
TIAA survey shows popularity of closed-end funds

By Editorial Staff Thu, Oct 27, 2016

Nearly two-thirds (62%) of advisors recommend increasing closed-end fund allocation at retirement to diversify income, according to new research by Nuveen, a unit of TIAA Global Asset Management.

Closed-end funds can bolster the income of people who are in or near retirement and help offset today's low-interest rate environment, according to 85% of financial advisors surveyed recently by [Nuveen](#), a unit of TIAA Global Asset Management.

Two-thirds of advisors surveyed now use [closed-end funds](#) compared with just over half (51%) in 2013, Nuveen found in September. They do so to increase income (58%) and to diversify income (53%)

Nearly two-thirds (62%) of advisors recommend increasing closed-end fund allocation at retirement to diversify income. About one-third recommend using closed-end funds to take advantage of modest amounts of leverage and to boost returns without changing the risk composition of an investor's portfolio.

Clients in or near retirement are extremely concerned about protecting principal (73%) and covering health-care costs (72%), about three-quarters of advisors told Nuveen. About two-thirds of advisors said that closed-end funds can increase cash flow and are appropriate for long-term investors.

Dubick & Associates conducted the survey for Nuveen last April using a sample of 326 advisors from the Discovery Database. Advisors were employed by wirehouses, regional broker/dealers, independent broker/dealers, registered investment advisors, banks and insurance companies.

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