

Performance

The Morningstar All Taxable Fixed Income CEFs Peer Group Index¹ returned -4.88% and -8.39% for the quarter on net asset value (NAV) and market price, respectively. OPP (the “Fund”) returned -6.20% and -9.29% on NAV and market price, respectively, compared to the Bloomberg US Aggregate Bond Index total return of -5.93% for the quarter.

	1 Month	1Q22	1 YR [^]	3YR [^]	5 YR [^]	Since Inception ^{**}
RiverNorth/DoubleLine Strategic Opportunity Fund, Inc. (NAV)	-2.78%	-6.20%	-3.66%	2.11%	3.04%	3.49%
RiverNorth/DoubleLine Strategic Opportunity Fund, Inc. (Price)	-6.14%	-9.29%	-6.16%	4.51%	3.78%	2.96%
Bloomberg US Aggregate Bond Index ¹	-2.78%	-5.93%	-4.15%	1.69%	2.14%	1.50%
Bloomberg US High Yield Corporate Index ¹	-1.15%	-4.84%	-0.66%	4.58%	4.69%	5.18%
Morningstar All CEF Peer Group (NAV) ¹	-0.67%	-4.79%	1.91%	5.73%	5.50%	5.52%
Morningstar All CEF Peer Group (Price) ¹	-0.11%	-6.99%	1.80%	7.14%	6.41%	6.28%

[^] Periods greater than one year are annualized.

^{*} 9.27.2016.

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, when redeemed, 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 or by visiting rivernorth.com. 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.

Quarterly Review

The Fund’s sleeve allocation and broad asset class allocation was relatively unchanged quarter over quarter. Both sleeves of the portfolio contributed negatively to performance for the quarter. Within the RiverNorth sleeve, closed-end fund (CEF) NAV exposure was the largest detractor from performance.

The CEF volatility we witnessed at the end of 2021 picked up significantly in Q1 2022. While CEF volatility rarely feels good as an investor when experiencing it, RiverNorth has historically used this volatility as an opportunity to realign the portfolio to a state which sets up nicely for the reversion/recovery stage of the market cycle. In our view, investor fear over inflation and rising rates continues to dominate the CEF market, and we will likely need to see some sort of stability in interest rate expectations/sentiment before we see a drop in CEF volatility.

The average discount of the Fund’s CEF portfolio widened about 350 basis points (bps) to 9.0% at quarter-end.

We continued to like the attractive risk/reward profile of special purpose acquisition companies (SPACs) (11% of Fund assets at quarter-end). They provided an opportunity to generate capital gains on top of a short-term government yield. Although the market has soured on new initial public offerings (IPOs), including de-SPAC names, this negative sentiment has caused SPAC sponsors to improve the terms on new deals. It’s also provided an opportunity to buy common shares at a discount to the cash value in the trust.

Notes from DoubleLine Capital LP

Performance was primarily driven by duration positioning as the Fund consistently maintained a lower duration than the Index and interest rates rose sharply over this period. Specifically, the 2-year and 10-year portions of the US Treasury curve rose by 160 bps and 83 bps, respectively, as the Federal Reserve enacted more hawkish policy guidance to combat inflation. The severity of the rate move caused negative returns for all major fixed income asset classes and even some floating rate assets with longer coupon reset periods. The worst-performing sector in the Fund was naturally Agency mortgage-backed securities (MBS) and US Treasury exposures, which are also the longest duration assets in the Fund. Emerging market debt also detracted from performance due to spread volatility stemming from the Russia-Ukraine military conflict. The most prominent credit sectors in the Fund, such as non-Agency residential mortgage-backed securities (RMBS) and non-Agency commercial mortgage-backed securities (CMBS), sharply outperformed the Index but still generated negative returns. Collateralized Loan Obligations (CLOs) were the top-performing sector in the Fund due to floating rate coupons that are indexed to the front end of the yield curve.

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. Special Purpose Acquisition Companies (SPACs) have no operating history or ongoing business other than to seek a potential acquisition. Certain SPACs may seek acquisitions only in limited industries or regions, which may increase the volatility of their prices. Investments in SPACs may be illiquid and/or be subject to restrictions on resale. To the extent the SPAC is invested in cash or similar securities, this may impact a Fund's ability to meet its investment objective.

Definitions:

A Closed-End Fund is a portfolio of pooled assets that raises a fixed amount of capital through an initial public offering (IPO) and then lists shares for trade on a stock exchange.

A Special Purpose Acquisition Company (SPAC) is a publicly traded company that raises a blind pool capital through an initial public offering (IPO) for the purpose of acquiring an existing company.

Basis Point (bps) is a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01% (0.0001), and is used to denote the percentage change in a financial instrument.

An initial public offering (IPO) refers to the process of offering shares of a private corporation to the public in a new stock issuance.

Mean reversion trading tries to capitalize on extreme changes in the pricing of a particular security, assuming that it will revert to its previous state.

The risk/reward marks the prospective reward an investor can earn for every dollar they risk on an investment.

Risk-Adjusted Return – a calculation of the profit or potential profit from an investment that takes into account the degree of risk that must be accepted in order to achieve it.

Duration is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates. Duration is non-linear and accelerates as time to maturity lessens.

A yield curve is a line that plots yields (interest rates) of bonds having equal credit quality but differing maturity dates. The slope of the yield curve gives an idea of future interest rate changes and economic activity.

Asset-Backed Securities (ABS) are investment securities—a bond or note—which is collateralized by a pool of assets, such as loans, leases, credit card debt, royalties, or receivables.

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.

Agency Securities are debt obligations issued by a U.S. Government sponsored enterprise, e.g., Federal National Mortgage Association (FNMA), Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (FHLMC), and the Student Loan Marketing Association (SLMA).

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

Emerging Market Bond are fixed income debt that is issued by countries with developing economies as well as by corporations within those nations.

A floating-rate note or a floater is a bond whose coupon rate changes with changes in market interest rates.

A coupon or coupon payment is the annual interest rate paid on a bond, expressed as a percentage of the face value and paid from issue date until maturity.

¹ The Morningstar All Taxable Fixed Income CEF Peer Group Index is an equally-weighted index of all U.S.-listed Closed-End Funds that invest substantially all of their assets in taxable fixed income securities. The Bloomberg US Aggregate Bond Index is an unmanaged index of investment-grade fixed-rate debt issues with maturities of at least one year. The Bloomberg U.S. Corporate High Yield Index is an unmanaged, U.S. dollar-denominated, nonconvertible, non-investment-grade debt index. The Morningstar All CEF Peer Group Index is an equally-weighted index of all U.S.-listed Closed-End Funds that invest substantially all of their assets in taxable, nonmunicipal securities. Indexes cannot be invested in directly and do 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 844.569.4750 or visit rivernorth.com. Please read the Prospectus carefully before you invest.

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