

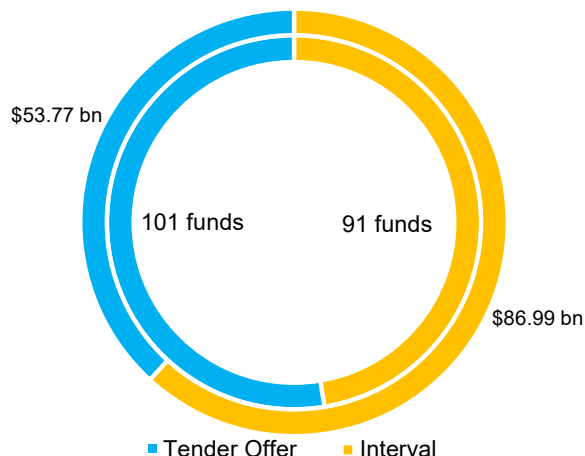
XAI Monthly Update on Listed CEF and Interval Fund Market Developments

XA Investments SELECT Interval and Tender Offer Funds

XAI SELECT funds do not constitute recommendations, holdings, or investment decisions. Instead, these funds stand out from their peers as market leaders based XA Investments' assessment of quantitative and qualitative criteria, which includes, but is not limited to, those listed below. Please see disclaimers for more information.

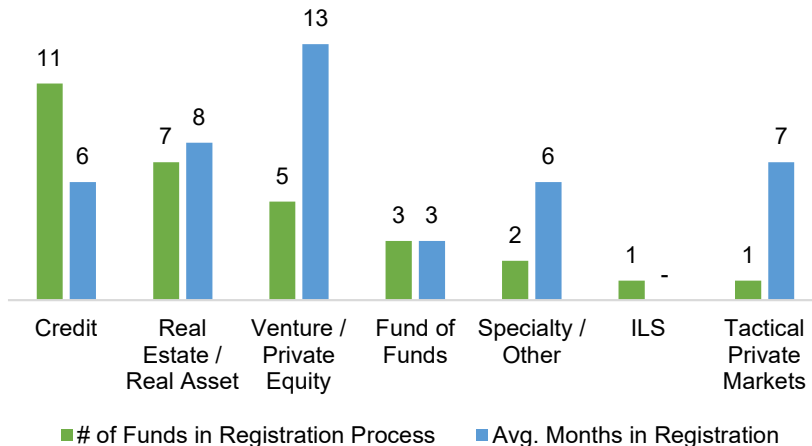
Criteria	Asset Class	Fund Name
- Few Suitability Restrictions - RIA Focused - Growth Momentum	Credit	Apollo Diversified Credit Fund
		BlueBay Destra International Event-Driven Credit Fund
		Carlyle Tactical Private Credit Fund
		Cliffwater Corporate Lending Fund
		Federated Hermes Project And Trade Finance Tender Fund
		Flat Rock Core Income Fund
		Oaktree Diversified Income Fund
- Scale Efficiencies - Strong Historical Performance - Other Qualitative Factors	Real Estate / Real Asset	Fundrise Income Real Estate Fund
	Private Equity / Venture	AMG Pantheon Fund, LLC
		Barings Private Equity Opportunities & Commitments Fund
		BlackRock Private Investments Fund
		Pomona Investment Fund
		Princeton Everest Fund
	Specialty / Other	StepStone Private Markets
		Variant Alternative Income Fund

Non-Listed CEF Market: 192 Funds with \$141bn



Data reflects most recent available as of 8/31/2023. External circle represents Total Managed Assets. Inner circle represents number of funds.

30 Non-Listed CEFs Currently in Registration Process



Avg. Months in Registration represents the average time in registration for funds that have gone effective with an initial filing date after 1/1/2022.

Largest Interval/Tender Offer Funds

Fund	Type	Ticker	Asset Class	Wire Platform	AUM (\$M) ¹	As of
Partners Group Private Equity Fund	Tender	N/A	Venture / Private Equity	ML, MS, WF	14,106	6/30/2023
Cliffwater Corporate Lending Fund	Interval	CCLFX	Credit	-	12,500	7/31/2023
ACAP Strategic Fund	Interval	XCAPX	Equity	ML, MS, UBS, WF	7,346	6/30/2023
Bluerock Total Income+ Real Estate Fund	Interval	TIPWX	Real Estate / Real Asset	MS, UBS	6,323	6/30/2023
Apollo Diversified Real Estate Fund	Interval	GRIFX	Real Estate / Real Asset	MS, UBS	5,404	6/30/2023
Cion Ares Diversified Credit Fund	Interval	CADUX	Credit	MS, UBS, WF	3,383	7/31/2023
Versus Capital Real Assets Fund	Interval	VCRRX	Real Estate / Real Asset	-	3,146	7/31/2023
PIMCO Flexible Credit Income Fund	Interval	PFLEX	Credit	ML, MS, UBS, WF	2,900	7/31/2023
Variant Alternative Income Fund	Interval	NICHX	Specialty / Other	-	2,817	7/31/2023
Ironwood Multi-Strategy Fund	Tender	N/A	Specialty / Other	ML	2,399	4/30/2023

1. Some data may be delayed due to timing of shareholder reports issued by the respective funds. AUM is measured by net assets.

Developments in Non-Listed CEF Registrations

Filed Post-Effective Registration Statement	Structure	Asset Class	Filing Date
Polen Credit Opportunities Fund	Interval	Credit	8/21/2023
Hartford Schroders Private Opportunities Fund	Tender	Venture / Private Equity	7/28/2023
Filed Initial Registration Statement			
Baseline CRE Income Fund	Interval	Real Estate / Real Asset	8/4/2023
CAZ Strategic Opportunities Fund	Tender	Tactical Private Markets	8/9/2023
PGIM Credit Income Fund	Interval	Credit	8/17/2023
Manulife Private Credit Plus Fund	Tender	Credit	8/25/2023
Principal Private Credit Fund	Interval	Credit	8/25/2023
Meketa Infrastructure Fund	Interval	Real Estate / Real Asset	9/1/2023
Axxes Private Markets Fund	Interval	Venture / Private Equity	9/1/2023



Historical Listed CEF Premium/Discount Averages (as of 8/31/2023)

Current	-8.50%
7/31/2023	-7.84%
2023 YTD	-8.03%
2022	-5.78%
2021	-3.13%
2020	-7.36%
10 Year Historical	-5.75%
10 Year – Munis	-4.82%
10 Year – Taxable	-6.09%

Top 10 Current Average Listed CEF Premium/Discount

Equity / Hybrid	Premium / Discount	Fixed Income	Premium / Discount
Commodities	-2.11%	Limited Duration	0.02%
Sector Equity	-2.61%	Multi-Sector	-0.90%
Covered-Call Funds	-6.46%	Investment Grade	-2.47%
Real Estate	-8.03%	Global Income	-2.80%
U.S. Equity	-10.38%	Emerging Market Income	-4.33%
MLP	-11.28%	Convertibles	-4.94%
U.S. Allocation	-12.03%	Taxable Muni	-5.79%
Global Equity	-12.68%	Senior Loans	-6.87%
Global Allocation	-12.89%	High Yield	-8.11%
Emerging Market Equity	-14.34%	Preferreds	-8.51%

Forward Listed CEF IPO Calendar* (IPO Market Currently Closed)

IPO Month	Sponsor	Fund Name	Initial Filing Date	Strategy
TBD	DoubleLine	<u>DoubleLine Shiller CAPE Enhanced Income Fund</u>	6/10/2021	Equity
TBD	First Eagle	<u>First Eagle Global Opportunities Fund</u>	8/4/2021	Equity / Debt
TBD	PIMCO	<u>PIMCO Municipal Credit Income Fund</u>	10/3/2022	Municipal Bonds
TBD	Nuveen	<u>Nuveen Municipal Opportunities Fund</u>	10/4/2022	Municipal Bonds
TBD	BlackRock	<u>BlackRock 2038 Municipal Target Term Trust</u>	6/23/2023	Municipal Bonds

CEF Industry News and Upcoming Events

Date	Source	Summary
Sept 18-21	IPA	IPA, the Institute for Portfolio Alternatives, will hold its IPAVision 2023 and Due Diligence Symposium on September 18-21 in Dallas. Go to www.ipa.com to register.
Oct 11-13	IDC	IDC, Independent Directors Council, will hold its 2023 Fund Directors Conference on October 11-13 in Chicago. Go to idc.org to register.
Oct 16-18	CAIS	The second annual CAIS Alternative Investment Summit will take place October 16-18 in Los Angeles. Go to https://info.caisgroup.com/cais-summit-2023 for more information.
Nov 13	XA Investments	XA Investments LLC, PINE Advisor Solutions, US Bank, and Faegre Drinker Biddle & Reath will host a panel discussion and cocktail hour on Monday, November 13th, at the Harvard Club of New York City. As the interval fund market matures, an increasing number of fund managers are considering launching an interval fund. Panelists will discuss best practices when launching an interval fund and lessons learned through the interval fund launch process.
Nov 14	ICI	On November 14, the ICI will host its annual Closed-end Fund Conference with a look into the future of closed-end funds and updates on emerging trends. Connect with industry regulators and experts, network with colleagues, and earn CLE/CPE credit. Go to www.ici.org to register.
Nov 15	AICA	AICA, Active Investment Company Alliance will be holding their fall roundtable in New York on November 15th. Go to www.aicalliance.org to register. Note: the date changed from October 5 th to November 15 th .

*Subject to market conditions

Sources: XA Investments; SEC.gov; CEFData.com; CEF Connect; Fund Sponsor Websites

www.xainvestments.com

CEF Market: Legal & Regulatory Update

SEC Private Fund Rules Update

On August 23, 2023 the SEC adopted sweeping new rules and various rule amendments under the Investment Advisers Act of 1940 (the “Advisers Act”) to update a number of compliance and operational requirements for private fund advisers (“GPs”). In brief, the new regime will require significantly more transparency into fund performance, financials, and GP transactions.

Fund Statements, Audits and GP-Led Secondaries Rules

The SEC adopted a number of requirements related to private fund operational transparency, including:

- **Annual Audits:**¹ GPs should have each fund independently audited under US GAAP and distribute the audit report to private fund investors (“LPs”) within 120 days of FYE (180 days for funds of funds);
- **Quarterly Statements:**² GPs will provide quarterly statements to LPs, which will include:
 - Standardized fund performance information;
 - Expense table information, including detailed accounting of GP compensation, fees and expenses of the fund;
 - Investment tables, which will also include compensation paid or allocated to the GP by each fund investment; and
 - Fee and expense methodologies, including cross references to the partnership agreement and org docs that permit the fees.
- **Adviser-led Secondaries:**³ GPs/Advisers that engage in an adviser-led secondary (excluding tender offers) transaction must:
 - Obtain and disclose a fairness or valuation opinion from a third-party (any material business relationship with the opinion provider must be disclosed).
 - Maintain a copy of the opinion and material business relationship summary along with dates and addresses of recipients.

The compliance dates for the rules will be 18 months after publication in the Federal Register, except the Adviser-led Secondaries Rule compliance date will be 12 months after publication in the Federal Register for GPs with at least \$1.5 billion in private fund AUM.

Restricted Activities Rule⁴

Borrowing activities and some fee allocations that many GPs charge to private funds are now limited or restricted, including (i) fee charges related to regulatory investigations of the GP (subject to majority approval from LPs); (ii) fee clawback reductions of taxes incurred by the GP without written notice to LPs including information on the clawback reduction amounts 45 days after the fiscal quarter; (iii) borrowing assets from a fund without written notice to LPs describing the material terms of the arrangement and receipt of a majority of LP unit approval; (iv) charging non-pro rata fees to investors, unless such fees are “fair and equitable” and the GP has distributed notice describing the allocation and its fairness prior to allocation of the fees. The compliance date for the rules will be 18 months after publication in the Federal Register for GPs with less than \$1.5 billion in private fund AUM and 12 months after publication in the Federal Register for GPs with at least \$1.5 billion in private fund AUM.

Preferential Treatment Rule⁵

The Commission also adopted a preferential treatment rule, which prohibits preferential redemptions for LPs that could reasonably be expected to have a material negative effect on other LPs (unless required by law). Additionally, GPs cannot selectively disclose fund portfolio information to certain LPs if the information disclosure could reasonably be expected to have a material negative effect on other LPs. Legacy status will be applied for LPs that have agreements that were entered into prior to the Rule compliance date. The compliance date for the rule will be 18 months after publication in the Federal Register for GPs with less than \$1.5 billion in private fund AUM and 12 months after publication in the Federal Register for GPs with at least \$1.5 billion in private fund AUM.

Annual Compliance Review⁶

Lastly, the SEC adopted amendments to Rule 206(4)-7(b), requiring all registered investment advisers to document their CCO’s annual review of the effectiveness of the adviser’s compliance program and material compliance matters that occurred during the year. The amendments did not prescribe the content or format of the documented annual review, and they will go into effect 60 days after publication in the Federal Register.

1. Rule 206(4)-10 under the Advisers Act.
 2. Rule 211(h)(1)-2 under the Advisers Act.
 3. Rule 211(h)(2)-2 under the Advisers Act.
 4. Rule 211(h)(2)-1 under the Advisers Act.
 5. Rule 211(h)(2)-3 under the Advisers Act.
 6. Rule 206(4)-7(b) under the Advisers Act.

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