

XA Investments (XAI) Monthly Update on Listed CEF and Interval Fund Market Developments

Pershing Square Makes Waves in the U.S. Listed CEF Market

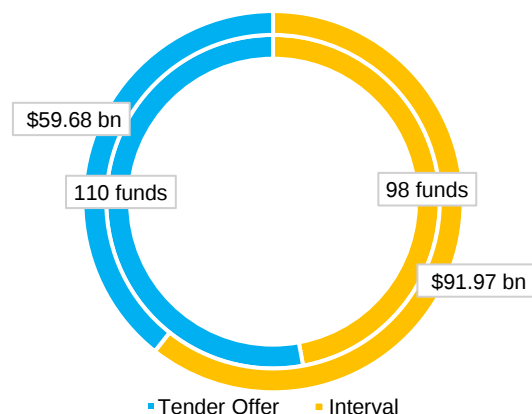
- ❑ [Pershing Square USA, Ltd.](#) (PSUS), filed its initial registration statement on 2/7/24
- ❑ PSUS will pursue a similar strategy to its London Stock Exchange (LSE) counterpart, Pershing Square Holdings, Ltd. (PSH), by buying undervalued large-cap U.S. equities
- ❑ The announcement brings excitement to an otherwise tepid U.S. listed CEF IPO market
- ❑ While PSH has achieved strong performance and growth on the LSE, it has often traded at steep discounts to NAV

	PSH	PSUS
Domicile	Guernsey	United States
Exchanges Listed	Euronext Amsterdam London Stock Exchange BATS Chi-X Europe	New York Stock Exchange
Underwriters	UBS, Deutsche Bank, Credit Suisse	Citigroup, UBS, BofA Securities
Management Fee	1.50%	2.00% ¹
Performance Fee	16.00% ²	-
Discount (2/29/2024)	-24.95%	-
IPO Date	10/13/2014	TBD
IPO Proceeds	\$2.73bn	TBD
Total Assets³	\$14.56bn	TBD

1. Management Fee will be waived for the first 12 months.
2. PSH would be eligible to receive an additional fee reduction from 20% of management fees earned on any Pershing Square funds that invest in public securities which do not charge performance fees, including PSUS.
3. Portfolio Update, Pershing Square Holdings, Ltd., January 31, 2023.

Current Non-listed CEF Total Managed Assets

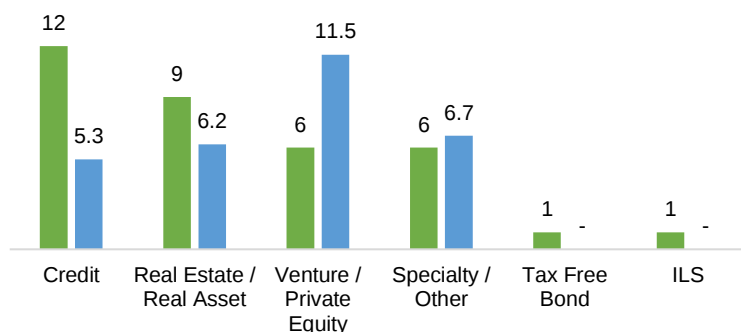
Non-Listed CEF Market: 208 Funds with \$152bn



Features the latest publicly available data as of 2/29/2024. Outer circle represents total managed assets. Inner circle represents number of funds.

Overview of Non-Listed CEF SEC Registrations

35 Non-Listed CEFs Currently In Registration Process



■ # of Funds in Registration Process ■ Avg. Months in Registration

As of 2/29/2024. 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. 1940 Act only funds have been excluded from the above, as these funds do not file a Notice of Effectiveness with the SEC.

Largest Interval / Tender Offer Funds

Fund	Structure	Ticker	Asset Class	Wire Platform	Net Assets (\$mm) ⁴	As of
Cliffwater Corporate Lending Fund	Interval	CCLFX	Credit	-	16,400	1/31/2024
Partners Group Private Equity Fund	Tender	-	Private Equity	ML, MS, WF	14,278	12/31/2023
ACAP Strategic Fund	Interval	XCAPX	Equity	ML, MS, UBS, WF	7,274	12/31/2023
Apollo Diversified Real Estate Fund	Interval	GRIFX	Real Estate	MS, UBS	4,901	12/31/2023
Bluerock Total Income + Real Estate Fund	Interval	TIPWX	Real Estate	MS, UBS	4,738	12/31/2023
CION Ares Diversified Credit Fund	Interval	CADUX	Credit	MS, UBS, WF	3,657	12/31/2023
Variant Alternative Income Fund	Interval	NICHX	Credit	-	2,982	10/31/2023
Versus Capital Real Assets Fund LLC	Interval	VCRRX	Real Estate	-	2,978	1/31/2024
PIMCO Flexible Credit Income Fund	Interval	PFLEX	Credit	ML, MS, UBS, WF	2,889	1/31/2024
AMG Pantheon Fund, LLC	Tender	XPEIX	Private Equity	MS	2,810	12/31/2023

4. Net asset data is sourced from regulatory filings and fund websites and may be delayed due to reporting lags.

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

www.xainvestments.com

Developments in Non-Listed CEF Registrations

Initial Registration Statement Filings	Structure	Asset Class	Filing Date
Partners Group Next Generation Infrastructure, LLC	Tender	Real Estate / Real Asset	2/14/2024
AB CarVal Credit Opportunities Fund	Interval	Credit	2/23/2024
Partners Group Growth, LLC	Tender	Venture / Private Equity	2/27/2024
Gemcorp Commodities Alternative Products Fund	Interval	Specialty / Other	2/27/2024
Aether Infrastructure & Natural Resources Fund	Interval	Real Estate / Real Asset	2/28/2024
Post-Launch Filings	Structure	Asset Class	Filing Date
Octagon XAI CLO Income Fund	Interval	Credit	2/16/2024



Historical Listed CEF Premium/Discount Averages (as of 2/29/2024)

Current	-8.04%
1/31/2024	-8.42%
2024 YTD	-8.40%
2023	-8.59%
2022	-5.78%
2021	-3.13%
10 Year Historical	-5.90%
10 Year – Munis	-5.04%
10 Year – Taxable	-6.22%

Top 10 Current Average Listed CEF Premium / Discount

Equity / Hybrid	Premium / Discount	Fixed Income	Premium / Discount
Commodities	-3.17%	Multi-Sector	0.02%
Sector Equity	-3.41%	Limited Duration	-0.43%
Real Estate	-6.71%	Global Income	-2.28%
Covered-Call Funds	-8.39%	Investment Grade	-2.46%
MLP	-10.15%	Taxable Muni	-3.99%
U.S. Allocation	-11.35%	Convertibles	-4.05%
U.S. Equity	-12.19%	Senior Loans	-4.48%
Global Allocation	-13.07%	High Yield	-5.60%
Asia Equity	-13.26%	Preferreds	-5.79%
Global Equity	-13.74%	Emerging Market Income	-8.20%

Forward Listed CEF IPO Calendar (IPO Market Currently Closed)¹

IPO Month	Sponsor	Fund Name	Initial Filing Date	Strategy
TBD	DoubleLine	DoubleLine Shiller CAPE Enhanced Income Fund	6/10/2021	Equity
TBD	First Eagle	First Eagle Global Opportunities Fund	8/4/2021	Equity / Debt
TBD	PIMCO	PIMCO Municipal Credit Income Fund	10/3/2022	Municipal Bonds
TBD	Nuveen	Nuveen Municipal Opportunities Fund	10/4/2022	Municipal Bonds
TBD	BlackRock	BlackRock 2038 Municipal Target Term Trust	6/23/2023	Municipal Bonds
TBD	Pershing Square	Pershing Square USA, Ltd.	2/7/2024	Equity

CEF Industry News and Upcoming Events

Date	Source	Summary
Mar 17-20	ICI	On Mar 17-20 th , the Investment Company Institute ("ICI") will host its 2024 Investment Management Conference in Palm Desert, CA. The conference offers valuable programming and networking opportunities for industry professionals, including asset managers, service providers, board members, and legal and compliance personnel. Go to ici.org to register.
Apr 8-10	ADISA	ADISA, the Alternative & Direct Investment Securities Association, will hold its 2024 Spring Conference on April 8-10 th in Chicago. The conference will bring together the nation's leading alternative investment professionals to learn the latest industry trends, marketing recommendations and current regulations. Go to www.adisa.org to register.
Ongoing	CAIS Live	CAIS Live is a new alts education program which features one-day, in-person events for independent advisors in key cities across the nation. CAIS Live intends to organize up to 100 events nationwide per year, reaching over 15,000 independent advisors. CAIS Live will be headed next to Dallas, Boston, NYC, D.C., Denver, Chicago, Charlotte and Seattle. Visit caisgroup.com/events for more information.

CEF Market: Legal & Regulatory Update

On February 28, the Securities and Exchange Commission announced that William Birdthistle, the Director of the Division of Investment Management ("IM") will depart the Commission. Birdthistle's final day at IM will be March 8. His tenure at the Commission began in December 2021 and was marked by a number of substantial rule amendments and extensive initiatives to adopt new rules, including a new round of money market reform rules (the previous sweeping changes were less than a decade old), and an updated "Names Rule." Birdthistle also leaves the Division of Investment Management while there are a number of significant rule proposals still outstanding. Natasha Vij Greiner will become the new Director of the Division of IM. Ms. Greiner is currently the Deputy Director of the SEC's Division of Examinations.

On February 16, the SEC settled with an investment adviser to an exchange-traded fund for violations of Section 15(c) of the Investment Company Act of 1940 and Section 206(2) of the Investment Advisers Act of 1940. The investment adviser paid a penalty of \$1.75 million in the settlement. Of note, the ETF's index provider partnered with a well-known social media influencer to promote the ETF's index (as opposed to the ETF). The index provider's licensing fee was set to be at least 20% of the investment adviser's net management fees, and as much as 60% of the management fee if the ETF reached \$1.25 billion in AUM within 18 months of launch. The social media influencer was offered an ownership stake in the index provider, which he accepted. The SEC found that materials presented to the ETF's board of trustees did not adequately disclose the sliding scale of the index licensing fee or the social media influencer's involvement or compensation through the licensing agreement, and the board was only later informed of the social media influencer's involvement days before the ETF's launch. At the ETF's March 4 NYSE trading launch, the investment adviser arranged for the social media influencer to appear by video at the NYSE virtual bell ringing ceremony.

1. Subject to market conditions.

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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.

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