

# Nuveen S&P 500 Buy-Write Income Fund (BXMX)

Marketing communication | As of 30 Sep 2024

- The Fund underperformed its benchmark, the CBOE S&P 500 BuyWrite Index (BXM), for the quarter.
- U.S. equity markets advanced driven by the stronger performance of value-oriented and more interest rate sensitive sectors, as the Federal Reserve (Fed) made its first rate cut of the current cycle.
- The Fund's underperformance for the quarter was driven by its active and diversified approach to index option management, which provided a typical amount of market exposure throughout the quarter, while the passive, rules-based approach of the BXM resulted in varying levels of exposure.

## Portfolio review

The investment management team was active, albeit patient, in managing the index call option portfolio during the quarter. Adjustments focused on managing time to expiration and weighted-average strike price to enhance cash flow and maintain typical levels of market exposure. During periods of equity market weakness, adjustments to the written index call option portfolio focused on monetizing heightened levels of volatility, which contributed to above-average premiums. These premiums supported attractive participation in periods of market advance and loss mitigation during periods of decline.

At the end of the quarter, the Fund had index call options sold against more than 95% of its equity portfolio's value with a weighted-average strike price between 1.5% in-the-money to 1.5% out-of-the-money, 38 days to expiration, and an annualized premium to earn between 10.0% and 12.5%. Relative to the beginning of the quarter, this positioning represented similar market exposure and slightly higher net cash flow potential for the Fund.

## Contributors

The Fund's equity portfolio, which is constructed to track the return of the broad equity market, contributed positively to return for the quarter. The quarter was relatively volatile as investors navigated concerns surrounding technology sector earnings plus diverging global monetary policy, which drove the unwinding of a popular carry trade involving the Japanese yen. Most impactful, however, was the patience required in awaiting interest rate decisions from the Fed, which was rewarded in September. The Fed delivered its first rate cut since its tightening cycle began in 2022, propelling the S&P 500® Index to a fresh all-time high to close the quarter.

Interest rates near their long-term average, paired with double-digit implied volatility levels, continued to benefit index option premiums collected during the quarter. Index call option writing generated risk-reducing cash flow throughout the quarter, resulting in the Fund's lower risk profile versus the broad equity market, as measured by the annualized standard deviation of daily returns.

## Detractors

The Fund's written index call option positions detracted from return during the quarter, resulting in an overall loss from option writing for the quarter. This outcome is expected when the equity market advances at an above-average rate.

# Nuveen S&P 500 Buy-Write Income Fund (BXXM)

As of 30 Sep 2024

## Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Share price	26 Oct 04	3.38	16.29	6.03	8.33	8.17	6.58
NAV	26 Oct 04	3.83	20.47	8.32	9.79	8.10	6.90

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 (Quarterly)	\$0.2365
Monthly Equivalent Distribution	\$0.0788
Distribution Rate on NAV	6.25%
Distribution Rate on Market Price	6.90%

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. The fund's regular monthly distributions may be subject to federal and/or state and local taxes and may be re-characterized as ordinary income. Any re-characterization will be reported in shareholders' 1099-DIV forms after the end of the year. Income exempt from federal income tax may be subject to state and local taxes and the alternative minimum tax. Capital gains, if any, will be subject to capital gains tax.

## Top 10 positions

	% of portfolio
Apple Inc	7.3%
Microsoft Corp	6.9%
Nvidia Corp	6.2%
Amazon.Com Inc	3.7%
Meta Platforms Inc	2.7%
Berkshire Hathaway Inc	2.2%
Alphabet Inc	2.1%
Alphabet Inc	1.7%
Broadcom Inc	1.7%
Tesla Inc	1.5%

Holdings may vary and are subject to change without notice.

## Fund description

The Fund seeks attractive total return with less volatility than the S&P 500 Index by investing in a global equity portfolio that seeks to substantially replicate the price movements of the S&P 500 Index and by selling index call options covering approximately 100% of the Fund's equity portfolio value with a goal of enhancing the portfolio's risk-adjusted returns.

## Portfolio management

Gateway Investment Advisers, LLC is the subadviser to the Fund and is not an affiliate of Nuveen, LLC.

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. **Common stock** returns often have experienced significant volatility. The Fund may not participate in any appreciation of its equity portfolio as fully as it would if the Fund did not sell **call options**. In addition, the Fund will continue to bear the risk of declines in the value of the equity portfolio. Because **index options** are settled in cash, sellers of index call options, such as the Fund, cannot provide in advance for their potential settlement obligations by acquiring and holding the underlying securities. For these and other risks, including **tax risk**, please see the Fund's web page at [www.nuveen.com/BXXM](http://www.nuveen.com/BXXM).

**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 **CBOE S&P 500 BuyWrite Index (BXM)** is a passive total return index designed to track the performance of a hypothetical buy-write strategy on the S&P 500 Index. The construction methodology of the index includes buying an equity portfolio replicating the holdings of the S&P 500 Index and selling a single one-month S&P 500 Index call option with a strike price approximately at-the-money each month on the Friday of the standard index option expiration cycle and holding that position until the next expiration. The **S&P 500** is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. **It is not possible to invest directly in an index.**

Nuveen Securities, LLC, member FINRA and SIPC.