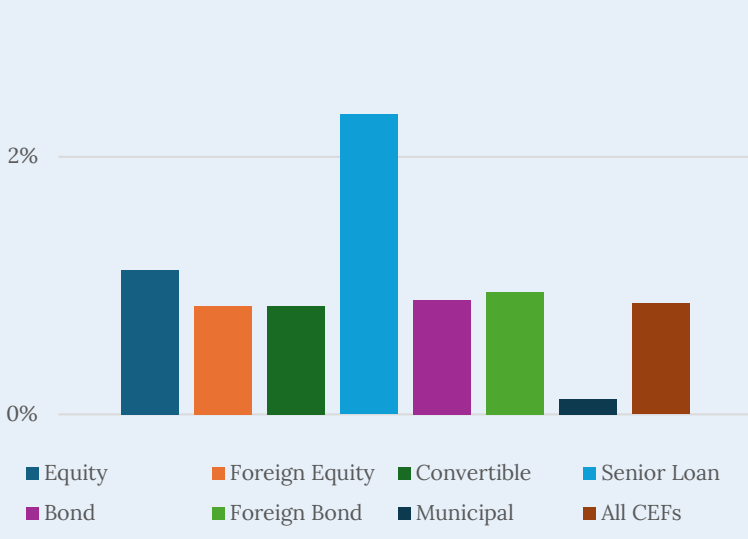


About Us

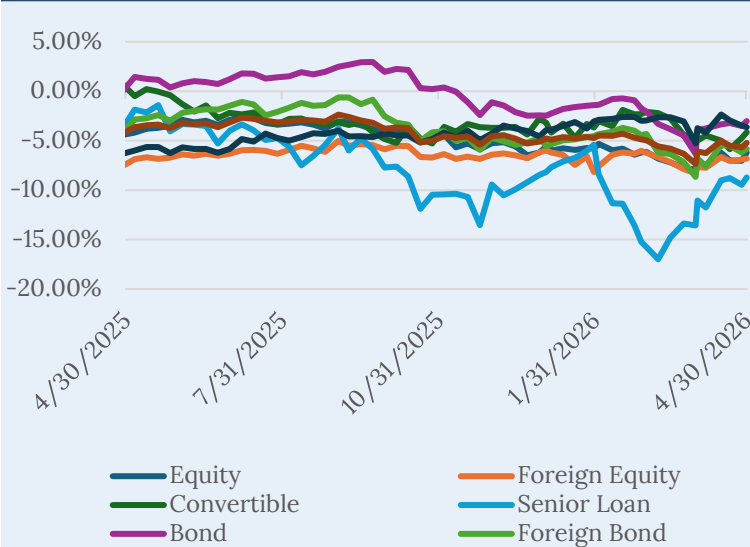
Over more than four decades in business, Herzfeld Advisors has built deep and enduring relationships across the closed-end fund universe, providing us with what we believe to be unique access to a broad range of industry participants. Widely regarded as a pioneer in the space, we have long served as 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

- The start of Q2 2026 was influenced by strong earnings momentum and improving sentiment as concerns surrounding the Iran conflict began to ease. April closed with average closed-end fund discounts tightening by approximately 86bps and yields compressing by roughly 40bps month-over-month. On average, CEFs ended the month at a -5.23% discount and an 8.59% yield.
- Every closed-end fund sector experienced discount tightening during the month, with the most significant move occurring in the Senior Loan CEF sector, which includes both traditional loan funds and CLO-focused strategies. Discounts tightened by 2.33% while yields compressed by 1.45%, on average, leaving the sector at a -8.70% discount and 14.72% yield. The move may have been driven by NAV declines outpacing market price weakness, though it could also indicate the sector is beginning to stabilize and find a bottom.
- The municipal bond sector experienced the least tightening, with discounts narrowing by 12bps and yields compressing by 6bps. Municipal bond closed-end funds ended the month at an average -3.62% discount and 6.48% yield.
- Across the broader closed-end fund universe, yields generally moved lower and discounts moved tighter during the month. Senior Loan funds saw the largest compression in yields, while municipal bond funds experienced the most modest change.

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