

RiverNorth Managed Duration Municipal Income Fund, Inc.

NYSE: RMM Adviser: RiverNorth Sub-Adviser: MacKay Shields

RIVERNORTH®

Q4 2019

As of 12.31.2019

Investment Objective

The RiverNorth Managed Duration Municipal Income Fund, Inc. seeks to provide current income exempt from regular U.S. federal income taxes¹ with a secondary objective of total return.

Investment Strategy

The Fund's Managed Assets are allocated among two principal strategies: Tactical Municipal Closed-End Fund (CEF) Strategy (managed by RiverNorth) and Municipal Bond Income Strategy (managed by MacKay Shields LLC).

The Tactical Municipal CEF Strategy typically invests in municipal CEFs and exchange-traded funds (ETFs) seeking to derive value from the discount and premium spreads associated with CEFs. The Municipal Bond Income Strategy primarily invests in municipal debt securities of any credit quality, including securities that are rated below investment grade².

RiverNorth determines which portion of the Fund's assets is allocated to each strategy and may, from time to time, adjust the allocations. The Fund also implements a managed duration strategy which targets a weighted average effective duration within three years of the weighted average effective duration of the Bloomberg Barclays Municipal Bond Index (excluding the effects of leverage).

PORTFOLIO DETAIL			
TOP 5 HOLDINGS ^A (% of portfolio)		TOP 5 STATES ^A (% of portfolio)	
Nuveen AMT-Free Quality Municipal Income Fund of Beneficial Interest	6%	California	21%
Folsom Cordova Ca Uni Sch Dist 4.0% 10/1/2044	5%	Texas	13%
Illinois State 5.0% 11/1/2025	4%	Illinois	11%
Nuveen Quality Municipal Income Fund of Beneficial Interest	4%	New York	8%
New Caney TX Indpt Sch Dist 4.0% 2/15/2049	3%	Pennsylvania	7%

^A Data as of 12.31.2019. Based on market value (including assets attributable to leverage). Subject to change. This should not be considered a recommendation to buy or sell any security. Portfolio detail statistics are estimates made by the adviser and subject to change

DISTRIBUTION INFORMATION ^{***}	
Current Distribution (monthly)	\$0.0917
Annualized Distribution Rate (NAV)	5.4%
Annualized Distribution Rate (MKT Price)	5.7%

DISTRIBUTIONS			
EX-DATE	RECORD DATE	PAYABLE DATE	AMOUNT
DISTRIBUTIONS PAID			
9.11.19	9.12.19	9.30.19	\$0.09170
10.16.19	10.17.19	10.31.19	\$0.09170
11.13.19	11.14.19	11.30.19	\$0.09170
12.11.19	12.12.19	12.31.19	\$0.09170
DISTRIBUTIONS DECLARED			
1.16.20	1.17.20	1.31.20	\$0.09170
2.13.20	2.14.20	2.28.20	\$0.09170
3.16.20	3.17.20	3.31.20	\$0.09170

Distribution dates are estimates and subject to change.

^{*}Managed Assets are the Fund's total assets (including any assets attributable to leverage), minus the sum of its accrued liabilities (other than Fund liabilities incurred for the purpose of creating effective leverage (i.e. TOBs) or Fund liabilities related to liquidation preference of any preferred shares issued).

^{**}Leverage is based on the use of proceeds received from tender option bonds transactions (TOBs), issuing Preferred Shares, or funds borrowed from banks or other institutions, expressed as a percentage of "Managed Assets."

^{***}The Fund has implemented a level distribution policy resulting in monthly distributions of \$0.0917 per share of common stock, representing an annualized distribution rate of 5.5% as of 12.31.19. Distributions may be paid from sources of income other than ordinary income, such as net realized short-term capital gains, net realized long-term capital gains and return of capital. The Fund estimates that 80.91% of the distribution is attributable to current year net investment income and 19.09% is attributable to short-term capital gains. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. If a distribution includes anything other than net investment income, the Fund provides a Section 19(a) notice of the best estimate of its distribution sources at that time. These estimates may not match the final tax characterization (for the full year's distributions) contained in shareholders' 1099-DIV forms after the end of the year.

STRATEGY WEIGHTS

Tactical Municipal CEF - RiverNorth	34%
Municipal Bond Income - MacKay Shields	66%

SHARE INFORMATION (as of 12.31.2019)

NYSE Symbol	RMM
CUSIP	76882H105
Inception Date	7.26.2019
Shares Outstanding	19,739,247
Market Price	\$19.34
NAV	\$20.38
Fund Premium/(Discount)	-5.1%
Total Net Assets	\$402.3M
Total Managed Assets*	\$668.3M

PORTFOLIO STATISTICS

Estimated Unhedged Duration ³ (years)	9.4
Estimated Hedged Duration (years)	5.0
Leverage Ratio ^{**}	39.9%
% of Alternative Minimum Tax (AMT)	12.5%
Average Discount of CEF Portfolio ⁴	-8.5%

FIXED INCOME ALLOCATION (% of portfolio)

Investment Grade (IG)	96%
Not Rated	3%
High Yield	2%

MANAGER COMMENTARY

Total returns for the market price and net asset value (NAV) of RMM were -2.20% and 2.40%, respectively, in the fourth quarter of 2019.

Quarter-end strategy weights were 66% MacKay Shields Municipal Bond Income and 34% RiverNorth Tactical Municipal CEF. Closed-end funds represented 33% of Fund assets with an average discount of -8.5% and closed-end fund exposure remained relatively stable for most of the quarter. The Fund's exposure to both the Municipal Bond Market and the Municipal Closed-End Fund market was a primary driver of performance as both of markets performed well all year. The impact of duration was slightly negative for the quarter as interest rates, measured by the 10-year Treasury Yield were 24 basis points⁹ higher.

Looking inside each sleeve, RiverNorth's Muni CEF sleeve was made up of 68.7% National Muni funds and 31.3% State-Specific Muni funds with the majority of the state-specific fund exposure being California and New York. Looking at MacKay sleeve exposures, 23.6% was Transportation, 22.6% Local General Obligation (GO) and 4.5% Special Tax. There was also 5.1% Taxable Muni exposure at quarter-end.

Portfolio Management Team



Patrick Galley, CFA
RiverNorth
Industry start date: 1997



Steve O'Neill, CFA
RiverNorth
Industry start date: 2002



John Loffredo, CFA
MacKay Shields
Industry start date: 1987



Robert DiMella, CFA
MacKay Shields
Industry start date: 1989



Mike Petty
MacKay Shields
Industry start date: 1985



David Dowden
MacKay Shields
Industry start date: 1989



Scott Sprauer
MacKay Shields
Industry start date: 1991



Robert Burke, CFA
MacKay Shields
Industry start date: 1985

Start date with Fund for all Portfolio Managers: Since Inception⁵

TOTAL RETURNS	Q4 2019	YTD	SINCE INCEPTION ⁶
RMM NAV	2.40%	3.79%	3.79%
RMM Market Price	-2.20%	-1.50%	-1.50%
Bloomberg Barclays Municipal Index ⁷	0.74%	1.64%	1.64%

The total annual expense ratio as a percentage of net assets attributable to common shares including acquired fund fees and expenses, as of July 25, 2019, is 2.14%.

Performance data quoted represents past performance, which is not a guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value and investment return of an investment will fluctuate so that your shares may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling 844.569.4750. Total return measures net investment income and capital gain or loss from portfolio investments. All performance shown assumes reinvestment of dividends and capital gains distributions.

Disclosures & Definitions

Although the income from the Fund's municipal bond investments is generally exempt from federal income tax, you may owe taxes on any capital gains realized through the Fund's trading or through your own redemption of shares. For some investors, a portion of the Fund's income may be subject to state and local taxes, as well as to the federal alternative minimum tax.

Risk is inherent in all investing. Investing in any investment company security involves risk, including the risk that you may receive little or no return on your investment or even that you may lose part or all of your investment. Therefore, before investing in the Common Shares, you should consider the risks as well as the other information in the prospectus.

More detailed information regarding these risks can be found in the Fund's prospectus.

Past performance is no guarantee of future results. Diversification does not ensure a profit or guarantee against loss.

An investment in the Fund is not appropriate for all investors and is not intended to be a complete investment program. The Fund is designed as a long-term investment and not as a trading vehicle.

The fund is a closed-end fund and closed-end funds do not continuously issue shares for sale as open-end mutual funds do. Since the initial public offering, the Fund now trades in the secondary market. Investors wishing to buy or sell shares need to place orders through an intermediary or broker. The share price of a closed-end fund is based on the market's value.

Investments may include securities that have a rating that below investment grade, including "high yield" securities. High yield bonds are subject to interest rate risk. If rates increase, the value generally declines.

Leverage is a speculative technique that exposes a closed-end fund to greater risk and increased costs than if it were not used. The use of leverage may cause greater volatility in the level of a closed-end fund's NAV, market price and distributions on its common shares. Leverage will also result in higher fees to the closed-end fund manager because the amount of assets under management will be included in the Fund's managed assets. There can be no assurance that a closed-end fund will use leverage or that its leveraging strategy will be successful during any period in which it is employed.

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¹ May be includable in taxable income for purposes of the Federal alternative minimum tax.

² Investments may include securities that have a rating that is below investment grade, including "high yield" securities, which are bonds that have adequate capacity to meet financial commitments, but are more subject to adverse economic conditions or changing circumstances, as defined by Nationally Recognized Statistical Rating Organizations ("NRSRO"), such as Fitch.

³ Estimated Duration: Duration is a measure of the sensitivity of the price of a fixed income investment to a change in interest rates. Duration is expressed as a number of years. Duration is estimated by the adviser based on certain assumptions from third-party data and is subject to change. The difference between Unhedged and Hedged duration is that hedged duration includes the effect of a short US Treasury Futures position used to manage interest rate risk.

⁴ The price at which a closed-end fund trades often varies from its NAV. Some funds have market prices below their net asset values - referred to as a discount. Conversely, some funds have market prices above their net asset values - referred to as a premium.

⁵ A basis point is one hundredth of one percent, or 0.01%. It is used to denote the percentage change in a financial instrument.

⁶ Inception date of the Fund: 7.26.2019.

⁷ The Bloomberg Barclays Municipal Index is an unmanaged index made up of a representative list of general obligation, revenue, insured and pre-refunded bonds. The index is frequently used as a general measure of tax-exempt bond market performance. The index cannot be invested in directly and does not reflect fees and expenses.

Advised by:

RiverNorth Capital Management, LLC

325 N. LaSalle Street | Suite 645
Chicago, IL 60654 | 800.646.0148
info@rivernorth.com
rivernorth.com

Investors should consider the investment objective, management fees, risks, charges and expenses of the Fund carefully before investing. The Prospectus contains this and other information about the Fund.

For a current Prospectus, call toll-free 844.569.4750 or visit rivernorth.com.

Please read the Prospectus carefully before you invest.

