

Investment Objective

The 1607 Capital Partners Taxable Fixed Income strategy seeks to maximize returns on an after-tax basis through investments in closed-end funds that invest primarily in fixed income securities. Specifically, the strategy targets a total annualized “net rate of return on assets” which exceeds, on a long-term basis, (defined as one market cycle), the return of the Bloomberg US Aggregate Bond Index.

Investment Process

With a bottom-up, value-oriented approach, the 1607 investment team trades CEFs and other discounted assets based on a proprietary system developed and refined over 25+ years. The distinct characteristics of CEFs, combined with the less sophisticated investor base for these funds, allows the team to capitalize on what is often an extremely inefficient market. The process is a blend of qualitative assessments focused on portfolios and manager skill, and quantitative metrics concerning discounts, trading, and risk parameters.

1/31/08
Strategy Inception

\$4.8B
Firm AUM

\$753M
Strategy AUM

Limited
Strategy Capacity

\$25M/\$3M
Minimum

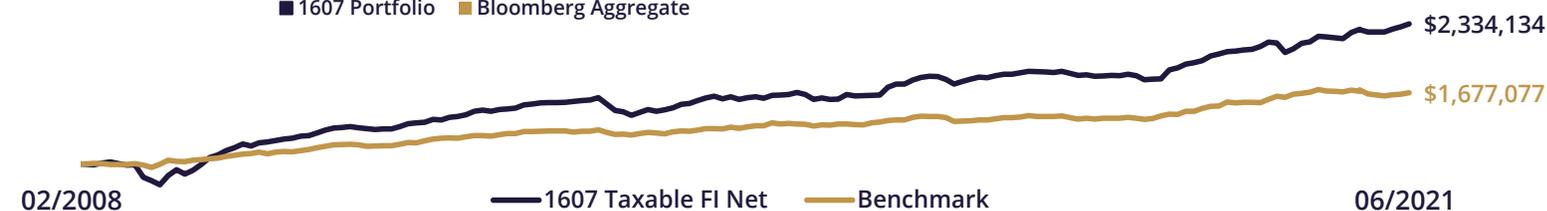
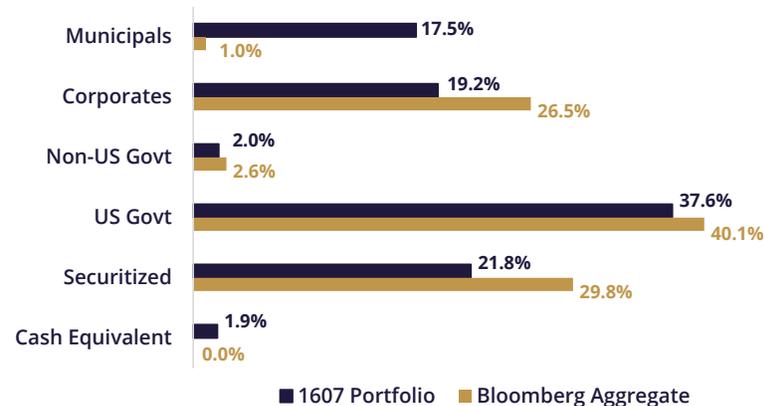
Portfolio Characteristics

	Taxable FI Weighted Average	Bloomberg Aggregate
Number Of Holdings	35	
Current Discount	-1.7%	
10 Year Average Discount	-2.3%	
Credit Quality	AA	AAA
Duration	6.6	6.6
Yield	2.8%	1.5%
Net Leverage	-9.3%	

Performance

	Composite Performance Gross	Composite Performance Net	Bloomberg Aggregate	Excess Return
YTD	2.71%	2.40%	-1.60%	4.31%
1YR	8.48%	7.95%	-0.33%	8.81%
3 YR	8.71%	8.19%	5.34%	3.37%
5YR	5.91%	5.35%	3.03%	2.88%
10YR	5.82%	5.30%	3.39%	2.43%
Since Inception	7.05%	6.52%	3.92%	3.13%

Current Holdings



Why 1607?

1607 Investment Team



Jim Mallory, CFA
Co-Director, Investments
32 Years Experience



Shannon Fake, CFA
Co-Director, Investments
26 Years Experience



Ashley Long, CFA
Co-Director, Investments
26 Years Experience



Ryan Kalkowsky, CFA
Investments
14 Years Experience



Angus Wilton
Investments
19 Years Experience



Ruiyi Zhang, CFA
Investments
10 Years Experience



Tory Nolan, CFA
Investments
10 Years Experience



Jacob Salamy
Investments
1 Year Experience



SINGULAR FOCUS

We are dedicated to investing in closed-end funds and similar vehicles. All activities of the firm, from personnel decisions to systems integration, are tailored specifically to this unique segment of the investable universe.



EXPERIENCE

The stable, yet growing, investment team has 120+ years of experience specific to the closed-end fund space.



INDEPENDENCE

In an industry increasingly dominated by a handful of outsized asset gatherers, we believe there is value in thinking differently and in the ability to adapt, making decisions solely in the best interest of our clients. For those reasons 1607 is committed to remaining independent for the long term.



CLIENT DRIVEN CULTURE

With a very manageable number of large institutional clients, we are able to provide an extremely high level of client service. Everyone at 1607 interacts with clients on some level and understands that the client always comes first.



CAPACITY DISCIPLINED

Managing too much capital in a niche, less efficient market is always the enemy of returns. 1607 has specific guidelines to limit the amount of capital we manage across each of our strategies based on the size of the investable universe. A number of our strategies have been managed at, or near, these levels for years.

DISCLOSURE

Past performance is no guarantee of future results and a loss of principal can occur. Inherent in any investment is the potential for loss since the value of investments and the income derived from them can go down as well as up. Gross of fees returns are calculated gross of management, performance, custodial and administrative fees and net of transaction costs. Net of fees returns are calculated net of actual management and performance fees and transaction costs and gross of custodial and administrative fees. Accruals for dividends and interest are included in calculations, and performance results reflect the reinvestment of dividends and other earnings. The returns shown include all of the accounts participating in the strategy and the actual fees paid by those accounts. Consequently, the return shown is not representative of any one account, nor should it be construed to be the return of any new account. The returns are compared to the Bloomberg US Aggregate Bond Index, which is an index that measures the performance of investment grade bonds. The volatility of this index is materially different from that of the composite and the holdings differ significantly from the securities that comprise the index. The index has been selected to represent an appropriate benchmark that will allow for comparison of the composite to that of a well-known and widely recognized index. Performance is as of 6/30/2021. All performance returns greater than 1 year are annualized. The material in this presentation is based on information from sources considered reliable, but 1607 Capital Partners does not represent that the information is accurate or complete. The material provided herein is for information purposes only. Opinions expressed are current opinions as of the date appearing in this material only, and are subject to change without notice. This presentation is neither an offer to sell, nor a solicitation of an offer to buy any securities. 1607's portfolio risk management process includes an effort to monitor and manage risk, but should not be confused with, and does not imply low risk or the ability to control risk. Please refer to 1607's Form ADV Part 2 for more information regarding the firm and its practices.