Portfolio Review

As the COVID-19 pandemic spread though global capital markets, closed-end funds (CEF) experienced a peak-to-trough drawdown of ~40%. While the market bounced back at the end of March, CEFs still experienced one of their worst quarters on record.

CEFs represented 13% of Fund assets with an average discount of -17.0%. The long positions in senior loan and high yield closed-end funds were the largest detractors from performance within the Tactical CEF Income strategy.

Notes from DoubleLine Capital Management

The primary drivers of the Fund's underperformance were asset allocation and a lack of overlap between the assets that the Federal Reserve (the "Fed") began supporting and the assets held in the portfolio. In terms of asset allocation, the top-performing fixed income sector over the quarter were U.S. Treasuries, which benefitted from a sharp flight-to-quality during March as the COVID-19 pandemic began to stoke fears of a global recession. The benchmark Bloomberg Barclays U.S. Aggregate Bond Index maintained a roughly 41% allocation to U.S. Treasuries while the portfolio instead relied on agency mortgage-backed securities (MBS) to achieve government-related exposure. The agency MBS experienced strong positive total returns, but they still fell short of the robust quarterly performance of U.S. Treasuries, which led to some relative underperformance. The largest detractors from performance were non-agency MBS, commerial mortgage-backed securities (CMBS), and collateralized loan obligations (CLO). These sectors experienced large price declines because of stressed liquidity conditions in the market as well as credit concerns stemming from the COVID-19 pandemic. The corporate bonds within the benchmark also experienced sharp price declines during March, but the Fed created the Secondary Market Corporate Credit Facility (SMCCF) on March 23. This program allowed the Fed to purchase investment-grade (IG) corporate bonds and corporate bond exchange-traded funds (ETF) in the secondary market. The fact that the benchmark held roughly 25% IG corporates and the portfolio held 0% was a large driver of relative underperformance for the period. The securitized credit sectors within the portfolio were not supported by any secondary market intervention from the Fed.

Risk Information: See the prospectus for a more detailed description of Fund risks. Investing involves risk.

As 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.

Definitions:

Mortgage-Backed Securities (MBS) are asset-backed securities that are secured by a mortgage or collection of mortgages.

Collateralized Loan Obligation (CLO) is a single security backed by a pool of debt. Often these are corporate loans that have a low credit rating or leveraged buyouts made by a private equity firm to take a controlling interest in an existing company.

Commercial Mortgage-Backed Securities (CMBS) are fixed-income investment products that are backed by mortgages on commercial properties rather than residential real estate.

The Secondary Market Corporate Credit Facility (SMCCF) was launched by the Federal Reserve on March 23, 2020 to support the corporate bond market in the face of the COVID-19 coronavirus crisis.

The Barclays Capital U.S. Aggregate Bond Index is an unmanaged index of investment-grade fixed-rate debt issues with maturities of at least one year. The index cannot be invested in directly and does not reflect fees and expenses.

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 888.848.7569 or visit rivernorth.com. Please read the Prospectus carefully before you invest.

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