

## Nuveen Dow 30<sup>SM</sup> Dynamic Overwrite Fund (DLAX)

As of 30 Jun 2021

Effective 03 Aug 2020, Jim Campagna, Lei Liao, and Darren Tran were added as portfolio managers of the strategy.

The Fund underperformed the DIAX Blended Benchmark (55% Cboe DJIA BuyWrite Index and 45% Dow Jones Industrial Average (DJIA)) for the quarter.

Options trading volume declined substantially during the quarter which provided fewer opportunities to add value through the Fund's option strategies.

Implied volatility declined substantially as well during the quarter. The Chicago Board Options Exchange (Cboe) Volatility Index (VIX) ranged between 16 and 28 and ended the quarter at 18.

### Portfolio review

The Fund's equity portfolio held all 30 stocks in the DJIA in weights equal to the DJIA.

In addition, the investment team sells (writes) call options on a portion of the Fund's equity portfolio. The team varied the core overwrite level between 44% and 65% of the value of the equity portfolio. The average overwrite was 57%, above the long-term target of 55%. The team believed the market was extended during the quarter, but that proved too conservative. In addition, the subdued level of implied volatility, along with a slow steady increase in the equity markets, proved challenging for call sellers. The team's conservative approach deterred them from volatility selling and put option buying which proved to be a missed opportunity. The team added single name stock options including Goldman Sachs and Sherwin Williams.

### CONTRIBUTORS

The team wrote call options on the Russell 2000® Index (Index), a small-cap stock market index, which contributed to performance. After several quarters of outperformance, small-cap stocks began to sell-off in late March. As a result, the Fund retained more option premium as it unwound positions in the Index at lower prices than was originally received in premium. Lastly, single name stock options added slightly to performance, including Goldman Sachs and Sherwin Williams.

### DETRACTORS

At times during the quarter, the Fund's overwrite strategy was a detractor from performance, as the Fund had an overweight to the Blended Benchmark's short call options during a steadily rising equity market. Additionally, the team made smaller trades in deep out-of-the-money options that also detracted. Lastly, during the month of April there was a divergence between the DJIA (+2.78%) and S&P 500® Index (+5.34%) of more than 250 basis points. The Fund's performance versus its benchmark was hindered by its use of S&P 500® Index call options, as it is unable to sell DJIA call options without creating a straddle, which may result in adverse tax consequences and is generally avoided by the Fund.

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## Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Share price	29 Apr 05	6.42	34.16	4.52	10.61	9.08	7.48
NAV	29 Apr 05	2.90	28.17	6.84	9.69	9.03	7.88

Past performance is no guarantee of 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.

## Fund description

The Fund is designed to offer regular distributions through a strategy that seeks attractive total return with less volatility than the Dow Jones Industrial Average (DJIA or "Dow30") by investing in an equity portfolio that seeks to substantially replicate the price movements of the DJIA, 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.

## 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](http://nuveen.com)**

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### Glossary

The **Dow Jones Industrial Average** is the best known U.S. index of stocks. A price-weighted average of 30 actively traded blue-chip stocks, primarily industrials including stocks that trade on the New York Stock Exchange. The Dow, as it is called, is a barometer of how shares of the largest US companies are performing. There are hundreds of investment indexes around the world for stocks, bonds, currencies, and commodities. The **DIAX Blended Benchmark** consists of 55% CBOE DJIA Buy-Write Index (BXD) and 45% Dow Jones Industrial Average. The **Russell 2000 Index** measures the performance of the small cap segment of the U.S. equity universe which includes approximately 2000 of the smallest securities based on a contribution of their market cap and current index measurement. The **Chicago Board Options Exchange (Cboe) Dow Jones Industrial Average (DJIA) BuyWrite Index (BXD)**: A benchmark index that measures the performance of a theoretical portfolio that sells call options on the Dow Jones Industrial Average (the Dow), against a portfolio of the stocks included in the Dow. Index returns assume reinvestment of distributions, but do not include the effects of any applicable sales charges or management fees. **It is not possible to invest directly in an index.**

The **Dow Jones Industrial Average** (the "Index") is a product of S&P Dow Jones Indices LLC ("S&P DJI") and has been licensed to Nuveen Fund Advisors, LLC in connection with the Nuveen Dow 30<sup>SM</sup> Dynamic Overwrite Fund. Dow Jones Industrial Average®, The Dow™, and The Dow 30™ are trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones") and have been licensed for use by S&P DJI and/or its affiliates and have sublicensed for certain purposes by Nuveen Fund Advisors, LLC. The Fund is not sponsored, endorsed, sold or promoted by S&P DJI, S&P, or their respective affiliates or third party licensors and none of such parties make any representation regarding the advisability of investing in the Fund.

### A word 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/DIAX](http://www.nuveen.com/DIAX)

Nuveen Securities, LLC, member FINRA and SIPC.