

FUNDMARKET INSIGHT REPORT

LSEG LIPPER RESEARCH SERIES

OCTOBER 31, 2023

The Month in Closed-End Funds: October 2023

Performance

For the third consecutive month, equity closed-end funds (CEFs) on average posted losses on a net-asset-value (NAV) and market basis, declining 2.52% and 4.65%, respectively, for the month. Meanwhile, also for the third month in a row, their fixed income CEF counterparts witnessed monthly declines on a NAV basis (-1.62%) and a market basis (-3.35%) for October. Year to date, fixed income CEFs still managed to post plus-side returns on a NAV basis, rising 1.42% while their equity counterparts posted a 0.31% decline.

While the Dow finished down for the third straight week, U.S. stocks ended higher on Friday, October 6, after the Bureau of Labor Statistics reported the U.S. economy created 336,000 jobs in September, easily beating analysts' expectations of 170,000 new jobs. The redeeming factor in the report was the news that wage pressures appeared to ease, with average hourly wages rising a tepid 0.2% in September and the year-over-year rate declining to 4.2% from August's 4.3% rate. The blockbuster headline numbers did cause some slight inflationary concerns in the markets, driving the 10-year Treasury yield up by six bps for the day to 4.78%—rising for the fifth straight week.

The Dow snapped its three-week losing streak the following week despite the onset of the Israel-Hamas war and the University of Michigan's consumer-sentiment survey showing a rise in inflation expectations. The survey showed consumers' one-year inflation expectations rose to 3.8% from 3.2% in September. Earlier in the week, remarks made by Dallas Federal Reserve Bank President Lorie Logan were interpreted as indicating the recent jump in long-term Treasury yields may mean the Fed may not have to continue its interest rate hiking campaign. The 10-year Treasury yield declined 15 bps for the week to settle at 4.63%.

Despite a good beginning to the Q3 corporate earnings season, rising oil prices and yields, accompanied by growing geopolitical and humanitarian concerns in the Middle East, weighed on U.S. investors the following week. For the week, the 10-year Treasury yield rose 30 bps to close at 4.93%, off its high on Thursday, with the S&P 500 snapping a two-week winning streak. The just shy of two-week war between Israel and Hamas, along with hawkish comments by Cleveland Fed President Loretta Mester, cast a pall over the markets. Mester said she is in the camp of one more interest-rate hike this year but also indicated the Fed is "nearing the end of its phase" of its hiking campaign. Front-month crude oil future prices rose 1.2% for the week, settling at \$88.75/bbl., as investors contemplated how the Middle East war might spill over to other parts of the region, impacting the supply of crude oil and increasing the human carnage.

The following week U.S. stocks posted heavy losses, with both the Nasdaq Composite and the S&P 500 entering correction territory for the week, declining at least 10% from their July 19 and July 31 closing highs, respectively, while the Dow closed at its lowest value since March 28. The September personal consumption expenditures price index rose a larger-than-expected 0.4% from the month prior, although the core PCE index, rising 0.3%, was in line with analysts' expectations. The 10-year Treasury yield declined nine bps to close the week out at 4.84%.

The Month in Closed-End Funds: October 2023

- For the third straight month, both equity (-2.52% on a NAV basis) and fixed income (-1.62%) CEFs on average suffered downside performance.
- At month end, 6% of all CEFs traded at a premium to their NAV, with 8% of equity CEFs and only 5% of fixed income CEFs trading in premium territory. The national municipal debt CEFs macro-classification witnessed the largest narrowing of discounts for the month among Lipper's CEF macro-groups—47 bps to a 14.91% median discount.
- Utility CEFs (-0.52%), for the first month in seven, mitigated losses better than the other classifications in the equity CEF universe for October.
- Loan Participation CEFs (-0.28%), for the third straight month, outperformed the other classifications in the domestic taxable fixed income CEF universe.
- The world income CEFs macro-group (-0.88%) outpaced its domestic taxable bond (-0.92%) and municipal debt (-3.00%) CEF counterparts for the first month in three.



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On the last trading day of the month, stocks ended higher, but it wasn't enough to reverse the three-month losing streak as investors prepared for the Fed's latest interest rate decision and the nonfarm payrolls report due out later in the week. The Dow locked in its longest losing streak since the three months ended March 2020 after the Conference Board said its survey of consumer confidence fell to a five-month low of 102.6 in October as concerns over rising interest rates, inflation, and the war between Israel and Hamas led investors to take a more risk-off approach. The 10-year Treasury yield rose 29 bps to 4.88% for the month.

As investors continued to come to grips with the idea that interest rates might stay higher for longer, the yield curve continued to flatten during the month, with the long end of the curve rising the most. The 10-, 20-, and 30-year Treasury yields witnessed the largest increases, rising 29, 29, and 31 bps, respectively, to finish the month at 4.88%, 5.21%, and 5.04%, while the two-month and one-year yields witnessed the only declines, three bps and two bps to 5.57% and 5.44%, respectively. Yields remained inverted for all maturities, except the five-year (+4.82%), from the one-month to the seven-year yield. The two- and 10-year Treasury yield spread narrowed 25 bps from its September month-end closing value to minus 19 bps.

During the month, the dollar strengthened against the euro (+0.13%), the pound (+0.66%), and the yen (+1.36%). Commodity prices were mixed for the month, with front-month gold prices rising 7.42% to close the month at \$1,985.20/oz., and front-month crude oil prices fell 10.76% to close at \$81.02/bbl.

For the month, just 13% of all CEFs posted NAV-based returns in the black, with 13% of equity CEFs and 13% of fixed income CEFs chalking up returns in the plus column. For the first month in 12, Lipper's domestic equity CEFs (-2.12%) macro-group mitigated losses better than its two equity-based brethren: mixed-assets CEFs (-3.04%) and world equity CEFs (-3.24%).

For the first month in seven, the Utility CEFs classification (-0.52%, September's laggard) moved to the top of the equity leaderboard, followed by Energy MLP CEFs (-0.78%) and Real Estate CEFs (-1.42%). Developed Markets CEFs (-5.27%) was the pariah in the equity universe and was bettered by Convertible Securities CEFs (-5.04%) and Diversified Equity CEFs (-3.76%). For the remaining equity classifications, returns ranged from negative 3.67% (Emerging Markets CEFs) to negative 1.85% (Options Arbitrage/Options Strategies CEFs).

Two of the five-top performing equity CEFs for October were warehoused in Lipper's Utility CEFs classification. However, at the top of the leaderboard was **Central and Eastern Europe Fund Inc. (CEE)**, housed in the Emerging Markets CEFs classification, rising 8.59% on a NAV basis and traded at a 1.63% discount on October 31. Following CEE were **Macquarie/First Trust Global Infrastructure/Utilities Divided & Income Fund (MFD)**, warehoused in Lipper's Utility CEFs classification, gaining 1.47% and traded at a 16.44% discount at month end; **Variant Impact**

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	13	18	82	8	92
Bond CEFs	13	38	62	5	95
ALL CEFs	13	29	71	6	94

TABLE 2
AVERAGE NAV RETURNS, SELECTED PERIODS (%)

	OCTOBER	YTD	3-MONTH	CALENDAR-2022
Equity CEFs	-2.52	-0.31	-7.37	-9.85
Bond CEFs	-1.62	1.42	-3.92	-12.21
ALL CEFs	-2.00	0.68	-5.39	-11.18

TABLE 3
NUMBER OF IPOs, YTD VERSUS PRIOR YEAR

	OCTOBER 31, 2023	CALENDAR-2022
Conventional CEFs	0	5
Interval CEFs	25	22

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

THREE MONTHS THROUGH 09/30/2023	0
COMPARABLE YEAR-EARLIER THREE MONTHS	0
CALENDAR 2022 AVERAGE	202

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

	OCTOBER 31, 2023	CALENDAR-2022
ALL CEFs	26	21

TABLE 6
MEDIAN PREMIUMS AND DISCOUNTS (%)

	31-JUL	31-AUG	29-SEP	31-OCT
Equity CEFs	-11.41	-11.88	-13.11	-13.86
Bond CEFs	-9.43	-9.85	-11.09	-12.27
ALL CEFs	-10.15	-10.64	-12.29	-13.03

Source: LSEG Lipper

Fund, Institutional Share Class (IMPCX, an interval CEF housed in the Income & Preferred Stock CEFs classification), gaining 1.44%; **Reaves Utility Income Fund (UTG**, housed in the Utility CEFs classification), rising 1.28% and traded at a 0.12% premium October 31; and **Variant Alternative Income Fund, Institutional Share Class (NICHX**, warehoused in Lipper's Income & Preferred Stock CEFs classification), returning 0.82%.

For the month, the dispersion of performance in individual equity CEFs—ranging from negative 9.22% to positive 8.59%—was narrower than September's spread and less skewed to the negative side. The 20 top-performing equity CEFs posted returns at or above positive 0.28%, while the 20-lagging equity CEFs were at or below negative 6.32%.

For the month, only 34 CEFs in the equity universe posted returns in the black. The worst-performing fund was housed in Lipper's Developed Markets CEFs classification. At the bottom of the pile was **Canadian General Investments Limited (CGI)**, shedding 9.22% of its September closing NAV and traded at a 35.66% discount at month end. The second worst-performing equity CEF was **BlackRock Innovation and Growth Term Trust (BIGZ)**, housed in the Sector Equity CEFs classification), posting an 8.42% loss and traded at an 18.56% discount on October 31.

The U.S. Treasury yield curve remained inverted during the month, but continued to flatten, rising at all maturities except the two-month and one-year Treasury yields. The 30-year yield witnessed the largest gain, rising 31 bps in October. All yields, except the five-year, with maturities less than 10 years remained above the 10-year Treasury yield (+4.88%), with the four-month yield witnessing the highest absolute rate, coming in at 5.61%. At month end, the two- and 10-year Treasury yield spread (-19 bps) narrowed 25 bps for October.

For the first month in three, the world income CEFs macro-group outpaced or mitigated losses better than the other two macro-groups in the fixed income universe, posting a 0.88% loss on average, followed by domestic taxable bond CEFs (-0.92%) and municipal debt CEFs (-3.00%).

For the third consecutive month, investors kept Loan Participation CEFs (-0.28%) at the top of the domestic taxable fixed income leaderboard, followed by General Bond CEFs (-0.75%) and High Yield CEFs (-0.80%). U.S. Mortgage CEFs (-2.19%) posted the group's largest losses and was bettered by Corporate Debt BBB-Rated CEFs (Leveraged) (-2.02%). On the world income CEFs side, the comparatively modest decline from Global Income CEFs (-0.82%) wasn't enough to offset losses from Emerging Markets Hard Currency Debt CEFs (-1.19%), 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 suffered losses for the third month in a row, declining 3.00% on average, with all nine classifications in the group posting negative returns for October. The General & Insured Municipal (Unleveraged) CEFs (-1.24%) classification did the best job mitigating losses of the group, followed by Intermediate Municipal Debt CEFs (-2.26%) and New Jersey Municipal Debt CEFs (-2.64%), while New York Municipal Debt CEFs (-3.49%) witnessed the largest declines of the group. National municipal debt CEFs (-2.90%) mitigated losses better than its single-state municipal debt CEF counterpart (-3.21%).

Three of the five top-performing individual fixed income CEFs were housed in Lipper's Loan Participation CEFs classification. However, at the top of the chart was **Pioneer ILS Interval Fund (XILSX)**, a hybrid interval CEF housed in the High Yield CEFs [Leveraged] classification), posting a 1.84% return. XILSX was followed by **City National Rochdale Select Strategies Fund (CNRLX)**, a hybrid interval CEF warehoused in the General Bond CEFs classification) chalking up a 1.79% return; **Cliffwater Corporate Lending Fund, I Share Class (CCLFX)**, a hybrid interval CEF housed in the Loan Participation CEFs classification), returning 0.91%; **Bluerock High Income Institutional Credit Fund, C Share Class (IIMCX)**, a hybrid interval CEF also housed in the Loan Participation CEFs classification) rising 0.81%; and **Saba Capital Income & Opportunities Fund (BRW)**, housed in the Loan Participation CEFs classification), posting a 0.80% return and traded at a 10.96% discount on October 31%.

For the remaining funds in the fixed income CEF universe, monthly NAV-based performance ranged from negative 5.40% for **Nuveen Municipal Credit Opportunities Fund (NMCO)**, housed in the High Yield Municipal Debt CEFs classification and traded at a 13.82% discount on October 31) to positive 0.77% for **Calamos Aksia Alternative Credit and Income Fund, I Share Class (CAPIX)**, an interval CEF housed in Lipper's Global Income CEFs classification). The 20 top-performing fixed income CEFs posted returns at or above positive 0.51%, while the 20 lagging CEFs posted returns at or below negative 3.98% for the month. For October, only 46 of the 352 fixed income CEFs witnessed plus-side NAV-based performance.

Premium and Discount Behavior

For October, the median discount of all CEFs widened 74 bps to 13.03%—wider than the 12-month moving average median discount (10.28%). Equity CEFs' median discount widened by 75 bps to 13.86%, while fixed income CEFs' median discount widened by 118 bps to 12.27%. The national municipal debt CEFs macro-group's median discounts witnessed the largest narrowing among the CEF macro-groups—47 bps to 14.91%—while the taxable bond CEFs macro-group witnessed the largest widening of discounts—163 bps to 9.89%.

Gabelli Utility Trust (GUT), housed in the Utility CEFs classification) traded at the largest premium (+110.11%) in the CEF universe on October 31, while **Highland Opportunities and Income Fund (HFRO)**, housed in the Loan Participation CEFs classification) traded at the largest discount (-45.77%) at month end.

For the month, 29% of all closed-end funds' discounts or premiums improved, while 71% worsened. In particular, 18% of equity CEFs and 38% of fixed income CEFs saw their individual discounts narrow, premiums widen, or premiums replace discounts. The number of funds traded at premiums on October 31 (27) was 13 less than the number on September 29 (40).

CEF Events and Corporate Actions IPOs

Three new hybrid interval CEFs came to market in October: **Carlyle AlInvest Private Markets Fund, A Share Class (XCPAX)**, warehoused in Lipper's Income & Preferred Stock CEFs classification), **SEI Alternative Income Fund, F Share Class (SEIEX)**, housed in the Loan Participation CEF classification), and **SEI Alternative Income Fund, Y Share Class (SEIGX)**.

Rights, Repurchases, Tender Offers

Eaton Vance Floating-Rate Income Trust (EFT) and **Eaton Vance Senior Income Trust (EVF)** each announced the final results of the fund's cash tender offer for the following amount of its outstanding common shares. The tender offers expired on October 25, 2023. The final results of each tender offer based on a count by Equiniti Trust Company, LLC, the depository for each tender offer, as follows: EFT: common shares offered to purchase pursuant to the tendered offer: 2,09,042, shares properly tendered: 5,903,838; pro ration factor: 49.275%; purchase price: \$12.7527. EVF: common shares offered to purchase pursuant to the tendered offer: 1,753,886; shares properly tendered: 1,764,482; pro ration factor: 99.40%; purchase price: \$5.9756.

The Herzfeld Caribbean Basin Fund, Inc. (CUBA) announced initial terms of its non-transferable rights offering on August 29, 2023, together with information about the fund's self-tender policy. The press release updated important dates for the rights offering that were previously announced on October 20, 2023. The record date for the rights offering will now be November 3, 2023. Pursuant to the rights offering, the fund will distribute to record date stockholders one non-transferable right for each share of the fund held on the record date. 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 will begin on November 8, 2023, and end on November 29, 2023, unless the rights offering is extended. The subscription price per share will be 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 (oversubscription shares). The oversubscription shares will be allocated pro rata to stockholders who oversubscribe based on the number of rights originally issued to them. The fund may increase the number of shares of common stock subject to subscription by up to 200% of the shares available pursuant to the rights offering.

BlackRock Enhanced Government Fund, Inc. (EGF) announced that the annual offer to repurchase outstanding shares of common stock from its stockholders commenced on October 13, 2023. Under the terms of the repurchase offer, the fund is offering to purchase up to 5% of its shares from stockholders at an amount per share equal to the fund's NAV per share, less a repurchase fee of 2% of the value of the shares repurchased, calculated as of the close of regular trading on the New York Stock Exchange (NYSE) on November 15, 2023. The repurchase offer is scheduled to expire on November 14, 2023, unless extended, with payment for the shares repurchased to be made on or before November 22, 2023. Shares validly tendered and accepted will not be eligible for any distributions declared, paid, or distributed in respect of a record date on or after November 22, 2023. The fund has established a record date of September 29, 2023, solely for the purpose of identifying stockholders eligible to receive repurchase offer materials.

MFS High Yield Municipal Trust (CMU) commenced a cash tender offer for the fund's common shares. The fund is offering to purchase up to 10% of the fund's outstanding common shares at a price per share equal to 98% of the fund's NAV per share calculated as of the close of regular trading on the NYSE on the date the offer expires. The tender offer will expire on November 6, 2023, unless extended. The pricing date will also be November 6, 2023, unless the tender offer is extended. If the number of shares tendered exceeds the maximum amount of the offer, the fund will purchase shares from tendering shareholders on a pro rata basis.

MFS Investment Grade Municipal Trust (CXH) commenced a cash tender offer for the fund's common shares. The fund is offering to purchase up to 10% of the fund's outstanding common shares at a price per share equal to 98% of the fund's NAV per share calculated as of the close of regular trading on the NYSE on the date the offer expires. The tender offer will expire on November 6, 2023, unless extended. The pricing date will also be November 6, 2023, unless the tender offer is extended. If the number of shares tendered exceeds the maximum amount of the offer, the fund will purchase shares from tendering shareholders on a pro rata basis.

Mergers, Liquidations, and Reorganizations

The boards of directors/trustees of **BlackRock MuniYield Michigan Quality Fund, Inc. (MIY)**, **BlackRock MuniYield Pennsylvania Quality Fund (MPA)**, **BlackRock Virginia Municipal Bond Trust (BHV)**, **BlackRock Investment Quality Municipal Trust, Inc. (BKN)**, and **BlackRock MuniYield Quality Fund III, Inc. (MYI)** announced the withdrawal of merger proposals that were previously approved by the boards pursuant to which each of MIY, MPA, BHV, and BKN would have been merged into MYI, with MYI continuing as the surviving fund.



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While the mergers would have created economies of scale for the funds and benefited shareholders, the board of directors/trustees of each fund determined that the proxy solicitation process and its associated costs would be substantially more burdensome and more expensive as a result of opposition from the activist shareholder. Because of the increased burden and cost, the board of directors/trustees of each fund has determined that the mergers are no longer in the best interests of each fund's shareholders. As a result, each fund will continue to operate as a stand-alone fund pursuant to its current investment objectives and policies, and shareholders of each fund will remain shareholders of their current fund.

Effective close of business, October 27, 2023, abrdn Inc. assumed responsibility for the management of the four former Tekla Capital Management LLC closed-end funds totaling \$2.8 billion in assets under management as of October 26, 2023. As noted within the funds' proxy statements and in connection with the change in investment advisor, each fund amended its declaration of trust to change its name as detailed below effective after the close of regular business on October 27, 2023. Each fund's shares are listed on the NYSE and the ticker symbols and CUSIPs will not change because of this transaction. **Tekla Healthcare Investors (HQH)** changed its name to **abrdn Healthcare Investors, Tekla Life Sciences Investors (HQL)** became **abrdn Life Sciences Investors, Tekla Healthcare Opportunities Fund (THQ)** became **abrdn Healthcare Opportunities Fund**, and **Tekla World Healthcare Fund (THW)** became **abrdn World Healthcare Fund**.

Each fund will begin trading under its new name on November 2, 2023.

Two existing trustees of the funds, Jeffrey A. Bailey and Kathleen L. Goetz, will be joined by four newly elected trustees of the funds, who were elected by shareholders contingent upon abrdn's appointment as advisor. The new trustees are Stephen Bird, Rose DiMartino, C. William Maher, and Todd Reit. Mr. Reit will serve as chair of the boards.

Upon the close of business on October 27, 2023, the investment team responsible for the management of the funds joined abrdn. The funds will continue to be managed in accordance with their existing investment objectives and strategies, by the same team of Boston-based investment professionals pursuing the same investment philosophy and employing the same investment process that has served the funds well through the years.

XAI Octagon Floating Rate & Alternative Income Term Trust (XFLT) announced that the trust's board of trustees unanimously approved a proposal to eliminate the trust's termination date of December 31, 2029. The proposal, if approved by shareholders, will amend the trust's Second Amended and Restated Declaration of Trust and make the trust perpetual. The term amendment is subject to approval by the trust's shareholders. The board approved submitting the proposal to the trust's shareholders for approval at a special meeting of shareholders, expected to be held on December 19, 2023. Shareholders of record at the close of business on October 25, 2023, are entitled to vote at the meeting. The closing of the transaction is not expected to result in any change in the portfolio management of the trust or in the trust's investment objectives or policies. The closing of the transaction is expected to occur during the first half of 2024.

The board of trustees of each of the acquiring funds, listed below, announced the proposed reorganization of several closed-end investment companies advised by First Trust Advisors, L.P. into the respective acquiring funds. The proposed reorganizations are subject to the receipt of necessary shareholder approvals: **Macquarie/First Trust Global Infrastructure/Utilities Dividend & Income Fund (MFD)** will be acquired by **abrdn Global Infrastructure Income Fund (ASGI)**; **First Trust High Income Long/Short Fund (FSD)** and **First Trust/abrdn Global Opportunity Income Fund (FAM)** will be acquired by **abrdn Income Credit Strategies Fund (ACP)**; and **First Trust Specialty Finance and Financial Opportunities Fund (FGB)** will be acquired by **abrdn Total Dynamic Dividend Fund (AOD)**.

The combination of the merging funds will help ensure the viability of certain funds, increasing scale, liquidity, and marketability changes that may lead to a tighter discount or a premium to NAV over time. Following the reorganizations, shareholders of each acquiring fund will experience an increase in the assets under management. There are no proposed changes to the current objectives or policies of the acquiring funds as a result of these reorganizations. Individually, each acquiring fund board believes that the reorganizations are in the best interest of their fund's shareholders, recognizing the strategic objective of creating scale for the benefit of shareholders. Each reorganization is intended to be treated as a tax-free reorganization for U.S. federal income tax purposes.

Shareholders of ASGI and AOD are not required to vote on the issuance of shares in connection with the respective reorganizations. However, shareholders of ACP will be asked to approve the issuance of shares at a special shareholder meeting tentatively scheduled for January 19, 2024. The board of trustees of ACP has fixed the close of business on October 23, 2023, as the record date for the determination of shareholders entitled to vote at the meeting and at any adjournment of the meeting. The approval of the special resolution of the shareholders of ACP authorizing the issuance of new shares will require the affirmative vote of a majority of shares present in person or represented by proxy and entitled to vote.

It is expected that each reorganization will be completed in the first quarter of 2024 subject to (i) approval of the reorganization by the respective acquired fund shareholders, (ii) approval by ACP shareholders of the issuance of shares by ACP, and (iii) the satisfaction of customary closing conditions. No reorganization is contingent upon any other reorganization.

First Trust Advisors L.P. (FTA) announced that the board of trustees of each of **First Trust Energy Income and Growth Fund (FEN)**, **First Trust MLP and Energy Income Fund (FEI)**, **First Trust New Opportunities MLP & Energy Fund (FPL)**, and **First Trust Energy Infrastructure Fund (FIF)** (the target funds), each a closed-end investment management company managed by FTA and subadvised by Energy Income Partners, LLC (EIP), approved the merger of each respective target fund into **First Trust Energy Income Partners Enhanced Income ETF**, a newly created actively managed ETF managed by FTA and subadvised by EIP (EIPI). The mergers have also been approved by the board of trustees of EIPI. EIPI will be the surviving fund.

Under the terms of the proposed transactions, shareholders of each target fund would receive shares of EIPI with a value equal to the aggregate NAV of the target fund shares held by them and would become shareholders of EIPI, with the target funds terminating. It is currently expected that the transactions will be consummated during the second quarter of 2024, subject to requisite shareholder

approvals and satisfaction of applicable regulatory requirements and approvals and customary closing conditions. Each merger is expected to qualify as a tax-free reorganization for federal income tax purposes. Each transaction is subject to shareholder approval and is a separate merger, and no merger is contingent upon any other merger. There is no assurance when or whether such approvals, or any other approvals required for the transactions, will be obtained. More information on the proposed transactions will be contained in proxy materials that the target funds and EIPI anticipate filing in the coming weeks.

In connection with the proposed mergers of FEN, FEI, and FPL into EIPI, each of these target funds may be required to recognize a decrease to its NAV prior to its merger, with another potential final adjustment to be made to the NAV of EIPI following the mergers after the receipt of year-end tax information to be provided by the (master limited partnerships) MLPs that had been held by such target funds. The amount and timing of such adjustments, if any, will depend in part on the market prices and composition of each such target fund's portfolio securities.

EIPI will be an actively managed ETF that seeks to provide a high level of total return with an emphasis on current distributions paid to shareholders. EIPI will pursue its investment objective by investing in energy companies. EIPI will also deploy a partial covered call strategy to enhance its income.

Invesco Advisers, Inc., a subsidiary of Invesco Ltd. announced additional details concerning the liquidation of the **Invesco High Income 2023 Target Term Fund (IHIT)**. In accordance with its investment objectives and organizational documents, the fund plans to terminate its existence and liquidate on or about December 1, 2023.

As the fund prepares for its liquidation on the termination date, the fund will deviate from its stated investment strategy to primarily invest in securities collateralized by loans secured by real properties and from certain investment policies as the fund's portfolio managers increase the fund's assets held in high quality, short-term securities, U.S. Treasury securities, and cash and cash equivalents. As the fund's portfolio securities continue to mature and are sold, the fund's portfolio will continue to transition into high quality, short-term securities, U.S. Treasury securities or cash and cash equivalents. As of October 18, 2023, the fund's portfolio consisted of approximately 95% cash and cash equivalents and 5% longer term securities.

The fund's investment objectives are to provide a high level of current income and to return \$9.835 per share (the original NAV per common share before deducting offering costs of \$0.02 per share) to common shareholders on the termination date. As previously disclosed, based on current market conditions, management anticipates that the fund's objective of returning the original NAV to common shareholders on or about the termination date will not be met. The objective to return the fund's original NAV is not an express or implied guarantee obligation of the fund and is dependent on a number of factors. As of October 18, 2023, the fund's NAV per share was \$7.12. As the fund approaches liquidation, its common shares will continue trading on the NYSE through November 27, 2023, and will be suspended from trading before the open of trading on November 28, 2023.

Nuveen Corporate Income 2023 Target Term Fund (JHAA) announced new details concerning its liquidation. Consistent with its investment objectives and organizational documents, the fund plans to terminate its existence and liquidate on or about December 1, 2023. As the fund approaches liquidation, its common shares will continue trading on the NYSE through November 24, 2023, and will be suspended from trading before the market opens on November 27, 2023. The fund will not declare its regular monthly distribution in November 2023 and expects that all accumulated earnings will be included in the final liquidating distribution. The fund anticipates making its final liquidating distribution on or about December 1, 2023.

As previously announced, the fund entered its wind-up period in anticipation of its termination date. Leading up to the final liquidating distribution date, as the fund's portfolio securities continue to mature and are sold, the fund may further deviate from its investment objectives and policies, and its portfolio will continue to transition to high quality, short-term securities or cash and cash equivalents. Also, as previously announced, due to market conditions JHAA does not anticipate returning the original NAV at its termination. The investment objective relating to original NAV is not a guarantee and is dependent on a number of factors, including the extent of market recovery and the cumulative level of income retained in relation to cumulative portfolio gains net of losses.

The boards of trustees of **Nuveen New Jersey Quality Municipal Income Fund (NXJ)** and **Nuveen Quality Municipal Income Fund (NAD)** as well as **Nuveen Massachusetts Quality Municipal Income Fund (NMT)** and **Nuveen AMT-Free Quality Municipal Income Fund (NEA)** announce the removal of a previously approved merger proposal from each funds' upcoming shareholder meeting agenda. Previously, the board of trustees of each respective fund approved the merger of NXJ into NAD and the merger of NMT into NEA. The boards of trustees of each fund considered current market conditions and other relevant considerations for each fund in assessing whether to move forward with the proposed merger. It was determined that the proxy solicitation process and its associated costs would not be in the best interests of each fund's shareholders, therefore resulting in the removal of the merger proposal from the upcoming shareholder meeting agendas. As a result, each fund will continue to operate as a stand-alone fund pursuant to its current investment objectives and policies, and shareholders of each fund will remain shareholders of their current fund.

Western Asset Managed Municipals Fund Inc. (MMU) announced the completion of the merger of **Western Asset Municipal Partners Fund Inc. (MNP)** with and into MMU. Effective before markets open on Monday, October 16, 2023, MNP stockholders became MMU stockholders. Each MNP common share, par value \$0.001 per share, converted into an equivalent dollar amount (to the nearest \$0.001) of full common shares, par value \$0.001 per share, of MMU. The conversion price was based on each fund's NAV per share calculated at the close of business on Friday, October 13, 2023. The conversion ratio was calculated at 1.172960 common shares of MMU for each MNP common share. MMU did not issue any fractional common shares to MNP.

stockholders. In lieu thereof, MMU purchased all fractional shares at the then current NAV and remitted the cash proceeds to former MNP stockholders in proportion to their fractional shares. MMU's post-merger net assets totaled \$594,862,631.61, and its NAV per common share was \$10.8615 based on approximately 54,767,923 shares outstanding, as of the close of business on October 13, 2023.

Common and preferred shareholders, as applicable, of **Nuveen Preferred and Income Fund (JPT)**, **Nuveen Preferred & Income Securities Fund (JPS)**, and **Nuveen Preferred & Income Opportunities Fund (JPC)** have approved a proposal to merge the funds. The mergers will combine each of JPT and JPS into JPC. Subject to the satisfaction of certain customary closing conditions, the mergers are expected to become effective before the market opens on November 6, 2023.

Other

Firsthand Technology Value Fund, Inc. (SVVC), a publicly traded venture capital fund that invests in technology and cleantech companies, announced that its board of directors approved a plan to seek stockholder approval to withdraw the fund's election to be regulated as a business development company (BDC) under the Investment Company Act of 1940, as amended. The board will also be seeking stockholder approval on a plan of liquidation of the fund.

The fund also announced that it has suffered material setbacks on two of its largest holdings. The resulting valuation writedowns could reduce the asset value of the fund to a level below the amount of the fund's accrued liabilities, most of which are fees payable to the fund's investment advisor, Firsthand Capital Management, Inc. The board and FCM have agreed to take the actions necessary to ensure that the fund maintains a positive NAV per share, which may include FCM waiving certain accrued investment management fees.

Destra Multi-Alternative Fund (DMA) announced that the fund's board of trustees has approved a change in the structure of the fund and effective immediately, the fund's term will change from perpetual to one that expires pursuant to its amended and restated agreement and declaration of trust. The declaration of trust provides that the fund, unless certain targets are met, will dissolve at the close of business on March 31, 2027 (concurrent with the end of its 2026-27 fiscal year). The fund's term may be extended for additional three-year terms beyond March 31, 2027, if certain performance or trading targets are met. If such targets are not met, a majority of the board may approve one extension of up to 12 months, at its sole discretion, if they believe it is in the best interest of shareholders.

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