



# Strategy Overview: Tactical Income Closed End (TICE)

Integrated Capital Management

## A Different Opportunity

A potential exists for investors, due to the outdated pricing mechanism of closed end funds (CEFs) allowing investors to acquire a portfolio of assets for less than the market price of the underlying securities.

### Mean Reversion's Role in Investing

A potential exists for investors, due to the outdated pricing mechanism of closed end funds (CEFs) allowing investors to acquire a portfolio of assets for less than the market price of the underlying securities.

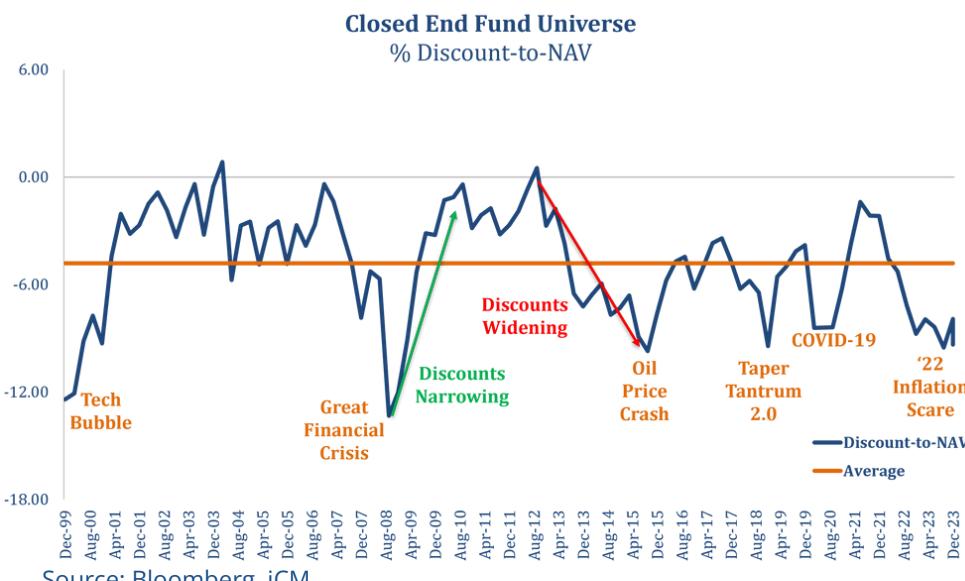
### Harnessing a Unique Source of Return

A potential exists for investors, due to the outdated pricing mechanism of closed end funds (CEFs) allowing investors to acquire a portfolio of assets for less than the market price of the underlying securities.

### Potential for Enhanced Yield

A potential exists for investors, due to the outdated pricing mechanism of closed end funds (CEFs) allowing investors to acquire a portfolio of assets for less than the market price of the underlying securities.

## A Unique Source of Return



## Introduction to Closed End Funds

Closed End Funds (CEFs) were introduced in the United States in 1893, predating open-end mutual funds by 30 years. CEFs are structured as collective investment companies just like open-end mutual funds and exchange traded funds (ETFs).

### **Closed End Fund Key Facts**

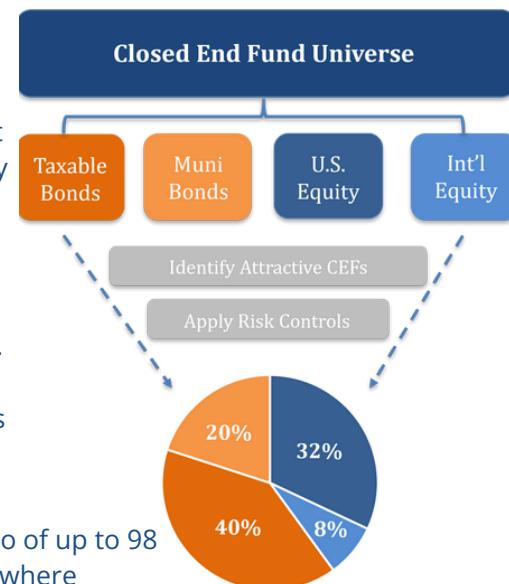
**Trading** - Trade intraday between market participants - Similar to common stocks

**Pricing** - Driven by supply and demand, as well as underlying holdings

**Premiums/Discounts** - CEFs can trade away from NAV and when they trade at a discount an investor's yield is further enhanced - similar to a discount bond.

## TICE Investment Process

- 1 Start with entire CEF universe which consists of >400 individual funds.
- 2 Separate universe into its 4 key asset classes and analyze using proprietary database with data back to the late 1990s.
- 3 Identify funds trading at significant discounts to their long-term average.
- 4 Risk management process eliminates illiquid or overly concentrated funds.
- 5 Construct an equal-weighted portfolio of up to 98 CEFs that meet criteria, owning ETFs where opportunities do not exist.





Integrated Capital Management

# Strategy Overview: Tactical Income Closed End (TICE)

## Disclosures

Integrated Capital Management, Inc. is an SEC registered investment advisor. Registration does not imply a certain level of skill or training. Past performance is no guarantee of future results, and every investment may lose money. No guarantees or assurances can be made as to future performance.

The broad market index returns are gathered from third party sources that are believed to be reliable. Integrated Capital Management, Inc. cannot guarantee the accuracy or completeness of this data. Rather, you should refer to information published by the index family for details relating to each specific Index. Indexes are unmanaged and one cannot invest directly in an index. Historical performance results for indices and/or categories generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results.

The views expressed herein are intended solely to report on various investment views held by Integrated Capital Management. Opinions, estimates, forecasts, and statements of financial market trends that are based on current market conditions constitute our judgment and are subject to change without notice. We believe the information provided here is reliable but should not be assumed to be accurate or complete. References to specific securities, asset classes and financial markets are for illustrative purposes only and do not constitute a solicitation, offer or recommendation to purchase or sell a security. Please note that investments in foreign markets are subject to special currency, political, and economic risks.

All reports are created with MPI Stylus. Data supplied by Morningstar, Bloomberg, MSCI, BOA/ML, Standard & Poor's & FTSE Russell. Investments offered by Integrated Capital Management, Inc. are not deposits or obligations of, or guaranteed or endorsed by any bank or depository institution, nor are they insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the National Credit Union Association or any other agency. All investing involves the assumption of risk and the possible loss of principal. The main risks as it pertains to this strategy are US equity risk, international equity and fixed-income market risk, interest rate risk and currency risk. While attempting to achieve the objectives of the strategy, you will be exposed to the risk of loss from these sources along with others yet to be identified.

Closed end funds are exchange traded, may trade at a discount to their net asset values and may deploy leverage. When the strategy purchases shares of a closed-end fund at a discount to its net asset value, there can be no assurance that the discount will decrease and may possibly increase. If a closed-end fund uses leverage, increases and decreases in the value of its share price may be magnified. Distributions by a closed-end fund may include a return of capital, which would reduce the fund's net asset value and its earnings capacity. Closed end funds are offered by prospectus. The prospectus and/or other applicable offering documents contain this and other important information about the investment strategy. You should read the prospectus and/or other applicable offering documents carefully before investing. iCM uses third-party data that is believed to be accurate and complete. All data is subject to change.

Indexes are unmanaged and it is not possible to invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. (MMXXVI)



Integrated Capital Management

The TekRidge Center  
50 Alberigi Drive, Suite 114  
Jessup, PA 18434  
(888) 426 4689  
[www.icm-invest.com](http://www.icm-invest.com)

Integrated Capital Management is an SEC registered investment advisor. Registration does not imply a level of skill or training. Past performance is no guarantee of future results.