

Portfolio Managers' Commentary

Equity markets rallied in March for a fifth consecutive month. In British Pounds, the Fund generated a total return of 5.2%, outperforming both the Benchmark and the TSX Composite which returned 3.9% and 4.4%, respectively.

We continue to see encouraging signs that the market rally is broadening beyond large-cap tech stocks. Cyclical and value sectors led the market higher in March after lagging in the previous two months. This trend supported a 4.1% monthly return (local currency) in the TSX Composite Index and vaulted it to a new record high. Surging prices of key commodities, including oil, copper and gold, have provided a boost to Canada's resource industries with the TSX materials and energy sectors returning 15.4% and 7.3% in March, respectively.

The underlying strength in commodity prices can be partially attributed to an increasingly positive economic backdrop. Purchasing manager indexes in both the U.S. and China are back above 50 – the level that differentiates between expansion and contraction. Meanwhile, the IMF now expects the world economy to grow faster than it had predicted in January, when it forecast growth of 3.1% in 2024. These data points all support robust consumer spending and manufacturing activity which traditionally leads to higher demand for commodity inputs. U.S. crude futures have surged to \$85 a barrel for the first time since October, bringing its year-to-date advance to 19%.

Exploration & Production companies, which the Fund is overweight, were positive contributors to performance in Q1. Peyto, Canadian Natural Resources and Suncor generated total returns of 27%, 21.8% and 19.1%, respectively. These companies possess attractive operating leverage given their low levels of debt and streamlined operations. Assuming commodity prices remain strong, we expect them to re-accelerate their capital returns to shareholders in the form of dividend bumps, share buybacks and special distributions.

Materials have been another area of strength in Canadian markets recently. The Fund has increased its exposure to the sector by initiating positions in Nutrien (NTR) and B2Gold Corp (BTO). NTR sells key crop inputs and services including potash and nitrogen to the agriculture industry. Potash prices rose 8% in March, boosting the outlook for topline growth, while the company sharpens its focus on operations by adopting tele-remote and autonomous mining technologies. BTO is an intermediate gold producer with a strong growth profile. The price of gold has risen to all-time highs in recent weeks and is trading above US\$2,400/oz. BTO owns and operates three producing gold mines in Mali, Namibia and the Philippines, in addition to several exploration assets. It is a proven operator in the Canadian mining sector with a diversified asset base. We were encouraged to see BTO's costs come in below its original guidance range in 2023 and are optimistic that it can continue to improve its operating efficiency in the years ahead.

Click [here](#) for the April Market Commentary on Middlefield Canadian Income PCC's Website.

The percentage of portfolio assets which may be invested in securities listed on a recognized stock exchange outside of Canada is limited to 40%. Investment outside Canada and the United States is limited to 10%.

Nothing herein is to be construed as a solicitation or an offer to buy or sell any financial products. This factsheet is based in part on information obtained from sources believed to be reliable but not guaranteed as accurate. The Fund may utilize gearing, which will exaggerate market movements both down and up. If markets fall, gearing can magnify the negative impact of performance. Exchange rate changes may cause the value of underlying investments to go down as well as up. Where investments are made in smaller companies and non-investment grade bonds, their potential volatility may increase the risk to the value of, and the income from, the investment. The Fund's share price may either be below (at a discount to) or above (at a premium to) the NAV.

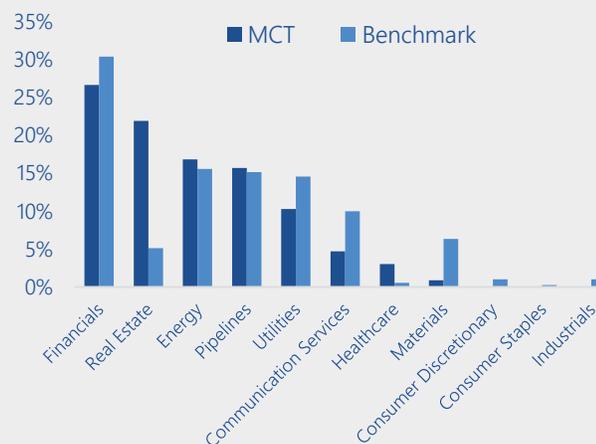
Portfolio Summary

Top 10 Holdings

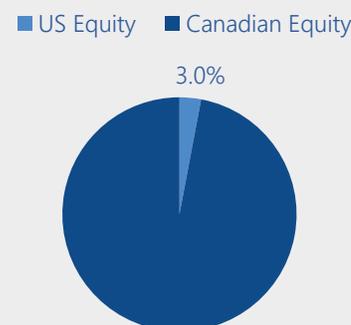
Name	Sector	% of Equities
Canadian Natural Resources	Energy	4.8%
Bank of Montreal	Financials	4.5%
Manulife Financial	Financials	4.5%
Royal Bank of Canada	Financials	4.4%
Enbridge	Pipelines	4.3%
Pembina Pipeline	Pipelines	3.8%
AltaGas	Utilities	3.8%
Suncor Energy	Energy	3.6%
TD Bank	Financials	3.4%
BCE Inc.	Comm. Svcs.	3.1%

Cumulative Weighting **40.2%**

Sector Allocation



Geographic Mix



This fact sheet is issued and approved by Middlefield International Limited which is regulated by the FCA. Middlefield Canadian Income PCC is regulated by the Jersey Financial Services Commission.

For further information about the Fund, please contact us at the below address or visit our website at www.middlefield.co.uk

Middlefield International
288 Bishopsgate
London, United Kingdom
EC2M 4QP
Tel: 44 (0) 20 7814 6644
Fax: 44 (0) 20 7814 6611

Dean Orrico, President
Middlefield International Limited
Tel: 44 (0) 20 3709 4016
Email: dorrico@middlefield.co.uk

Investment Objective

The Fund seeks to provide Shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year.

Investment Policy

The Fund will seek to achieve its investment objective by investing predominantly in the securities of companies and REITs domiciled in Canada as well as the U.S. that the Investment Manager believes will provide an attractive level of distributions together with the prospect for capital growth. It is expected that the Fund's portfolio will generally comprise between 40 and 70 investments. The Fund may also hold cash or cash equivalents and may utilise derivative instruments for the purposes of efficient portfolio management. The Fund will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Performance Since Inception



Fund Performance

Recent Performance	1 Mth	3 Mth	6 Mth	YTD	1 Year
Share Price	5.9%	1.9%	1.4%	1.9%	-1.0%
NAV	5.2%	4.7%	8.1%	4.7%	4.4%
Benchmark	3.9%	2.9%	8.3%	2.9%	5.5%
S&P/TSX Composite Index	4.4%	5.1%	11.5%	5.1%	11.4%

Long-Term Performance	3 Year annualised	5 year annualised	7 year annualised	10 year annualised	Since inception annualised
Share Price	5.6%	7.2%	5.1%	5.5%	6.1%
NAV	7.0%	7.3%	5.5%	6.3%	7.0%
Benchmark	10.7%	9.6%	7.2%	7.3%	6.7%
S&P/TSX Composite Index	9.7%	10.4%	8.1%	8.5%	6.5%

Sources: Middlefield, Bloomberg. As at 28 March, 2024

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. All price information is indicative only. Total returns including the reinvestment of dividends for all returns. Fund returns are net of fees. Composite of monthly total returns for the S&P/TSX Income Trust Index from inception to 31 December 2010 and the S&P/TSX Composite High Dividend Index (formerly named the S&P/TSX Equity Income Index) thereafter. Currency adjusted to reflect CAD\$ returns from inception of MCI to Oct 2011 and GBP returns thereafter since MCI was CAD\$ hedged from inception to Oct 2011.

¹Net borrowings as a percentage of total assets – the Fund has the power to borrow up to 25% of total assets
²Net borrowings as a percentage of net assets – the AIC standard measure of gearing

Company Overview

Middlefield Canadian Income PCC (the “Company”) is a Jersey incorporated, protected cell company. The Company’s initial cell is Middlefield Canadian Income – GBP PC (the “Fund”) whose shares are traded on the London Stock Exchange’s main market. The Fund has been designed to invest in a broadly diversified, actively managed portfolio of Canadian and U.S. listed equity income securities.

IA Sector	North America
Year End	31-Dec
Inception	06-Jul-06
LSE Symbol	MCT
ISIN	GB00B15PV034
Benchmark	S&P/TSX Composite High Dividend Index
Dividend Payable	Quarterly (Jan, Apr, Jul, Oct)
Management Fee	0.70% p.a.
Net Assets	£134,034,910
Voting Shares	106,487,250
Share Price	101.70p
Net Asset Value	125.87p
Premium/Discount	-19.2%
Dividend p.a.	5.30p
Current Yield	5.2%
Gearing (Gross) ¹	17.7%
Gearing (Net) ²	21.5%

Portfolio Managers



Dean Orrico
President & CEO

Mr Orrico has over 25 years experience in the financial services sector and is currently responsible for overseeing the creation and management of Middlefield’s investment funds including mutual funds, ETFs, closed-end funds and flow through funds. He graduated with a Bachelor of Commerce degree from the Rotman School of Management (University of Toronto) and holds an MBA from the Schulich School of Business (York University). Mr Orrico is a registered Portfolio Manager with expertise in both equity and fixed income securities and has spent many years meeting with international companies and investors.



Rob Lauzon
CIO

Mr Lauzon is Middlefield’s Chief Investment Officer and has been with the firm since 2002, bringing his acumen to numerous successful Middlefield products. He holds the Chartered Financial Analyst designation as well as an Honours Bachelor of Business Administration (Wilfrid Laurier University) and an MBA from the Rotman School of Management (University of Toronto).

Available Platforms to Invest

