

WESTERN ASSET PREMIER BOND FUND
Form N-CSRS
August 22, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number 811-10603

Western Asset Premier Bond Fund
(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY 10018
(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: (888) 777-0102

Date of fiscal year end: December 31

Date of reporting period: June 30, 2014

ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

Semi-Annual Report

June 30, 2014

WESTERN ASSET

PREMIER BOND FUND (WEA)

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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Fund objective

The Fund's investment objective is to provide current income and capital appreciation.

Letter from the president

Dear Shareholder,

We are pleased to provide the semi-annual report of Western Asset Premier Bond Fund for the six-month reporting period ended June 30, 2014. Please read on for Fund performance information and a detailed look at prevailing economic and market conditions during the Fund's reporting period.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, www.lmcef.com. Here you can gain immediate access to market and investment information, including:

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Kenneth D. Fuller

President and Chief Executive Officer

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July 31, 2014

II Western Asset Premier Bond Fund

Investment commentary

Economic review

Since the end of the Great Recession, the U.S. economy has expanded at a slower than usual pace, compared to recent history. U.S. gross domestic product (GDP) growth, as reported by the U.S. Department of Commerce's revised figures, was 4.5% during the third quarter of 2013, its best reading since the fourth quarter of 2011. At the beginning of the six months ended June 30, 2014 (the reporting period), the severe winter weather of January and February played a key role in a sharp reversal in the economy, a 2.1% contraction during the first quarter of 2014. This was the first negative GDP report in three years. Negative contributions were widespread: private inventory investment, exports, state and local government spending, nonresidential and residential fixed investment. Thankfully, this setback was very brief, as the initial reading for second quarter GDP growth, released after the reporting period ended, was 4.0%, suggesting the recovery has some resilience and continues to recover from the severe consequences of the Great Recession. The second quarter rebound in GDP growth was driven by several factors, including increased private inventory investment and exports, as well as an acceleration in personal consumption expenditures and an upturn in state and local government spending.

The U.S. manufacturing sector continued to support the economy during the reporting period. Based on figures for the Institute for Supply Management's Purchasing Managers' Index (PMI), U.S. manufacturing expanded during all six months of the reporting period (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). After a reading of 56.5 in December 2013, the PMI fell to 51.3 in January 2014, its weakest reading since May 2013. However, the PMI moved up the next four months and was 55.4 in May 2014, and slipped to 55.3 in June, with fifteen of the eighteen industries within the PMI expanding.

The U.S. job market improved during the reporting period. When the period began, unemployment, as reported by the U.S. Department of Labor, was 6.6%. Unemployment then ticked up to 6.7% in February and held steady in March 2014. Unemployment then fell to 6.3% in April and was unchanged in May. The labor market then gathered additional momentum in June, as the unemployment rate fell to 6.1%, the lowest level since September 2008. However, falling unemployment during the period was partially due to a decline in the workforce participation rate, which was 62.8% from May through June 2014, matching the lowest level since 1978. The number of longer-term unemployed, however, declined, as 32.8% of the 9.5 million Americans looking for work in June 2014 had been out of work for more than six months. In contrast, 37.7% of the 10.4 million Americans looking for work in December 2013 had been out of work for more than six months.

Investment commentary (cont d)

Market review

Q. How did the Federal Reserve Board (Fedⁱⁱ) respond to the economic environment?

A. The Fed took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As has been the case since December 2008, the Fed kept the federal funds rate^{iv} at a historically low range between zero and 0.25%. At its meeting in December 2012, prior to the beginning of the reporting period, the Fed announced that it would continue purchasing \$40 billion per month of agency mortgage-backed securities (MBS), as well as initially purchasing \$45 billion per month of longer-term Treasuries. Following the meeting that concluded on December 18, 2013, the Fed announced that it would begin tapering its monthly asset purchases, saying Beginning in January 2014, the Committee will add to its holdings of agency MBS at a pace of \$35 billion per month rather than \$40 billion per month, and will add to its holdings of longer-term Treasury securities at a pace of \$40 billion per month rather than \$45 billion per month.

At each of the Fed s next four meetings (January, March, April and June 2014), it announced further \$10 billion tapering of its asset purchases. Finally, at its meeting that ended on July 30, 2014, after the reporting period ended, the Fed again cut its monthly asset purchases. Beginning in August, it will buy a total of \$25 billion per month (\$10 billion per month of agency MBS and \$15 billion per month of longer-term Treasuries).

Q. Did Treasury yields trend higher or lower during the six months ended June 30, 2014?

A. Short-term Treasury yields moved higher, whereas long-term Treasury yields declined during the reporting period. When the reporting period began, the yield on the two-year Treasury was 0.38%. It fell as low as 0.30% in early February 2014, and was as high as 0.51% on June 17, 2014, before ending the period at 0.47%. The yield on the ten-year Treasury began the period at 3.04%, its peak for the period. The ten-year Treasury fell as low as 2.44% on May 28, 2014 and ended the period at 2.53%.

Q. What factors impacted the spread sectors (non-Treasuries) during the reporting period?

A. The spread sectors generated positive results during the reporting period, rallying in January and February 2014, as investor demand was solid overall. The majority of spread sectors then modestly declined in March as interest rates moved higher. However, the reporting period ended on an upbeat note as the spread sectors generated positive results from April through June. The overall bond market, as measured by the Barclays U.S. Aggregate Index^v, gained 3.93% during the six months ended June 30, 2014.

Q. How did the high-yield bond market perform over the six months ended June 30, 2014?

A. The U.S. high-yield bond market was among the best performing spread sectors during the reporting period, gaining 5.46% for the six months ended June 30, 2014. The asset class, as measured by the Barclays U.S. Corporate High Yield 2% Issuer Cap Inde^x, posted positive returns during all six months covered by the reporting period. Supporting the high yield market was generally solid investor demand and low defaults.

Performance review

For the six months ended June 30, 2014, Western Asset Premier Bond Fund returned 7.69% based on its net asset value (NAVⁱⁱⁱ) and 6.53% based on its New York Stock Exchange (NYSE) market price per share. The Fund’s unmanaged benchmarks, the Barclays U.S. Corporate High Yield Index^{viii} and the Barclays U.S. Credit Index^{ix}, returned 5.46% and 5.70%, respectively, for the same period. The Lipper Corporate BBB-Rated Debt Closed-End Funds Category Average^x returned 7.21% over the same time frame. Please note that Lipper performance returns are based on each fund’s NAV.

During this six-month period, the Fund made distributions to shareholders totaling \$0.54 per share. As of June 30, 2014, the Fund estimates that all of the distributions were sourced from net investment income.* The performance table shows the Fund’s six-month total return based on its NAV and market price as of June 30, 2014. **Past performance is no guarantee of future results.**

Performance Snapshot as of June 30, 2014
(unaudited)

price per share	6-month total return**
\$15.39 (NAV)	7.69%
\$14.93 (Market Price)	6.53%

All figures represent past performance and are not a guarantee of future results. Performance figures for periods shorter than one year represent cumulative figures and are not annualized.

**** Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.**

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund’s Dividend Reinvestment Plan.

Looking for additional information?

The Fund is traded under the symbol WEA and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol XWEAX on most financial websites. *Barron’s* and the *Wall Street Journal’s* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com.

*This estimate is not for tax purposes. The Fund will issue a Form 1099 with final composition of the distributions for tax purposes after year-end. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder’s investment. For more information about a distribution’s composition, please refer to the Fund’s distribution press release or, if applicable, the Section 19 notice located in the press release section of our website, www.lmcef.com.

Investment commentary (cont d)

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

Thank you for your investment in Western Asset Premier Bond Fund. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

Sincerely,

Kenneth D. Fuller

President and Chief Executive Officer

July 31, 2014

***RISKS:** Bonds are subject to a variety of risks, including interest rate, credit and inflation risks. As interest rates rise, bond prices fall, reducing the value of a fixed-income investment's price. The Fund may invest in high-yield bonds, which are rated below investment grade and carry more risk than higher-rated securities. To the extent that the Fund invests in asset-backed, mortgage-backed or mortgage related securities, its exposure to prepayment and extension risks may be greater than investments in other fixed-income securities. Leverage may result in greater volatility of NAV and the market price of common shares and increases a shareholder's risk of loss. The Fund may invest, to a limited extent, in foreign securities, including emerging markets, which involve additional risks. The Fund may make significant investments in derivative instruments. Derivative instruments can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance.*

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

- ⁱ Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.
- ⁱⁱ The Institute for Supply Management's PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the U.S. manufacturing sector.
- ⁱⁱⁱ The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- ^{iv} The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.
- ^v The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- ^{vi} The Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- ^{vii} Net asset value (NAV) is calculated by subtracting total liabilities and outstanding preferred stock (if any) from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- ^{viii} The Barclays U.S. Corporate High Yield Index covers the universe of fixed-rate, non-investment grade debt, including corporate and non-corporate sectors. Pay-in-kind (PIK) bonds, Eurobonds and debt issues from countries designated as emerging markets are excluded, but Canadian and global bonds (SEC registered) of issuers in non-emerging market countries are included. Original issue zero coupon bonds, step-up coupon structures and 144-A securities are also included.
- ^{ix} The Barclays U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).
- ^x Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the six-month period ended June 30, 2014, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 8 funds in the Fund's Lipper category.

Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the Fund's portfolio as of June 30, 2014 and December 31, 2013 and does not include derivatives such as futures contracts and forward foreign currency contracts. The Fund's portfolio is actively managed. As a result, the composition of its portfolio holdings and sectors is subject to change at any time.

Spread duration (unaudited)

Economic exposure June 30, 2014

Total Spread Duration

WEA 4.04 years
Benchmark 4.04 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

ABS	Asset-Backed Securities
Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WEA	Western Asset Premier Bond Fund

Effective duration (unaudited)

Interest rate exposure June 30, 2014

Total Effective Duration

WEA 3.19 years

Benchmark 4.04 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

ABS	Asset-Backed Securities
Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WEA	Western Asset Premier Bond Fund

Schedule of investments (unaudited)

June 30, 2014

Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
Security				
Corporate Bonds & Notes 80.8%				
Consumer Discretionary 10.5%				
<i>Automobiles 2.4%</i>				
DaimlerChrysler NA Holding Corp., Notes	8.500%	1/18/31	1,000,000	\$ 1,516,881
Ford Motor Credit Co., LLC, Senior Notes	12.000%	5/15/15	1,030,000	1,131,589
Ford Motor Credit Co., LLC, Senior Notes	8.000%	12/15/16	680,000	789,908
Ford Motor Credit Co., LLC, Senior Notes	2.375%	1/16/18	1,000,000	1,021,510
<i>Total Automobiles</i>				<i>4,459,888</i>
<i>Diversified Consumer Services 0.0%</i>				
Service Corp. International, Senior Notes	7.625%	10/1/18	5,000	5,863
Service Corp. International, Senior Notes	7.500%	4/1/27	60,000	66,300
<i>Total Diversified Consumer Services</i>				<i>72,163</i>
<i>Hotels, Restaurants & Leisure 1.1%</i>				
Arcos Dorados Holdings Inc., Senior Notes	6.625%	9/27/23	120,000	126,000 ^(a)
Caesars Entertainment Operating Co. Inc., Senior Secured Notes	9.000%	2/15/20	160,000	133,200
CCM Merger Inc., Senior Notes	9.125%	5/1/19	570,000	611,325 ^(a)
Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes	8.875%	3/15/19	280,000	285,600 ^(a)
Landry's Holdings II Inc., Senior Notes	10.250%	1/1/18	720,000	763,200 ^(a)
<i>Total Hotels, Restaurants & Leisure</i>				<i>1,919,325</i>
<i>Household Durables 0.2%</i>				
William Lyon Homes Inc., Senior Notes	8.500%	11/15/20	390,000	436,313
<i>Media 6.6%</i>				
21st Century Fox America Inc., Notes	8.875%	4/26/23	400,000	539,134
Comcast Corp., Notes	5.900%	3/15/16	400,000	435,468
Comcast Corp., Notes	7.050%	3/15/33	1,000,000	1,347,731
CSC Holdings LLC, Senior Notes	6.750%	11/15/21	1,000,000	1,100,000
DISH DBS Corp., Senior Notes	7.875%	9/1/19	385,000	457,187
Nara Cable Funding Ltd., Senior Secured Notes	8.875%	12/1/18	1,500,000	1,601,250 ^(a)
New Cotai LLC/New Cotai Capital Corp., Senior Secured Notes	10.625%	5/1/19	344,967	396,712 ^{(a)(b)}
Time Warner Cable Inc., Debentures	7.300%	7/1/38	720,000	968,561
Time Warner Cable Inc., Senior Notes	5.850%	5/1/17	500,000	562,334
Time Warner Inc., Senior Debentures	7.700%	5/1/32	980,000	1,360,871
UPC Holding BV, Junior Secured Subordinated Notes	6.375%	9/15/22	1,820,000 ^{EUR}	2,716,418 ^(a)
WMG Acquisition Corp., Senior Notes	6.750%	4/15/22	530,000	530,000 ^(a)
<i>Total Media</i>				<i>12,015,666</i>
<i>Specialty Retail 0.2%</i>				
Hot Topic Inc., Senior Secured Notes	9.250%	6/15/21	270,000	299,700 ^(a)
Total Consumer Discretionary				19,203,055

See Notes to Financial Statements.

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
Consumer Staples 4.6%				
<i>Food & Staples Retailing 2.1%</i>				
CVS Pass-Through Trust, Secured Bonds	5.789%	1/10/26	468,280	\$ 524,834 ^(a)
CVS Pass-Through Trust, Secured Notes	5.880%	1/10/28	470,148	529,259
CVS Pass-Through Trust, Secured Notes	6.036%	12/10/28	467,028	537,623
CVS Pass-Through Trust, Secured Notes	6.943%	1/10/30	447,446	540,853
CVS Pass-Through Trust, Secured Notes	7.507%	1/10/32	434,882	542,932 ^(a)
Kroger Co., Senior Notes	6.400%	8/15/17	1,090,000	1,248,726
<i>Total Food & Staples Retailing</i>				<i>3,924,227</i>
<i>Food Products 2.5%</i>				
Ahold Lease USA Inc., Pass-Through Certificates	8.620%	1/2/25	686,921	830,687
Chiquita Brands International Inc./Chiquita Brands LLC, Senior Secured Notes	7.875%	2/1/21	465,000	506,269
Hearthside Group Holdings LLC/Hearthside Finance Co., Senior Notes	6.500%	5/1/22	500,000	498,750 ^(a)
Simmons Foods Inc., Senior Secured Notes	10.500%	11/1/17	500,000	535,625 ^(a)
Wells Enterprises Inc., Senior Secured Notes	6.750%	2/1/20	176,000	185,020 ^(a)
WM Wrigley Jr. Co., Senior Notes	2.000%	10/20/17	2,000,000	2,029,348 ^(a)
<i>Total Food Products</i>				<i>4,585,699</i>
Total Consumer Staples				8,509,926
Energy 9.5%				
<i>Energy Equipment & Services 1.2%</i>				
CGG, Senior Notes	6.500%	6/1/21	750,000	744,375
FTS International Inc., Senior Secured Notes	6.250%	5/1/22	370,000	378,325 ^(a)
Hercules Offshore Inc., Senior Notes	8.750%	7/15/21	410,000	433,575 ^(a)
Hercules Offshore Inc., Senior Notes	7.500%	10/1/21	650,000	645,125 ^(a)
<i>Total Energy Equipment & Services</i>				<i>2,201,400</i>
<i>Oil, Gas & Consumable Fuels 8.3%</i>				
Anadarko Finance Co., Senior Notes	7.500%	5/1/31	570,000	776,013
Arch Coal Inc., Senior Notes	7.000%	6/15/19	1,080,000	818,100
Atlas Pipeline Partners LP/Atlas Pipeline Finance Corp., Senior Notes	6.625%	10/1/20	170,000	180,625
Burlington Resources Finance Co., Senior Notes	7.400%	12/1/31	450,000	634,919
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	6.500%	4/15/21	900,000	918,000 ^(a)
Colorado Interstate Gas Co., Senior Notes	6.800%	11/15/15	150,000	161,985
CONSOL Energy Inc., Senior Notes	8.250%	4/1/20	440,000	476,300
Devon Energy Corp., Debentures	7.950%	4/15/32	310,000	438,977
Devon Energy Corp., Senior Notes	1.875%	5/15/17	1,000,000	1,017,275
Ecopetrol SA, Senior Notes	5.875%	9/18/23	55,000	61,738

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2014

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Oil, Gas & Consumable Fuels continued</i>				
Ecopetrol SA, Senior Notes	5.875%	5/28/45	130,000	\$ 134,456
El Paso Corp., Medium-Term Notes	7.800%	8/1/31	190,000	206,150
EXCO Resources Inc., Senior Notes	8.500%	4/15/22	320,000	345,600
Halcon Resources Corp., Senior Notes	9.750%	7/15/20	670,000	731,138
Hess Corp., Notes	7.875%	10/1/29	350,000	482,294
Lonestar Resources America Inc., Senior Notes	8.750%	4/15/19	180,000	181,800 ^(a)
Magnum Hunter Resources Corp., Senior Notes	9.750%	5/15/20	740,000	817,700
MEG Energy Corp., Senior Notes	7.000%	3/31/24	840,000	926,100 ^(a)
Natural Resource Partners LP/Natural Resource Partners Finance Corp., Senior Notes	9.125%	10/1/18	370,000	388,500 ^(a)
Parsley Energy LLC/Parsley Finance Corp., Senior Notes	7.500%	2/15/22	150,000	160,125 ^(a)
Petrobras International Finance Co., Senior Notes	5.375%	1/27/21	960,000	1,000,541
Plains Exploration & Production Co., Senior Notes	8.625%	10/15/19	125,000	133,750
Plains Exploration & Production Co., Senior Notes	6.500%	11/15/20	429,000	478,871
Plains Exploration & Production Co., Senior Notes	6.875%	2/15/23	650,000	760,500
Regency Energy Partners LP/Regency Energy Finance Corp., Senior Notes	5.875%	3/1/22	80,000	86,900
Reliance Holdings USA Inc., Senior Notes	5.400%	2/14/22	250,000	269,940 ^(c)
Sanchez Energy Corp., Senior Notes	7.750%	6/15/21	710,000	770,350 ^(a)
Summit Midstream Holdings LLC/Summit Midstream Finance Corp., Senior Notes	7.500%	7/1/21	230,000	250,700
Transocean Inc., Senior Notes	5.050%	12/15/16	1,000,000	1,086,322
Williams Cos. Inc., Debentures	7.500%	1/15/31	413,000	488,480
Williams Cos. Inc., Senior Notes	8.750%	3/15/32	39,000	50,847
<i>Total Oil, Gas & Consumable Fuels</i>				<i>15,234,996</i>
Total Energy				17,436,396
Financials 23.5%				
<i>Banks 16.2%</i>				
Bank of America Corp., Senior Notes	3.750%	7/12/16	1,000,000	1,051,959
Bank of America Corp., Senior Notes	5.000%	5/13/21	1,100,000	1,227,809
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	610,000	843,758 ^(a)
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	2,500,000	2,853,750
Capital One N.A., Senior Notes	1.500%	3/22/18	1,810,000	1,793,124
Citigroup Inc., Senior Notes	1.700%	7/25/16	1,000,000	1,013,144
Citigroup Inc., Subordinated Notes	3.500%	5/15/23	500,000	486,723
Citigroup Inc., Subordinated Notes	6.625%	6/15/32	1,000,000	1,203,296
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	1,610,000	1,901,812 ^{(a)(d)(e)}
HBOS PLC, Subordinated Notes	6.750%	5/21/18	700,000	806,420 ^(a)
Intesa Sanpaolo SpA, Senior Notes	3.625%	8/12/15	300,000	306,512 ^(a)

See Notes to Financial Statements.

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Banks continued</i>				
Intesa Sanpaolo SpA, Senior Notes	3.875%	1/16/18	1,000,000	\$ 1,053,937
Intesa Sanpaolo SpA, Subordinated Bonds	5.017%	6/26/24	910,000	920,752 ^(a)
JPMorgan Chase & Co., Junior Subordinated Bonds	6.000%	8/1/23	1,910,000	1,948,200 ^{(d)(e)}
JPMorgan Chase & Co., Subordinated Notes	5.125%	9/15/14	1,300,000	1,312,329
M&T Bank Corp., Junior Subordinated Bonds	6.875%	6/15/16	760,000	768,881 ^(e)
Royal Bank of Scotland Group PLC, Subordinated Notes	6.100%	6/10/23	1,470,000	1,609,053
Royal Bank of Scotland Group PLC, Subordinated Notes	6.000%	12/19/23	150,000	162,181
Royal Bank of Scotland Group PLC, Subordinated Notes	5.125%	5/28/24	1,580,000	1,604,330
Royal Bank of Scotland NV, Subordinated Notes	7.750%	5/15/23	140,000	160,628
Santander UK PLC, Subordinated Notes	5.000%	11/7/23	510,000	550,816 ^(a)
Santander US Debt SA Unipersonal, Senior Notes	3.724%	1/20/15	300,000	304,439 ^(a)
Wachovia Capital Trust III, Junior Subordinated Bonds	5.570%	8/11/14	2,530,000	2,454,100 ^{(d)(e)}
Wells Fargo & Co., Junior Subordinated Bonds	5.900%	6/15/24	3,090,000	3,275,400 ^{(d)(e)}
<i>Total Banks</i>				<i>29,613,353</i>
<i>Capital Markets 2.8%</i>				
Deutsche Bank AG, Subordinated Notes	4.296%	5/24/28	2,000,000	1,960,240 ^(d)
Goldman Sachs Group Inc., Senior Notes	6.150%	4/1/18	1,000,000	1,146,820
Goldman Sachs Group Inc., Senior Notes	5.250%	7/27/21	800,000	898,346
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	1,000,000	1,203,034
<i>Total Capital Markets</i>				<i>5,208,440</i>
<i>Consumer Finance 0.5%</i>				
Ally Financial Inc., Senior Notes	8.000%	3/15/20	350,000	425,250
Capital One Financial Corp., Subordinated Notes	6.150%	9/1/16	500,000	553,333
<i>Total Consumer Finance</i>				<i>978,583</i>
<i>Diversified Financial Services 2.5%</i>				
General Electric Capital Corp., Notes	5.300%	2/11/21	450,000	511,704
General Electric Capital Corp., Subordinated Debentures	6.375%	11/15/67	500,000	557,500 ^(d)
International Lease Finance Corp., Senior Notes	8.750%	3/15/17	1,380,000	1,604,250
International Lease Finance Corp., Senior Notes	5.875%	8/15/22	750,000	819,375
International Lease Finance Corp., Senior Secured Notes	7.125%	9/1/18	400,000	464,000 ^(a)
ZFS Finance USA Trust II, Bonds	6.450%	12/15/65	500,000	538,750 ^{(a)(d)}
<i>Total Diversified Financial Services</i>				<i>4,495,579</i>
<i>Insurance 1.1%</i>				
Liberty Mutual Group Inc., Junior Subordinated Bonds	7.800%	3/15/37	200,000	236,000 ^(a)
Metlife Inc., Junior Subordinated Notes	10.750%	8/1/39	500,000	794,375
XL Capital Ltd., Senior Notes	5.250%	9/15/14	1,000,000	1,009,864
<i>Total Insurance</i>				<i>2,040,239</i>

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2014

Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Real Estate Management & Development</i> 0.4%				
Howard Hughes Corp., Senior Notes	6.875%	10/1/21	690,000	\$ 738,300 ^(a)
Total Financials				43,074,494
Health Care 1.3%				
<i>Health Care Equipment & Supplies</i> 0.5%				
ConvaTec Finance International SA, Senior Notes	8.250%	1/15/19	340,000	347,650 ^{(a)(b)}
Lantheus Medical Imaging Inc., Senior Notes	9.750%	5/15/17	610,000	633,638
<i>Total Health Care Equipment & Supplies</i>				<i>981,288</i>
<i>Health Care Providers & Services</i> 0.8%				
HCA Inc., Debentures	7.500%	11/15/95	475,000	446,500
HCA Inc., Notes	7.690%	6/15/25	90,000	101,475
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	230,000	245,237
Tenet Healthcare Corp., Senior Notes	8.125%	4/1/22	480,000	555,600
<i>Total Health Care Providers & Services</i>				<i>1,348,812</i>
Total Health Care				2,330,100
Industrials 11.4%				
<i>Aerospace & Defense</i> 0.6%				
Boeing Co., Notes	6.125%	2/15/33	600,000	771,800
GenCorp Inc., Secured Notes	7.125%	3/15/21	250,000	273,125
<i>Total Aerospace & Defense</i>				<i>1,044,925</i>
<i>Airlines</i> 6.8%				
Air 2 US, Notes	8.027%	10/1/19	1,406,763	1,491,168 ^(a)
America West Airlines Inc., Pass-Through Certificates, Ambac Assurance Corp.	8.057%	7/2/20	1,654,421	1,906,720
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	128,654	150,525
Northwest Airlines Corp., Pass-Through Certificates	7.575%	3/1/19	362,043	408,203
United Airlines Inc., Pass-Through Certificates	6.900%	1/2/18	533,354	573,355
United Airlines Inc., Pass-Through Certificates	6.820%	5/1/18	587,355	646,091
United Airlines Inc., Pass-Through Certificates	6.545%	2/2/19	823,076	912,544
United Airlines Inc., Pass-Through Certificates	8.048%	11/1/20	455,416	524,001
United Airlines Inc., Pass-Through Certificates	6.703%	6/15/21	663,211	724,558
United Airlines Inc., Pass-Through Certificates, Secured Notes	6.250%	4/11/20	898,647	979,526
US Airways, Pass-Through Trust, Pass-Through Certificates	6.850%	1/30/18	2,082,883	2,249,514
US Airways, Pass-Through Trust, Secured Notes	7.125%	10/22/23	1,692,653	1,984,636
<i>Total Airlines</i>				<i>12,550,841</i>
<i>Commercial Services & Supplies</i> 0.4%				
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	590,000	644,575 ^(a)
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	72,000	78,660 ^(a)
<i>Total Commercial Services & Supplies</i>				<i>723,235</i>

See Notes to Financial Statements.

Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Construction & Engineering 0.9%</i>				
Ausdrill Finance Pty Ltd., Senior Notes	6.875%	11/1/19	270,000	\$ 251,775 (a)
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	610,000	649,650 (a)
Modular Space Corp., Secured Notes	10.250%	1/31/19	360,000	378,900 (a)
OAS Investments GmbH, Senior Notes	8.250%	10/19/19	200,000	207,000 (a)
Odebrecht Offshore Drilling Finance Ltd., Senior Secured Notes	6.625%	10/1/22	197,780	210,643 (a)
<i>Total Construction & Engineering</i>				1,697,968
<i>Electrical Equipment 0.2%</i>				
International Wire Group Holdings Inc., Senior Secured Notes	8.500%	10/15/17	340,000	368,900 (a)
<i>Machinery 0.4%</i>				
SPL Logistics Escrow LLC/SPL Logistics Finance Corp., Senior Secured Notes	8.875%	8/1/20	710,000	795,200 (a)
<i>Marine 1.2%</i>				
Horizon Lines LLC, Senior Secured Notes	11.000%	10/15/16	1,673,000	1,677,182
Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes	8.125%	11/15/21	470,000	491,150 (a)
<i>Total Marine</i>				2,168,332
<i>Road & Rail 0.5%</i>				
Florida East Coast Holdings Corp., Senior Notes	9.750%	5/1/20	620,000	654,875 (a)
Jurassic Holdings III Inc., Secured Notes	6.875%	2/15/21	280,000	285,600 (a)
<i>Total Road & Rail</i>				940,475
<i>Trading Companies & Distributors 0.4%</i>				
H&E Equipment Services Inc., Senior Notes	7.000%	9/1/22	590,000	651,950
Total Industrials				20,941,826
<i>Information Technology 2.1%</i>				
<i>IT Services 1.6%</i>				
Compiler Finance Subordinated Inc., Senior Notes	7.000%	5/1/21	465,000	471,975 (a)
Electronic Data Systems Corp., Notes	7.450%	10/15/29	500,000	613,609
First Data Corp., Senior Notes	12.625%	1/15/21	940,000	1,157,375
First Data Corp., Senior Secured Notes	6.750%	11/1/20	98,000	106,085 (a)
First Data Corp., Senior Subordinated Notes	11.750%	8/15/21	208,000	246,740
Interactive Data Corp., Senior Notes	5.875%	4/15/19	270,000	274,050 (a)
<i>Total IT Services</i>				2,869,834
<i>Software 0.2%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	340,000	349,350 (a)
<i>Technology Hardware, Storage & Peripherals 0.3%</i>				
Hewlett-Packard Co., Senior Notes	4.650%	12/9/21	500,000	545,506
Total Information Technology				3,764,690

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2014

Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
Security				
Materials 4.8%				
<i>Chemicals 0.3%</i>				
Braskem Finance Ltd., Senior Notes	5.375%	5/2/22	230,000	\$ 233,450 ^(a)
HIG BBC Intermediate Holdings LLC/HIG BBC Holdings Corp., Senior Notes	10.500%	9/15/18	250,000	256,250 ^{(a)(b)}
<i>Total Chemicals</i>				<i>489,700</i>
<i>Construction Materials 0.3%</i>				
Cemex SAB de CV, Senior Secured Notes	9.000%	1/11/18	560,000	602,000 ^(c)
<i>Containers & Packaging 1.1%</i>				
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	9.125%	10/15/20	415,000	457,537 ^(a)
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	7.000%	11/15/20	213,529	221,003 ^(a)
Exopack Holdings SA, Senior Notes	7.875%	11/1/19	590,000	631,300 ^(a)
Pactiv LLC, Senior Notes	7.950%	12/15/25	50,000	53,500
Reynolds Group Issuer Inc./Reynolds Group Issuer LLC/Reynolds Group Issuer (Luxembourg) SA, Senior Notes	9.875%	8/15/19	630,000	697,725
<i>Total Containers & Packaging</i>				<i>2,061,065</i>
<i>Metals & Mining 2.3%</i>				
AngloGold Ashanti Holdings PLC, Senior Notes	8.500%	7/30/20	198,000	221,760
Barrick Gold Corp., Senior Notes	6.950%	4/1/19	300,000	357,768
Cliffs Natural Resources Inc., Senior Notes	3.950%	1/15/18	960,000	972,796
Molycorp Inc., Senior Secured Notes	10.000%	6/1/20	370,000	340,400
Prince Mineral Holding Corp., Senior Secured Notes	12.000%	12/15/19	260,000	293,150 ^(a)
Ryerson Inc./Joseph T. Ryerson & Son Inc., Senior Notes	11.250%	10/15/18	620,000	691,300
SunCoke Energy Partners LP/SunCoke Energy Partners Finance Corp., Senior Notes	7.375%	2/1/20	200,000	213,500 ^(a)
SunCoke Energy Partners LP/SunCoke Energy Partners Finance Corp., Senior Notes	7.375%	2/1/20	90,000	96,075 ^(a)
Vedanta Resources PLC, Senior Bonds	8.250%	6/7/21	580,000	649,600 ^(c)
<i>Total Metals & Mining</i>				<i>4,257,749</i>
<i>Paper & Forest Products 0.8%</i>				
Fibria Overseas Finance Ltd., Senior Notes	5.250%	5/12/24	610,000	606,950
Weyerhaeuser Co., Debentures	7.375%	3/15/32	560,000	756,655
<i>Total Paper & Forest Products</i>				<i>1,363,605</i>
Total Materials				8,774,119
Telecommunication Services 10.9%				
<i>Diversified Telecommunication Services 9.8%</i>				
AT&T Inc., Senior Notes	5.625%	6/15/16	400,000	437,038
AT&T Inc., Senior Notes	5.350%	9/1/40	170,000	184,912

See Notes to Financial Statements.

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value	
<i>Diversified Telecommunication Services continued</i>					
Cincinnati Bell Telephone Co., Senior Debentures	6.300%	12/1/28	25,000	\$ 24,063	
Intelsat Jackson Holdings SA, Senior Bonds	5.500%	8/1/23	750,000	746,250 (a)	
Level 3 Financing Inc., Senior Notes	8.625%	7/15/20	290,000	324,800	
Level 3 Financing Inc., Senior Notes	6.125%	1/15/21	530,000	567,762 (a)	
Orange, Notes	9.000%	3/1/31	600,000	903,029	
Qwest Corp., Senior Notes	7.500%	10/1/14	150,000	152,539	
Qwest Corp., Senior Notes	6.750%	12/1/21	2,000,000	2,315,480	
Telecom Italia SpA, Senior Notes	5.303%	5/30/24	1,500,000	1,505,625 (a)	
Telefonica Emisiones SAU, Senior Notes	5.134%	4/27/20	2,000,000	2,233,092	
TW Telecom Holdings Inc., Senior Notes	6.375%	9/1/23	770,000	875,875	
Verizon Communications Inc., Senior Notes	5.150%	9/15/23	4,330,000	4,845,673	
Wind Acquisition Finance SA, Senior Notes	11.750%	7/15/17	1,500,000	1,549,020 (a)	
Wind Acquisition Finance SA, Senior Secured Notes	7.250%	2/15/18	490,000	517,685 (a)	
Windstream Corp., Senior Notes	6.375%	8/1/23	800,000	811,000	
<i>Total Diversified Telecommunication Services</i>				<i>17,993,843</i>	
<i>Wireless Telecommunication Services 1.1%</i>					
Sprint Capital Corp., Senior Notes	6.875%	11/15/28	750,000	757,500	
Sprint Communications Inc., Senior Notes	9.000%	11/15/18	500,000	606,250 (a)	
VimpelCom Holdings BV, Senior Notes	5.950%	2/13/23	570,000	562,162 (a)	
<i>Total Wireless Telecommunication Services</i>				<i>1,925,912</i>	
Total Telecommunication Services					19,919,755
<i>Utilities 2.2%</i>					
<i>Electric Utilities 1.4%</i>					
Centrais Eletricas Brasileiras SA, Senior Notes	5.750%	10/27/21	210,000	215,435 (a)	
FirstEnergy Corp., Notes	7.375%	11/15/31	1,770,000	2,091,859	
Southern Co., Senior Notes	1.950%	9/1/16	150,000	153,515	
<i>Total Electric Utilities</i>				<i>2,460,809</i>	
<i>Gas Utilities 0.0%</i>					
Southern Natural Gas Co., Senior Notes	8.000%	3/1/32	20,000	27,328	
<i>Independent Power and Renewable Electricity Producers 0.8%</i>					
AES Corp., Senior Notes	8.000%	6/1/20	100,000	120,250	
Calpine Corp., Senior Secured Notes	7.875%	1/15/23	559,000	623,285 (a)	
First Wind Holdings Inc., Senior Secured Notes	10.250%	6/1/18	746,000	798,220 (a)	
<i>Total Independent Power and Renewable Electricity Producers</i>				<i>1,541,755</i>	
Total Utilities				4,029,892	
Total Corporate Bonds & Notes (Cost \$136,014,695)				147,984,253	

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2014

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
Asset-backed Securities 17.8%				
AAA Trust, 2005-1A 1A3B	0.561%	2/27/35	469,462	\$ 351,950 ^{(a)(d)}
ABFS Mortgage Loan Trust, 2002-3 M1	5.902%	9/15/33	976,281	771,946
ACE Securities Corp., 2005-WF1 M1	0.572%	5/25/35	470,000	441,400 ^(d)
Ameriquest Mortgage Securities Inc., 2004-R1 A1B	0.952%	2/25/34	466,778	431,979 ^(d)
Ameriquest Mortgage Securities Inc., 2004-R9 M1	1.082%	10/25/34	178,543	178,395 ^(d)
Argent Securities Inc., 2003-W3 M1	1.275%	9/25/33	76,072	73,732 ^(d)
Associates Manufactured Housing Pass Through Certificates, 1997-CLB2	8.900%	6/15/28	2,130,741	2,122,751 ^(f)
Bank of America Manufactured Housing Contract Trust, 1997-2M	6.900%	4/10/28	63,152	66,579 ^(d)
Bayview Financial Asset Trust, 2004-SSRA A1	0.752%	12/25/39	215,059	205,032 ^{(a)(d)}
Bayview Financial Asset Trust, 2007-SR1A M1	0.952%	3/25/37	1,053,620	889,224 ^{(a)(d)(f)}
Bayview Financial Asset Trust, 2007-SR1A M3	1.302%	3/25/37	399,649	291,744 ^{(a)(d)}
Bayview Financial Asset Trust, 2007-SR1A M4	1.652%	3/25/37	108,995	70,847 ^{(a)(d)}
Bear Stearns Asset Backed Securities Trust, 2006-SD3 1P0, STRIPS, PO	0.000%	8/25/36	571,735	370,409
Centex Home Equity Loan Trust, 2003-B AF4	3.735%	2/25/32	349,152	351,822
Citigroup Mortgage Loan Trust Inc., 2006-SHL1 A1	0.352%	11/25/45	99,143	95,428 ^{(a)(d)}
Contimortgage Home Equity Trust, 1997-4 B1F	7.330%	10/15/28	210,507	214,299
Countrywide Asset-Backed Certificates, 2004-3 3A3	0.912%	8/25/34	138,840	133,525 ^(d)
Countrywide Asset-Backed Certificates, 2006-3 3A1	0.272%	6/25/36	294,090	282,979 ^(d)
Countrywide Asset-Backed Certificates, 2007-13 2A1	1.052%	10/25/47	948,725	824,266 ^(d)
Countrywide Asset-Backed Certificates, 2007-SEA2 1A1	1.152%	8/25/47	43,607	37,126 ^{(a)(d)}
Credit-Based Asset Servicing and Securitization LLC, 2005-RP1 M1	0.772%	1/25/35	334,578	333,039 ^{(a)(d)}
CS First Boston Mortgage Securities Corp., 2004-CF2 2A1	0.622%	5/25/44	11,667	11,394 ^{(a)(d)}
Education Funding Capital Trust, 2004-1 B1	1.880%	6/15/43	1,200,000	1,056,000 ^{(d)(f)}
EMC Mortgage Loan Trust, 2003-B A1	0.702%	11/25/41	34,490	34,179 ^{(a)(d)}
Firstfed Corp. Manufactured Housing Contract, 1996-1 B	8.060%	10/15/22	694,151	594,565 ^(a)
GMAC Mortgage Corp. Loan Trust, 2004-VF1 A1	0.902%	2/25/31	166,173	158,814 ^{(a)(d)}
Green Tree Financial Corp., 1992-2 B	9.150%	1/15/18	16,454	1,880
Green Tree Financial Corp., 1993-1 B	8.450%	4/15/18	28,432	18,131
Green Tree Home Improvement Loan Trust, 1996-D HIB2	8.000%	9/15/27	18,532	15,189
Greenpoint Manufactured Housing, 1999-2 A2	2.915%	3/18/29	425,000	371,541 ^(d)
Greenpoint Manufactured Housing, 1999-3 2A2	3.534%	6/19/29	125,000	108,902 ^(d)
Greenpoint Manufactured Housing, 1999-4 A2	3.649%	2/20/30	125,000	108,966 ^(d)
Greenpoint Manufactured Housing, 1999-5 A5	7.820%	12/15/29	321,988	328,861 ^(d)
Greenpoint Manufactured Housing, 2001-2 IA2	3.650%	2/20/32	350,000	320,335 ^(d)
Greenpoint Manufactured Housing, 2001-2 IIA2	3.656%	3/13/32	575,000	517,773 ^(d)

See Notes to Financial Statements.

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
Asset-backed Securities continued				
GSAA Home Equity Trust, 2004-8 A3A	0.892%	9/25/34	142,129	\$ 142,139 ^(d)
GSAA Home Equity Trust, 2006-19 A3A	0.392%	12/25/36	638,171	377,091 ^(d)
GSAMP Trust, 2003-SEA2 A1	4.422%	7/25/33	1,459,381	1,433,479
GSRPM Mortgage Loan Trust, 2006-1 A1	0.452%	3/25/35	96,647	93,932 ^{(a)(d)}
GSRPM Mortgage Loan Trust, 2006-2 A2	0.450%	9/25/36	157,567	148,623 ^{(a)(d)}
Indymac Manufactured Housing Contract, 1997-1 A5	6.970%	2/25/28	126,395	125,409
Lehman XS Trust, 2007-1 WF1	5.040%	1/25/37	682,519	407,694 ^(d)
Long Beach Mortgage Loan Trust, 2004-4 M1	1.052%	10/25/34	1,620,000	1,528,857 ^(d)
Morgan Stanley ABS Capital I, 2003-SD1 A1	1.152%	3/25/33	17,657	16,691 ^(d)
Morgan Stanley Capital Inc., 2003-NC9 M	1.277%	9/25/33	1,182,611	1,093,300 ^(d)
Morgan Stanley Capital Inc., 2004-HE7 M1	1.052%	8/25/34	1,539,471	1,449,983 ^(d)
New Century Home Equity Loan Trust, 2004-2 A2	0.892%	8/25/34	475,320	445,234 ^(d)
New Century Home Equity Loan Trust, 2004-3 M1	1.082%	11/25/34	1,480,740	1,364,010 ^(d)
Oakwood Mortgage Investors Inc., 2002-B A3	6.060%	6/15/32	185,728	192,311 ^(d)
Option One Mortgage Loan Trust, 2003-2 A2	0.752%	4/25/33	307,779	283,077 ^(d)
Origen Manufactured Housing, 2006-A A2	2.246%	10/15/37	2,241,648	1,950,744 ^(d)
Origen Manufactured Housing, 2007-A A2	2.109%	4/15/37	2,579,072	2,272,792 ^(d)
PAMCO CLO, 1997-1A B	7.910%	8/6/13	525,066	105,013 ^(g)
Park Place Securities Inc., 2004-WCW1 M2	0.832%	9/25/34	1,110,963	1,099,176 ^(d)
Park Place Securities Inc., 2004-WHQ2 M2	1.097%	2/25/35	493,204	495,899 ^(d)
Pegasus Aviation Lease Securitization, 2000-1 A2	8.370%	3/25/30	1,600,000	460,000 ^(a)
People's Choice Home Loan Securities Trust, 2004-1 A3	1.192%	6/25/34	400,842	391,957 ^(d)
RAAC Series, 2007-RP1 M1	0.702%	5/25/46	210,000	155,609 ^{(a)(d)}
Renaissance Home Equity Loan Trust, 2004-2 AF4	5.392%	7/25/34	318,404	323,824
Renaissance Home Equity Loan Trust, 2005-2 AF5	5.201%	8/25/35	750,000	617,810
Renaissance Home Equity Loan Trust, 2005-3 AV3	0.532%	11/25/35	557,185	469,999 ^(d)
Residential Asset Mortgage Products Inc., 2004-RZ1 AII	0.632%	3/25/34	347,761	340,123 ^(d)
Residential Asset Securities Corp., 2002-KS2 A16	6.228%	4/25/32	206,862	211,733 ^(d)
Residential Asset Securities Corp., 2003-KS8 A16	4.830%	10/25/33	198,501	197,187 ^(d)
Settlement Fee Finance LLC, 2004-1A A	9.100%	7/25/34	599,045	642,197 ^{(a)(f)}
Structured Asset Securities Corp., 2002-AL1 A3	3.450%	2/25/32	471,984	466,075
Structured Asset Securities Corp., 2003-AL1 A	3.357%	4/25/31	67,205	66,007 ^(a)
Structured Asset Securities Corp., 2005-4XS 2A1A	1.901%	3/25/35	399,953	400,131 ^(d)
Structured Asset Securities Corp., 2006-GEL3 A2	0.382%	7/25/36	694,082	688,578 ^{(a)(d)}
Total Asset-backed Securities (Cost \$28,559,091)				32,641,686
Collateralized Mortgage Obligations 12.9%				
American Home Mortgage Investment Trust, 2007-A 4A	0.600%	7/25/46	697,447	276,080 ^{(a)(d)}
Banc of America Funding Corp., 2004-B 6A1	2.224%	12/20/34	339,009	236,829 ^(d)

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2014

Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value	
Collateralized Mortgage Obligations continued					
BCAP LLC Trust, 2009-RR12 2A2	0.512%	3/26/35	1,844,014	\$ 867,706 (a)(d)	
Bear Stearns Alt-A Trust, 2004-03 A1	0.792%	4/25/34	336,826	329,564 (d)	
Bear Stearns Alt-A Trust, 2005-10 21A1	2.606%	1/25/36	820,280	648,067 (d)	
Bear Stearns Asset Backed Securities Trust, 2002-AC1 B4	7.000%	1/25/32	541,414	108,505 (a)	
BlackRock Capital Finance LP, 1997-R2 B5	4.778%	12/25/35	81,916	2,040 (a)(d)(f)	
Chevy Chase Mortgage Funding Corp., 2004-3A A1	0.402%	8/25/35	1,012,256	919,234 (a)(d)	
Chevy Chase Mortgage Funding Corp., 2004-4A A1	0.382%	10/25/35	1,493,963	1,366,709 (a)(d)	
Chevy Chase Mortgage Funding Corp., 2005-4A A1	0.352%	10/25/36	1,299,971	1,151,968 (a)(d)	
2,486,915					
		Aquarius & Investments PLC fbo SwissRe		N/A (7) N/R	3,797,500
3,500		Aviva PLC, Reg S		N/A (7) BBB	7,743,750
3,675		AXA SA		12/15/30 A3	4,604,984
		Catlin Insurance Company Limited		N/A (7) BBB+	28,950,268
28,039		Cloverie PLC Zurich Insurance		N/A (7) A	7,871,325
6,815		CNP Assurances		N/A (7) BBB+	2,481,581
2,300		Dai-ichi Mutual		N/A (7) A3	2,034,375
1,750					

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	Life, 144A					
32,040	Financial Security Assurance Holdings, 144A, (6)	6.400%	12/15/66	BBB	25,151,400	
1,755	Friends Life Group PLC	7.875%	N/A (7)	BBB+	1,913,515	
20,335	Glen Meadows Pass Through Trust	6.505%	8/15/67	BB+	20,131,650	
1,030	Great West Life & Annuity Insurance Capital LP II, 144A	7.153%	5/16/46	A	1,060,900	
12,000	Liberty Mutual Group, 144A	7.800%	3/15/37	Baa3	12,900,000	
2,665	Lincoln National Corporation, (6)	7.000%	5/17/66	BBB	2,718,300	
1,750	Lincoln National Corporation, (6)	6.050%	4/20/67	BBB	1,723,750	
9,335	MetLife Capital Trust IV, 144A	7.875%	2/15/37	BBB	10,758,588	
14,660	MetLife Capital Trust X, 144A	9.250%	4/08/38	BBB	18,838,100	
13,770	Nationwide Financial Services	6.750%	5/15/37	Baa2	13,546,238	
1,150	Nationwide Financial Services Capital	7.899%	3/01/37	Baa2	1,273,890	

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	Trust				
	Provident				
	Financing				
6,855	Trust I	7.405%	3/15/38	Baa3	7,523,363
	Prudential				
	Financial				
4,415	Inc., (6)	5.875%	9/15/42	BBB+	4,525,375
	Prudential		N/A		
1,600	PLC	6.500%	(7)	A	1,606,000
	Prudential		N/A		
5,169	PLC	7.750%	(7)	A	5,582,520
	QBE				
	Capital				
	Funding				
	Trust II,		N/A		
4,600	144A	6.797%	(7)	BBB	4,542,500
	QBE				
	Capital				
	Funding				
	Trust II,				
14,535	144A	7.250%	5/24/41	BBB	15,007,388
	Swiss Re				
	Capital I,		N/A		
7,724	144A	6.854%	(7)	A	8,264,680
	Symetra				
	Financial				
	Corporation,				
18,168	144A	8.300%	10/15/37	BBB	19,076,400
	White				
	Mountains				
	Insurance		N/A		
17,485	Group	7.506%	(7)	BB+	18,153,801
	XL				
	Capital		N/A		
8,250	Ltd	6.500%	(7)	BBB	8,085,000
	ZFS				
	Finance				
	USA				
	Trust II				
4,000	144A, (6)	6.450%	12/15/65	A	4,280,000
	Total Insurance				279,214,843
	Machinery	0.4%			
	Stanley				
	Black &				
	Decker				
3,360	Inc.	5.750%	12/15/53	BBB+	3,570,000
	Real Estate	1.4%			
10,165	Sovereign	12.000%	N/A	Ba1	13,550,860
	Real		(7)		
	Estate				
	Investment				

	Trust, 144A				
	U.S. Agency	0.2%			
	Farm Credit Bank of		N/A		
1,700	Texas	10.000%	(7)	Baa1	2,026,716
	Total \$1,000 Par (or similar) Institutional Preferred (cost \$556,863,415)				592,499,654

Nuveen Investments

JPC Nuveen Preferred Income Opportunities Fund
Portfolio of Investments (continued) January 31, 2014 (Unaudited)

Shares	Description (1), (13)	Value
	INVESTMENT COMPANIES 0.7% (0.5% of Total Investments)	
29,800	Cushing [®] Royalty and Income Fund	\$ 533,420
1,152,656	MFS Intermediate Income Trust	6,097,550
7,385	Oxford Lane Capital Corporation	130,235
	Total Investment Companies (cost \$6,693,421)	6,761,205
	Total Long-Term Investments (cost \$1,313,776,811)	1,345,935,939

Principal Amount (000)	Description (1)	Coupon	Maturity	Value
	SHORT-TERM INVESTMENTS 2.3% (1.7% of Total Investments)			
\$ 22,741	Repurchase Agreement with Fixed Income Clearing Corporation, dated 1/31/14, repurchase price \$22,741,190, collateralized by \$22,855,000 U.S. Treasury Notes, 2.125%, due 8/31/20, value \$23,197,825	0.000%	2/03/14	\$ 22,741,190
	Total Short-Term Investments (cost \$22,741,190)			22,741,190
	Total Investments (cost \$1,336,518,001)	140.4%		1,368,677,129
	Borrowings (41.3)% (8), (9)			(402,500,000)
	Other Assets Less Liabilities 0.9% (10)			8,662,716
	Net Assets Applicable to Common Shares 100%			\$ 974,839,845

Investments in Derivatives as of January 31, 2014

Interest Rate Swaps outstanding:

Counterparty	Notional Amount	Fund Pay/Receive	Floating Rate Index	Fixed Rate (Annualized)	Fixed Rate Payment Frequency	Effective Date	Termination Date	Unrealized Appreciation (Depreciation) (10)
JPMorgan	\$ 69,725,000	Receive	1-Month USD-LIBOR	1.193%	Monthly	8/21/13	8/21/14	\$ (120,266)
JPMorgan	114,296,000	Receive	1-Month USD-LIBOR	1.255	Monthly	2/01/14	2/01/18	2,276,236
JPMorgan	114,296,000	Receive	1-Month USD-LIBOR	1.673	Monthly	2/01/14	2/01/20	4,719,246

		1-Month USD-LIBOR					
Morgan Stanley	69,725,000	Receive	1-Month USD-LIBOR	2.064	Monthly	8/21/18 / 8/21/16	(2,472,560)
	\$368,042,000						\$ 4,402,656

Nuveen Investments
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For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to common shares unless otherwise noted.

(2) Non-income producing; issuer has not declared a dividend within the past twelve months.

(3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.

(4) For fair value measurement disclosure purposes, Common Stock classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.

(5) Investment, or portion of investment, has been pledged to collateralize the net payment obligations for investments in derivatives.

(6) Investment, or portion of investment, is out on loan as described in Note 8 Borrowing Arrangements. The total value of investments out on loan as of the end of the reporting period was \$75,452,300.

(7) Perpetual security. Maturity date is not applicable.

(8) The Fund may pledge up to 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings. As of the end of the reporting period, investments with a value of \$870,773,291 have been pledged as collateral for Borrowings.

(9) Borrowings as a percentage of Total Investments is 29.4%.

(10) Other Assets Less Liabilities includes the Unrealized Appreciation (Depreciation) of derivative instruments as listed within Investments in Derivatives as of the end of the reporting period.

(11) Effective date represents the date on which both the Fund and Counterparty commence interest payment accruals on each contract.

(12) For fair value measurement disclosure purposes, \$25 Par (or similar) Retail Preferred classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.

(13) A copy of the most recent financial statements for the investment companies in which the Fund invests can be obtained directly from the Securities and Exchange Commission on its website at <http://www.sec.gov>.

N/A Not applicable.

144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration, which are normally those

transactions with qualified institutional buyers.

ADR American Depositary Receipt.

CORTS Corporate Backed Trust Securities.

PPLUS PreferredPlus Trust.

Reg S Regulation S allows U.S. companies to sell securities to persons or entities located outside of the United States without registering those securities with the Securities and Exchange Commission. Specifically, Regulation S provides a safe harbor from the registration requirements of the Securities Act for the offers and sales of securities by both foreign and domestic issuers that are made outside the United States.

REIT Real Estate Investment Trust.

WI/DD Investment, or portion of investment, purchased on a when-issued or delayed delivery basis.

USD-LIBOR United States Dollar London Inter-Bank Offered Rate.

See accompanying notes to financial statements.

Nuveen Investments

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JPI

Nuveen Preferred and Income Term Fund

Portfolio of Investments January 31, 2014 (Unaudited)

Shares	Description (1)	Coupon	Ratings (2)	Value
	LONG-TERM INVESTMENTS	138.5% (99.1% of Total Investments)		
	\$25 PAR (OR SIMILAR) RETAIL PREFERRED	39.6% (28.3% of Total Investments)		
	Capital Markets	1.1%		
16,894	Deutsche Bank Capital Funding Trust VIII	6.375%	BBB	\$ 419,140
242,100	Goldman Sachs Group, Inc.	5.500%	BB+	5,597,352
7,000	Morgan Stanley	6.875%	BB+	177,940
	Total Capital Markets			6,194,432
	Commercial Banks	6.7%		
80,500	City National Corporation	6.750%	BBB	2,129,225
113,600	Fifth Third Bancorp., (3)	6.625%	BBB	2,896,800
525,200	Morgan Stanley	7.125%	BB+	13,686,712
125,000	PNC Financial Services	6.125%	BBB	3,185,000
68,553	Private Bancorp Incorporated	7.125%	N/A	1,726,165
87,100	Regions Financial Corporation	6.375%	BB	2,030,301
153,800	Texas Capital Bancshares Inc.	6.500%	BB	3,577,388
38,800	U.S. Bancorp.	6.500%	BBB+	1,053,420
101,900	Wells Fargo & Company	5.850%	BBB+	2,460,885
28,900	Wells Fargo & Company	6.625%	BBB+	760,359
145,900	Zions Bancorporation	6.300%	BB	3,535,157
	Total Commercial Banks			37,041,412
	Communications Equipment	0.3%		
62,000	Verizon Communications Inc., WI/DD, (3), (4)	5.900%	A	1,569,840
	Consumer Finance	0.6%		
149,800	Discover Financial Services	6.500%	BB	3,577,224
	Diversified Financial Services	8.4%		
487,466	Citigroup Inc.	7.125%	BB+	12,698,489
242,700	Citigroup Inc., (3)	6.875%	BB+	6,237,390
15,100	Countrywide Capital Trust III	7.000%	BB+	379,161
651,000	ING Groep N.V.	7.375%	BBB	16,528,890
231,273	ING Groep N.V.	7.200%	BBB	5,874,334

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160,268	ING Groep N.V.	7.050%	BBB	4,049,972
40,000	ING Groep N.V.	6.375%	BBB	971,200
	Total Diversified Financial Services			46,739,436
	Food Products 1.8%			
340,000	CHS Inc.	7.875%	N/R	9,747,800
	Insurance 8.6%			
15,000	Aegon N.V.	8.000%	Baa1	418,200
100,000	Aegon N.V.	6.500%	Baa1	2,439,000
43,000	Arch Capital Group Limited	6.750%	BBB	1,068,550
59,200	Aspen Insurance Holdings Limited	7.250%	BBB	1,506,640
432,500	Aspen Insurance Holdings Limited	5.950%	BBB	10,423,250
177,623	Axis Capital Holdings Limited	6.875%	BBB	4,408,603
3,000	Delphi Financial Group, Inc., (4)	7.376%	BBB	72,094
299,000	Endurance Specialty Holdings Limited	7.500%	BBB	7,684,300
147,600	Hartford Financial Services Group Inc.	7.875%	BB+	4,327,632
398,546	Maiden Holdings Limited	8.250%	BB	9,844,086
205,000	Reinsurance Group of America Inc.	6.200%	BBB	5,192,650
	Total Insurance			47,385,005

Nuveen Investments

Shares	Description (1)	Coupon		Ratings (2)	Value
	Oil, Gas & Consumable Fuels	0.9%			
198,600	Nustar Logistics Limited Partnership	7.625%		Ba2	\$ 5,213,250
	U.S. Agency	11.2%			
138,200	AgriBank FCB, (4)	6.875%		A	13,893,426
100,000	Cobank Agricultural Credit Bank, (4)	11.000%		A	5,225,000
179,800	Cobank Agricultural Credit Bank, 144A, (4), (5)	6.250%		A	17,395,650
248,400	Farm Credit Bank of Texas, 144A, (4), (5)	6.750%		Baa1	25,305,750
	Total U.S. Agency				61,819,826
	Total \$25 Par (or similar) Retail Preferred (cost \$220,745,952)				219,288,225
Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (2)	Value
	CORPORATE BONDS	1.2% (0.8% of Total Investments)			
	Insurance	1.2%			
\$ 4,430	Nationwide Mutual Insurance Company, 144A, (5)	9.375%	8/15/39	A	\$ 6,452,260
\$ 4,430	Total Corporate Bonds (cost \$6,031,087)				6,452,260
Principal Amount (000)/ Shares	Description (1)	Coupon	Maturity	Ratings (2)	Value
	\$1,000 PAR (OR SIMILAR) INSTITUTIONAL PREFERRED				97.7% (70.0% of Total Investments)
	Capital Markets	1.7%			
5,309	Credit Suisse Guernsey, Reg S	7.875%	2/24/41	BBB	\$ 5,703,990
1,500	Deutsche Bank Capital Funding Trust V, 144A	4.901%	N/A (6)	BBB	1,440,000
1,972	Macquarie PMI LLC	8.375%	N/A (6)	BB+	2,100,180
	Total Capital Markets				9,244,170
	Commercial Banks	28.6%			
4,910	Abbey National Capital Trust I	8.963%	N/A (6)	BBB	6,137,500
14,310	Banco Santander Finance	10.500%	N/A (6)	BB	14,927,119
4,760	Barclays PLC	8.250%	3/15/64	BB+	4,904,228
4,000		10.180%	6/12/21	A	5,309,880

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Barclays Bank PLC,
144A

			N/A		
12,325	BNP Paribas, 144A	7.195%	(6)	BBB	13,095,313
3,525	Commerzbank AG, 144A	8.125%	9/19/23	BB+	3,868,688
1,980	Credit Agricole SA	7.875%	(6)	BB+	2,009,700
8,031	HSBC Capital Funding LP, Debt, 144A	10.176%	(6)	BBB+	11,524,485
29,403	Rabobank Nederland, 144A	11.000%	(6)	A	38,664,284
5,473	Royal Bank of Scotland Group PLC	7.648%	(6)	BB	5,780,856
7,162	Societe Generale, Reg S	8.750%	(6)	BBB	7,539,796
5,405	Societe Generale, 144A	7.875%	(6)	BB+	5,486,075
30,910	Wells Fargo & Company, (5)	7.980%	(6)	BBB+	34,851,024
4,350	Zions Bancorporation	7.200%	(6)	BB	4,415,250
	Total Commercial Banks				158,514,198
	Diversified Financial Services 20.7%				
15,700	Agstar Financial Services Inc., 144A, (5)	6.750%	(6)	BB	15,582,250
17,505	Bank of America Corporation	8.000%	(6)	BB+	19,366,307
2,000	Bank of America Corporation	8.125%	(6)	BB+	2,225,200
5,345	Credit Suisse Group AG	7.500%	(6)	BB+	5,625,613
27,285	General Electric Capital Corporation, (5)	7.125%	(6)	AA	30,661,518
3,025	ING US Inc.	5.650%	5/15/53	Ba1	2,904,000
24,670	JPMorgan Chase & Company, (5)	7.900%	(6)	BBB	27,289,954
9,610	JPMorgan Chase & Company	6.750%	(6)	BBB	9,739,735
1,295	JPMorgan Chase & Company, (5)	6.000%	(6)	BBB	1,246,438
	Total Diversified Financial Services				114,641,015

JPI Nuveen Preferred and Income Term Fund
Portfolio of Investments (continued) January 31, 2014 (Unaudited)

Principal Amount (000)/ Shares	Description (1)	Coupon	Maturity	Ratings (2)	Value
	Electric Utilities 0.3%				
2,000	Electricite de France, 144A	5.250%	N/A (6)	A3	\$ 1,932,500
	Insurance 42.2%				
1,309	AG2R La Mondiale Vie, Reg S	7.625%	N/A (6)	BBB	1,386,452
7,781	AIG Life Holdings Inc., (5)	8.500%	7/01/30	BBB	9,913,142
1,485	Allstate Corporation, (5)	5.750%	8/15/53	Baa1	1,504,305
3,500	Aquarius & Investments PLC fbo SwissRe	8.250%	N/A (6)	N/R	3,797,500
18,740	Aviva PLC, Reg S	8.250%	N/A (6)	BBB	20,731,125
3,945	AXA SA	8.600%	12/15/30	A3	4,943,310
32,395	Catlin Insurance Company Limited, 144A	7.249%	N/A (6)	BBB+	33,447,837
2,640	Cloverie PLC Zurich Insurance, Reg S	8.250%	N/A (6)	A	3,049,200
2,500	CNP Assurances	7.500%	N/A (6)	BBB+	2,697,371
1,900	Dai-ichi Mutual Life, 144A	7.250%	N/A (6)	A3	2,208,750
36,660	Financial Security Assurance Holdings, 144A, (5)	6.400%	12/15/66	BBB	28,778,100
2,424	Friends Life Group PLC, Reg S	7.875%	N/A (6)	BBB+	2,642,941
20,955	Glen Meadows Pass Through Trust, 144A, (5)	6.505%	2/12/67	BB+	20,745,450
1,120	Great West Life & Annuity Insurance Capital LP II, 144A, (5)	7.153%	5/16/46	A	1,153,600
780	Lincoln National Corporation, (5)	7.000%	5/17/66	BBB	795,600
15,815	MetLife Capital Trust X, 144A, (5)	9.250%	4/08/68	BBB	20,322,275
7,703	Provident Financing Trust I	7.405%	3/15/38	Baa3	8,454,043
3,325		5.875%	9/15/42	BBB+	3,408,125

	Prudential Financial Inc., (5)				
5,000	Prudential PLC	7.750%	N/A (6)	A	5,400,000
20,925	QBE Capital Funding Trust II, 144A	7.250%	5/24/41	BBB	21,605,063
28,226	Symetra Financial Corporation, 144A, (5)	8.300%	10/15/37	BBB	29,637,299
6,830	White Mountain Re Group, 144A	7.506%	N/A (6)	BB+	7,091,248
	Total Insurance				233,712,736
	Machinery 0.7%				
3,615	Stanley Black & Decker Inc., (5)	5.750%	12/15/53	BBB+	3,840,938
	Real Estate 3.4%				
13,998	Sovereign Real Estate Investment Trust, 144A	12.000%	N/A (6)	Ba1	18,660,594
	U.S. Agency 0.1%				
502	Farm Credit Bank of Texas	10.000%	N/A (6)	Baa1	598,478
	Total \$1,000 Par (or similar) Institutional Preferred (cost \$526,027,785)				541,144,629
	Total Long-Term Investments (cost \$752,804,824)				766,885,114
Principal Amount (000)	Description (1)	Coupon	Maturity		Value
	SHORT-TERM INVESTMENTS	1.2% (0.9% of Total Investments)			
\$ 6,797	Repurchase Agreement with Fixed Income Clearing Corporation, dated 1/31/14, repurchase price \$6,796,665, collateralized by \$6,660,000 U.S. Treasury Notes, 2.625%, due 11/15/20, value \$6,935,491	0.000%	2/03/14		\$ 6,796,665
	Total Short-Term Investments (cost \$6,796,665)				6,796,665
	Total Investments (cost \$759,601,489)		139.7%		773,681,779
	Borrowings (40.6)% (7), (8)				(225,000,000)
	Other Assets Less Liabilities 0.9% (9)				5,079,078
	Net Assets Applicable to Common Shares 100%				\$ 553,760,857

Nuveen Investments

Investments in Derivatives as of January 31, 2014

Interest Rate Swaps outstanding:

Counterparty	Notional Amount	Fund Pay/Receive	Floating Rate Index	Fixed Rate (Annualized)	Fixed Rate Payment Frequency	Effective Date	Termination Date	Unrealized Appreciation (Depreciation) (9)
JPMorgan	\$ 84,375,000	Receive	1-Month USD-LIBOR	1.498%	Monthly	12/01/11	12/01/18	\$ 878,194
JPMorgan	84,375,000	Receive	1-Month USD-LIBOR	1.995	Monthly	12/01/11	12/01/20	1,927,811
	\$ 168,750,000							\$ 2,806,005

For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to common shares unless otherwise noted.

(2) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.

(3) Non-income producing; issuer has not declared a dividend within the past twelve months.

(4) For fair value measurement disclosure purposes, \$25 Par (or similar) Retail Preferred classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.

(5) Investment, or portion of investment, is out on loan as described in Note 8 Borrowing Arrangements. The total value of investments out on loan as of the end of the reporting period was \$175,206,500.

(6) Perpetual security. Maturity date is not applicable.

(7) The Fund may pledge up to 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings. As of the end of the reporting period, investments with a value of \$558,596,196 have been pledged as collateral for Borrowings.

(8) Borrowings as a percentage of Total Investments is 29.1%.

(9) Other Assets Less Liabilities includes the Unrealized Appreciation (Depreciation) of derivative instruments as listed within Investments in Derivatives as of the end of the reporting period.

(10) Effective date represents the date on which both the Fund and Counterparty commence interest payment accruals on each contract.

N/A Not applicable.

WI/DD Investment, or portion of investment, purchased on a when-issued or delayed delivery basis.

144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration, which are normally those transactions with qualified institutional buyers.

Reg S Regulation S allows U.S. companies to sell securities to persons or entities located outside of the United States without registering those securities with the Securities and Exchange Commission. Specifically, Regulation S provides a safe harbor from the registration requirements of the Securities Act for the offers and sales of securities by both foreign and domestic issuers that are made outside the United States.

USD-LIBOR United States Dollar London Inter-Bank Offered Rate.

See accompanying notes to financial statements.

JPW

Nuveen Flexible Investment Income Fund

Portfolio of Investments January 31, 2014 (Unaudited)

Shares	Description (1)	Value
	LONG-TERM INVESTMENTS 140.3% (98.7% of Total Investments)	
	COMMON STOCKS 18.2% (12.8% of Total Investments)	
	Automobiles 0.8%	
35,000	Ford Motor Company	\$ 523,600
	Capital Markets 5.3%	
55,800	Ares Capital Corporation	988,218
7,800	Arlington Asset Investment Corporation	204,750
14,800	FBR Capital Markets Corporation, (2)	359,048
69,028	Medley Capital Corporation	951,896
64,800	TCP Capital Corporation	1,122,336
	Total Capital Markets	3,626,248
	Commercial Banks 0.8%	
12,000	Wells Fargo & Company	544,080
	Communications Equipment 0.8%	
44,200	Ericsson LM Telefonaktiebolaget	543,218
	Diversified Financial Services 0.7%	
10,100	Citigroup Inc.	479,043
	Diversified Telecommunication Services 0.7%	
17,300	CenturyLink Inc.	499,278
	Energy Equipment & Services 0.8%	
9,700	Baker Hughes Incorporated	549,408
	Food & Staples Retailing 0.7%	
55,600	Metro AG, (4)	458,722
	Food Products 0.8%	
69,600	Orkla ASA	545,664
	Hotels, Restaurants & Leisure 0.8%	
16,700	Norwegian Cruise Line Holdings Limited, (2)	584,834
	Insurance 0.7%	
10,600	American International Group, Inc.	508,376
	Life Sciences Tools & Services 0.8%	
4,400	Bio-Rad Laboratories Inc., (2)	559,328
	Machinery 0.8%	
13,000	Woodward Governor Company	557,050

Oil, Gas & Consumable Fuels 2.1%

22,600	Energy Transfer Equity LP	942,872
9,200	Tesoro Corporation	473,984
	Total Oil, Gas & Consumable Fuels	1,416,856

Pharmaceuticals 0.9%

13,400	Teva Pharmaceutical Industries Limited, Sponsored ADR	598,042
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Nuveen Investments

Shares	Description (1)		Ratings (3)	Value
	Semiconductors & Equipment	0.7%		
21,900	Microsemi Corporation, (2)			\$ 513,336
	Total Common Stocks (cost \$12,437,038)			12,507,083
Shares	Description (1)	Coupon	Ratings (3)	Value
	Convertible Preferred Securities	0.4% (0.3% of Total Investments)		
	Real Estate	0.4%		
12,100	American Homes 4 Rent, (2)	5.000%	N/R	\$ 297,055
	Total Convertible Preferred Securities (cost \$302,498)			297,055
Shares	Description (1)	Coupon	Ratings (3)	Value
	\$25 PAR (OR SIMILAR) RETAIL PREFERRED		99.4% (69.9% of Total Investments)	
	Capital Markets	14.4%		
22,259	Affiliated Managers Group Inc.	6.375%	BBB	\$ 528,874
29,640	Allied Capital Corporation	6.875%	BBB	713,731
23,400	Apollo Investment Corporation	6.875%	BBB	535,158
14,844	Apollo Investment Corporation	6.625%	BBB	333,990
14,170	Ares Capital Corporation	7.000%	BBB	368,420
37,872	BGC Partners Inc.	8.125%	BBB	996,034
39,444	Fifth Street Finance Corporation	6.125%	BBB	891,434
2,100	Fifth Street Finance Corporation	5.875%	BBB	47,880
15,212	Hercules Technology Growth Capital Incorporated	7.000%	N/R	392,028
15,769	Hercules Technology Growth Capital Incorporated	7.000%	N/A	405,894
3,300	JMP Group Inc., (8)	7.250%	N/R	82,500
28,076	Ladenburg Thalmann Financial Services Inc.	8.000%	N/R	645,748
2,355	Medley Capital Corporation	6.125%	N/R	55,743
43,543	MVC Capital Incorporated	7.250%	N/A	1,101,202
15,255	Oxford Lane Capital Corporation	7.500%	N/R	356,052
15,300	Prosepect Capital Corporation, Convertible Bond	6.950%	BBB	389,385
26,150		7.500%	N/R	654,012

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Saratoga Investment Corporation

30,000	Solar Capital Limited	6.750%	BBB	649,500
30,295	Triangle Capital Corporation	6.375%	N/A	739,198
	Total Capital Markets			9,886,783
	Commercial Banks 12.1%			
29,660	Boston Private Financial Holdings Inc.	6.950%	N/R	686,629
19,300	City National Corporation	6.750%	BBB	510,485
6,100	Fifth Third Bancorp., (2)	6.625%	BBB	155,550
26,850	First Horizon National Corporation	6.200%	Ba3	585,062
21,871	First Niagara Finance Group	8.625%	BB+	626,167
19,200	First Republic Bank of San Francisco	6.200%	BBB	451,008
26,626	FNB Corporation	7.250%	Ba3	700,530
24,600	Morgan Stanley Private Bancorp Incorporated	7.125%	BB+	641,076
24,873	Regions Financial Corporation	7.125%	N/A	626,302
22,114	TCF Financial Corporation	6.375%	BB	515,477
12,697	TCF Financial Corporation	7.500%	BB	323,900
13,050	TCF Financial Corporation	6.450%	BB	308,372
30,000	Texas Capital Bancshares	6.500%	BB+	682,800
36,003	Twenty First Century Fox Inc.	8.000%	N/R	928,517
26,663	Webster Financial Corporation	6.400%	Ba1	602,584
	Total Commercial Banks			8,344,459
	Consumer Finance 1.9%			
26,325	Discover Financial Services	6.500%	BB	628,641
15,150	GMAC Capital Trust I	8.125%	B	414,807
6,980	HSBC Finance Corporation	6.360%	A	164,798
3,500	SLM Corporation	6.000%	BBB	70,315
	Total Consumer Finance			1,278,561

Nuveen Investments

JPW Nuveen Flexible Investment Income Fund
Portfolio of Investments (continued) January 31, 2014 (Unaudited)

Shares	Description (1)	Coupon	Ratings (3)	Value
	Diversified Financial Services	5.0%		
18,100	Citigroup Inc.	7.125%	BB+	\$ 471,505
2,295	Intl FCStone Inc.	8.500%	N/R	57,352
26,362	KCAP Financial Inc.	7.375%	N/A	678,822
36,145	KKR Financial Holdings LLC	7.375%	BB+	888,083
29,075	Main Street Capital Corporation	6.125%	N/R	694,020
26,818	PennantPark Investment Corporation	6.250%	BBB	651,677
	Total Diversified Financial Services			3,441,459
	Diversified Telecommunication Services	1.4%		
26,300	Qwest Corporation	7.500%	BBB	660,130
12,700	Qwest Corporation	7.375%	BBB	317,627
	Total Diversified Telecommunication Services			977,757
	Health Care Providers & Services	1.2%		
31,600	Adcare Health Systems Inc.	10.875%	N/R	853,200
	Household Durables	1.0%		
26,285	Pitney Bowes Incorporated	6.700%	BBB	656,074
	Insurance	13.0%		
14,061	American Financial Group	6.375%	BBB+	348,994
19,952	Arch Capital Group Limited	6.750%	BBB	495,807
21,038	Argo Group US Inc.	6.500%	BBB	448,320
3,720	Aspen Insurance Holdings Limited	7.401%	BBB	95,827
34,653	Aspen Insurance Holdings Limited	7.250%	BBB	881,919
15,504	Axis Capital Holdings Limited	6.875%	BBB	384,809
2,600	Endurance Specialty Holdings Limited	7.750%	BBB	67,860
38,065	Endurance Specialty Holdings Limited	7.500%	BBB	978,271
17,148	Hanover Insurance Group	6.350%	Ba1	370,911
20,397	Maiden Holdings NA Limited	8.250%	BBB	502,582
19,125	Maiden Holdings NA Limited	8.000%	BBB	472,196
22,100	Maiden Holdings NA Limited	7.750%	BBB	503,880

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17,132	MetLife Inc.	6.500%	Baa2	427,101
9,025	PartnerRe Limited	7.250%	BBB+	233,116
26,414	PartnerRe Limited	6.500%	BBB+	645,822
20,856	Protective Life Corporation	6.250%	BBB	482,191
5,953	Protective Life Corporation	6.000%	BBB	137,157
13,250	Prudential PLC	6.750%	A	334,165
12,273	Prudential PLC	6.500%	A	308,052
12,473	RenaissanceRe Holdings Limited	6.080%	BBB+	284,010
26,375	Selective Insurance Group	5.875%	BBB+	547,545
	Total Insurance			8,950,535
	Marine 1.5%			
8,400	Costamare Inc., (2)	8.500%	N/R	209,160
24,024	Costamare Inc.	7.625%	N/R	556,156
1,790	International Shipholding Corporation	9.000%	N/R	179,018
2,700	Navios Maritime Holdings Inc., (2)	8.750%	N/R	65,151
	Total Marine			1,009,485
	Multi-Utilities 0.4%			
11,862	DTE Energy Company	6.500%	Baa1	293,585
	Oil, Gas & Consumable Fuels 6.1%			
2,400	Callon Petroleum Company	10.000%	N/R	114,528
16,379	Magnum Hunter Resources Corporation	8.000%	N/A	779,640
14,900	Miller Energy Resources Inc.	10.500%	N/A	356,110
30,000	Nustar Logistics Limited Partnership	7.625%	Ba2	787,500
43,850	Teekay Offshore Partners LP	7.250%	N/R	1,091,865

Nuveen Investments
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Shares	Description (1)	Coupon	Ratings (3)	Value
	Oil, Gas & Consumable Fuels (continued)			
16,000	Tsakos Energy Navigation Limited	8.875%	N/R	\$ 377,760
26,425	Vanguard Natural Resources LLC	7.875%	N/R	704,755
	Total Oil, Gas & Consumable Fuels			4,212,158
	Real Estate 35.3%			
27,675	AG Mortgage Investment Trust	8.000%	N/A	618,813
21,425	Annaly Capital Management	7.625%	N/A	492,775
18,900	Annaly Capital Management	7.500%	N/R	430,164
12,490	Apollo Commercial Real Estate Finance	8.625%	N/A	312,999
27,000	Apollo Residential Mortgage Inc.	8.000%	N/A	615,330
26,525	Arbor Realty Trust Incorporated	8.250%	N/R	663,656
14,213	Ashford Hospitality Trust Inc.	9.000%	N/A	369,680
8,800	Campus Crest Communities	8.000%	Ba1	220,000
30,000	CBL & Associates Properties Inc.	7.375%	BB	722,100
35,000	Cedar Shopping Centers Inc., Series A	7.250%	N/A	805,350
25,760	Chesapeake Lodging Trust	7.750%	N/A	642,454
2,203	Colony Financial Inc.	8.500%	N/R	55,824
6,248	CommonWealth REIT	7.250%	Ba1	141,392
20,000	Coresite Realty Corporation	7.250%	N/A	463,600
37,273	Corporate Office Properties Trust	7.375%	BB	910,207
10,400	CYS Investments Inc.	7.750%	N/A	225,160
12,716	CYS Investments Inc.	7.500%	N/R	265,764
28,336	Digital Realty Trust Inc.	7.000%	Baa3	658,245
37,508	Dupont Fabros Technology	7.875%	Ba2	935,450
200	Dupont Fabros Technology	7.625%	Ba2	4,800
12,800	Dynex Capital Inc.	8.500%	N/A	310,272
10,813	Dynex Capital Inc.	7.625%	N/R	238,102
10,000	EPR Properties Inc.	6.625%	Baa3	216,800
13,286	First Potomac Realty Trust	7.750%	N/R	337,597
9,600		7.125%	Baa3	231,168

Hospitality Properties
Trust

25,775	Inland Real Estate Corporation	8.125%	N/R	662,418
26,285	Invesco Mortgage Capital Inc.	7.750%	N/A	615,332
25,900	Kennedy-Wilson Inc.	7.750%	BB	652,680
25,350	Kite Realty Group Trust	8.250%	N/A	644,144
10,000	LaSalle Hotel Properties	6.375%	N/R	215,000
12,100	MFA Financial Inc.	8.000%	N/A	315,084
20,051	MFA Financial Inc.	7.500%	N/A	437,112
20,925	Northstar Realty Finance Corporation	8.875%	N/A	528,356
24,048	Northstar Realty Finance Corporation	8.250%	N/R	580,278
15,000	Pebblebrook Hotel Trust	7.875%	N/A	383,250
13,175	Pebblebrook Hotel Trust	8.000%	N/A	335,040
17,725	Penn Real Estate Investment Trust	8.250%	N/A	446,670
8,844	Penn Real Estate Investment Trust	7.375%	N/A	213,140
29,150	Rait Financial Trust	7.750%	N/R	671,325
41,023	Retail Properties of America	7.000%	N/A	922,197
20,000	Sabra Health Care Real Estate Investment Trust	7.125%	B2	495,000
20,984	Senior Housing Properties Trust	5.625%	BBB	413,595
7,368	STAG Industrial Inc.	9.000%	BB	196,210
13,829	STAG Industrial Inc.	6.625%	BB	317,376
13,300	Strategic Hotel Capital Inc., Series B	8.250%	N/R	321,461
31,295	Strategic Hotel Capital Inc., Series C	8.250%	N/R	759,843
26,919	Summit Hotel Properties Inc.	7.875%	N/A	668,130
28,574	Sunstone Hotel Investors Inc.	8.000%	N/A	722,922
10,282	UMH Properties Inc.	8.250%	N/R	261,883
19,113	Urstadt Biddle Properties	7.125%	N/A	447,244
28,111	Winthrop Realty Trust Inc.	9.250%	N/R	746,909
17,600	Winthrop Realty Trust Inc.	7.750%	N/A	445,808
	Total Real Estate			24,306,109

Nuveen Investments

JPW Nuveen Flexible Investment Income Fund
Portfolio of Investments (continued) January 31, 2014 (Unaudited)

Shares	Description (1)	Coupon		Ratings (3)	Value
	Thriffs & Mortgage Finance 2.6%				
27,098	Astoria Financial Corporation	6.500%		BB	\$ 613,770
31,669	Everbank Financial Corporation	6.750%		N/A	729,337
22,600	Federal Agricultural Mortgage Corporation	5.875%		Aaa	463,300
	Total Thriffs & Mortgage Finance				1,806,407
	U.S. Agency 2.6%				
6,600	AgriBank FCB, (8)	6.875%		A	663,507
7,950	Cobank Agricultural Credit Bank, (8)	6.125%		A	672,272
4,000	Farm Credit Bank of Texas, 144A, (8)	6.750%		Baa1	407,500
	Total U.S. Agency				1,743,279
	Wireless Telecommunication Services 0.9%				
26,203	United States Cellular Corporation	6.950%		Baa2	648,783
	Total \$25 Par (or similar) Retail Preferred (cost \$70,312,222)				68,408,634
Principal Amount (000)	Description (1)	Coupon	Maturity	Ratings (3)	Value
	CORPORATE BONDS 12.0% (8.4% of Total Investments)				
	Capital Markets 0.1%				
\$ 50	Walter Investment Management Corporation, First Lien Term Loan, 144A	7.875%	12/15/21	B	\$ 50,625
	Commercial Services & Supplies 3.0%				
1,000	Iron Mountain Inc.	5.750%	8/15/24	B1	935,000
200	R.R. Donnelley & Sons Company	7.000%	2/15/22	BB	213,000
940	R.R. Donnelley & Sons Company	6.500%	11/15/23	BB	944,700
2,140	Total Commercial Services & Supplies				2,092,700
	Diversified Financial Services 2.6%				
325	Fly Leasing Limited	6.750%	12/15/20	BB	329,063
375	Icahn Enterprises Finance	6.000%	8/01/20	BBB	386,719
1,000	Jefferies Finance LLC Corporation, 144A	7.375%	4/01/20	B+	1,047,500
1,700	Total Diversified Financial Services				1,763,282
	Diversified Telecommunication Services 2.4%				
1,650		7.125%	1/15/23	Ba2	1,629,371

Frontier
Communications
Corporation

Oil, Gas & Consumable Fuels 3.9%					
	Breitburn Energy Partners LP	7.875%	4/15/22	B	457,414
430					
1,000	DCP Midstream LLC, 144A	5.850%	5/21/43	Baa3	925,000
1,000	NuStar Logistics LP	6.750%	2/01/21	BB+	1,035,000
	Vanguard Natural Resources Finance	7.875%	4/01/20	B	290,814
275					
2,705	Total Oil, Gas & Consumable Fuels				2,708,228
\$ 8,245	Total Corporate Bonds (cost \$8,094,797)				8,244,206

Principal Amount (000)/ Shares	Description (1)	Coupon	Maturity	Ratings (3)	Value
	\$1,000 PAR (OR SIMILAR) INSTITUTIONAL PREFERRED Investments)				
	Commercial Banks 1.5%				
			N/A		
1,000	Zions Bancorporation	7.200%	(5)	BB	\$ 1,015,000
	Diversified Financial Services 2.1%				
100	ING US Inc.	5.650%	5/15/53	Ba1	96,000
1,075	JPMorgan Chase & Company	5.150%	(5)	BBB	976,906
	JPMorgan Chase & Company	6.750%	(5)	BBB	380,063
375					
	Total Diversified Financial Services				1,452,969

Nuveen Investments

Principal Amount (000)/ Shares	Description (1)	Coupon	Maturity	Ratings (3)	Value
	Insurance 4.6%				
375	Liberty Mutual Group, 144A	7.800%	3/15/37	Baa3	\$ 403,125
1,175	National Financial Services Inc.	6.750%	5/15/37	Baa2	1,155,907
675	StanCorp Financial Group Inc.	6.900%	6/01/67	BBB	671,625
975	XL Capital Ltd	6.500%	N/A (5)	BBB	955,500
	Total Insurance				3,186,157
	Total \$1,000 Par (or similar) Institutional Preferred (cost \$5,643,523)				5,654,126
Shares	Description (1), (9)				Value
	INVESTMENT COMPANIES 2.1% (1.5% of Total Investments)				
29,936	Cushing Royalty and Income Fund				\$ 535,854
170,700	MFS Intermediate Income Trust				903,003
1,100	Oxford Lane Capital Corporation				19,399
	Total Investment Companies (cost \$1,443,505)				1,458,256
	Total Long-Term Investments (cost \$98,233,583)				96,569,360
Principal Amount (000)	Description (1)	Coupon	Maturity		Value
	SHORT-TERM INVESTMENTS 1.9% (1.3% of Total Investments)				
\$ 1,314	Repurchase Agreement with Fixed Income Clearing Corporation, dated 1/31/14, repurchase price \$1,313,604, collateralized by \$1,290,000 U.S. Treasury Notes, 2.625%, due 11/15/20, value \$1,343,361	0.000%	2/03/14		\$ 1,313,604
	Total Short-Term Investments (cost \$1,313,604)				1,313,604
	Total Investments (cost \$99,547,187) 142.2%				97,882,964
	Borrowings (40.0)% (6), (7)				(27,500,000)
	Other Assets Less Liabilities (2.2)%				(1,559,126)
	Net Assets Applicable to Common Shares 100%				\$ 68,823,838

For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group

indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications into sectors for reporting ease.

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to common shares unless otherwise noted.

(2) Non-income producing; issuer has not declared a dividend within the past twelve months.

(3) Ratings: Using the highest of Standard & Poor's Group ("Standard & Poor's"), Moody's Investors Service, Inc. ("Moody's") or Fitch, Inc. ("Fitch") rating. Ratings below BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch are considered to be below investment grade. Holdings designated N/R are not rated by any of these national rating agencies.

(4) For fair value measurement disclosure purposes, Common Stock classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.

(5) Perpetual security. Maturity date is not applicable.

(6) The Fund may pledge up to 100% of its eligible investments in the Portfolio of Investments as collateral for Borrowings. As of the end of the reporting period, investments with a value of \$61,822,683 have been pledged as collateral for Borrowings.

(7) Borrowings as a percentage of Total Investments is 28.1%.

(8) For fair value measurement disclosure purposes, \$25 Par (or similar) Retail Preferred classified as Level 2. See Notes to Financial Statements, Note 2 Investment Valuation and Fair Value Measurements for more information.

(9) A copy of the most recent financial statements for the investment companies in which the Fund invests can be obtained directly from the Securities and Exchange Commission on its website at <http://www.sec.gov>.

N/A Not applicable.

144A Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration, which are normally those transactions with qualified institutional buyers.

ADR American Depositary Receipt.

REIT Real Estate Investment Trust.

See accompanying notes to financial statements.

Statement of**Assets and Liabilities January 31, 2014** (Unaudited)

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Assets			
Long-term investments, at value (cost \$1,313,776,811, \$752,804,824 and \$98,233,583, respectively)	\$ 1,345,935,939	\$ 766,885,114	\$ 96,569,360
Short-term investments, at value (cost approximates value)	22,741,190	6,796,665	1,313,604
Unrealized appreciation on interest rate swaps, net	6,875,216	2,806,005	
Receivable for:			
Dividends	1,299,532	178,016	162,999
Interest	8,579,452	7,130,455	258,897
Investments sold	10,880,475	3,032,944	931,126
Reclaims	66,216	34,977	
Other assets	172,395	18,828	397
Total assets	1,396,550,415	786,883,004	99,236,383
Liabilities			
Borrowings	402,500,000	225,000,000	27,500,000
Unrealized depreciation on interest rate swaps	2,472,560		
Payable for:			
Dividends	6,032,938	3,769,579	446,047
Investments purchased	9,235,849	3,586,306	2,335,849
Accrued expenses:			
Management fees	963,143	567,727	70,682
Interest on borrowings	22,643	13,313	20,373
Trustees fees	196,386	20,804	856
Other	287,051	164,418	38,738
Total liabilities	421,710,570	233,122,147	30,412,545
Net assets applicable to common shares	\$ 974,839,845	\$ 553,760,857	\$ 68,823,838
Common shares outstanding	96,990,341	22,752,777	3,705,250
Net asset value ("NAV") per common share outstanding (net assets applicable to common shares, divided by common shares outstanding)	\$ 10.05	\$ 24.34	\$ 18.57
Net assets applicable to common shares consist of:			
	\$ 969,903	\$ 227,528	\$ 37,053

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Common shares, \$.01 par
value per share

Paid-in surplus	1,291,757,040	541,836,890	70,585,222
Undistributed (Over-distribution of) net investment income	(5,936,429)	(147,971)	(77,890)
Accumulated net realized gain (loss)	(348,512,024)	(5,041,885)	(56,324)
Net unrealized appreciation (depreciation)	36,561,355	16,886,295	(1,664,223)
Net assets applicable to common shares	\$ 974,839,845	\$553,760,857	\$68,823,838
Authorized shares:			
Common	Unlimited	Unlimited	Unlimited
Preferred	Unlimited	Unlimited	Unlimited

See accompanying notes to financial statements.

Nuveen Investments
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Statement of**Operations Six Months Ended January 31, 2014 (Unaudited)**

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Investment Income			
Dividends (net of tax withheld of \$41,646, \$38,269 and \$486, respectively)	\$ 25,567,309	\$ 8,262,101	\$ 2,823,446
Interest	21,639,051	18,936,872	352,345
Other income	87,208	48,750	
Total investment income	47,293,568	27,247,723	3,175,791
Expenses			
Management fees	5,693,899	3,391,582	404,972
Interest expense on borrowings	2,214,576	1,332,594	111,126
Shareholder servicing agent fees and expenses	2,643	119	58
Custodian fees and expenses	117,314	67,825	12,800
Trustees fees and expenses	19,398	10,975	1,267
Professional fees	41,323	43,062	14,679
Shareholder reporting expenses	109,468	68,523	18,412
Stock exchange listing fees	15,616	4,344	60
Investor relations expenses	33,224	39,827	5,204
Other expenses	21,907	19,408	3,497
Total expenses	8,269,368	4,978,259	572,075
Net investment income (loss)	39,024,200	22,269,464	2,603,716
Realized and Unrealized Gain (Loss)			
Net realized gain (loss) from:			
Investments and foreign currency	(3,206,087)	(5,023,403)	(63,024)
Options written	30,270		
Swaps	(1,003,933)		
Change in net unrealized appreciation (depreciation) of:			
Investments and foreign currency	(16,567,556)	2,435,462	(1,024,790)
Swaps	(2,060,410)	(2,037,414)	
Net realized and unrealized gain (loss)	(22,807,716)	(4,625,355)	(1,087,814)
Net increase (decrease) in net assets applicable to common shares from operations	\$ 16,216,484	\$17,644,109	\$ 1,515,902
<i>See accompanying notes to financial statements.</i>			

Statement of**Changes in Net Assets (Unaudited)**

	Preferred Income Opportunities (JPC)			Preferred and Income Term (JPI)	
	Six Months Ended 1/31/14	Seven Months Ended 7/31/13	Year Ended 12/31/12	Six Months Ended 1/31/14	Year Ended 7/31/13
Operations					
Net investment income (loss)	\$ 39,024,200	\$ 44,289,492	\$ 73,402,758	\$ 22,269,464	\$ 42,555,776
Net realized gain (loss) from:					
Investments and foreign currency	(3,206,087)	29,849,203	37,117,450	(5,023,403)	13,635,080
Securities sold short			(1,666,640)		
Options written	30,270		2,565,730		
Options purchased			(158,961)		
Swaps	(1,003,933)	(1,164,775)	(1,942,963)		
Change in net unrealized appreciation (depreciation) of:					
Investments and foreign currency	(16,567,556)	(42,091,501)	120,367,362	2,435,462	11,980,059
Securities sold short			1,293,234		
Options written			(1,365,960)		
Options purchased			158,251		
Swaps	(2,060,410)	10,069,799	754,389	(2,037,414)	4,843,419
Net increase (decrease) in net assets applicable to common shares from operations	16,216,484	40,952,218	230,524,650	17,644,109	73,014,334
Distributions to Common Shareholders					
	(36,836,932)	(42,976,421)	(73,683,563)	(23,071,316)	(42,294,495)

From net investment income					
From accumulated net realized gains				(11,110,181)	(2,213,845)
Decrease in net assets applicable to common shares from distributions to common shareholders	(36,836,932)	(42,976,421)	(73,683,563)	(34,181,497)	(44,508,340)

Capital Share Transactions

Common shares:

Proceeds from sale of shares, net of offering costs					65,316,610
Net proceeds from shares issued to shareholders due to reinvestment of distributions					223,182
Net increase (decrease) in net assets applicable to common shares from capital share transactions					65,539,792

Net increase (decrease) in net assets applicable to common shares	(20,620,448)	(2,024,203)	156,841,087	(16,537,388)	94,045,786
Net assets applicable to common shares at the beginning of period	995,460,293	997,484,496	840,643,409	570,298,245	476,252,459
Net assets applicable to common shares at the end of period	\$974,839,845	\$995,460,293	\$997,484,496	\$553,760,857	\$570,298,245
Undistributed (Over-distribution of) net investment income at the end of period	\$ (5,936,429)	\$ (8,123,697)	\$ (8,330,468)	\$ (147,971)	\$ 653,881

See accompanying notes to financial statements.

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Flexible Investment Income (JPW)

For the Period
6/25/13(commencement
of operations)
through 7/31/13Six Months
Ended
1/31/14**Operations**

Net investment income (loss)	\$ 2,603,716	\$ 119,563
Net realized gain (loss) from:		
Investments and foreign currency	(63,024)	6,700
Securities sold short		
Options written		
Options purchased		
Swaps		
Change in net unrealized appreciation (depreciation) of:		
Investments and foreign currency	(1,024,790)	(639,433)
Securities sold short		
Options written		
Options purchased		
Swaps		
Net increase (decrease) in net assets applicable to common shares from operations	1,515,902	(513,170)

Distributions to Common Shareholders

From net investment income	(2,801,169)	
From accumulated net realized gains		
Decrease in net assets applicable to common shares from distributions to common shareholders	(2,801,169)	

Capital Share Transactions

Common shares:		
Proceeds from sale of shares, net of offering costs	3,812,000	66,710,000
Net proceeds from shares issued to shareholders due to reinvestment of distributions		
Net increase (decrease) in net assets applicable to common shares from capital share transactions	3,812,000	66,710,000
Net increase (decrease) in net assets applicable to common shares	2,526,733	66,196,830
Net assets applicable to common shares at the beginning of period	66,297,105	100,275
Net assets applicable to common shares at the end of period	\$68,823,838	\$ 66,297,105
Undistributed (Over-distribution of) net investment income at the end of period	\$ (77,890)	\$ 119,563

See accompanying notes to financial statements.

Statement of**Cash Flows Six Months Ended January 31, 2014 (Unaudited)**

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Cash Flows from Operating Activities:			
Net Increase (Decrease) in Net Assets Applicable to Common Shares from Operations	\$ 16,216,484	\$ 17,644,109	\$ 1,515,902
Adjustments to reconcile the net increase (decrease) in net assets applicable to common shares from operations to net cash provided by (used in) operating activities:			
Purchases of investments	(253,674,524)	(165,311,064)	(54,028,291)
Proceeds from sales and maturities of investments	268,845,183	178,621,997	21,621,290
Proceeds from (Purchases of) short-term investments, net	(8,798,884)	(2,032,659)	464,629
Proceeds from (Payments for) swap contracts, net	(1,003,933)		
Premiums received for options written	30,270		
Amortization (Accretion) of premiums and discounts, net	174,625	213,534	(4,804)
(Increase) Decrease in:			
Receivable for dividends	(17,167)	(64,237)	(47,136)
Receivable for interest	738,291	1,287,202	(196,211)
Receivable for investments sold	(8,891,079)	(1,498,981)	(931,126)
Receivable for reclaims	(249)	(34,977)	
Other assets	22,564	31,303	(397)
Increase (Decrease) in:			
Payable for investment purchased	404,711	691,901	1,522,933
Accrued management fees	(17,099)	(12,140)	21,644
Accrued interest on borrowings	(2,596)	(1,451)	20,373
Accrued Trustees fees	3,047	3,768	254
Accrued other expenses	(45,641)	(1,937)	(4,524)
Net realized (gain) loss from:			
Investments and foreign currency	3,206,087	5,023,403	63,024
Options written	(30,270)		
Swaps	1,003,933		
Change in net unrealized (appreciation) depreciation of:			
Investments and foreign currency	16,567,556	(2,435,462)	1,024,790

Swaps	2,060,410	2,037,414	
Proceeds from litigation settlement	40,157		
Net cash provided by (used in) operating activities	36,831,876	34,161,723	(28,957,650)
Cash Flows from Financing Activities:			
Proceeds from borrowings			27,500,000
Cash distributions paid to common shareholders	(36,831,876)	(34,161,723)	(2,355,122)
Proceeds from sale of shares, net of offering costs			3,812,000
Net cash provided by (used in) financing activities	(36,831,876)	(34,161,723)	28,956,878
Net Increase (Decrease) in Cash			(772)
Cash at the beginning of period			772
Cash at the End of Period	\$	\$	\$

Supplemental Disclosure of Cash Flow Information

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Cash paid for interest on borrowings (excluding borrowing costs)	\$ 2,217,172	\$ 1,299,730	\$ 90,753
<i>See accompanying notes to financial statements.</i>			

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(c) Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based on Common Share NAV is the combination of changes in common share NAV, reinvested dividend income at NAV and reinvested capital gains distributions at NAV, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending NAV. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its NAV), and therefore may be different from the price used in the calculation. Total returns are not annualized.

Total Returns			Ratios/Supplemental Data					
			Ratios to Average Net Assets Applicable to Common Shares Before Reimbursement(d)		Ratios to Average Net Assets Applicable to Common Shares After Reimbursement(d)(e)			
Based on Common Share NAV(c)	Based on Market Value(c)	Ending Net Assets Applicable to Common Shares (000)	Net Investment Income (Loss) Expenses	Net Investment Income (Loss) Expenses	Net Investment Income (Loss) Expenses	Portfolio Turnover Rate(g)		
Preferred Income Opportunities (JPC)								
Year Ended 7/31:								
2014(i)	1.75%	.35%	\$ 974,840	1.70%***	8.02%***	N/A	N/A	19%
2013(h)	4.09	.63	995,460	1.67***	7.47***	N/A	N/A	27
Year Ended 12/31:								
2012	28.17	31.44	997,484	1.79	7.85	N/A	N/A	123
2011	(2.23)	4.95	840,643	1.73	5.40	1.70%	5.43%	34
2010	21.06	21.28	938,844	1.67	5.39	1.54	5.52	49
2009	67.37	81.73	839,846	1.80	7.76	1.57	7.99	50
2008	(49.27)	(51.80)	556,698	2.47	8.14	2.04	8.57	36

(d) • Ratios do not reflect the effect of dividend payments to Fund Preferred shareholders, where applicable.

• Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to Fund Preferred shares and/or borrowings, where applicable.

• Each ratio includes the effect of dividends expense on securities sold short and all interest expense paid and other costs related to borrowings, where applicable as follows:

Preferred Income Opportunities (JPC)	Ratios of Dividends Expense on Securities Sold Short to Average Net Assets Applicable to Common Shares(f)		Ratios of Borrowings Interest Expense to Average Net Assets Applicable to Common Shares
	Year Ended 7/31:		
2014(i)		%	.46%***
2013(h)			.45***
Year Ended 12/31:			
2012			.52
2011		**	.43
2010		**	.40
2009		**	.45
2008		.01	.82

(e) After expense reimbursement from the Adviser, where applicable. As of March 31, 2011, the Adviser is no longer reimbursing the Fund for any fees or expenses.

(f) Effective for periods beginning after December 31, 2011, the Fund no longer makes short sales of securities.

(g) Portfolio Turnover Rate is calculated based on the lesser of long-term purchases or sales (as disclosed in Note 5 Investment Transactions) divided by the average long-term market value during the period.

(h) For the seven months ended July 31, 2013.

(i) For the six months ended January 31, 2014.

N/A The Fund no longer has a contractual reimbursement agreement with the Adviser.

* Rounds to less than \$.01 per share.

** Rounds to less than .01%.

*** Annualized.

See accompanying notes to financial statements.

Financial Highlights (Unaudited) (continued)

Selected data for a common share outstanding throughout each period:

	Investment Operations			Less Distributions From Accumulated From Net Net Investment Realized Income Gains to to Common Share- Share- Total			Total Returns				
	Beginning Net Realized/ Unrealized Share Income (Loss)(a)	Net Realized/ Unrealized Gain (Loss)	Total	Common Share- holders	Common Share- holders	Total	Ending Common Share NAV	Ending Market Value	Based on Common Share NAV(b)	Based on Market Value(b)	
Preferred and Income Term (JPI)											
Year Ended 7/31:											
2016	\$.98	\$ (.20)	\$.78	\$ (1.01)	\$ (.49)	\$ (1.50)	\$ 24.34	\$ 22.55	3.21%	1.80%	
2015	1.89	1.32	3.21	(1.86)	(.10)	(1.96)	*	25.06	23.68	13.69	.41
2014	*	(.02)	(.02)				(.05)	23.81	25.50	(.23)	2.00
Flexible Investment Income (JPW)											
Year Ended 7/31:											
2014	.70	(.28)	.42	(.76)		(.76)	*	18.57	16.58	2.37	(12.35)
2013	.03	(.18)	(.15)				(.04)	18.91	19.80	(.99)	(1.00)
Borrowings at End of Period(e)											
Preferred and Income Term (JPI)			Aggregate Amount Outstanding (000)			Asset Coverage Per \$1,000					
Year Ended 7/31:											
2014(i)				\$	225,000		\$			3,461	
2013					225,000					3,535	
Flexible Investment Income (JPW)											
Year Ended 7/31:											
2014(i)					27,500					3,503	

**Ratios/Supplemental Data
Ratios to Average Net Assets
Applicable to Common Shares(c)**

	Ending Net Assets Applicable to Common Shares (000)	Expenses	Net Investment Income (Loss)	Portfolio Turnover Rate(f)
Preferred and Income Term (JPI)				
Year Ended 7/31:				
2014(i)	\$ 553,761	1.77%**	7.92%**	21%
2013	570,298	1.72	7.51	57
2012(d)	476,252	.97**	(.96)**	
Flexible Investment Income (JPW)				
Year Ended 7/31:				
2014(i)	68,824	1.70**	7.63**	25
2013(h)	66,297	1.40**	1.93**	3

(a) Per share Net Investment Income (Loss) is calculated using the average daily shares method.

(b) Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based on Common Share NAV is the combination of changes in common share NAV, reinvested dividend income at NAV and reinvested capital gains distributions at NAV, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending NAV. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its NAV), and therefore may be different from the price used in the calculation. Total returns are not annualized.

(c) • Net Investment Income (Loss) ratios reflect income earned and expenses incurred on assets attributable to borrowings, where applicable.

• Each ratio includes the effect of all interest expense paid and other costs related to borrowings as follows:

	Ratios of Borrowings Interest Expense to Average Net Assets Applicable to Common Share(e)
Preferred and Income Term (JPI)	
Year Ended 7/31:	
2014(i)	.47%**
2013(g)	.48
Flexible Investment Income (JPW)	
Year Ended 7/31:	
2014(j)	.35**

(d) For the period July 26, 2012 (commencement of operations) through July 31, 2012.

(e) Preferred and Income Term (JPI) and Flexible Investment Income (JPW) did not utilize borrowings prior to the fiscal years ended July 31, 2013 and July 31, 2014, respectively.

(f) Portfolio Turnover Rate is calculated based on the lesser of long-term purchases or sales (as disclosed in Note 5 Investment Transactions) divided by the average long-term market value during the period.

(g) For the period August 29, 2012 (first utilization date of borrowings) through July 31, 2013.

(h) For the period June 25, 2013 (commencement of operations) through July 31, 2013.

(i) For the six months ended January 31, 2014.

(j) For the period August 13, 2013 (first utilization date of borrowings) through January 31, 2014.

* Rounds to less than \$.01 per share.

** Annualized.

See accompanying notes to financial statements.

Notes to

Financial Statements (Unaudited)

1. General Information and Significant Accounting Policies

General Information

Fund Information

The funds covered in this report and their corresponding New York Stock Exchange ("NYSE") symbols are as follows (each a "Fund" and collectively, the "Funds"):

- Nuveen Preferred Income Opportunities Fund (JPC) ("Preferred Income Opportunities (JPC)")
- Nuveen Preferred and Income Term Fund (JPI) ("Preferred and Income Term (JPI)")
- Nuveen Flexible Investment Income Fund (JPW) ("Flexible Investment Income (JPW)")

The Funds are registered under the Investment Company Act of 1940, as amended, as diversified closed-end (non-diversified for Preferred and Income Term (JPI)) registered investment companies. Preferred Income Opportunities (JPC), Preferred and Income Term (JPI) and Flexible Investment Income (JPW) were each organized as Massachusetts business trusts on January 27, 2003, April 18, 2012 and March 28, 2013, respectively.

Investment Adviser

The Funds' investment adviser is Nuveen Fund Advisors, LLC (the "Adviser"), a wholly-owned subsidiary of Nuveen Investments, Inc. ("Nuveen"). The Adviser is responsible for each Fund's overall investment strategy and asset allocation decisions. The Adviser has entered into sub-advisory agreements with NWQ Investment Management Company, LLC ("NWQ") and Nuveen Asset Management LLC ("NAM"), a subsidiary of Adviser, (each a "Sub-Adviser" and collectively, the "Sub-Advisers"). NWQ and NAM are each responsible for approximately half of Preferred Income Opportunities' (JPC) portfolio. NAM manages the investment portfolio of Preferred and Income Term (JPI), while NWQ manages the investment portfolio of Flexible Investment Income (JPW). The Adviser is responsible for managing Preferred Income Opportunities' (JPC) and Preferred and Income Term's (JPI) investments in swap contracts.

Investment Objectives

Preferred Income Opportunities' (JPC) investment objective is to provide high current income and total return by investing at least 80% of its managed assets (as defined in Note 7 Management Fees and Other Transactions with Affiliates) in preferred securities, and up to 20% opportunistically over the market cycle in other types of securities, primarily income-oriented securities such as corporate and taxable municipal debt and common equity. At least 60% of its managed assets are rated investment grade (BBB/Baa or better by S&P, Moody's, or Fitch) at the time of investment.

Preferred and Income Term's (JPI) investment objective is to provide a high level of current income and total return. The Fund seeks to achieve its investment objective by investing in preferred securities and other income producing securities. Under normal market conditions, the Fund will invest at least 80% of its

managed assets in preferred and other income producing securities. The Fund will invest at least 60% of its managed assets in securities rated investment grade (BBB-/Baa3 or higher) at the time of purchase. The Fund will invest 100% of its managed assets in U.S. dollar denominated securities. The Fund will also invest up to 40% of its managed assets in securities issued by non-U.S. domiciled companies.

Flexible Investment Income's (JPW) investment objectives are to provide high current income and, secondarily, capital appreciation. Under normal circumstances, the Fund will invest at least 80% of its managed assets in income producing securities issued by companies located anywhere in the world. The Fund will invest in income producing securities across the capital structure in any type of debt, preferred or equity securities offered by a particular company, or debt securities issued by a government. The Fund will invest 100% of its managed assets in U.S. dollar-denominated securities, and may invest up to 50% of its managed assets in securities of non-U.S. companies. The Fund may invest up to 40% of its managed assets in equity securities (other than preferred securities). At least 25% of the aggregate market value of the Fund's investments in debt and preferred securities that are of a type customarily rated by a credit rating agency will be rated investment grade, or if unrated, will be judged to be of comparable quality by NWQ. The Fund will invest at least 25% of its managed assets in securities issued by financial services companies. The Fund may invest up to 15% of its managed assets in securities and other instruments that, at the time of purchase, are illiquid. The Fund may opportunistically write (sell) covered call options on the Fund's portfolio of equity securities for the purpose of enhancing the Fund's risk-adjusted total return over time. The Fund anticipates using leverage to help achieve its investment objectives. The Fund may utilize leverage in the form of borrowings from a financial institution or the issuance of preferred shares or other senior securities, such as commercial paper or notes.

Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP").

Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from investment transactions are determined on the specific identification method, which is the same basis used for federal income tax purposes. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to earmark securities in the Funds' portfolios with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. As of January 31, 2014, the Funds' outstanding when-issued/delayed delivery purchase commitments were as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Outstanding when-issued/delayed delivery purchase commitments	\$ 1,437,500	\$ 1,550,000	\$
<i>Investment Income</i>			

Dividend income is recorded on the ex-dividend date or, for foreign securities, when information is available. Interest income, which reflects the amortization of premiums and includes accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Interest income also reflects paydown gains and losses, if any. Other income is comprised of fees earned in connection with the rehypothecation of pledged collateral as further described in Note 8 Borrowing Arrangements.

Professional Fees

Professional fees presented on the Statement of Operations consist of legal fees incurred in the normal course of operations, audit fees, tax consulting fees and, in some cases, workout expenditures. Workout expenditures are incurred in an attempt to protect or enhance an investment or to pursue other claims or legal actions on behalf of Fund shareholders. Should a Fund receive a refund of workout expenditures paid in a prior reporting period, such amounts will be recognized as "Legal fee refund" on the Statement of Operations.

Dividends and Distributions to Common Shareholders

Distributions to common shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP.

Dividends to common shareholders are declared monthly. Net realized capital gains from investment transactions, if any, are declared and distributed to shareholders at least annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Flexible Investment Income's (JPW) regular monthly distributions are currently being sourced entirely from net investment income. The Fund's current portfolio is predominantly invested in income producing securities the income from which is expected to be the source of distributions. For periods when the Fund is sourcing its monthly distributions solely from net investment income, the Fund will seek to distribute substantially all of its net investment income over time. There are no assurances given to how long the Fund will source distributions entirely from net investment income.

Market conditions may change, causing the portfolio management team at some future time to focus the mix of portfolio investments less to income-oriented securities. This may cause the regular monthly distributions to be sourced from something other than net investment income. Flexible Investment Income (JPW) has adopted a managed distribution policy permitting it to source its regular monthly distributions from not only net investment income, but also from realized capital gains and/or return of capital. If a managed distribution policy is employed, the Fund will seek to establish a relatively stable common share distribution rate that roughly corresponds to the projected total return from its investment strategy over an extended period of time. Actual common share returns will differ from projected long-term returns, and the difference between actual returns and total distributions will be reflected in an increasing (returns exceed distributions) or a decreasing (distributions exceed returns) Fund net asset value ("NAV"). If the Fund changes to a managed distribution, a press release will be issued describing such change and this change will also be described in subsequent shareholder reports. Additionally, any distribution payment that is sourced from something other than net investment income, there will be a notice issued quantifying the sources of such distribution.

Preferred Shares

The Funds are authorized to issue preferred shares. During prior fiscal periods, Preferred Income Opportunities (JPC) redeemed all of its outstanding preferred shares, at liquidation value. As of January 31, 2014, Preferred and Income Term (JPI) and Flexible Investment Income (JPW) have not issued any preferred shares.

Indemnifications

Under the Funds' organizational documents, their officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

Notes to Financial Statements (Unaudited) (continued)

Netting Agreements

In the ordinary course of business, the Funds may enter into transactions subject to enforceable master repurchase agreements, International Swaps and Derivative Association, Inc. ("ISDA") master agreements or other similar arrangements ("netting agreements"). Generally, the right to offset in netting agreements allows each Fund to offset any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. Generally, each Fund manages its cash collateral and securities collateral on a counterparty basis. As of January 31, 2014, the Funds were not invested in any portfolio securities or derivatives, other than repurchase agreements and swap contracts further described in Note 3 Portfolio Securities and Investments in Derivatives that are subject to netting agreements.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to common shares from operations during the reporting period. Actual results may differ from those estimates.

2. Investment Valuation and Fair Value Measurements

Investment Valuation

Common stocks and other equity-type securities are valued at the last sales price on the securities exchange on which such securities are primarily traded and are generally classified as Level 1 for fair value measurement purposes. Securities primarily traded on the NASDAQ National Market ("NASDAQ") are valued, except as indicated below, at the NASDAQ Official Closing Price and are generally classified as Level 1. However, securities traded on a securities exchange or NASDAQ for which there were no transactions on a given day or securities not listed on a securities exchange or NASDAQ are valued at the quoted bid price and are generally classified as Level 2. Prices of certain American Depositary Receipts ("ADR") held by the Fund that trade in the United States are valued based on the last traded price, official closing price or the most recent bid price of the underlying non- U.S.-traded stock, adjusted as appropriate for the underlying-to-ADR conversion ratio and foreign exchange rate, and from time-to-time may also be adjusted further to take into account material events that may take place after the close of the local non-U.S. market but before the close of the NYSE, which may represent a transfer from a Level 1 to a Level 2 security.

Prices of fixed-income securities and swap contracts are provided by a pricing service approved by the Funds' Board of Trustees. These securities are generally classified as Level 2. The pricing service establishes a security's fair value using methods that may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. In pricing certain securities, particularly less liquid and lower quality securities, the pricing service may consider information about a security, its issuer or market activity, provided by the Adviser. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs.

Investments in investment companies are valued at their respective NAV on valuation date and are generally classified as Level 1.

Repurchase agreements are valued at contract amount plus accrued interest, which approximates market value. These securities are generally classified as Level 2.

The value of exchange-traded options are based on the mean of the closing bid and ask prices. Exchange-traded options are generally classified as Level 1. Options traded in the over-the-counter market are valued using an evaluated mean price and are generally classified as Level 2.

Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the NAV of the Funds' shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the NYSE is closed and an investor is not able to purchase, redeem or exchange shares. If significant market events occur between the time of determination of the closing price of a foreign security on an exchange and the time that the Funds' NAV is determined, or if under the Funds' procedures, the closing price of a foreign security is not deemed to be reliable, the security would be valued at fair value as determined in accordance with procedures established in good faith by the Funds' Board of Trustees. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs.

Certain securities may not be able to be priced by the pre-established pricing methods as described above. Such securities may be valued by the Funds' Board of Trustees or its designee at fair value. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933, as amended) for which a pricing service is unable to provide a market price; securities whose trading has been formally suspended; debt securities that have gone into default and for which there is no current market quotation; a security whose market price is not available from a pre-established pricing source; a security with respect to which an event has occurred that is likely to materially affect the value of the security after the market has closed but before the calculation of a Fund's NAV (as may be the case in non-U.S. markets on which the security is primarily traded) or make it difficult or impossible to obtain a reliable market quotation; and a security whose price, as provided by the pricing service, is not deemed to reflect the security's fair value. As a general principle, the fair value of a security would appear to be the amount

that the owner might reasonably expect to receive for it in a current sale. A variety of factors may be considered in determining the fair value of such securities, which may include consideration of the following: yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor's credit characteristics considered relevant. These securities are generally classified as Level 2 or Level 3 depending on the priority of the significant inputs. Regardless of the method employed to value a particular security, all valuations are subject to review by the Funds' Board of Trustees or its designee.

Fair Value Measurements

Fair value is defined as the price that the Funds would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The following is a summary of the three-tiered hierarchy of valuation input levels.

Level 1 Inputs are unadjusted and prices are determined using quoted prices in active markets for identical securities.

Level 2 Prices are determined using other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 Prices are determined using significant unobservable inputs (including management's assumptions in determining the fair value of investments).

The inputs or methodologies used for valuing securities are not an indication of the risks associated with investing in those securities. The following is a summary of each Fund's fair value measurements as of the end of the reporting period:

Preferred Income Opportunities (JPC)

	Level 1	Level 2	Level 3	Total
Long-Term Investments*:				
Common Stocks	\$ 39,898,148	\$ 1,576,651	\$	\$ 41,474,799
Convertible Preferred Securities	1,335,520			1,335,520
\$25 Par (or similar) Retail Preferred Corporate Bonds	600,276,249	65,044,478		665,320,727
\$1,000 Par (or similar) Institutional		38,544,034		38,544,034
		592,499,654		592,499,654

Preferred Investment Companies	6,761,205			6,761,205
Short-Term Investments:				
Repurchase Agreements		22,741,190		22,741,190
Investments in Derivatives:				
Interest Rate Swaps**		4,402,656		4,402,656
Total	\$ 648,271,122	\$ 724,808,663	\$	\$ 1,373,079,785
Preferred and Income Term (JPI)				
Long-Term Investments*:				
\$25 Par (or similar) Retail Preferred	\$ 155,826,465	\$ 63,461,760	\$	\$ 219,288,225
Corporate Bonds		6,452,260		6,452,260
\$1,000 Par (or similar) Institutional Preferred		541,144,629		541,144,629
Short-Term Investments:				
Repurchase Agreements		6,796,665		6,796,665
Investments in Derivatives:				
Interest Rate Swaps**		2,806,005		2,806,005
Total	\$ 155,826,465	\$ 620,661,319	\$	\$ 776,487,784
Flexible Investment Income (JPW)				
Long-Term Investments*:				
Common Stocks	\$ 12,048,361	\$ 458,722	\$	\$ 12,507,083
Convertible Preferred Securities	297,055			297,055
\$25 Par (or similar) Retail Preferred	66,582,855	1,825,779		68,408,634
Corporate Bonds		8,244,206		8,244,206
\$1,000 Par (or similar) Institutional Preferred		5,654,126		5,654,126
Investment Companies	1,458,256			1,458,256
Short-Term Investments:				
Repurchase Agreements		1,313,604		1,313,604
Total	\$ 80,386,527	\$ 17,496,437	\$	\$ 97,882,964

* Refer to the Fund's Portfolio of Investments for industry classifications and breakdown of Common Stocks and \$25 Par (or similar) Retail Preferred classified as Level 2.

** Represents net unrealized appreciation (depreciation) as reported in the Fund's Portfolio of Investments.

Notes to Financial Statements (Unaudited) (continued)

The Nuveen funds' Board of Directors/Trustees is responsible for the valuation process and has delegated the oversight of the daily valuation process to the Adviser's Valuation Committee. The Valuation Committee, pursuant to the valuation policies and procedures adopted by the Board of Directors/Trustees, is responsible for making fair value determinations, evaluating the effectiveness of the funds' pricing policies and reporting to the Board of Directors/Trustees. The Valuation Committee is aided in its efforts by the Adviser's dedicated Securities Valuation Team, which is responsible for administering the daily valuation process and applying fair value methodologies as approved by the Valuation Committee. When determining the reliability of independent pricing services for investments owned by the funds, the Valuation Committee, among other things, conducts due diligence reviews of the pricing services and monitors the quality of security prices received through various testing reports conducted by the Securities Valuation Team.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making a fair value determination, based on the facts and circumstances specific to the portfolio instrument. Fair value determinations generally will be derived as follows, using public or private market information:

- (i) If available, fair value determinations shall be derived by extrapolating from recent transactions or quoted prices for identical or comparable securities.
- (ii) If such information is not available, an analytical valuation methodology may be used based on other available information including, but not limited to: analyst appraisals, research reports, corporate action information, issuer financial statements and shelf registration statements. Such analytical valuation methodologies may include, but are not limited to: multiple of earnings, discount from market value of a similar freely-traded security, discounted cash flow analysis, book value or a multiple thereof, risk premium/yield analysis, yield to maturity and/or fundamental investment analysis.

The purchase price of a portfolio instrument will be used to fair value the instrument only if no other valuation methodology is available or deemed appropriate, and it is determined that the purchase price fairly reflects the instrument's current value.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Directors/Trustees, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such testing and fair valuation occurrences are reported to the Board of Directors/Trustees.

3. Portfolio Securities and Investments in Derivatives

Portfolio Securities

Foreign Currency Transactions

To the extent that the Funds invest in securities and/or contracts that are denominated in a currency other than U.S. dollars, the Funds will be subject to currency risk, which is the risk that an increase in the U.S. dollar relative to the foreign currency will reduce returns or portfolio value. Generally, when the U.S. dollar rises in value against a foreign currency, the Funds' investments denominated in that currency will lose value because its currency is worth fewer U.S. dollars; the opposite effect occurs if the U.S. dollar falls in relative value. Investments and other assets and liabilities denominated in foreign currencies are converted into U.S. dollars on a spot (i.e. cash) basis at the spot rate prevailing in the foreign currency exchange

market at the time of valuation. Purchases and sales of investments and income denominated in foreign currencies are translated into U.S. dollars on the respective dates of such transactions.

Each Fund may invest in non-U.S. securities. As of January 31, 2014, the Funds' investments in non-U.S. securities were as follows:

Preferred Income Opportunities (JPC)	Value	% of Total Investments
Country:		
United Kingdom	\$ 76,902,319	5.6%
Netherlands	69,659,410	5.1
Spain	37,752,110	2.8
Switzerland	34,739,183	2.5
Other Countries	95,010,348	6.9
Total Non-U.S. Securities	\$314,063,370	22.9%

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Preferred and Income Term (JPI)	Value	% of Total Investments
Country:		
United Kingdom	\$ 89,741,352	11.6%
Netherlands	68,945,884	8.9
Spain	39,725,213	5.1
France	37,080,815	4.8
Other Countries	51,043,817	6.6
Total Non-U.S. Securities	\$286,537,081	37.0%
Flexible Investment Income (JPW)		
Country:		
Ireland	\$ 1,284,563	1.3%
United Kingdom	807,015	0.8
Greece	765,316	0.8
Israel	598,042	0.6
Norway	545,664	0.6
Other Countries	1,001,940	1.0
Total Non-U.S. Securities	\$ 5,002,540	5.1%

The books and records of the Funds are maintained in U.S. dollars. Foreign currencies, assets and liabilities are translated into U.S. dollars at 4:00 p.m. Eastern Time. Investment transactions, income and expenses are translated on the respective dates of such transactions. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date of the transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of a Fund and the amounts actually received.

The realized gains and losses resulting from changes in foreign currency exchange rates and changes in foreign exchange rates associated with other assets and liabilities on investments, forward foreign currency exchange contracts, futures, options purchased, options written and swap contracts are recognized as a component of "Net realized gain (loss) from investments and foreign currency," on the Statement of Operations, when applicable.

The unrealized gains and losses resulting from changes in foreign currency exchange rates and changes in foreign exchange rates associated with other assets and liabilities on investments are recognized as a component of "Change in net unrealized appreciation (depreciation) of investments and foreign currency," on the Statement of Operations, when applicable. The unrealized gains and losses resulting from changes in foreign exchange rates associated with forward foreign currency exchange contracts, futures, options purchased, options written and swap contracts are recognized as a component of "Change in net unrealized appreciation (depreciation) of forward foreign currency exchange contracts, futures contracts, options purchased, options written and swaps," respectively, on the Statement of Operations, when applicable.

Repurchase Agreements

In connection with transactions in repurchase agreements, it is each Fund's policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the counterparty defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

The following table presents the repurchase agreements for the Funds that are subject to netting agreements as of the end of the reporting period, and the collateral delivered related to those repurchase agreements.

Fund	Counterparty	Short-Term Investments, at Value	Collateral Pledged (From) Counterparty*	Net Exposure
Preferred Income Opportunities (JPC)	Fixed Income Clearing Corporation	\$ 22,741,190	\$(22,741,190)	\$
Preferred and Income Term (JPI)	Fixed Income Clearing Corporation	6,796,665	(6,796,665)	
Flexible Investment Income (JPW)	Fixed Income Clearing Corporation	1,313,604	(1,313,604)	

* As of January 31, 2014, the value of the collateral pledged from the counterparty exceeded the value of the repurchase agreements. Refer to the Fund's Portfolio of Investments for details on the repurchase agreements.

Zero Coupon Securities

Each Fund is authorized to invest in zero coupon securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance

Notes to Financial Statements (Unaudited) (continued)

and the par value of the security at maturity and is effectively paid at maturity. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

Investments in Derivatives

Each Fund is authorized to invest in certain derivative instruments, such as futures, options and swap contracts. Each Fund limits its investments in futures, options on futures and swap contracts to the extent necessary for the Adviser to claim the exclusion from registration by the Commodity Futures Trading Commission as a commodity pool operator with respect to each Fund. The Funds record derivative instruments at fair value, with changes in fair value recognized on the Statement of Operations, when applicable. Even though the Funds' investments in derivatives may represent economic hedges, they are not considered to be hedge transactions for financial reporting purposes.

Options Transactions

The purchase of options involves the risk of loss of all or a part of the cash paid for the options (the premium). The market risk associated with purchasing options is limited to the premium paid. The counterparty credit risk of purchasing options, however, needs also to take into account the current value of the option, as this is the performance expected from the counterparty. When a Fund purchases an option, an amount equal to the premium paid (the premium plus commission) is recognized as a component of "Options purchased, at value" on the Statement of Assets and Liabilities. When a Fund writes an option, an amount equal to the net premium received (the premium less commission) is recognized as a component of "Options written, at value" on the Statement of Assets and Liabilities and is subsequently adjusted to reflect the current value of the written option until the option is exercised or expires or the Fund enters into a closing purchase transaction. The changes in the value of options purchased during the fiscal period are recognized as a component of "Change in net unrealized appreciation (depreciation) of options purchased" on the Statement of Operations. The changes in the value of options written during the fiscal period are recognized as a component of "Change in net unrealized appreciation (depreciation) of options written" on the Statement of Operations. When an option is exercised or expires or the Fund enters into a closing purchase transaction, the difference between the net premium received and any amount paid at expiration or on executing a closing purchase transaction, including commission, is recognized as a component of "Net realized gain (loss) from options purchased and/or written" on the Statement of Operations. The Fund, as a writer of an option has no control over whether the underlying instrument may be sold (called) or purchased (put) and as a result bears the risk of an unfavorable change in the market value of the instrument underlying the written option. There is also the risk the Fund may not be able to enter into a closing transaction because of an illiquid market.

During the six months ended January 31, 2014, Preferred Income Opportunities (JPC) wrote covered call options on common stocks to hedge equity exposure. These options expired prior to the close of this reporting period.

The average notional amount of outstanding options contracts during the six months ended January 31, 2014, was as follows:

Average notional amount outstanding options written*	\$	**
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* The average notional amount is calculated based on the outstanding notional at the beginning of the fiscal year and at the end of each fiscal quarter within the current fiscal year.

** The Fund did not hold any options at the beginning of the fiscal year or at the end of each quarter within the current fiscal year.

The following table presents the amount of net realized gain (loss) and change in net unrealized appreciation (depreciation) recognized on options contracts during the six months ended January 31, 2014, and the primary underlying risk exposure.

Underlying Risk Exposure	Derivative Instrument	Net Realized Gain (Loss) from Options Written	Change in Net Unrealized Appreciation (Depreciation) of Options Written
Equity price	Options	\$ 30,270	\$
<i>Swap Contracts</i>			

Interest rate swap contracts involve the each Fund's agreement with the counterparty to pay or receive a fixed rate payment in exchange for the counterparty receiving or paying a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on any variable rate borrowing. Forward interest rate swap transactions involve each Fund's agreement with a counterparty to pay or receive, in the future, a fixed or variable rate payment in exchange for the counterparty receiving or paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the "effective date"). The payment obligation is based on the notional amount swap contract. Swap contracts do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the net amount of interest payments that each Fund is to receive. Swap contracts are valued daily. Upon entering into an interest rate swap (and beginning on the effective date for a forward interest rate swap), each Fund accrues the fixed rate payment expected to be paid or received and the variable rate payment expected to be received or paid on a daily basis, and recognizes the daily change in the fair value of the Fund's contractual rights and obligations under the contracts. The net amount recorded for these transactions for each counterparty is recognized on the Statement of Assets and Liabilities as a component of "Unrealized appreciation or depreciation on interest rate swaps (,net)" with the change during the fiscal period recognized on the Statement of Operations as a component of "Change in net unrealized appreciation (depreciation) of swaps." Income

received or paid by each Fund is recognized as a component of "Net realized gain (loss) from swaps" on the Statement of Operations, in addition to the net realized gains or losses recognized upon the termination of a swap contract, and are equal to the difference between the Fund's basis in the swap contract and the proceeds from (or cost of) the closing transaction. Payments received or made at the beginning of the measurement period are recognized as a component of "Interest rate swap premiums paid and/or received" on the Statement of Assets and Liabilities, when applicable. For tax purposes, periodic payments are treated as ordinary income or expense.

During the six months ended January 31, 2014 Preferred Income Opportunities (JPC) and Preferred and Income Term (JPI) continued to use interest rate swaps to partially fix its interest cost of leverage, which the Funds employ through the use of bank borrowings.

The average notional amount of interest rate swap contracts outstanding during the six months ended January 31, 2014, was as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)
Average notional amount of interest rate swap contracts outstanding*	\$368,042,000	\$168,750,000

* The average notional amount is calculated based on the outstanding notional at the beginning of the fiscal year and at the end of each fiscal quarter within the current fiscal year.

The following table presents the fair value of all interest rate swap contracts held by the Funds as of January 31, 2014, the location of these instruments on the Statement of Assets and Liabilities and the primary underlying risk exposure.

Underlying Derivative Risk	Exposure Instrument	Location on the Statement of Assets and Liabilities			
		Asset Derivatives		(Liability) Derivatives	
		Location	Value	Location	Value
Preferred Income Opportunities (JPC)					
Interest rate	Swaps	Unrealized appreciation on interest rate swaps, net	\$6,995,482	Unrealized depreciation on interest rate swaps	\$ (2,472,560)
Interest rate	Swaps	Unrealized appreciation on interest rate swaps, net	(120,266)		
Total			\$6,875,216		\$ (2,472,560)
Preferred and Income Term (JPI)					
Interest rate	Swaps	Unrealized appreciation on interest rate swaps, net	\$2,806,005		\$

The following table presents the swap contracts, which are subject to netting agreements, as well as the collateral delivered related to those swap contracts.

Counterparty Swaps*	Gross Unrealized Appreciation on Interest Rate Swaps*	Gross Unrealized (Depreciation) on Interest Rate Swaps*	Amounts Netted on Statement of Assets and Liabilities	Net Unrealized Appreciation (Depreciation) on Interest Rate Swaps	Collateral Pledged to (from) Counterparty	Net Exposure
Preferred Income Opportunities (JPC)						
JPMorgan	\$ 6,995,482	\$ (120,266)	\$ (120,266)	\$ 6,875,216	\$ (6,875,216)	\$
Morgan Stanley		(2,472,560)		(2,472,560)	2,472,560	
Total	\$ 6,995,482	\$ (2,592,826)	\$ (120,266)	\$ 4,402,656	\$ (4,402,656)	\$
Preferred and Income Term (JPI)						
JPMorgan	\$ 2,806,005	\$	\$	\$ 2,806,005	\$ (2,806,005)	\$

* Represents gross unrealized appreciation (depreciation) for the counterparty as reported in the Fund's Portfolio of Investments.

The following table presents the amount of net realized gain (loss) and change in net unrealized appreciation (depreciation) recognized on swap contracts on the Statement of Operations during the six months ended January 31, 2014, and the primary underlying risk exposure.

Fund	Underlying Risk Exposure	Derivative Instrument	Net Realized Gain (Loss) from Swaps	Change in Net Unrealized Appreciation (Depreciation) of Swaps
Preferred Income Opportunities (JPC)	Interest rate	Swaps	\$ (1,003,933)	\$ (2,060,410)
Preferred and Income Term (JPI)	Interest rate	Swaps		(2,037,414)

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Notes to Financial Statements (Unaudited) (continued)*Market and Counterparty Credit Risk*

In the normal course of business each Fund may invest in financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the market (market risk) or failure of the other party to the transaction to perform (counterparty credit risk). The potential loss could exceed the value of the financial assets recorded on the financial statements. Financial assets, which potentially expose each Fund to counterparty credit risk, consist principally of cash due from counterparties on forward, option and swap transactions, when applicable. The extent of each Fund's exposure to counterparty credit risk in respect to these financial assets approximates their carrying value as recorded on the Statement of Assets and Liabilities.

Each Fund helps manage counterparty credit risk by entering into agreements only with counterparties the Adviser believes have the financial resources to honor their obligations and by having the Adviser monitor the financial stability of the counterparties. Additionally, counterparties may be required to pledge collateral daily (based on the daily valuation of the financial asset) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold. Reciprocally, when each Fund has an unrealized loss, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the valuations fluctuate, either up or down, by at least the pre-determined threshold amount.

4. Fund Shares*Common Shares*

Transactions in common shares were as follows:

	Six Months Ended 1/31/14	Preferred Income Opportunities (JPC) Seven Months Ended 7/31/13	Year Ended 12/31/12
Common shares issued to shareholders due to reinvestment of distributions			
	Six Months Ended 1/31/14	Preferred and Income Term (JPI) Year Ended 7/31/13	Flexible Investment Income (JPW) For the period 6/25/13 (commencement of operations) through 7/31/13
Common shares sold	2,739,573	200,000	3,500,000*
Common shares issued to shareholders due to reinvestment of distributions		9,004	

* Excludes 5,250 shares owned by the Adviser.

5. Investment Transactions

Purchases and sales (including maturities but excluding short-term investments and derivative transactions, where applicable) during the six months ended January 31, 2014, were as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Purchases	\$253,674,524	\$165,311,064	\$54,028,291
Sales and maturities	268,845,183	178,621,997	21,621,290

Transactions in options written for the following Fund during the six months ended January 31, 2014, were as follows:

	Preferred Income Opportunities (JPC) Number of Contracts	Premiums Received
Options outstanding, beginning of period		\$
Options written	591	30,270
Options expired	(591)	(30,270)
Options outstanding, end of period		\$

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6. Income Tax Information

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its investment company taxable income to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. In any year when the Funds realize net capital gains, each Fund may choose to distribute all or a portion of its net capital gains to shareholders, or alternatively, to retain all or a portion of its net capital gains and pay federal corporate income taxes on such retained gains.

For all open tax years and all major taxing jurisdictions, management of the Funds has concluded that there are no significant uncertain tax positions that would require recognition in the financial statements. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). Furthermore, management of the Funds is also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to recognition of premium amortization, timing differences in the recognition of income on real estate investment trust ("REIT") investments and timing differences in recognizing certain gains and losses on investment transactions. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts as detailed below. Temporary differences do not require reclassification. Temporary and permanent differences do not impact the NAVs of the Funds.

As of January 31, 2014, the cost and unrealized appreciation (depreciation) of investments (excluding investments in derivatives, where applicable), as determined on a federal income tax basis, were as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Cost of investments	\$ 1,345,088,284	\$ 760,517,221	\$ 99,536,328
Gross unrealized:			
Appreciation	\$ 55,046,380	\$ 20,761,139	\$ 952,189
Depreciation	(31,457,535)	(7,596,581)	(2,605,553)
Net unrealized appreciation (depreciation) of investments	\$ 23,588,845	\$ 13,164,558	\$ (1,653,364)

Permanent differences, primarily due to federal taxes paid, notional principal contracts, tax basis earnings and profit adjustments, bond premium amortization adjustments, adjustments for REITs, complex securities character adjustments, litigation proceeds, and foreign currency reclasses, resulted in reclassifications among the Funds' components of common share net assets as of July 31, 2013, the Funds' last tax year end, as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Paid-in-surplus	\$ (383,932)	\$ (75,649)	\$

Undistributed (Over-distribution of) net investment income

(1,106,300) 405,185

Accumulated net realized gain (loss) 1,490,232 (329,536)

The tax components of undistributed net ordinary income and net long-term capital gains as of July 31, 2013, the Funds' last tax year end, were as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Undistributed net ordinary income ¹	\$ 6,045,230	\$16,537,152	\$ 114,911
Undistributed net long-term capital gains		9,204	

¹ Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any.

The tax character of distributions paid during the Funds' last tax year ended July 31, 2013, was designated for purposes of the dividends paid deduction as follows:

	Preferred Income Opportunities (JPC)³	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)⁴
Distributions from net ordinary income ²	\$36,836,933	\$40,663,121	\$
Distributions from net long-term capital gains			
Return of capital			

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Notes to Financial Statements (Unaudited) (continued)

The tax character of distributions paid during Preferred Income Opportunities' (JPC) tax year ended December 31, 2012, was designated for purposes of the dividends paid deduction as follows:

	Preferred Income Opportunities (JPC)
Distributions from net ordinary income ²	\$73,683,563
Distributions from net long-term capital gains	
Return of Capital	

² Net ordinary income consists of net taxable income derived from dividends, interest, net short-term capital gains and current year earnings and profits attributable to realized gains, if any.

³ For the seven months ended July 31, 2013.

⁴ For the period June 25, 2013 (commencement of operations) through July 31, 2013.

As of July 31, 2013, the Funds' last tax year end, the following Fund had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as shown in the following table. The losses not subject to expiration retain the character reflected and will be utilized first by the Fund, while the losses subject to expiration are considered short-term.

	Preferred Income Opportunities (JPC)
Expiration:	
July 31, 2016	\$129,811,368
July 31, 2017	204,895,930
July 31, 2018	9,385,427
Not subject to expiration:	
Short-term losses	
Long-term losses	
Total	\$344,092,725

During the Funds' last tax year ended July 31, 2013, the following Fund utilized capital loss carryforwards as follows:

	Preferred Income Opportunities (JPC)
Utilized capital loss carryforwards	\$30,171,610

7. Management Fees and Other Transactions with Affiliates

Each Fund's management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Sub-Advisers are compensated for their services to the Funds from the management fees paid to the Adviser.

Each Fund's management fee consists of two components – a fund-level fee, based only on the amount of assets within each individual Fund, and a complex-level fee, based on the aggregate amount of all eligible fund assets managed by the Adviser. This pricing structure enables each Fund's shareholders to benefit from growth in the assets within their respective Fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

The annual fund-level fee for each Fund, payable monthly, is calculated according to the following schedule:

Average Daily Managed Assets*	Preferred Income Opportunities (JPC) Fund-Level Fee Rate	Preferred and Income Term (JPI) Fund-Level Fee Rate	Flexible Investment Income (JPW) Fund-Level Fee Rate
For the first \$500 million	.6800%	.7000%	.7000%
For the next \$500 million	.6500	.6750	.6750
For the next \$500 million	.6300	.6500	.6500
For the next \$500 million	.6050	.6250	.6250
For managed assets over \$2 billion	.5800	.6000	.6000

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The annual complex-level fee for each Fund, payable monthly, is calculated according to the following schedule:

Complex-Level Managed Asset Breakpoint Level*	Effective Rate at Breakpoint Level
\$55 billion	.2000%
\$56 billion	.1996
\$57 billion	.1989
\$60 billion	.1961
\$63 billion	.1931
\$66 billion	.1900
\$71 billion	.1851
\$76 billion	.1806
\$80 billion	.1773
\$91 billion	.1691
\$125 billion	.1599
\$200 billion	.1505
\$250 billion	.1469
\$300 billion	.1445

* For the fund-level and complex-level fees, managed assets include closed-end fund assets managed by the Adviser that are attributable to certain types of leverage. For these purposes, leverage includes the funds' use of preferred stock and borrowings and certain investments in the residual interest certificates (also called inverse floating rate securities) in tender option bond (TOB) trusts, including the portion of assets held by a TOB trust that has been effectively financed by the trust's issuance of floating rate securities, subject to an agreement by the Adviser as to certain funds to limit the amount of such assets for determining managed assets in certain circumstances. The complex-level fee is calculated based upon the aggregate daily managed assets of all Nuveen Funds that constitute "eligible assets." Eligible assets do not include assets attributable to investments in other Nuveen Funds and assets in excess of \$2 billion added to the Nuveen Fund complex in connection with the Adviser's assumption of the management of the former First American Funds effective January 1, 2011. As of January 31, 2014, the complex-level fee rate for each of these Funds was .1679%.

The Funds pays no compensation directly to those of its trustees who are affiliated with the Adviser or to its officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Trustees has adopted a deferred compensation plan for independent trustees that enables trustees to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen-advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen-advised funds.

8. Borrowing Arrangements

Borrowings

Preferred Income Opportunities (JPC) and Preferred and Income Term (JPI) each entered into a prime brokerage facility with BNP Paribas Prime Brokerage, Inc. ("BNP") while Flexible Investment Income (JPW) entered in to a committed secured 180-day continuous rolling borrowing facility with the Bank of Nova Scotia (collectively "Borrowings") as a means of leverage. Each Fund's maximum commitment amount under these Borrowings is as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Maximum commitment amount	\$405,000,000	\$250,000,000	\$35,000,000

As of January 31, 2014, each Fund's outstanding balance on its Borrowings was as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)
Outstanding balance on Borrowings	\$402,500,000	\$225,000,000	\$27,500,000

During the six months ended January 31, 2014, the average daily balance outstanding and average annual interest rate on each Fund's Borrowings were as follows:

	Preferred Income Opportunities (JPC)	Preferred and Income Term (JPI)	Flexible Investment Income (JPW)*
Average daily balance outstanding	\$402,500,000	\$225,000,000	\$26,715,116
Average annual interest rate	1.07%	1.07%	.87%

* During the period August 13, 2013 (first utilization date of borrowings) through January 31, 2014.

Notes to Financial Statements (Unaudited) (continued)

In order to maintain these Borrowings, the Funds must meet certain collateral, asset coverage and other requirements. Borrowings outstanding are fully secured by securities held in each Fund's portfolio of investments ("Pledged Collateral"). For Preferred Income Opportunities (JPC) and Preferred and Income Term (JPI) interest is charged on these Borrowings at 3-Month LIBOR (London Inter-Bank Offered Rate) (during the period August 1, 2013 through December 9, 2013 and 1-month LIBOR thereafter) plus .85% per annum on the amounts borrowed and .50% per annum on the undrawn balance. Flexible Investment Income (JPW) interest is charged on the Borrowings at a rate equal to the 1-month LIBOR plus .70% per annum on the amount borrowed. In addition to the interest expense, Flexible Investment Income (JPW) will pay a commitment fee equal to .15% per annum on the undrawn balance.

Borrowings outstanding are recognized as "Borrowings" on the Statement of Assets and Liabilities. Interest expense incurred on the borrowed amount and undrawn balance and the one-time amendment fee are recognized as a component of "Interest expense on borrowings" on the Statement of Operations.

Rehypothecation

On December 9, 2013, the Adviser entered into a Rehypothecation Side Letter ("Side Letter") with BNP, allowing BNP to re-register the Pledged Collateral in its own name or in a name other than the Funds' to pledge, repledge, hypothecate, rehypothecate, sell, lend or otherwise transfer or use the Pledged Collateral (the "Hypothecated Securities") with all rights of ownership as described in the Side Letter. Subject to certain conditions, the total value of the outstanding Hypothecated Securities shall not exceed the lesser of (i) 98% of the outstanding balance on the Borrowings to which the Pledged Collateral relates and (ii) 33 1/3% of the Funds' total assets. The Funds may designate any Pledged Collateral as ineligible for rehypothecation. The Funds may also recall Hypothecated Securities on demand.

The Funds also have the right to apply and set-off an amount equal to one-hundred percent (100%) of the then-current fair market value of such Pledged Collateral against the current Borrowings under the Side Letter in the event that BNP fails to timely return the Pledged Collateral and in certain other circumstances. In such circumstances, however, the Funds may not be able to obtain replacement financing required to purchase replacement securities and, consequently, the Funds' income generating potential may decrease. Even if a Fund is able to obtain replacement financing, it might not be able to purchase replacement securities at favorable prices.

The Funds will receive a fee in connection with the Hypothecated Securities ("Rehypothecation Fees") in addition to any principal, interest, dividends and other distributions paid on the Hypothecated Securities.

As of January 31, 2014, Preferred Income Opportunities (JPC) and Preferred and Income Term (JPI) each had Hypothecated Securities totalling \$75,452,300 and \$175,206,500, respectively. During the period from December 9, 2013 through January 31, 2014, Preferred Income Opportunities (JPC) and Preferred and Income Term (JPI) earned Rehypothecation Fees of \$87,208 and \$48,750, respectively, which is recognized as "Other income" on the Statement of Operations.

Additional

Fund Information

Board of Trustees

William Adams IV*	Robert P. Bremner	Jack B. Evans	William C. Hunter	David J. Kundert	John K. Nelson
William J. Schneider	Thomas S. Schreier, Jr.*	Judith M. Stockdale	Carole E. Stone	Virginia L. Stringer	Terence J. Toth

* Interested Board Member.

Fund Manager	Custodian	Legal Counsel	Independent Registered Public Accounting Firm	Transfer Agent and Shareholder Services
Nuveen Fund Advisors, LLC 333 West Wacker Drive Chicago, IL 60606	State Street Bank & Trust Company Boston, MA 02111	Chapman and Cutler LLP Chicago, IL 60603	Ernst & Young LLP Chicago, IL 60606	State Street Bank & Trust Company Nuveen Funds P.O. Box 43071 Providence, RI 02940-3071 (800) 257-8787

Quarterly Form N-Q Portfolio of Investments Information

Each Fund is required to file its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. You may obtain this information directly from the SEC. Visit the SEC on-line at <http://www.sec.gov> or in person at the SEC's Public Reference Room in Washington, D.C. Call the SEC toll-free at (800) SEC -0330 for room hours and operation.

Nuveen Funds' Proxy Voting Information

You may obtain (i) information regarding how each fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at www.nuveen.com and (ii) a description of the policies and procedures that each fund used to determine how to vote proxies relating to portfolio securities without charge, upon request, by calling Nuveen Investments toll free at (800) 257-8787. You may also obtain this information directly from the SEC. Visit the SEC on-line at <http://www.sec.gov>.

CEO Certification Disclosure

The Fund's Chief Executive Officer (CEO) has submitted to the New York Stock Exchange (NYSE) the annual CEO certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

Each Fund has filed with the SEC the certification of its CEO and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

Share Information

Each Fund intends to repurchase shares of its own common stock at such times and in such amounts as is deemed advisable. During the period covered by this report, each Fund repurchased shares of its common stock as shown in the accompanying table. Any future repurchases will be reported to shareholders in the next annual or semi-annual report.

	JPC	JPI	JPW
Common shares repurchased			

Any future repurchases will be reported to shareholders in the next annual or semi-annual report.

FINRA BrokerCheck

The Financial Industry Regulatory Authority (FINRA) provides information regarding the disciplinary history of FINRA member firms and associated investment professionals. This information as well as an investor brochure describing FINRA BrokerCheck is available to the public by calling the FINRA BrokerCheck Hotline number at (800) 289-9999 or by visiting www.FINRA.org.

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Glossary of Terms

Used in this Report

- n **Average Annual Total Return:** This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in NAV or offer price and reinvested dividends and capital gains distributions, if any) over the time period being considered.
- n **Barclays USD Capital Securities Index:** The Barclays USD Capital Securities component of the Barclays Global Capital Securities Index generally includes Tier 2/Lower Tier 2 bonds, perpetual step-up debt, step-up preferred securities, and term preferred securities. The index returns assume reinvestment of dividends, but do not include the effects of any sales charges or management fees.
- n **Basel III:** A comprehensive set of reform measures designed to improve the regulation, supervision and risk management within the banking sector. The Basel Committee on Banking Supervision published the first version of Basel III in late 2009, giving banks approximately three years to satisfy all requirements. Largely in response to the credit crisis, banks are required to maintain proper leverage ratios and meet certain capital requirements.
- n **BofA/Merrill Lynch Preferred Stock Fixed Rate Index:** An index that tracks the performance of fixed rate U.S. dollar denominated preferred securities issued in the U.S. domestic market. Qualifying securities must be rated investment grade (based on an average of Moody's, S&P, and Fitch) and must have an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch foreign currency long-term sovereign debt ratings). In addition, qualifying securities must be issued as public securities or through a 144A filing, must be issued in \$25, \$50 or \$100 par/liquidation preference increments, must have a fixed coupon or dividend schedule, and must have a minimum amount outstanding of \$100 million. The index returns assume reinvestment of dividends, but do not include the effects of any sales charges or management fees.
- n **Effective Leverage:** Effective leverage is a fund's effective economic leverage, and includes both regulatory leverage (see below) and the leverage effects of certain derivative investments in the fund's portfolio that increase the funds' investment exposure.
- n **Gross Domestic Product (GDP):** The total market value of all final goods and services produced in a country/region in a given year, equal to total consumer, investment and government spending, plus the value of exports, minus the value of imports.
- n **JPC Blended Index (Comparative Benchmark):** A blended return consisting of 82.5% of the BofA/Merrill Lynch Preferred Stock Fixed Rate Index and 17.5% of the Barclays Capital Securities Index. The index returns assume reinvestment of dividends, but do not include the effects of any sales charges or management fees.
- n **JPI Blended Benchmark Index:** A blended return consisting of the BofA/Merrill Lynch Preferred Stock Fixed Rate Index and the Barclays USD Capital Securities Index. The JPI Blended Benchmark Index is comprised of a 65% weighting in the BofA/Merrill Lynch Preferred Stock Fixed Rate Index, and a 35% weighting in the Barclays USD Capital Securities Index. Benchmark returns assume reinvestment of distributions, but do not include the effects of any sales charges or management fees.

n **Leverage:** Leverage is created whenever a fund has investment exposure (both reward and/or risk) equivalent to more than 100% of the investment capital.

n **Net Asset Value (NAV) Per Share:** A fund's Net Assets is equal to its total assets (securities, cash, accrued earnings and receivables) less its total liabilities. NAV per share is equal to the fund's Net Assets divided by its number of shares outstanding.

n **Regulatory Leverage:** Regulatory leverage consists of preferred shares issued by or borrowings of a fund. Both of these are part of a fund's capital structure. Regulatory leverage is subject to asset coverage limits set forth in the Investment Company Act of 1940.

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Reinvest Automatically,

Easily and Conveniently

Nuveen makes reinvesting easy. A phone call is all it takes to set up your reinvestment account.

Nuveen Closed-End Funds Automatic Reinvestment Plan

Your Nuveen Closed-End Fund allows you to conveniently reinvest distributions in additional Fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of compounding. Just like distributions in cash, there may be times when income or capital gains taxes may be payable on distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

Easy and convenient

To make recordkeeping easy and convenient, each quarter you'll receive a statement showing your total distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

How shares are purchased

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Distributions received to purchase shares in the open market will normally be invested shortly after the distribution payment date. No interest will be paid on distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

Flexible

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to

another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

Call today to start reinvesting distributions

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

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Notes

Notes

Nuveen Investments:

Serving Investors for Generations

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions through continued adherence to proven, long-term investing principles. Today, we offer a range of high quality equity and fixed-income solutions designed to be integral components of a well-diversified core portfolio.

Focused on meeting investor needs.

Nuveen Investments provides high-quality investment services designed to help secure the long-term goals of institutional and individual investors as well as the consultants and financial advisors who serve them. Nuveen Investments markets a wide range of specialized investment solutions which provide investors access to capabilities of its high-quality boutique investment affiliates Nuveen Asset Management, Symphony Asset Management, NWQ Investment Management Company, Santa Barbara Asset Management, Tradewinds Global Investors, Winslow Capital Management and Gresham Investment Management. In total, Nuveen Investments managed approximately \$221 billion as of December 31, 2013.

Find out how we can help you.

To learn more about how the products and services of Nuveen Investments may be able to help you meet your financial goals, talk to your financial advisor, or call us at **(800) 257-8787**. Please read the information provided carefully before you invest. Investors should consider the investment objective and policies, risk considerations, charges and expenses of any investment carefully. Where applicable, be sure to obtain a prospectus, which contains this and other relevant information. To obtain a prospectus, please contact your securities representative or **Nuveen Investments, 333 W. Wacker Dr., Chicago, IL 60606**. Please read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at: www.nuveen.com/cef

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ESA-C-0114D

ITEM 2. CODE OF ETHICS.

Not applicable to this filing.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable to this filing.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable to this filing.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable to this filing.

ITEM 6. SCHEDULE OF INVESTMENTS.

a) See Portfolio of Investments in Item 1.

b) Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this filing.

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ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable to this filing.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Not applicable.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrant's Board implemented after the registrant last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable to this filing.

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: Ex-99.CERT attached hereto.

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(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons: Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed filed for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference. Ex-99.906 CERT attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen Preferred and Income Term Fund

By (Signature and Title) /s/ Kevin J. McCarthy
Kevin J. McCarthy
Vice President and Secretary

Date: April 8, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Gifford R. Zimmerman
Gifford R. Zimmerman
Chief Administrative Officer
(principal executive officer)

Date: April 8, 2014

By (Signature and Title) /s/ Stephen D. Foy
Stephen D. Foy
Vice President and Controller
(principal financial officer)

Date: April 8, 2014
