June 6, 2023

XA INVESTMENTS

XAI Monthly Update on Listed CEF and Interval Fund Market Developments

Interval and Tender Offer Fund Education

INTERVAL FUND EDUCATION XAI CONSULTING

XAI's consulting practice provides listed CEF and interval fund strategy services inclusive of private label CEF and interval fund development and builds, listed CEF secondary market support, feasibility studies on various segments of the market, and custom analysis and data packs. Please see a list of services and options below related to custom research and analysis.

XAI Consulting – Custom Research and Analysis

- Investment Strategy and Suitability
- Economics and Profitability
- Salability and Marketability
- Market-wide and Asset Class Detailed Net Flows
- Redemptions and Repurchases
- Leverage Levels and Types
- Competitor Fee Levels
- Investor Eligibility and Suitability
- Share Classes
- Valuation/NAV Frequency
- Service Providers
- Marketing Materials

Top 10 Interval/Tender Offer Funds by AUM

Fund	Type	Ticker	Asset Class	Wire Platform	AUM (bn)*	As of
Cliffwater Corporate Lending Fund	Interval	CCLFX	Direct Lending	-	$16.6	3/31/2023
Partners Group Private Equity Fund	Tender	N/A	Private Equity	ML, MS, Wells	$13.7	3/31/2023
ACAP Strategic Fund	Interval	XCAPX	Long / Short Equity	ML, MS, UBS, Wells	$11.7	3/31/2023
Bluerock Total Income+ Real Estate Fund	Interval	TIPWX	Real Estate	MS, UBS	$6.5	3/31/2023
Apollo Diversified Real Estate Fund	Interval	GRIFX	Real Estate	MS, UBS	$5.9	3/31/2023
PIMCO Flexible Credit Income Fund	Interval	PFLEX	Global Credit	ML, MS, UBS, Wells	$4.8	4/30/2023
Cion Ares Diversified Credit Fund	Interval	CADUX	Loans / Structured Credit	MS, UBS, Wells	$3.7	4/30/2023
Versus Capital Real Assets Fund	Interval	VCRRX	Real Assets	-	$3.0	5/31/2023
AIP Alternative Lending Fund P	Tender	N/A	Marketplace Loans	MS	$2.9	4/30/2023
Versus Capital Real Estate Income Fund	Interval	VCMIX	Real Estate	-	$2.6	5/31/2023

*Data may be delayed due to timing of shareholder reports issued by the respective funds.

Other Interval/Tender Offer Funds on Wirehouse Platforms

Fund	Type	Ticker	Asset Class	Wire Platform	AUM (mm)*	As of
Carlyle Tactical Private Credit Fund	Interval	TAKIX	Loans / Structured Credit	MS	$2,606	3/31/2023
Ironwood Multi-Strategy Fund	Tender	N/A	Fund of Funds	ML	$2,347	1/31/2023
AMG Pantheon Fund	Tender	XPEIX	Private Equity	MS	$1,860	3/31/2023
PIMCO Flexible Municipal Income Fund	Interval	PMFLX	Municipal Bonds	ML, MS, UBS	$1,770	4/30/2023
Lord Abbett Credit Opportunities Fund	Interval	LCRDX	Global Credit	UBS, ML	$1,310	3/31/2023
KKR Credit Opportunities Portfolio	Interval	KCOPX	Global Credit	MS, UBS, ML	$804	4/30/2023
FS Credit Income Fund	Interval	FCRIX	Global Credit	MS, UBS	$569	1/31/2023
Invesco Senior Loan Fund	Interval	VSLAX	Loans / Structured Credit	UBS	$499	3/31/2023
BlackRock Credit Strategies Fund	Interval	CREDX	Global Credit	MS, UBS	$414	3/31/2023
Blackstone / GSO Floating Rate Enh. Inc. Fd	Interval	BGFLX	Loans / Structured Credit	MS, UBS	$357	4/30/2023
Nuveen Enhanced HY Muni. Bond Fund	Interval	NHYEX	Municipal Bonds	ML, UBS	$189	4/30/2023
1WS Credit Income Fund	Interval	OWSCX	Loans / Structured Credit	UBS	$167	1/31/2023
Voya Credit Income Fund	Interval	XSIIX	Loans / Structured Credit	UBS	$138	4/30/2023

*Data may be delayed due to timing of shareholder reports issued by the respective funds.

Non-listed CEF Market Summary Stats

Fund Structure	Total Funds (#)	AUM*
Interval Funds	90	$79.4bn
Tender Offer Funds	100	$51.9bn
Total	**190**	**$131.3bn**

*Data reflects most recent available as of 5/31/2023.

Recent CEF N-2 Filings with the SEC

Filing Date	Name	Asset Class	Structure
5/30/2023	Coller Secondaries Private Equity Fund	Private Equity	Tender Offer
5/26/2023	Apollo S3 Private Markets Fund	Private Equity / Private Credit	Tender Offer
5/9/2023	Equi Diversified Core Fund	Hedge Funds	Tender Offer
5/9/2023	Institutional Investment Strategy Fund	Fund of Funds	Interval Fund

Forward Listed CEF IPO Calendar*

Month	Sponsor	Fund Name	Strategy
TBD	Nuveen	Nuveen Municipal Opportunities Fund	Municipal Bonds
TBD	First Eagle	First Eagle Global Opportunities Fund (FEGL)	Equity / Debt
TBD	DoubleLine	DoubleLine Shiller CAPE Enhanced Income Fund (DUB)	Equity
[Oct]	PIMCO	PIMCO Municipal Credit Income Fund (PMC)	Municipal Bonds

*Subject to market conditions.

Top 10 Current Average Listed CEF Premium/Discount

Equity / Hybrid	Premium / Discount	Fixed Income	Premium / Discount
Commodities	-1.59%	Limited Duration	-2.13%
Sector Equity	-2.34%	Multi-Sector	-2.33%
Covered-Call Funds	-6.54%	Taxable Muni	-4.27%
Real Estate	-9.15%	Investment Grade	-4.78%
U.S. Equity	-10.55%	Global Income	-5.84%
U.S. Allocation	-12.38%	Convertibles	-6.53%
Global Allocation	-13.09%	Preferreds	-6.65%
Global Equity	-13.52%	Senior Loans	-8.76%
Single-Country Equity	-14.24%	High Yield	-9.05%
Emerging Market Equity	-14.52%	Emerging Market Income	-9.30%

Historical CEF Listed Premium/Discount Averages
(as of 5/31/2023)

Current	-9.30%
4/28/2023	-8.61%
2023 YTD	-7.83%
2022	-5.78%
2021	-3.13%
2020	-7.36%
10 Year Historical	-5.67%
10 Year – Munis	-4.65%
10 Year – Taxable	-6.05%

CEF Industry News and Upcoming Events

Date	Source	Summary
June 13-14	IDC	The Independent Directors Council will host its semi-annual Foundations for Fund Directors conference on June 13-14 in Washington, DC. Directors and those interested can register at www.idc.org.
June 14	Blue Vault	Blue Vault will hold its Alternative Investing with Interval/Tender Offer Funds webinar on June 14 at 2PM EST. The webinar is restricted to financial professionals and will be moderated by Stacy Chitty of Blue Vault, and include Kim Flynn of XA Investments, Fred Baerenz AIF® of AOG Wealth Management, Inc., and Ann Maurer of UMB. Go to www.bluevaultpartners.com to register.
July 25-26	ADISA	ADISA, the Alternative & Direct Investment Securities Association, will hold its 2023 Alts Research & Due Diligence Forum on July 25-26 in Salt Lake City, Utah. Go to www.adisa.org to register.

CEF Market: Legal & Regulatory Update

On May 24, the Investment Company Institute published a paper discussing closed-end fund shareholder activism. The paper noted the recent rise of activist investors during the previous handful of years. The ICI's research indicates that although there were fewer listed CEFs between 2018 to 2022, the number of proxy solicitation filings increased. Moreover, 95% of those filings were concentrated among 5 activists vs. 53% among the top 5 activists from 1998 to 2002. The ICI notes a recent bill introduced by Rep. Ann Wagner, the Increasing Investor Opportunities Act (HR 2627), could potentially assist CEFs by a putting a 10% cap on activist stakes held in hedge funds.

The state of Maryland has followed Delaware and on May 8 adopted amendments to its corporate laws to apply the state's "control share" statute to CEFs and BDCs structured as trusts. Previously, only Maryland corporations were eligible to apply the state's control share statute. Perhaps most important for CEFs, the statute will automatically apply to any Maryland statutory trust formed on or after October 1, 2023. All other trusts will need to opt into application of the statute.

XA Investments

321 North Clark Street, Suite 2430
Chicago, Illinois 60654
888-903-3358
info@xainvestments.com

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Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee a fund's investment objective will be achieved. Closed-end funds ("CEFs"), interval funds and tender offer funds are designed for long-term investors who can accept the special risks associated with such investments. Interval and tender offer CEFs are not intended to be used as trading vehicles. An investment in an interval or tender offer CEF is not suitable for investors who need access to the money they invest. Unlike open-end mutual funds, which generally permit redemptions on a daily basis, interval and tender offer CEF shares may not be redeemable at the time or in the amount an investor desires. An investment in CEFs involves risks, including loss of principal.