

# Market Review

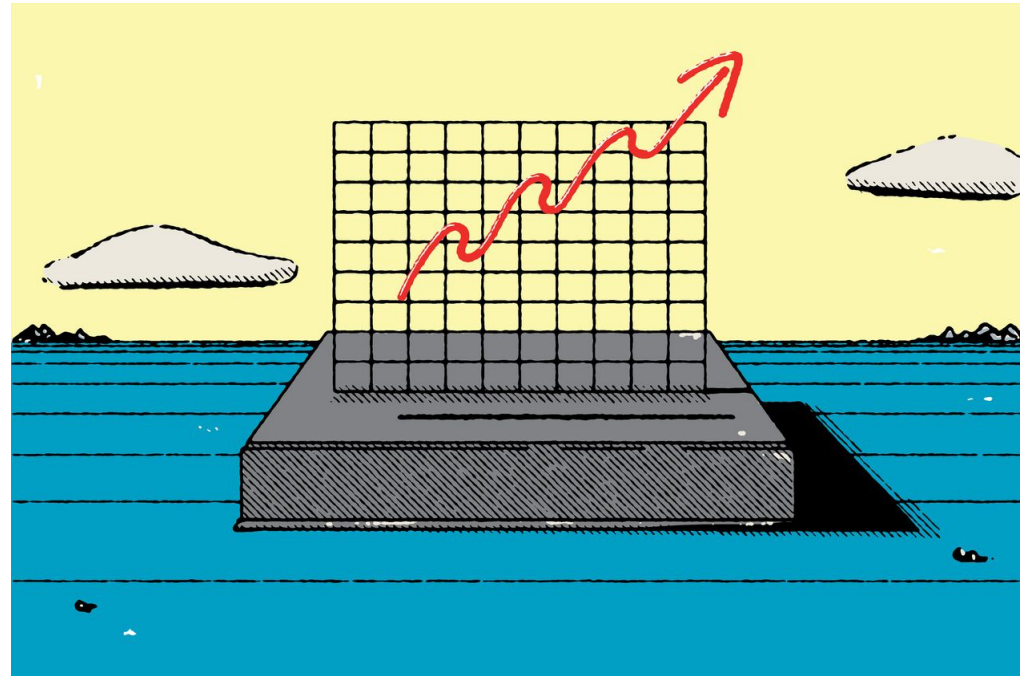
Bob Krishfield

Sept 2019

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# Topics Today

- Markets
  - Recent Market Actions
  - Consensus of the Experts
- Indexing
  - Active vs Passive
  - Stocks or ETFs
- Video
  - John Bogle on Indexing

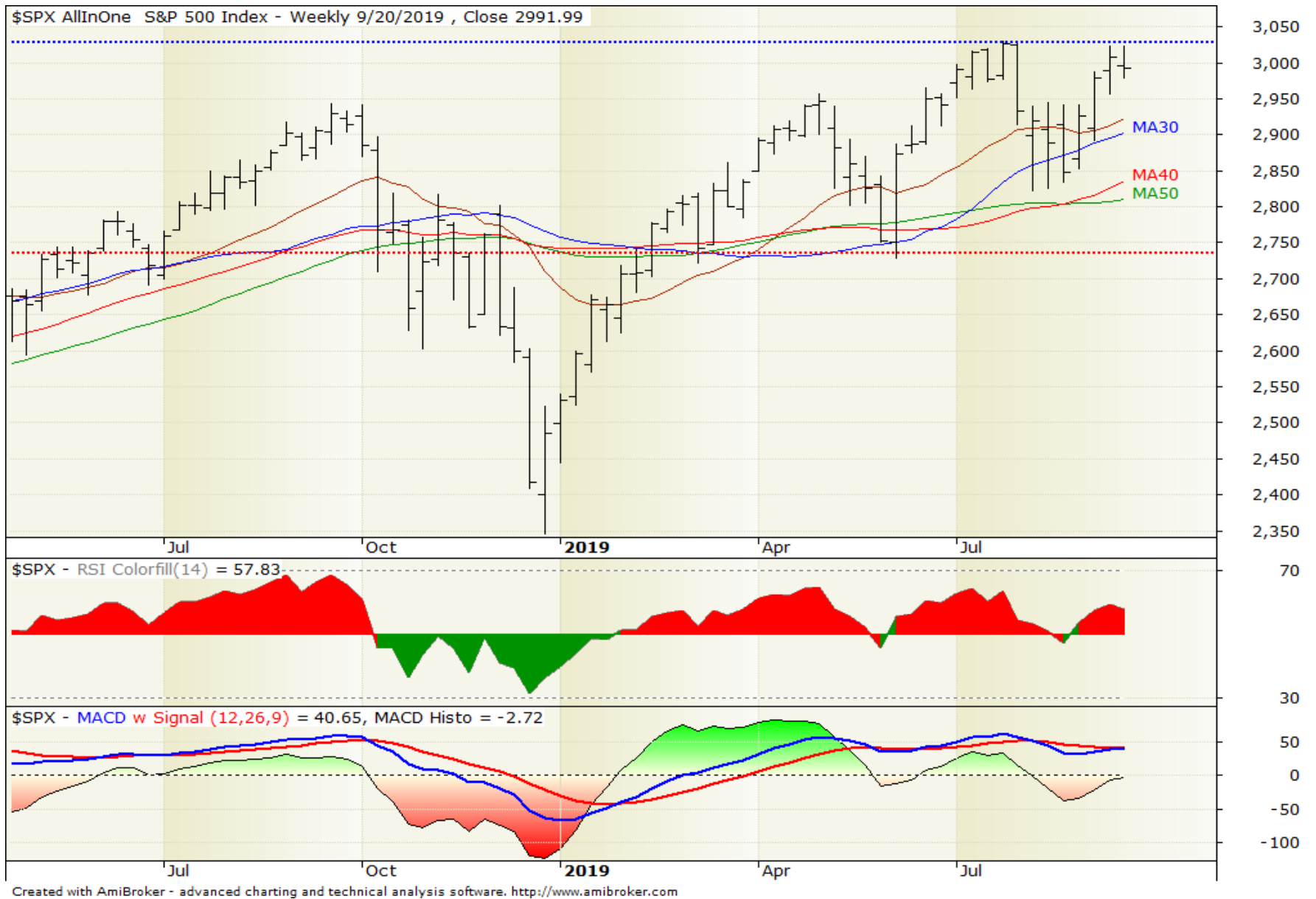


**A New All Time High – midst Clouds of Worry.**

# S&P 500 - Trying to Reach High



# S&P Weekly



# S&P 500 Monthly – Uptrend Topping



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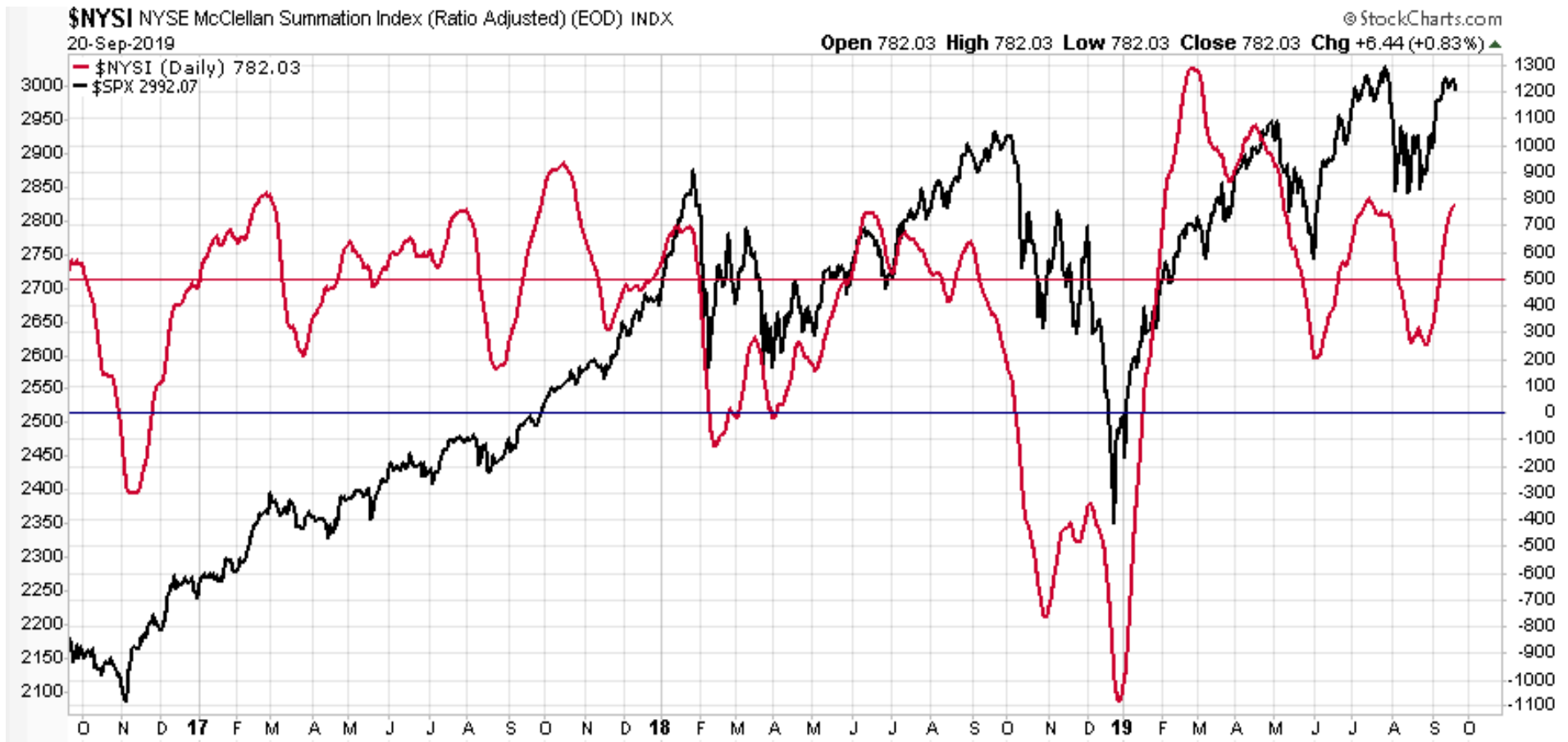
# NY AD Line (Red) New Highs



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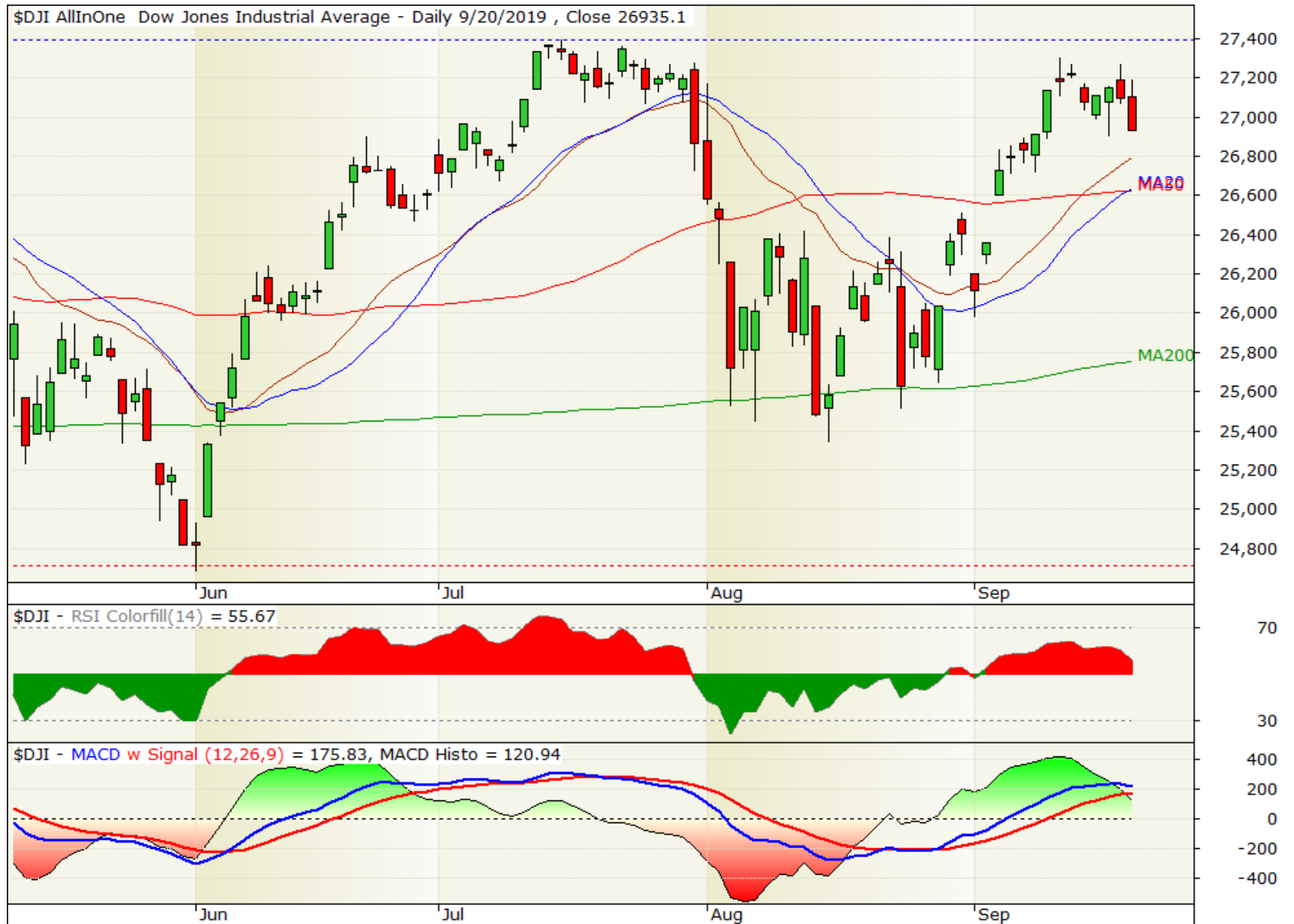
# NY Sum Index (Red line)

Oscillating. Must Stay above 500 to Avoid a Correction



Oscillating pattern for 5-6 months indicates market strength is ok, not increasing or decreasing significantly. Not establishing new highs or lows, so indicator is not of much value now.

# Dow

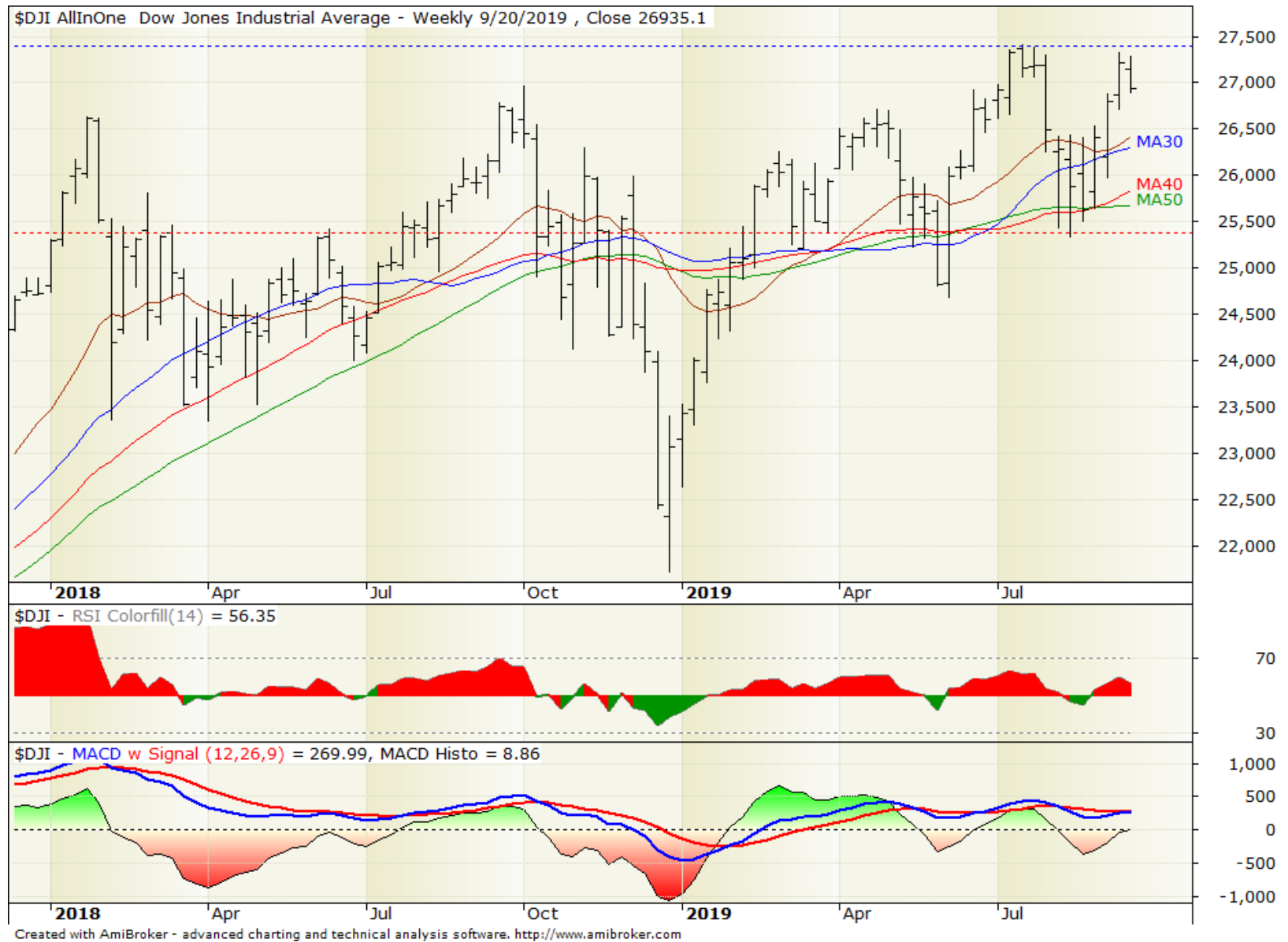


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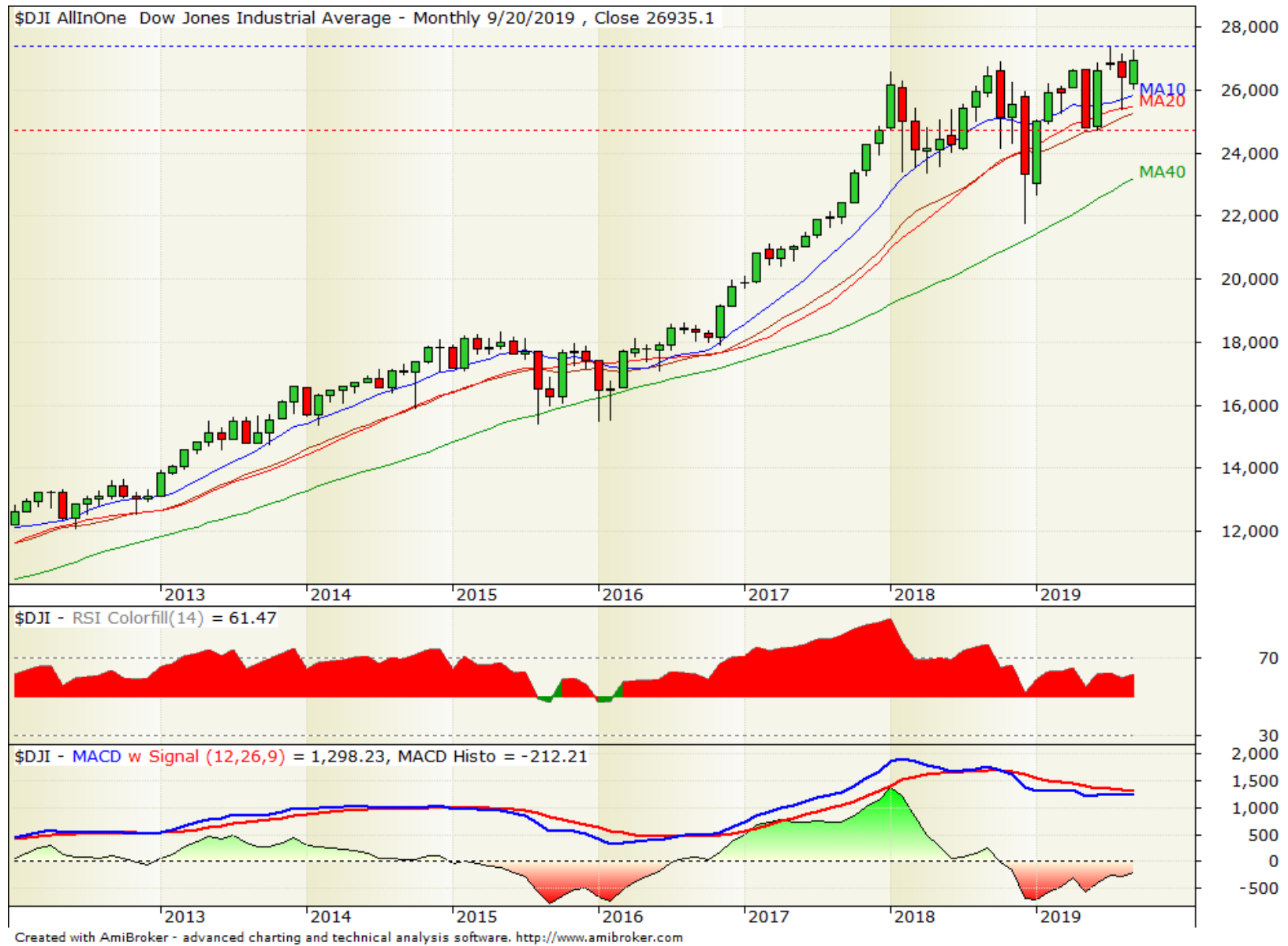
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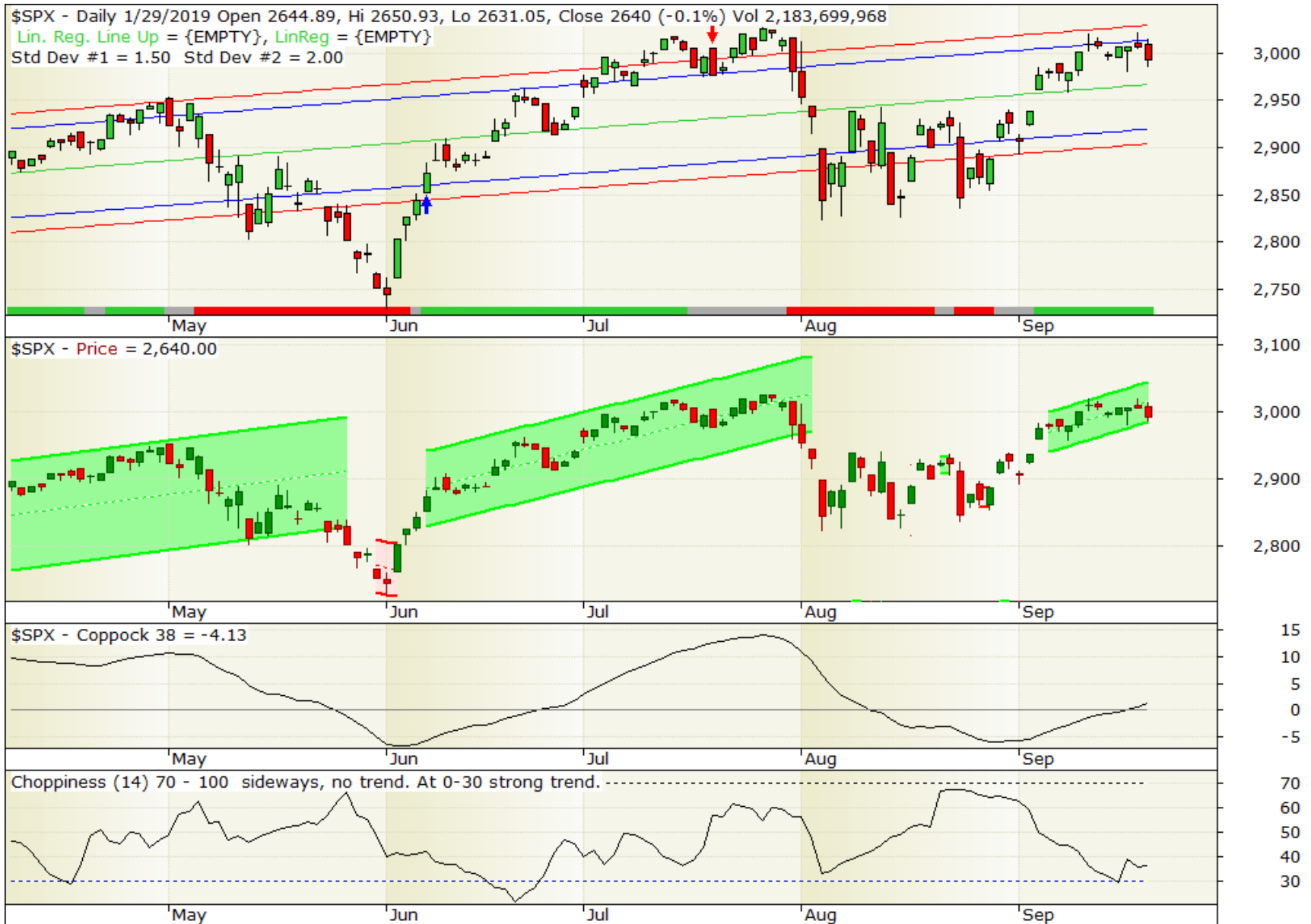
# Dow Weekly



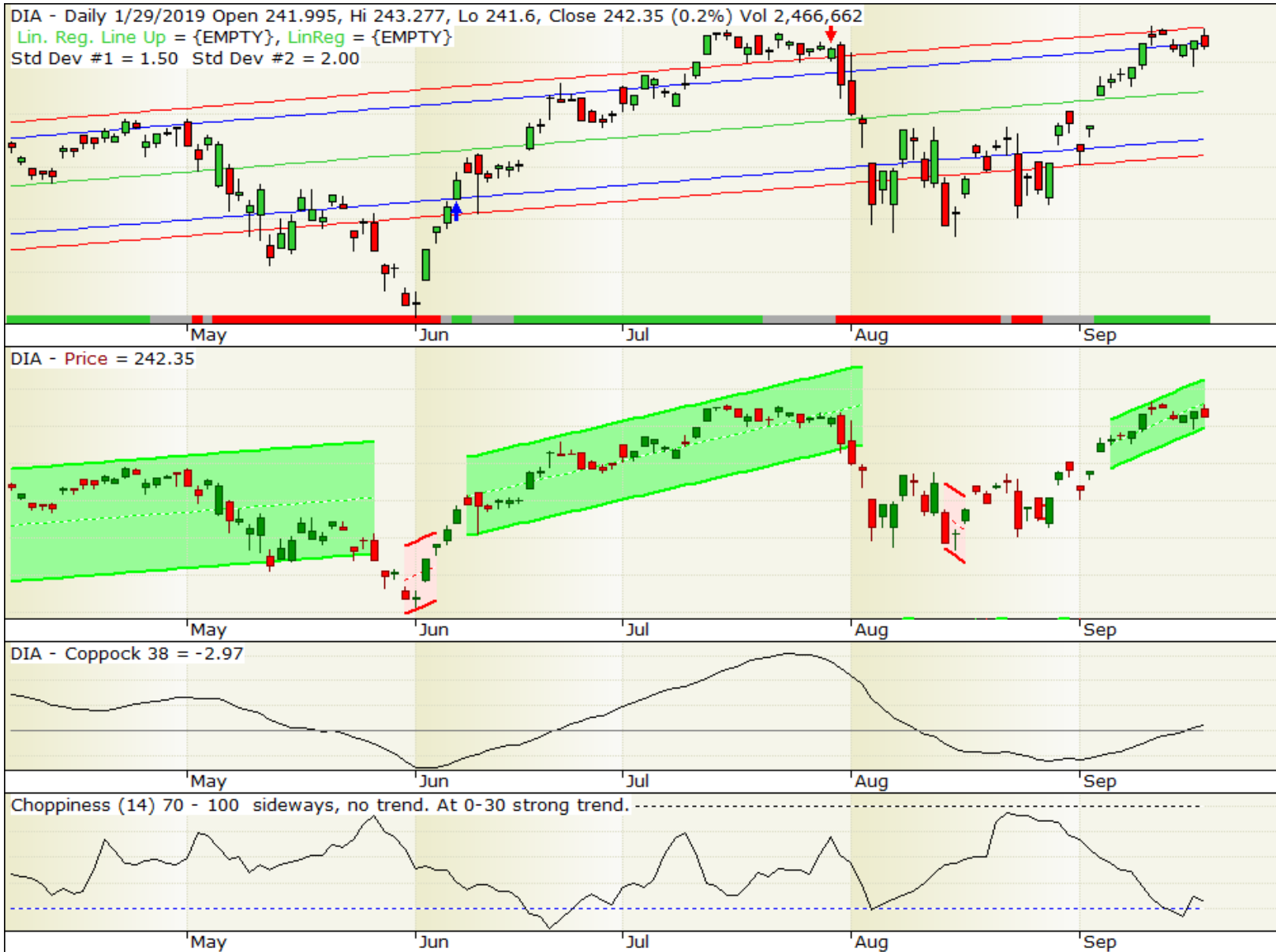
# Dow Monthly



# S&P 500 Trend



# Dow Trend



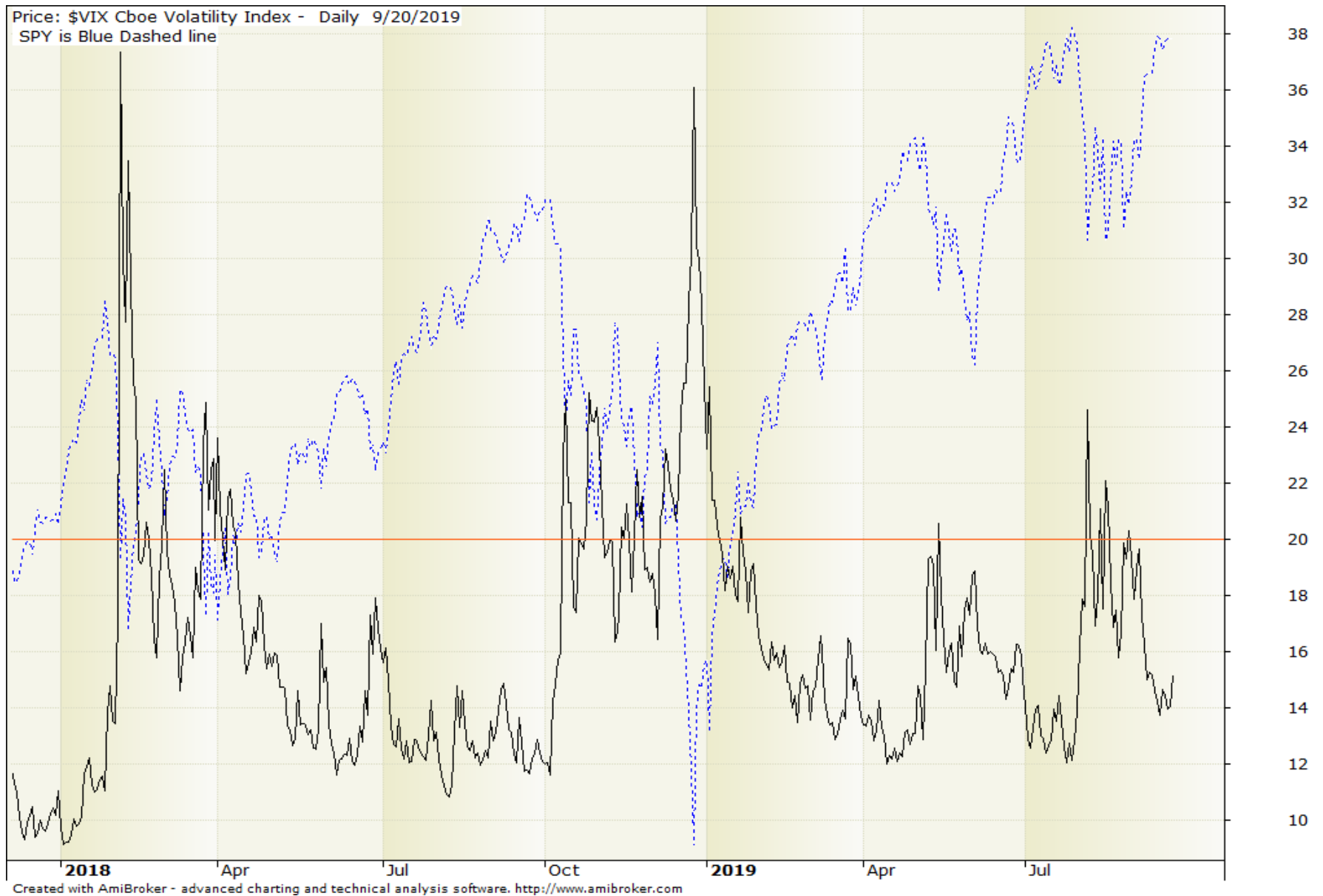
270  
265  
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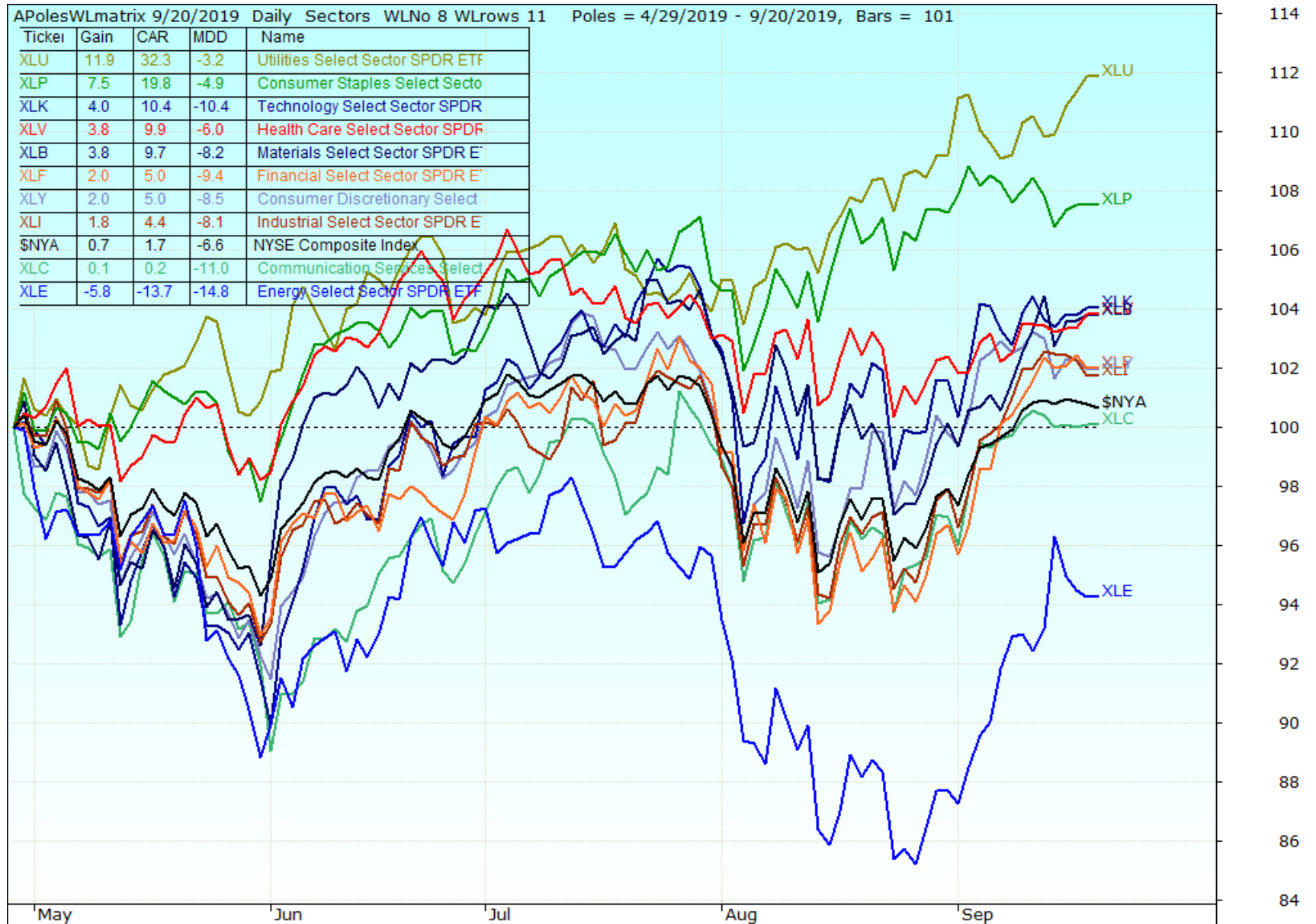
# NASDAQ Trend



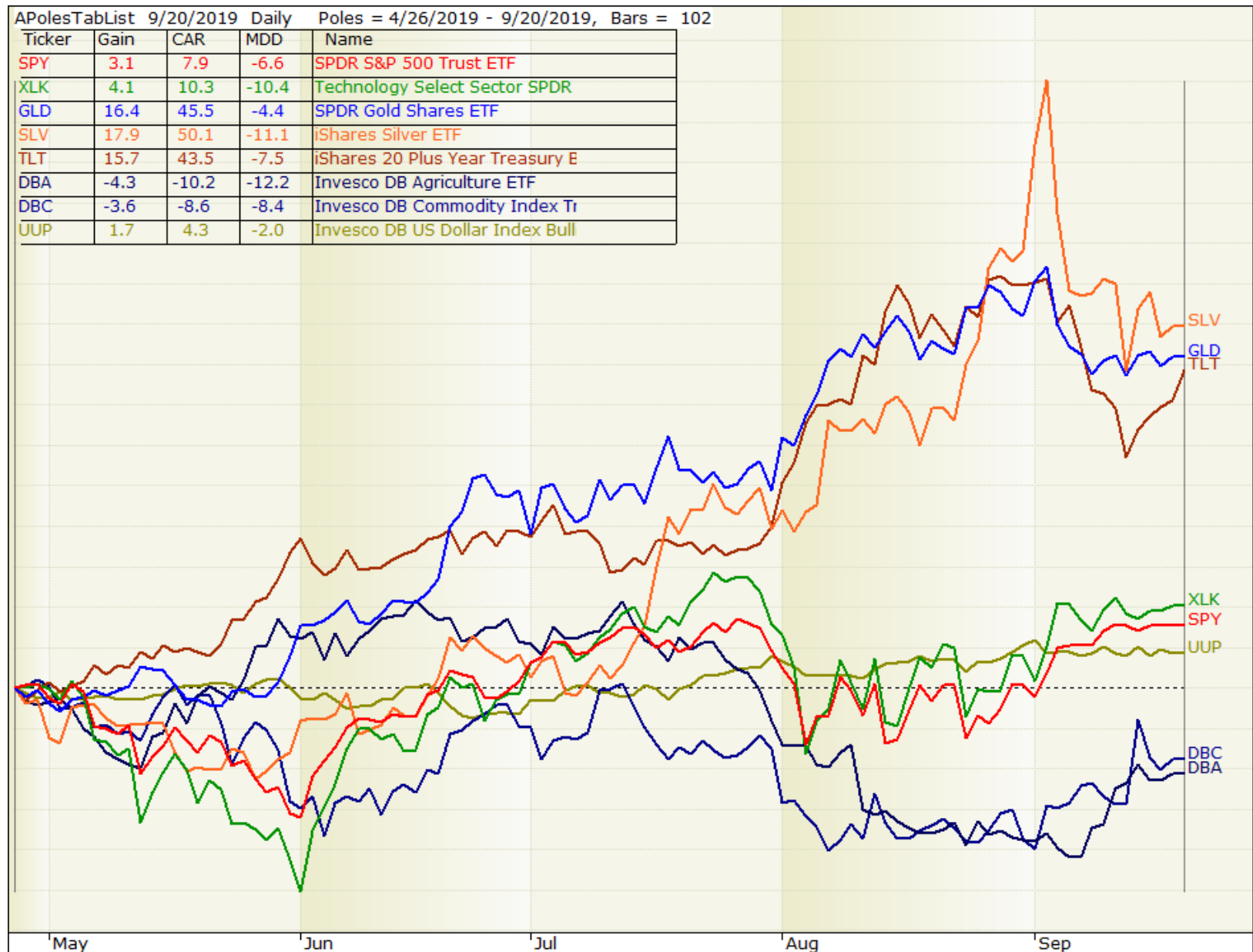
# VIX – Volatility Returning to Normal Levels



# Comparison of Sectors – Last 5 mo



# Asset Classes Performance 5 mo





# Top Tech Stocks Performance 5 mo

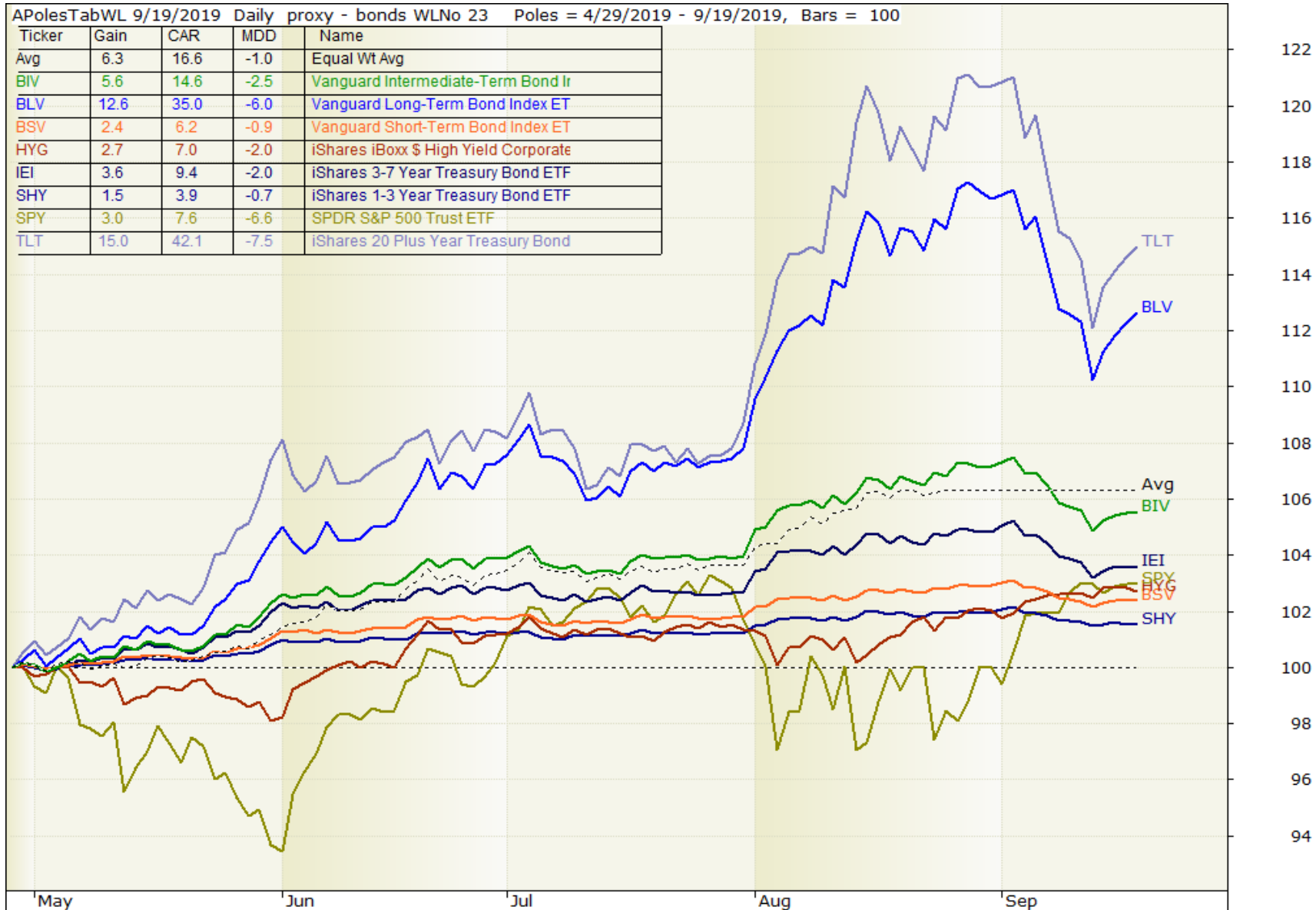


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# Top 20 ETFs (ranked by ETFReplay.com)

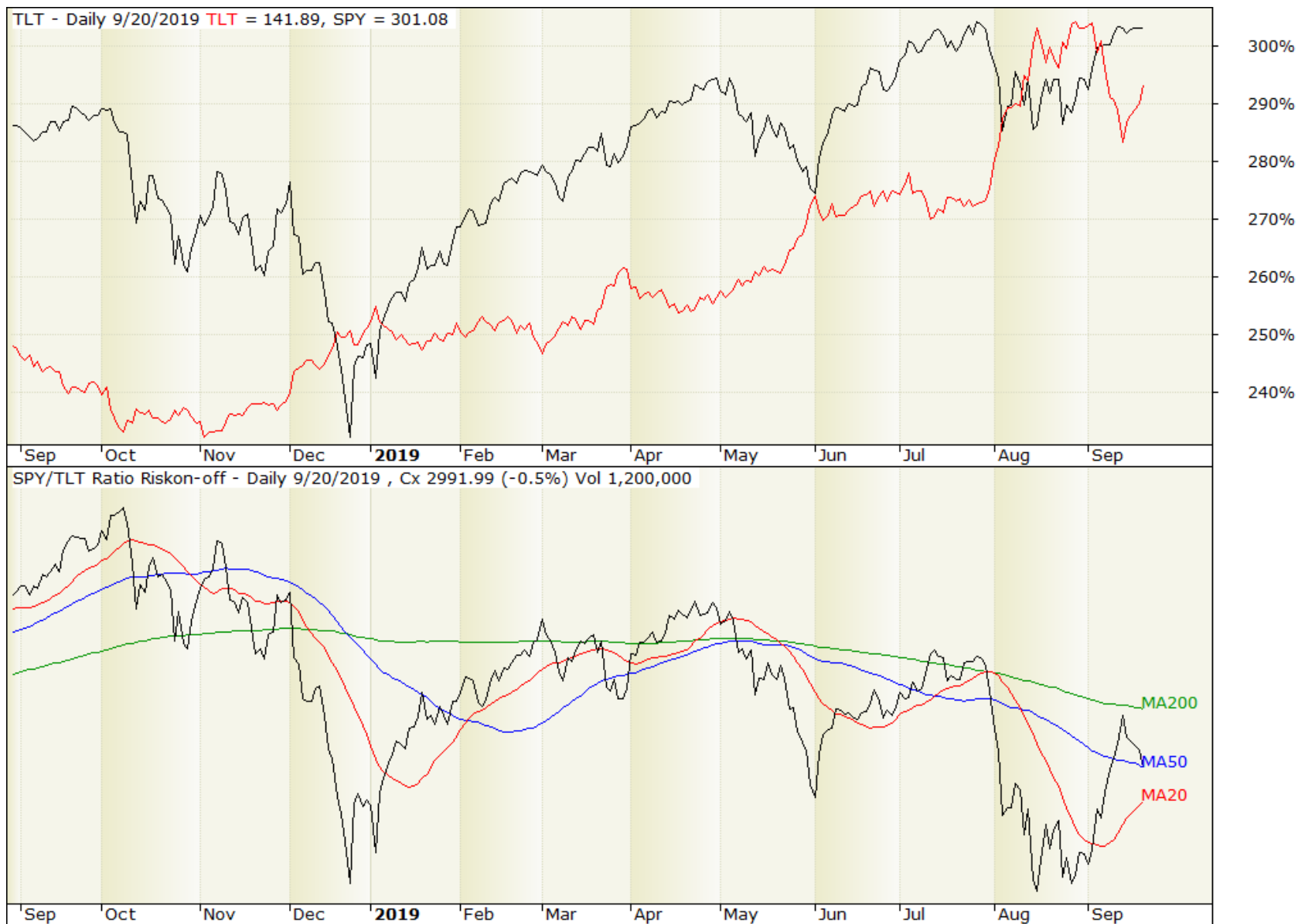
Symbol	ETF	ReturnA	ReturnB	Volatility	Rank
<b>EWJ</b>	<u>iShares MSCI Japan Index Fund</u>	+4.6%	+6.7%	9.7 %	1
<b>XLU</b>	<u>U.S. Utilities Sector SPDR</u>	+4.7%	+2.8%	11.6 %	2
<b>SPLV</b>	<u>Invesco S&amp;P 500 Low Volatility ETF</u>	+3.6%	+1.9%	10.3 %	3
<b>DVY</b>	<u>iShares DJ Select Dividend Index</u>	+2.7%	+4.0%	13.7 %	4
<b>XLF</b>	<u>U.S. Financial Sector SPDR</u>	+3.2%	+4.9%	16.8 %	5
<b>VNQ</b>	<u>Vanguard MSCI U.S. REIT</u>	+4.6%	+1.6%	11.8 %	6
<b>IVE</b>	<u>iShares S&amp;P 500 Value Index Fund</u>	+3.2%	+4.0%	14.6 %	7
<b>VOE</b>	<u>Vanguard CRSP U.S. Midcap Value</u>	+2.4%	+4.3%	13.8 %	8
<b>VYM</b>	<u>Vanguard High Dividend Yield Index</u>	+2.0%	+3.7%	12.4 %	9
<b>SCHD</b>	<u>Schwab U.S. Dow Jones Dividend 100</u>	+3.1%	+3.3%	14.3 %	10
<b>USMV</b>	<u>iShares MSCI USA Minimum Volatility Index</u>	+3.2%	+0.9%	10.9 %	11
<b>BNDX</b>	<u>Vanguard Total International Bond</u>	+2.9%	-0.1%	4.2 %	12
<b>IWD</b>	<u>iShares Russell 1000 Value</u>	+1.7%	+4.1%	12.9 %	13
<b>EMB</b>	<u>iShares JPM Emerg Markets Bond</u>	+2.6%	+0.8%	7.6 %	14
<b>PFF</b>	<u>iShares S&amp;P US Preferred Stock Index</u>	+2.6%	+0.3%	4.8 %	15
<b>VIG</b>	<u>Vanguard Dividend Appreciation</u>	+3.4%	+1.5%	13.3 %	16
<b>LQD</b>	<u>iShares iBoxx Invest Grade Bond</u>	+3.7%	-0.3%	7.5 %	17
<b>SCZ</b>	<u>iShares MSCI EAFE Small Cap Index</u>	+1.0%	+4.2%	9.6 %	18
<b>VTV</b>	<u>Vanguard U.S. LargeCap Value</u>	+1.5%	+3.9%	12.7 %	19
<b>IJR</b>	<u>iShares Core S&amp;P SmallCap 600 Index</u>	+3.0%	+4.0%	20.3 %	20

# Bond Price Performance



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# SPY vs TLT – Risk On /Off



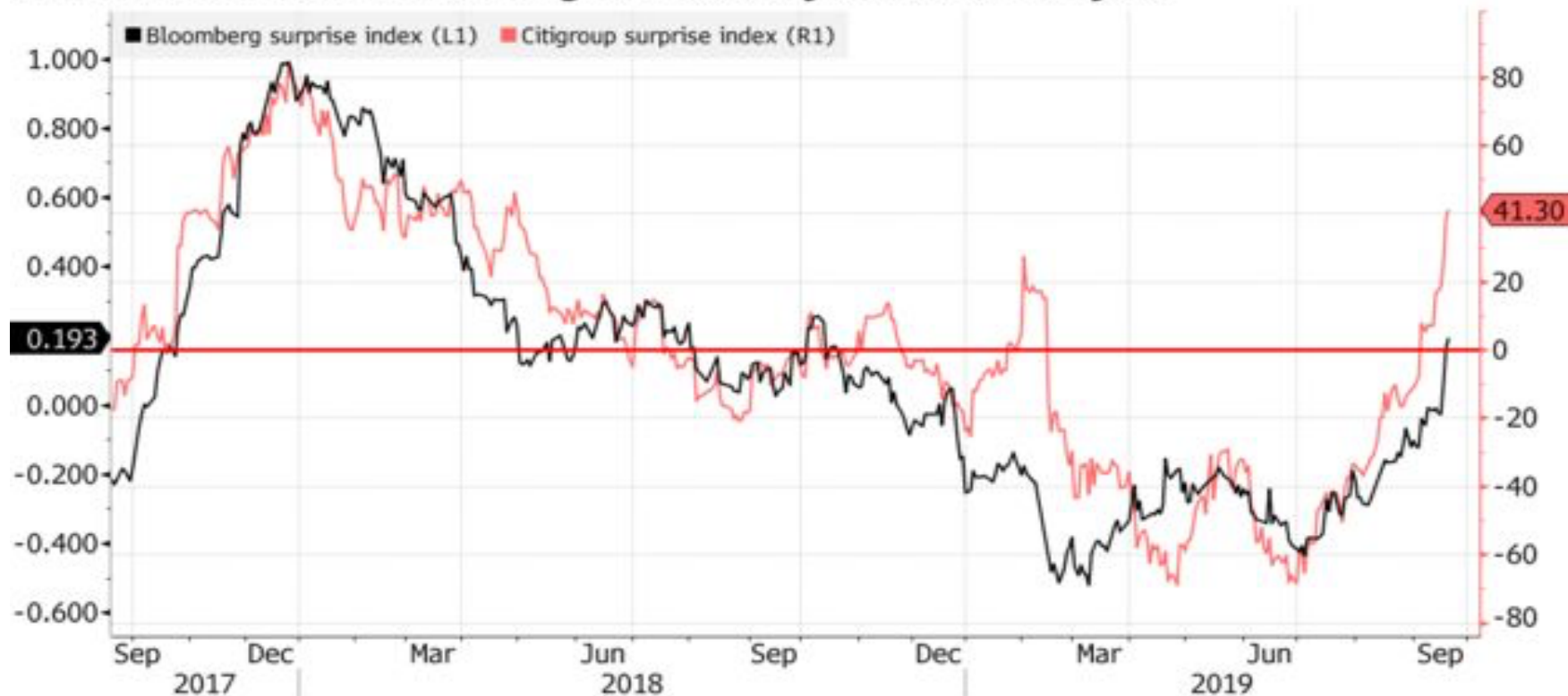
# Market Summary

- In September we saw Stock prices rising to near record levels, Bond prices are dropping and yields rising.
- The Market has turned around from August when Investor confidence was weakened by Trade and Political issues, and indicates investor confidence is coming back.
- Other positive indicators include:
  - The Bullish Percent Index (\$BPSPX) for the S&P 500 rose to 70%
  - The VIX shows the large-cap market's expectation of 30-day volatility and is below 15.
  - Cycles show various patterns of peaks and troughs for the next several months, but no major corrections.
  - Advance Decline line continuing higher

# Indicators Are Trouncing Recession Forecasts

- Bloomberg Economic Surprise Index climbs to 11-month high
- Housing, jobless claims data were stronger than forecast
- The U.S. economy is outperforming expectations by the most this year, offering a fresh rebuttal to last month's resurgent recession fears fueled by the trade war and a manufacturing slump.

**U.S. economic data are beating estimates by the most this year**



Source: Bloomberg, Citigroup

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# Passive Equity Funds Surpass Active

## Stock pickers overtaken as investors run toward index funds

- The balance of power has changed in the stock-fund industry
- Passive investing styles have been gaining ground on actively managed funds for decades. This month, the investment industry reached one of the biggest milestones in its history, as assets in U.S. index-based equity mutual funds and ETFs topped those in active stock funds for the first time.
- Peter Lynch, who grew the Fidelity Magellan fund into a giant through his stock-picking prowess, concedes there's no turning back.
- August fund flows helped lift assets in index-tracking U.S. equity funds to \$4.271 trillion, compared with \$4.246 trillion run by stock-pickers. Investors added \$88.9 billion to passive U.S. stock funds while pulling \$124.1 billion from active this year through August.

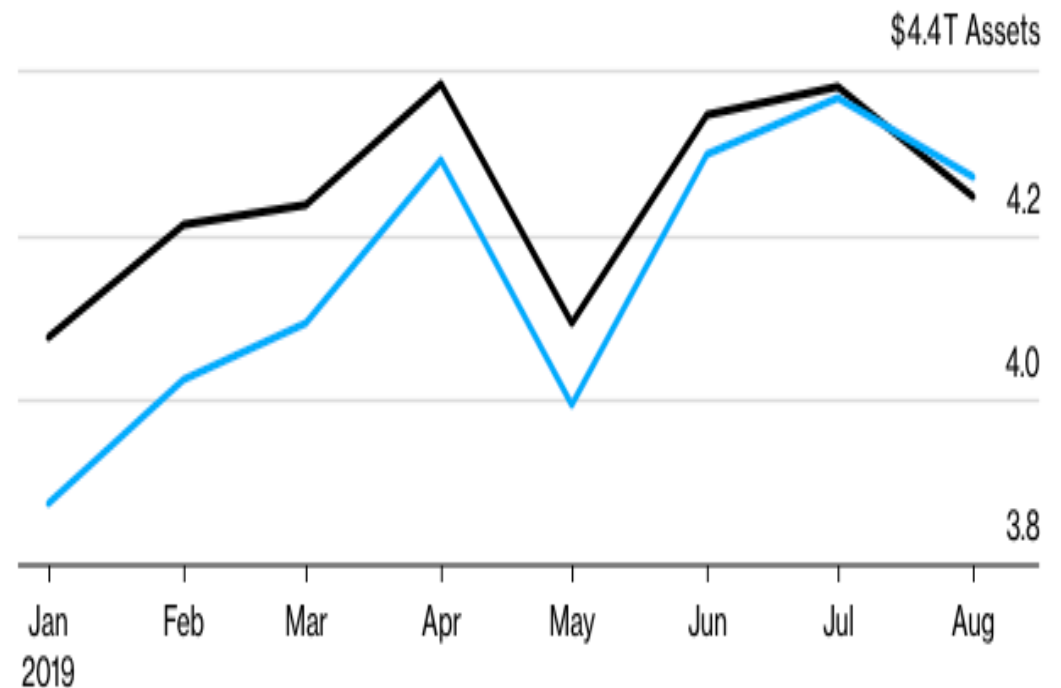
# Why is this Important to Investors?

- This lowers price of investing for individuals, reduces influence of stock pickers and has turned a handful of Wall Street outsiders into the biggest power brokers in the industry.
- Indexing giants such as BlackRock Inc., Vanguard Group and State Street Corp. now wield considerable power over corporate America, can cast pivotal votes that determine who sits on a company board and how executives deal with issues ranging from climate change to pay equity.

## Passive Edge

More money is now managed in passive than active US equity funds

Active Stock Funds / Passive Stock Funds



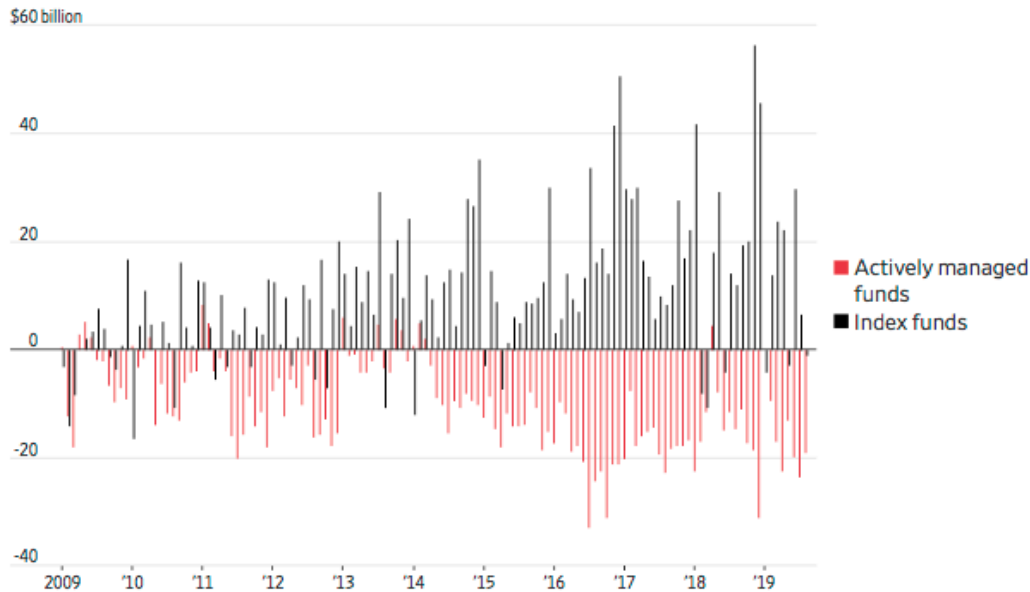
Source: Morningstar Direct  
Preliminary estimates through August



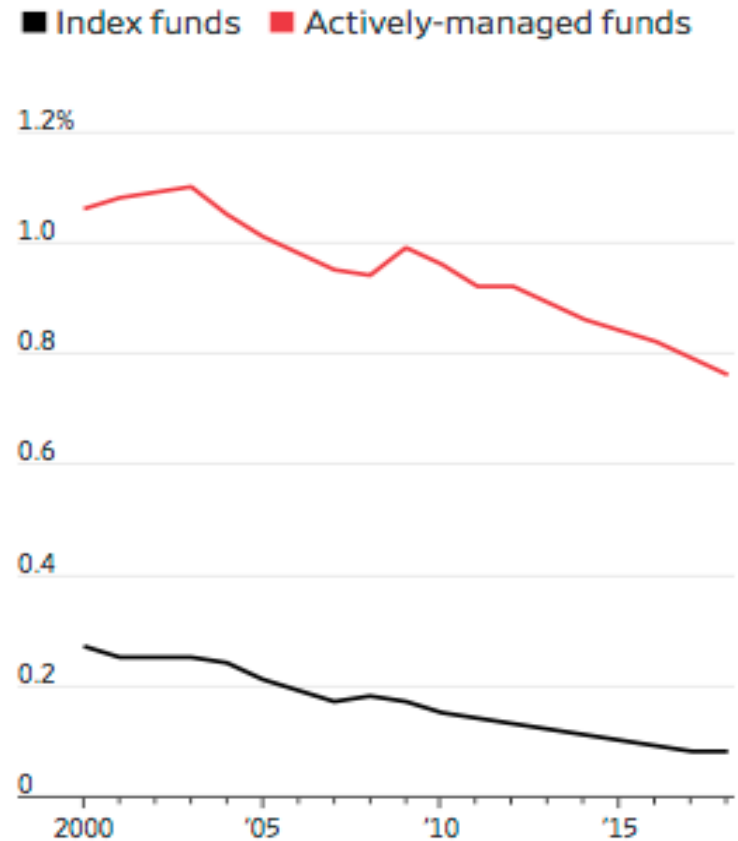
# Why is this Important to Investors?

Old-fashioned money managers aren't willing to relinquish their crown so easily. They're trying out new fee structures leaning more heavily on data science and alternative investing in a bid to keep customers and attract new ones.

Net flows for U.S. equity funds, monthly



Expense ratios of equity mutual funds



Note: Expense ratios are measured as asset-weighted averages.

Source: Investment Company Institute analysis

# Bogle Sounds a Warning on Index Funds

The father of index funds says it's probably only a matter of time before they own half of all U.S. stocks; 'I do not believe that such concentration would serve the national interest'

In Aug 1976, Jack started the first index fund which became known as "[Bogle's folly](#)," using the strategy of tracking a broad market index was totally rejected by Wall Street. Fidelity, then the industry's largest firm, gave the kiss of death: "The great mass of investors aren't going to be satisfied with receiving average returns. The game is to be the best."

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After 42 years, Equity index fund assets now total some \$4.6 trillion, while total index fund assets have surpassed \$6 trillion. Of this, about 70% is invested in broad market index funds like the original Vanguard fund.

# Morningstar Active/Passive Barometer

- Morningstar just published the midyear 2019 version of the Active/Passive Barometer which measures active fund managers' performance versus their passive peers. The report helps investors to know the odds of picking successful active managers. This covers 20 Morningstar Categories that account for \$12.5 trillion in investor assets, 64% of the U.S. fund market.
- The report seeks to answer is: If an investor were to select an actively managed fund from a category, what are the odds that fund will survive and outperform its passive peers in any given time period? That is the active managers' success relative to investable passive alternatives in the same category.
- We rank these composite fund returns from highest to lowest and count the number of funds whose returns exceed the equal-weighted average of the passive funds in the category. The success rates are defined as the ratio of the number of active funds that both survived and outperformed the average of their passive peers to the number of funds that existed at the beginning of the period.

# Active Funds - Rates of Success %

Category	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year	10-Year (Lowest Cost)	10-Year (Highest Cost)
U.S. Large Blend	32.3	29.0	13.6	8.0	14.5	18.0	18.7	1.1
U.S. Large Value	34.4	33.3	15.9	7.0	20.4	12.1	18.8	1.4
U.S. Large Growth	54.3	38.8	30.5	8.0	12.0	—	14.6	3.1
U.S. Mid Blend	46.3	26.5	14.3	7.7	8.1	11.6	13.8	0.0
U.S. Mid Value	32.0	33.3	23.8	11.6	26.9	—	16.0	4.2
U.S. Mid Growth	79.1	59.5	54.0	29.8	26.9	—	40.4	24.0
U.S. Small Blend	45.3	29.3	26.0	22.1	19.3	34.0	39.5	18.9
U.S. Small Value	45.1	44.8	39.3	39.5	25.7	—	47.8	21.7
U.S. Small Growth	75.8	61.3	52.8	35.2	26.3	—	38.3	23.4
Foreign Large Blend	29.8	29.7	32.6	32.3	31.2	37.1	34.2	16.7
Foreign Large Value	8.5	23.4	44.1	32.6	—	—	36.8	15.8
Foreign Small-Mid Blend	34.5	21.4	24.0	82.4	—	—	100.0	100.0
World Large Stock	55.2	46.6	33.7	31.8	28.7	—	41.2	17.6
Diversified Emerging Markets	33.9	43.4	55.8	49.0	—	—	66.7	28.6
Europe Stock	20.8	13.6	23.8	48.1	34.2	—	83.3	33.3
U.S. Real Estate	56.9	31.9	38.8	35.1	32.8	27.1	53.3	26.7
Global Real Estate	76.4	19.7	51.9	38.6	—	—	33.3	11.1
Intermediate Core Bond	26.8	52.6	34.9	31.3	16.6	9.5	44.4	17.1
Corporate Bond	13.2	68.8	57.8	61.5	—	—	83.3	60.0
High Yield Bond	37.7	57.7	43.1	57.4	—	—	67.9	51.9

Source: Morningstar. Data and Calculations as of 6/28/19.

\* Green/red shading indicates that active funds in this fee quintile had above/below average success rates .

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# Active vs Passive Summary

from Morningstar

- Actively managed funds have generally underperformed their passive counterparts, especially over longer time horizons.
- In addition, we found that failure tended to be positively correlated with fees (that is, higher-cost funds were more likely to underperform or be shuttered or merged away, and lower-cost funds were likelier to survive and enjoyed greater odds of success).
- Again, fees matter. They are one of the only reliable predictors of success.

# When to Buy ETFs vs Individual Stocks

- When the returns within a sector for individual stocks are about the same, i.e. a very narrow dispersion, ETFs provide a lower risk and about the same return as most of the Stocks.
- If you want to get invested but have little knowledge of the businesses, or industry, ETFs provide a lower risk than individual stocks. Simpler to compare overall returns of industry or sector to know it's not a loser.
- ETFs provide a simpler, more transparent, more liquid way to access markets involving commodities, e.g. gold, precious metals, agricultural products, fuel products.
- Much easier to manage a diversified portfolio of a few ETFs, rather than 50 or more individual stocks. Save time, less worry.














# Use Mutual Funds to Find Good Stocks

## Feature from Morningstar

- Take a peek into the top positions of highly rated concentrated large-cap funds: FMI Large Cap ([FMIHX](#)), a Gold Morningstar Rating, and Silver-rated Akre Focus ([AKRIX](#)), AMG Yacktman Focused ([YAFFX](#)), Jensen Quality Growth ([JENSX](#)), Loomis Sayles Growth ([LSGRX](#)), Oakmark Select ([OAKLX](#)), Parnassus Core Equity ([PRBLX](#)), and Sound Shore ([SSHFX](#)).
- By focusing on concentrated funds, these funds have fewer stocks--Akre Focus holds the fewest stocks, at 21, while Parnassus Core Equity owns the most, at 39--and better represent stock picking. And when they buy, they have high conviction. Using only Gold- and Silver-rated funds, these managers are pretty good at what they do.
- Here are the top 10 holdings for these funds as of their most recently reported portfolios.

# Commonly Held Stocks Across Funds

 In-Common Stocks Among Top Holdings Silver- and Gold-Rated Concentrated Funds

Fund	Number of Funds that Own It	Current Rating
American International Group AIG	 2	★★★★
Berkshire Hathaway BRK.B	 2	★★★★
Citigroup C	 2	★★★★
Dollar Tree DLTR	 2	★★
Johnson & Johnson JNJ	 2	★★★
Mastercard MA	 2	★★
Microsoft MSFT	 4	★★★★
Oracle ORCL	 3	★★★
PepsiCo PEP	 2	★★
Procter & Gamble PG	 2	★★
The Walt Disney Co DIS	 2	★★★
UnitedHealth Group UNH	 2	★★★★
Visa V	 2	★★

Source: Morningstar; data as of 9.10.19



# Most Favored Stocks

- Microsoft ([MSFT](#)) is the most commonly held stock among our concentrated fund managers, appearing in the top 10 of four portfolios.
- Oracle ([ORCL](#)) pops up among the top holdings of three of the portfolios. Clearly, these two stocks in particular and the others included here are fine ideas to “steal.” But be sure you steal them at the right price: Nine of the stocks in common are currently fairly valued or overvalued according to our metrics.
- Five of the in-common stocks are undervalued according to our metrics:
  - American International Group ([AIG](#)),
  - Berkshire Hathaway ([BRK.A](#)) ([BRK.B](#)),
  - Citigroup ([C](#)),
  - Microsoft, UnitedHealth ([UNH](#)).

# Undervalued Stocks - AIG

## American International Group

- The insurer has a Morningstar Economic Moat Rating of none and posted a string of terrible results over the past decade.
- “The years since the financial crisis have shown that American International Group would have destroyed substantial value even if it had never written a single credit default swap, that noncore businesses needed to be shed, and that material issues in the firm's core operations needed to be addressed,” argues senior analyst Brett Horn.
- However, AIG is on the mend, thanks in part to an aggressive goal of new CEO Brian Duperreault--generating an underwriting profit in the company’s property and casualty operations this year. Duperreault has a solid track record of building a successful underwriting culture elsewhere, and the firm’s recent reinsurance deal with Berkshire Hathaway mitigates the risk of reserve development problems in the future. Horn says that the business performance is trending in a positive direction, believing that AIG is capable of moving its underwriting results to a level more in line with its peers.
- “In our view, remedying the company’s historical underwriting issues is the key factor in generating acceptable returns over time, and we are pleased to see sustained progress on this front,” he notes.
- The stock trades 26% below our fair value estimate of \$76 as of this writing.

# Undervalued BRK-A, B

## Berkshire Hathaway

- With a Morningstar Rating of 4 stars, we think wide-moat Berkshire Hathaway is trading at levels that are among the cheapest we've seen in years.
- “We think two big concerns--first, that Berkshire Hathaway's size will prevent it from growing at a decent clip in the future and, second, that the company's shares will get pummeled once Warren Buffett no longer runs the show--have kept some investors on the sidelines,” suggests senior analyst Gregg Warren. “While we do not expect Berkshire to be able to consistently increase its book value per share at a double-digit rate going forward--a feat the firm achieved six times during 2009-18--we think the company is still capable of increasing book value per share at a high-single- to low-double-digit rate annually. This should leave returns solidly and consistently above Berkshire's cost of capital, which is what we expect from companies with wide economic moats.”
- Warren [argues](#) that Berkshire is a fine long-term investment idea today not only because of its price but also because it's likely to hold up better than most companies if and when a downturn comes. Moreover, its near \$100 billion in dry powder will be at the ready to make new investments, acquisitions, and share repurchases.
- The Class B shares currently trade at a 17% discount to our \$253 fair value estimate.














# Undervalued - UNH

## UnitedHealth Group

- The largest private health insurer in the United States, UnitedHealth has carved out a wide economic moat. The giant boasts more than 43 million medical members nationwide, representing 14% of the insured population.
- “We view UnitedHealth Group as uniquely positioned in the healthcare sector broadly and compared with its peers in the managed-care industry,” observes sector director Damien Conover. “UnitedHealth's breadth of scope puts it in a league of its own, in our opinion, and forms the underpinnings of our wide moat rating. While UnitedHealth's business franchises would probably be moatworthy in their own right, the integration of medical benefits, pharmaceutical management, and an ambulatory care network strengthens the performance and durability of the entire enterprise. We're convinced that UnitedHealth's scale and cohesive service model make it more likely than not that the company will continue to earn excess returns for shareholders over the coming two decades.”
- Conover acknowledges that competitors are hooking up to copy UnitedHealth’s strategy, but we think its lead will be difficult to catch over the medium term. Moreover, we’ve awarded the firm’s management team an Exemplary rating, believing that it will continue to successfully shepherd the company through an evolving healthcare system.
- The stock trades 24% below our \$310 fair value estimate.

# Conclusion from Morningstar Analyses

- Taking their Top Ten Stocks commonly held across their top rated mutual funds sounded like a reasonable idea – use the expertise of the fund managers stock picking for our own stockpicks.
  - Taking these into Stock Rover, it was quickly evident that their choices were nothing special. It was mostly an exercise to use Morningstar services.

<i>Ticker</i>	Company	Return (5 Years) ↓	Dividend Yield	Earnings Yield
MA	Mastercard	264.4% 	0.5%	2.4%
V	Visa	238.5% 	0.6%	3.0%
MSFT	Microsoft	229.0% 	1.5%	3.7%
UNH	UnitedHealth Group	175.0% 	1.9%	5.9%
DLTR	Dollar Tree	101.1% 	-	-5.9%
PG	Procter & Gamble	69.3% 	2.4%	1.2%
PEP	PepsiCo	66.9% 	2.8%	6.7%
DIS	Walt Disney	60.9% 	1.3%	5.7%
BRK.B	Berkshire Hathaway	48.4% 	-	5.7%
ORCL	Oracle	46.5% 	1.8%	5.7%
C	Citigroup	40.0% 	2.9%	10.3%
JNJ	Johnson & Johnson	38.3% 	2.9%	4.6%
AIG	American Internati...	14.2% 	2.3%	0.0%

# High Yield Stocks

## Top 10 Dividend-Yielding Stocks of Our Ultimate Stock-Pickers

Company / Ticker	Star Rating	Size of Moat	Current Price (\$)	Price/ FVE	T4Q DVD Yield (%)	Uncertainty Rating	# Funds Holding	# Funds Buying
Philip Morris Int'l PM	★★★★★	Wide	73.05	0.72	6.2	Low	5	2
GlaxoSmithKline GSK	★★★	Wide	40.89	0.91	5.0	Medium	5	1
Pfizer PFE	★★★★★	Wide	36.91	0.80	3.9	Low	9	3
Wells Fargo WFC	★★★★	Wide	48.92	0.84	3.8	Medium	11	4
Gilead Sciences GILD	★★★★	Wide	66.52	0.79	3.7	Medium	7	4
3M MMM	★★★★	Wide	171.44	0.91	3.3	Low	6	4
Novartis NVS	★★★	Wide	86.99	1.00	3.3	Low	6	2
BB&T BBT	★★★	Narrow	53.06	1.02	3.1	Medium	5	2
CVS Health CVS	★★★★★	Narrow	64.06	0.70	3.1	Medium	6	1
United Parcel Service UPS	★★★	Wide	122.67	1.13	3.1	Medium	7	3

Stock price and Morningstar rating data as of Sept. 13, 2019.

\*Dividends for American Depository Receipts (ADRs) can be impacted by changes in currency exchange rates. Our calculations also adjust for special dividends.

# Widely Held Dividend Stocks

## Top 10 Widely Held Dividend-Paying Stocks of Our Ultimate Stock-Pickers

Company / Ticker	Star Rating	Size of Moat	Current Price (\$)	Price/FVE	T4Q DVD Yield (%)	Uncertainty Rating	# Funds Holding	# Funds Buying
Wells Fargo WFC	★★★★	Wide	48.92	0.84	3.8	Medium	11	4
Johnson & Johnson JNJ	★★★	Wide	130.78	0.98	2.8	Low	11	2
PepsiCo PEP	★★	Wide	136.44	1.08	2.8	Low	10	3
Cisco Systems CSCO	★★★	Narrow	50.03	1.04	2.7	Medium	10	1
Procter & Gamble PG	★★	Wide	122.12	1.19	2.4	Low	9	3
Pfizer PFE	★★★★★	Wide	36.91	0.80	3.9	Low	9	3
Bank of New York Mellon BK	★★★	Wide	46.90	0.98	2.5	Medium	8	2
US Bancorp USB	★★★	Wide	56.08	1.10	2.6	Medium	7	3
Eli Lilly LLY	★★★	Wide	110.89	0.95	2.3	Medium	7	2
Texas Instruments TXN	★★	Wide	129.61	1.22	2.4	Medium	7	3

Stock price and Morningstar rating data as of Sept. 13, 2019.

\*Dividends for American Depositary Receipts (ADRs) can be impacted by changes in currency exchange rates. Our calculations also adjust for special dividends.

# Other Morningstar Stock Picks - Useless

- Looking at the 5 year returns on High Yield Stocks and Widely Held Dividend Stocks they picked – Nothing there very attractive using Stock Rover 5 year returns.

Stocks – High Yield

Ticker	Company	Return (5 Years) ↓	Dividend Yield	Earnings Yield
BBT	BB&T	62.3%	3.4%	7.6%
UPS	United Parcel S...	42.4%	3.2%	4.6%
PFE	Pfizer	42.0%	4.0%	6.1%
MMM	3M	29.4%	3.5%	5.0%
NVS	Novartis	26.0%	3.3%	3.5%
GSK	GlaxoSmithKline	16.5%	4.5%	5.3%
PM	Philip Morris Intl	14.4%	6.2%	6.6%
WFC	Wells Fargo	10.3%	4.1%	9.8%
CVS	CVS Health	-12.9%	3.2%	5.7%
GILD	Gilead Sciences	-33.0%	3.9%	7.2%

Stocks – Widely held w/ Dividends

Ticker	Company	Return (5 Years) ↓	Dividend Yield	Earnings Yield
TXN	Texas Instruments	197.8%	2.8%	4.3%
LLY	Eli Lilly	91.9%	2.3%	3.8%
PG	Procter & Gamble	69.2%	2.4%	1.2%
PEP	PepsiCo	66.9%	2.8%	6.7%
USB	US Bancorp	48.2%	3.0%	7.6%
PFE	Pfizer	42.0%	4.0%	6.1%
JNJ	Johnson & Joh...	38.2%	2.9%	4.6%
BK	Bank of New Y...	31.3%	2.7%	8.2%
WFC	Wells Fargo	10.3%	4.1%	9.8%

Conclusion – Do Your Own Due Diligence, Their Picks are Just to get you to use their services.



# Muni Bonds

- Bonds yielding nothing or less are bought for capital gains, while stocks, the historical engine of capital appreciation, are bought for income.
- Munis have been left behind in the headlong plunge in yields. Some top-grade, tax-free long-term municipal bonds provide a higher yield than the taxable 30-year U.S. Treasury,
  - Irion, Texas, Independent School District bonds with a 4% coupon and maturing Aug. 15, 2044, priced to yield 2.09%, based on the worst-case assumption that they will be redeemed early, on Aug. 15, 2024. They have triple-A ratings because of their backing by the Texas Permanent School Fund
  - Minnesota House Finance Agency 2.75% coupon bonds, due July 1, 2044, yield to maturity. The bonds are rated Aa1 by Moody's Investors Service and AA-plus by Standard & Poor's/ But the Minnesota bonds are backed by Ginnie Mae securities, which carry the federal government's guarantee. That 2.75% yield is equivalent to 4.37% for a top tax bracket investor.

# Muni Bond CEFs

- CEFs differ from open-end mutual funds: they issue a set number of shares, traded like stocks at prices that may be above or below their net asset values, and they often borrow money to leverage their portfolios. That increases both yield and risk. The risk is their cost of borrowing can rise, cutting distributions, and, in turn, the share price, when the Fed is raising its policy rates.
- Muni closed-end funds are tax-free yields over 4% in many cases, equivalent to 6.35% on a taxable fixed-income investment to an investor paying 37% federal taxes.
  - [Pimco Municipal Income Fund II](#) (ticker: PML), yields 4.9%, but trades at 23.97% above its net-asset value, according to CEFconnect.com. Paying \$1.24 for a dollar's worth of assets isn't exactly a value play
  - [Nuveen Quality Municipal Income](#) fund (NAD), with a 4.42% yield at a 10.36% discount, and [Nuveen AMT-Free Quality Municipal Income](#) fund (NEA), 4.47% yield at a 9.52% discount.
  - [BlackRock Municipal 2030 Target Term Trust](#) (BTT), has lower yield of 3.14% reflects less risk from possible rising yields and falling bond prices, owing to the fund's shorter effective duration.