

# Nuveen Floating Rate Income Fund (JFR)

**Marketing communication** | As of 30 Sep 2024

- The Fund outperformed its benchmark, the Credit Suisse Leveraged Loan Index, during the quarter.
- The U.S. economy continued to expand in the third quarter despite exhibiting signs of decelerating. Employers added a forecast-topping 254,000 payrolls in September and consumer spending stayed resilient. In contrast, manufacturing activity continued to contract, and the housing market remained challenged by limited supply and still-high mortgage rates. Amid cooling inflation, in September the Federal Reserve cut interest rates for the first time since 2020.
- Senior loans delivered strong third-quarter returns, adding to their gains for the year. Income continued to drive total returns even as Fed easing pressured Treasury yields, with loan prices increasing only slightly for the period. Following heavy refinancing activity in prior quarters, gross new issuance slowed, with a focus on mergers & acquisitions (M&As). Lower-rated loans (CCCs) outperformed their higher-rated counterparts. As of quarter end, senior loan defaults edged up overall but remained concentrated in lower-quality issuers.

## Portfolio review

The Fund continued to hold high-quality, liquid loans offering yields in the 7%-9% range while also taking advantage of the market dislocation created by elevated inflation and interest rates. The Fund was underweight in lower-rated issuers that tend to struggle in higher interest-rate environments and

focused instead on securities that, based on our risk/reward analysis, have been mispriced. As always, we seek to maximize total return through active management that features a robust credit underwriting framework.

## Contributors

Among sectors, information technology and communication services drove the Fund's third-quarter outperformance, reflecting strong security selection.

An allocation to lower-quality credits also added value.

## Detractors

The portfolio's equity exposure acquired through corporate reorganizations hindered third-quarter results, as did unfavorable security selection in the financials sector.

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## Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Share price	25 Mar 04	4.93	21.02	5.97	7.36	5.71	5.24
NAV	25 Mar 04	2.34	12.22	5.18	5.01	4.56	5.18

Performance data shown represents past performance and does not predict or guarantee future results. Current performance may be higher or lower than the data shown. NAV returns are net of fund expenses, and assume reinvestment of distributions.

## Distribution information

Current Distribution (Monthly)	\$0.0850
Average Earnings/Share	\$0.0756
Distribution Rate on NAV	11.05%
Distribution Rate on Market Price	11.56%

Distribution sources may include net investment income, realized gains and return of capital. If a distribution includes anything other than net investment income, the Fund provides a notice of the best estimate of its distribution sources at that time which may be viewed at [nuveen.com/CEFDistributions](http://nuveen.com/CEFDistributions). These estimates may not match the final tax characterization (for the full year's distributions) contained in shareholders' 1099-DIV forms after the end of the year. You should not draw any conclusions about a fund's past or future investment performance from its current distribution rate.

## Credit quality (%)

	% of portfolio
BBB	9.5%
BB	33.2%
B	52.4%
CCC	3.6%
CC	0.1%
Not Rated	1.3%

Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. Holdings designated NR are not rated by these national rating agencies.

## Fund description

The Fund seeks to achieve a high level of current income by investing in a portfolio of adjustable rate senior loans and other debt instruments.

At least 80% of its managed assets will consist of adjustable rate loans; at least 65% of these must be senior loans secured by specific collateral. Other loans may include unsecured senior loans and secured and unsecured subordinated loans. The Fund uses leverage.

## Portfolio management

Nuveen Asset Management LLC is the subadviser to the Fund and an affiliate of Nuveen, LLC.

All characteristics as a percentage of the fund's managed assets (total assets of the fund, minus the sum of its accrued liabilities other than fund liabilities incurred for the express purpose of creating leverage). Holdings and ratings are subject to change. Totals may not add up to 100% due to rounding.

**For more information contact: 800.752.8700 or visit [nuveen.com](http://nuveen.com)**

### Important information on risk

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at [www.nuveen.com/JFR](http://www.nuveen.com/JFR).

**Average earnings per share** and **average undistributed net investment income (UNII) per share** are estimates, using an average of the last three months, except for preferred securities funds, mortgage-backed securities funds and floating rate funds, which use an average of the last six months.

**Distribution Rate** at market price and NAV is calculated by annualizing the most recent declared regular distribution and dividing by the fund's market price or NAV, respectively. Special distributions, including special capital gains distributions, are not included in the calculation.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her financial professional.

### Glossary

The **Credit Suisse Leveraged Loan Index** is designed to mirror the investable universe of the U.S. dollar denominated leveraged loan market. Loans are added to the index if they qualify according to the following criteria: The highest Moody's/S&P ratings are Ba1/BBB+, only funded term loans are included, and the tenor must be at least one year. **It is not possible to invest directly in an index.**

Nuveen Securities, LLC, member FINRA and SIPC.