

**Fund manager**  
**Julian Cane**

**Manager Commentary**

Interest rate and economically sensitive companies in the UK stock market received a good deal more interest from investors in December 2023 and January 2024, leading to strong returns, but February saw a pause to reassess. In the US, inflation data was stronger than expected, leading markets to believe the US Federal Reserve may not cut interest rates as soon as expected. In the UK, although inflation figures were a little weaker than expected, there was news that economic activity was also disappointing, with GDP contracting by 0.1% in December, which in turn meant that GDP was negative for the calendar quarter as a whole. Combined with the previous quarter of shrinking GDP this confirmed that the UK was in a recession.

In a fairly stable market, with the FTSE All-Share Index increasing by just 0.2%, our net asset value performance was a little ahead. The strongest contributor to performance was our investment in CRH, which rose by just under 17% during the month in response to very strong operating results and the announcement of a large share buy-back programme. Another strong performer was Beazley, the specialist insurance company; its share rose by almost 20% as it announced a rare positive profit warning.

Among the detractors was XP Power, whose shares fell by 26%. It has been experiencing considerable uncertainty in its order book as customers' stocks and supply chains appear to still be adjusting to current activity levels. Nonetheless, with a strengthened balance sheet, we expect the business to improve in the second half of this year.

**Key risks**

Stock market movements may cause the value of investments and the income from them to fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments. If markets fall, gearing can magnify the negative impact on performance.

**Key facts as at 29.02.24**

**Trust aims:** To generate long-term capital and income growth from a portfolio consisting mainly of FTSE All-Share companies.

**Trust highlights:**

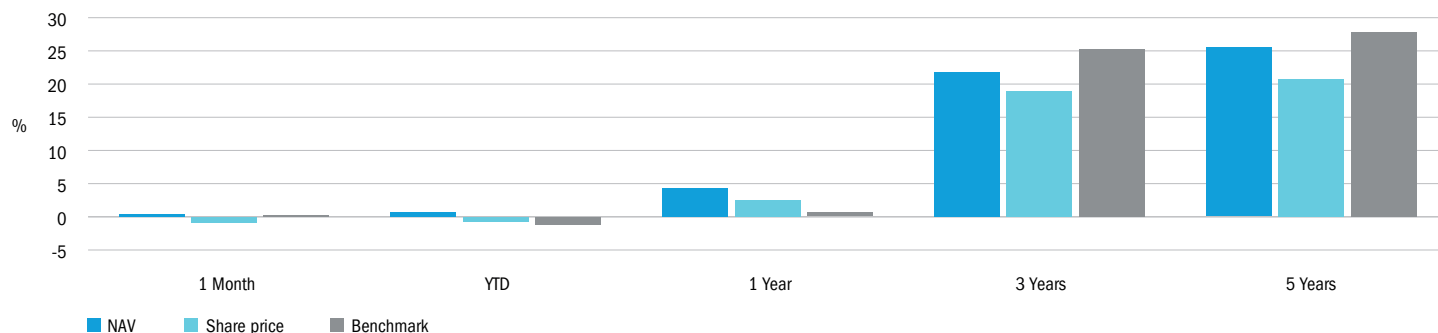
- A recognised "AIC Dividend Hero", our dividend has increased every year since launch in 1992 and grown at almost twice the rate of inflation.
- Investor demand remains robust and the Company's shares continue to trade close to the underlying Net Asset Value.

See page 4 for more information on dividend growth

<b>Benchmark:</b>	FTSE All-Share Index
<b>Fund type:</b>	Investment Trust
<b>Launch date:</b>	1992
<b>Total assets:</b>	£353.9m
<b>Share price:</b>	304.00p
<b>NAV:</b>	320.66p
<b>Discount/premium(-/+):</b>	-5.19%
<b>Dividend payment dates:</b>	Mar, Jun, Sep, Dec
<b>Net dividend yield<sup>†</sup>:</b>	4.00%
<b>Net gearing/Net cash<sup>†</sup>:</b>	6.8%
<b>Management fee rate<sup>**</sup>:</b>	0.40%
<b>Performance fee:</b>	None
<b>Ongoing charges<sup>**</sup>:</b>	0.66%
<b>Year end:</b>	30 September
<b>Sector:</b>	UK Equity Income
<b>Currency:</b>	Sterling
<b>Website:</b>	ctcapitalandincome.co.uk

<sup>\*\*</sup>Ongoing charges calculated in accordance with AIC recommendations. Please refer to the latest annual report as to how the fee is structured.

## Fund performance as at 29.02.24



## Cumulative performance as at 29.02.24 (%)

	1 Month	Year to date	1 Year	3 Years	5 Years
NAV	0.37	0.62	4.29	21.79	25.46
Share price	-0.82	-0.65	2.52	18.89	20.77
Benchmark	0.19	-1.13	0.57	25.21	27.74

## Discrete annual performance as at 29.02.24 (%)

	2024/23	2023/22	2022/21	2021/20	2020/19
NAV	4.29	4.35	11.91	-1.32	4.40
Share price	2.52	3.72	11.82	-5.26	7.22
Benchmark	0.57	7.30	16.03	3.50	-1.43

**Past performance is not a guide to future performance.** Source: Thomson Reuters Eikon, Lipper and Columbia Threadneedle Investments. Basis: Percentage growth, total return, bid to bid price with net income reinvested in sterling. The discrete performance table refers to 12 month periods, ending at the date shown.

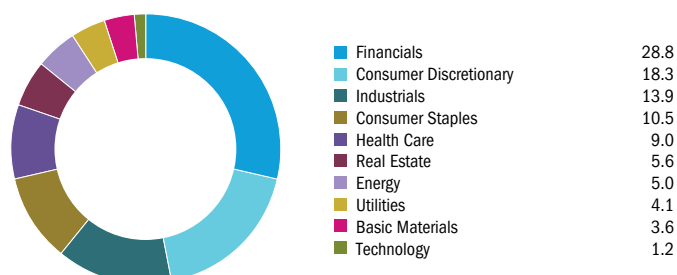
## Trust codes

Stock exchange	CTUK
Sedol	346328
Legal Entity Identifier	21380052ETTRKV2A6Y19

## Top 10 holdings (%)

	Portfolio Weight	Benchmark Weight	Difference	Sector
Intermediate Capital	5.6	0.2	5.4	Financials
Vistry	5.5	0.2	5.3	Consumer Discretionary
OSB Group	5.3	0.1	5.2	Financials
RELX	5.3	2.9	2.4	Consumer Discretionary
AstraZeneca	5.0	6.5	-1.5	Health Care
Burford Capital	3.9	0.0	3.9	Financials
Unilever	3.7	4.3	-0.6	Consumer Staples
Legal & General Group	3.7	0.6	3.1	Financials
Beazley	3.7	0.2	3.5	Financials
Diageo	3.6	2.9	0.7	Consumer Staples

## Sector breakdown (%)



## Net dividend distributions pence per share

	2018	2019	2020	2021	2022	2023
March	2.45	2.55	2.65	2.65	2.65	2.75
June	2.45	2.55	2.55	2.60	2.65	2.75
September	2.45	2.55	2.55	2.60	2.65	2.75
December	3.60	3.75	3.75	3.75	3.85	3.90
<b>Total</b>	<b>10.95</b>	<b>11.40</b>	<b>11.50</b>	<b>11.60</b>	<b>11.80</b>	<b>12.15</b>

## Glossary

<b>Bid price</b>	Investment trust shares are sold via the stock exchange at the bid price. This price is determined by supply and demand.
<b>Dividend</b>	Income paid to shareholders by the company they invest in.
<b>Net asset value</b>	A key measure of the value of a company or trust – the total value of assets less liabilities, divided by the number of shares.



To find out more visit [columbiathreadneedle.com](https://columbiathreadneedle.com)



All data as at 29.02.2024 unless otherwise stated.

All information is sourced from Columbia Threadneedle Investments, unless otherwise stated. All percentages are based on gross assets. <sup>1</sup>The yield is calculated on an historic basis using the actual dividends paid during the last twelve months and the closing share price as at the end of the relevant month. <sup>2</sup>Net gearing is total assets less cash and cash equivalents divided by shareholders' funds and expressed as a percentage. Net cash is net exposure to cash and cash equivalents expressed as a percentage of shareholders funds after any offset against gearing. <sup>3</sup>Please refer to the latest annual report as to how the fee is structured. The share price may either be below (at a discount) or above (at a premium) the NAV. Discounts and premiums vary continuously. Performance information excludes any product charges which can be found in the Key Investor Document ("KID") for the relevant product.

© 2024 Columbia Threadneedle Investments. Columbia Threadneedle Investments is the global brand name of the Columbia and Threadneedle group of companies.

This financial promotion is issued for marketing and information purposes only by Columbia Threadneedle Investments in the UK.

CT UK Capital & Income Investment Trust PLC is an investment trust and its Ordinary Shares are traded on the main market of the London Stock Exchange.

English language copies of the key information document (KID) can be obtained from Columbia Threadneedle Investments, Exchange House, Primrose Street, London EC2A 2NY, telephone: Client Services on 0044 (0)20 7011 4444, email: [sales.support@columbiathreadneedle.com](mailto:sales.support@columbiathreadneedle.com) or electronically at [www.columbiathreadneedle.com](http://www.columbiathreadneedle.com). Please read before taking any investment decision.

The information provided in the marketing material does not constitute, and should not be construed as, investment advice or a recommendation to buy, sell or otherwise transact in the fund. The manager has the right to terminate the arrangements made for marketing.

FTSE International Limited ("FTSE") © FTSE 2024. "FTSE" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Financial promotions are issued for marketing and information purposes; in the United Kingdom by Columbia Threadneedle Management Limited, which is authorised and regulated by the Financial Conduct Authority; in the EEA by Columbia Threadneedle Netherlands B.V., which is regulated by the Dutch Authority for the Financial Markets (AFM); and in Switzerland by Columbia Threadneedle Management (Swiss) GmbH, acting as representative office of Columbia Threadneedle Management Limited. In the Middle East: This document is distributed by Columbia Threadneedle Investments (ME) Limited, which is regulated by the Dubai Financial Services Authority (DFSA). For Distributors: This document is intended to provide distributors with information about Group products and services and is not for further distribution. For Institutional Clients: The information in this document is not intended as financial advice and is only intended for persons with appropriate investment knowledge and who meet the regulatory criteria to be classified as a Professional Client or Market Counterparties and no other Person should act upon it. (03/24)

CT UK Capital and Income Investment Trust seeks to achieve its objective of long-term capital and income growth by investing in companies with good long-term prospects which may not be fully reflected in their share prices; many of its stocks have a higher than average dividend yield. While the majority of holdings are in large and mid-cap UK companies, the Trust also invests in some smaller companies.

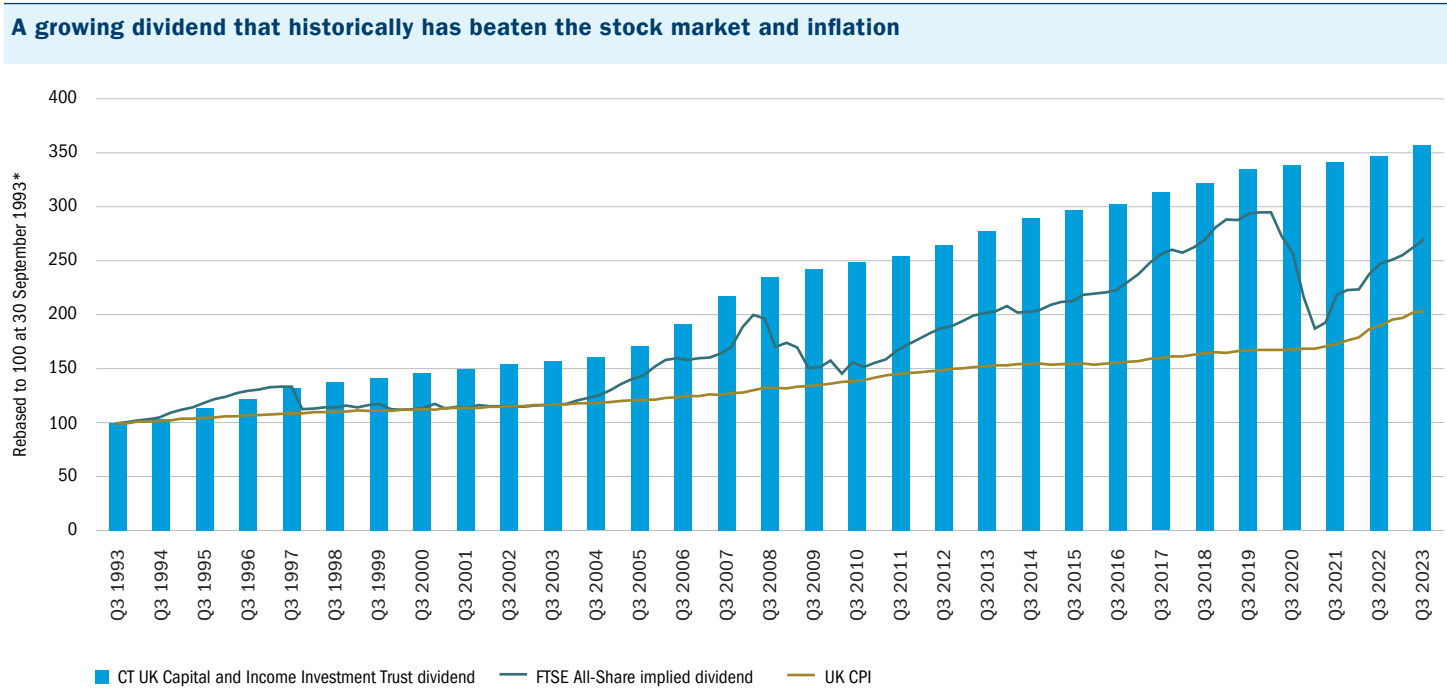
The Trust has built up an impressive record of paying dividends. In every year since the Trust's launch in 1992, it has succeeded in increasing the dividend paid to investors. Since 1998, the Trust has beaten the average dividend paid by the broad UK stock market (as represented by the FTSE All-Share Index). It has also significantly outpaced the rate of inflation as measured by the CPI (Consumer Price Index).

Maintaining a diversified portfolio helps reduce risk and improves reliability. The fund manager has the flexibility to invest internationally to help secure superior dividends at the right price. The fund manager's approach allows the Trust to achieve long-term growth in both income and capital.

With dividends paid four times a year, the Trust is a great option for investors looking for a regular income. For investors with a longer-term horizon, taking the option to reinvest the dividends could be a highly effective way of increasing the total return from their investment.

All in all this Trust is an effective solution for investors who want long-term capital and income growth.

**Past performance is not a guide to future results. The value of investments can go down as well as up and you may not get back the full amount that you invested.**



\*All three data series have been rebased to 100 as at 30 September 1993, the end of the Columbia Threadneedle Investments Capital and Income's first year, to allow direct comparison.