

NOVEMBER PORTFOLIO UPDATE

MIDDLEFIELD CANADIAN INCOME PCC (LON:MCT)

All information is at 30 November 2020 and unaudited

Net asset value – capital only:	103.11p
Share price:	87.40
Discount to NAV:	-15.2%
Net yield ¹ :	5.8%
Gearing:	15.3%
Options overwrite:	0%
Ordinary shares in issue:	106,487,250
Ongoing charges ² :	1.27%

¹ Based on four quarterly interim dividends of 1.275p per share paid 31 January 2020, 30 April 2020, 31 July 2020, 30 October 2020, and based on the share price as at close of business on 30 October 2020.

² Ongoing charges represent the management fee and all other operating expenses excluding interest as a % of average shareholders' funds for the year ended 31 December 2019.

Performance with Net Income Reinvested

	One Month	Three Months	Six Months	One Year	Three Years	Five Years
Net asset value	12.1%	9.0%	10.6%	-6.7%	2.3%	7.9%
Share price	8.4%	9.1%	14.3%	-11.2%	1.0%	7.8%
TSX High Dividend Index	15.0%	10.8%	15.6%	-6.9%	1.7%	9.7%

Source: Middlefield, Bloomberg.

Sector Weights

Total Assets (%)

Financials	33.37
Real Estate	32.31
Utilities	18.15
Pipelines	9.59
Technology	7.49
Healthcare	6.38
Communication Services	6.18
Consumer Discretionary	2.97
Materials	2.19

	118.63
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Country Analysis**Investments (%)**

Canada	77.2
United States	22.8

	100.0
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Ten Largest Investments

<u>Company</u>	<u>Country of Risk</u>	<u>Net Assets (%)</u>
CIBC	Canada	5.8
Brookfield Renewables	Canada	5.2
TD Bank	Canada	4.6
Sun Life Financial	Canada	4.6
Northland Power	Canada	4.5
SmartCentres REIT	Canada	4.4
Enbridge	Canada	4.3
RioCan REIT	Canada	4.2
Broadcom	United States	3.8
Citigroup	United States	3.8

Dean Orrico, representing the Investment Manager, noted:

Equity markets surged in November following U.S. election results and very encouraging news on multiple COVID-19 vaccines. While large-cap growth stocks have been standout performers in 2020, the most recent rally featured outperformance by value and cyclicals. This was evidenced by a 13.9% return for the Euro Stoxx 600 and 18.4% for the Russell 2000 (in local currencies) -- their highest monthly returns in history. Economic data for the U.S. and Canada was notably stronger in November and the Fund benefited with a net asset value-based total return of 12.1%, outperforming the TSX Composite by nearly 2%.

Additional positive news on vaccines spurred investor optimism which extended equity market gains during the month. The path to a more sustained economic recovery in 2021 was made clearer when Pfizer, Moderna and AstraZeneca each reported initial efficacy data exceeding 90% for their COVID-19 vaccine candidates, greatly exceeding consensus expectations and minimum threshold requirements for various regulatory bodies. Pfizer has already received accelerated approval for its vaccine in the United Kingdom, Canada and the United States and we are optimistic that Moderna's vaccine will also be approved in the coming days. In addition to the benefits of broad market support provided by these announcements, the Fund's position in Pfizer returned over 15% during the month.

Investors received more positive news when President-elect Joe Biden announced that Janet Yellen will be his nominee for Treasury Secretary. Ms. Yellen, who preceded Jerome Powell as Federal Reserve Chair, is viewed as a centrist and is well-respected by equity investors given her solid track record as head of the FOMC.

Real Estate was the biggest contributor to the Fund's performance in November. Recently initiated positions in RioCan and SmartCentres generated total returns of 22.8% and 15.1%, respectively. Notwithstanding the near-term impacts of rising COVID-19 cases and government-mandated lockdowns, we continue to believe these companies are deeply discounted and possess further

capital appreciation potential. Both possess robust development pipelines across their high-quality urban locations, are supported by strong balance sheets and have access to low-interest financing. Moreover, with dividend yields of more than 5.5%, these positions will play an important role in supporting the Fund's dividend coverage and long-term sustainability.

Financials, the Fund's largest sector weighting, was also an area of strength this month. Although bond yields remain near historically low levels, they have inched higher in North America as investor demand for safe-haven assets decreased. The strength in bond yields boosted financial services stocks, particularly in U.S. banks. The Fund's position in Citigroup, for example, generated a total return of 33% in November while JP Morgan Chase and Bank of America returned 20.2% and 18.8%, respectively.

The Fund was negatively impacted by foreign exchange rates during the month. The British Pound appreciated by 40 basis points relative to the Canadian dollar and nearly 300 basis points relative to the U.S. dollar. At month-end, the Fund's portfolio exposure to U.S. securities was 23% of investments and 77% to Canada-listed securities, equating to a total currency impact of approximately -1%.

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Notes to Editors

Middlefield Canadian Income PCC aims to provide long term returns through dividend income and capital growth from a diversified portfolio of predominantly Canadian equity income securities and US stocks. The Company has been listed since 2006 as London's only listed Canadian equity income fund.

For more information on the Company, please visit our website:

<http://www.middlefield.co.uk/mcit.htm>