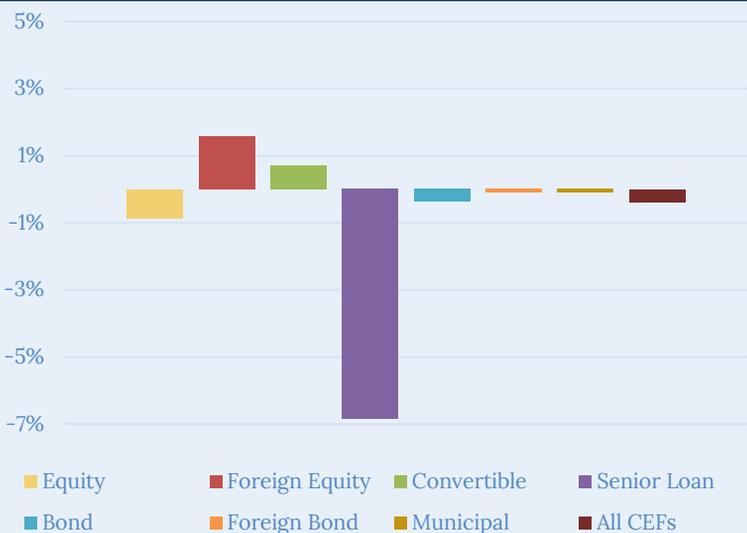


About Us

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 Premium/Discount



Source: Bloomberg

Current CEF Trends

- February 2026 closed out with average closed-end fund discounts widening by ~38bps and yields compressing by ~9bps month-over-month. These moves reflect continued volatility in credit markets, macro uncertainty, and evolving interest rate expectations, contributing to a more cautious investor backdrop.
- The most pronounced discount widening occurred in the Senior Loan sector, encompassing both traditional loan funds and CLO-focused strategies. Senior loan fund discounts widened by an average of 6.85% over the month, moving from -8.37% to -15.23%, while yields increased by 0.47%.
- In contrast, the most significant discount tightening occurred in the Foreign Equity CEF sector. On average, discounts tightened by 1.56% and yields compressed by -0.24%, driven by improving relative value in foreign markets, a softer US dollar, and ongoing investor rotation into international markets.
- On average, all sectors in CEFs saw a -0.09% decline in yields. Senior loan funds saw the largest increase in yields, at 0.47%, while convertible funds had the largest decrease in yields at -0.36%, on average.

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Past performance is not indicative of future results.