole continued to focus on free cash flow generation and returning excess cash to shareholders, which also contributed positively to the Company's performance over the period.

PERFORMANCE

During the six months ended 31 May 2018 the Company's net asset value ('NAV') per share increased by 17.7% and the share price rose by 11.2% (both percentages in sterling terms with dividends reinvested). Although the Company does not have a formal benchmark, to set this in the context of the market backdrop, the EMIX Global Mining Index rose by 13.0% and the MSCI World Energy Index increased by 12.1% over the same period (both percentages on a total return basis and in sterling terms). Further information on investment performance is given in the Investment Manager's Report.

Since the period end and up until close of business on 24 July 2018 the Company's NAV has decreased by 0.1% and the share price has risen by 3.2% (with dividends reinvested).

REVENUE RETURN AND DIVIDENDS

Revenue return per share for the six-month period was 2.18 pence (six months to 31 May 2017: 2.72 pence). The Board's current target is to declare quarterly dividends of at least 1.00 pence per share in the year to November 2018, making a total of at least 4.00 pence for the year as a whole. This target represents a yield of 4.8% based on the share price of 82.80 pence per share as at the close of business on 24 July 2018.

The first quarterly dividend of 1.00 pence per share was paid on 20 April 2018 and the second quarterly dividend of 1.00 pence per share was paid on 20 July 2018 (four quarterly interim dividends each of 1.00 pence per share were paid in the twelve months ended 30 November 2017).

TENDER OFFER

The Directors of the Company have the discretion to make semi-annual tender offers in February and August of each year at the prevailing NAV, less 2%, for up to 20% of the Company's issued share capital.

The Directors announced on 25 June 2018 that over the twelve-month period to 31 May 2018 the Company's shares had traded at an average discount to NAV of 4.7% (on a cum-income basis) and as at close of business on 25 June 2018 the discount was 4.1%. Although these discount levels were slightly wider than 2.0% to NAV per share, the level at which any tender offer would be made, the Board concluded that it was not in the interests of shareholders to implement the tender offer in August 2018.

GEARING

The Company operates a flexible gearing policy which depends on prevailing market conditions. It is not intended that gearing will exceed 20% of the gross assets of the Company. The maximum gearing used during the period was 11.0%, and the level of gearing at 31 May 2018 was 4.7%.

SHARE CAPITAL AND DISCOUNT CONTROL

The Directors recognise the importance to investors that the Company's share price should not trade at a significant premium or discount to NAV, and therefore, in normal market conditions, may use the Company's share buyback, sale of shares from treasury and share issue powers to ensure that the share price is broadly in line with the underlying NAV. The Company currently has authority to buy back up to 14.99% of the Company's issued share capital (excluding treasury shares) and to allot ordinary shares representing up to 20% of the Company's issued ordinary share capital.

Earlier during the period under review, the Company's shares were trading at a premium and in March the Company issued 250,000 shares in response to investor demand at a price of 76.75 pence per share for a total consideration of £192,000, before the deduction of issue costs. The shares were issued at an average premium of 2.02% to the cum-income NAV at the close of business on the business day prior to each issue and at a premium to the estimated cum-income NAV at the time of each transaction.

Chairman's statement continued

The Company's strong NAV performance in the second quarter of 2018 was lagged by the share price and the shares traded at a discount; in reaction to this the Company bought back a total of 871,000 ordinary shares during the period, the majority of which were purchased in May and June 2018. The shares were purchased at an average price of 84.04 pence per share, for a total consideration of £732,000 and at an average discount of 6%. These shares were placed in treasury for potential reissue, thereby saving the associated costs of an issue of new shares if demand arose (and of the 250,000 shares issued in the period, 52,000 were reissued out of treasury). Subsequent to the year end, a further 1,918,000 ordinary shares have been purchased at an average price of 81.55 pence per share and for total consideration of £1,564,000 at an average discount of 6.1%.

OUTLOOK

Although risks remain for the mining and energy sectors, in particular the potential for the trade war between the US and China to escalate and negatively impact global demand, or a breakdown of the OPEC production agreement combined with a material slowdown in global economic activity, the portfolio management team is positive on the outlook for the natural resources sector as a whole for the rest of 2018 given the current backdrop of solid global economic growth.

Even given the recent positive performance in the sector, there are still compelling reasons for investors to remain optimistic. Valuations remain competitive relative to the wider equity market, especially given the free cash flow yields of many companies. These strong cash flows (especially for energy companies if the oil price remains at current levels) are likely to feed through into an increase in dividend income received from the Company's portfolio.

Ed Warner
26 July 2018

Interim management report and responsibility statement

The Chairman's Statement on pages 4 to 6 and the Investment Manager's Report on pages 10 to 18 give details of the important events which have occurred during the period and their impact on the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks faced by the Company can be divided into various areas as follows:

- Performance;
- Income/dividend;
- Gearing;
- Legal and regulatory compliance;
- Operational;
- Market; and
- Financial.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 30 November 2017. These risks were expanded to include within the market risk section the risk that companies operating within the sectors in which the Company invests may be impacted by new legislation governing climate change and environmental issues, which may have a negative impact on their valuation and share price. A detailed explanation can be found in the Strategic Report on pages 7 to 10 and in note 16 on pages 57 to 69 of the Annual Report and Financial Statements which are available on the website at blackrock.co.uk/brci.

In the view of the Board, there have not been any other changes to the fundamental nature of these risks since the previous report and these principal risks and uncertainties are equally applicable to the remaining six months of the financial year as they were to the six months under review.

Interim management report and responsibility statement continued

GOING CONCERN

The Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Company has a portfolio of investments which are considered to be readily realisable and is able to meet all of its liabilities from its assets and income generated from these assets. Ongoing charges (excluding interest costs and taxation) for the year ended 30 November 2017 were approximately 1.36% of net assets.

RELATED PARTY DISCLOSURE AND TRANSACTIONS WITH THE INVESTMENT MANAGER

BlackRock Fund Managers Limited (BFM) was appointed as the Company's Alternative Investment Fund Manager (AIFM) with effect from 2 July 2014. BFM has, with the Company's consent, delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the management fee payable are set out in note 4 on page 32 and note 11 on page 40. The related party transactions with the Directors are set out in note 12 on pages 40 and 41.

DIRECTORS' RESPONSIBILITY STATEMENT

The Disclosure and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting"; and

- the Interim Management Report together with the Chairman's Statement and Investment Manager's Report include a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure and Transparency Rules.

This half yearly report has not been audited or reviewed by the Company's Auditor. The half yearly financial report was approved by the Board on 26 July 2018 and the above responsibility statement was signed on its behalf by the Chairman.

Ed Warner
For and on behalf of the Board
26 July 2018

Investment manager's report

MARKET OVERVIEW

Following a strong finish to 2017, we are pleased to report that the positive momentum in the energy and mining sectors continued during the first half of 2018, resulting in a NAV total return (in sterling terms) of 17.7% during the period. A supportive backdrop for commodity demand with 2018 expected to be another year of synchronous and stable global economic growth, saw the energy sector up by 10.2% in US Dollar terms and 12.1% in sterling terms and the mining sector up by 11.1% in US Dollar terms and 13.0% in sterling terms over the period, with both outperforming broader equity markets.

The energy sector performed strongly with the Brent and WTI oil prices increasing by 20.3% and 16.7% respectively over the period. While rising geopolitical risk has supported the oil price, we view the persistent move higher over the last twelve months as being more driven by improving supply/demand fundamentals with inventory levels declining, rising cost pressure among the US shale producers and healthy near-term oil demand. In last year's annual report, we were at pains to highlight the disappointing performance of the energy equities which materially lagged the recovery in the oil price. Encouragingly we have seen better performance from the energy equities with the sector up by 10.2% (in US Dollar terms) over the first half and we continue to position the portfolio towards the long awaited catch-up trade in the energy equities.

The mining sector started the year strongly, up 8.3% (US Dollars) by mid-January, buoyed by better than expected economic data and seasonal strength in Chinese commodity demand. However, concerns over the potential for trade wars between the US and China, following the US government's decision to impose tariffs on imports of steel and aluminium, saw the mining sector give up some of its earlier gains and have overshadowed the sector for much of the first half of the year. Commodity prices across base metals and bulk commodities were generally higher half-on-half, with producers maintaining their focus on free cash flow generation, deleveraging and returning excess cashflow to shareholders via dividends and buybacks to the benefit of income generation in the Company during the first half of the year.

Commodity	30 November 2017	31 May 2018	% Change	Average Price % Change (2017 to 2018)[1]
Base Metals (US$/tonne)				
Aluminium	2,034	2,289	12.5	7.8
Copper	6,735	6,845	1.6	7.7
Lead	2,471	2,446	-1.0	4.8
Nickel	11,050	15,158	37.2	24.7
Tin	19,690	20,630	4.8	3.3
Zinc	3,177	3,098	-2.5	9.6
Precious Metals (US$/oz)				
Gold	1,279.1	1,304.1	2.0	3.0
Silver	16.3	16.5	1.1	-1.8
Platinum	940.0	907.0	-3.5	0.4
Palladium	1,010.0	986.0	-2.4	9.9
Energy				
Oil (WTI) (US$/Bbl)	57.4	67.0	16.7	28.7
Oil (Brent) (US$/Bbl)	63.5	76.5	20.3	28.3
Natural Gas (US$/MMBTU)	2.9	3.0	0.7	-6.1
Uranium (US$/lb)	22.0	22.8	3.4	8.8
Bulk Commodities (US$/tonne)				
Iron ore	68.5	65.5	-4.4	9.2
Coking coal	178.0	183.0	2.8	15.6
Thermal coal	96.8	110.2	13.8	9.4
Potash (US$/st)	240.0	320.0	33.3	0.2
Equity Indices				
EMIX Global Mining Index (US$)	694.1	770.9	11.1	n/a
EMIX Global Mining Index (£)	512.7	579.3	13.0	n/a
MSCI World Energy Index (US$)	325.7	359.0	10.2	n/a
MSCI World Energy Index (£)	240.7	269.8	12.1	n/a

Source: Datastream.

1 Average of 2017 prices between 1 June 2017 and 30 November 2017 compared to average 2018 prices between 1 December 2017 and 31 May 2018.

Investment manager's report continued

INCOME

During the first half of 2018 the Company generated £3,176,000 in gross income. This enabled a dividend payment of 1.0 pence per share each for the first and second quarters, a total of 2.0 pence per share for the interim period – the same as the corresponding period in 2017. The positive trends we saw in the mining sector dividends in 2017 have continued and the energy sector is starting to deliver on its promises of prioritising shareholder returns over growth.

As the oil price recovered in 2017, there was much debate about whether the stronger cash flows generated by companies would be reinvested into additional drilling activity or used to strengthen balance sheets and return capital to shareholders. Shareholders had been pressing for higher returns and it has been reassuring to see companies respond to this by increasing dividends and initiating buybacks, which in some cases have been substantial in size. One of the Company's core Exploration and Production ('E&P') holdings, Devon Energy, announced in March a 33% increase in its ordinary quarterly dividend and in early June announced an increase to its buyback programme to US$4 billion (representing around 20% of shares in issue). Although the Company's key integrated holding Royal Dutch Shell has not increased its dividend during the period, we are encouraged that the dividend has moved from being uncovered by cash flow and earnings to now being covered.

Mining companies have also showed a healthy appetite to return cash to shareholders. Rio Tinto announced a 70% increase in their dividend and an additional buyback of US$1 billion. They were not alone; Glencore announced a significant step up in its dividend compared to 2017 and BHP also stepped up its interim dividend payment in early 2018. With the balance sheets of most major mining companies very strong and appetite for project spending muted, we expect this shareholder friendly behaviour to continue.

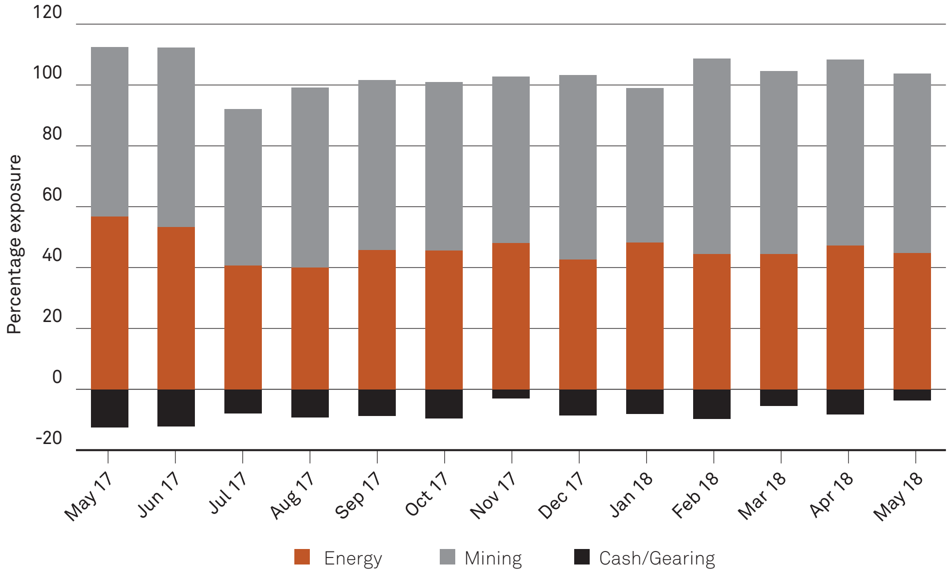
Volatility remained below the high levels seen in 2016 and the first half of 2017 in the resources sector. This, combined with the stronger dividends from some key portfolio holdings, saw a continuation of the trend established in the second half of 2017 of a lower proportion of income generated from option writing.

PORTFOLIO POSITIONING

Following on from the strong performance of the sector at the end of last year, the portfolio began the year with an elevated level of gearing and an equal balance between mining and energy stocks. Our expectation of a strong reporting season for the mining sector, in particular the large cap diversified miners, saw the portfolio further increase gearing and its mining exposure towards the end of January. This proved to be very beneficial with all the major mining companies announcing higher earnings and dividends year-on-year, which saw the mining sector outperforming the energy sector by 13% over the first 3 months of the interim period.

Following the strong mining rally, we reduced gearing in the Company during March and subsequently reinvested some of this exposure into higher quality US E&Ps and our preferred integrated oil and gas producers. Strong performance from energy equities during the second quarter of 2018, with the MSCI World Energy Index up by 16% (in sterling terms), lifted the Company's NAV which returned 17.7% (in sterling terms with dividends reinvested) over the six months to 31 May 2018. The Company's income also benefited from successful put option writing over energy stocks during the last two months of the interim period.

PORTFOLIO POSITIONING



Source: BlackRock.

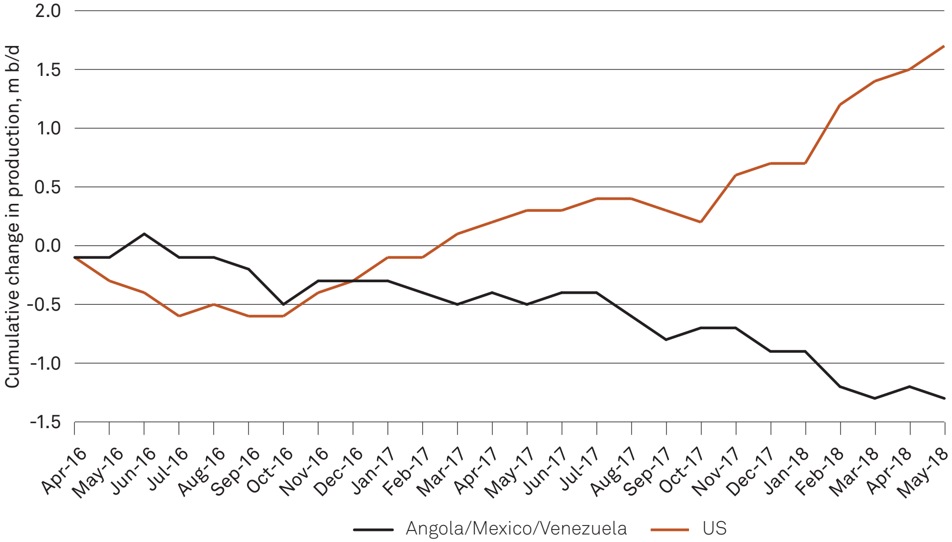
Investment manager's report continued

ENERGY

The positive trends in the oil market in the second half of 2017, as set out in the 2017 Annual Report, continued in the first half of 2018. Demand for oil products remained strong, supported by positive economic growth across all major regions. On the supply side, the OPEC and Russia limits on production have been adhered to, and consequently supply has continued to be below demand. As a result, inventories of oil and gasoline have continued to fall. The Brent oil market remained in backwardation (i.e. the forward price for oil was lower than the current price in the market) for the duration of the interim period – a bullish sign indicating that customers are willing to pay a higher price today to incentivise oil out of inventories/storage.

One of the bearish arguments put forward by people who believe that oil prices will fall is that higher oil prices will incentivise a significant increase in supply from US shale production. While we have seen a recovery in US production from the mid 2016 lows, there are increasing signs that this growth is likely to be constrained by two key factors. Firstly, limits on existing infrastructure such as pipelines make it challenging for shale production companies to ramp up supply quickly. This is evidenced by the discount in excess of $12 per barrel at which oil was trading in the Midland Basin (heart of the Permian production) compared to the WTI oil price. These infrastructure constraints are compounded by increasing reports of labour shortages in Texas and other indications that productivity is set to decrease rather than increase. The second key factor is that companies are choosing not to increase drilling activity above planned levels despite the oil price being materially higher than budgeted. This is positive for potential shareholder returns and the cumulative result has seen oil supply increase less than one would otherwise have expected. Another important feature of the oil market to focus on for the rest of 2018 is production from Venezuela, which has seen a sizeable fall in its daily oil production due to a lack of capital investment to maintain its oilfields, with little signs of this trend reversing.

OIL PRODUCTION TRENDS – ANGOLA, MEXICO AND VENEZUELA



Source: International Energy Agency.

The notable feature of the oil equities last year (and in particular the US E&P stocks) was their low correlation to the rising oil price. So far in 2018 it has been encouraging to see the equities begin to respond more positively to the stronger oil price environment. This has especially been the case from the end of February when companies reported their results and outlined their 2018 strategies. Since then the spot WTI price is up by 10.5% (US Dollars) and the S&P Oil and Gas E&P Index is up by 29% (US Dollars). Most companies in these results releases have adhered to the mantras that served the mining companies well in the last couple of years – Dividends and Discipline. The combination of capital spending restraint and the delivery of higher shareholder returns (with the prospect of more to come) has given the investors, who were previously on the side lines, the confidence to come back to the energy sector.

MINING

The mining sector began the year strongly with the sector +8.3% (US Dollars) by mid-January, buoyed by better than expected economic data and seasonal strength in Chinese commodity demand. This positive backdrop was further supported by a strong

Investment manager's report continued

reporting season with the mining companies recording materially higher earnings, free cash flow and dividends year-on-year. While the mining sector finished the first half +11.1% (US Dollars), performance was overshadowed towards the end of the period by deteriorating global trade relations, with the market concerned over the potential for a broader global trade war between China and the US.

Since the mining sector cyclical low in early 2016, we have seen a significant improvement in the balance sheet health of the sector and have been encouraged by the continued focus on shareholder value creation. This has seen companies increase dividends and reduce debt, as opposed to focus on growth and mergers and acquisitions. We believe a key driver of the re-rating in the sector will be the markets confidence that this "shareholder friendly behaviour" will be maintained which should see share prices trade at a level more reflective of the high level of returns being generated by the sector at present. To reflect this view, we have continued to increase the Company's exposure to our preferred large cap diversified miners Rio Tinto, BHP and Glencore, at the expense of gold companies, given their superior cash generation.

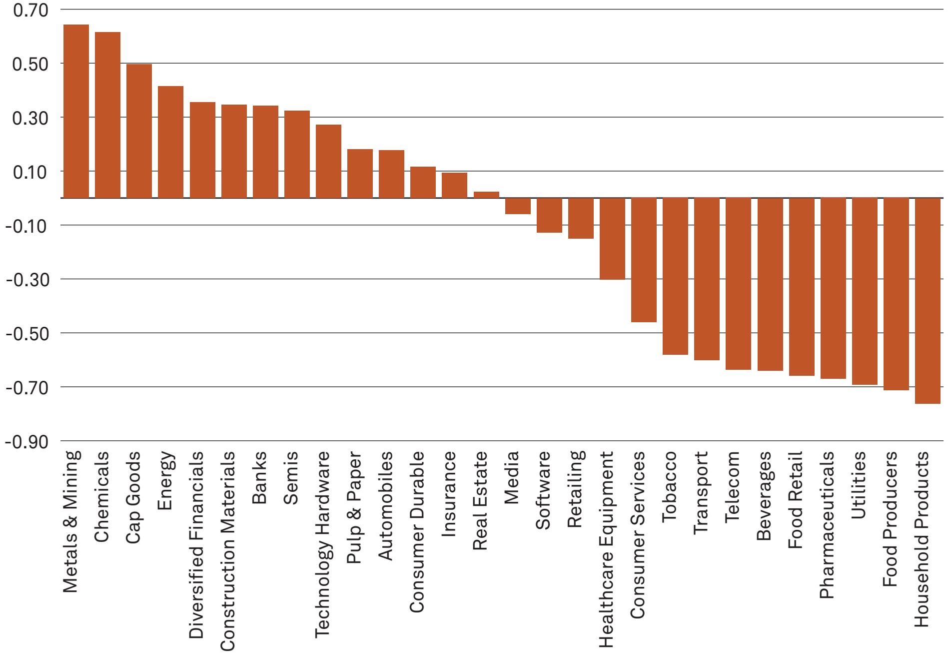
A key feature of commodity markets over the last twelve months has been China's supply-side reform programme targeted at overcapacity industries, as well as its focus on improving environmental standards within the country. This has had a profound impact on a number of commodities with supply exiting the market far quicker than we had previously anticipated and significant premiums developing for higher quality products. This has created some interesting investment opportunities for the Company, particularly in iron ore through portfolio exposure to Vale and Rio Tinto, as well as in coal, via our holdings in Glencore and Teck Resources.

OUTLOOK

A backdrop of strong global economic growth is typically good for the underlying commodity markets and whilst there are always risks to economic growth and markets, our view is that this positive environment will continue for the rest of 2018. The key risk to the positive view on the mined commodities is a further escalation of the trade war between the US and China; for the oil market the key supply risk would be a breakdown in the OPEC production agreement.

As the US 10 year treasury yield went over 3% towards the end of the period, there is increasing focus on the risk of inflation increasing. As highlighted in the chart below, we would expect both the mining and energy sectors to be a beneficiary of rising inflation expectations given their historical correlation.

10 YEAR CORRELATION OF GLOBAL SECTOR RELATIVE PERFORMANCE WITH US INFLATION EXPECTATIONS

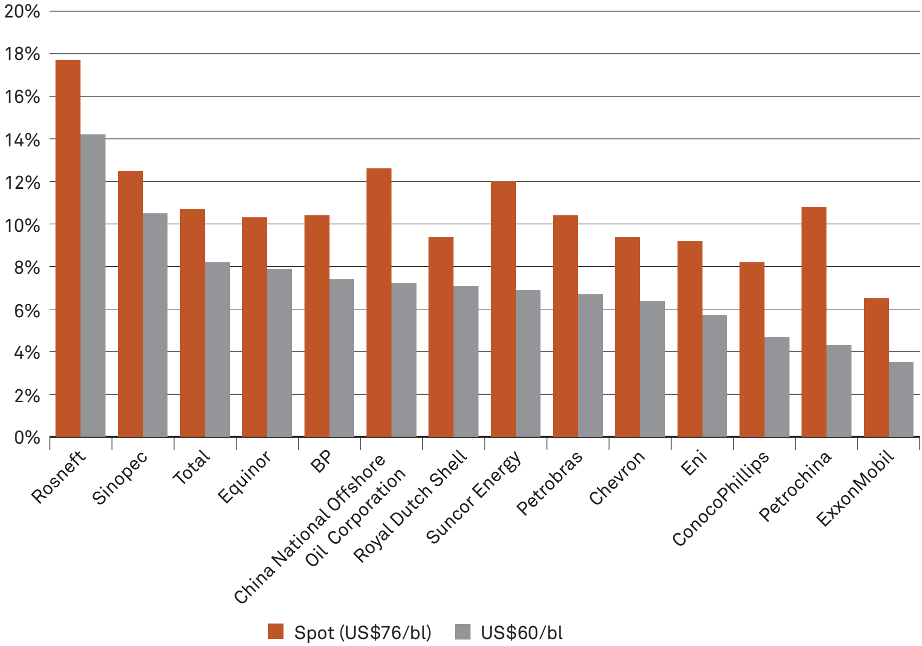


Source: Credit Suisse. Data as at 22 March 2018.

We still see compelling reasons to be optimistic on the outlook for future returns for energy companies, despite the recent positive performance of the sector. Valuations, in our view, remain attractive relative to the broader market especially when looking at free cash flow yield and dividend yield. The final chart shows the free cash flow yields of a selection of energy companies at US$76 and US$60 per barrel and illustrates the cash flow potential should oil prices remain at or around current levels.

Investment manager's report continued

2019 FCF YIELDS AT $60/BL AND $76/BL (SPOT)



Source: GS Research. Data as at May 2018.

Olivia Markham and Tom Holl
BlackRock Investment Management (UK) Limited
26 July 2018

Ten largest investments

as at 31 May 2018

Rio Tinto: 8.7% (2017: 6.8%) is one of the world's leading mining companies. The company's primary production is iron ore, but it also produces aluminium, copper, diamonds, gold, industrial minerals and energy products.

BHP: 8.3% (2017: 6.7%) is the world's largest diversified natural resources company. The company is a major producer of aluminium, iron ore, copper, thermal and metallurgical coal, manganese, uranium, nickel, silver, titanium minerals and diamonds. The company also has significant interests in oil, gas and liquefied natural gas.

Royal Dutch Shell 'B': 6.6% (2017: 6.2%) is one of the world's leading energy companies. The Anglo-Dutch company is active in every area of the oil and gas industry within exploration and production, refining and marketing, power generation and energy trading. The company also has renewable energy interests in biofuels.

First Quantum Minerals: 6.1%* (2017: 9.4%) is an established and rapidly growing mining company operating seven mines and developing five projects worldwide. The company is a significant copper producer and also produces nickel, gold, zinc and platinum group elements.

Glencore: 5.8% (2017: 5.0%) is a diversified miner with activities in mining, smelting, refining, processing and marketing of metals and minerals, energy products and agricultural products globally. Since mid-2015 the company has been focused on rapidly de-gearing the balance sheet, with net debt falling from US$26bn (Dec-15) to a targeted range of US$10-16bn, to provide greater balance sheet strength and flexibility going forward.

Chevron: 4.8% (2017: 4.8%) is an integrated oil and gas producer engaged in all aspects of the oil and gas industry. The company has both upstream and downstream operations, as well as alternative energy operations including solar, wind and biofuels.

BP: 4.3% (2017: 3.1%) is one of the world's leading international oil and gas companies. The company explores and produces oil and natural gas, refines, markets and supplies petroleum products. It also generates solar energy and manufactures chemicals.

* 4.8% relates to fixed interest holdings in First Quantum Minerals.

Ten largest investments continued

as at 31 May 2018

ExxonMobil: 3.6% (2017: 4.2%) is the world's largest publicly traded international oil and gas company and the largest refiner and marketer of petroleum products.

Marathon Oil: 3.2% (2017: 2.5%) is a global energy company specialising in exploration and production. The company is focused on some of the most significant oil-rich resource plays in the U.S. – the Eagle Ford in Texas, Permian in New Mexico, STACK and SCOOP in Oklahoma, and the Bakken in North Dakota. It also has international operations in Europe and Africa.

Vale: 3.0% (2017: 3.3%) is one of the largest mining companies in the world, with operations in 30 countries. Vale is the world's largest producer of iron ore and iron ore pellets, and the world's largest producer of nickel. The company also produces manganese ore, ferroalloys, metallurgical and thermal coal, copper, platinum group metals, gold, silver, cobalt, potash, phosphates and other fertiliser nutrients.

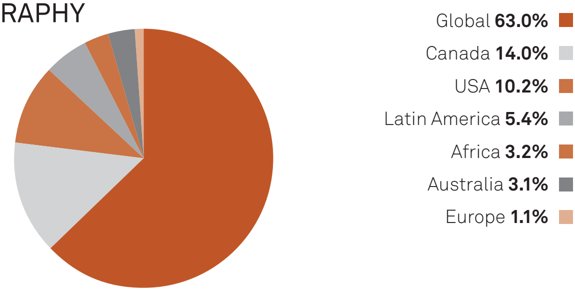
All percentages reflect the value of the holding as a percentage of total investments. For this purpose where more than one class of securities is held, these have been aggregated. The percentages in brackets represent the value of the holding as at 30 November 2017. Together, the ten largest investments represent 54.4% of total investments (ten largest investments as at 30 November 2017: 52.6%).

Contents

Distribution of investments

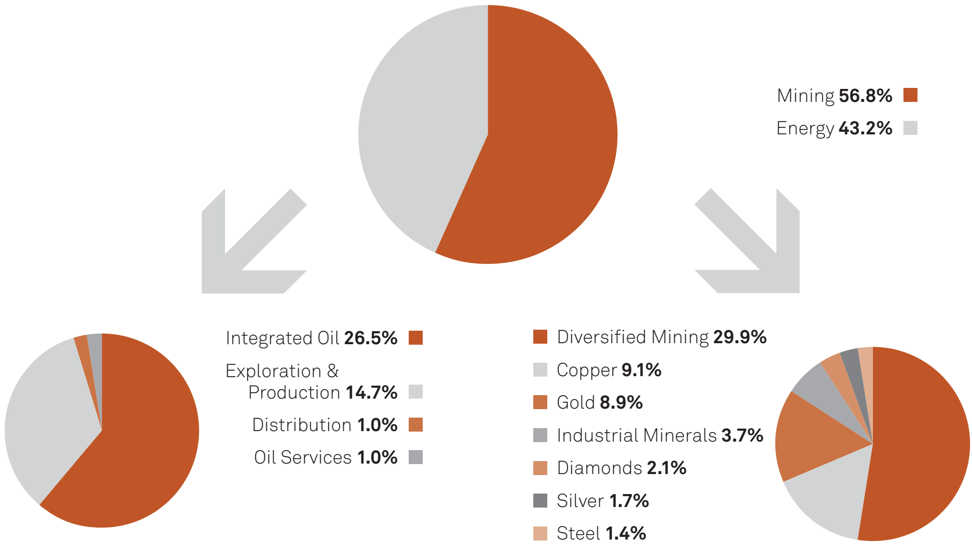
as at 31 May 2018

ASSET ALLOCATION – GEOGRAPHY



Source: BlackRock.

ASSET ALLOCATION – COMMODITY



Source: BlackRock.

Investments

as at 31 May 2018

	Main geographic exposure	Market value	% of investments
		£'000	
Diversified Mining			
Rio Tinto	Global	9,456	8.7
Rio Tinto Call Option 15/06/18	Global	(8)	–
BHP	Global	9,051	8.3
Glencore	Global	6,346	5.8
Vale	Latin America	3,328	3.0
Teck Resources	Canada	3,313	3.0
Teck Resources Call Option 20/07/18	Canada	(34)	–
South32	Global	1,230	1.1
South32 Call Option 28/06/18	Global	(22)	–
		32,660	**29.9**
Integrated Oil			
Royal Dutch Shell 'B'	Global	7,204	6.6
Chevron	Global	5,277	4.8
BP	Global	4,660	4.3
ExxonMobil	Global	3,907	3.6
ConocoPhillips	USA	3,189	2.9
Suncor Energy	Canada	3,062	2.8
Equinor	Europe	1,150	1.1
Occidental Petroleum	USA	457	0.4
		28,906	**26.5**
Exploration & Production			
Marathon Oil	Global	3,487	3.2
EOG Resources	USA	2,540	2.3
Anadarko Petroleum	USA	2,260	2.1
Devon Energy	USA	1,952	1.8
Encana	Canada	1,781	1.6
Noble Energy	Global	1,661	1.5
Hess	Global	1,202	1.1
Laredo Petroleum	USA	784	0.7
Crescent Point Energy	Canada	530	0.5

	Main geographic exposure	Market value	% of investments
		£'000	
Exploration & Production (continued)			
EQT Put Option 15/06/18	USA	(4)	–
Canadian Natural Resources Put Option 20/07/18	Canada	(92)	(0.1)
		16,101	**14.7**
Copper			
First Quantum Minerals 7.25% 15/05/22	Global	3,597	3.3
First Quantum Minerals	Global	1,422	1.3
First Quantum Minerals 6.875% 1/03/26	Global	985	0.9
First Quantum Minerals 7.5% 1/04/25	Global	339	0.3
First Quantum Minerals 7.25% 1/04/23	Global	336	0.3
Avanco Resources	Latin America	1,710	1.6
Lundin Mining	Global	1,507	1.4
		9,896	**9.1**
Gold			
Nevsun Resources	Africa	1,843	1.7
Newcrest Mining	Australia	1,729	1.6
Goldcorp	Canada	1,288	1.2
Agnico Eagle Mines	Canada	1,230	1.1
Newmont Mining	Global	1,148	1.1
Randgold Resources	Africa	1,135	1.0
Franco-Nevada	Global	871	0.8
Osisko Gold Royalties Convertible 4% 31/12/22	Canada	410	0.4
		9,654	**8.9**
Industrial Minerals			
Pilgangoora 12% 21/06/22	Australia	1,679	1.5
Albemarle	Global	1,405	1.3
Nemska Lithium	Canada	977	0.9
		4,061	**3.7**

Investments continued

as at 31 May 2018

	Main geographic exposure	Market value £'000	% of investments
Diamonds			
Mountain Province Diamonds 8% 15/12/22	Canada	1,699	1.6
Petra Diamonds 7.25% 1/05/22	Africa	564	0.5
		2,263	**2.1**
Silver			
Wheaton Precious Metals	Global	1,030	0.9
Fresnillo	Latin America	882	0.8
Fresnillo Put Option 20/07/18	Latin America	(25)	–
		1,887	**1.7**
Steel			
Arcelormittal	Global	1,525	1.4
		1,525	**1.4**
Distribution			
Transcanada	Canada	1,133	1.0
		1,133	**1.0**
Oil Services			
Halliburton	Global	1,121	1.0
		1,121	**1.0**
Uranium			
Cameco Put Option 15/06/18	Canada	(23)	–
		(23)	**–**
Portfolio		**109,184**	**100.0**

	Main geographic exposure	Market value	% of investments
		£'000	
Comprising			
– Equity and debt investments		109,392	100.1
– Derivative financial instruments – written options		(208)	(0.1)
		109,184	**100.0**

All investments are ordinary shares unless otherwise stated. The total number of holdings (including options) at 31 May 2018 was 55 (30 November 2017: 53).

The total number of open options as at 31 May 2018 was 7 (30 November 2017: 6).

The negative valuation of £208,000 in respect of options held represent the notional cost of repurchasing the contracts at market prices as at 31 May 2018.

As at 31 May 2018, the Company did not hold any equity interests comprising more than 3% of any company's share capital.

Consolidated statement of comprehensive income

for the six months ended 31 May 2018

		Revenue £'000			Capital £'000			Total £'000		
		Six months ended		Year ended	Six months ended		Year ended	Six months ended		Year ended
	Notes	31.05.18 (unaudited)	31.05.17 (unaudited)	30.11.17 (audited)	31.05.18 (unaudited)	31.05.17 (unaudited)	30.11.17 (audited)	31.05.18 (unaudited)	31.05.17 (unaudited)	30.11.17 (audited)
Income from investments held at fair value through profit or loss	3	1,970	1,810	3,456	–	–	–	1,970	1,810	3,456
Other income	3	1,206	2,198	3,664	–	–	–	1,206	2,198	3,664
Total revenue		3,176	4,008	7,120	–	–	–	3,176	4,008	7,120
Net profit/(loss) on investments held at fair value through profit or loss		–	–	–	13,662	(11,770)	(8,066)	13,662	(11,770)	(8,066)
Net profit/(loss) on foreign exchange		–	–	–	24	(29)	(39)	24	(29)	(39)
Total		3,176	4,008	7,120	13,686	(11,799)	(8,105)	16,862	(7,791)	(985)
Expenses										
Investment management fees	4	(126)	(126)	(239)	(379)	(377)	(717)	(505)	(503)	(956)
Other operating expenses	5	(167)	(169)	(336)	(2)	(2)	(3)	(169)	(171)	(339)
Total operating expenses		(293)	(295)	(575)	(381)	(379)	(720)	(674)	(674)	(1,295)
Net profit/(loss) before finance costs and taxation		2,883	3,713	6,545	13,305	(12,178)	(8,825)	16,188	(8,465)	(2,280)
Finance costs	6	(18)	(51)	(69)	(53)	(38)	(90)	(71)	(89)	(159)
Net profit/(loss) on ordinary activities before taxation		2,865	3,662	6,476	13,252	(12,216)	(8,915)	16,117	(8,554)	(2,439)
Taxation		(278)	(438)	(723)	24	–	–	(254)	(438)	(723)
Profit/(loss) for the period	8	2,587	3,224	5,753	13,276	(12,216)	(8,915)	15,863	(8,992)	(3,162)
Earnings/(loss) per ordinary share (pence)	8	2.18	2.72	4.84	11.18	(10.29)	(7.50)	13.36	(7.57)	(2.66)

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Group.

The Group does not have any other comprehensive income. The net profit/(loss) for the period disclosed above represents the Group's total comprehensive income.

Consolidated statement of changes in equity

for the six months ended 31 May 2018

	Notes	Called-up share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
For the six months ended 31 May 2018 (unaudited)							
At 30 November 2017		1,188	46,827	71,223	(31,394)	3,513	91,357
Total comprehensive income:							
Net profit for the period		–	–	–	13,276	2,587	15,863
Transactions with owners, recorded directly to equity:							
Proceeds from shares issued	9	2	150	40	–	–	192
Ordinary shares purchased into treasury		–	–	(732)	–	–	(732)
Share purchase costs		–	–	(4)	–	–	(4)
Dividends paid [(a)]	7	–	–	–	–	(2,378)	(2,378)
At 31 May 2018		1,190	46,977	70,527	(18,118)	3,722	104,298
For the six months ended 31 May 2017 (unaudited)							
At 30 November 2016		1,183	46,395	71,223	(22,479)	2,511	98,833
Total comprehensive income:							
Net (loss)/profit for the period		–	–	–	(12,216)	3,224	(8,992)
Transactions with owners, recorded directly to equity:							
Proceeds from shares issued		5	432	–	–	–	437
Share issue costs		–	(7)	–	–	–	(7)
Dividends paid [(b)]	7	–	–	–	–	(2,376)	(2,376)
At 31 May 2017		1,188	46,820	71,223	(34,695)	3,359	87,895
For the year ended 30 November 2017 (audited)							
At 30 November 2016		1,183	46,395	71,223	(22,479)	2,511	98,833
Total comprehensive income:							
Net (loss)/profit for the year		–	–	–	(8,915)	5,753	(3,162)
Transactions with owners, recorded directly to equity:							
Proceeds from shares issued		5	433	–	–	–	438
Share issue costs		–	(1)	–	–	–	(1)
Dividends paid [(c)]	7	–	–	–	–	(4,751)	(4,751)
At 30 November 2017		1,188	46,827	71,223	(31,394)	3,513	91,357

(a) 4th interim dividend of 1.00p per share for the year ended 30 November 2017, declared on 11 December 2017 and paid on 19 January 2018 and 1st interim dividend of 1.00p per share for the year ended 30 November 2018, declared on 13 March 2018 and paid on 20 April 2018.

(b) 4th interim dividend of 1.00p per share for the year ended 30 November 2016, declared on 16 December 2016 and paid on 20 January 2017 and 1st interim dividend of 1.00p per share for the year ended 30 November 2017, declared on 14 March 2017 and paid on 21 April 2017.

(c) 4th interim dividend of 1.00p per share for the year ended 30 November 2016, declared on 16 December 2016 and paid on 20 January 2017, 1st interim dividend of 1.00p per share for the year ended 30 November 2017, declared on 14 March 2017 and paid on 21 April 2017, 2nd interim dividend of 1.00p per share for the year ended 30 November 2017, declared on 13 June 2017 and paid on 21 July 2017 and 3rd interim dividend of 1.00p per share for the year ended 30 November 2017, declared on 11 September 2017 and paid on 13 October 2017.

The transaction costs relating to the acquisition and disposal of investments amounted to £43,000 and £3,000 respectively for the six months ended 31 May 2018 (six months ended 31 May 2017: £107,000 and £12,000; year ended 30 November 2017: £78,000 and £127,000).

Consolidated statement of financial position

as at 31 May 2018

	Notes	31 May 2018 £'000 (unaudited)	31 May 2017 £'000 (unaudited)	30 November 2017 £'000 (audited)
Non current assets				
Investments held at fair value through profit or loss		109,392	95,938	94,603
Current assets				
Other receivables		453	441	2,057
Cash collateral held with brokers		939	1,906	949
Cash and cash equivalents		10	8,627	78
		1,402	10,974	3,084
Total assets		110,794	106,912	97,687
Current liabilities				
Other payables		(1,019)	(858)	(786)
Derivative financial liabilities held at fair value through profit or loss		(208)	(428)	(98)
Bank overdraft		(5,269)	(17,731)	(5,446)
		(6,496)	(19,017)	(6,330)
Net assets		104,298	87,895	91,357
Equity attributable to equity holders				
Called up share capital	9	1,190	1,188	1,188
Share premium account		46,977	46,820	46,827
Special reserve		70,527	71,223	71,223
Capital reserves		(18,118)	(34,695)	(31,394)
Revenue reserve		3,722	3,359	3,513
Total equity		104,298	87,895	91,357
Net asset value per ordinary share (pence)	8	88.28	74.01	76.92

Consolidated cash flow statement

for the six months ended 31 May 2018

	Six months ended 31 May 2018 £'000 (unaudited)	Six months ended 31 May 2017 £'000 (unaudited)	Year ended 30 November 2017 £'000 (audited)
Operating activities:			
Net profit/(loss) before taxation	16,117	(8,554)	(2,439)
Add back finance costs	71	89	159
Net (profit)/loss on investments and options held at fair value through profit or loss (including transaction costs)	(13,662)	11,770	8,066
Net (profit)/loss on foreign exchange	(24)	29	39
Sales of investments held at fair value through profit or loss	17,369	33,476	63,910
Purchases of investments held at fair value through profit or loss	(18,385)	(38,111)	(63,836)
Decrease/(increase) in other receivables	36	27	(21)
Increase/(decrease) in other payables	285	(14)	6
Decrease/(increase) in amounts due from brokers	1,568	448	(1,120)
Decrease in amounts due to brokers	–	(2,335)	(2,335)
Net movement in cash collateral held with brokers	10	1,084	2,041
Net cash inflow/(outflow) from operating activities before interest and taxation	3,385	(2,091)	4,470
Taxation paid	(229)	(353)	(655)
Taxation on investment income included within gross income	(78)	(117)	(192)
Net cash inflow/(outflow) from operating activities	3,078	(2,561)	3,623
Financing activities			
Interest paid	(71)	(89)	(159)
Proceeds from share issues	192	437	438
Share issue costs paid	–	(7)	(1)
Shares purchased into treasury	(732)	–	–
Share purchase costs paid	(4)	–	–
Dividends paid	(2,378)	(2,376)	(4,751)
Net cash outflow from financing activities	(2,993)	(2,035)	(4,473)
Increase/(decrease) in cash and cash equivalents	85	(4,596)	(850)
Effect of foreign exchange rate changes	24	(29)	(39)
Change in cash and cash equivalents	109	(4,625)	(889)
Cash and cash equivalents at start of period	(5,368)	(4,479)	(4,479)
Cash and cash equivalents at end of period	(5,259)	(9,104)	(5,368)
Comprised of:			
Cash at bank	10	8,627	78
Bank overdraft	(5,269)	(17,731)	(5,446)
	(5,259)	(9,104)	(5,368)

Notes to the financial statements

for the six months ended 31 May 2018

1. PRINCIPAL ACTIVITY

The principal activity of the Company is that of an investment trust company within the meaning of section 1158 of the Corporation Tax Act 2010.

The principal activity of the subsidiary, BlackRock Commodities Securities Income Company Limited, is investment dealing and options writing.

2. BASIS OF PREPARATION

The half yearly financial statements have been prepared using the same accounting policies as set out in the Company's Annual Report and Financial Statements for the year ended 30 November 2017 (which were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and as applied in accordance with the provisions of the Companies Act 2006) and in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts issued by the Association of Investment Companies (AIC), issued in November 2014 and updated in January 2017 is compatible with IFRS, the financial statements have been prepared in accordance with guidance set out in the SORP.

The taxation charge has been calculated by applying an estimate of the annual effective tax rate to any profit for the period.

3. INCOME

	Six months ended 31 May 2018	Six months ended 31 May 2017	Year ended 30 November 2017
	£'000 (unaudited)	£'000 (unaudited)	£'000 (audited)
Investment income:			
UK listed dividends	807	661	1,300
Overseas listed dividends	702	888	1,574
Overseas listed special dividends	49	–	–
Fixed interest	412	261	582
	1,970	1,810	3,456
Other income:			
Deposit interest	16	4	23
Option premium income	1,190	2,194	3,641
	1,206	2,198	3,664
Total income	3,176	4,008	7,120

During the period, the Group received option premium income totalling £1,266,000 (six months ended 31 May 2017: £1,988,000; year ended 30 November 2017: £3,334,000) for writing put and covered call options for the purposes of revenue generation. Option premiums of £1,190,000 (six months ended 31 May 2017: £2,194,000; year ended 30 November 2017: £3,641,000) were amortised to income. At 31 May 2018, there were 7 (31 May 2017: 13; 30 November 2017: 6) open positions with an associated liability of £208,000 (31 May 2017: £428,000; 30 November 2017: £98,000).

Dividends and interest received in cash in the period amounted to £1,588,000 and £293,000 (six months ended 31 May 2017: £1,568,000 and £214,000; year ended 30 November 2017: £2,866,000 and £491,000) respectively.

There were no special dividends recognised in capital in the six months ended 31 May 2018 (six months ended 31 May 2017: £nil; year ended 30 November 2017: £91,000).

Notes to the financial statements continued

for the six months ended 31 May 2018

4. INVESTMENT MANAGEMENT FEE

	Six months ended 31 May 2018 (unaudited)			Six months ended 31 May 2017 (unaudited)			Year ended 30 November 2017 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	126	379	505	126	377	503	239	717	956

The investment management fee is levied at 0.95% of gross assets per annum on the first £250 million of the Company's gross assets reducing to 0.90% thereafter. The fee is allocated 25% to the revenue column and 75% to the capital column of the Consolidated Statement of Comprehensive Income.

5. OTHER OPERATING EXPENSES

	Six months ended 31 May 2018 £'000 (unaudited)	Six months ended 31 May 2017 £'000 (unaudited)	Year ended 30 November 2017 £'000 (audited)
Allocated to revenue:			
Custody fee	2	3	5
Auditor's remuneration – audit services	13	12	25
Registrar's fee	13	12	23
Directors' emoluments	60	50	107
Broker fees	12	12	25
Depositary fees	5	6	11
Marketing fees	13	13	25
Marketing fees prior year adjustment	(4)	–	–
Other administration costs	53	61	115
	167	169	336
Allocated to capital:			
Custody transaction charges	2	2	3
	169	171	339

Notes to the financial statements continued

for the six months ended 31 May 2018

6. FINANCE COSTS

	Six months ended 31 May 2018 (unaudited)			Six months ended 31 May 2017 (unaudited)			Year ended 30 November 2017 (audited)		
	Revenue £’000	Capital £’000	Total £’000	Revenue £’000	Capital £’000	Total £’000	Revenue £’000	Capital £’000	Total £’000
Interest on bank overdrafts	18	53	71	51	38	89	69	90	159

Finance costs for the Company are charged 25% to the revenue column and 75% to the capital column of the Consolidated Statement of Comprehensive Income. Subsidiary finance costs are charged 100% to the revenue column of the Consolidated Statement of Comprehensive Income.

At 31 May 2018 the Group had an overdraft facility of the lower of £17.5 million or 20% of the Group’s net assets.

7. DIVIDENDS

The Board's current dividend target is to declare quarterly dividends of 1.00 pence per share in the year to 30 November 2018, making a total of at least 4.00 pence for the year as a whole.

A first interim dividend for the period ending 28 February 2018 of £1,190,000 (1.00p per share) was paid on 20 April 2018 to shareholders on the register on 23 March 2018.

The Directors have declared a second interim dividend for the year ended 30 November 2018 of 1.00p per ordinary share. The total cost of the dividend was £1,172,000 and was paid on 20 July 2018 to shareholders on the Company's register on 22 June 2018. This dividend has not been accrued in the financial statements for the six months ended 31 May 2018, as under IFRS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

The third and fourth interim dividends will be declared in September 2018 and December 2018 respectively.

Dividends on equity shares paid during the period were:

	Six months ended 31 May 2018 £'000 (unaudited)	Six months ended 31 May 2017 £'000 (unaudited)	Year ended 30 November 2017 £'000 (audited)
Second interim dividend for the year ended 30 November 2017 of 1.00p (2016: 1.50p)	–	–	1,188
Third interim dividend for the year ended 30 November 2017 of 1.00p (2016: 1.00p)	–	–	1,188
Fourth interim dividend for the year ended 30 November 2017 of 1.00p (2016: 1.00p)	1,188	1,188	1,188
First interim dividend for the year ending 30 November 2018 of 1.00p (2017: 1.00p)	1,190	1,188	1,187
	2,378	2,376	4,751

Notes to the financial statements continued

for the six months ended 31 May 2018

8. CONSOLIDATED EARNINGS AND NET ASSET VALUE PER ORDINARY SHARE

Total revenue and capital returns per share and net asset value per share are shown below and have been calculated using the following:

	Six months ended 31 May 2018 (unaudited)	Six months ended 31 May 2017 (unaudited)	Year ended 30 November 2017 (audited)
Net revenue profit attributable to ordinary shareholders (£'000)	2,587	3,224	5,753
Net capital profit/(loss) attributable to ordinary shareholders (£'000)	13,276	(12,216)	(8,915)
Total profit/(loss) attributable to ordinary shareholders (£'000)	15,863	(8,992)	(3,162)
Equity shareholders' funds (£'000)	104,298	87,895	91,357
The weighted average number of ordinary shares in issue during each period on which the return per ordinary share was calculated was:	118,767,389	118,735,033	118,751,562
The actual number of ordinary shares in issue (excluding treasury shares) at the period end on which the net asset value was calculated was:	118,147,000	118,768,000	118,768,000
Returns per share			
Revenue earnings per share (pence)	2.18	2.72	4.84
Capital earnings/(loss) per share (pence)	11.18	(10.29)	(7.50)
Total earnings/(loss) per share (pence)	13.36	(7.57)	(2.66)

There were no dilutive securities at the period end (six months ended 31 May 2017: nil; year ended 30 November 2017: nil).

	As at 31 May 2018 (unaudited)	As at 31 May 2017 (unaudited)	As at 30 November 2017 (audited)
Net asset value per ordinary share (pence)	88.28	74.01	76.92
Ordinary share price (pence)	81.20	72.75	75.00

9. CALLED UP SHARE CAPITAL

	Ordinary shares (number)	Treasury shares (number)	Total shares (number)	Nominal value (£'000)
Allotted, called up and fully paid share capital comprised:				
Ordinary shares of 1 pence each:				
At 30 November 2017	118,768,000	–	118,768,000	1,188
Shares issued	198,000	–	198,000	2
Shares purchased and held in treasury	(871,000)	871,000	–	–
Shares re-issued from treasury	52,000	(52,000)	–	–
At 31 May 2018	118,147,000	819,000	118,966,000	1,190

During the period 871,000 shares were bought back and transferred to treasury for a total consideration of £732,000. Of these 52,000 were subsequently re-issued along with a new issue of a further 198,000 shares (six months ended 31 May 2017: 500,000 new shares were issued; year ended 30 November 2017: 500,000 new shares were issued) for a total consideration of £192,000 (six months ended 31 May 2017: £437,000; year ended 30 November 2017: £438,000) before the deduction of issue costs. Since 31 May 2018, no shares have been issued. A further 1,918,000 shares have been bought back for a total consideration of £1,564,000 before deduction of issue costs. Additional details are given in the Chairman's Statement on page 6.

10. VALUATION OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are either carried in the Consolidated Statement of Financial Position at their fair value (investments and derivatives) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). IFRS 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Group are explained in the accounting policies note 2(h) as set out in the Group's Annual Report and Financial Statements for the year ended 30 November 2017.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows.

Notes to the financial statements continued

for the six months ended 31 May 2018

10. VALUATION OF FINANCIAL INSTRUMENTS continued

The fair value hierarchy has the following levels:

Level 1 – Quoted prices for an identical instrument in an active market

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Group does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs

This category includes instruments valued using quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

Level 3 – Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation technique includes inputs not based on observable market data and these inputs could have a significant impact on the instrument's valuation.

This category includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

Over-the-counter derivative option contracts have been classified as Level 2 investments as their valuation has been based on market observable inputs represented by the underlying quoted securities to which these contracts expose the Group.

The table below sets out fair value measurements using the IFRS 13 fair value hierarchy.

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2018 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity and debt investments	109,392	–	–	109,392
Liabilities:				
Derivative financial instruments – written options	–	(208)	–	(208)
	109,392	(208)	–	109,184

Financial assets/(liabilities) at fair value through profit or loss at 31 May 2017 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity and debt investments	95,938	–	–	95,938
Liabilities:				
Derivative financial instruments – written options	–	(428)	–	(428)
	95,938	(428)	–	95,510

Financial assets/(liabilities) at fair value through profit or loss at 30 November 2017 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity and debt investments	94,603	–	–	94,603
Liabilities:				
Derivative financial instruments – written options	–	(98)	–	(98)
	94,603	(98)	–	94,505

There were no transfers between levels for financial assets and financial liabilities during the period recorded at fair value as at 31 May 2018, 31 May 2017 and 30 November 2017. The Group did not hold any Level 3 securities throughout the financial period under review or as at 31 May 2017 and 30 November 2017.

Notes to the financial statements continued

for the six months ended 31 May 2018

11. TRANSACTIONS WITH THE AIFM AND THE INVESTMENT MANAGER

BlackRock Fund Managers Limited (BFM) is the Company's Alternative Investment Fund Manager (AIFM). BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)).

The investment management fee due to BFM for the six months ended 31 May 2018 amounted to £505,000 (six months ended 31 May 2017: £503,000; year ended 30 November 2017: £956,000). At the period end £638,000 was outstanding in respect of these fees (six months ended 31 May 2017: £401,000; year ended 30 November 2017: £387,000).

In addition to the above services, BlackRock has provided the Company with marketing services. The total fees paid or payable for these services for the period ended 31 May 2018 amounted to £13,000 excluding VAT (six months ended 31 May 2017: £13,000; year ended 30 November 2017: £25,000). Marketing fees of £10,000 (31 May 2017: £10,000; 30 November 2017: £23,000) were outstanding at 31 May 2018.

12. RELATED PARTY DISCLOSURE: DIRECTORS' EMOLUMENTS

The Board consists of four non-executive Directors all of whom with the exception of Mr Ruck Keene (who was previously an employee of the Manager) are considered to be independent of the Manager by the Board. Mr Ruck Keene retired from his position at BlackRock on 7 April 2017 and will continue to be deemed to be non-independent of the Manager for a period of five years following his retirement under current guidance set out in the UK Corporate Governance Code.

None of the Directors has a service contract with the Company. The Chairman receives an annual fee of £37,000, the Chairman of the Audit and Management Engagement Committee receives an annual fee of £31,000 and each other Director receives an annual fee of £26,000.

As at 31 May 2018: £nil (31 May 2017: £nil; 30 November 2017: £nil) was outstanding in respect of Directors fees.

At the period end, interests of the Directors in the ordinary shares of the Company are as set out below:

	31 May 2018	31 May 2017	30 November 2017
Ed Warner (Chairman)	94,000	94,000	94,000
Carol Bell	33,500	33,500	33,500
Michael Merton	17,000	17,000	17,000
Jonathan Ruck Keene	14,000	14,000	14,000

Since the period end and up to the date of this report there have been no changes in Directors' holdings.

13. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 May 2018, 31 May 2017 or 30 November 2017.

14. PUBLICATION OF NON-STATUTORY ACCOUNTS

The financial information contained in this half yearly report does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. The financial information for the six months ended 31 May 2018 and 31 May 2017 has not been audited.

The information for the year ended 30 November 2017 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies unless otherwise stated. The report of the Auditors on those accounts contained no qualification or statement under sections 498(2) or 498(3) of the Companies Act 2006.

15. ANNUAL RESULTS

The Board expects to announce the annual results for the year ending 30 November 2018 in January 2019.

Copies of the annual results announcement can be obtained from the Secretary on 020 7743 3000 or at cosec@blackrock.com. The Annual Report and Financial Statements should be available at the beginning of February 2019, with the Annual General Meeting being held in March 2019.

Directors, management and other service providers

Directors
Ed Warner (Chairman)
Carol Bell
Michael Merton (Chairman of the Audit and Management Engagement Committee)
Jonathan Ruck Keene

Registered Office
(Registered in England, No. 5612963)
12 Throgmorton Avenue
London EC2N 2DL

Alternative Investment Fund Manager
BlackRock Fund Managers Limited*
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000

Investment Manager and Company Secretary
BlackRock Investment Management (UK) Limited*
12 Throgmorton Avenue
London EC2N 2DL

Depositary
The Bank of New York Mellon (International) Limited*
One Canada Square
London E14 5AL

Registrar
Computershare Investor Services PLC*
The Pavilions, Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 1476

Auditor
Ernst & Young LLP
25 Churchill Place
Canary Wharf
London E14 5EY

Custodian and Banker
The Bank of New York Mellon (International) Limited*
One Canada Square
London E14 5AL

Stockbroker
Winterflood Securities Limited*
The Atrium Building
25 Dowgate Hill
London EC4R 2GA

Solicitor
Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

* Authorised and regulated by the Financial Conduct Authority.

Shareholder information

CONTACT INFORMATION

General enquiries about the Company should be directed to:

The Secretary
BlackRock Commodities Income Investment Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

WEBSITE

blackrock.co.uk/brci

SHAREHOLDER ENQUIRIES

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information will be required to gain access to your account, including your shareholder reference number available from your most recent dividend counterfoil or other communication received from the registrar. Computershare's website address is investorcentre.co.uk. Alternatively, please contact the registrar on 0370 707 1476.

Changes of name or address must be notified in writing either through Computershare's website or sent to:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

RESULTS

Full year announced in late January/early February

Half year announced in July

ANNUAL GENERAL MEETING

March

Shareholder information continued

QUARTERLY DIVIDENDS

Dividends are paid quarterly as follows:

Period ending	Ex-date	Payment date
28 February	March	April
31 May	June	July
31 August	September	October
30 November	December	January

DIVIDEND TAX ALLOWANCE

From April 2016 dividend tax credits were replaced by an annual £5,000 tax-free allowance on dividend income across an individual's entire share portfolio. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will continue to provide registered shareholders with a confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability. With effect from April 2018, the tax-free allowance was reduced from £5,000 to £2,000. If you have any tax queries, please contact a Financial Advisor.

DIVIDEND REINVESTMENT SCHEME (DRIP)

Shareholders may request that their dividends be used to purchase further shares in the Company. Dividend reinvestment forms may be obtained from Computershare Investor Services PLC on 0370 707 1476 or through their secure website, investorcentre.co.uk. Shareholders who have already opted to have their dividends reinvested do not need to reapply.

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