



# City National Rochdale Municipal High Income Fund

SERVICING CLASS QUARTERLY MUTUAL FUND REPORT

Symbol: **CNRMX**

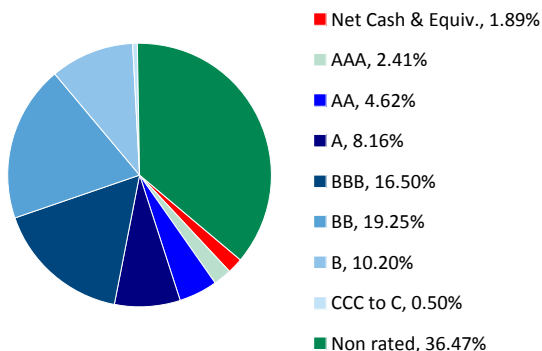
## INVESTMENT OBJECTIVE

The Fund seeks to provide a high level of current income that is not subject to federal income tax.

## INVESTMENT STRATEGY

The Fund typically invests in medium- and lower-quality bonds, which are bonds that are rated BBB+ or lower by Standard & Poor's Ratings Services ("Standard & Poor's"), are comparably rated by another nationally recognized statistical rating organization ("NRSRO") or, if unrated, are determined by the Fund's sub-adviser to be of comparable quality. The Fund's typical investments include non-investment grade debt securities (commonly called junk bonds), which are rated BB+ or lower by Standard & Poor's, comparably rated by another NRSRO or, if unrated, determined by the sub-adviser to be of comparable quality. The Fund may invest an unlimited amount of its total assets in non-investment grade debt securities. Although the Fund's sub-adviser considers credit ratings in selecting investments for the Fund, the sub-adviser basis its investment decision for a particular instrument primarily on its own credit analysis and not on an NRSRO's credit rating.

## CREDIT QUALITY



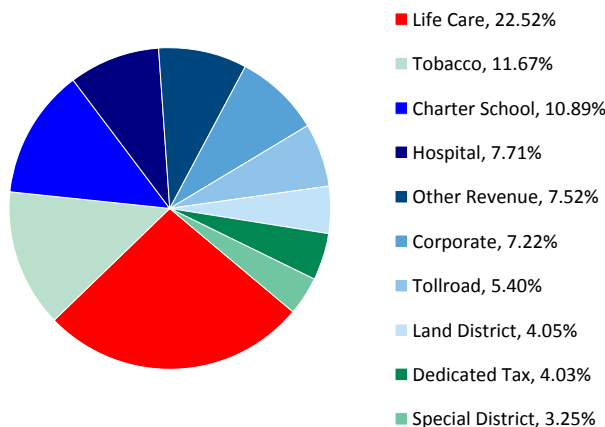
## RECENT TRADING DATA

Net Asset Value (NAV)	\$10.27
Duration (years)	10.44
Yield to Worst <sup>1</sup> (gross)	5.04%
SEC 30 Day Yield	4.27%
Unsubsidized 30 Day Yield	4.27%
Barclays High Yield Municipal Index:	
Modified Adjusted Duration (years)	10.15
Yield to Worst <sup>1</sup>	6.42%
# of Holdings	2,986

## FEES & EXPENSES

Total Annual Fund Operating Expenses	0.80%
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## TOP TEN SECTORS (Percentages are based on total investments)



## MUNICIPAL TOP TEN HOLDINGS

Tsasc (Tobacco Settlement Asset-Backed Bds, 5.125%, 06/01/2042)	1.23%
NY Liberty Dev Corp Lib Rev Bds (3 World Trade Center), 5.00%, 11/15/2044	1.14%
Denver Colo City & Cnty Deduc Tax Rev Ref and Impt Bds, 4.00%, 08/01/2046	1.13%
Tarrant Cnty Tex Cultural Ed Fac Rev Bds (C C Young Mem Home), 6.375%, 02/15/2048	1.10%
Washington St Hsg Fin Comm Non Rev and Ref Bds (Presbyterian Retirement Comm Northwest), 5.00%, 01/01/2046	1.05%
Golden St Tob Securitization Corp Tobacco Settlement Asset 2007A, 5.75%, 06/01/2047	1.04%
Village Cmnty Dev Dist No 12 Spec Assess Rev Bds 2016, 3.875%, 05/01/2047	1.02%
Massachusetts St GO Bds 2016E, 4.00%, 04/01/2046	1.00%
Nassau Cnty NY Tobacco Settlement Corp Asset-Backed Bds, 5.125%, 06/01/2046	0.99%
Salt Verde Finl Corp Senior Gas Rev Bds, 5.00%, 12/01/2037	0.99%
<b>Percent in Top 10 Holdings</b>	<b>10.69%</b>

Total Number of Securities Held: 336

Excluding Cash. Fund holdings are subject to change.

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## TOTAL RETURN - as of December 31, 2016

	3 Month	YTD	1 Year	3 Year*	Since Inception*
<b>Municipal High Income Fund</b>	<b>-6.87%</b>	<b>-1.04%</b>	<b>-1.04%</b>	<b>5.17%</b>	<b>5.10%</b>
Barclays High Yield Municipal Index	-5.84%	2.99%	2.99%	6.08%	6.07%
Lipper High Yield Municipal Debt Funds	-5.17%	0.82%	0.82%	6.35%	6.35%

**Performance quoted represents past performance which does not guarantee future results. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. The most recent month-end performance can be obtained by calling 800-245-9888.**

\*Annualized

Returns for periods greater than 1 year are annualized.

**This material must be preceded or accompanied by a current summary or full prospectus. Investors should read it carefully before investing or sending money.**

Investing involves risk including loss of principal. Bonds and bond funds are subject to interest rate risks and will decline in value as interest rates rise.

Investing in securities that are not investment grade offers a higher yield but also carries a greater degree of risk of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. No investment strategy can guarantee a profit or protect against loss in periods of declining values. There is no guarantee that the Fund's income will be exempt from federal or state income taxes. Capital gains, if any, are subject to capital gains tax. Income from municipal bonds may be subject to the alternative minimum tax. Diversification does not protect against market loss.

This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events or a guarantee of future results.

The Barclays High Yield Municipal Index is an unmanaged index made up of bonds that are non-investment grade, unrated, or rated below Ba1 by Moody's Investors Service with a remaining maturity of at least one year. It is not possible to invest directly in an index.

The Lipper High Yield Municipal Debt Funds category consists of funds that typically invest 50% or more of their assets in municipal debt issues rated BBB or less. Categories are compiled by Lipper Inc., and are not directly investable.

**Investment products are not bank deposits or obligations of or guaranteed by City National Bank or any subsidiary or affiliate and are not insured by the FDIC, they involve risk, including the possible loss of principal.**

City National Rochdale Funds are distributed by SEI Investments Distribution Co., which is not affiliated with City National Bank or any subsidiary or affiliate.

All rated securities are rated by S&P, Moody's, and/or Fitch. If a security is rated by more than one of these organizations, the lowest rating assigned is shown. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest)

<sup>1</sup>The lower of the yield to maturity or the yield to call. It is essentially the lowest potential rate of return for a bond, excluding delinquency or default.

## ABOUT FUND MANAGEMENT

*City National Rochdale, LLC, a subsidiary of City National Bank, is the investment manager of the Fund.*

## PORTFOLIO MANAGER:

**William Black**, CFA, Managing Director and Senior Portfolio Manager of City National Rochdale, LLC, is primarily responsible for the day-to-day management of the Fund and serves as portfolio manager for the Fund.

**INCEPTION DATE:** December 30, 2013

**CUSIP:** 17800P456

## FOR MORE INFORMATION

For additional information, please call (888) 889-0799, or visit [citynationalrochdalefunds.com](http://citynationalrochdalefunds.com).

Non-deposit Investment Products are: ■ not FDIC insured ■ not Bank guaranteed ■ may lose value