

# Nuveen Short Duration High Yield Municipal Bond Fund

**Marketing communication** | As of 30 Jun 2025

*Effective 09 May 2025, Dan Close joined Stephen Candido, Steve Hlavin and Timothy Ryan as a portfolio manager of the Fund. This update is not expected to impact the overall investment strategy.*

- The Fund underperformed the benchmark S&P Short Duration Municipal Yield Index during the quarter.
- Municipal bonds ended the second quarter with flat performance. Although the broader fixed income market recovered more quickly from the April tariff-related selloff, municipal bonds were under pressure from elevated supply issuance and concerns about tax policy risks. The municipal yield curve steepened sharply, as long-maturity yields rose while short-maturity yields fell, causing long-maturity municipal bonds to underperform. High yield municipal bonds, which lagged investment grade in the post-April recovery, had negative performance for the quarter.
- The Fund's overweight to below investment grade and non-rated bonds was the largest detractor from relative performance, while positive contributions came from certain sector allocations and longer duration positioning versus the benchmark.

## Portfolio review

Given the further steepening in the yield curve, the Fund continued to actively manage its duration position to maintain stable levels. The April volatility presented an attractive opportunity for the Fund to take advantage of pricing dislocations, especially in the new issue market. New purchases

were funded from positive shareholder cash inflows during the quarter along with the proceeds from called and maturing bonds and coupon income. There were no material changes to the portfolio's overall positioning during the quarter.

## Contributors

The Fund maintained a slightly longer duration profile than the benchmark, which was beneficial as yields fell on the front end of the yield curve in the quarter.

Positive sector contributors included the Fund's overweight to utility bonds, which outperformed, and underweight to industrial development revenue bonds, a sector that lagged in the quarter.

Among individual holdings, one of the quarter's standout performers was a Florida medical college whose bonds were advance refunded at a premium call price.

## Detractors

The Fund's overweight to below investment grade and non-rated bonds was the largest detractor from relative performance as high yield bonds were slower to recover following the April volatility.

The Fund's underweight to Puerto Rico also detracted from relative performance. Puerto Rico bonds outperformed the broader high yield market as they rebounded more in line with the investment grade market during the quarter.

The weakest performing holdings this quarter included American Dream, whose pilot bonds fell in price in response to a surprising reduction in the project's valuation; Brightline, which suffered acute selling pressure toward the end of the quarter; and Buckingham Senior Living, which saw its bond prices decline due to a distressed sell.

# Nuveen Short Duration High Yield Municipal Bond Fund

As of 30 Jun 2025  
Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception	SEC 30-day yield Sub.	Unsub.
Class I	01 Feb 13	-0.28	0.32	3.93	3.13	3.31	3.40	4.46	4.46
Class A without sales charge	01 Feb 13	-0.43	0.03	3.74	2.93	3.11	3.20	4.15	4.15
Class A with max. 2.5% charge	01 Feb 13	-2.92	-2.47	2.87	2.41	2.84	2.99	4.15	4.15
S&P Short Duration Municipal Yield Index		0.98	4.17	4.21	3.00	3.56	3.44		

Performance data shown represents past performance and does not predict or guarantee future results. Investment returns and principal value will fluctuate so that shares redeemed may be worth more or less than their original cost. Current performance may be higher or lower than the performance shown. Total returns for a period of less than one year are cumulative. Returns without sales charges would be lower if the sales charges were included. Returns assume reinvestment of dividends and capital gains. For performance current to the most recent month-end visit [nuveen.com](http://nuveen.com). Performance shown for benchmark since inception is as of the Fund's oldest share class.

Class I shares have no sales charge and may be purchased by specified classes of investors.  
The SEC 30-day yield is computed under an SEC standardized formula and is based on the maximum offer price per share.

	Expense ratios	
	Gross	Net
Class I - NVHIX	0.87	0.86
Class A - NVHAX	1.07	1.06

Expense ratios are based on the Fund's most recent fiscal year end. The net expense ratio excludes credits earned on the Fund's cash on deposit with the custodian bank, if any, and reflects a contractual commitment by the Fund's investment adviser to waive fees and/or reimburse expenses through 31 Jul 2026. Absent the waiver and/or reimbursement, expenses would be higher and total returns would be less. Adjusted expense ratios excludes certain investment expenses, such as interest expense from borrowings. Please see the prospectus for details.

Overall Morningstar Ratings™

Category: 179 High Yield Muni funds

CLASS I ★★★★★

Morningstar ratings may vary among share classes and are based on historical risk-adjusted total returns, which are not indicative of future results.

Credit quality (%)	Fund net assets
U.S. Guaranteed	0.2
AAA	0.2
AA	4.0
A	9.6
BBB	11.8
BB	11.6
B	2.8
CCC	0.9
CC	0.5
Not Rated	58.5

## Fund description

The Fund seeks high current income exempt from regular federal income taxes by investing in municipal bonds, a substantial portion of which may be rated below investment-grade, while maintaining a weighted average effective portfolio duration of less than 4.5 years. The Fund may opportunistically employ leverage through the use of inverse floating rate securities.

## Portfolio management

Daniel J. Close, CFA   27 years industry experience
Timothy T. Ryan, CFA   42 years industry experience
Steven M. Hlavin   22 years industry experience
Stephen J. Candido, CFA   29 years industry experience

Positions of inverse floating rate securities, if any, show the amount of the residual inverse floater only, and not the amount of the underlying bond and any associated liability to the holder of the associated floating rate security, and therefore this presentation may not be fully consistent with generally accepted accounting principles.

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

## Important information on risk

Mutual fund investing involves risk; principal loss is possible. Debt or fixed income securities such as those held by the Fund, are subject to market risk, credit risk, interest rate risk, call risk, tax risk, political and economic risk, and income risk. As interest rates rise, bond prices fall. Credit risk refers to an issuers ability to make interest and principal payments when due. The Fund concentrates in non-investment-grade and unrated bonds with shorter maturities and durations which carry heightened credit risk, liquidity risk, and potential for default. In addition, the Fund may engage in a moderate amount of portfolio leverage and in doing so, assumes a higher level of risk in pursuit of its objectives. Leverage involves the risk that the Fund could lose more than its original investment and also increases the Fund's exposure to volatility, interest rate risk and credit risk.

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.

For the period ended 30 Jun 2025, Morningstar rated this Fund's I shares, for the overall, three-, five-, and 10-year periods (if applicable). The Class I shares received 5, 5, 5, and 4 stars among 179, 179, 173, and 127 High Yield Muni Funds, respectively. These ratings are for Class I shares only; other classes may have different performance characteristics. Investment performance reflects applicable fee waivers. Without such waivers, total returns would be reduced and ratings could be lower. For the most current ratings, please visit [nuveen.com](http://nuveen.com).

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward 800.752.8700 | [nuveen.com](http://nuveen.com)

variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

## Glossary

A **basis point** is one one-hundredth of one percentage point, or 0.01%. For example, 25 basis points equals 0.25%. **Beta** is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. The **S&P Short Duration Municipal Yield Index** consists of bonds maturing in 1 to 12 years and is structured so that 70% of the market value of the index consists of bonds that are either not rated or are rated below investment grade, 20% are rated BBB/Baa, and 10% are rated single A. **It is not possible to invest directly in an index.**

Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax.

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**Before investing, carefully consider fund investment objectives, risks, charges and expenses. For this and other information that should be read carefully, please request a prospectus or summary prospectus from your financial professional or Nuveen at 800.257.8787 or visit [nuveen.com](http://nuveen.com).**

The Fund features portfolio management by Nuveen Asset Management, LLC, an affiliate of Nuveen, LLC.

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