

MCEF

First Trust Municipal CEF Income Opportunity ETF

Fund Description

MCEF is an actively managed fund-of-funds that invests in US municipal bond CEFs of various sectors, credit qualities, and leverage levels.

FactSet Analyst Report

MCEF has a fund-of-CEFs (closed-end funds) structure with a wide investment mandate. It selects from the municipal bond CEF universe regardless of strategy, sector, credit quality, and leverage exposure to generate current income. The fund manager uses a proprietary model to sort, evaluate, and select individual CEFs based on a range of fundamental and technical factors. The factors include but are not limited to fund size, duration, premium or discount, leverage, net asset value, and share price returns. CEFs can provide attractive current income due to their ability to employ structural leverage of up to 33%. As many CEFs are actively managed funds, MCEF's management team is essentially picking other managers for their ability to select investments.