

# Nuveen Short Duration High Yield Municipal Bond Fund

**Marketing communication** | As of 31 Mar 2025

*Effective 09 May 2025, Dan Close joined Stephen Candido, Steve Hlavin and Timothy Ryan as a portfolio manager of the Nuveen Short Duration High Yield Municipal Bond Fund. There are no changes to the Fund's investment objectives.*

- The Fund underperformed the benchmark S&P Short Duration Municipal Yield Index during the quarter.
- Municipal bonds ended the quarter with muted performance overall after a weak March offset stronger performance in January and February. Technical factors—including strong municipal supply and seasonal tax-related selling—contributed to a significant dislocation from Treasury bonds while rate volatility was accelerated by concerns that trade/tariff and other policies could dampen economic growth and increase inflation. Municipal yields rose, except for the shortest maturities, steepening the yield curve. Despite the flight to quality in the quarter, municipal bonds lower down the credit spectrum generally outperformed due to their higher yields.
- The Fund's longer duration relative to the benchmark was the primary detractor from relative performance. However, overweight exposure to high yield credit, including non-rated bonds, contributed positively, partially offsetting the relative underperformance.

## Portfolio review

There were no material changes to the portfolio's positioning during the quarter. As the rise in prevailing yields caused passive extension in duration, the Fund continued to actively manage its duration position to maintain stable levels. The

Fund remained selective and active in the new issue market, especially as widening spreads presented attractive entry points.

## Contributors

The Fund's exposure to high yield bonds was advantageous, driven by the outperformance of non-rated bonds. High yield bonds benefited from the larger yield component of their total returns, which helped cushion the decline in bond prices.

The overweight allocations to the land-secured and senior living sectors, which outperformed, also added to relative performance.

The Fund benefited from strong credit selection in tobacco, utility and transportation bonds. Puerto Rico Electric Power Authority (known as PREPA) and Florida high-speed rail system Brightline were standout performers in the quarter.

## Detractors

The Fund's longer duration relative to the benchmark was the main detractor from relative performance as yields rose during the quarter.

An underweight to the industrial development revenue sector, which performed well, was unfavorable, as was an overweight to the higher education sector, which lagged. Higher education bonds came under pressure from concerns about the potential impact of federal funding and tax policy reforms.

The Fund's interest rate hedge using Treasury futures and swaps also had a negative impact on performance as Treasury bonds and municipal bonds moved in opposite directions during the quarter.

# Nuveen Short Duration High Yield Municipal Bond Fund

As of 31 Mar 2025  
Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Class I	01 Feb 13	0.44	3.98	2.66	3.66	3.27	3.49
Class A without sales charge	01 Feb 13	0.50	3.90	2.49	3.48	3.08	3.30
Class A with max. 2.5% charge	01 Feb 13	-2.01	1.30	1.63	2.96	2.82	3.08
S&P Short Duration Municipal Yield Index		0.82	3.78	3.14	3.35	3.32	3.43

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](https://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: 180 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	0.1
AAA	1.0
AA	6.0
A	8.2
BBB	12.3
BB	10.4
B	2.2
CCC	0.7
CC	0.5
D	0.1
Not Rated	58.4

## 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.

Ratings shown are given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. If there are multiple ratings for a security, the lowest rating is used unless ratings are provided by all three agencies, in which case the middle rating is used. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. U.S. government securities, if owned by the fund, are included in the U.S. Treasury/Agency category (included only if applicable) and includes U.S. Government agency-issued mortgage-backed securities. Holdings designated NR are not rated by these national rating agencies. Negative exposure may result from the use of derivatives or unsettled trade positions. Credit Quality includes exposures achieved through credit default swaps. Such exposures are reflected based on the notional value (rather than the market value) of the swaps, with exposures weighted negatively when the fund has purchased credit protection and positively when the Fund has sold credit protection. "Other" reflects an offset to (i.e., the inverse of) such notional amounts.

For more information contact: 800.752.8700 or visit [nuveen.com](https://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 31 Mar 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 180, 180, 174, and 118 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](https://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

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](https://nuveen.com).

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

Nuveen Securities, LLC, member FINRA and SIPC.