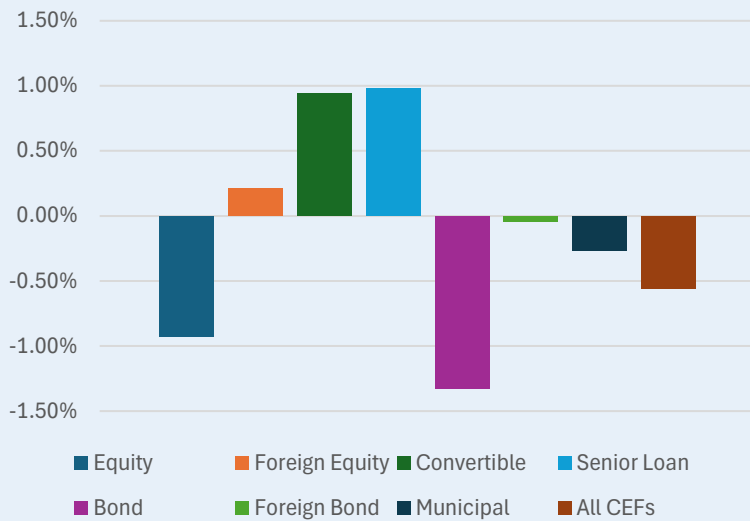


### About Us

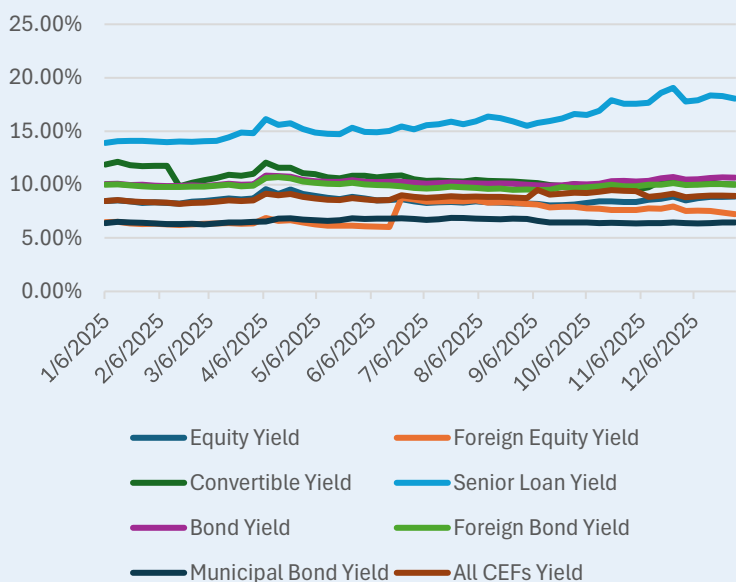
Over more than four decades in business, Herzfeld Advisors has built deep and enduring relationships across the closed-end fund universe, providing us with what we believe to be unique access to a broad range of industry participants. Widely regarded as a pioneer in the space, we have long served as a resource to the CEF ecosystem, offering insight and guidance to academics, government agencies, financial institutions, and fellow closed-end fund managers alike.

### Change in Premium/Discount Month over Month



Source: Bloomberg

### Average CEF Yields 2025



Source: Bloomberg

### Current CEF Trends

- In December 2025, in the closed-end fund (CEF) universe, on average, discounts widened by -0.56% and yields increased by 0.11%. These moves were driven by a mix of factors, including evolving rate-cut expectations, typical year-end tax-loss selling pressures, and thinner liquidity during the holidays.
- The most significant discount widening occurred in the Bond CEF sector, which includes BAB, credit, corporates, ESG, high yield, limited duration, preferreds, multi-sector, mortgages, and TIPs bond closed-end funds. On average, the bond funds discount widened by -1.33% and yields increased by 0.16%.
- In contrast, the most significant discount tightening occurred in the Senior Loan sector, which includes traditional loan funds and CLO-focused strategies. On average, the senior loan funds discount tightened by 0.98% and yields increased by 0.26%. In CLO CEFs specifically, most funds reported lower net asset values (NAVs) in November, which in turn contributed to discount tightening across the sector.
- In December, Equity CEFs experienced the largest increase in yields, rising by 0.36%, alongside a notable widening in discounts of 0.93%. In contrast, Foreign Equity CEFs saw the sharpest decline in yields, down 0.31%, while discounts tightened by 0.21%.

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Investing in closed-end funds involves risk, including loss of principal. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. In addition, there is no guarantee the strategy's investment objectives will be achieved. You should consider the strategy's investment objectives, risks, and charges and expenses carefully before you invest. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. It is important to remember that there are risks inherent in any investment and there is no assurance that any investment or asset class will provide positive performance over time.

Past performance is not indicative of future results.