# FUND*MARKET* INSIGHT REPORT

REFINITIV LIPPER RESEARCH SERIES

JUNE 30, 2021

## The Month in Closed-End Funds: June 2021

### Performance

For the eighth month in a row, equity CEFs on average witnessed plus-side performance on a NAV and market basis, rising 1.34% and 1.69%, respectively. And for the fourth month in a row their fixed income CEF counterparts posted returns in the black on a NAV basis (+0.85%) and a market basis (+2.02%). Quarter to date, the average equity CEF gained 6.89% while the average fixed income CEF rose 3.18%.

Despite a weaker-than-expected nonfarm payrolls report and ongoing inflationary concerns, the broad U.S. market began the month in the plus column, with many investors betting the Fed would maintain its easy money policy. The Dow, S&P 500, and NASDAQ rose for the week on the tail of a goldilocks U.S. nonfarm payrolls report for May. The Department of Labor announced the U.S. economy had added 559,000 new jobs for May, just missing analyst expectations of 671,000. The unemployment rate declined to 5.8% from 6.1% in April, but labor force participation fell to 61.6%. Near-month oil futures continued their ascent, rising to $69.62/barrel (bbl), while gold rose to $1,892/oz. U.S. April factory orders slipped 0.6%, snapping an 11-month winning streak.

The following week, the Dow closed down slightly, but remained above the 34,000 mark as investors took a wait-and-see approach ahead of the Fed's policy setting meeting. Over the past year, U.S. consumer inflation rose to a 13-year high of 5%. Oil futures rose to a more than two-year high, closing the week out at $70.91/bbl. Nonetheless, the 10-year Treasury yield declined to 1.47%, which was a tailwind for tech-related companies.

U.S. stocks ended the following week markedly lower, with the Dow (-3.2%) posting its largest weekly decline since October 30, 2020, after St. Louis Federal Reserve President James Bullard suggested the possibility of interest rate increases as early as late 2022, while the other policy makers still penciled in two hikes by the end of 2023.

At month end, the broad-based U.S. indices renewed their record setting run as the S&P 500 posted its best weekly return since February, getting a boost from an agreement on Capitol Hill on a $1 trillion infrastructure plan and after the PCE price index, the Fed's favored inflation gauge, showed a 3.4% year-over-year rise (it biggest since 1992), but the month-over-month core inflation was less than expected. Despite continued inflationary concerns and near-month crude oil settling at $73.47/bbl, the three major stock market indices posted strong first half of the year returns, with the DJIA, S&P 500, and NASDAQ returning 12.73%, 14.41%, and 12.54%, respectively.

The Treasury yield curve continued to flatten during the month despite Federal Reserve officials becoming slightly more hawkish. The shorter-dated maturities rose during the month, while longer-dated maturities experienced declines. The 30-year yield witnessed the largest decline for the month, falling 20 bps to close the month at 2.06%, while the three-year yield rose 16 bps to 0.46%. The two- and 10-year Treasury yield spread (120 bps) narrowed 24 bps for the month.


### The Month in Closed-End Funds: June 2021

- For the eighth month in a row, equity closed-end funds (CEFs) on average posted positive returns, rising 1.34% on a net-asset-value (NAV) basis for June, while for the fourth month running fixed income CEFs posted plus-side returns (+0.85%).
- Thirty-two percent of all CEFs traded at a premium to their NAV, with 31% of equity CEFs and 33% of fixed income CEFs trading in premium territory. The domestic equity CEFs macro-classification witnessed the largest widening of discounts for the month among Lipper's CEF macro-groups—112 basis points (bps) to 2.90%.
- Energy MLP CEFs (+4.82%) for the third month in row posted the strongest one-month returns of the equity classifications in the CEF universe for June.
- For the first month in 15, the Corporate Debt BBB-Rated CEFs (+1.43%) classification posted the strongest plus-side returns in the taxable fixed income CEF universe for June.
- The municipal bond CEF macro-group (+0.83%) posted returns in the black for the fourth consecutive month, with all nine classifications chalking up positive returns.



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During the month, the dollar strengthened against the euro (+3.19%), the pound (+2.94%), and the yen (+1.43%). Commodity prices were mixed for the month, with near-month gold prices declining 6.92% to close the month at $1,770.80/oz. and front-month crude oil prices climbing 10.78% to close at $73.47/bbl.

For the month, 84% of all CEFs posted NAV-based returns in the black, with 73% of equity CEFs and 93% of fixed income CEFs chalking up returns in the plus column. For the first month in eight, Lipper's mixed-assets CEFs (+1.69%) macro-group outpaced its two equity-based brethren: domestic equity CEFs (+1.65%) and world equity CEFs (+0.03%).

The Energy MLP CEFs classification (+4.82%) for the third month in row outperformed all other equity classifications, followed by Convertible Securities CEFs (+3.33%, May's laggard) and Natural Resources CEFs (+2.35%). Developed Markets CEFs (-1.83%) was the laggard in the equity universe and was bettered by Utility CEFs (-1.59%) and Global CEFs (-0.06%). For the remaining equity classifications, returns ranged from 0.40% (Diversified Equity CEFs) to 2.05% (Real Estate CEFs).

Six of the 10 top performing CEFs for June were warehoused in Lipper's Energy MLP CEFs classification. However, at the top of the chart was **Taiwan Fund Inc.** (**TWN**, warehoused in Lipper's Emerging Markets CEFs classification), rising 13.95% on a NAV basis and traded at a 16.19% discount on June 30. Following TWN were **BlackRock Science and Technology Trust II** (**BSTZ**, housed in the Sector Equity CEFs classification), gaining 9.85% and traded at a 2.93% discount at month end; **ClearBridge Energy Midstream Opportunity Fund Inc.** (**EMO**), rising 7.98% and traded at a 19.62% discount on June 30; **ClearBridge MLP and Midstream Fund Inc.** (**CEM**), posting an 7.64% return and traded at a 14.53% discount at month end; and **BlackRock Science and Technology Trust** (**BST**, housed in the Sector Equity CEFs classification), gaining 7.32% and traded at a 6.52% premium on June 30.

For the month, the dispersion of performance in individual equity CEFs—ranging from negative 10.63% to positive 13.95%—was wider than May's spread and more skewed to the negative side. The 20 top-performing equity CEFs posted returns at or above 4.93%, while the 20-lagging equity CEFs were at or below negative 2.05%.

For the month, 70 CEFs in the equity universe posted negative returns. The two worst performing funds were housed in the Sector Equity CEFs classification. At the bottom of the heap was **ASA Gold & Precious Metals Limited** (**ASA**), shedding 10.63% of its May-closing NAV and traded at a 14.74% discount on June 30. The second worst performing equity CEF was **John Hancock Financial Opportunities Fund** (**BTO**), posting a 6.01% loss and traded at a 2.48% premium at month end.

# 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 | 73 | 63 | 37 | 31 | 69 |
| Bond CEFs | 93 | 75 | 25 | 33 | 67 |
| **ALL CEFs** | **84** | **70** | **30** | **32** | **68** |

## TABLE 2 AVERAGE NAV RETURNS, SELECTED PERIODS (%)

| | JUNE | YTD | 3-MONTH | CALENDAR-2020 |
|---|---|---|---|---|
| Equity CEFs | 1.34 | 13.89 | 6.89 | 2.34 |
| Bond CEFs | 0.85 | 4.36 | 3.18 | 4.33 |
| **ALL CEFs** | **1.07** | **8.48** | **4.78** | **3.48** |

## TABLE 3 NUMBER OF IPOs, YTD VERSUS PRIOR YEAR

| | JUNE 2021 | CALENDAR-2020 |
|---|---|---|
| Conventional CEFs | 7 | 10 |
| Interval CEFs | 6 | 19 |

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

| | |
|---|---|
| THREE MONTHS THROUGH 5/31/2021 | 2,158 |
| COMPARABLE YEAR-EARLIER THREE MONTHS | 110 |
| CALENDAR 2020 AVERAGE | 848 |

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

| | JUNE 2021 | CALENDAR-2020 |
|---|---|---|
| **ALL CEFs** | **32** | **30** |

## TABLE 6 MEDIAN PREMIUMS AND DISCOUNTS (%)

| | 31-MAR | 30-APR | 28-MAY | 30-JUN |
|---|---|---|---|---|
| Equity CEFs | -6.80 | -5.39 | -4.14 | -4.33 |
| Bond CEFs | -3.50 | -3.44 | -2.18 | -1.52 |
| **ALL CEFS** | **-4.63** | **-4.01** | **-2.80** | **-2.42** |

**Source:** Refinitiv Lipper, an LSEG Business

Despite increasing inflationary pressures, the Treasury yield curve flattened slightly for the month. The 10-year Treasury yield declined 13 bps to 1.45% at month end after hitting a monthly high of 1.63% on June 3. The one-, two-, and three-month Treasury yields rose by four bps for the for the month, each closing at 0.05%. The two- and 10-year Treasury yield spread (120 bps) narrowed 24 bps for June. For the first month in four, the domestic taxable fixed income CEFs macro-group posted the strongest returns in the fixed income universe, posting a 0.90% return on average, followed by municipal bond CEFs (+0.83%) and world income CEFs (+0.66%).

Fixed income investors continued their search for yield. They pushed Corporate Debt BBB-Rated CEFs (+1.43%) to the top of the domestic taxable fixed income leaderboard for the first month in 15, followed by Corporate Debt BBB-Rated CEFs (Leveraged) (+1.35%) and High Yield CEFs (Leveraged) (+1.07%). U.S. Mortgage CEFs (+0.63%) posted the weakest returns of the group and was bettered by Loan Participation CEFs (+0.64%). On the world income side, relatively strong performance from Global Income CEFs (+1.06%) helped offset declines from Emerging Markets Hard Currency Debt CEFs (-0.37%), keeping the macro-group in positive territory for the month.

For the fourth month in a row, the municipal debt CEFs macro-group posted a positive return (+0.83%) on average, with all nine of the classifications in the group experiencing plus-side returns for June. The High Yield Municipal Debt CEFs (+1.12%), Pennsylvania Municipal Debt CEFs (+0.94%), and General & Insured Municipal Debt CEFs (Leveraged) (+0.93%) classifications posted the strongest returns in the group, while Other States Municipal Debt CEFs (+0.53%) was the group relative laggard. National municipal debt CEFs (+0.92%) outpaced their single-state municipal debt CEF counterparts (+0.66%) by 26 bps.

The four top-performing individual fixed income CEFs were housed in Lipper's Global Income CEFs classification. At the top of the chart was **BlueBay Destra International & Event-Driven Credit Fund**, **I Shares** (**CEDIX**, an interval hybrid CEF), returning 3.76%. Following CEDIX were its three other share classes: **BlueBay Destra International & Event-Driven Credit Fund**, **A Shares** (**CEDAX**), returning 3.73%; **BlueBay Destra International & Event-Driven Credit Fund**, **T Shares** (**CEDTX**), returning 3.73%; **BlueBay Destra International & Event-Driven Credit Fund**, **L Shares** (**CEDLX**), posting a 3.71% return; and **BlackRock Taxable Municipal Bond Trust** (**BBN**, housed in the General Bond CEFs classification), adding 3.64% to its May month-end value and traded at a 1.22% premium on June 30.

For the remaining funds in the fixed income CEF universe, monthly NAV-based performance ranged from negative 2.63% for **Aberdeen Income Credit Strategies Fund** (**ACP**, housed in Lipper's High Yield CEFs [Leveraged] classification and traded at a 0.18% discount at month end) to positive 3.02% for **Nuveen Municipal Credit Opportunities Fund** (**NMCO**, housed in the General & Insured Municipal CEFs [Leveraged] classification and traded at a 1.91% discount on June 30). The 20 top-performing fixed income CEFs posted returns at or above 1.78%, while the 20 lagging CEFs posted returns at or below negative 0.24% for the month. There were 24 fixed income CEFs that witnessed negative NAV-based performance for June.

## Premium and Discount Behavior

For June, the median discount of all CEFs narrowed 38 bps to 2.42%—narrower than the 12-month moving average median discount (6.48%). Equity CEFs' median discount widened 18 bps to 4.33%, while fixed income CEFs' median discount narrowed 66 bps to 1.52%. Domestic equity CEFs' median discounts witnessed the largest widening among the CEF macro-groups—112 bps to 2.90%—while the single state municipal debt CEFs macro-group witnessed the largest narrowing of discounts—139 bps to 2.93%.

**Gabelli Utility Trust** (**GUT**, housed in the Utility CEFs classification) traded at the largest premium (+85.12%) in the CEF universe on June 30, while **Foxby Corp.** (**FXBY**, housed in the Diversified Equity CEFs classification) traded at the largest discount (-34.35%) at month end.

For the month, 70% of all closed-end funds' discounts or premiums improved, while 30% worsened. In particular, 63% of equity CEFs and 75% of fixed income CEFs saw their individual discounts narrow, premiums widen, or premiums replace discounts. The number of funds traded at premiums on June 30 (145) was five more than the number on May 28 (140).

## CEF Events and Corporate Actions

### IPOs

Franklin Templeton announced that **Western Asset Diversified Income Fund** (**WDI**) raised $1 billion in its initial public offering (excluding any exercise of the underwriters' option to purchase additional common shares). The fund's common shares began trading on Friday, June 25, 2021, on the New York Stock Exchange (NYSE) and the offering was expected to close on Tuesday, June 29, 2021, subject to customary closing conditions. The fund sold 50,000,000 common shares at $20.00 per share, with Morgan Stanley, BofA Securities, and Wells Fargo Securities acting as lead underwriters. In addition, the fund has granted the underwriters an option to purchase an additional 6,833,830 common shares at the public offering price within 45 days of the date of the prospectus, June 24, 2021. If the underwriters exercise in full their option to purchase additional shares of the fund, which may or may not occur, the fund will have raised approximately $1.137 billion. The fund is a diversified, closed-end fund seeking high current income and, secondarily, capital appreciation.

The **AFA Multi-Manager Credit Fund** (**Investor Class** [**AMCJX**] and **Institutional Class** [**AMCLX**]) is a Delaware statutory trust registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), as a non-diversified, closed-end investment management company. The fund intends to operate as an interval fund pursuant to Rule 23c-3 of the Investment Company Act and has adopted a fundamental policy to conduct quarterly repurchase offers at NAV.

The fund's primary investment objective is to provide a high level of current income, with capital appreciation as a secondary objective. The fund seeks to achieve its investment objectives by investing at least 80% of its net assets including any borrowings for investment purposes, either directly or indirectly, in a range of private and public credit securities and other credit-related investments. The fund is a "fund of funds" that intends to allocate its assets primarily among a range of investment vehicles that are managed by a select group of experienced institutional managers identified for their expertise in implementing various credit strategies.

The fund has an interval fund structure pursuant to which the fund, subject to applicable law, conducts quarterly repurchase offers for no less than 5% of the fund's shares outstanding at NAV. While the quarterly repurchase offer is expected to be 5%, the amount of each quarterly repurchase offer may be 5% to 25% subject to approval of the board of trustees.

## Rights, Repurchases, Tender Offers

**BlackRock Science and Technology Trust** (**BST**) announced that its board of trustees has approved the terms of the issuance of transferable rights to the holders of the trust's common shares of beneficial interest as of June 18, 2021. Holders of rights will be entitled to subscribe for additional shares at a discount to the market price of the shares. Holders of shares on the record date will receive one right for each outstanding share owned on the record date. The rights entitle the holders to purchase one new share for every three rights held (one-for-three). The subscription price per share will be determined on the expiration date of the offer, which is currently expected to be July 14, 2021, unless extended by the trust, and will be equal to 95% of the average of the last reported sales price per share on the NYSE on the expiration date and each of the four immediately preceding trading days. If, however, the formula price is less than 94% of the trust's NAV per share at the close of trading on the NYSE on the expiration date, the subscription price will be 94% of the trust's NAV per share at the close of trading on the NYSE on the expiration date. Rights are transferable and are expected to be admitted for trading on the NYSE under the symbol "BST RT" during the course of the offer and will cease trading one day before the offer's expiration date (June 18, 2021, through July 13, 2021).

**Aberdeen Income Credit Strategies Fund** (**ACP**) announced the successful completion of its transferable rights offering. The offer commenced on May 20, 2021, and expired on June 16, 2021. The offer entitled rights holders to subscribe for up to an aggregate of 5,812,247 of the fund's common shares. The final subscription price was $10.20 per share and was determined based upon a formula equal to 92.5% of the average of the last reported sale price of a common share on the NYSE on the expiration date and each of the four preceding trading days. The offer was oversubscribed. The gross proceeds of the offer are expected to be approximately $60 million (including oversubscription requests and notices of guaranteed delivery). Approximately 64% of the common shares were subscribed for in the primary subscription and the remaining shares were subscribed for pursuant to the oversubscription privilege.

The board of directors of **The Gabelli Multimedia Trust Inc.** (**GGT**) approved a transferable rights offering which would allow the fund's record date common shareholders to acquire additional shares of common stock. Each shareholder will receive one transferable right for each share of common stock held on the record date (July 13, 2021). Four rights plus $9.50 will be required to purchase one additional share of common stock. The purchase price will be payable

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in cash. Record date shareholders who fully exercise their primary subscription rights will be eligible for an oversubscription privilege entitling these shareholders to subscribe, subject to certain limitations and a pro-rata allotment, for any additional shares of common stock not purchased pursuant to the primary subscription. Rights acquired in the secondary market may not participate in the oversubscription privilege. The rights are expected to trade "when issued" on the NYSE beginning on July 9, 2021, and the fund's shares of common stock are expected to trade ex-rights on the NYSE beginning on July 12, 2021. The rights are expected to begin trading for normal settlement on the NYSE (NYSE: GGT RT) on or about July 16, 2021. The offering expires on August 25, 2021, unless extended.

**Eaton Vance Short Duration Diversified Income Fund** (**EVG**), **Eaton Vance Floating-Rate Income Trust** (**EFT**), **Eaton Vance Senior Floating-Rate Trust (EFR)**, and **Eaton Vance Senior Income Trust** (**EVF**) each announced the commencement of a cash tender offer for outstanding common shares and in the following amounts and as further described as follows: EVG up to 25% or 4,470,149 of its outstanding common shares; EFT up to 50% or 19,931,845 of its outstanding common shares; EFR up to 50% or 18,424,157 of its outstanding common shares; and EVF up to 60% or 22,719,965 of its outstanding common shares.

Each tender offer will be conducted at a price per share equal to 99% of such fund's NAV per share as of the close of regular trading on the NYSE on the date the tender offer expires. Each tender offer will expire on July 30, 2021, or on such later date to which the offer is extended. The pricing date will also be July 30, 2021, unless extended. If the number of shares tendered exceeds the maximum amount of a tender offer, the fund will purchase shares from tendering shareholders on a pro-rata basis (disregarding fractional shares). Accordingly, there is no assurance that a fund will purchase all of a shareholder's tendered common shares in connection with the relevant tender offer.

**Clough Global Dividend and Income Fund** (**GLV**) announced the successful completion of its rights offering, and the final results thereof. The fund will issue a total of 2,807,451 new common shares as a result of the rights offering which closed on June 22, 2021. This number of new shares represents one-third of the shares outstanding immediately preceding the rights offering. The subscription price of $10.15 per share was established on the expiration date based upon a formula equal to 95% of the reported market price per share, based on the average of the last reported sales price of a common share on the NYSE for the five trading days preceding the expiration date.

**Clough Global Equity Fund** (**GLQ**) announced the successful completion of its rights offering, and the final results thereof. The fund will issue a total of 4,410,276 new common shares as a result of the rights offering which closed on June 22, 2021. This number of new shares represents one-third of the shares outstanding immediately preceding the rights offering. The subscription price of $13.56 per share was established on the expiration date based upon a formula equal to 85% of the reported NAV on the expiration date.

**Clough Global Opportunities Fund** (**GLO**) announced the successful completion of its rights offering, and the final results thereof. The fund will issue a total of 7,573,005 new common shares as a result of the rights offering which closed on June 22, 2021. The subscription price of $11.59 per share was established on the expiration date based upon a formula equal to 95% of the reported market price per share, based on the average of the last reported sales price of a common share on the NYSE for the five trading days preceding the expiration date.

**Delaware Enhanced Global Dividend and Income Fund** (**DEX**) announced the preliminary results of its issuer tender offer to purchase for cash up to 594,367 of its common shares, representing up to 5% of its issued and outstanding common shares. The offer expired on Tuesday, June 29, 2021. Based on current information, approximately 31.24% shares of common stock, or approximately 3,713,508 of the fund's common shares outstanding, were tendered through the expiration date. This total does not include shares tendered pursuant to notices of guaranteed delivery. Because the number of shares exceeded 594,367 shares, the relative number of common shares that will be purchased from each shareholder will be prorated based on the number of common shares properly tendered. The final number of common shares validly tendered and accepted pursuant to the tender offer will be announced at a later date. The fund expected to make cash payments for tendered and accepted common shares at a price equal to 98% of the fund's NAV as of the close of regular trading on the NYSE on Wednesday, June 30, 2021. Payment for common shares tendered and accepted is expected to be sent to tendering shareholders within approximately 10 business days after the expiration date.

The **Liberty All-Star Growth Fund, Inc.** (**ASG**) announced that based on results provided by the fund's subscription agent its rights offering, which expired on June 28, 2021, was fully subscribed. The fund will issue up to 10,660,776 shares, which represents the entire 8,528,621 primary subscription shares in the offering, plus 2,132,155 additional shares made available by means of the secondary oversubscription privilege. Since there were not sufficient shares to honor all oversubscription requests, available shares will be allocated among those shareholders who oversubscribed based on the number of shares held on the record date. The subscription price per share is $8.21, which represents 95% of the average of the closing NYSE market price per share of common stock on the expiration date and the four preceding trading days.

## Mergers and Reorganizations

**Eaton Vance 2021 Target Term Trust** (**EHT**) announced details concerning its liquidation. Consistent with its investment objectives and organizational documents, the trust planned to terminate its existence and liquidate on or about July 1, 2021. The trust continued trading on the NYSE through Friday, June 25, 2021, and suspended trading before the open of trading on Monday, June 28, 2021. The trust declared its regular monthly distribution in June 2021 and expected that all undistributed net income will be included in the final liquidating distribution. The trust anticipated making its final liquidating distribution on or about July 1, 2021.

Trading in shares of **Duff & Phelps Select MLP and Midstream Energy Fund Inc.** (**DSE**), a closed-end fund subadvised by Duff & Phelps Investment Management Co., ceased after the market closed on June 21, 2021 in preparation for the fund's merger into the **Virtus Duff & Phelps Select MLP and Energy Fund** (**I Shares: VLPIX**), an open-end mutual fund.

Through the merger, which was effective following the close of business of the NYSE on June 25, 2021, DSE shareholders received shares of VLPIX with a net NAV equal to the NAV of their DSE shares. The transaction is expected to qualify as a tax-free reorganization for federal income tax purposes, and shareholders will not incur any sales charge, commission, or similar fee in connection with the reorganization. After the reorganization, shareholders will be able to purchase additional shares of VLPIX, exchange their shares of VLPIX for Class I shares of other Virtus funds, or redeem their shares of VLPIX, each as set forth in the VLPIX prospectus.

Tortoise and the board of directors for its closed-end funds announced the termination of the proposed merger of **Tortoise Energy Independence Fund, Inc.** (**NDP**) with and into **Tortoise Pipeline & Energy Fund, Inc.** (**TTP**). "Tortoise and the board viewed the merger of these two funds as an opportunity to expand the investment strategy to better capture and accelerate the opportunity around the global energy evolution," said Brad Adams, CEO of Tortoise's closed-end funds. "Despite our efforts to obtain votes from all shareholders, there were ultimately not enough votes from both TTP and NDP shareholders to approve the merger. We remain focused on long-term shareholder value and both funds will continue to pursue their current investment strategies while we review strategic options for each fund."

The **Nuveen Corporate Income 2021 Target Term Fund** (**JHB**) has entered the wind-up period in anticipation of its termination date. The fund is a "target term" fund that will cease its investment operations and liquidate its portfolio on November 1, 2021, and distribute the net proceeds to shareholders, unless the term is extended for a period of up to six months by a vote of the fund's board of trustees.

The fund has the investment objective to provide a high level of current income and to return the fund's original $9.85 NAV to shareholders at termination. Recent market conditions have materially increased the risk associated with achieving the fund's objective to return original NAV. This objective 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. Under normal circumstances, the fund invests at least 80% of its managed assets in corporate debt securities.

During the wind-up period the fund may deviate from its investment objectives and policies, and may invest up to 100% of its managed assets in high quality, short-term securities. High quality, short-term securities for this fund include securities rated investment grade (BBB-/Baa3 or higher or unrated but judged by the fund's subadvisor to be of comparable quality) with a final or remaining maturity of 397 days or less. Consequently, for the remainder of its term, the fund will invest at least 80% of its managed assets in (i) corporate debt securities; and (ii) short-term investment grade securities that have a final or remaining maturity of 397 days or less, so long as the maturity of any security in the fund does not occur later than May 1, 2022. The fund has also completed the process of redeeming and retiring its leverage in anticipation of its termination date.

**First Eagle Senior Loan Fund** (**FSLF**) announced that it intends to liquidate and distribute its net assets to shareholders. The fund's investment advisor, First Eagle Alternative Credit, LLC ("FEAC"), and the fund's board of trustees considered a variety of factors, including but not limited to the relatively small size of the fund and the fund's trading discount to NAV. FEAC and the board also considered alternative actions to address the fund's scale and discount, including but not limited to merging the fund into another closed-end investment company or an open-end investment company, adding a term to the fund, or conducting a tender offer. On balance, it was determined that a liquidation would be in the best interest of the fund and its shareholders, allowing shareholders to realize NAV for their shares and avoiding the discount to NAV that shareholders would currently realize if they sold their shares in the market.

The fund fixed the close of business on June 28, 2021, as the closing of the fund's transfer books and effective date for determining the shareholders of the fund entitled to receive liquidating distributions from the fund. The fund's shares continued trading on the NYSE through June 28, 2021, and was suspended from trading before the open of trading on June 29, 2021, after which time there was no secondary market for the fund's shares. It was anticipated that the fund will pay one or more cash liquidating distributions, beginning on or about July 14, 2021.

The **Highland Income Fund** (**HFRO**) announced the filing of a preliminary proxy statement with the Securities and Exchange Commission for a special meeting of shareholders in connection with its proposal to convert the fund from a registered investment company to a diversified holding company. The proposal to change the fund's business from a registered investment company to a diversified holding company and to amend certain fundamental investment restrictions aims to increase shareholder value and better position HFRO in the current and future market environment.

BlackRock Advisors, LLC announced that the board of trustees of **BlackRock 2022 Global Income Opportunity Trust** (**BGIO**) approved the adoption of a plan of liquidation in accordance with its investment objective of terminating on or before February 28, 2022. Under the fund's plan of liquidation, which was effective June 30, the fund will begin the process of liquidating portfolio assets and unwinding its affairs. The fund expects to make a final liquidating distribution by December 31, 2021. The fund is liquidating earlier than anticipated given the favorable market environment for unwinding its assets and returning shareholder capital in a timely manner. The trust's investment objectives and policies are not designed to seek to return to investors the initial offering price per common share on the termination date. The fund has an annualized total return of 5.0% on market price and has paid out $2.59 per share in distributions since inception. The trust expects to make periodic liquidating distributions to shareholders pursuant to the plan of liquidation in advance of its termination and make a final liquidating distribution on or around December 31, 2021. Upon the effectiveness of the fund's plan of liquidation, the automatic dividend reinvestment plan of the fund has been suspended with respect to any dividends or distributions for which the record date is on or after June 30, 2021. All such dividends or distributions will be paid in cash.

## Other

**Tortoise Essential Assets Income Term Fund** (**TEAF**) and parent company, TortoiseEcofin, announced that effective June 30, 2021, the fund name will be changed from Tortoise Essential Assets Income Term Fund to **Ecofin Sustainable and Social Impact Term Fund**. TEAF is a multi-strategy vehicle that invests in private and public investments within sustainable infrastructure and social impact and has reached an allocation of 87% in such impact investments. Some of the fund's investments include solar, wind, water, bioenergy, waste-to-energy, recycling, education, and assisted living, which collectively makes the fund one of the first of its kind—a sustainable and thematic closed-end fund. The fund will join Ecofin's other products dedicated to impact and sustainability. Consequently, the board approved the name change and the fund was expected to begin trading under its new name on July 1, 2021. It will continue to trade on the NYSE under the current ticker symbol TEAF and new CUSIP: 27901F109.

**The Mexico Fund, Inc.** (**MXF**) announced that the board of directors has decided to reinstate the fund's Managed Distribution Plan (MDP). As announced on June 8, 2020, the board decided to temporarily suspend its MDP because of the sharp decrease in fund net assets as global financial markets were negatively impacted by the effects of the COVID-19 pandemic, affecting global economic activity, the Mexican equity market, and the value of the Mexican peso. Under those circumstances, the board decided that it was in the best interest of stockholders to suspend its MDP in order to preserve capital, while enabling the fund to take advantage of attractive investment opportunities. Notwithstanding, the board maintained a commitment to reinstate the MDP as soon as it deemed advisable.

Since November 2020, fund net assets recovered along with global financial markets, driven by substantial global monetary and fiscal stimulus. The economic outlook improved due to the reopening of several activities and the ongoing vaccination programs, and the fund experienced a recovery in dividends received from portfolio issuers. Consequently, the board has determined that it is in the best interest of fund stockholders to reinstate the fund's MDP. Under the fund's MDP, the fund pays quarterly cash distributions to its stockholders. As a result, the board has declared a distribution of $0.18 per share to stockholders of record on July 22, 2021, which is payable in cash on July 29, 2021.



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

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