

Understanding

UNII balances

Undistributed net investment income (UNII) reflects how much, beyond current earnings, a closed-end fund has available to pay future distributions. Here we provide an overview of how UNII, and trends in UNII balances, may impact distributions, and where to learn more about UNII in Nuveen closed-end funds.

Why is a change in UNII balance important?

A closed-end fund's UNII balance reflects the total amount the fund has available, beyond current earnings, from which to make future distributions to shareholders. This amount can change each month as the fund earns income and/or pays out distributions. While the absolute level of the UNII balance is important, *the trend of the UNII balance over time may be of equal or greater importance* as it can impact both future distributions and the fund's net asset value (NAV) per share.

UNII balance month-to-month

- ▲ A rising UNII balance implies the fund is **out-earning** its current distribution level and **increasing** the fund's NAV.¹

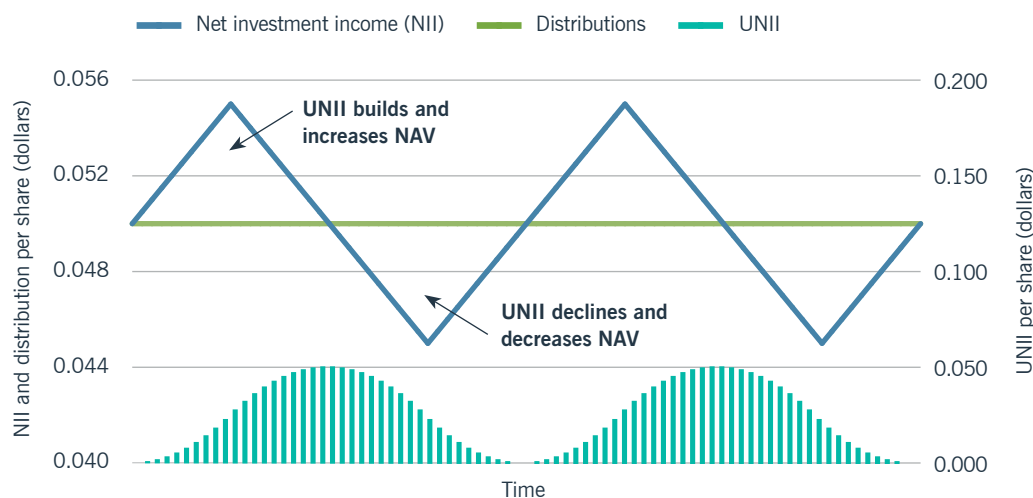
- ▼ A declining UNII balance indicates that a fund is **under-earning** its current distribution and **decreasing** the fund's NAV.¹

- ◆ A sustained trend in either direction indicates a fund's distribution is not aligned with fund earnings.

What is undistributed net investment income (UNII)?

$$\text{Net investment income} - \text{Distributions} = \text{UNII}$$

UNII balance as it relates to net investment income and distributions



Hypothetical example only, and does not represent the income or distributions of any Nuveen fund.

UNII represents the life-to-date balance of a fund's net investment income less its distributions.

¹ Exceptions do apply, especially in cases with tax adjustments.

Finding UNII information

On nuveen.com

UNII appears in a downloadable file “Earnings and UNII Information” on nuveen.com/cef under the Distributions section of any closed-end fund’s page.

Nuveen Closed-End Funds		nuveen A TIAA Company			
September 30, 2024					
Nuveen Municipal Closed-End Funds					
		Latest Declared Distribution ¹	Average Earnings per Share ²	Average UNII per Share ²	Distribution Coverage Ratio ³
National					
NAD ⁴	Nuveen Quality Municipal Income Fund	.0755	.0399	-.1631	52.8%
NZF ⁴	Nuveen Municipal Credit Income Fund	.0795	.0465	-.1462	58.5%
NMZ	Nuveen Municipal High Income Opportunity Fund	.0655	.0465	-.1761	71.1%
NVG ⁴	Nuveen AMT-Free Municipal Credit Income Fund	.0790	.0450	-.1852	57.0%
NEA ⁴	Nuveen AMT-Free Quality Municipal Income Fund	.0730	.0367	-.1940	50.3%
NUV	Nuveen Municipal Value Fund, Inc.	.0310	.0302	.0161	97.5%
NMI	Nuveen Municipal Income Fund, Inc.	.0380	.0371	.0172	97.6%
NXP	Nuveen Select Tax-Free Income Portfolio	.0520	.0506	.0986	97.3%
NIM	Nuveen Select Maturities Municipal Fund	.0275	.0269	.0013	97.7%
NUW	Nuveen AMT-Free Municipal Value Fund	.0465	.0451	-.0066	96.9%
NMCO	Nuveen Municipal Credit Opportunities Fund	.0685	.0488	-.3116	71.3%

IMPORTANT POINTS

- The UNII balance shown on Nuveen’s website reflects Generally Accepted Accounting Principles (GAAP) accounting.
- GAAP accounting requires booking of distributions on the **ex-dividend date**, vs. tax accounting, which is based on **actual payment dates**.
- This GAAP/tax accounting timing difference may result in a negative UNII balance for accounting purposes, while on a tax basis the actual balance may remain positive.

FOR EXAMPLE

- Nuveen’s municipal funds’ ex-dividend dates occur in the month preceding the actual cash payment date. Therefore, on nuveen.com, the fund(s) may show a negative UNII balance—although upon reconciliation for tax purposes the UNII balance may be positive.

The net income and UNII figures are monthly amounts based on three- or six-month averages. Closed-end fund historical distribution sources have included net investment income, realized gains, and return of capital.

Why invest with Nuveen?

A trusted closed-end fund provider for more than 35 years, Nuveen offers financial professionals and investors dedicated client service with a legacy of integrity and innovation.

Market leadership

A pioneer in long-term income and cash flow solutions

Focused expertise

Active management from Nuveen and its independent investment affiliates

Deep commitment

Pursuing long term, lasting value for financial professionals and investors

To learn more about Nuveen's closed-end funds:

Investors: Contact your Financial Professional or call Nuveen at 800.257.8787.

Financial Professionals: Contact your Nuveen Advisor Consultant Team at 800.752.8700 or our Nuveen CEF specialist at CEFSpecialist@nuveen.com.

Visit us on the web at nuveen.com/cef.

Important information on risk

Closed-end fund shares are subject to investment risk, including the possible loss of the entire principal amount that you invest. Common shares frequently trade at a discount to their NAV. At any point in time, your common shares may be worth less than you paid, even after considering the reinvestment of fund distributions.

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