FUND*MARKET* INSIGHT REPORT

LSEG LIPPER RESEARCH SERIES

NOVEMBER 30, 2023

The Month in Closed-End Funds: November 2023

Performance

For the first month in four, equity closed-end funds (CEFs) on average posted plus-side returns on a net-asset-value (NAV) and market basis, rising 6.05% and 9.23%, respectively, for the month. Meanwhile, also for the first month in four, their fixed income CEF counterparts witnessed monthly gains on a NAV basis (+5.81%) and a market basis (+9.62%) for November. Year to date, equity and fixed income CEFs jumped into the black on a NAV basis, rising 5.81% (no typo here) and 7.33%, respectively.

Despite Apple delivering soft forward-looking guidance, the Dow posted its strongest weekly gain since October 2022 after a weaker-than-expected nonfarm payrolls report pushed Treasury yields lower. The Bureau of Labor Statistics reported the U.S economy created 150,000 jobs in October, missing analysts' expectations of 170,000 new jobs. This lent support to the idea that the U.S. job market is beginning to cool, which fueled investor optimism that the Federal Reserve might be done raising interest rates. The 10-year Treasury yield declined by 27 basis points (bps) for the week to 4.57%—experiencing its largest weekly decline since March. The Institute for Supply Management reported the October Services Purchasing Manager Index—while still showing expansion—fell 1.8 bps to 51.8% from September's reading of 53.6%.

Shrugging off a poor Treasury bond auction and hawkish comments by Fed Chair Jerome Powell the following week, investors pushed the three often cited U.S. indices higher, with Microsoft Corp (MSFT) posting its third record close in four sessions. Earlier in the week, Fed Chair Powell suggested that interest rates might not be high enough to bring inflation down to the Fed's 2% target. In other news, the University of Michigan said U.S. consumer sentiment fell in November for the fourth consecutive month due to concerns with higher interest rates and the war in the Middle East. The preliminary reading declined to 60.4 from 63.8 the month before. The 10-year Treasury yield rose four bps for the week to settle at 4.61%.

U.S. stocks booked their third straight week of gains prompted by hopes of a soft landing for the U.S. economy and the possibilities of interest cuts occurring as early as H1 2024, as interest rates continued to fall. Earlier in the week, the October consumer price index came in unchanged from September's reading—rising 3.2% over the past 12 months from 3.7% the month before. The 10-year Treasury yield fell 17 bps for the week to 4.44%, despite Boston Fed President Susan Collins saying in a CNBC interview, "I wouldn't take additional firming off the table."

During the Thanksgiving shortened trading week, U.S. stocks posted their best four-week run in a year. Investors will be keeping a keen eye on retailers as the holiday shopping season kicked off with Black Friday. Flash readings of the U.S. manufacturing and service sectors were mixed, with the S&P flash manufacturing PMI falling to a three-month low, while the services PMI rose to a four-month high. The 10-year Treasury yield rose three bps to close the week out at 4.47%.

On the last trading day of the month, the Dow rose 520 points to chalk up its highest closing value in nearly two years as U.S. stocks posted their best monthly returns in more than a year—helped by a deceleration in inflation, declining bond yields, and hopes for rate cuts in 2024. Investors were cheered by a report that showed inflation continued to ease in October. The Fed's preferred inflationary measure, the core personal consumption expenditure price index, was up year-over-year 3.5% in October, compared to 3.7% in September. The 10-year Treasury yield plummeted 51 bps to 4.37% for the month.

The Month in Closed-End Funds: November 2023

- For the first month in four, both equity (+6.05% on a NAV basis) and fixed income (+5.81%) CEFs on average posted handsome plus-side returns.
- At month end, 9% of all CEFs traded at a premium to their NAV, with 10% of equity CEFs and 8% of fixed income CEFs trading in premium territory. The high yield bond CEFs macro-classification witnessed the largest narrowing of discounts for the month among Lipper's CEF macro-groups—220 bps to an 8.88% median discount.
- Developed Markets CEFs (+8.93%), for the first month in eight, outpaced the other classifications in the equity CEF universe for November.
- Corporate Debt BBB-Rated CEFs (+5.27%), also for the first month in eight, outperformed the other classifications in the domestic taxable fixed income CEF universe.
- The municipal debt CEFs macro-group (+11.04%) trounced its world income (+3.61%) and domestic taxable bond (+3.02%) CEF counterparts for the first month in eight.

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The Treasury yield curve shifted down during the month, with the belly through the long end of the curve witnessing the largest declines. The five-, seven-, and 10-year Treasury yields witnessed the largest declines, each falling 51 bps, respectively, to finish the month at 4.31%, 4.38%, and 4.37%, while only the one-month yield witnessed no change at 5.56%. Yields remained inverted for all maturities, except the five-year (+4.31%), from the one-month to the seven-year yield. The two- and 10-year Treasury yield spread widened 17 bps from its October month-end closing value to minus 36 bps.

During the month, the dollar weakened against the euro (-3.09%), the pound (-3.98%), and the yen (-2.37%). Commodity prices were mixed for the month, with front-month gold prices rising 2.66% to close the month at $2,038.10/oz., and front-month crude oil prices falling 6.25% to close at $75.96/bbl.

For the month, 96% of all CEFs posted NAV-based returns in the black, with 92% of equity CEFs and 98% of fixed income CEFs chalking up returns in the plus column.

For the first month in four, Lipper's world equity CEFs (+7.82%) macro-group outpaced its two equity-based brethren: mixed-assets CEFs (+6.21%) and domestic equity CEFs (+5.41%).

The Developed Markets CEFs classification (+8.93%, October's laggard) moved to the top of the equity leaderboard for the first month in eight, followed by Emerging Markets CEFs (+8.28%) and Utility CEFs (+8.16%). Real Estate CEFs (+2.88%) was the relative laggard in the equity universe and was bettered by Natural Resources CEFs (+4.38%) and Sector Equity CEFs (+5.64%). For the remaining equity classifications, returns ranged from 5.78% (Income & Preferred Stock CEFs) to 7.64% (Diversified Equity CEFs).

Three of the five-top performing equity CEFs for November were warehoused in Lipper's Emerging Markets CEFs classification. However, at the top of the leaderboard was **CBRE Global Real Estate Income Fund** (**IGR**, housed in the Real Estate CEFs classification), rising 17.43% on a NAV basis and traded at a 14.60% discount on November 30. Following IGR were **Taiwan Fund Inc.** (**TWN**, warehoused in Lipper's Emerging Markets CEFs classification), gaining 16.34% and traded at a 21.11% discount at month end; **Cohen & Steers Quality Income Realty Fund Inc.** (**RQI**, housed in the Real Estate CEFs classification), gaining 16.16% and traded at a 6.53% discount on November 30; **Mexico Equity & Income Fund Inc.** (**MXE**, housed in the Emerging Markets CEFs classification), rising 14.59% and traded at a 28.22% discount at month end; and **Korea Fund Inc.** (**KF**, warehoused in Lipper's Emerging Markets CEFs classification), returning 14.09% and traded at an 18.24% discount on November 30.

For the month, the dispersion of performance in individual equity CEFs—ranging from negative 9.98% to positive 17.43%—was much wider than October's spread and significantly skewed to the positive side. The 20

CLOSED-END FUNDS LAB

TABLE 1 CURRENT-MONTH PERFORMANCE, P&D, P&D SHIFTS (% OF UNIVERSE)

	NAV RETURNS POSITIVE	PREMIUM/DISCOUNT		NOW TRADING AT	
		BETTER	WORSE	PREMIUM	DISCOUNT
Equity CEFs	92	79	21	10	90
Bond CEFs	98	83	17	8	92
ALL CEFs	**96**	**81**	**19**	**9**	**91**

TABLE 2 AVERAGE NAV RETURNS, SELECTED PERIODS (%)

	NOVEMBER	YTD	3-MONTH	CALENDAR-2022
Equity CEFs	6.05	5.81	0.01	-9.85
Bond CEFs	5.81	7.33	2.03	-12.21
ALL CEFs	**5.91**	**6.68**	**1.18**	**-11.18**

TABLE 3 NUMBER OF IPOs, YTD VERSUS PRIOR YEAR

	NOVEMBER 30, 2023	CALENDAR-2022
Conventional CEFs	0	5
Interval CEFs	26	22

TABLE 4 AVERAGE SIZE OF IPOs, SELECTED PERIODS, $MIL

THREE MONTHS THROUGH 10/31/2023	0
COMPARABLE YEAR-EARLIER THREE MONTHS	135
CALENDAR 2022 AVERAGE	202

TABLE 5 NUMBER OF MERGERS & LIQUIDATIONS, YTD VERSUS PRIOR YEAR

	NOVEMBER 30, 2023	CALENDAR-2022
ALL CEFs	**30**	**21**

TABLE 6 MEDIAN PREMIUMS AND DISCOUNTS (%)

	31-AUG	29-SEP	31-OCT	30-NOV
Equity CEFs	-11.88	-13.11	-13.86	-12.03
Bond CEFs	-9.85	-11.09	-12.27	-11.37
ALL CEFS	**-10.64**	**-12.29**	**-13.03**	**-11.69**

Source: LSEG Lipper

top-performing equity CEFs posted returns at or above positive 11.15%, while the 20-lagging equity CEFs were at or below negative 0.20%.

For the month, only 20 CEFs in the equity universe posted returns in the red. The worst-performing fund was housed in Lipper's Options Arbitrage/Options Strategies CEFs classification. At the bottom of the pile was **Wildermuth Fund, I Share Class** (**WEIFX**, an interval CEF), shedding 9.98% of its October closing NAV. The second worst-performing equity CEF was **RENN Fund** (**RCG**, housed in the Global CEFs classification), posting a 2.93% loss and traded at a 12.56% discount on November 30.

The U.S. Treasury yield curve remained inverted during the month but shifted down at all maturities except the one-month Treasury yield, which witnessed no change. The five-, seven-, and 10-year yields witnessed the largest declines, falling 51 bps in November. All yields, except the five-year, with maturities less than 10 years remained above the 10-year Treasury yield (+4.37%), with the one-month yield witnessing the highest absolute rate, coming in at 5.56%. At month end, the two- and 10-year Treasury yield spread (-36 bps) widened 17 bps for November.

For the first month in eight, the municipal debt CEFs macro-group outpaced the other two macro-groups in the fixed income universe, posting an 11.04% gain on average, followed by world income CEFs (+3.61%) and domestic taxable bond CEFs (+3.02%).

Also, for the first month in eight, investors pushed Corporate Debt BBB-Rated CEFs (+5.27%) to the top of the domestic taxable fixed income leaderboard, followed by Corporate Debt BBB-Rated CEFs (Leveraged) (+5.02%) and High Yield CEFs (Leveraged) (+5.01%). Loan Participation CEFs (+1.36%, the leader for the preceding three months) was the relative laggard of the group and was bettered by High Yield CEFs (+2.54%). On the world income CEFs side, Emerging Markets Hard Currency Debt CEFs (+6.37%) and Global Income CEFs (+3.07%) posted attractive returns, keeping the world income CEFs macro-group in the number two position in the fixed income universe for the month.

The municipal debt CEFs macro-group (+11.04%) snapped its three-month losing streak, posting the strongest one-month return of the fixed income macro-groups, with all nine classifications in the group posting handsome plus-side returns for November. The New York Municipal CEFs (+12.50%) classification posted the strongest returns of the group, followed by Other States Municipal Debt CEFs (+12.27%) and Pennsylvania Municipal Debt CEFs (+11.70%), while General & Insured Municipal Debt CEFs (Unleveraged) (+5.98%) posted the smallest plus-side returns of the group. Single-state municipal debt CEFs (+11.79%) outpaced its national municipal debt CEF counterpart (+10.69%) by 110 bps.

All five top-performing individual fixed income CEFs were housed in Lipper's municipal debt CEFs macro-classification. At the top of the chart was **abrdn National Municipal Income Fund** (**VFL**, housed in the General & Insured Municipal Debt CEFs [Leveraged] classification), posting an eye popping 18.13% return and traded at a 17.02% discount on November 30. VFL was followed by **PIMCO California Municipal Income Fund II** (**PCK**, warehoused in the California Municipal Debt CEFs classification) chalking up a 15.63% return and traded at a 14.75% discount at month end; **PIMCO Municipal Income Fund III** (**PMX**, housed in the General & Insured Municipal Debt CEFs [Leveraged] classification), returning 15.21% and traded at a 7.54% discount on November 30; **Invesco California Value Municipal Income Trust** (**VCV**, housed in the California Municipal Debt CEFs classification) rising 15.08% and traded at a 15.28% discount at month end; and **Pioneer Municipal High Income Advantage Fund Inc.** (**MAV**, housed in the High Yield Municipal Debt CEFs classification), posting a 15.07% return and traded at a 14.83% discount on November 30.

For the remaining funds in the fixed income CEF universe, monthly NAV-based performance ranged from negative 5.15% for **Highland Opportunities and Income Fund** (**HFRO**, housed in the Loan Participation CEFs classification and traded at a 34.28% discount on November 30) to positive 14.77% for **Pioneer Municipal High Income Fund Inc.** (**MHI**, housed in Lipper's High Yield Municipal Debt CEFs classification and traded at a 15.10% discount at month end). The 20 top-performing fixed income CEFs posted returns at or above positive 13.63%, while the 20 lagging CEFs posted returns at or below positive 0.65% for the month. For November, only six fixed income CEFs witnessed negative NAV-based performance.

Premium and Discount Behavior

For November, the median discount of all CEFs narrowed 134 bps to 11.70%—wider than the 12-month moving average median discount (10.64%). Equity CEFs' median discount narrowed by 183 bps to 12.03%, while fixed income CEFs' median discount narrowed by 90 bps to 11.37%. The high yield CEFs macro-group's median discounts witnessed the largest narrowing among the CEF macro-groups—220 bps to 8.88%—while the world income CEFs macro-group witnessed the largest widening of discounts—191 bps to 9.47%.

Gabelli Utility Trust (**GUT**, housed in the Utility CEFs classification) traded at the largest premium (+110.42%) in the CEF universe on November 30, while **Herzfeld Caribbean Basin Fund, Inc.** (**CUBA**, housed in the Emerging Markets CEFs classification) traded at the largest discount (-47.37%) at month end.

For the month, 81% of all closed-end funds' discounts or premiums improved, while 19% worsened. In particular, 79% of equity CEFs and 83% of fixed income CEFs saw their individual discounts narrow, premiums widen, or premiums replace discounts. The number of funds traded at premiums on November 30 (37) was 10 more than the number on October 31 (27).

CEF Events and Corporate Actions IPOs

One new hybrid interval CEF came to market in November: **Axonic Alternative Income Fund, A Share Class** (**AAIAX**, warehoused in Lipper's Loan Participation CEFs classification). The fund operates as an "interval fund" pursuant to which it, subject to applicable law, will conduct quarterly repurchase offers for between 5% and 25% of the fund's outstanding common shares of beneficial interest at NAV.

Rights, Repurchases, Tender Offers

The Herzfeld Caribbean Basin Fund, Inc. (**CUBA**) announced a $2.57 estimated subscription price for its non-transferable rights offering. Subscription certificates evidencing the rights and a copy of the prospectus for the rights offering were mailed to stockholders of record on November 3, 2023, and began on November 8, 2023.

Rights holders may purchase one share of the fund's common stock for every one right held. Rights may be exercised at any time during the subscription period. The subscription period began on November 8, 2023, and was extended to December 13, 2023. The subscription price per share was set at 92% of the average volume-weighted closing sale price at which the common stock trades on the NASDAQ Capital Market on the expiration date and the four preceding trading days. In addition, record date stockholders who fully exercise their rights will be entitled to subscribe for additional shares of common stock. The oversubscription shares will be allocated pro rata to stockholders who oversubscribe based on the number of rights originally issued to them. If enough shares are available, all oversubscription requests will be honored in full. If requests for shares exceed the shares available, the fund may determine after the expiration of the rights offering, at the discretion of the fund, to issue additional shares of common stock by up to 200% of the shares available pursuant to the rights offering in order to cover such oversubscription requests. Regardless of whether the fund issues such additional shares, to the extent shares are not available to honor all requests, the available shares will be allocated pro rata among those record date stockholders who oversubscribe based on the number of rights originally issued to them by the fund.

The board of trustees of **NXG Cushing Midstream Energy Fund** (**SRV**) has approved the terms of the issuance of transferable rights to the holders of the fund's common shares of beneficial interest, as of the record date, entitling the holders of those rights to subscribe for common shares. The board, based on the recommendations and presentations of the fund's investment advisor, Cushing Asset Management, LP, doing business as NXG Investment Management, and others, has determined that it is in the best interests of the fund and the common shareholders to conduct the offer and thereby to increase the assets of the fund available for investment. In making this determination, the board considered a number of factors, including potential benefits and costs. In particular, the board considered the investment advisor's belief that the offer would enable the fund to take advantage of existing and future investment opportunities that may be or may become available, consistent with the fund's investment objective to obtain a high after-tax total return from a combination of capital appreciation and current income. The offer also seeks to provide an opportunity to existing common shareholders to purchase common shares at a discount to market price (subject to a sales load).

The record date for the offer was expected to be November 21, 2023. The fund will distribute to common shareholders on the record date one right for each common share held on the record date. Common shareholders will be entitled to purchase one new common share for every three rights held (one for three); however, any record date common shareholder who owns fewer than three common shares as of the record date will be entitled to subscribe for one common share. Fractional common shares will not be issued.

The proposed subscription period will commence on the record date and is currently anticipated to expire on December 14, 2023, unless extended by the fund. Rights may be exercised at any time during the subscription period. The rights are transferable and are expected to be admitted for trading on the New York Stock Exchange (NYSE) under the symbol "SRV RT" during the course of the offer.

The subscription price per common share will be determined on the expiration date and will be equal to 92.5% of the average of the last reported sales price of a common share of the fund on the NYSE on the expiration date and each of the four immediately preceding trading days. If, however, the formula price is less than 92.5% of the fund's NAV per common share at the close of trading on the NYSE on the expiration date, the subscription price will be 88% of the fund's NAV per common share at the close of trading on the NYSE on that day.

MFS Investment Grade Municipal Trust (**CXH**) announced that, in accordance with its tender offer for up to 10% of the fund's outstanding common shares, which expired on November 6, 2023, the fund had accepted 911,025 shares—representing 10% of shares—for payment on or about November 15, 2023. A total of 3,875,017.30 shares were properly tendered and not withdrawn by November 6, 2023, the final date for withdrawals. Therefore, on a prorated basis, approximately 23.51% of the shares tendered by each shareholder have been accepted for payment. The purchase price of properly

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tendered shares is 98% of the fund's NAV per share calculated as of the close of regular trading on the NYSE on November 6, 2023, which was equal to $7.79 per share.

MFS High Yield Municipal Trust (**CMU**) announced that, in accordance with its tender offer for up to 10% of the fund's outstanding common shares, which expired on November 6, 2023, the fund had accepted 2,832,532 shares—representing 10% of shares—for payment on or about November 15, 2023. A total of 10,971,133.93 shares were properly tendered and not withdrawn by November 6, 2023, the final date for withdrawals. Therefore, on a prorated basis, approximately 25.82% of the shares so tendered by each shareholder have been accepted for payment. The purchase price of properly tendered shares is 98% of the fund's NAV per share calculated as of the close of regular trading on the NYSE on November 6, 2023, which was equal to $3.39 per share.

Templeton Dragon Fund, Inc. (**TDF**) announced that its board has authorized an issuer tender offer in the fourth quarter of 2023 to purchase for cash up to 8,451,035 of its common shares, representing 25% of the fund's issued and outstanding common shares. The tender offer commenced on November 21, 2023, and purchases will be made at a price per share equal to 98% of the fund's NAV per share as of the close of trading on the first business day after the expiration of the tender offer, with the remaining 2% applied to cover certain costs of the tender offer, including the processing of tender forms, effecting payment, postage, and handling. If more shares are tendered than the amount the board has authorized to purchase, the fund will purchase a number of shares equal to the offer amount on a prorated basis. Unless extended, the tender offer will expire on Wednesday, December 20, 2023.

BlackRock Enhanced Government Fund, Inc. (**EGF**) announced the expiration of the fund's annual repurchase offer for its shares of common stock. The repurchase offer and withdrawal rights expired on November 14, 2023. The fund offered to repurchase up to 5% of its issued and outstanding shares of common stock for cash at a price equal to the NAV of the shares as of the close of regular trading on the NYSE on November 15, 2023, subject to a repurchase fee of 2% of the value of the shares repurchased, which will be deducted from the repurchase price. As of Tuesday, November 14, 2023, 3,935,211 shares of the fund were outstanding. A repurchase amount of 5% of the shares outstanding as of November 14, 2023, would represent approximately 196,760 shares. The preliminary count by Computershare Trust Company, N.A., the fund's depositary agent, indicated that approximately 2,458,193 shares (approximately 62% of the fund's shares outstanding as of November 14, 2023) were validly tendered and not withdrawn prior to the expiration of the fund's repurchase offer. This determination is subject to final confirmation and the proper delivery of all shares tendered and not withdrawn.

Because the aggregate number of shares tendered and not withdrawn exceeds the total number of shares that the fund offered to repurchase, the fund will repurchase any shares tendered on a pro rata basis. However, the fund will accept all shares tendered by stockholders who own, beneficially or of record, an aggregate of not more than 99 shares and who tender all of their shares, before pro-rating shares tendered by other stockholders. Shares validly tendered and accepted will not be entitled to receive any fund dividend or distribution with a record date on or after November 22, 2023.

Mergers, Liquidations, and Reorganizations

The mergers of **Nuveen Preferred and Income Fund** (**JPT**) and **Nuveen Preferred & Income Securities Fund** (**JPS**) into **Nuveen Preferred & Income Opportunities Fund** (**JPC**) were successfully completed prior to the opening of the NYSE on November 6, 2023. The fund's newly consolidated portfolio contains nearly $4 billion in assets under management—the largest among listed preferred securities closed-end funds.

Through the mergers, a wholly owned subsidiary of JPC acquired substantially all of the assets and liabilities of JPT and JPS in tax-free transactions, and common shares of JPT and JPS were converted to newly issued common shares of JPC in an aggregate amount equal to the value of the net assets of JPT and JPS. The transactions took place based upon JPT's and JPS's closing NAVs on November 3, 2023. The exchange ratios at which common shares of JPT and JPS were converted to common shares of JPC are as follows: Nuveen Preferred and Income Fund (JPT) ratio: 2.50289457 and Nuveen Preferred & Income Securities Fund ratio: 0.98887768.

Kayne Anderson Energy Infrastructure Fund, Inc. (**KYN**) announced the completion of the merger of **Kayne Anderson NextGen Energy & Infrastructure, Inc.** (**KMF**) with KYN. KMF was merged with and into a wholly owned subsidiary of KYN, and KMF stockholders received either (i) newly issued common stock of KYN (stock consideration) or (ii) cash (cash consideration), subject to the adjustment and proration procedures as set forth in the merger agreement. The exchange rate for stock consideration was based on each fund's relative NAV per share as of November 10, 2023, and the per share cash consideration was based on 95% of the NAV per share of KMF's common stock as of the same date, as listed follows: surviving fund: Kayne Anderson Energy Infrastructure Fund, Inc. (KYN) NAV: $9.93216229; target fund: Kayne Anderson NextGen Energy & Infrastructure, Inc. (KMF) NAV $8.16872930. KMF merger consideration: stock consideration exchange rate 0.82245226, cash consideration per share $7.76029284. KYN's post-merger total assets and NAV were approximately $2.3 billion and $1.7 billion, respectively. KYN's post-merger NAV per share was $9.95, with approximately 169.1 million shares outstanding.

MidCap Financial Investment Corporation (**MFIC**), **Apollo Senior Floating Rate Fund Inc.** (**AFT**), and **Apollo Tactical Income Fund Inc.** (**AIF**) announced that they have entered into separate definitive agreements pursuant to which AFT and AIF will merge with and into MFIC, subject to certain shareholder approvals and customary closing conditions. MFIC is a publicly traded business development company ("BDC") managed by an affiliate of Apollo Global Management, Inc., and the CEFs are publicly traded closed-end investment management companies also managed by an affiliate of Apollo. Under the terms of the merger agreements, MFIC will be the surviving entity and will continue to operate as a BDC and trade on the NASDAQ Global Select Exchange under the ticker symbol MFIC. MFIC's investment strategy will continue to focus on first lien floating rate loans to middle market companies, primarily sourced by MidCap Financial, a leading middle market lender. All current MFIC officers and directors will remain in their current positions.

Under the terms of the merger agreements, shareholders of the CEFs will receive an amount of newly issued shares of MFIC common stock based on the ratio of the NAV per share of the applicable CEF divided by the NAV per share of MFIC, each determined shortly before the closing of each merger. Assuming both mergers close, the estimated pro forma post-merger shareholder ownership is approximately 69% for current MFIC shareholders, 16% for current AFT shareholders, and 15% for current AIF shareholders. In addition, in consideration of the closing of each merger, following the closing of the merger, an affiliate of Apollo will make a special cash payment of $0.25 per share to each AFT or AIF shareholder of record as of the closing date of the applicable transaction. In addition, following the closing of the merger(s), as applicable, MFIC will pay a cash dividend of $0.20 per share. The exact record date for the $0.20 per share special dividend will be determined by the MFIC board of directors based upon the timing of the closings of the merger(s).

The transactions, which are intended to be treated as tax-free reorganizations, are subject to various approvals of MFIC, AFT, and AIF shareholders, which will be described in further detail in a joint proxy statement and registration statement, which will be filed in the coming weeks, and other customary closing conditions. Assuming satisfaction of these conditions, the transactions are expected to close in the first half of 2024.

Virtus Stone Harbor Emerging Markets Total Income Fund (**EDI**) announced its reorganization with and into **Virtus Stone Harbor Emerging Markets Income Fund** (**EDF**) is currently scheduled as of the close of business of the NYSE on December 15, 2023. The reorganization had been delayed pending regulatory approval related to the transfer or sale of certain foreign assets, which has since been resolved. The reorganized fund will retain the EDF ticker symbol and CUSIP 86164T107. EDI's board of trustees has voted to discontinue the dividend reinvestment program in advance of the last monthly distribution prior to the reorganization, which means that the December distribution will be paid in cash only.

First Trust Advisors L.P. ("FTA") announced that the reorganization of **First Trust Dynamic Europe Equity Income Fund** (**FDEU**), a closed-end investment management company managed by FTA and subadvised by Janus Henderson Investors US LLC, into **First Trust Active Global Quality Income ETF** (**AGQI**), an actively managed exchange-traded fund ("ETF") managed by FTA and subadvised by Janus Henderson Investors, was completed prior to the open of the NYSE Arca on November 21, 2023. As previously announced, the shareholders of FDEU approved FDEU's reorganization into AGQI at a special meeting of shareholders on October 23, 2023. The reorganization was approved by the board of trustees of each of FDEU and AGQI on March 22, 2023. In the reorganization, the assets of FDEU were transferred to, and the liabilities of FDEU were assumed by, AGQI. The shareholders of FDEU received shares of AGQI with a value equal to the aggregate NAV of the shares of FDEU held by them. AGQI is an actively managed ETF that seeks income with the potential for capital growth over the longer term. AGQI pursues these investment objectives by investing primarily in income-producing equity securities and will typically invest at least 40% of its net assets in securities of issuers or companies that are economically tied to different countries throughout the world, excluding the United States.

Other

Templeton Global Income Fund (**GIM**) reported the results of its special meeting of shareholders held on October 25, 2023. The results show that all three proposals presented at the special meeting passed. Specifically, shareholders voted in favor of 1.) the approval of a new investment management agreement between the fund and Saba Capital Management, L.P. ("Saba") (the "new management agreement"); 2.) the approval of making the fund's investment objective "non-fundamental" to provide the fund with greater investment flexibility; and 3.) the removal of the fund's fundamental policy mandating that at least 65% of the fund's total assets be invested in at least three countries and in various types of debt instruments.

The approval of the new management agreement follows the previously announced selection of Saba by the fund's board of trustees to serve as the new investment advisor of the fund. The fund sent a notice to Franklin Templeton Advisers, Inc., the current manager of the fund, terminating the current investment management agreement between the fund and Franklin Advisers. The advisor transition, whereby Saba will assume responsibility for providing investment management services to the fund, will occur on or about the close of business on December 31, 2023. Saba intends to leverage its experienced team, sophisticated investment advisory platform, extensive resources, and track record managing and operating various funds, including another publicly traded closed-end fund, to expand the fund's investment strategy consistent with the fund's current investment objective to provide high current income and capital appreciation.

In connection with the advisor transition, the fund's name will change to **Saba Capital Income & Opportunities Fund II**. The common shares of the fund will continue to be listed on the NYSE under the new ticker symbol **SABA**. The fund has changed its fiscal year end and tax year end, effective October 31, 2023, from December 31 to October 31.

Additionally, in an effort to enhance liquidity to shareholders ahead of the advisor transition; provide potential accretion to the fund's NAV per share; and seek to help narrow the NAV discount at which the fund's shares trade, the fund previously announced that the board has approved the commencement of a cash tender offer for up to 45% of its outstanding common shares, no par value, at a price equal to 99% of the fund's NAV per share as determined as of the close of the regular trading session of the NYSE on the day the tender offer expires. The tender offer expired on November 9, 2023.

For immediate assistance, feel free to contact Lipper Client Services toll-free at 877.955.4773 or via email at LipperUSClientServices@lseg.com. For more information about LSEG Lipper, please visit our website at lseg.com/en or lipperalphainsight.com