

Nuveen Nasdaq 100 Dynamic Overwrite Fund (QQQX)

Marketing communication | As of 30 Sep 2024

- The Fund underperformed the QQQX Blended Benchmark (55% CBOE Nasdaq-100 BuyWrite Index and 45% Nasdaq-100 Index) for the quarter.
- The Fund's underlying equity portfolio management contributed while its option overwrite strategy detracted from quarterly results.

Portfolio review

The market rally broadened out early in the quarter beyond the mega-cap technology names that had propelled several U.S. market indexes to record highs earlier this year. Investors' enthusiasm rapidly shifted to interest rate sensitive sectors and more value-oriented stocks as economic data pointed to greater odds of multiple Federal Reserve (Fed) rate cuts in 2024 and an increasing likelihood of the coveted economic soft landing. Throughout September, various market indexes such as the Nasdaq Composite, Dow Jones Industrial Average, and S&P 500[®] Index notched new record highs as investors anticipated the Fed's cut. The Nasdaq-100 ended the third quarter slightly below its all-time high, gaining 2.12% for the quarter. The index was led by the rate-sensitive financial and utilities sectors, which the market rotated into in anticipation of the beginning of the Fed's easing cycle. Energy was the worst performer as oil prices fell amid cooling demand from China.

Index implied volatility levels were elevated during the quarter as investors grappled with a potential labor market slowdown and uncertainty about the timing of the Fed's easing cycle. The Chicago Board Options Exchange (Cboe) Volatility Index (VIX) jumped significantly during the third quarter, ranging from a high of 65.7% to a low of 10.6%. However, the summer spike in

the VIX on August 5th proved short lived as markets turned increasingly bullish by quarter end.

The option overwrite management team uses statistical methods, including optimization and other quantitative modeling techniques, to construct an equity portfolio designed to match characteristics of the Nasdaq-100 Index with limited tracking error. Opportunities for tax-loss harvesting and other tax management considerations are also considered to improve after-tax shareholder outcomes. Given the various macroeconomic and geopolitical uncertainties during the quarter, the team slightly increased the portfolio's overwrite level. The core option overwrite level varied between 41% and 70% of the equity portfolio's value with an average level of 57%. The team sold deeper out-of-the-money (OTM) calls, while continuing to employ a relatively new technique that involves more frequent rebalancing and more diversified option expiration dates by selling weekly and end-of-month (EOM) options. Spreading out the overwrite coverage over the coming month creates a ladder of expiration dates, which helps performance in a rising market because part of the overwrite coverage is always being rolled upward to the current market level.

Contributors

The Fund's underlying equity portfolio contributed during the quarter driven by both positive allocation effect and security selection. In terms of allocation effect, the Fund's overweight in the strongly performing financial sector, and underweight in the negatively performing information technology sector were the primary contributors during the quarter. Security selection also contributed in the information technology sector where the Fund's lack of exposure to several laggards in benchmark – Lam Research, Micron Technology, and CrowdStrike Holdings – proved beneficial.

Detractors

The Fund's option overwrite strategy detracted overall from performance during the quarter. The Nasdaq-100 underperformed both the S&P 500[®] and the Dow Jones Industrial Average over the period, resulting in a negative contribution to overall performance from the option overwrite strategy. The team repositioned and focused primarily on Nasdaq-100 calls and less on S&P 500[®] calls as investor interest expanded beyond rich technology companies to other market sectors. However, the team did profit from some several successful VIX and S&P 500[®] put option trades.

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Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Share price	30 Jan 07	1.83	19.73	3.53	10.13	10.30	10.12
NAV	30 Jan 07	3.89	30.56	7.84	12.22	11.30	10.83

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.

Historical distribution sources have included net investment income, realized gains and return of capital.

Distribution information

Current Distribution (Quarterly)	\$0.4200
Monthly Equivalent Distribution	\$0.1400
Distribution Rate on NAV	5.97%
Distribution Rate on Market Price	6.69%

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. 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	11.9%
Microsoft Corp	10.6%
Nvidia Corp	7.5%
Meta Platforms Inc	5.2%
Amazon.Com Inc	4.9%
Broadcom Inc	4.1%
Alphabet Inc	4.0%
Tesla Inc	3.5%
Alphabet Inc	3.3%
Applied Materials Inc	2.4%

Holdings may vary and are subject to change without notice.

Fund description

The Fund is designed to offer regular distributions through a strategy that seeks attractive total return with less volatility than the Nasdaq 100 Index by investing in a U.S. equity portfolio that seeks to substantially replicate the price movements of the Nasdaq 100 Index, as well as selling call options on 35%-75% of the notional value of the Fund's equity portfolio (with a 55% long-term target) in an effort to enhance the Fund's risk-adjusted returns. The strategy will consider the Fund's tax position and employ techniques to improve after-tax shareholder outcomes.

Portfolio management

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

For more information contact: 800.752.8700 or visit 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/QQQX.

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 **QQQX Blended Benchmark** consists of 55% CBOE Nasdaq 100 BuyWrite Index (BXN) and 45% Nasdaq 100 Index. The **CBOE Nasdaq 100 BuyWrite Index (the "BXN")** is a benchmark index that measures the performance of a theoretical portfolio that owns a basket of the stocks included in the Nasdaq 100 Index, and writes (or sells) Nasdaq 100 Index covered call options each month. The **Nasdaq-100 Index** includes 100 of the largest domestic and international non-financial companies listed on The Nasdaq Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain securities of financial companies including investment companies. The **Cboe Volatility Index (the "VIX")** is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. Since its introduction in 1993, the VIX has been considered by many to be the world's premier barometer of investor sentiment and market volatility. **Overwriting** is a strategy to sell (write) options that are overpriced under the assumption that the options won't get exercised. **Overwriting** is generally intended to generate income and reduce the volatility and risk of owning securities. **Implied volatility** refers to a metric that captures the market's view of the likelihood of changes in a given security's price. **It is not possible to invest directly in an index.**

Nuveen Securities, LLC, member FINRA and SIPC.