



QUARTERLY CLOSED-END FUND & BDC REVIEW AND OUTLOOK

**3rd Quarter 2018 Review &
4th Quarter 2018 Outlook**

Intermediate/Advanced CEF Skill Level

October 11, 2018

**John Cole Scott, CFS
Chief Investment Officer
Closed-End Fund Advisors, Inc.**

Closed-End Fund Advisors is a SEC Registered Investment Advisory Firm Specializing in Closed-End Fund & BDC Research, Trading and Management Founded in 1989.

What Is CEF Advisors?

- Investment Management, Research & Data
- Independent, Fee Only & Family Owned
- *“Scott Letter: Closed-End Fund Report”*
- Discretionary Portfolio Management (SMA), Unit Investment Trust (UIT) & Model Portfolios
- CEF & BDC News/SEC Alert & “CEFA’s Closed-End Fund Universe” Report (w/ BDCs).
- Consulting with Institutional Investors and CEF Fund Sponsors
- CEFData.com: CEF/BDC /iCEF Web Modules Daily Data



***Specializing in CEF/BDC/iCEF Research, Trading
& Portfolio Management***

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Founded in 1989



What is a Closed-End Fund (CEF) / Business Development Company (BDC) ?

- **1940 Act Investment Company with Fixed-Capital, Active Management, and Daily Liquidity**
- CEFs have traded on The NYSE since 1893
- Tax-advantaged and earnings are passed through to investors in the form of dividends and distributions (similar to REITs and MLPs)
- CEFs can have debt and preferred shares as leverage
- BDCs Limited to 200% (*150%) asset coverage = total assets / total debt or “one turn” of leverage, excluding SBIC facilities (BDCs). Higher fee structure w/ carry
- The closed-end structure is not an asset class but an investment vehicle “*wrapper*”
- BDCs were created by Congress in 1980 to provide an opportunity for individual non-accredited investors to participate in private investments
- BDCs are closed-end funds that provide small, growing companies access to capital
- BDCs are Domestically focused. Required to offer companies ‘*managerial assistance*’



CEF Advisors' 12 Major CEF Sectors Index

Data as of 09/28/2018

[ABOUT](#) [PERFORMANCE](#) [DISCOUNT](#) [CHARACTERISTICS](#) [ASSET](#)

ABOUT THE INDEX

The seven most liquid funds by 90-day average trading dollar \$ liquidity in each of the 12 major groupings of funds: Business Development Companies (BDCs), Convertible Bonds, Covered Call Funds, Global Equity, High Yield Bonds, Investment Grade Bonds, Master Limited Partnership (MLP), Municipal Bonds, Preferred Equity, REITs/Real Assets, Senior Loans, and US Equity. Combine leverage and non-leverage groupings into one grouping when calculating the seven funds. The funds will be equal weight in the index. If there are less than seven available funds in a specific grouping, then equal weight the grouping with the smaller number of funds available. Each group will be 1/12 of the indexes over-all weighting. The index constituents will be rebalanced each quarter.

INDEX PERFORMANCE

	Current(\$)	Previous Day(%)	1 Week(%)	1 Month(%)	3 Month(%)	6 Month(%)	1 Year(%)	3 Year(%)	5 Year(%)	MTD(%)	QTD(%)	YTD(%)
Price	1,170.91	1.51	-0.06	-1.24	2.19	5.32	4.75	11.71	7.12	-1.24	2.19	2.83
NAV	1,151.83	0.48	0.06	-0.43	2.74	5.26	6.54	8.65	6.47	-0.43	2.74	3.31
Difference		-1.03	0.12	0.81	0.55	-0.06	1.78	-3.05	-0.65	0.81	0.55	0.48

* Periods greater than 1 Year are annualized. ** On Inception Date (12/30/16), Index Price was \$1,000 and NAV was \$1,000.00

2018 - Monthly Performance (%)

Show Previous Years

	Jan	Feb	Mar	Q1	Apr	May	Jun	Q2	1H	Jul	Aug	Sep	Q3	Oct	Nov	Dec	Q4	2H	2018
Price	1.13	-2.81	-0.73	-2.43	1.98	1.74	-0.66	3.07	0.64	1.90	1.54	-1.24	2.19	-	-	-	-	-	2.83
NAV	2.26	-3.20	-0.88	-1.88	1.09	1.38	-0.04	2.45	0.56	1.95	1.22	-0.43	2.74	-	-	-	-	-	3.31
Difference	1.14	-0.39	-0.15	0.54	-0.88	-0.36	0.62	-0.62	-0.07	0.05	-0.32	0.81	0.55	-	-	-	-	-	0.48

DISCOUNT

Premium / Discount (%)



CHARACTERISTICS

PORTFOLIO Weighted Average Data

Discount -3.82%	1Yr Disc -3.13%	3Yr Disc -4.32%	5Yr Disc -4.76%	Rel Disc Range (3yr) 51.48%
Mkt Yield 8.20%	Lev Adj NAV Yield 6.56%	After Tax Yield* 6.88%	Est Tax Friction* 1.32%	3Yr NAV Volatility 10.28
1 Yr RoC 21.89%	3 Yr Dest RoC 3.11%	Leverage 23.30%	Non Lev Exp Ratio 1.60%	Beta (2yr) 0.49
Equity Exposure 40.66%	Bond Exposure 57.84%	# Holdings 84	Cash Weighted Duration 2.67	
Comp NAV TR 1.19%	Comp Discount 2.08%	Net Assets (M) 1,195	Liquidity - 90d (K) 3,114	

* Based on marginal tax rates of 25% and long-term capital gains rates of 15%.



Closed-End Fund Advisors

Asset Class Annual Returns (NAV) 2008 - 2018

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD	2008 - 2017
BDC -19.35%	Senior Loan 69.91%	MLP 24.35%	Muni Bond 9.73%	REIT 25.56%	MLP 28.71%	REIT 24.47%	Preferred 6.37%	MLP 33.64%	World Stock 25.80%	MLP 9.59%	Preferred 8.13%
Investment Grade -23.36%	World Stock 54.35%	REIT 19.63%	MLP 4.14%	Preferred 23.75%	US Stock 25.62%	Muni Bond 19.70%	Muni Bond 5.53%	HY Bond 18.43%	US Stock 19.79%	US Stock 7.86%	REIT 6.61%
Muni Bond -27.04%	HY Bond 52.35%	World Stock 14.57%	BDC -0.05%	HY Bond 20.49%	Convertible 20.89%	Preferred 17.57%	BDC 3.90%	Senior Loan 14.91%	Covered Call 17.59%	BDC 6.94%	Senior Loan 5.91%
Covered Call -34.67	Convertible 51.37%	Preferred 13.01%	Investment Grade -0.21%	World Stock 18.27%	Covered Call 16.31%	US Stock 11.20%	Covered Call 1.35%	Convertible 12.06%	Preferred 14.19%	Convertible 5.93%	HY Bond 5.86%
US Stock -39.26%	MLP 50.62%	Senior Loan 7.40%	Preferred -2.15%	Convertible 16.40%	BDC 13.36%	BDC 8.10%	REIT 0.95%	BDC 10.09%	Convertible 12.57%	Covered Call 5.48%	US Stock 5.09%
Preferred -42.86%	Preferred 42.35%	HY Bond 7.25%	Senior Loan -2.94%	Muni Bond 15.38%	HY Bond 10.02%	Investment Grade 7.73%	US Stock 0.42%	Investment Grade 8.74%	REIT 12.42%	Senior Loan 5.37%	Muni Bond 4.75%
HY Bond -47.59%	REIT 40.91%	Convertible 5.91%	REIT -5.08%	Investment Grade 15.38%	Senior Loan 8.49%	Covered Call 4.86%	Investment Grade -2.38%	Covered Call 8.67%	Investment Grade 10.77%	HY Bond 3.04%	MLP 4.37%
MLP -53.03%	Muni Bond 26.64%	Investment Grade 5.78%	US Stock -6.53%	US Stock 13.52%	REIT 3.65%	MLP 3.45%	Senior Loan -2.66%	World Stock 8.45%	BDC 8.83%	Preferred -1.05%	Investment Grade 4.30%
Senior Loan -54.72%	Investment Grade 22.04%	US Stock 4.76%	HY Bond -7.49%	BDC 13.13%	World Stock 3.34%	HY Bond 1.59%	HY Bond -4.99%	US Stock 7.65%	HY Bond 8.50%	REIT -1.48%	Convertible 4.28%
Convertible -55.22%	US Stock 13.73%	BDC 2.87%	Covered Call -8.92%	Senior Loan 12.6%	Preferred 2.15%	Senior Loan 1.32%	World Stock -6.55%	Preferred 6.89%	Muni Bond 8.41%	Muni Bond -1.37%	World Stock 3.85%
World Stock -57.57%	Covered Call 7.25%	Covered Call -2.35%	Convertible -14.09%	Covered Call 9.47%	Investment Grade -1.5%	Convertible 0.12%	Convertible -7.25%	REIT 6.84%	Senior Loan 4.82%	Investment Grade -1.56%	BDC 3.58%
REIT -63.22%	BDC -5.10%	Muni Bond -4.08%	World Stock -21.93%	MLP 1.85%	Muni Bond -7.35%	World Stock -0.26%	MLP -44.23%	Muni Bond 0.61%	MLP -5.77	World Stock -9.02%	Covered Call 1.96%

US Stock - CEFA's US Equity Index; REIT - CEFA's Global Real Estate, REIT & Real Asset Index; MLP - CEFA's Master Limited Partnership (MLP) Fund Index; BDC - CEFA's Debt-Focused Business Development Company (BDC) Index; High Yield Bond - CEFA's High Yield Bond Index; Preferred - CEFA's Preferred Equity Index; World Stock - CEFA's International Equity Index; Sr Loan - CEFA's Senior Loan Index; Muni Bond - CEFA's National Municipal Bond Index; Covered Call - CEFA's Covered Call / Option Funds Index; Convertible - CEFA's Convertible Bond Index; Investment Grade - CEFA's Investment Grade Bond Index. Returns data are NAV total returns which include dividends and capital appreciation. "2007 - 2017" column shows yearly average for each sector. You cannot invest directly in an index. Past performance is not an indication of future results. Data for all indexes is sourced from CEFDATA.COM, as of 9/30/2018. Performance prior to

2015 was determined using index constituents as of 12/31/2014.

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Closed-End Fund Advisors

Closed-End Fund Discount / Premium 2008 - 2018

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018 YTD	2008 - 2017
MLP -4.22%	MLP 10.99%	MLP 7.93%	HY Bond 4.81%	HY Bond 8.27%	BDC 8.03%	BDC 1.69%	MLP -6.10%	Preferred -0.77%	Preferred 0.03%	Convertible -0.47%	MLP 0.60%
REIT -4.29%	Investment Grade 0.49%	HY Bond 2.99%	MLP 3.36%	MLP 4.82%	MLP 1.95%	Convertible -3.17%	Muni Bond -6.44%	Muni Bond -1.88%	Investment Grade -2.09%	Covered Call -1.84%	HY Bond -1.99%
Investment Grade -5.75%	HY Bond -2.97%	Muni Bond 0.57%	Investment Grade 0.14%	Investment Grade 4.32%	Senior Loan -0.12%	HY Bond -3.48%	Investment Grade -6.81%	Investment Grade -3.74%	MLP -3.11%	Investment Grade -2.04%	Investment Grade -2.11%
Muni Bond -6.20%	Muni Bond -3.31%	Investment Grade 0.23%	Muni Bond -0.53%	Preferred 2.87%	HY Bond -0.63%	MLP -4.54%	Preferred -6.89%	HY Bond -4.84%	Muni Bond -3.32%	Preferred -2.50%	Muni Bond -2.92%
Preferred -8.28%	Preferred -4.24%	Senior Loan -0.02%	Senior Loan -1.27%	Muni Bond 1.99%	Investment Grade -2.92%	Investment Grade -4.93%	Convertible -7.98%	MLP -5.05%	Convertible -4.00%	MLP -3.27%	Preferred -3.20%
Convertible -8.66%	World Stock -5.31%	Covered Call -1.97%	Preferred -1.61%	BDC 0.81%	Muni Bond -3.65%	Muni Bond -6.40%	BDC -8.61%	Covered Call -7.39%	Covered Call -4.25%	Senior Loan -6.65%	Senior Loan -5.01%
World Stock -8.85%	Convertible -6.25%	Convertible -2.09%	Convertible -2.40%	Senior Loan -0.37%	Preferred -3.83%	Senior Loan -6.49%	Covered Call -8.11%	Senior Loan -8.75%	Senior Loan -4.32%	US Stock -7.29%	Convertible -5.41%
US Stock -8.86%	Covered Call -7.30%	Preferred -2.55%	BDC -2.92%	Convertible -3.25%	REIT -5.65%	Covered Call -6.62%	HY Bond -8.41%	Convertible -10.08%	BDC -4.48%	HY Bond -7.35%	BDC -6.98%
HY Bond -10.47%	Senior Loan -8.43%	BDC -3.37%	REIT -4.48%	REIT -5.20%	Convertible -6.22%	Preferred -6.73%	Senior Loan -8.70%	BDC -10.98%	HY Bond -5.19%	Muni Bond -7.97%	Covered Call -7.15%
Covered Call -11.45%	REIT -9.66%	World Stock -4.03%	World Stock -5.69%	World Stock -7.47%	Covered Call -8.13%	World Stock -9.04%	World Stock -11.00%	US Stock -11.47%	REIT -9.18%	REIT -8.82%	World Stock -8.15%
Senior Loan -11.64%	US Stock -10.56%	US Stock -7.34%	Covered Call -7.41%	Covered Call -8.83%	World Stock -8.15%	US Stock -9.63%	US Stock -11.00%	REIT -11.62%	US Stock -9.44%	BDC -9.06%	REIT -8.20%
BDC -18.23%	BDC -31.78%	REIT -9.10%	US Stock -8.27%	US Stock -9.66%	US Stock -9.32%	REIT -10.63%	REIT -12.21%	World Stock -12.44%	World Stock -9.50%	World Stock -9.07%	US Stock -9.56%

Historical Premium / Discount expressed as average value over each year. 2018 YTD Premium / Discount average value as of September 30, 2018. "2008 - 2017" column shows yearly average for each sector.

Data sourced from Closed-End Fund Advisors 'CEFU Report' and CEFData.com. Past performance is not an indication of future results

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Closed-End Fund Advisors

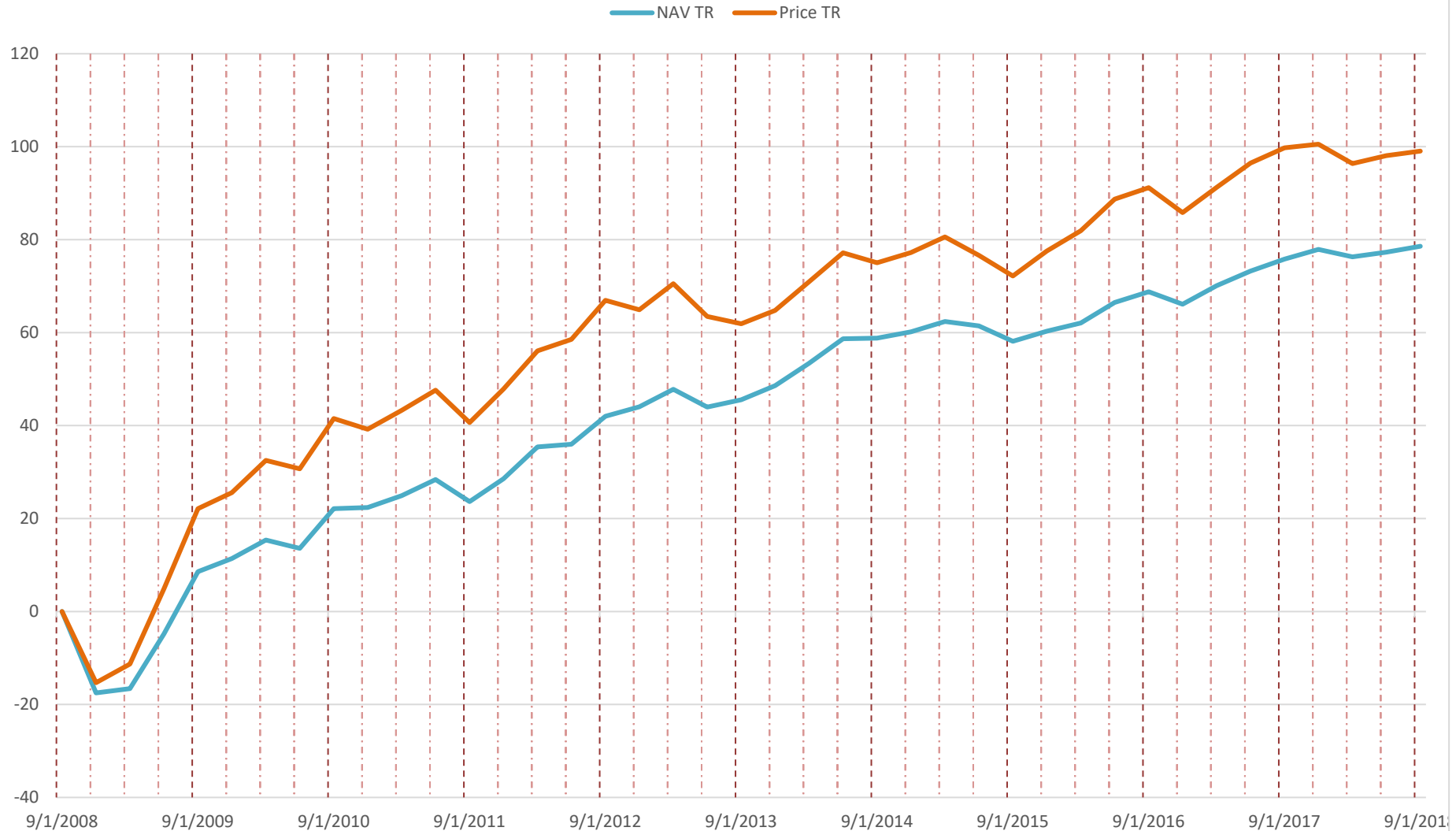
Closed-End Funds - NAV Total Return Correlation (10 Year)

	MLP	BDC	Convertible	HY Bond	Muni Bond	Senior Loan	Preferred	World Stock	Cov Call	US Stock	REIT	Investment Grade
MLP	100%	38.1%	74.2%	72.5%	31.0%	67.1%	37.6%	57.2%	64.0%	63.7%	51.9%	53.3%
BDC	38.1%	100%	34.3%	34.4%	-0.9%	32.1%	3.6%	24.8%	33.1%	35.6%	30.8%	15.5%
Convertible	74.2%	34.3%	100%	96.0%	42.1%	90.3%	69.3%	92.4%	90.4%	92.3%	84.7%	82.3%
HY Bond	72.5%	34.4%	96.0%	100%	51.0%	95.7%	74.0%	87.5%	80.1%	83.0%	85.7%	88.3%
Muni Bond	31.0%	-0.9%	42.1%	51.0%	100%	53.3%	37.0%	32.5%	23.2%	23.0%	46.9%	48.8%
Senior Loan	67.1%	32.1%	90.3%	95.7%	53.3%	100%	62.7%	76.5%	69.9%	73.0%	77.8%	77.1%
Preferred	37.6%	3.6%	69.3%	74.0%	37.0%	62.7%	100%	77.5%	65.4%	69.7%	86.5%	94.8%
World Stock	57.2%	24.8%	92.4%	87.5%	32.5%	76.5%	77.5%	100%	92.4%	93.5%	84.4%	85.3%
Cov Call	64.0%	33.1%	90.4%	80.1%	23.2%	69.9%	65.4%	92.4%	100%	98.3%	81.5%	71.7%
US Stock	63.7%	35.6%	92.3%	83.0%	23.0%	73.0%	69.7%	93.5%	98.3%	100%	86.3%	76.0%
REIT	51.9%	30.8%	84.7%	85.7%	46.9%	77.8%	86.5%	84.4%	81.5%	86.3%	100%	89.0%
Investment Grade	53.3%	15.5%	82.3%	88.3%	48.8%	77.1%	94.8%	85.3%	71.7%	76.0%	89.0%	100%

Correlation of 3 Month NAV Total Return values between 9/30/2008 and 9/30/2018.

Data sourced from Closed-End Fund Advisors 'CEFU Report' and cefadata.com . Past performance is not an indication of future results

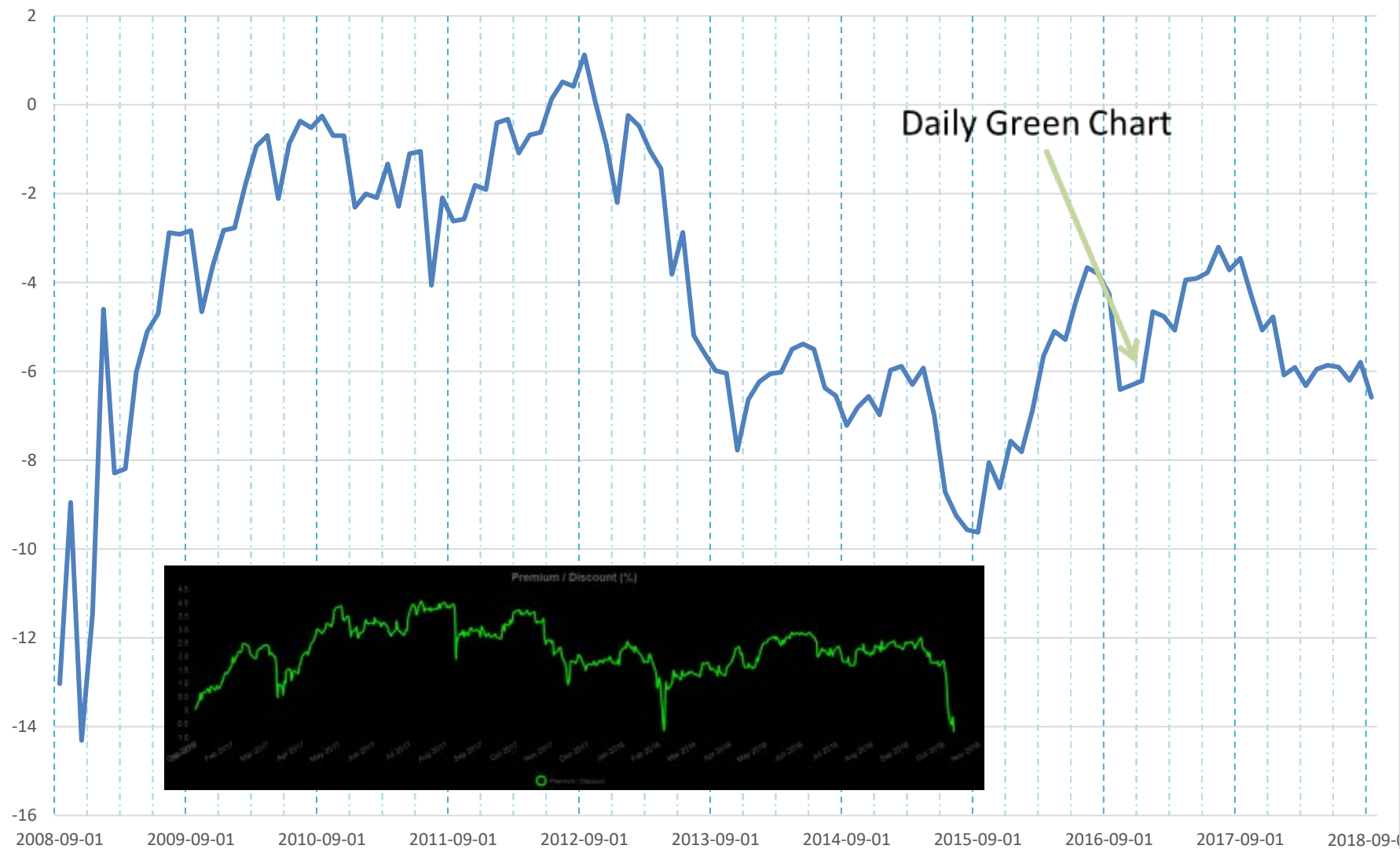
Trad CEF - Total Return September 30, 2008 - September 30, 2018



Back-tested results also do not account for those Funds that were previously recommended by the Adviser and which are no longer included as an alternative in a client's asset allocation strategy. Thus, the back-tested performance results shown above may overestimate the potential returns a client could expect to generate due to the effect of recommended manager survivor bias.

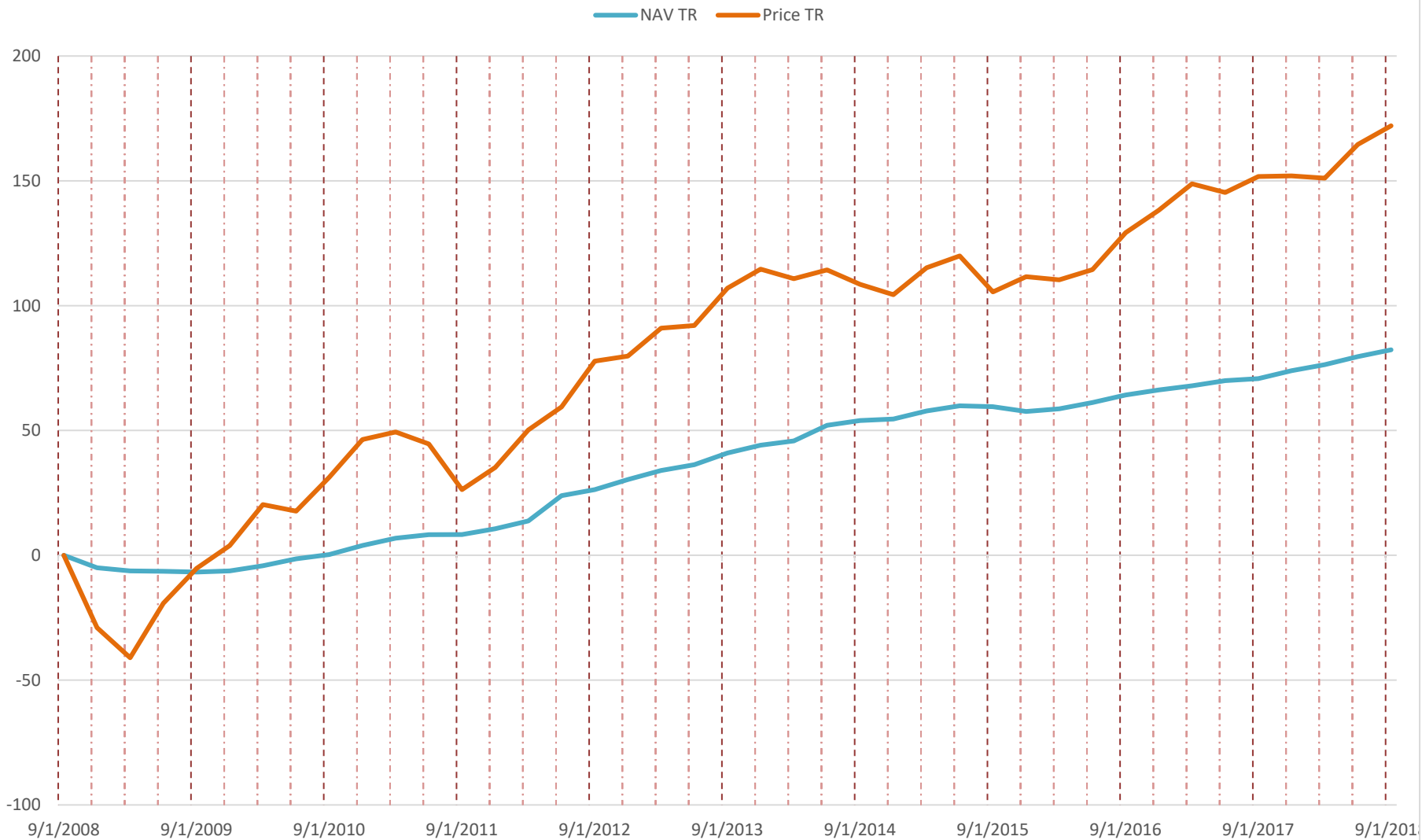


Trad CEF - Average Discount / Premium September 30, 2008 - September 30, 2018



BDC Debt - Total Return

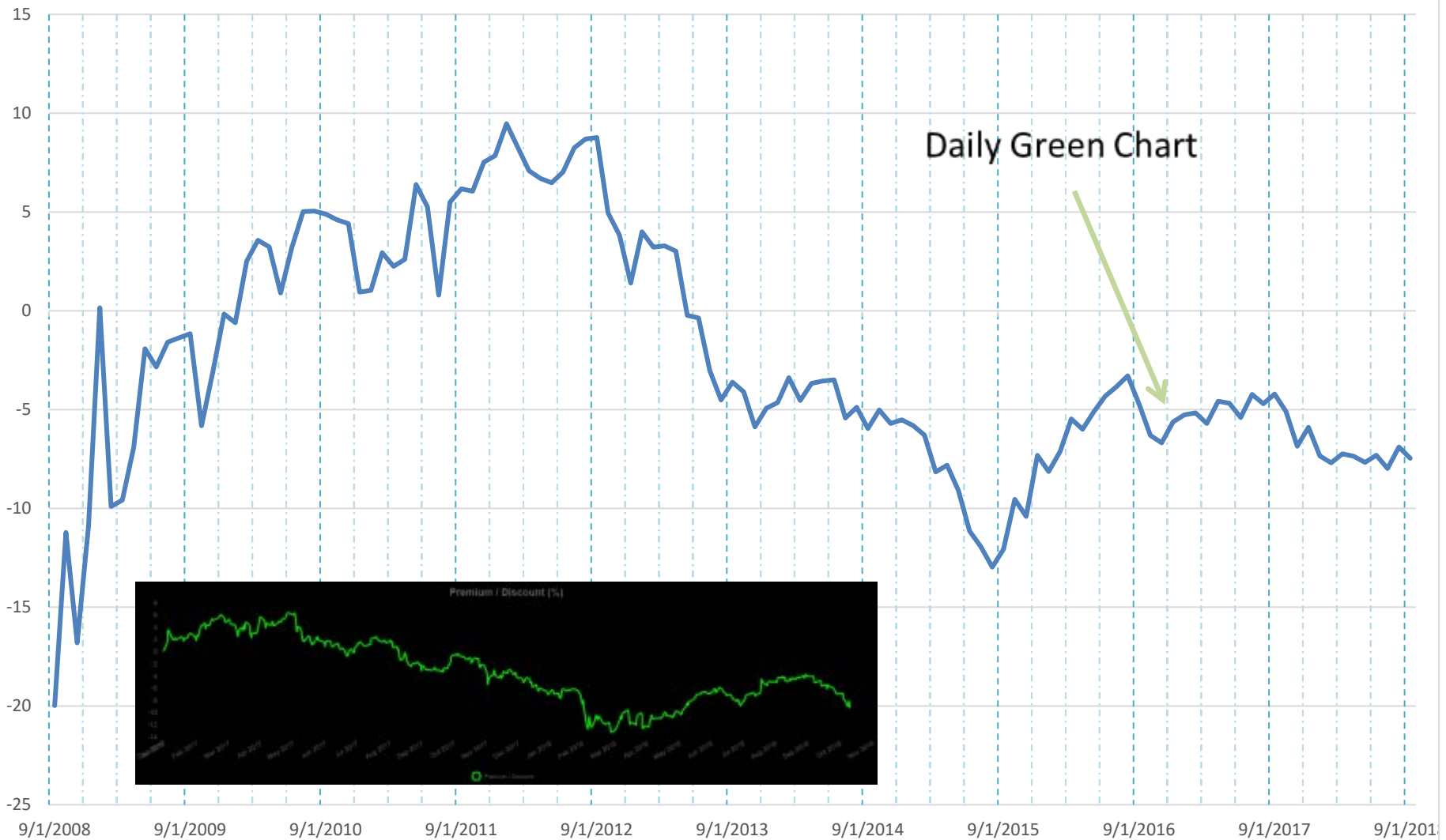
September 30, 2008 - September 30, 2018



Back-tested results also do not account for those Funds that were previously recommended by the Adviser and which are no longer included as an alternative in a client's asset allocation strategy. Thus, the back-tested performance results shown above may overestimate the potential returns a client could expect to generate due to the effect of recommended manager survivor bias.



BDC Debt - Average Discount / Premium September 30, 2008 - September 30, 2018



Types of Loans Held By BDCs

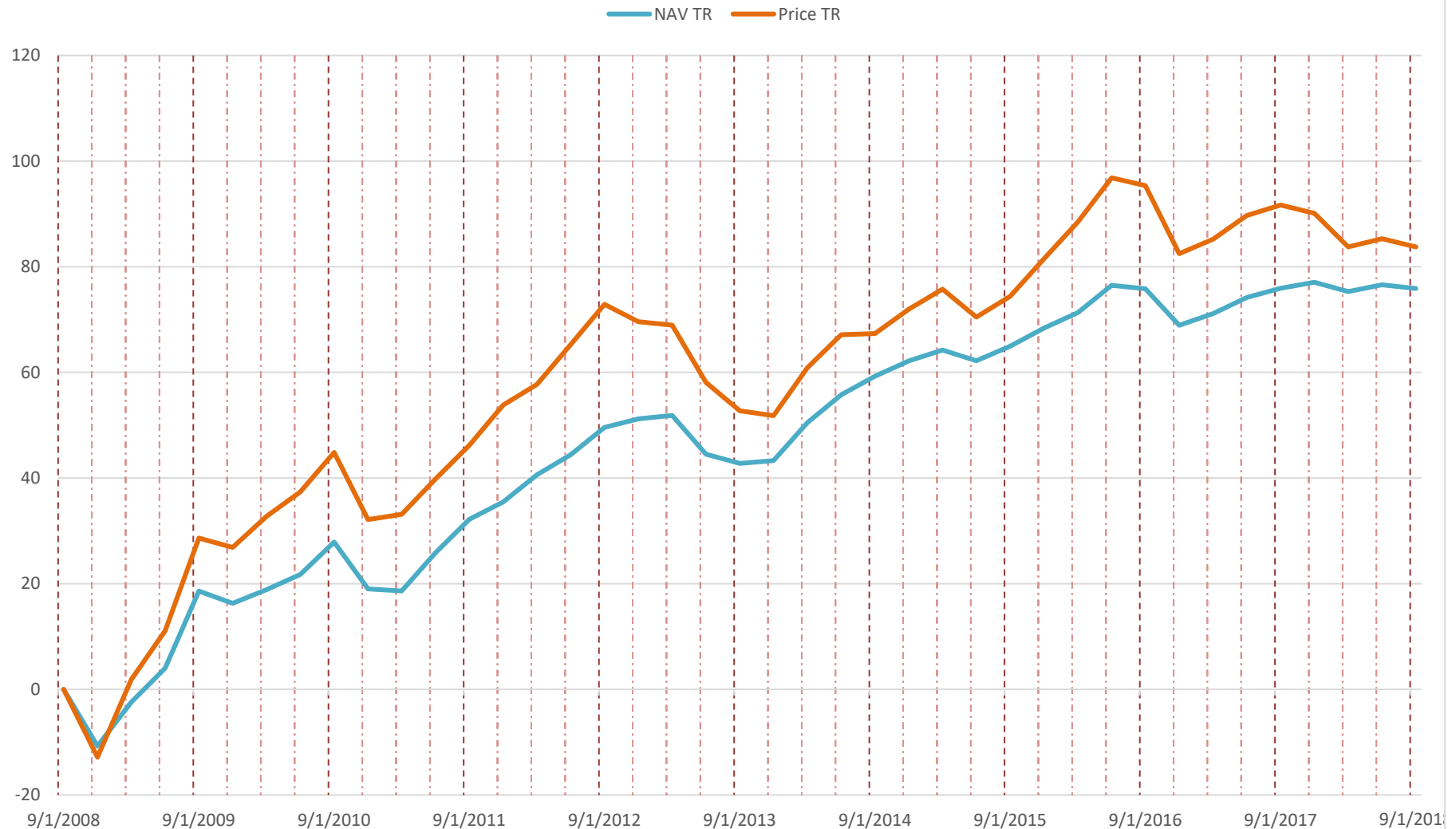
1. First Lien Loans: 55%
2. Second Lien Loans: 20%
3. Unsecured Loans: 8%
4. Equity/Other: 17%

- Avg Portfolio Turnover: 36.7%
- Avg Variable Loans: 79% / Fixed: 21%
- Libor Floors: 43% at 1% Avg Level
- Avg Loan Size: \$9.6M
- 73% of Loans Under \$25MM
- Average Maturity 4.2 with a range of 2 Years to 6 years
- Avg No of Loans: 149 from 113 Companies



Source: Data as of September 30, 2018 from CEFData.com

Municipal Bonds - Total Return September 30, 2008 - September 30, 2018



Back-tested results also do not account for those Funds that were previously recommended by the Adviser and which are no longer included as an alternative in a client's asset allocation strategy. Thus, the back-tested performance results shown above may overestimate the potential returns a client could expect to generate due to the effect of recommended manager survivor bias.

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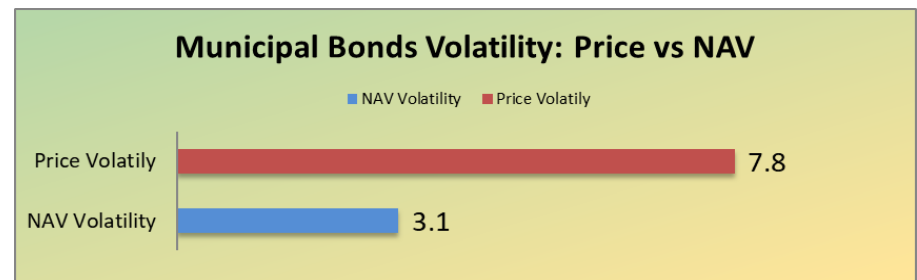
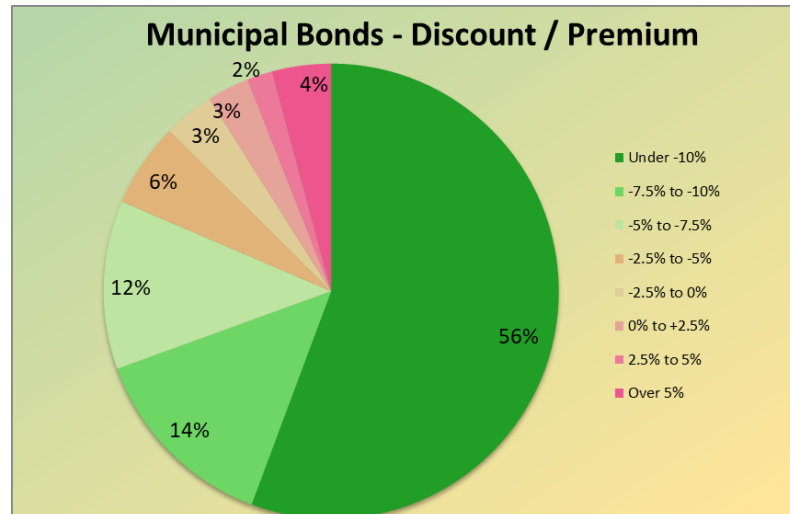


Municipal Bonds - Average Discount / Premium September 30, 2008 - September 30, 2018



Municipal Bond Closed-End Fund Universe

	National Muni Funds	Single State Muni Funds	Total
Number of Funds	88	79	167
Net Assets (Total)	\$45,586	\$18,780	\$64,366
Net Assets	\$518	\$238	\$385
Earnings Coverage Ratio %	106.8	119.9	113.0
Premium / Discount %	-7.93	-10.47	-9.13
Total Mkt Yield %	5.02	4.39	4.72
Leverage Adj NAV Yield %	3.50	2.90	3.22
NAV Volatility	3.13	3.00	3.07
Leverage %	31.8	34.7	33.2
Leverage Cost %	0.94	1.16	1.05
Duration	8.47	9.60	9.01
Insured %	11.1	12.7	11.9
Investment Grade %	83	91	87
Credit Quality	A	A	A

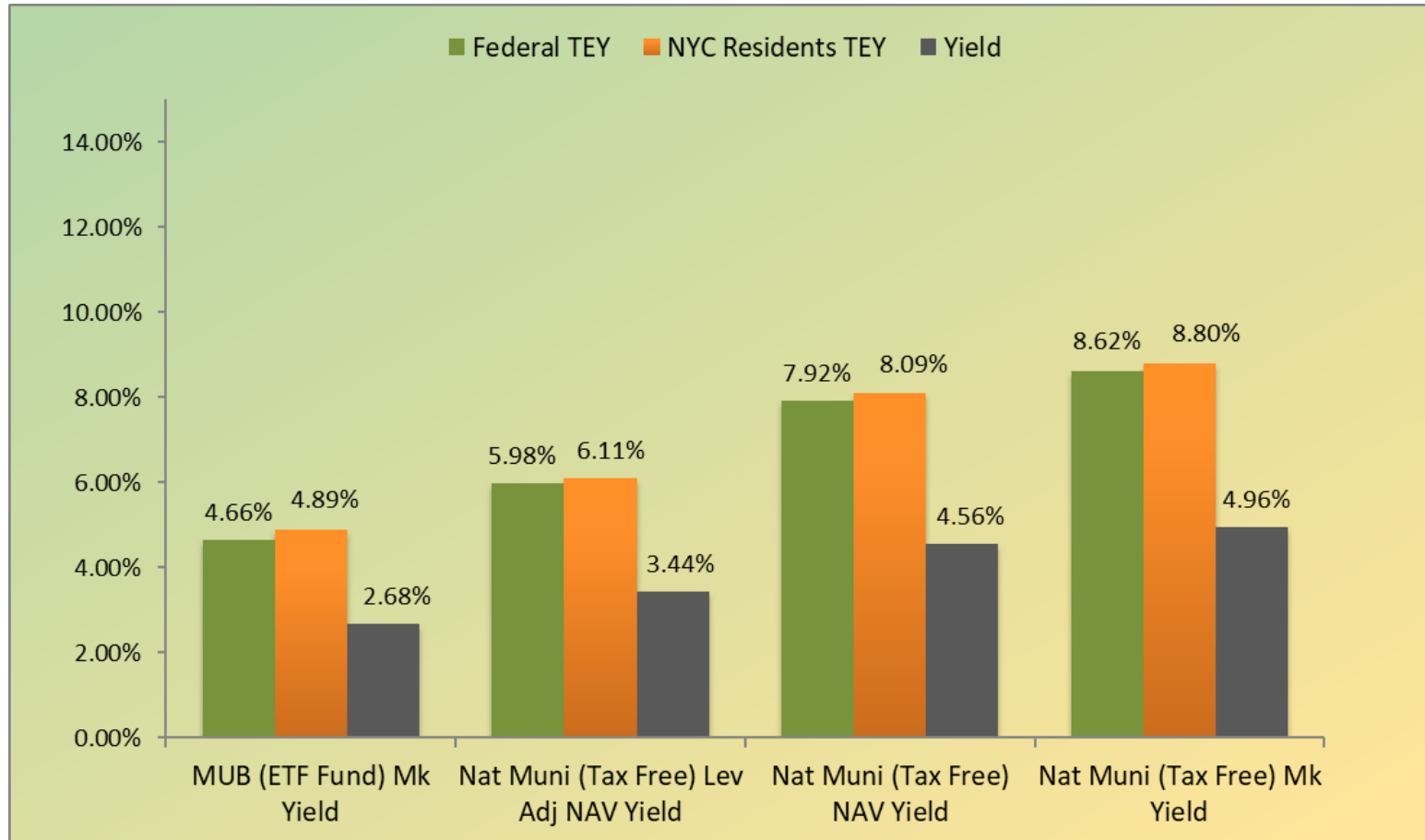


Note: Volatility is a one year rolling calculation

Source: Data as of September 30, 2018 from CEFA's Universe Data

Tax Equivalent Yield Comparison

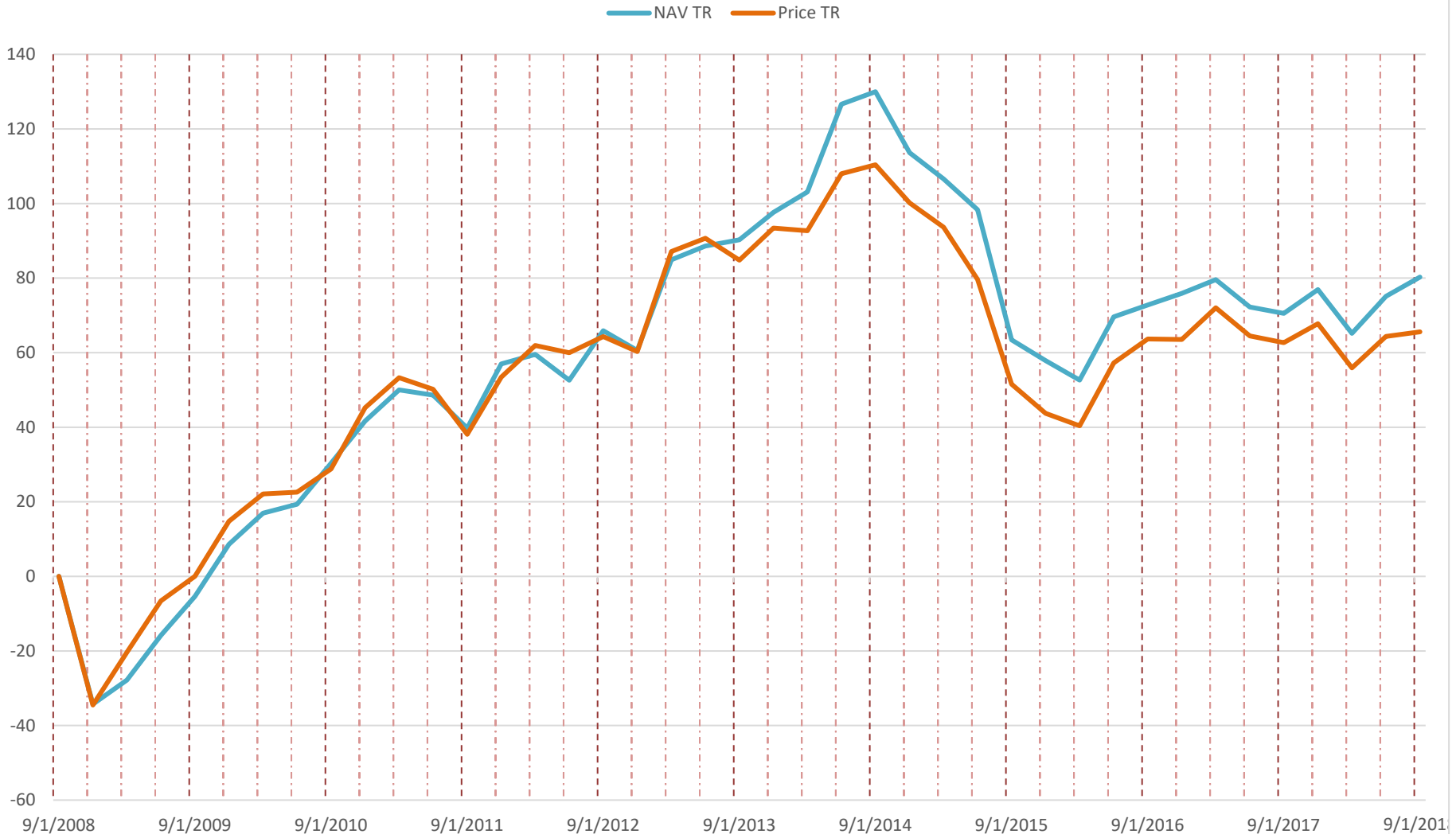
Married Couple with W-2 Income of \$1MM+



Sources: CEFA's Universe Data as of 9/30/2018 and tax rates from IRS and NY State.

MLP - Total Return

September 30, 2008 - September 30, 2018



Back-tested results also do not account for those Funds that were previously recommended by the Adviser and which are no longer included as an alternative in a client's asset allocation strategy. Thus, the back-tested performance results shown above may overestimate the potential returns a client could expect to generate due to the effect of recommended manager survivor bias.



MLP - Average Discount / Premium

September 30, 2008 - September 30, 2018



ABOUT THE INDEX

Senior Loan grouping according to CEFdata.com. 90-day average trade dollar \$ liquidity over \$500K. Exposure to 80% or more Loans / Sr. Loans according to CEFdata.com. Equal weight each fund for the index. The index constituents will be rebalanced each quarter.

INDEX PERFORMANCE

	Current(\$)	Previous Day(%)	1 Week(%)	1 Month(%)	3 Month(%)	6 Month(%)	1 Year(%)	3 Year(%)	5 Year(%)	MTD(%)	QTD(%)	YTD(%)
Price	1,053.51	1.82	0.29	0.64	1.03	0.04	3.25	8.93	4.55	0.64	1.03	3.82
NAV	1,104.06	-0.09	0.59	0.92	2.48	3.30	6.73	6.94	5.14	0.92	2.48	5.25
Difference		-1.91	0.30	0.28	1.44	3.26	3.48	-1.99	0.59	0.28	1.44	1.43

* Periods greater than 1 Year are annualized. ** On Inception Date (12/30/16), Index Price was \$1,000 and NAV was \$1,000.00

2018 - Monthly Performance (%)																				Show Previous Years
	Jan	Feb	Mar	Q1	Apr	May	Jun	Q2	1H	Jul	Aug	Sep	Q3	Oct	Nov	Dec	Q4	2H	2018	
Price	0.84	1.12	1.76	3.77	0.50	-0.33	-1.15	-0.99	2.78	0.09	0.31	0.64	1.03	-	-	-	-	-	3.82	
NAV	1.62	0.12	0.22	1.97	0.58	0.21	0.02	0.80	2.77	1.06	0.47	0.92	2.48	-	-	-	-	-	5.25	
Difference	0.78	-1.00	-1.54	-1.80	0.08	0.54	1.16	1.79	-0.01	0.98	0.16	0.28	1.44	-	-	-	-	-	1.43	

PERFORMANCE CHART



DISCOUNT



Broad Investable Universe

Assets of Closed-End Funds/BDCs*

by type , as of September 30, 2018

	# of Funds	Total Net Assets	Premium / Discount	Market Yield	Beta	Duration	Leverage	Non Lev Expense Ratio	Average Net Assets
Equity Funds	202	\$113,170	-5.89%	7.51%	0.72		14.77%	1.42	\$560
Taxable Bond	146	\$65,012	-4.63%	7.58%	0.17	3.7	25.80%	1.38	\$445
Municipal Bond	167	\$64,366	-9.13%	4.72%	-0.01	9.0	33.20%	1.00	\$385
BDCs	49	\$35,735	-10.50%	8.65%	0.50		39.20%	6.37	\$729
Total CEFs	564	\$278,283	-6.92%	6.80%	0.34	6.6	25.20%	1.72	\$493
National Muni Bond	88	\$45,586	-7.93%	5.02%	-0.01	8.5	31.84%	0.94	\$518
Debt Focused BDC	44	\$35,022	-7.58%	9.50%	0.51		41.52%	6.32	\$796
Covered Call	28	\$20,871	-1.65%	7.86%	0.75		2.62%	1.09	\$745
US Stock	29	\$22,214	-7.46%	6.92%	0.84		11.29%	1.41	\$766
MLP Funds	25	\$13,343	-6.35%	9.72%	1.09		28.10%	1.82	\$534
High Yield Bond	33	\$12,313	-7.45%	7.39%	0.18	3.4	22.95%	1.20	\$373
World Stock	47	\$12,431	-9.71%	6.27%	0.70		8.05%	1.48	\$264
Senior Loan	28	\$12,901	-8.46%	6.54%	0.08	1.4	33.22%	1.62	\$461
Preferred Equity	16	\$10,291	-2.50%	7.50%	0.19	4.7	32.47%	1.22	\$643
REIT Funds	11	\$5,855	-10.23%	8.15%	0.49		21.42%	1.40	\$532
Convertible Bond	10	\$4,386	1.29%	8.66%	0.72	3.5	29.92%	1.37	\$439
Investment Grade Bond	12	\$3,867	-1.77%	5.94%	0.10	5.1	19.01%	0.90	\$322

in total CEF assets
\$278.3 Billion

average discount
x 6.9%

exploitable undervaluation
= ~\$19.2 Billion

CEF Universe Update

Fund Grouping	Discount / Premium		Last Q NAV TR		Last Q Price TR	
	Discount	Premium	Positive	Negative	Positive	Negative
Equity Traditional CEFs	155 (77%)	47 (23%)	169 (84%)	31 (15%)	134 (66%)	66 (33%)
Taxable Bond Traditional CEFs	112 (77%)	34 (23%)	131 (90%)	15 (10%)	112 (77%)	33 (23%)
Municipal Bond Traditional CEFs	152 (91%)	15 (9%)	25 (15%)	140 (84%)	44 (26%)	123 (74%)
BDCs	37 (76%)	12 (24%)	43 (88%)	6 (12%)	40 (82%)	9 (18%)
ALL CEFs	456 (81%)	108 (19%)	368 (65%)	192 (34%)	330 (59%)	231 (41%)



Data as of September 30, 2018

Source: CEFADData.com

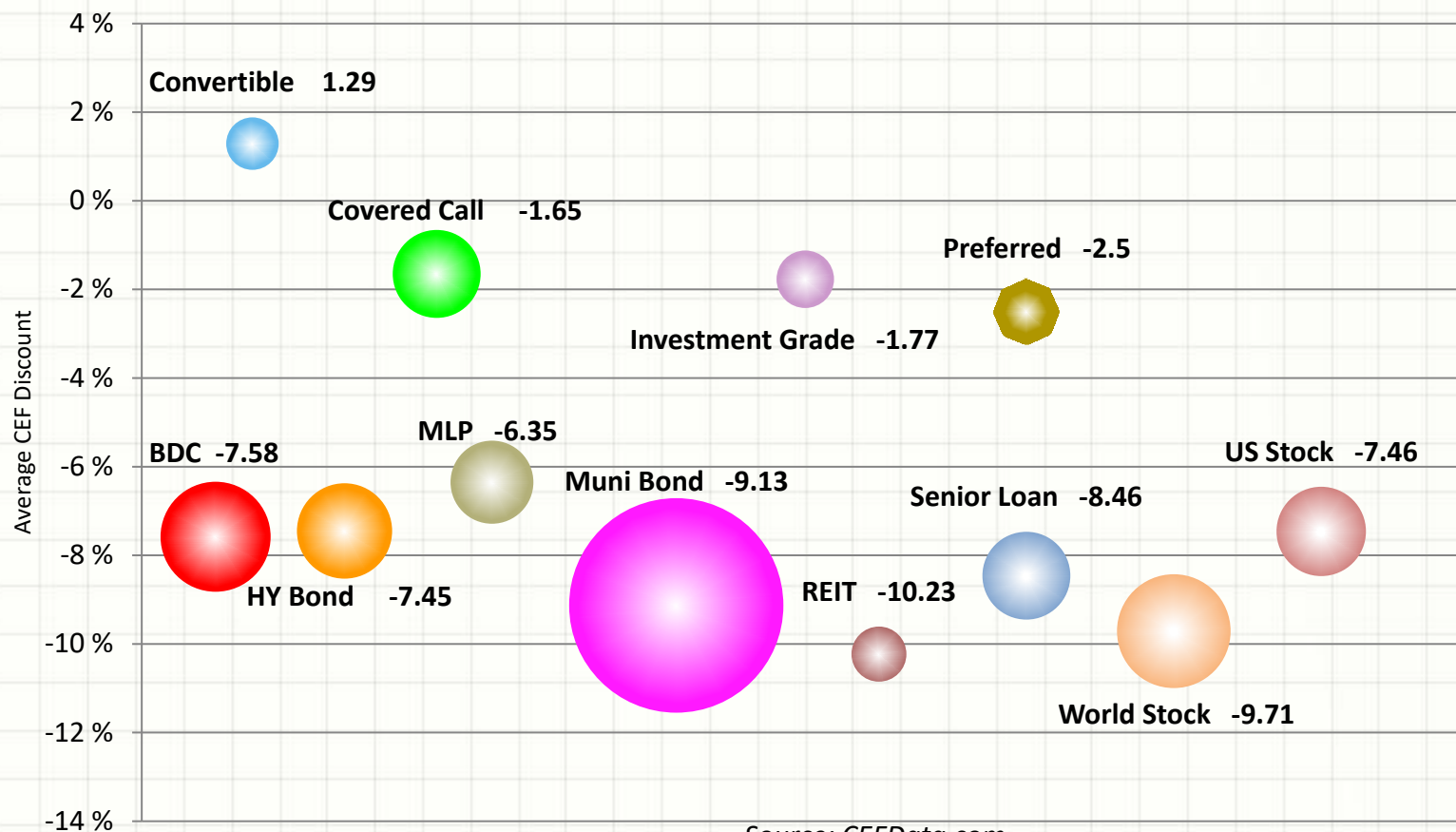
For BDC funds, we show 2Q18 NAV TR, as 9/30/2018 NAV hasn't been disclosed yet

www.CEFadvisors.com



Current Closed-End Discounts

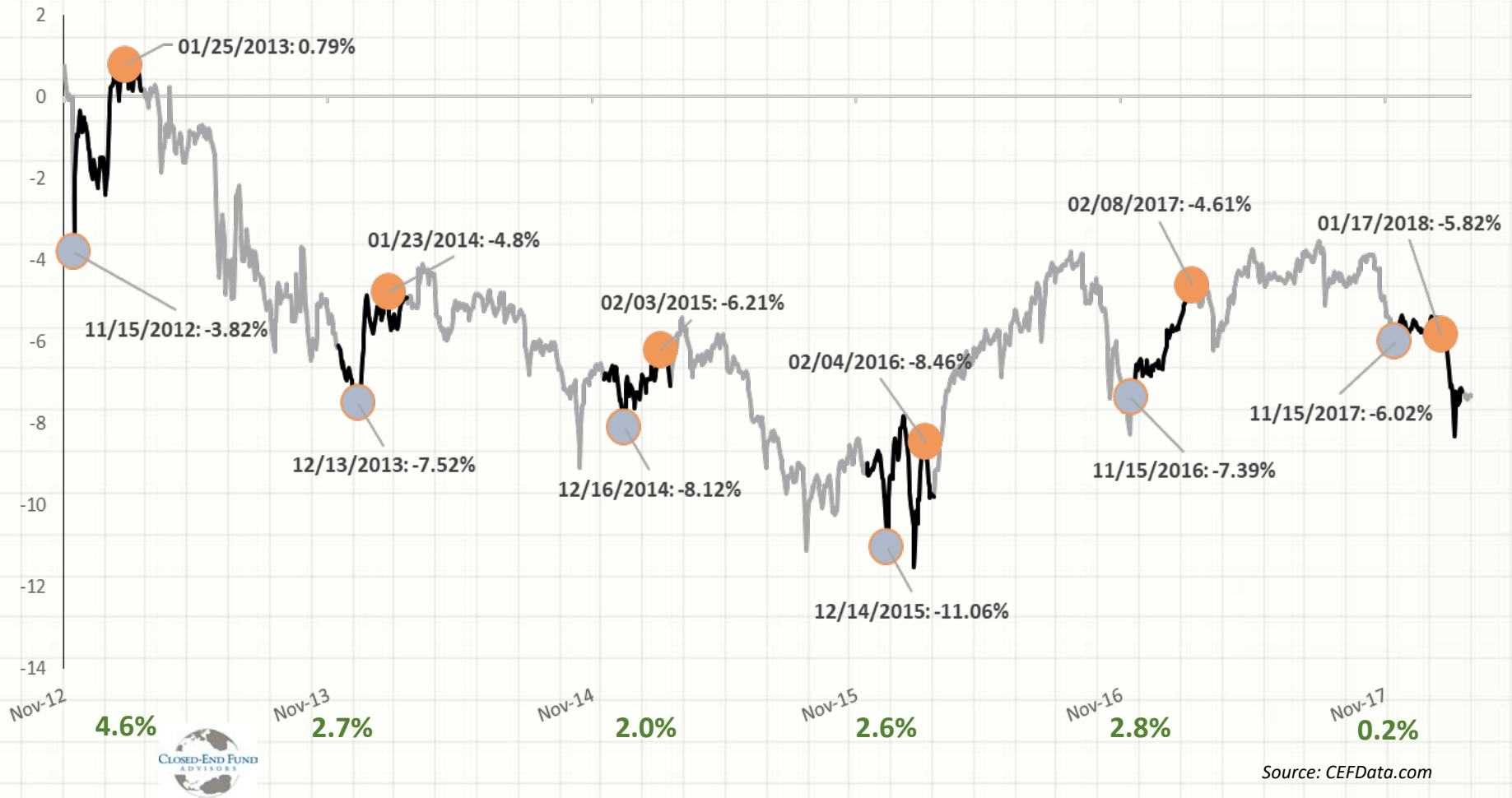
12 Major Sectors Discount as of September 28, 2018



Source: CEFData.com

Discount Trends & Tax Loss Selling

12 Major Sectors CEFs (Nov – Feb)



Average Bounce: 2.5%

Discount Trends & Tax Loss Selling

CEFs & BDCs with 1YR Price Return -5% or lower (Nov – Feb)

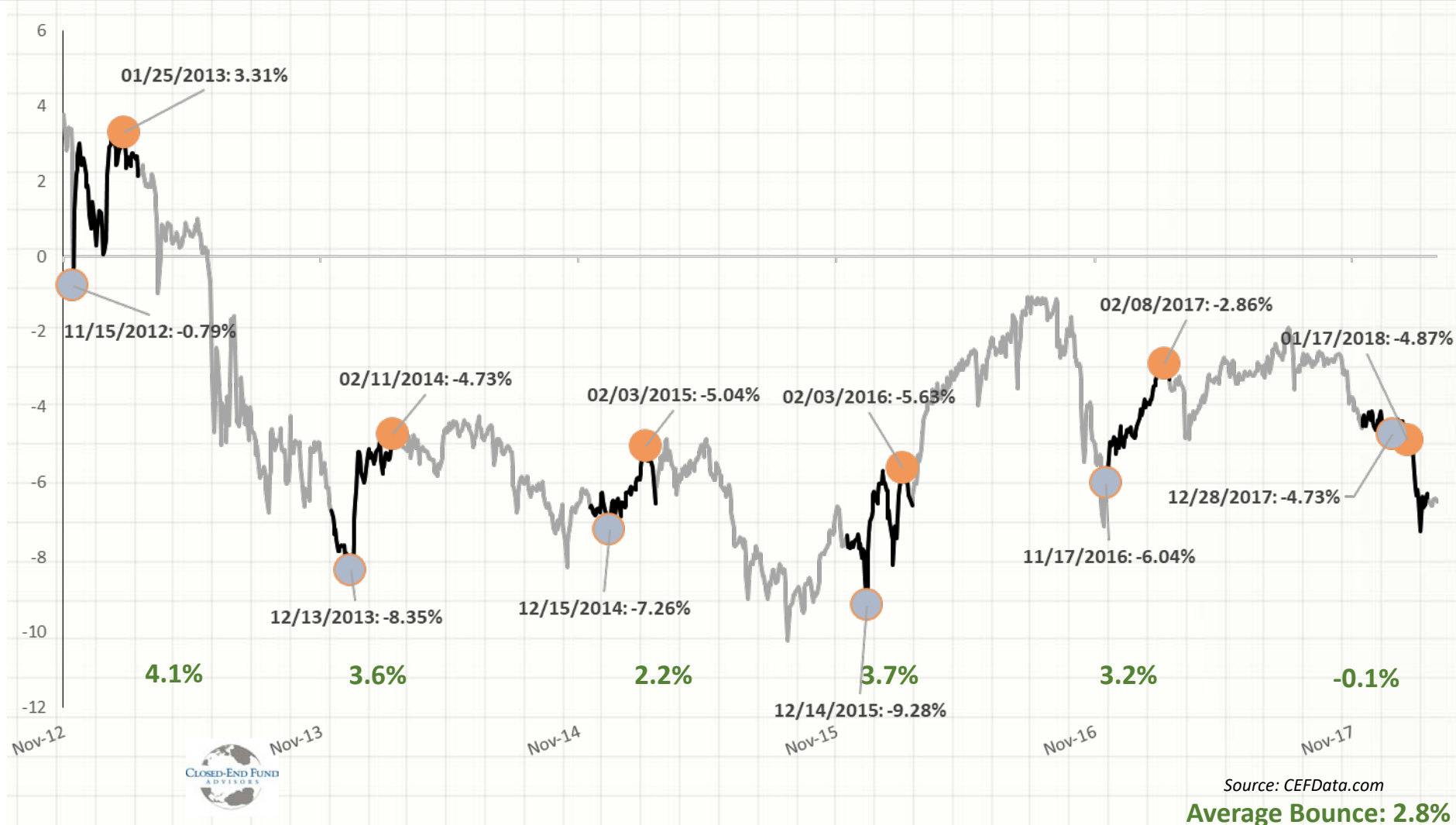


Source: CEFData.com

Average Bounce: 2.9%

Discount Trends & Tax Loss Selling

BOND CEFs



Discount Trends & Tax Loss Selling

EQUITY CEFs

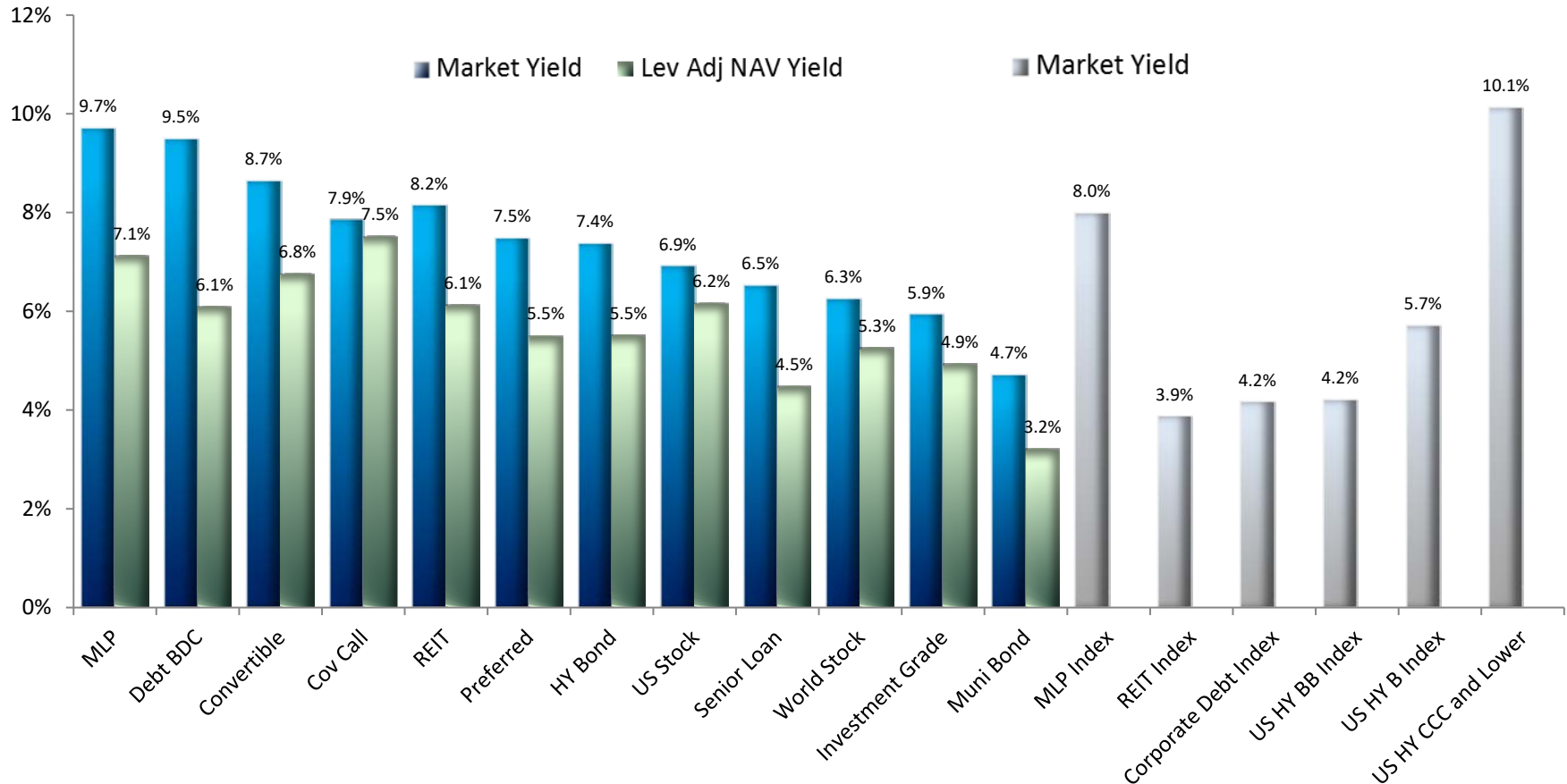


CEF Volume Trends – 3Q 2018

Fund Grouping	Avg Vol Last Q	Avg Vol Prev Q	Volume Trend
<i>BDC Debt</i>	236,466	232,613	2%
<i>Convertible</i>	109,493	111,248	-2%
<i>Covered Call</i>	137,466	146,557	-6%
<i>High Yield Bond</i>	92,416	100,380	-8%
<i>Investment Grade</i>	52,175	66,063	-21%
<i>MLP</i>	134,990	129,871	4%
<i>Municipal Bond</i>	50,888	52,424	-3%
<i>Preferred Stock</i>	95,433	89,370	7%
<i>Real Estate / REIT</i>	118,210	127,550	-7%
<i>Senior Loan</i>	124,400	114,714	8%
<i>US Stock</i>	130,493	138,650	-6%
<i>World Stock</i>	60,069	56,310	7%
<i>Ave Traditional Equity CEF</i>	109,622	111,300	-2%
<i>Ave Traditional Bond CEF</i>	77,436	79,520	-3%
<i>Average BDC</i>	215,177	214,761	0%
Average For ALL CEFs	100,930	102,995	-2%



CEF/BDC Yield Comparison



Data as of 9/30/2018.

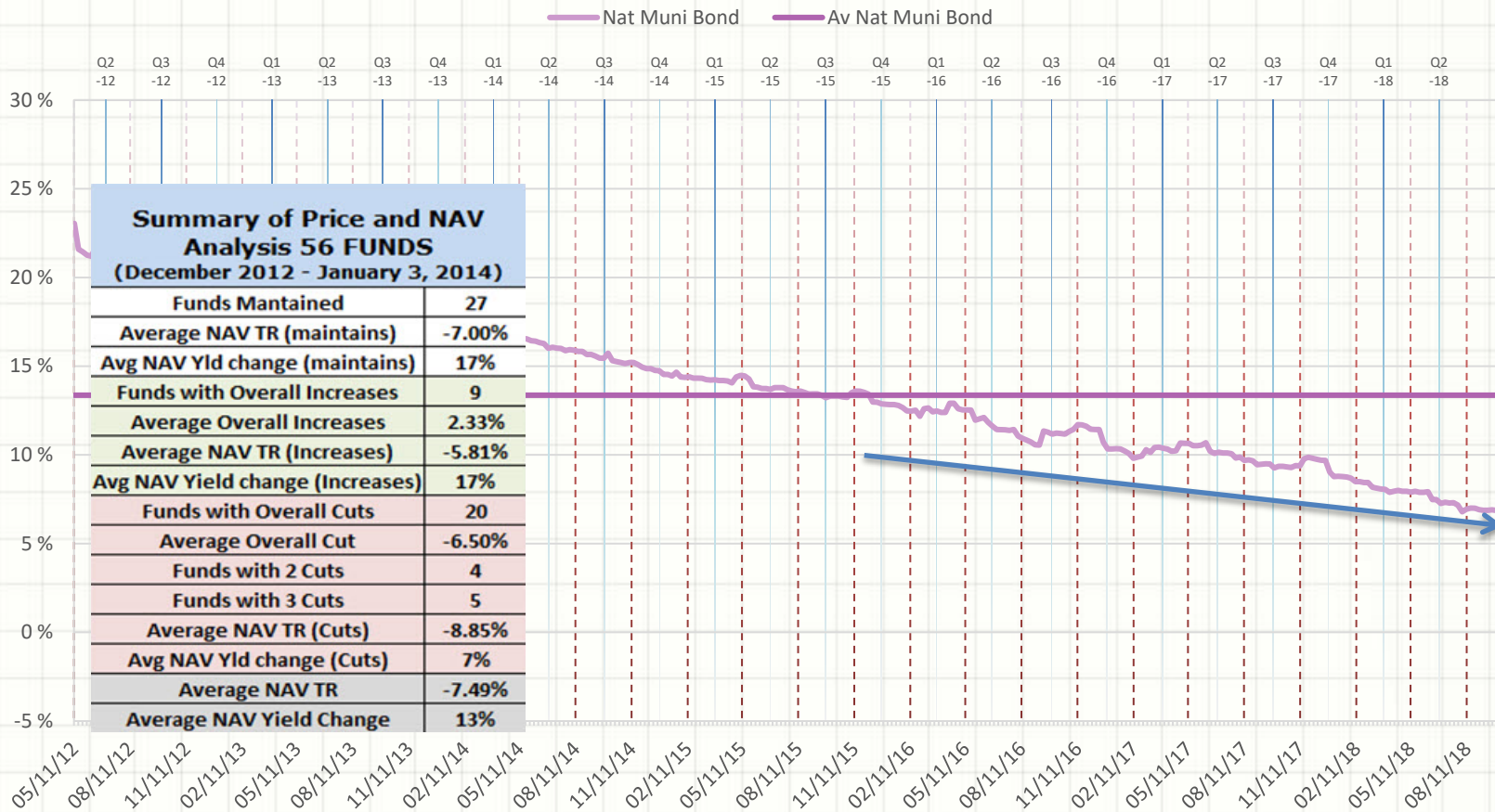
MLP Index: **Alerian MLP Index**; REIT Index: **Wilshire US REIT Index**; Corporate Debt Index: **S&P 500 Bond Index**

US High Yield Indices : **BofA Merrill Lynch US High Yield (BB Rated, B Rated, CCC and Lower Rated)**



Relative UNII for Traditional CEF Municipal Bond Funds

Nat Muni Bond - Relative UNII
May 11, 2012 - September 28, 2018

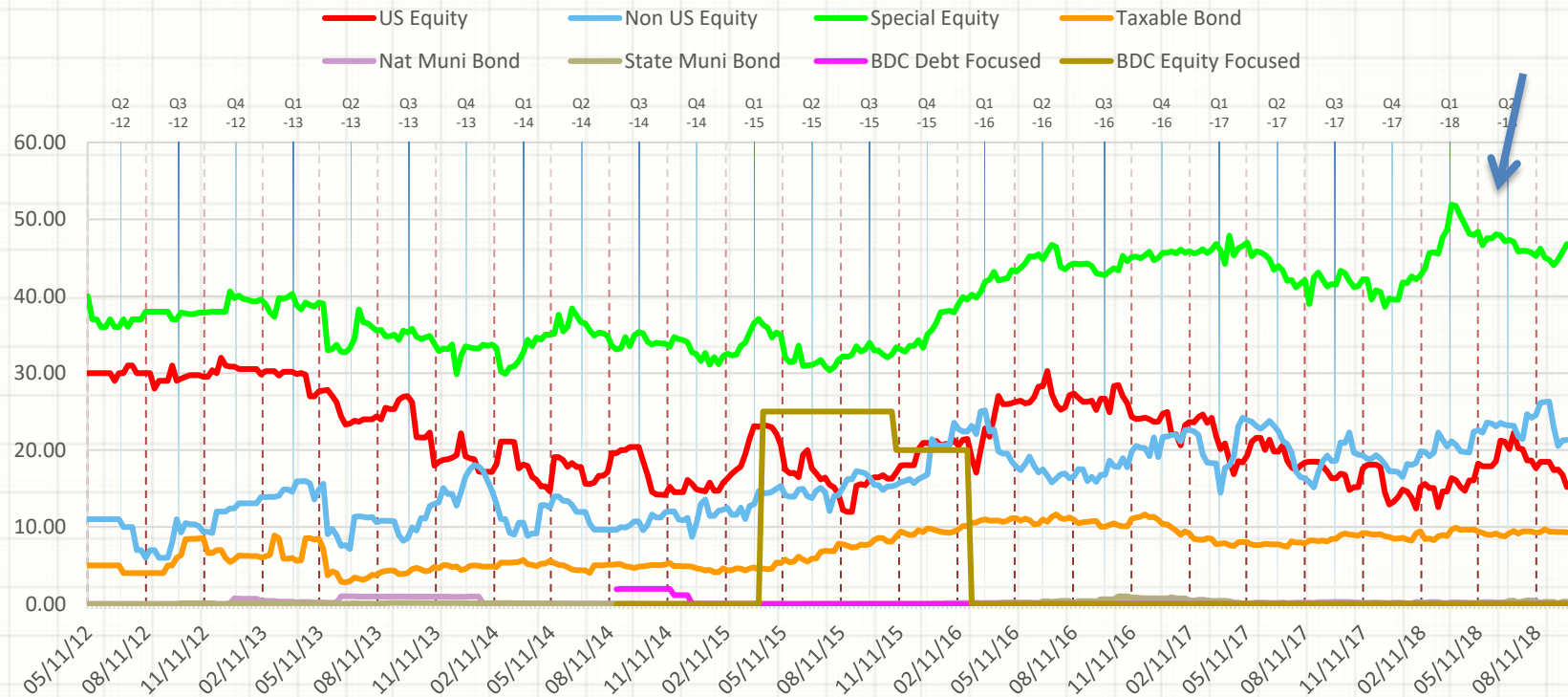


Source: CEFData.com

www.CEFadvisors.com

Return of Capital (90 Day) For CEFs

Main Peer Groups - Historical ROC
May 11, 2012 - September 28, 2018



Source: CEFData.com

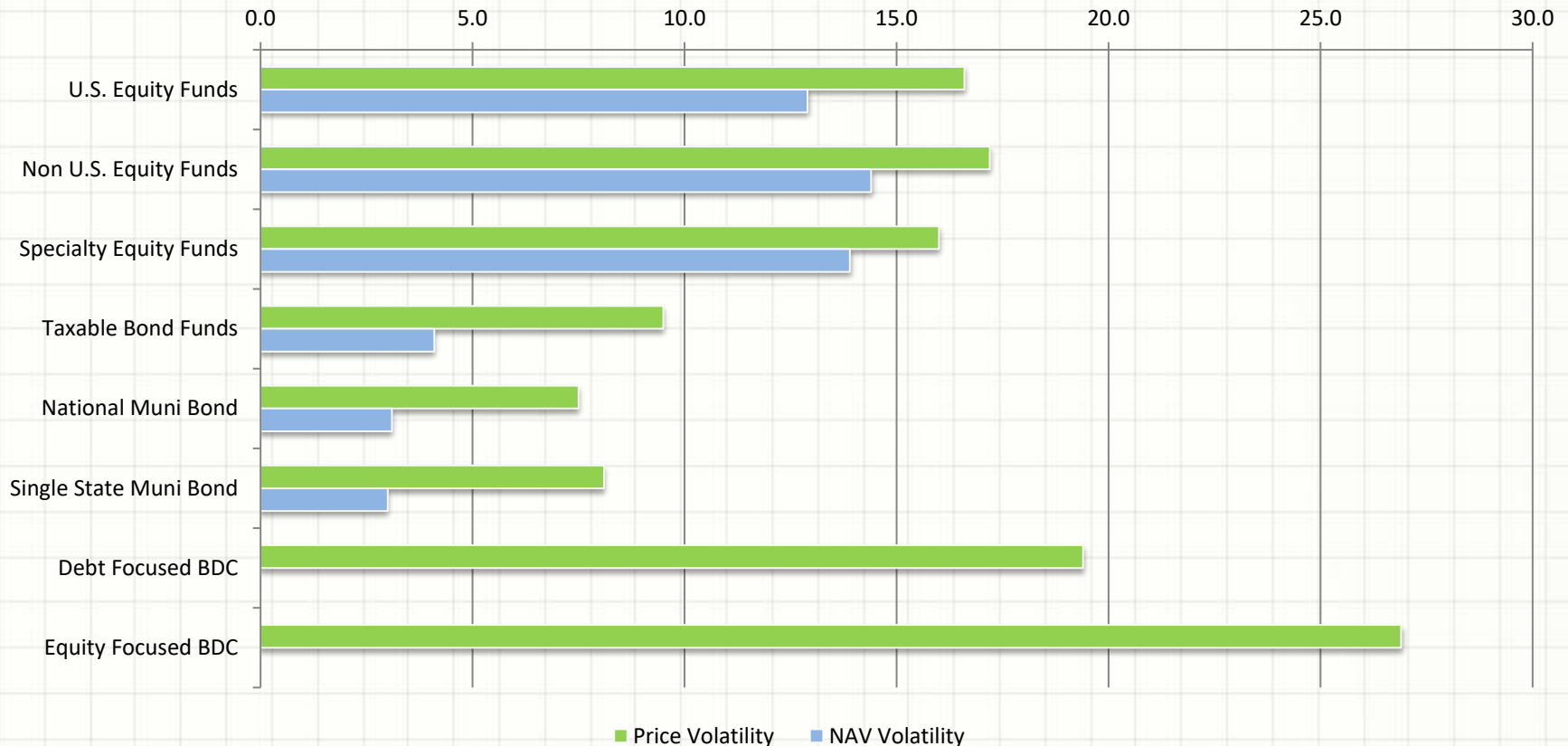
Destructive Return of Capital (1YR DRoC)

(Traditional)

Fund Grouping	# Funds with Destructive RoC	% Funds with Destructive RoC	Average Destructive RoC %	1Yr NAV TR vs NAV Yield	3Yr NAV TR vs NAV Yield
US Equity Funds	6	21%	17%	74%	95%
Non-US Equity Funds	17	36%	44%	-83%	77%
Specialty Equity Funds	56	50%	36%	-67%	22%
<i>Equity CEF</i>	88	44%	36%	-27%	41%
Taxable Bond Funds	61	42%	18%	-55%	5%
National Muni Bond Funds	8	9%	1%	-85%	-21%
State Muni Bond Funds	6	8%	4%	-110%	-30%
Bond CEF	75	24%	15%	-72%	-9%
Average CEF	163	32%	26%	-52%	14%

Closed-End Fund

Market Price volatility vs. NAV volatility (1 Year)






Source: September 30, 2018 – CEFData.com

www.CEFadvisors.com

CEF Press Release SEC Filings Summary

(2248 CEF PRs in 3Q18)

Announcement Type	3Q 2018	2017	2016	2015	Avg per Q since 2015
 Rights Issue / Offering	8	16	9	6	3
Secondary Offering (Trad CEF)	0	1	6	2	1
Secondary Offering (BDCs)	2	17	4	16	3
Tender Offer	6	46	17	15	6
Distribution Policy Change(Trad CEF)	1	12	6	11	2
Distribution Policy Change (BDCs)	0	1	0	1	0
 13 Filings (Trad CEF)	57	700	897	906	176
New N-2 Filings	11	133	97	52	22
Updated N-2 Filings	47	221	120	104	45
Investment Manager / Advisor Change	6	18	35	5	9
Portfolio Manager Change	7	52	39	45	12
 Leverage Amount / Type Change	31	118	105	52	26

CEF & BDC

Dividend Increases vs. Decreases

Dividend Announcement	3Q 2018 Number of Announcements	3Q 2018 Average Change	3Q '17 – 2Q '18 Number of Announcements	3Q '17 – 2Q '18 Average Change
Dividend Maintains	1182(88.6%)	N/A	4723 (88.2%)	N/A
Dividend Increases	54 (4.0%)	+8.57%	161 (3.0%)	+8.67%
Dividend Decreases	98 (7.3%)	-7.29%	468 (8.7%)	-7.97%
Under 5% Increase	31 (57%)	+1.94%	106 (66%)	+1.82%
Over 5% Increase	23 (43%)	+17.5%	55 (34%)	+21.9%
Under 5% Decrease	40 (41%)	-1.34%	196 (42%)	-1.98%
Over 5% Decrease	58 (59%)	-11.39%	272 (58%)	-12.29%

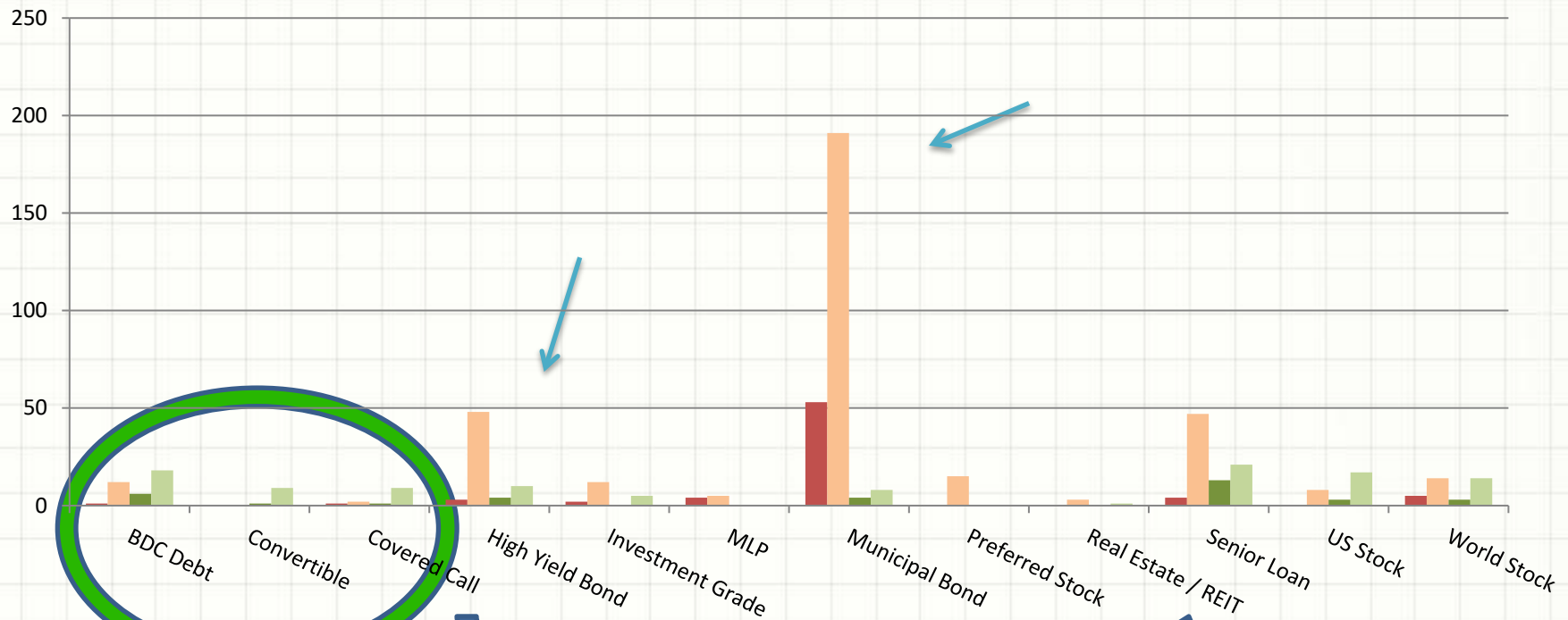
4% of announcements "Big Cuts"

Source: Fund Press Releases

3Q 2018 Closed-End Fund Dividend Increases vs. Decreases

Major CEF Groups: Number of dividend decreases / increases
Last Quarter & Previous 1 Year Rolling

■ Last Q Decreases ■ Previous 1 Yr Rolling Decreases ■ Last Q Increases ■ Previous 1 Yr Rolling Increases



Source: Fund Press Releases

CEF Recent Dividend Changes

(Policies NOT Promises)

3 Year Dividend Growth

- 306 Funds (59%) had negative 3 year growth averaging -22.7%
- 54 Funds (10%) had positive 3 year growth averaging +15.4%

2 Year Lookback -- 334 Funds changed their dividend policy in the past 2 years (65% of funds)

- 263 Cut (79%) an average of -12% while 71 (21%) increased an average of +11 %
- 175 of these funds have “level” or “managed distributions”
- 128 of those were cut an average -12%
- 47 were increased an average of +12.5%

1 Year Lookback

- 104 increase vs. 259 decreases. 56 Funds had BOTH increases and decreases in the past year.

Source: CEFData.com, as of September 30, 2018

CEF & BDC

Historical IPOs (3Q 18)

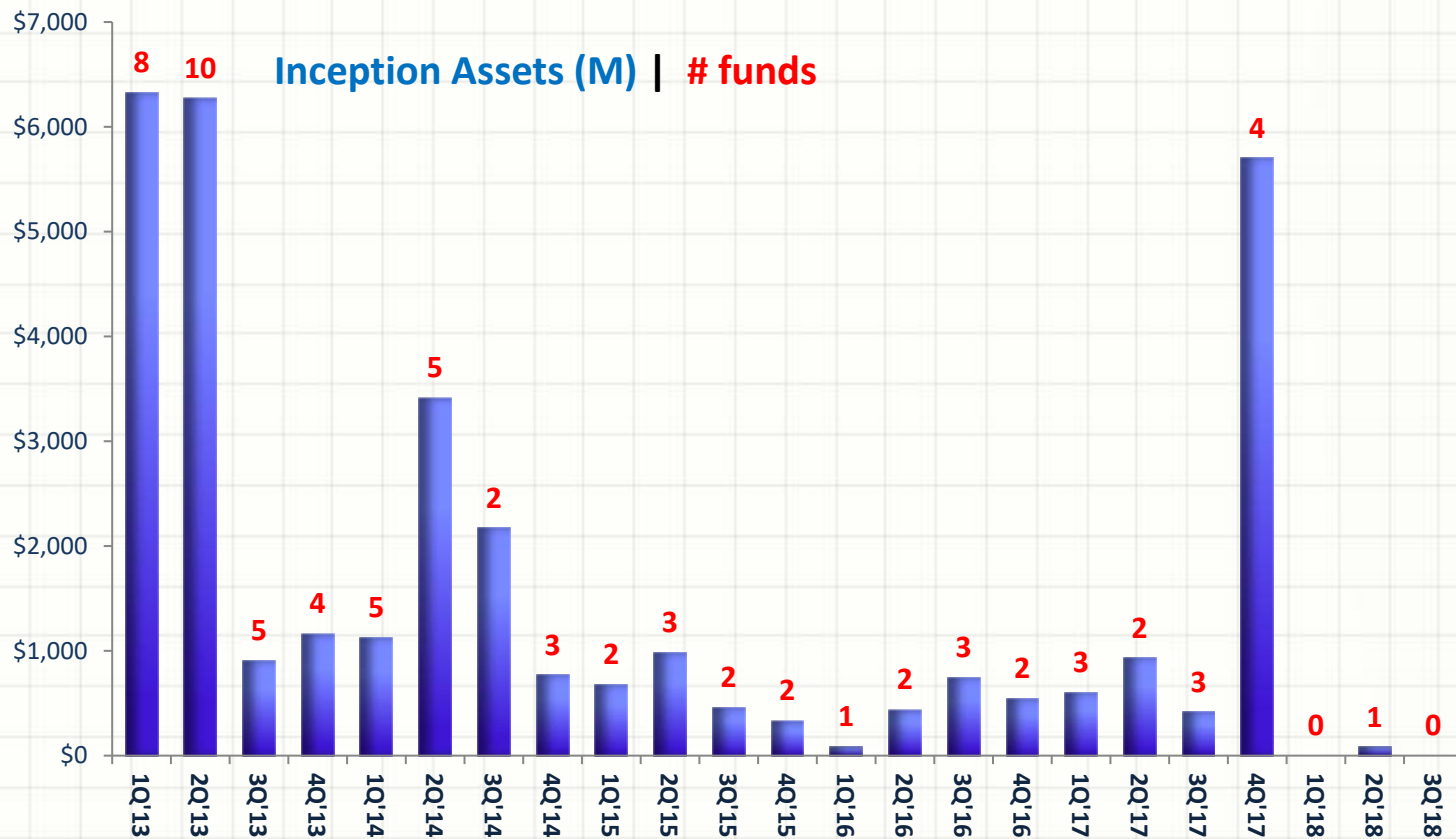
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Number of IPOs	1	13	8	9	15	29	28	26	22	14	3
Average Assets In \$ millions	\$80	\$646	\$225	\$272	\$511	\$511	\$442	\$258	\$371	\$192	\$134
Total New CEF IPO Assets in \$ Billions	\$.1B	\$8.4B	\$1.8B	\$2.4B	\$7.7B	\$14.8B	\$12.4B	\$6.7B	\$8.2B	\$2.7B	\$.4B

10 Year Average: 17 Funds per year, \$356MM Ave Fund, \$6.6 Billion Per Year

Source: SEC Filings, Press Releases

CEF & BDC

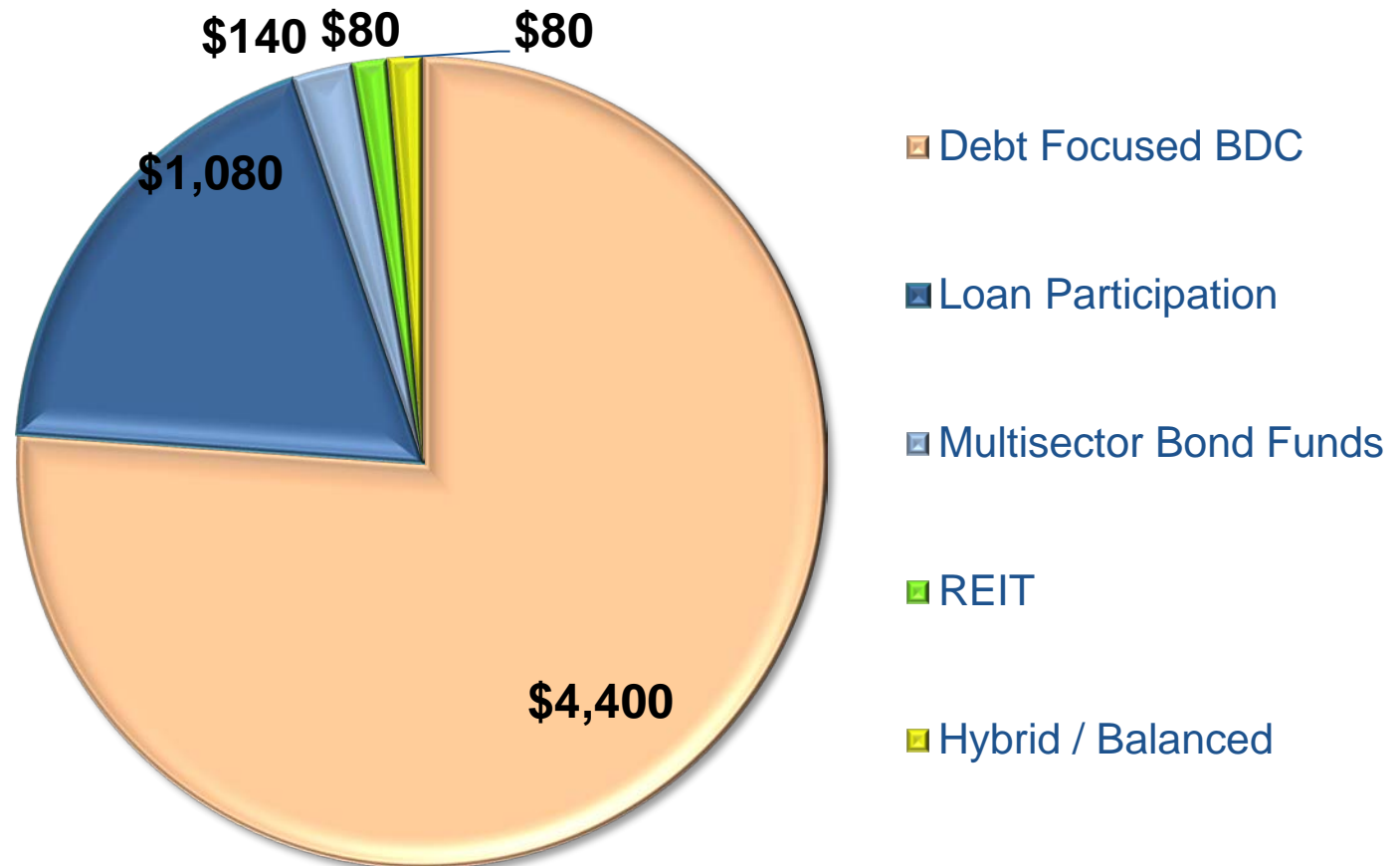
Historical IPOs (3Q 18)



Source: September 30, 2018 - CEFData.com

CEF&BDC IPOs: By Investment Focus

October 1, 2017 – September 30, 2018



Note: Inception Assets in millions ; data as of 9/30/2018 , cefdata.com

2Q 2018 IPO Details

(No IPOs in 1Q/3Q 2018)

Vivaldi Opportunities Fund (VAM) – *Hybrid / Balanced Funds* -

IPOed on May 10, 2018

IPO Price: \$14.66

Price as of 9/28/18: \$14.83

IPO Assets: \$80M

Disc/Prm as of 9/28/18: +0.88%

4Q 2017 IPO Details

DA Gbl Cr Incm 2024 Tgt Trm (DCF) – Taxable Bond Funds -

IPOed on October 27, 2017

IPO Price: \$10.00

IPO Assets: \$140M

Price as of 9/28/18: \$9.00

Disc/Prm as of 9/28/18 : -6.54%

Highland Flt Rt Opp Fd (HFRO) – Taxable Bond Funds -

IPOed on November 6, 2017

IPO Price: \$15.50

IPO Assets: \$1080M

Price as of 9/28/18 : \$15.42

Disc/Prm as of 9/28/18 : +1.65%

Corporate Capital Tr (CCT) – Debt Focused BDCs-

IPOed on November 14, 2017

IPO Price: \$17.60

IPO Assets: \$4400M

Price as of 9/28/18 : \$15.26

Disc/Prm as of 9/28/18 : -22.06%

Invsc Hi Incm 2023 Tgt Trm Fd (IHIT) – Taxable Bond Funds -

IPOed on November 27, 2017

IPO Price: \$10.00

IPO Assets: \$80M

Price as of 9/28/18 : \$9.91

Disc/Prm as of 9/28/18 : -2.36%

Source: Fund Press Releases



IPOs during 4Q 2017 – 2Q 2018

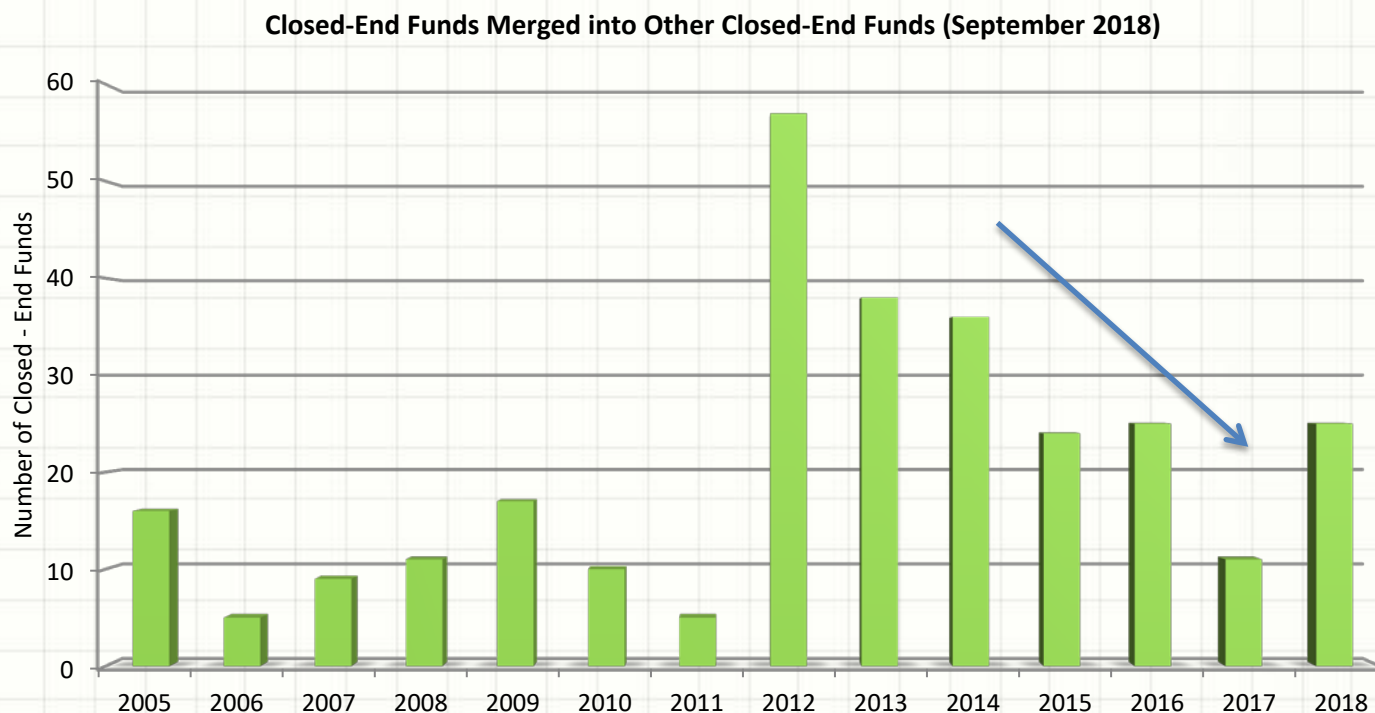
Current Discount / Premium

IPO Date	Ticker	Current Disc/Prm	Current Price	IPO Price	Curr vs IPO
4Q 2017	DCF	-6.54%	\$9.00	\$10.00	90.00%
	HFRO	1.65%	\$15.42	\$15.50	99.48%
	CCT	-22.06%	\$15.26	\$17.60	86.70%
	IHIT	-2.36%	\$9.91	\$10.00	99.10%
2Q 2018	VAM	0.88%	\$14.83	\$14.66	101.16%

Data as of September 30, 2018

Source: CEFADData.com

Closed-End Fund Mergers



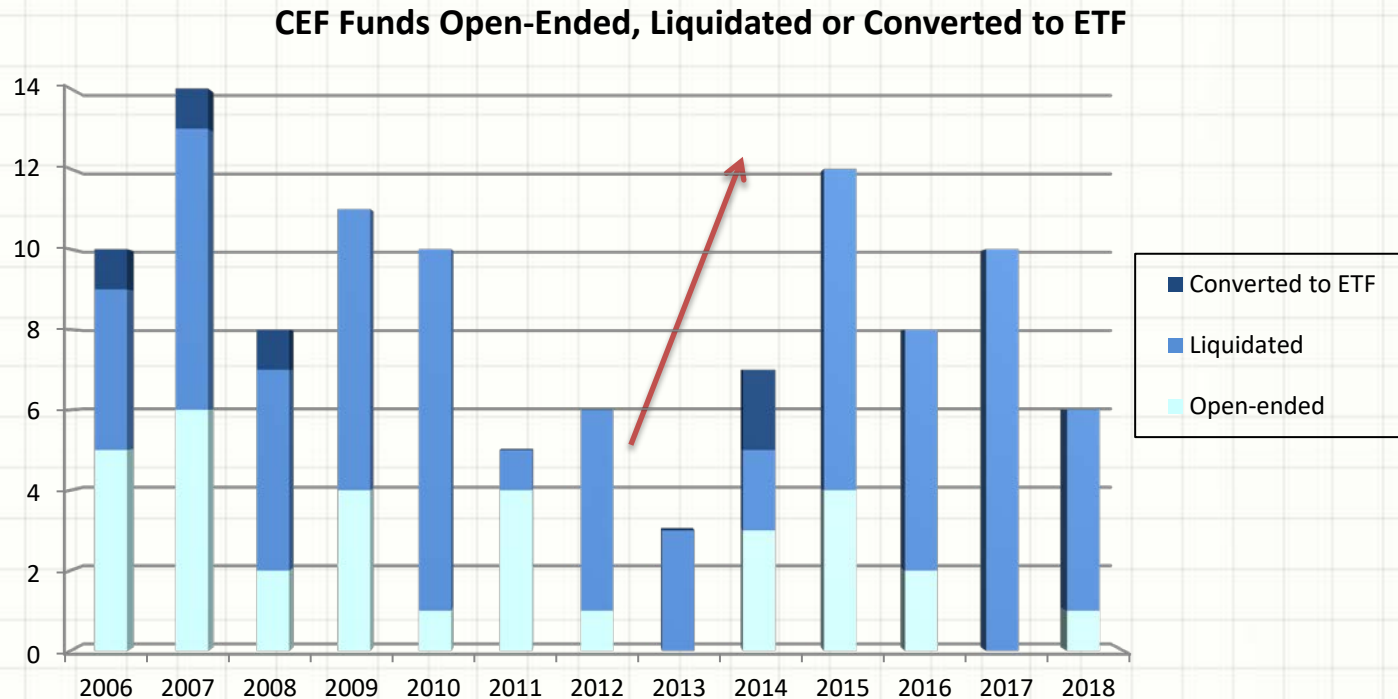
Reasons to Merge:

1. Reduce expense ratio
2. Increase liquidity
3. Reduce bid/ask spread
4. Improve cost of future leverage

Source: Fund Press Releases

Avg. – 19 per year
27 Last 5 Yrs, 15 previous 9 Yrs

Closed-End Fund Deaths



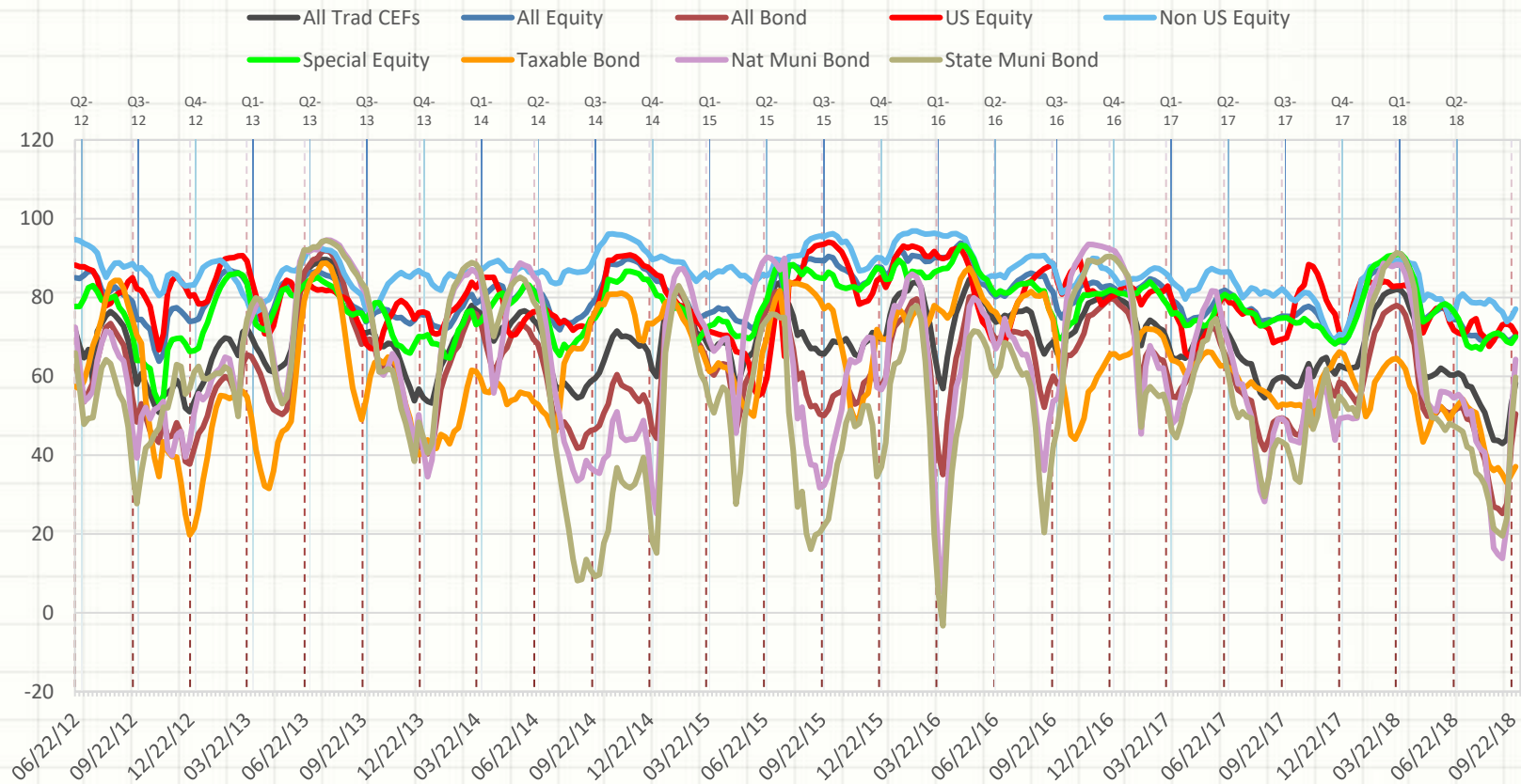
Source: Fund Press Releases

Causes: Open-ending, liquidation & conversion. (9 per year on average)

Traditional Closed-End Fund

90 Day NAV – Market Price Correlation

Trad CEFs Groups - 90 Day NAV/Price Correlation
June 22, 2012 - September 28, 2018



Source: September 30, 2017 - CEFData.com

www.CEFadvisors.com

Traditional Closed-End Fund NAV – Market Price Correlation

Fund Grouping	Correlation 3Q 18	Correlation 2Q 18	Correlation Trend
US Equity Funds	70.98%	70.99%	-0.01%
Non-US Equity Funds	77.07%	79.86%	-2.79%
Specialty Equity Funds	69.99%	74.60%	-4.61%
<i>Ave Equity CEF</i>	<i>70.31%</i>	<i>74.31%</i>	<i>-4.00%</i>
Taxable Bond Funds	37.08%	52.84%	-15.76%
National Muni Bond Funds	64.27%	55.40%	8.87%
State Muni Bond Funds	59.76%	46.74%	13.02%
<i>Ave Bond CEF</i>	<i>50.45%</i>	<i>52.03%</i>	<i>-1.58%</i>
Average CEF	58.24%	60.79%	-2.55%

Data as of September 30, 2018

Source: CEFData.com



CEF / BDC Index Performance

Index	3Q 2018 NAV	3Q 2018 Mkt Pr	1 Year NAV	1 Year Mkt Pr	5 Year NAV	5 Year Mkt Pr
12 Major Sectors Index	2.74%	2.19%	5.90%	3.89%	6.43%	7.11%
High Income Index	3.45%	3.23%	6.61%	4.60%	5.66%	6.11%
Tax-Sensitive Income Index	3.68%	2.39%	5.41%	1.99%	4.20%	4.30%
60/40 Balanced Index	3.07%	2.83%	5.69%	4.54%	7.04%	7.83%
Global Equity Index	3.45%	3.40%	5.94%	6.14%	7.41%	8.78%
Equity Income Index	3.80%	3.15%	5.93%	5.16%	5.93%	7.12%
Taxable Bond and BDC	1.78%	2.03%	3.20%	1.92%	5.66%	6.26%
National Municipal Bond	-0.43%	-0.96%	0.56%	-5.04%	6.58%	6.18%
Preferred Equity Index	1.26%	0.51%	1.31%	-1.29%	9.21%	10.58%
Convertible Bond Index	4.50%	5.77%	10.25%	13.60%	6.10%	8.19%
High Yield Bond Index	2.52%	2.28%	3.55%	-0.02%	5.78%	5.09%
Sr. Loan Index	2.48%	1.03%	6.39%	2.70%	5.10%	4.44%
MLP Index	6.15%	3.22%	6.58%	1.38%	-4.34%	-5.25%
REIT / Real Asset Index	0.79%	0.14%	2.75%	0.49%	8.81%	9.63%
Debt-BDCs Index	2.75%	4.65%	9.33%	2.56%	8.12%	4.54%

Data as of September 30, 2018, Annualized over 1 year

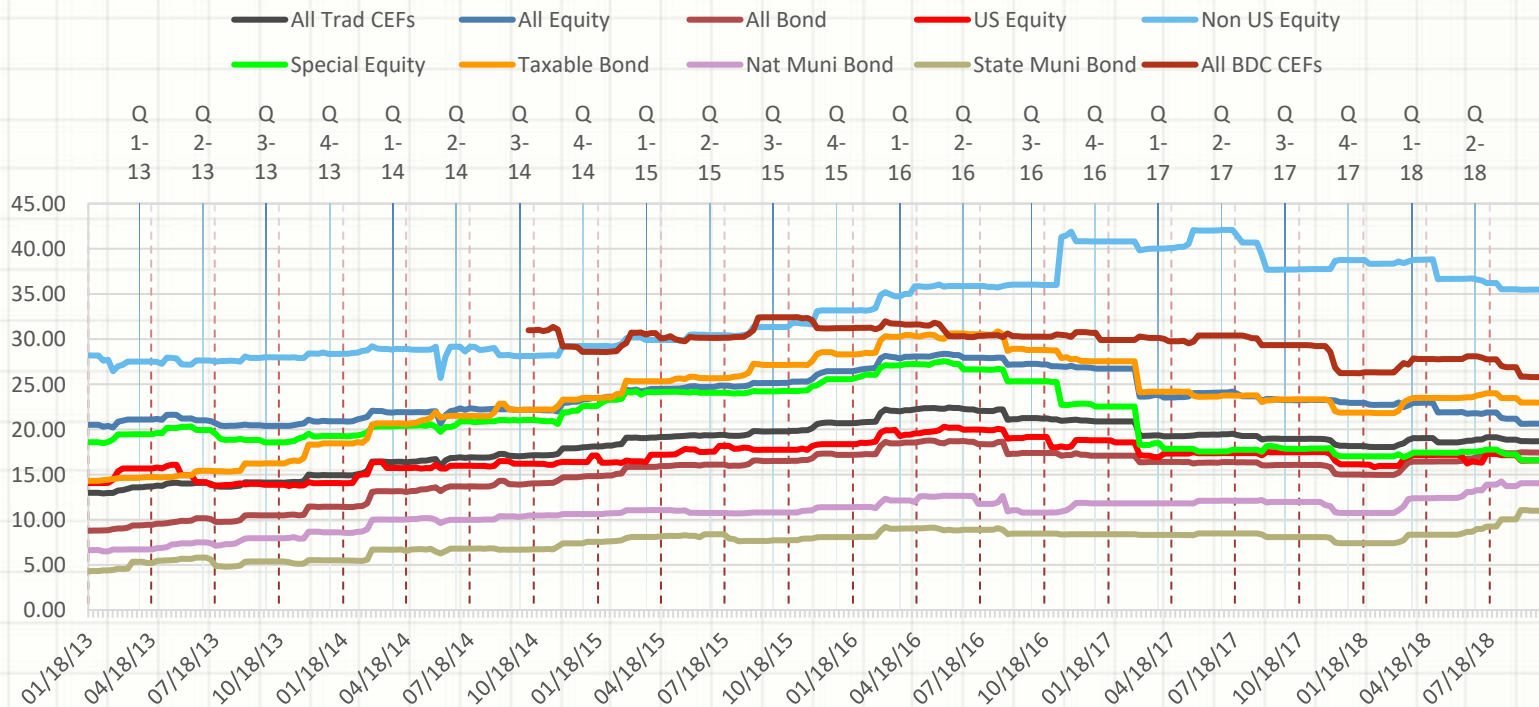
CEF Institutional Holdings

(3Q 18)

**Institutional
Holdings Trends**

**Increase: 290 funds
Decrease: 263 funds**

Main Peer Groups - % Shares Owned by Institutions January 18, 2013 - September 28, 2018



Source: CEFData.com

www.CEFadvisors.com

CEF / BDC Institutional Investors

(3Q 18)

1	MORGAN STANLEY	\$5,526,127,482	21	Raymond James Financial Services Advisors Inc	\$472,491,114
2	WELLS FARGO COMPANY MN	\$3,307,720,524	22	COHEN STEERS INC	\$460,602,249
3	UBS Group AG	\$2,660,322,237	23	Muzinich Co Inc	\$456,943,826
4	BANK OF AMERICA CORP DE	\$2,346,189,299	24	AMERIPRISE FINANCIAL INC	\$446,054,106
5	Invesco Ltd	\$1,318,116,773	25	JPMORGAN CHASE CO	\$433,778,531
6	GUGGENHEIM CAPITAL LLC	\$1,279,727,139	26	COMMONWEALTH EQUITY SERVICES LLC	\$433,146,579
7	Karpus Management Inc	\$1,151,629,921	27	STIFEL FINANCIAL CORP	\$415,882,995
8	SIT INVESTMENT ASSOCIATES INC	\$1,135,233,107	28	LPL Financial LLC	\$396,303,942
9	CITY OF LONDON INVESTMENT MANAGEMENT CO LTD	\$1,133,912,762	29	McGowan Group Asset Management Inc	\$374,157,333
10	RIVERNORTH CAPITAL MANAGEMENT LLC	\$1,043,573,497	30	LADENBURG THALMANN FINANCIAL SERVICES INC	\$329,183,495
11	ROYAL BANK OF CANADA	\$936,392,830	31	ROBINSON CAPITAL MANAGEMENT LLC	\$323,496,954
12	RAYMOND JAMES ASSOCIATES	\$857,961,689	32	VAN ECK ASSOCIATES CORP	\$290,330,588
13	1607 Capital Partners LLC	\$824,085,981	33	BANK OF MONTREAL CAN	\$277,381,946
14	LAZARD ASSET MANAGEMENT LLC	\$763,205,107	34	ARES MANAGEMENT LLC	\$256,714,866
15	Advisors Asset Management Inc	\$699,510,329	35	Oxbow Advisors LLC	\$247,151,409
16	PARAMETRIC PORTFOLIO ASSOCIATES LLC	\$650,073,997	36	RMB Capital Management LLC	\$226,445,946
17	Saba Capital Management L P	\$543,722,189	37	GOLDMAN SACHS GROUP INC	\$224,298,469
18	Arnhold LLC	\$480,668,724	38	HighTower Advisors LLC	\$220,251,119
19	Relative Value Partners Group LLC	\$479,877,062	39	Cambridge Investment Research Advisors Inc	\$214,236,101
20	THORNBURG INVESTMENT MANAGEMENT INC	\$479,515,329	40	Laurion Capital Management LP	\$209,552,681

Source: CEFData.com

All 13 Filings = \$52 billion. Top 40 = \$34 Billion

CEF/BDC

Primary Activist / Institutional Investors

Activist:

1. Ancora Advisors
2. Bull Dog Investors
3. Special Opportunities Fund (SPE -- Bulldog)
4. City of London
5. Ironsides Partners
6. Karpus Investment Management
7. Western Investment
8. Saba Capital Management
9. Elliott Associates (BDCs)
10. Wynnefield Capital (BDCs)

Followers:

1. Punch & Associates Investment Management
2. Relative Value Partners
3. 1607 Capital Partners LLC
4. Rivernorth Capital Management
5. SIT Investment Associates
6. DG Capital Management (BDCs)
7. Sims Capital Management (BDCs)

Total Assets at work 9/30/18 - \$2.0 Billion Activist // \$18.5 Billion Followers & Activist

Source: CEFData.com

www.CEFadvisors.com

Closed-End Fund Corporate Actions / Activist Update

3Q 2018

Source: SEC Filings, Press Releases

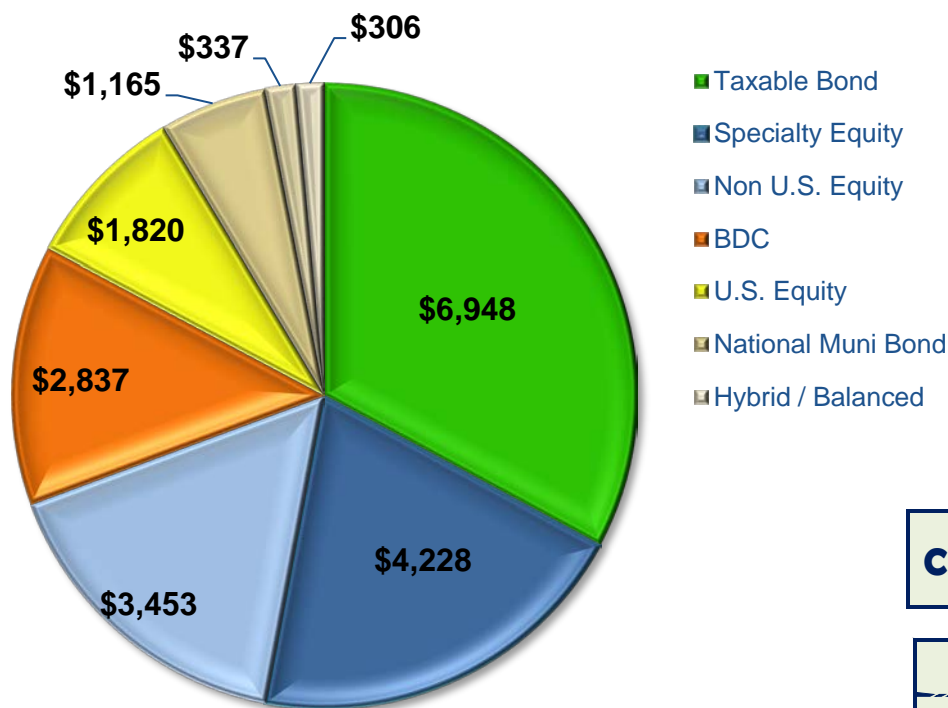
Month Filed	Filing	Closed-End Fund/BDC	Investor/Who	Notes
Sept	13D/A	MVC Capital (MVC)	West Family	6.4% (Inc) Director Nominee and Repurchase Program (approved)
Sept	Proxy	CM Finance (CMFN)	Public	Proposal to sell up to 25% shares below NAV
Sept	13G	Latin Amrc Disc Fd (LDF)	City of London	32.5% (Dec)
Sept	Proxy	Abd Tot Dyn Div Fd (AOD)	Saba	Proposal proposal to declassify the Board
Sept	Proxy	Asia Pacific Fd (APB)	Public	Liquidation Proposal
Sept	Rights Offering	FrkTmp Ltd Dur Incm Tr (FTF)	Public	One for one (approved)

Closed-End Fund Corporate Actions / Activist Update

Source: SEC Filings, Press Releases

Month Filed	Filing	Closed-End Fund/BDC	Investor/Who	Notes
Aug	13G/A	BR Incm Tr (BKT)	Karpus	13.5% (Dec)
August	Proxy	Miller/Howard Hi Incm Eq Fd (HIE)	Public	New Invstmnt Advisory Agrmnt
August	13G/A	Cornerstone Tot Rtn Fd (CRF)	SIT Investment	14.9% (Inc)
August	13D	Mgd Dur Inv Grd Muni Fd (BPK)	Karpus	31.6% (Inc)
July	Announ cement	Stellus Cap Inv Corp (SCM)	Public	Offering up to 25% shares below NAV (approved)
July	13D/A	Alcentra Capital Corp(ABDC)	Stilwell	7.3% (Dec) Discount Reduction Proposal

Activist & Follower Ownership (13D/13G) by Investment Focus



Note: millions of dollars, data as of 9/30/2018, cefdata.com

CEF Activist Ownership	\$21,094
-------------------------------	-----------------

Top 5 Peer Groups

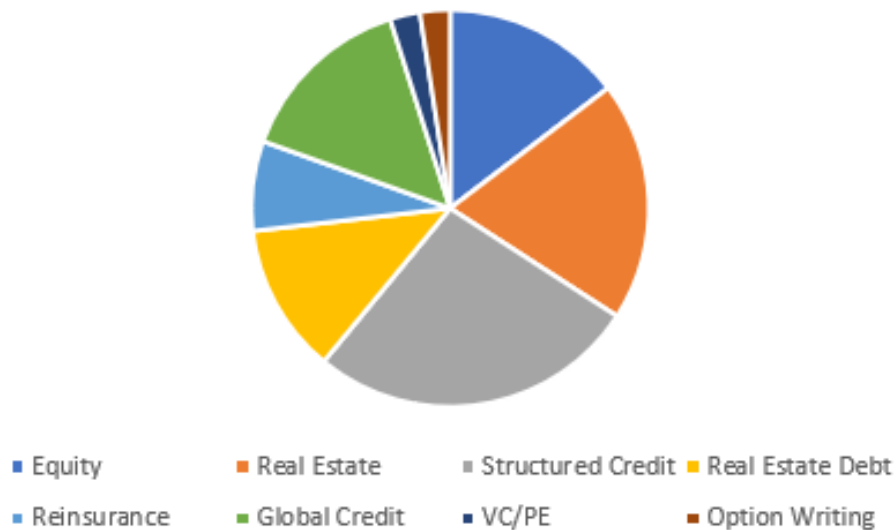
BDC Debt	\$2,683
Loan Participation	\$1,757
Asian Equity	\$1,728
High Yield Bond	\$1,495
General Equity	\$1,462

Interval Closed-Ended Fund (iCEFs)

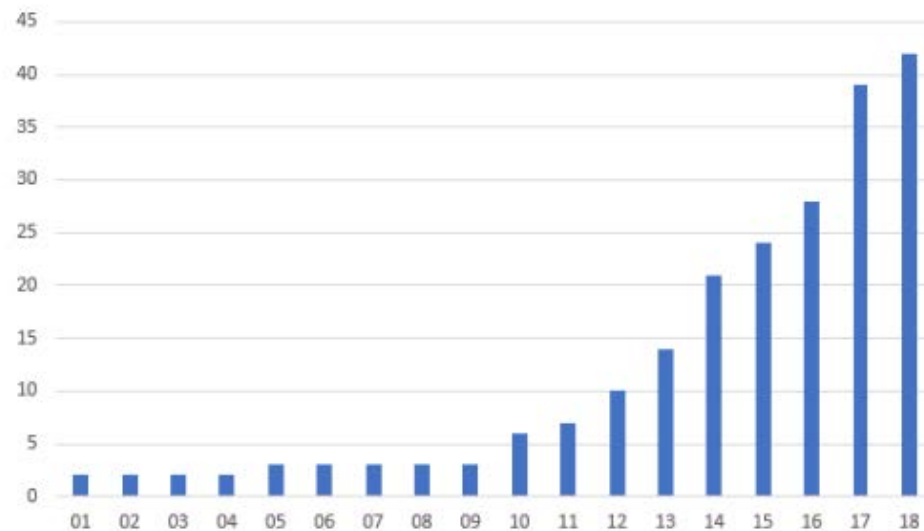
Interval funds (iCEFs) are growing in popularity as an alternative investment vehicle. Many interval funds can be seen as the best of both worlds. iCEFs had a slow start, the second iCEF wasn't created until 2001 and the third fund formed in 2005. The structure is a small (0.1%) portion of the overall multitrillion dollar fund industry. However, iCEFs are growing assets quickly, in the 50% range annually with 42 current funds with a combined \$28.52B in AUM as of August 31, 2018. This compares to CEF/BDC listed AUM of \$280 billion in 564 funds according to CEFData.com.

Whitepaper / Overview on: www.CEF-Blog.com

Interval Fund Sector Breakdown



Interval Funds By Year



Non-Listed Closed-End Funds Data as of Oct. 10, 2018

42 funds. Total Assets: \$28.68B

													Search Ticker	Export Fund Classes	Export Funds	Nonlisted N-2 Filings	
Fund Name	Structure	Major Group	Sub-Group	Sponsor	Inception	Min Investment	Lev(%)	Total Assets(M)	Av Net Exp Ratio	Avg NAV Yield	NAV TR (YTD)	NAV TR (1YR)	NAV TR (3YR)	NAV TR (5YR)	NAV TR (10YR)	Redemption Details	Number of Share Classes
BMO LGM Frontier Markets Equity Fund	Interval	Equity	Global Equity	BMO Asset	12/18/13	5,000	0.0	138.9	2.00	0.5	-10.98	-4.44	4.76	-	-	Quarterly: 5% to 25%	1
FS Energy Total Return Fund	Interval	Equity	Global Equity	FS Energy	3/15/17	2,500	27.4	41.5	3.17	5.0	5.32	5.63	-	-	-	Quarterly: 5% to 25%	5
Multi-Strategy Growth & Income Fund	Interval	Equity	Global Equity	LCM Investment	3/6/12	2,500	7.6	202.8	2.05	6.1	-2.93	-2.87	2.04	2.46	-	Quarterly: 5% to 25%	4
Relative Value Fund	Interval	Equity	Global Equity	Vivaldi	6/12/17	1,000	0.3	16.2	2.45	0.4	-2.18	-0.95	-	-	-	Quarterly: 5% to 25%	2
Wildermuth Endowment Fund	Interval	Equity	Global Equity	Wildermuth Advisory	12/31/14	2,500	0.0	93.7	2.67	2.4	3.78	6.38	8.47	-	-	Quarterly: 5% to 25%	3
ACAP Strategic Fund	Interval	Equity	Long / Short Equity	SilverBay Capital	3/1/10	50,000	2.5	4,199.2	4.11	-	-3.26	-5.87	6.86	3.74	-	Quarterly: 5% to 25%	2
Stone Ridge All Asset Variance Risk Premium Fund	Interval	Equity	Option Writing	Stone Ridge	4/2/15	15,000,000	11.0	1,860.3	2.72	-	-8.91	-19.01	-3.53	-	-	Quarterly: 5% to 25%	1
Total Income+ Real Estate Fund	Interval	Equity	Real Estate / Real Asset	Bluerock	10/22/12	2,500	13.3	1,089.4	2.59	5.3	5.64	7.35	6.43	5.26	-	Quarterly: 5% to 25%	4
Griffin Institutional Access Real Estate Fund	Interval	Equity	Real Estate / Real Asset	Griffin Capital	6/30/14	2,500	5.3	2,275.7	2.42	5.3	4.08	5.92	5.88	-	-	Quarterly: 5% to 25%	5
Alternative Strategies Fund	Interval	Equity	Real Estate / Real Asset	Ladenburg Thalmann	9/28/10	2,500	0.0	24.0	1.92	8.2	-1.53	-2.87	0.97	-1.52	-	Quarterly: 5% to 25%	3
Predex	Interval	Equity	Real Estate / Real Asset	PREDEX Capital	7/1/16	2,500	0.0	44.1	1.37	4.2	4.59	6.23	-	-	-	Quarterly: 5% to 25%	3
Resource Real Estate Diversified Income Fund	Interval	Equity	Real Estate / Real Asset	Resource Real	3/12/13	2,500	20.2	311.8	3.11	5.5	6.8	7.54	6.37	6.03	-	Quarterly: 5% to 25%	8
USQ Core Real Estate Fund	Interval	Equity	Real Estate / Real Asset	Union Square	9/27/17	2,500	0.0	26.9	0.85	4.0	4.79	6.24	-	-	-	Quarterly: 5% to 25%	2
Versus Cap Real Estate Income Fund	Interval	Equity	Real Estate / Real Asset	Versus Capital	7/9/12	10,000,000	0.0	2,194.4	1.24	4.4	3.77	5.4	5.89	5.86	-	Quarterly: 5% to 8%	1
Versus Capital Real Assets Fund	Interval	Equity	Real Estate / Real Asset	Versus Capital	9/18/17	10,000	0.0	807.3	1.36	3.0	1.55	2.12	-	-	-	Quarterly: 5% to 25%	1
SharesPost 100 Fund	Interval	Equity	Venture / Private Equity	SP Investments	3/25/14	2,500	0.0	121.8	2.50	-	5.12	9.43	4.03	-	-	Quarterly: 5% to 25%	3
Angel Oak Strategic Credit Fund	Interval	Bond	Global Credit	Angel Oak	12/26/17	1,000	0.0	6.5	0.75	6.8	5.71	-	-	-	-	Quarterly: 5% to 25%	2
Destra International Event Driven Credit Income Fund	Interval	Bond	Global Credit	Destra Capital	-	2,500	-	-	-	6.8	-	-	-	-	-	Quarterly: 5% to 25%	4
PIMCO Flexible Credit Income Fund	Interval	Bond	Global Credit	FS Credit	11/1/17	2,500	9.2	24.8	2.44	5.8	6.57	-	-	-	-	Quarterly: 5% to 25%	3
Resource Credit Income Fund	Interval	Bond	Global Credit	PIMCO	2/22/17	2,500	28.9	824.8	3.09	7.1	6.45	6.24	-	-	-	Quarterly: 5% to 25%	2
Zazove Convertible Securities Fund	Interval	Bond	Global Credit	Resource Alternative	4/17/15	2,500	0.0	107.8	2.74	6.2	3.49	4.14	8.14	-	-	Quarterly: 5% to 25%	5
Blackstone / GSO Floating Rate Enhanced Income Fund	Interval	Bond	Global Credit	Zazove	-	-	0.0	53.5	-	-	-	-	-	-	-	Quarterly: 5% to 25%	0
Clon Ares Diversified Credit Fund	Interval	Bond	Structured Credit Loans /	Blackstone	1/18/18	10,000	19.7	203.1	0.25	6.0	-	-	-	-	-	Monthly: 5% to 25%	3
Forefront Income Trust	Interval	Bond	Structured Credit Loans /	CION Ares	1/26/17	2,500	0.0	78.0	0.00	5.3	5.52	7.06	-	-	-	Quarterly: 5% to 25%	4
Griffin Institutional Access Credit Fund	Interval	Bond	Structured Credit Loans /	Forefront Capital	12/31/14	1,000	0.0	8.5	0.83	-	5.34	-4.03	4.23	-	-	Quarterly: 5% to 25%	1
Invesco Senior Loan Fund	Interval	Bond	Structured Credit Loans /	Griffin Capital	4/3/17	2,500	0.0	142.4	0.00	2.3	0.56	0.78	-	-	-	Quarterly: 5% to 25%	5
Palmer Square Opportunistic Income Fund	Interval	Bond	Structured Credit Loans /	Invesco	10/4/89	1,000	19.9	1,009.3	2.27	4.3	5.39	5.89	6.66	3.95	5.78	Monthly: 5% to 25%	5
Pathway Capital Opportunity Fund	Interval	Bond	Structured Credit Loans /	Palmer Square	8/29/14	250,000	0.0	144.3	1.58	5.1	3.14	3.78	1.65	-	-	Quarterly: 5% to 25%	1
Sierra Total Return Fund	Interval	Bond	Structured Credit Loans /	Pathway Capital	-	-	11.3	11.9	-	-	-	-	-	-	-	Quarterly: 5% to 25%	0
Tortoise Tax-Advantaged Social Infrastructure	Interval	Bond	Structured Credit Loans /	STRF Advisors	6/1/17	2,500	0.0	2.6	3.71	5.2	4.33	5.06	-	-	-	Quarterly: 5% to 25%	4
Voya Senior Income Fund	Interval	Bond	Structured Credit Loans /	Tortoise	3/26/18	2,500	0.0	0.8	1.50	3.5	-	-	-	-	-	Quarterly: 5% to 25%	1
RiverNorth Marketplace Lending Corp	Interval	Bond	Structured Credit Loans /	Voya	4/2/01	1,000	28.2	600.6	2.55	5.4	4.88	5.57	4.8	3.37	5.55	Quarterly: 5% to 25%	4
Stone Ridge Alternative Lending Risk Premium Fund	Interval	Bond	Marketplace Loans	RiverNorth	9/22/16	-	22.2	336.3	4.96	11.3	0.99	1.84	-	-	-	Quarterly: 5% to 25%	1
504 FUND	Interval	Bond	Marketplace Loans	Stone Ridge	11/12/15	15,000,000	28.3	4,452.4	4.80	-	0.39	0.59	-	-	-	Quarterly: 5% to 25%	1
Church Capital Fund	Interval	Bond	Real Estate Debt	504 Fund	12/16/13	10,000	0.0	46.0	1.89	-	-1.24	-1.54	-1.71	-	-	Yearly: 5% to 25%	1
Nexpoint Real Estate Strategies Fund	Interval	Bond	Real Estate Debt	Church Capital	10/4/05	-	0.0	18.4	2.84	0.7	2.49	7.4	-9.87	-5.21	-5.59	-	1
Vertical Capital Income Fund	Interval	Bond	Real Estate Debt	NexPoint	7/1/16	500	0.0	13.8	2.13	5.9	5.96	14.82	-	-	-	Quarterly: 5% to 25%	4
RiverPark Floating Rate CMBS Fund	Interval	Bond	Real Estate Debt	Oakline Advisors	12/30/11	2,500	1.6	155.1	2.39	3.1	-0.78	2.37	6.42	6.02	-	Quarterly: 5% to 25%	2
City National Rochdale Select Strategies Fund	Interval	Bond	Real Estate Debt	RiverPark Advisors	5/31/10	1,000	0.0	57.3	1.00	3.7	2.97	3.73	-	-	-	Quarterly: 5% to 25%	1
Pioneer ILS Interval Fund	Interval	Bond	Reinsurance / Insurance Linked Securities	City National	7/27/17	1,000,000	0.0	46.1	1.00	-	5.62	29.8	-	-	-	Quarterly: 5% to 25%	1
Stone Ridge Reinsurance Risk Premium Interval Fund	Interval	Bond	Reinsurance / Insurance Linked Securities	Pioneer	12/17/14	1,000,000	0.0	813.5	1.97	1.4	6.71	4.49	3.49	-	-	Quarterly: 5% to 25%	1
	Interval	Bond	Reinsurance / Insurance Linked Securities	Stone Ridge	12/9/13	-	0.0	6,076.4	-	-	2.23	0.88	-4.97	-	-	Quarterly: 5% to 25%	1

PIMCO Flexible Credit Income Fund BOND - GLOBAL CREDIT

Fund Info

Website	https://www.pimco.com/..
Sponsor	Pacific Investment Management Company
Custodian	State Street Bank and Trust Company
Transfer Agent	DST Systems, Inc
Fiscal Year	June
Redemption Details	Quarterly: 5% to 25%

Objective: The Fund seeks to provide attractive risk-adjusted returns and current income.

Fundamental Data (Reported: June 30, 2018)

Total Assets	\$825M
Net Assets	\$539M
Leverage (%)	28.9%
Leverage Expense (%)	0.00%
Leverage Type	Borrowings & Other Financing
Portfolio Turnover	14.00%

Latest Repurchase Offer

Status	Closed
Start Date	July 13, 2018
End Date	Aug. 8, 2018
Shares (%) to Repurchase	5.00

Tender Results

Last Tendered (%) on May 8, 2018	1.83
Tendered 1yr (%)	2.34

Top Holdings (%)

Freddie Mac Mortgage-Backed Securities	2.2%
Ballyrock CLO Ltd.	2.2%
Ardonagh Midco PLC	1.9%
VMC Finance LLC	1.7%
GSMSC Resecuritization Trust	1.7%
Countrywide Home Loan Mortgage Pass-Through Trust	1.5%
Wells Fargo Mortgage Backed Securities Trust	1.4%
Nationwide Building Society	1.4%
Intrepid Aviation Group Holdings LLC	1.4%
Cedar Funding VI CLO, Ltd.	1.4%

Distribution Data

Ticker	Indicated Yield	Trailing Yield	Div Growth (1yr)	Div Growth (3yr)
PFFLX	-	-	-	-
PFLEX	7.07	7.06	-7.5	-

MPT Statistics

Ticker	NAV StDev (1yr)	NAV StDev (3yr)	Beta (2Yr) vs. S&P 500 (TR)	Beta (2Yr) vs. Total Bond & BDC Index (Price)	Beta (2Yr) vs. Total Bond & BDC Index (NAV)	Corr (2Yr) vs. Total Bond & BDC Index (NAV)	Corr (2Yr) vs. S&P 500 (TR)
PFFLX	-	-	-	-	-	-	-
PFLEX	2.03	-	0.08	0.12	0.33	81.2	57.1

Total Return (Rolling)

Ticker	NAV TR (YTD)	NAV TR (1yr)	NAV TR (3yr)	NAV TR (5yr)	NAV TR (10yr)	NAV TR (Inception)
PFFLX	-	-	-	-	-	-
PFLEX	6.45	6.24	-	-	-	8.73

Total Return Calendar

Ticker	2013	2014	2015	2016	2017	YTD
PFFLX	-	-	-	-	-	-
PFLEX	-	-	-	-	-	6.45

3 Year Distribution Levels(\$): PFLEX



Newly Launched iFunds

(3Q 2018)

Funds	Major Group	SEC Effective Date
Flat Rock Opportunity Fund	Bond	2018-07-02
PIMCO Flexible Municipal Income Fund	Bond	2018-07-19
Variant Alternative Income Fund	Bond	2018-08-30
Pioneer ILS Bridge Fund	Bond	2018-09-11
American Beacon Apollo Total Return Fund	Bond	2018-09-12

Recent Active iFunds

(launched 3Q'17 – 2Q'18)

Fund Name	Structure	Major Group	Sub-Group	Sponsor	Inception	Min Investment	Lev(%)	Total Assets(M)
Tortoise Tax-Advantaged Social Infrastructure	Interval	Bond	Loans / Structured Credit	Tortoise	3/26/18	2,500	0.0	0.8
Blackstone / GSO Floating Rate Enhanced Income Fund	Interval	Bond	Loans / Structured Credit	Blackstone	1/18/18	10,000	19.7	203.1
Angel Oak Strategic Credit Fund	Interval	Bond	Global Credit	Angel Oak	12/26/17	1,000	0.0	6.5
FS Credit Income Fund	Interval	Bond	Global Credit	FS Credit	11/1/17	2,500	9.2	24.8
USQ Core Real Estate Fund	Interval	Equity	Real Estate / Real Asset	Union Square	9/27/17	2,500	0.0	26.9
Versus Capital Real Assets Fund	Interval	Equity	Real Estate / Real Asset	Versus Capital	9/18/17	10,000	0.0	807.3
City National Rochdale Select Strategies Fund	Interval	Bond	Reinsurance / Insurance Linked Securities	City National	7/27/17	1,000,000	0.0	46.1

Source: CEFData.com

Total Active iFunds: 42. Total Assets: \$28.68B

CEFA's Outlook for 4Q and 2019

- **US Equity Funds**
- **Non-US Equity Funds**
- **Specialty Equity (Sector) Funds**
- **Taxable Bond Funds**
- **National Municipal Bond (Tax-Free) Funds**
- **State Specific Municipal Bond (Tax-Free) Funds**
- **Debt-Focused Business Development Companies (BDCs)**
- **Equity-Focused Business Development Companies (BDCs)**
- **Sustainable CEF Portfolio Distribution Yields, Beta, Correlations, Duration and After-Tax Income, Gross Asset Exposure, Leverage**



Closed-End Funds & BDCs in a Rising Rate Environment

(March 2004 to September 2007)

Group/Sector	# CEFs	Avg Total Return on Mkt Pr.	% Funds w/ Neg TR Perf	Avg Yield Change %	% CEFs with Dividend Changes
US Equity Funds	30	+37.7%	3.3%	+100.2%*	63.3%
Non US Equity Funds	39	+133.0%	2.6%	+681.2%*	46.2%
Specialty Equity Funds	34	+30.6%	11.8%	+5.65%	79.4%
Taxable Bond Funds	95	+19.3%	4.2%	-2.06%	81.1%
National Municipal Bond Funds	89	+17.1%	2.3%	-18.91%	96.7%
State Focused Muni Bond Funds	93	+12.92%	12.4%	-15.70%	100%
Debt-Focused BDC Funds	5	+31.94%	0.0%	+4.42%	100%
Average Traditional CEF	361	+28.48%	6.4%	-2.50%	97.2%
S&P 500 TR	+42.33% TR				
Barclays Global Agg. Bond Index	+16.96% TR				
Barclays Municipal Bond Index	+13.26% TR				

Avg. Yield change is expressed in percentage terms. If the yield went from 8% to 7% the calculation would be -12.5%, not -1%. Also the column that shows the percentages of funds with dividend changes includes funds with increases, and is meant to help show which areas of the CEF universe are likely to have a higher number of funds that change their distribution policies.

Index Data from Thompson Reuters. CEF data from CEF Universe Data and Yahoo Finance.

** Over the 43 month period, US CEFs went from yields of 6.1% yields to 8.1% and Non-US CEFs went from yields of 4.9% to 6.1%. Many of the dividends came as semi-annual or annual dividends and were driven by pass through capital gains vs. income to maintain the tax-beneficial status for the fund itself.*

Full article
on our blog:

www.CEF-Blog.com

CEF Advisors Links

- CEF Advisors' Website: www.CEFadvisors.com
- CEF/BDC Index Data: www.CEFdata.com/cefaindex
- CEFA's Blog: www.CEF-Blog.com /
- CEF/BDC Research Sites: www.BDCUniverse.net -- www.CEFdata.com
- Published Articles
 - Seeking Alpha: <http://seekingalpha.com/author/john-cole-scott/articles>
 - WealthManagement.com: <http://wealthmanagement.com/author/john-scott>
- Vimeo Channel: <https://vimeo.com/johncolescott/videos>
- Weekly CEF Data (14 Day Trial), Daily News Alerts (10 Day Trial),
www.CEFUniverse.com
- CEF Universe Data Definitions:
<http://www.cefadvisors.com/Download/CEFUDDataDefinitions.pdf>
- CEFA's Form ADV Part 2A and 2B
<http://www.cefadvisors.com/Download/ADV-II-Form.pdf>

For Your Information

CEF Resources

CEF/BDC Fund Profiles: www.cefddata.com

The Closed-End Fund Association: www.Closed-EndFunds.com

CEF Connect (Nuveen Sponsored): www.CEFconnect.com

Morningstar's CEF Site:

<http://www.morningstar.com/Cover/CEF-Closed-End-Funds.aspx>

Investment Company Institute: http://www.ici.org/research#fact_books

CEFNetwork (Pristine Advisers): www.CEFnetwork.com

CEF Insight (Activist Info from AST Fund Solutions): www.CEFinsight.com

Capital Link's CEF Portal: <http://cef.capitallink.com/>

Morningstar Discussion Board:

<http://socialize.morningstar.com/NewSocialize/forums/100000006.aspx>

Yahoo CEF Discussion Board: <https://groups.yahoo.com/neo/groups/closedendfunds2/info>

The CEF Network on LinkedIn: www.CEF-Network.com

Seeking Alpha: <http://seekingalpha.com/articles?filters=closed-end-funds>



More Useful Links at: www.cefadvisors.com/investRes.html



Closed-End Fund Advisors

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CEF ADVISORS' MODEL PORTFOLIO OFFERINGS

[Data Definitions](#)

DATA AS OF OCTOBER 10, 2018 FROM "CEFA'S CLOSED-END FUND UNIVERSE DATA"

Portfolio	Discount	1Yr Avg Discount	3Yr Avg Discount	Rel Disc Range(3yr)	Mk Yield	Lev Adj NAV Yield	After Tax Yield	Tax Friction	1Yr RoC %	3Yr Dest RoC %	Lev %	Est Lev Cost	Non Lev Expense Ratio	3Yr NAV Volatility	3Yr NAV TR	Purchases Turnover	Sales Turnover	% Equity Exposure	% Bond Exposure	# Holdings	Cash Weighted Duration	Beta (2yr)	Comp NAVTR	Comp Discount
1. CEFA International Opportunity	-12.06	-9.87	-11.44	43.64	8.49	6.58	7.08	1.41	23.7	17.2	14.3	0.44	1.36	12.73	4.67	52.76	57.51	63.72	32.35	28	1.31	0.61	-1.63	-3.48
2. CEFA Diversified Equity	-14.86	-13.32	-14.80	41.54	7.14	5.69	6.29	0.85	16.8	10.6	9.6	0.36	1.62	16.03	6.20	57.41	67.03	89.00	8.86	25	N/A	0.85	0.70	-4.07
3. CEFA Diversified Growth	-12.14	-10.80	-11.91	46.56	8.73	6.47	7.13	1.60	17.8	12.7	19.9	1.12	1.94	14.22	5.31	54.26	54.26	63.95	33.71	32	1.02	0.69	0.17	-4.00
4. CEFA Hybrid (High) Income	-7.63	-5.92	-7.48	56.56	10.69	7.95	9.09	1.60	37.6	27.1	26.0	1.44	2.12	13.35	4.52	57.62	61.62	54.65	43.45	31	1.18	0.60	-0.77	-0.47
4.1. CEFA Hybrid (High) Income Monthly	-5.81	-4.74	-6.77	57.82	10.92	8.31	9.22	1.70	36.5	23.7	26.1	1.51	2.30	11.07	5.29	63.97	64.60	44.95	52.77	34	1.96	0.48	-0.60	0.31
5. CEFA Discount Opportunity	-17.18	-15.32	-15.02	37.81	7.38	5.05	6.14	1.24	15.6	10.2	21.0	1.31	1.91	11.82	5.25	50.06	53.06	58.49	38.76	37	1.36	0.61	-1.03	-8.58
6. CEFA Alternative Income	-7.42	-6.22	-8.35	51.06	8.47	6.33	6.92	1.55	21.3	12.0	24.3	1.37	2.28	11.09	6.88	68.63	60.01	46.86	49.96	28	1.29	0.50	2.07	-0.11
6.1. CEFA Alternative Income - Tax Advantaged	-8.38	-5.73	-6.21	40.30	8.67	6.26	7.34	1.33	25.5	19.5	27.9	1.44	2.06	10.29	5.08	62.90	61.36	37.97	60.79	38	1.84	0.43	-0.69	-1.05
7. CEFA Foundation / Balanced	-10.28	-8.10	-8.65	44.40	8.60	6.42	7.04	1.56	19.8	10.6	21.7	1.13	1.86	12.24	6.53	45.67	48.30	56.44	41.89	31	1.20	0.58	1.33	-2.35
7.1. CEFA Foundation / Balanced - Tax Advantaged	-9.03	-6.71	-7.78	38.29	7.90	5.98	6.98	0.92	31.6	21.7	21.2	0.86	1.49	13.48	4.73	54.52	59.96	58.43	39.88	30	1.97	0.64	-0.33	-1.65
8. CEFA Taxable Bond & BDC	-8.08	-6.36	-8.02	48.86	8.44	6.02	6.53	1.91	7.7	4.3	29.4	1.54	2.32	5.33	6.78	71.45	59.93	11.00	85.59	25	2.99	0.23	0.91	-1.22
9. CEFA Dividend Confidence Model	-9.73	-7.67	-8.66	41.03	7.73	5.63	6.26	1.47	16.7	7.5	24.6	1.18	1.94	11.27	6.59	58.00	54.98	52.63	45.97	36	1.21	0.61	0.40	-2.59
10. CEFA Diversified Low Beta	-10.65	-8.04	-8.52	35.65	7.93	5.80	6.48	1.45	21.5	12.4	24.3	1.10	1.92	9.58	5.13	53.27	57.42	42.94	55.32	32	0.99	0.36	-0.21	-3.55
11. CEFA Low Correlation	-8.30	-5.57	-6.35	39.44	7.77	5.84	6.56	1.21	15.8	13.3	24.2	1.27	2.51	10.22	5.46	48.02	46.74	45.96	52.57	27	2.69	0.39	0.10	-1.80
11.1. CEFA Low Correlation - IRA	-8.40	-5.91	-7.13	40.46	7.89	5.94	6.47	1.42	21.9	15.2	22.0	1.16	1.80	10.67	5.88	39.26	40.51	40.95	57.75	24	2.37	0.38	1.79	-2.32
12. CEFA Div Tax-Sensitive Income (Eq Wt)	-8.66	-5.66	-6.25	37.92	8.15	6.16	7.63	0.52	45.8	30.6	23.5	1.00	1.36	16.04	3.01	46.44	50.94	56.41	42.72	19	2.21	0.58	-0.82	-2.00
12.1. CEFA Div Tax-Sensitive Income (Muni OW)	-8.27	-5.63	-5.80	34.95	7.52	5.86	7.08	0.44	32.9	23.5	23.4	0.88	1.24	12.08	3.07	40.56	44.28	44.27	54.99	19	2.98	0.38	-1.12	-1.32
13. CEFA BDC Select	-1.86	0.24	-1.50	55.99	9.53	6.57	7.17	2.36	0.5	0.9	41.6	4.17	4.40	3.01	7.86	35.62	35.62	9.56	86.46	13	N/A	0.46	0.64	7.79
13.1. CEFA BDC Monthly Income	-5.69	-5.60	-4.94	57.36	9.66	6.18	7.26	2.40	0.2	0.0	43.7	4.35	4.21	3.68	6.51	27.53	27.53	11.43	86.17	8	N/A	0.53	0.01	3.97
13.2. CEFA BDC - Low Beta	1.02	0.75	-0.76	58.75	9.13	6.28	6.88	2.25	0.0	0.2	43.4	4.32	4.48	2.84	7.43	33.26	33.26	11.76	85.71	10	N/A	0.37	0.47	10.68
13.3. CEFA BDC Premium	7.16	10.74	11.78	48.68	9.05	6.63	6.81	2.24	0.6	0.0	43.8	3.99	4.00	2.49	8.86	31.86	31.86	6.09	93.03	11	N/A	0.44	0.91	16.82
14. CEFA Select Municipal	-8.39	-5.68	-2.90	21.79	5.74	3.84	5.74	0.00	0.0	0.0	36.9	1.21	1.05	3.56	3.74	19.26	21.28	0.00	99.77	12	9.21	-0.01	0.42	0.27
14.1. CEFA Low Duration Municipal	-6.37	-4.10	-2.93	15.02	2.94	2.26	2.94	0.00	0.1	0.0	11.8	0.39	0.63	2.02	2.05	16.83	24.93	0.00	99.67	6	2.80	-0.02	0.84	2.68

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Current CEFA Portfolio Modes

CEFA Portfolio Models' Investment Objectives. Diversified models typically hold 20-40 positions and sector models hold 5-15. All CEFA models start with our asset allocation and market outlook. Then, we select funds that meet or exceed our Trifecta analysis for discount direction, dividend sustainability and manager or NAV performance, blending our fundamental and data driven investment resources.

- 1. International Opportunity:** Diversified portfolio of non-US and global sector of closed-end funds. We seek to blend our global market outlook with the ability to buy funds, often at significant discounts to NAV while having the opportunity for discount narrowing over time. Yield is a byproduct of the model as many CEFs pay at least annual or semi-annual distributions. We expect the model to be 60%-80% Equity exposure and 55% to 85% Non US holdings at the fund level. We seek duration of the portfolio on a "cash weighted" basis under 2 and a Beta to the S&P 500 between 0.75 and 0.90.
- 2. Diversified Equity:** Diversified portfolio seeking primarily equity exposure. The Beta to the S&P 500 is expected to be 0.85 to 1.15. This model is a good candidate for adding SpiderRock's option overlay, as you could outperform in an option-overlaid portfolio when the holdings are more volatile by nature. This portfolio is expected to have little to no duration exposure.
- 3. Diversified Growth:** Diversified portfolio focusing on the sectors and funds where we see the best risk-adjusted growth potential. Yield is a byproduct of the model as many CEFs pay at least annual or semi-annual distributions. We expect the model to be 65% to 90% equity exposure based on the fund's reported holdings and seeking to have duration of the portfolio on a "cash weighted" basis around 1 and a Beta to the S&P 500 between 0.70 and 1.0.
- 4. Hybrid (High) Income:** Diversified portfolio seeking 50/50 allocation to equity and debt at the fund level; focusing on the highest sustainable dividend levels possible in the current environment with at least 75% of funds paying monthly. Historically 8%-9% is our target income level. We seek to have duration of the portfolio on a "cash weighted" basis under 2 and a Beta to the S&P 500 between 0.75 and 0.95. We offer a 100% monthly paying version of this model for investors that seek this feature to their investment needs. A SpiderRock overlay can be a nice addition to this model.
- 5. Discount Opportunity:** Diversified portfolio seeking 50/50 allocations to equity and debt at the fund level. Researching funds that both have a larger than average absolute discount to NAV as well as wider than normal Comp Discount (vs. peer-group average) without a significantly worse NAV total return performance vs. their peer funds. This model can work well for contrarian investors. A SpiderRock overlay can be a nice addition to this model.
- 6. Alternative Income:** Diversified portfolio seeking 50 / 50 allocation to equity and debt at the fund level; focusing on less "plain vanilla" or core sectors and managers that could offer a more "hedge fund" like experience and a diversifier to traditional equity and bond allocations. We seek 2% a quarter in distributions at roughly half the Beta of the S&P 500 with "cash weighted" duration under 2. A SpiderRock overlay can be a nice addition to this model.
- 7. Foundation/Balanced:** Diversified model based on a 60% equity / 40% debt allocation at the fund level. We believe this model is a "medium risk portfolio" for a typical retired investor. Historically 7%-8% is our target income level. We seek to have duration of the portfolio on a "cash weighted" basis under 2.5 and a Beta to the S&P 500 between 0.60 and 0.85. This model is a good candidate for adding SpiderRock's option overlay, as you could outperform in an option-overlaid portfolio at these Beta levels. We offer a "Tax Advantaged" version of this model, that could reduce the after tax friction by 65%-75% for a typical investor in a taxable environment. We also offer more conservative portfolio (Conservative Diversified), comprised of 2/3 the F/B model and 1/3 invested in non-traditional asset classes using ETFs and open-end funds to reduce the expected volatility over time.



Closed-End Fund Advisors

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8. **Taxable Bond and BDC:** Diversified portfolio focused on the taxable bond and debt-focused business development company (BDC) sectors. This income focused model historically targets a 7%-8% income level. It seeks "cash weighted" duration under 4 and a Beta to the S&P 500 from 0.35-0.50.
9. **Dividend Confidence Model:** Diversified portfolio of roughly 50% equity and bond funds where we see above average dividend coverage as the primary factor after our Trifecta analysis. Historically 6.25% - 7.5% is our target income level and we expect durations under 2.5 and a beta under 0.80.
10. **Diversified Low Beta:** Diversified portfolio seeking 50/50 allocations to equity and debt at the fund level focusing on a lower Beta for to the S&P 500 in the sector when selecting funds. We seek to have duration of the portfolio on a "cash weighted" basis under 1.75 and a Beta to the S&P 500 between 0.40 and 0.60. This model is a good candidate for adding SpiderRock's option overlay, as you could potentially lower the Beta to 0.25 to 0.40 levels.
11. **Low Correlation:** Diversified portfolio seeking roughly 50/50 allocations to equity and debt at the fund level. Focusing on exposure to the CEF sectors we find have the lowest long-term NAV correlations to each other. Historically 6%-7% is our target income level. We seek to have duration of the portfolio on a "cash weighted" basis under 3.25 and a Beta to the S&P 500 between 0.50 and 0.70. We offer an "IRA" version of this model that replaces Build America Bond (BABs) exposure for the municipal bond exposure. A SpiderRock overlay can be a nice addition to this model.
12. **Diversified Tax-Sensitive Income:** Designed to maximize after-tax yield for high income investors seeking little-to-no tax friction. Equal weight exposure to three CEF sectors who historically have low correlation: municipal bonds, master limited partnerships and tax-advantage equity funds. Muni's, the most common tax-avoidance sector for many investors has a 39% 10 Year NAV correlation to MLPs and 33% correlation to Covered Call Funds. Covered Call funds have only a 70% correlation to MLP funds. We seek a Beta to the S&P 500 of 0.55 to 0.70 and an after-tax yield of 6% to 7%. Duration is expected to be under 4. We offer a Municipal bond overweight version of this model where 50% of the portfolio is Muni bond CEFs.
13. **Business Development Company Select:** Diversified portfolio of BDCs with strong fundamental research on each BDC's portfolio and management. Seeking BDCs exposure with above average dividend sustainability, NAV performance, variable and senior secured loan exposure as well as low non-accruals (defaults). We look for sector and geographic diversity. We expect a Beta to the S&P 500 of 0.6 to 0.8 and historically yield levels of 8.5% to 9.5% are common. BDCs have low 10-year correlation to most asset classes; including 15% to municipal bond, 13% to preferred equity and 27% to REITs and only a 40%-43% correlation to high yield and Sr. loans. We offer a "100% monthly paying only", "low Beta" and Premium BDC version of this model.
14. **Municipal Bond Select:** A focused portfolio managed for 100% tax-free municipal bond exposure. We seek to build and manage the portfolio for better than average: discount to NAV, NAV total return performance, distribution levels, duration exposure, dividend coverage and other criteria we believe can give investors a better experience when looking to allocate funds into this sector. We also offer this model with lower duration (and yield) exposure.

SpiderRock's Custom Option Overlay for CEFA's diversified portfolios in taxable accounts. This generally reduces Beta by 40%-50% and increases the income on the portfolio by 2%-3% in many but not all market conditions. Learn more at www.SpiderRockadvisors.com

CEFA Portfolio Model Summary Performance

CEFA Composite Performance (Net)* As of June 30, 2018

Investment Portfolio Model	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date	Benchmarks	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception	Inception Date
Conservative Diversified	2.86%	-0.17%	5.09%	4.30%	4.19%	N/A	5.90%	5/1/2009	CEF Advisors 12 Major CEF Sectors (MKT)	3.07%	0.64%	5.10%	N/A	N/A	N/A	10.06%	1/1/2017
Diversified Low Beta	2.89%	-1.17%	1.98%	N/A	N/A	N/A	3.97%	4/1/2017	S&P 500 Total Return	3.43%	2.65%	14.37%	11.93%	13.42%	10.17%	6.15%	1/31/1999
Low Correlation	3.68%	-0.93%	3.73%	N/A	N/A	N/A	4.52%	3/1/2017	Barclays Capital Global Aggregate Bond	-2.79%	-1.46%	1.36%	2.58%	1.50%	2.58%	3.93%	1/31/1999
Foundation/Balanced	3.45%	-0.72%	3.39%	4.12%	4.75%	N/A	6.85%	9/1/2009	MSCI World (Ex-US)	-3.59%	-5.28%	4.58%	2.37%	3.31%	-0.18%	2.50%	1/31/1999
Foundation/Balanced Tax-Advantage	3.47%	0.36%	6.94%	N/A	N/A	N/A	11.48%	1/1/2017	Barclays Municipal Bond	0.87%	-0.25%	1.56%	2.85%	N/A	N/A	2.90%	8/1/2014
Global Growth & Income	2.37%	-0.67%	2.41%	3.18%	4.07%	2.49%	4.18%	1/31/1999	Thomson Taxable Fixed Inc CEF TR	-0.31%	-0.18%	1.74%	4.18%	3.22%	5.80%	4.56%	12/1/2006
Globally Diversified Growth	1.90%	-0.90%	4.64%	6.32%	6.35%	4.27%	5.89%	1/31/1999	Thomson All Equity CEF TR	2.35%	1.39%	11.08%	6.06	5.91%	5.14%	4.46%	12/1/2006
Hybrid Income	3.94%	-1.13%	2.63%	6.20%	6.54%	7.40%	5.55%	12/1/2006	CEF Advisors Debt-Focused BDC (MKT)	6.59%	2.41%	-0.32%	N/A	N/A	N/A	2.79%	1/1/2017
International Equity	-1.74%	-3.98%	2.55%	1.65%	3.38%	2.52%	8.13%	11/1/2002	60/40 S&P 500/Barclays Bond	0.94%	1.01%	9.17%	8.19%	8.65%	7.13%	5.26%	1/31/1999
Managed Municipal Bond CEFs	2.61%	-5.72%	-4.61%	3.22%	N/A	N/A	3.63%	8/1/2014	CEF Advisors 60/40 Balanced (w/ BDCs)	2.12%	0.50%	6.19%	N/A	N/A	N/A	13.15%	1/1/2017
Special Opportunities	0.00%	1.92%	5.65%	8.50%	9.22%	N/A	8.47%	6/1/2013									

Growth of \$1,000,000 Invested CEFA's Globally Diversified Growth model on January 31, 1999*

Globally Diversified Growth	\$3,039,883
S&P 500 Total Return	\$3,188,272
Barclays Capital Global Agg Bond Total Return	\$2,114,402
60/40 S&P 500/Barclays Bond	\$2,707,035

Disclosure: See full portfolio disclosures at the end of this presentation

Speaker's Biography



John Cole Scott, CFS

EXPERIENCE

**CIO of Registered Investment
Advisor Focused Exclusively on CEFs
& BDCs since 2001**

EDUCATION

**College of William & Mary
Bachelor of Science in Psychology
2000**

John Cole Scott, CFS

Chief Investment Officer of Closed-End Fund Advisors

Mr. Scott has worked at Closed-End Fund Advisors since 2001. He holds the FINRA 66 License and the Certified Fund Specialist designation (CFS). He is a graduate of The College of William and Mary and has been quoted and interviewed widely in the financial press and presented at conferences and for investment groups on more than 50 occasions.

In 2008 John founded *CEFA's Closed-End Fund Universe*, a data service covering all US listed closed-end funds and BDCs. Currently supported by an internal 10 member analyst team with a data manager/ programmer covering the 600+ ticker universe of CEFs/BDCs/iCEFs. They regularly do consulting and projects for CEF/BDC Sponsors, Hedge Funds and Institutional Investors.

Portfolio Consultant with over a quarter billion deposits into a fund focused on BDCs with a fund sponsor partner. He developed 35 CEF/BDC based indexes; 9 diversified portfolio objective, 9 Equity and 15 Bond sector. John is a past board member of The Richmond Association for Business Economics (RABE), and serves as Assistant Treasurer and on the Investment Committee for The New York State Society of The Cincinnati. Board member and Finance & Investment Committees for The William & Mary National Alumni Board.



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Thank You For Attending Questions?



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