

Nuveen Preferred & Income Term Fund
Form N-CSRS
April 08, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-22699

Nuveen Preferred and Income Term Fund
(Exact name of registrant as specified in charter)

Nuveen Investments

333 West Wacker Drive

Chicago, IL 60606
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy

Nuveen Investments

333 West Wacker Drive

Chicago, IL 60606
(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year July 31
end:

Date of reporting period: January 31, 2014

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

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A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. SS. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

Closed-End Funds

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Closed-End Funds

Semi-Annual Report January 31, 2014

JPC

Nuveen Preferred Income Opportunities Fund

JPI

Nuveen Preferred and Income Term Fund

JPW

Nuveen Flexible Investment Income Fund

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Chairman's Letter

to Shareholders

Dear Shareholders,

Despite headwinds from slow growth, fiscal and political uncertainty in many countries and some fragile economies around the world, domestic and international equity markets increased significantly in 2013. The emerging markets equity sector was an exception. Other sectors, such as real estate, were flat to down a bit and commodities were notably negative in total return performance. The fixed income market also experienced losses in many sectors.

U.S. equities in particular hit numerous all-time highs during the past year, exceeding prior rising market trends. Europe and Asia struggled with political and financial stresses but Europe's improving GDP in the second half provided hope that the region can exit recession. In Japan, the economic policies advocated by Prime Minister Shinzo Abe became a positive influence on the economy as deflationary pressures declined, while the economy in China started to stabilize due to monetary easing and supply side reforms. On the domestic front, the Federal Reserve stimulus continued throughout the year but discussion of reductions in the stimulus program caused historically low rates to rise and added to concern that interest rates could rise quickly in the near future. This provided challenges for fixed income investors.

The Federal Reserve's decision to slow down its bond buying program beginning in January 2014, and the federal budget compromise over government spending into early 2015 were positive signs that the domestic economy is moving forward. We are beginning to experience an economy that can provide encouraging conditions for GDP growth, job growth and low inflation. Additionally, downward trending unemployment and a continuing rebound in the housing market adds to a positive economic scenario going forward.

However, the current year has experienced a tumultuous start. It is in these particularly volatile markets that professional investment management is most important. Investment teams who have experienced challenging markets in the past understand how their asset class can behave in rapidly changing times. Remaining committed to their investment disciplines during these times is a critical component to achieving long-term success. In fact, many strong investment track records are established during challenging periods because experienced investment teams understand that volatile markets place a premium on companies and investment ideas that can weather the short-term volatility. By maintaining appropriate time horizons, diversification and relying on practiced investment teams, we believe that investors can achieve their long-term investment objectives.

As always, I encourage you to communicate with your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of the Nuveen Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

William J. Schneider
Chairman of the Nuveen Fund Board
March 25, 2014

Portfolio Managers'

Comments

Nuveen Preferred Income Opportunities Fund (JPC)

Nuveen Preferred and Income Term Fund (JPI)

Nuveen Flexible Investment Income Fund (JPW)

Nuveen Asset Management, LLC (NAM) and NWQ Investment Management Company, LLC (NWQ), affiliates of Nuveen Investments, are sub-advisers for the Nuveen Preferred Income Opportunities Fund (JPC). NAM and NWQ each manage approximately half of the Fund's investment portfolio. Douglas Baker, CFA and Brenda Langenfeld, CFA, are the portfolio managers for the NAM team and Michael J. Carne, CFA, is the portfolio manager for the NWQ team.

The Nuveen Preferred and Income Term Fund (JPI) features management by NAM. Douglas Baker, CFA, and Brenda Langenfeld, CFA, have served as the Fund's portfolio managers since its inception.

The Nuveen Flexible Investment Income Fund (JPW) features portfolio management by NWQ. Michael J. Carne, CFA, and Susi Budiman, CFA, have served as the Fund's portfolio managers since its inception.

Here they discuss their management strategies and the performance of the Funds for the six-month reporting period ended January 31, 2014.

How did the Funds perform during this six-month reporting period ended January 31, 2014?

The tables in the Performance Overview and Holding Summaries section of this report provides total return performance for the Funds for the six-month, one-year, five-year, ten-year and/or since inception periods ended January 31, 2014. Each Fund's total returns are compared with the performance of a corresponding market index and/or a blended benchmark index. A more detailed account of each Fund's performance is provided later in this report.

What key strategies were used to manage the Funds during this six-month reporting period ended January, 2014? How did these strategies influence performance?

Nuveen Preferred Income Opportunities Fund (JPC)

The table in the Performance Overview and Holding Summaries section of this report provides total return performance for the Fund for the six-month, one-year, five-year and ten-year periods ended January 31, 2014. For the six-month reporting period ended January 31, 2014, the Fund's common shares at net asset value (NAV) underperformed the JPC Comparative Benchmark but outperformed the BofA/Merrill Lynch Preferred Stock Fixed Rate Index.

JPC invests at least 80% of its managed assets in preferred securities and up to 20% opportunistically over the market cycle in other types of securities, primarily income oriented securities such as corporate and taxable municipal debt and common equity. The Fund is managed by two experienced portfolio teams with distinctive, complementary approaches to the preferred market. NAM employs a debt-oriented approach that combines top down relative value analysis of

Certain statements in this report are forward-looking statements. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. The forward-looking statements and other views expressed herein are those of the portfolio managers as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's (S&P), Moody's Investors Service (Moody's), Inc. or Fitch, Inc. (Fitch). Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

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Portfolio Managers' Comments (continued)

industry sectors with fundamental credit analysis. NWQ employs a bottom up, fundamentally driven approach that combines equity research to identify which companies to own with fixed income analysis to identify the most attractive securities of a company to hold. This unique, multi-team approach gives investors access to a broader investment universe with greater diversification potential.

For the portion of the Fund managed by NAM, we employed a credit-based investment approach, using a top-down process to analyze various structural dimensions of the preferred securities market, while also incorporating bottom-up fundamental credit research analysis. We start by identifying the investable universe of \$1,000 par and \$25 par preferred securities. In an effort to capitalize on the inefficiencies between the different structure of the preferred securities market, we allocate capital between the \$25 par exchange listed market and the \$1,000 par over-the-counter market. Periods of volatility may drive notably different valuations between these two markets. This dynamic is often related to periodic differences in how retail and institutional markets perceive and price risk. Technical factors may also influence the relative valuations between \$25 par exchange listed structures and \$1,000 par over-the-counter structures.

We will continue to monitor developments across the domestic and international financial markets, but we do not anticipate materially changing the Fund's relative positioning strategy in the near future. While we feel that valuations between the \$25 par retail structures and \$1,000 par institutional securities have converged meaningfully during the measurement period, we will likely maintain an overweight to \$1,000 par securities as a result of our outlook for gradually higher interest rates. For several quarters, we have been concerned about the potential impact of rising rates on preferred security valuations. As a result, we favor fixed-to-floating rate coupon structures which, all else equal, have less interest rate sensitivity versus traditional fixed-for-life coupon structures. Fixed-to-floating rate securities are more common on the \$1,000 par side of the market, and thus the primary reason for our foreseeable overweight to \$1,000 par securities relative to the Blended Benchmark Index.

We do anticipate that the population of "new generation" preferred securities, such as contingent capital securities (otherwise known as CoCos, Additional Tier 1 and enhanced capital notes), will become an ever-increasing presence within the preferred/hybrid security marketplace. New international bank capital standards outlined in Basel III require new Tier 1-qualifying securities to contain explicit loss-absorbing features upon the breach of certain predetermined capital thresholds. Some of these features include equity conversion, permanent write-down of principle and temporary write-down of principle with the possibility of future write-up when/if the issuer is able to grow capital levels back above the Tier 1 threshold trigger. It is likely we will participate in some of these offerings when we believe, as is the case with all our investments, that the return profile is greater than the inherent risks.

With respect to the Fund's allocation to lower investment grade and below investment grade securities, we continue to believe that these segments will over the long term provide a more compelling risk-adjusted return profile than higher rated preferred/hybrid securities. Lower rated securities are often overlooked by retail and institutional investors, and especially by investors with investment grade-only mandates. Below investment grade securities typically are not index eligible, limiting the potential investor base and frequently creating opportunities for the Fund within this particular segment of the asset class. While lower rated preferred securities may exhibit periods of higher price volatility, we believe the return potential is disproportionately higher due to inefficiencies inherent in the segment. Preferred/hybrid securities are often rated three to five notches below an issuer's senior unsecured debt rating. Consequently, in most instances, a BB-rated preferred/hybrid security has been issued by an entity with an investment grade senior unsecured credit rating of BBB or higher.

We should note that S&P recently announced its intent to review its methodology for rating preferred/hybrid securities, with the likely result being lower ratings for certain preferred/hybrid structures. This review is in its early stages, with S&P just recently requesting public comments before moving forward. We anticipate that any changes to current ratings will be modest. And given that the review has been made public, we do not anticipate future material impact to valuations of those securities affected by the review.

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As with any fixed income asset class, preferred securities are not immune from the impact of rising interest rates. As mentioned above, we seek to minimize the impact of higher rates on the market value of the portfolio by establishing a position in less interest rate sensitive structures. However, we also feel that rising interest rates are frequently the result of an improving macro-economic landscape, and one where the current domestic economic recovery has likely gained meaningful traction. In this type of environment risk premiums should shrink, reflecting the lower risk profile of the overall market, and as a result credit spreads should narrow. We believe therefore, that credit spread compression in the preferred security asset class should help mitigate the impact of rising interest rates.

In the portion of the Fund managed by NAM, several variables contributed to the relative outperformance including an overweight to fixed-to-floating rate coupon structures, an overweight to the \$1000 par side of the market, an overweight to more subordinate Tier 1 structures versus more senior Tier 2 structures, an overweight to lower investment-grade and below investment-grade securities, and finally an overweight to the insurance subsector and corresponding underweight to the bank subsector.

With the \$1000 par dominated Barclays USD Capital Securities Index posting a +4.52% return during the period and the \$25 par dominated BofA/Merrill Lynch Preferred Stock Fixed Rate Index posting a +0.51% return, one would have accurately expected the Fund's meaningful overweight to \$1000 par structures to result in relative outperformance. Our overweight in the \$1000 par side of the market was heavily concentrated in fixed-to-floating rate coupon structures, which, all else being equal, have lower interest rate sensitivity and lower duration extension risk compared to preferred/hybrid securities with standard fixed rate coupons. Investor consternation regarding higher interest rates again led to increasing demand for fixed-to-floating rate coupon structures, propelling their valuations higher on a relative basis and helping drive relative outperformance of the \$1000 par side of the market.

During the six months ended January 31, 2014, relatively subordinate Tier 1 structures again outperformed more senior lower Tier 2 structures. The Tier 1 sub-index of the Barclays USD Capital Securities Index posted a return of 4.91%, which was modestly above the 4.54% return posted by the Lower Tier 2 sub-index. Historically, credit spreads for more subordinate structures, such as Tier 1 securities, tend to move at a greater magnitude than their more senior counterparts. Therefore, in a period when credit spreads generally narrow, as they did during the most recent six month reporting period, we would expect credit spreads for Tier 1 structures to decrease at a greater rate compared to lower Tier 2 structures. While this was indeed the case, it is likely that the lower duration profile of the Tier 1 sub-index versus the Lower Tier 2 sub-index also contributed to the relative outperformance. As of January 31, 2014, the 5.5 year duration of the Barclays USD Capital Securities Tier 1 Index was approximately 1.25 years shorter than the 6.75 year duration of the Barclays USD Capital Securities Lower Tier 2 Index. The relatively higher proportion of fixed-to-floating rate securities in the Tier 1 sub-index is primarily responsible for the difference in duration between the two sub-indices.

During the period, the Fund maintained an overweight to lower investment grade and below investment grade securities relative to the JPC Blended Index. Similar to the relative behavior between Tier 1 and Tier 2 structures under different market conditions, we generally expect lower investment and below investment grade preferred/hybrid securities to outperform higher rated counterparts in an environment when credit spreads shrink, and vice versa during periods when credit spreads widen. Therefore, with credit spreads generally narrowing during the six months ending January 31, 2014, the Fund's overweight to lower investment grade and below investment grade securities contributed to its outperformance versus the JPC Blended Index. This was clearly evidenced by the relative performance of the Barclays USD Capital Securities Lower Tier 2 BBB-rated sub-Index which posted a superior 4.96% return for the fourth quarter, modestly above the Lower Tier 2 A-rated or Better return of 4.06%.

As with the previous several quarters, the Fund again had a meaningful overweight to the insurance subsector of the preferred/hybrid market, and corresponding underweight to the bank subsector. This positioning was intended to capitalize on what is expected to be light or negligible new issue flow out of the insurance sector over the next several quarters. The insurance sector is generally over-capitalized and not in need of additional capital. As one might expect then,

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Portfolio Managers' Comments (continued)

we observed little new issue flow out of the insurance sector while new issue flow out of the bank sector was fairly robust during the reporting period. This relative supply/demand advantage of the insurance subsector was enough to overcome its longer average duration profile relative to the bank subsector. Indeed, the insurance subsector posted a return of +4.90%, above the bank subsector's +4.67% return for the same six-month reporting period.

For the portion of the Fund managed by NWQ, our investment strategy is to seek to provide high current income and high risk-adjusted return by selecting investments at the optimal point of a company's capital structure, where we find the combination of risk and return potential offer the greatest opportunity.

We invest in securities from across the capital structure of companies that possess favorable investment characteristics using a bottom-up, fundamentals-based approach. These characteristics include attractive valuation, a measure of down-side protection and catalysts expected to unlock value. Once an undervalued security has been identified, the issuing company is then analyzed using a fundamental bottom-up approach in order to assess the intrinsic value of the company as well as its long-range prospects. Then the strategy's portfolio management team performs a comprehensive analysis of all available investment choices within the company's capital structure to decide the optimal investment for the portfolio that would offer the greatest expected return for a given level of risk.

We believe that by understanding the company from a fundamental basis, through our experienced research team, we can more effectively evaluate the risk and reward characteristics of the company's debt and equity securities, and then select the optimal point for investment in the company's capital structure.

The preferred sleeve managed by NWQ also positively contributed to the Fund's performance. Within NWQ's portion of the Fund, R.R. Donnelley & Sons (RRD) 8.25% 03/15/2019 Senior Notes contributed positively to performance. The notes appreciated in price due to both strong performance in the Company's stock price as well as a supportive market for high yield securities. RRD provides solutions that include commercial printing, direct mail, financial printing, print fulfillment, and content and database management. RRD has a market capitalization of approximately \$3.2 billion.

Swiss Re Capital 6.854% Perpetual Junior Subordinated Notes contributed positively to performance as well. The notes benefited from having a low effective duration due to their fixed to float feature as well as the outperformance of foreign capital securities generally. The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer. Dealing direct and working through brokers, its global client base consists of insurance companies, mid-to-large-sized corporations and public sector clients.

Lastly, the common stock of TCP Capital Corporation (TCPC) also contributed to the Fund's outperformance. TCPC is a specialty finance company focused on performing credit lending to middle-market companies with established market positions. TCPC focuses on companies with differentiated products and strong regional or national operations and where it has deep industry knowledge and expertise. TCPC's investment objective is to seek to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. TCPC is a publicly-traded business development company, or BDC, regulated under the Investment Company Act of 1940 and is externally managed by its advisor, Tennenbaum Capital Partners, LLC.

Several positions detracted from performance, including BB&T Corporation. BB&T Corporation is one of the largest financial services holding companies in the U.S. Based in Winston-Salem, N.C., the company

operates approximately 1,824 financial centers in 12 states and Washington, D.C., and offers a full range of consumer and commercial banking, securities brokerage, asset management, mortgage and insurance products and services. Third-quarter earnings fell 43% as net interest margin, a key measure of lending profitability, slipped. The results were also impacted by a \$235 million tax adjustment. Excluding this adjustment, per-share earnings improved from a year earlier, which the company said was driven by an improvement in credit quality to the best levels in nearly six years. U.S. banks are sensitive to interest-rate changes, since any shift can affect how much it costs them to borrow money and how much they can charge to lend that

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money to customers. Regional banks, which rely more heavily on lending income, have been pressured recently by low interest rates.

Also detracting from performance was Liberty Mutual, a diversified global insurer and third largest property and casualty insurer in the U.S. The company reported net income of a \$1.743 billion loss for the twelve months ended December 31, 2013, which negatively impacted the holding's performance.

Lastly, Senior Housing Properties (SNH) Trust, a real estate investment trust (REIT), owns senior living properties, which are leased to unaffiliated tenants. The Trust currently owns independent living and assisted living communities, continuing care retirement communities, nursing homes, wellness centers and medical office, clinic and biotech laboratory buildings located throughout the U.S. SNH suffered along with the health care REIT sector, as the sector historically underperformed in rising interest rate environments. Furthermore, the lackluster earnings growth and worries of further downward estimate revisions have kept a lid to SNH's senior debt performance during the reporting period. We still believe SNH's senior debt remains attractive given that SNH's leverage metrics remain strong and liquidity position healthy.

During the period the Fund also wrote covered call options on common stocks to hedge equity exposure. These options had a negligible impact on performance and expired prior to the close of this reporting period.

Nuveen Preferred and Income Term Fund (JPI)

The table in the Performance Overview and Holding Summaries section of this report provides total return performance for the Fund for the six-month, one-year and since inception periods ended January 31, 2014. For the six-month reporting period ended January 31, 2014, the Fund's shares at net asset value (NAV) outperformed the BofA/Merrill Lynch Preferred Stock Fixed Rate Index and its JPI Blended Benchmark Index.

Several variables contributed to the relative outperformance including an overweight to fixed-to-floating rate coupon structures, an overweight to the \$1000 par side of the market, an overweight to more subordinate Tier 1 structures versus more senior Tier 2 structures, an overweight to lower investment grade and below investment grade securities, and finally an overweight to the insurance subsector and corresponding underweight to the bank subsector.

With the \$1000 par dominated Barclays USD Capital Securities Index posting a +4.52% return during the period and the \$25 par dominated BofA/Merrill Lynch U.S. Preferred Stock Fixed Rate Index posting a +0.51% return, one would have accurately expected the Fund's meaningful overweight to \$1000 par structures to result in relative outperformance. Our overweight in the \$1000 par side of the market was heavily concentrated in fixed-to-floating rate coupon structures, which, all else being equal, have lower interest rate sensitivity and lower duration extension risk compared to preferred/hybrid securities with standard fixed rate coupons. Investor consternation regarding higher interest rates again led to increasing demand for fixed-to-floating rate coupon structures, propelling their valuations higher on a relative basis and helping drive relative outperformance of the \$1000 par side of the market.

During the six-month reporting period, relatively subordinate Tier 1 structures again outperformed more senior lower Tier 2 structures. The Tier 1 sub-index of the Barclays USD Capital Securities Index posted a return of 4.91%, which was modestly above the 4.54% return posted by the Lower Tier 2 sub-index. Historically, credit spreads for more subordinate structures, such as Tier 1 securities, tend to move at a greater magnitude than their more senior counterparts. Therefore, in a period when credit spreads generally narrow, as they did during the most recent six-month reporting period, we would expect credit

spreads for Tier 1 structures to decrease at a greater rate compared to lower Tier 2 structures. While this was indeed the case, it is likely that the lower duration profile of the Tier 1 sub-index versus the Lower Tier 2 sub-index also contributed to the relative outperformance. As of January 31, 2014, the 5.5 year duration of the Barclays USD Capital Securities Tier 1 Index was approximately 1.25 years shorter than the 6.75 year duration of the Barclays USD Capital Securities Lower Tier 2 Index. The relatively higher proportion of fixed-to-floating rate securities in the Tier 1 sub-index is primarily responsible for the difference in duration between the two sub-indices.

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Portfolio Managers' Comments (continued)

During the reporting period, the Fund maintained an overweight to lower investment grade and below investment grade securities relative to the JPI Blended Benchmark Index. Similar to the relative behavior between Tier 1 and Tier 2 structures under different market conditions, we generally expect lower investment and below investment grade preferred/hybrid securities to outperform higher rated counterparts in an environment when credit spreads shrink, and vice versa during periods when credit spreads widen. Therefore, with credit spreads generally narrowing during reporting period, the Fund's overweight to lower investment grade and below investment grade securities contributed to its outperformance versus the JPI Blended Benchmark Index. This was clearly evidenced by the relative performance of the Barclays USD Capital Securities Lower Tier 2 BBB-rated sub-Index which posted a superior 4.96% return for the fourth quarter, modestly above the Lower Tier 2 A-rated or Better return of 4.06%.

As with the previous several quarters, the Fund again had a meaningful overweight to the insurance subsector of the preferred/hybrid market, and corresponding underweight to the bank subsector. This positioning was intended to capitalize on what is expected to be light or negligible new issue flow out of the insurance sector over the next several quarters. The insurance sector is generally over capitalized and not in need of additional capital. As one might expect then, we observed little new issue flow out of the insurance sector while new issue flow out of the bank sector was fairly robust during the reporting period. This relative supply/demand advantage of the insurance subsector was enough to overcome its longer average duration profile relative to the bank subsector. The insurance subsector posted a return of +4.90%, above the bank subsectors +4.67% return for the same six-month reporting period.

Nuveen Flexible Investment Income Fund (JPW)

The table in the Performance Overview and Holding Summaries section of this report provides total return performance for the Fund for the six-month, one-year and since inception periods ended January 31, 2014. For the six-month reporting period ended January 31, 2014, the Fund's total return on common share net asset value (NAV) outperformed the BofA/Merrill Lynch Preferred Stock Fixed Rate Index.

JPW invests at least 80% of its managed assets in income producing preferred, debt and equity securities issued by companies located anywhere in the world. Up to 50% of its managed assets may be in securities issued by non-U.S. companies, though all (100%) Fund assets will be in U.S. dollar-denominated securities. Up to 40% of its managed assets may consist of equity securities, not including preferred securities. Up to 75% of investments in debt and preferred securities that are of a type customarily rated by a credit rating agency, may be rated below investment grade, or if unrated, will be judged to be of comparable quality by NWQ. The Fund will invest at least 25% in securities issued by financial services companies.

The Fund's investment objectives are to provide high current income and, secondarily, capital appreciation. The Fund seeks to achieve its investment objectives by investing in undervalued companies and securities with attractive investment characteristics. The Fund's portfolio is actively managed and has the flexibility to invest across the capital structure in any type of debt, preferred or equity securities offered by a particular company. NWQ employs a fundamental, bottom-up investment process that first seeks to identify undervalued securities offering favorable risk/reward potential and downside protection. The portfolio management team then evaluates all available investment choices within a selected company's capital structure to determine the portfolio investment that may offer the most favorable risk-adjusted return potential. The Fund's portfolio is constructed with an emphasis on maintaining a sustainable level of income and downside protection. The Fund's investment mix of debt, preferred and equity securities may change over time based on the portfolio management team's assessment of individual investment opportunities.

Much of the JPW's relative outperformance may be attributed to stock selection and overweight within the industrials, financial and equity sectors. Our underweight in the banking sector detracted for the reporting period. We also held a larger cash position than the Index as we continue to invest-up the Fund, which slightly detracted from performance.

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Several positions contributed to performance including the common stock of Wells Fargo & Company. Wells Fargo & Company is an American multi-national banking and financial services holding company with operations around the world and the fourth largest bank in the U.S. by assets and the largest bank by market capitalization. Wells Fargo continues to execute extremely well despite the softness in the mortgage market. Investors are beginning to view the bank as a multiple product business, including capital markets and wealth management, not just mortgages.

Also contributing to performance was AdCare Health Systems, Inc., which manages, develops and acquires nursing homes, assisted living facilities, independent living facilities, dementia/alzheimer's units, sub-acute units and retirement communities. Performance was attributed to the fact that we were able to buy very cheap preferred shares so they outperformed.

Lastly, the common stock of TCP Capital Corporation (TCPC) also contributed to the Fund's outperformance. TCPC is a specialty finance company focused on performing credit lending to middle-market companies with established market positions. TCPC focuses on companies with differentiated products and strong regional or national operations and where it has deep industry knowledge and expertise. Their investment objective is to seek to achieve high total returns through current income and capital appreciation, with an emphasis on principal protection. TCPC has been expanding its portfolio of investments and is expected to soon gain an additional source of funding from the U.S. Small Business Administration (SBA).

Several positions detracted from performance including securities issued by Metro AG, the Federal Agricultural Mortgage Corporation and CommonWealth REIT.

Metro AG, a German global diversified retailer, has the largest market share in Germany and is the fifth-largest retailer in the world measured by revenues. The company's third quarter sales were weak and earnings per share decreased, which detracted from performance and negatively impacted the Fund.

The Federal Agricultural Mortgage Corporation, commonly known as Farmer Mac, was created by Congress to establish a secondary market for agricultural mortgage and rural utilities loans to increase the availability of long-term credit at stable interest rates to segments of rural America. During the third quarter, core earnings decreased primarily due to lower net effective spread, which was driven by repayments of existing higher margin farm & ranch loans, combined with the effect of refinancing existing floating rate assets at higher costs.

Lastly, CommonWealth REIT detracted from performance. CommonWealth REIT is a real estate investment trust that primarily owns office properties located throughout the U.S. In April 2013, the company rejected a \$2.9 billion buyout offer by shareholders Corvex Management LP and Related Cos. CommonWealth REIT has been trying to avoid a hostile takeover which detracted from performance and negatively impacted the Fund.

During the reporting period, the Federal Reserve (Fed) finally ended tapering speculation at its scheduled December meeting when it announced a reduction in the pace of its asset purchases from the then \$85 billion per month to \$75 billion per month beginning in January 2014. The Federal Open Market Committee (FOMC) recently announced another \$10 billion reduction at the January meeting. The Fed also pledged to keep short-term interest rates near zero until the unemployment rate is well below 6.5%. The impact on Treasury yields after the December announcement was more or less muted, in part because of the Fed's simultaneous commitment to low short-term rates and also because the Treasury market had "priced in" the taper last summer when the 10-year Treasury note yield climbed from 1.63% to 3.00%.

Rising interest rates have taken their toll on the fixed income markets during the reporting period. U.S. Treasury note yields rose significantly since May 2013 and continued to climb, though with less magnitude, during the fourth quarter. The summer's rise in rates accompanied with a spread widening in credit was unusual in a rising rate environment. This spread widening reversed course in the fourth quarter, particularly after the Fed's taper announcement along with its commitment to low interest rates at its December meeting. Most of the Fund's holdings do exhibit a measure of sensitivity to changes in

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Portfolio Managers' Comments (continued)

long-term interest rates. For example insurance holdings would tend to do better when rates rise, while REITs would do worse. Spread changes may also affect performance, if they widen, then the Fund may lag the Treasury market's performance.

Generally, financial regulation was not a significant factor in Fund's performance. While financial regulation may reduce market liquidity by decreasing dealer market making capacity and increasing regulatory capital requirements at holding companies, it will likely lead to an increase in U.S. bank supply of preferred stocks and subordinated notes over the next few years.

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Fund**Leverage****IMPACT OF THE FUNDS' LEVERAGE STRATEGY ON PERFORMANCE**

One important factor impacting the return of the Funds relative to their benchmarks was the Funds' use of leverage through the use of bank borrowings. The Funds use leverage because our research has shown that, over time, leveraging provides opportunities for additional income and total return for common shareholders. However, use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share NAV and common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of securities held by a Fund generally are rising. The Fund's use of leverage had a positive impact on performance during this reporting period.

JPC and JPI continued to use swap contracts to partially fix the interest cost of leverage, which as mentioned previously, the Funds' use through the use of bank borrowings. The swap contracts' impact on the Funds performance was positive during this reporting period.

As of January 31, 2014, the Funds' percentages of leverage are shown in the accompanying table.

	JPC	JPI	JPW
Effective Leverage*	29.22%	28.89%	28.54%
Regulatory Leverage*	29.22%	28.89%	28.54%

* Effective leverage is the Fund's effective economic leverage, and includes both regulatory leverage and the leverage effects of certain derivative and other investments in a Fund's portfolio that increase the Fund's investment exposure. Regulatory leverage consists of preferred shares issued or borrowings of the Fund. Both of these are part of the Fund's capital structure. Regulatory leverage is subject to asset coverage limits set forth in the Investment Company Act of 1940.

THE FUNDS' REGULATORY LEVERAGE*Bank Borrowings*

As discussed previously, the Funds employ regulatory leverage through the use of bank borrowings. As of January 31, 2014, the Funds have outstanding bank borrowings as shown in the accompanying table.

	JPC	JPI	JPW
Bank Borrowings	\$402,500,000	\$225,000,000	\$27,500,000
Refer to Notes to Financial Statements, Note 8 Borrowing Arrangements for further details.			

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Common Share**Information****THE FUNDS' DISTRIBUTION INFORMATION**

The following information regarding the Funds' distributions is current as of January 31, 2014. Each Fund's distribution levels may vary over time based on each Fund's investment activity and portfolio investment value changes.

During the current reporting period, each Fund's monthly distributions to common shareholders were as shown in the accompanying table.

Ex-Distribution Date	Per Common Share Amounts		
	JPC	JPI	JPW
August 2013	\$ 0.0633	\$ 0.1690	\$ 0.1260
September	0.0633	0.1690	0.1260
October	0.0633	0.1690	0.1260
November	0.0633	0.1690	0.1260
December	0.0633	0.1690	0.1260
January 2014	0.0633	0.1690	0.1260
Long-Term Capital Gain*		\$ 0.0004	
Short-Term Capital Gain*		\$ 0.4879	
Current Distribution Rate**	8.45%	8.99%	9.12%

* Distribution paid in December 2013.

** Current distribution rate is based on the Fund's current annualized monthly distribution divided by the Fund's current market price. The Fund's monthly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the fiscal year the Fund's cumulative net ordinary income and net realized gains are less than the amount of the Fund's distributions, a return of capital for tax purposes.

During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of January 31, 2014, the Funds had a positive UNII balances, based upon our best estimate, for tax purposes and negative UNII balances for financial reporting purposes.

JPW'S MANAGED DISTRIBUTION POLICY

JPW's regular monthly distributions are currently being sourced entirely from net investment income. The Fund's current portfolio is predominantly invested in income producing securities the income from which is expected to be the source of distributions. For periods when the Fund is sourcing its monthly distributions solely from net investment income, the Fund will seek to distribute substantially all of its net investment income over time. There are no assurances given to how long the Fund will source distributions entirely from net investment income.

Market conditions may change, causing the portfolio management team at some future time to focus the mix of portfolio investments less to income-oriented securities. This may cause the regular monthly distributions to be sourced from something other than net investment income. JPW has adopted a managed distribution policy permitting it to source its regular monthly distributions from not only net investment income, but also from realized capital gains and/or return of

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capital. If a managed distribution policy is employed, the Fund will seek to establish a relatively stable common share distribution rate that roughly corresponds to the projected total return from its investment strategy over an extended period of time. Actual common share returns will differ from projected long-term returns, and the difference between actual returns and total distributions will be reflected in an increasing (returns exceed distributions) or a decreasing (distributions exceed returns) Fund NAV. If the Fund changes to a managed distribution, a press release will be issued describing such change and this change will also be described in subsequent shareholder reports. Additionally, any distribution payment that is sourced from something other than net investment income, there will be a notice issued quantifying the sources of such distribution.

COMMON SHARE REPURCHASES

During November 2013, the Nuveen Funds' Board of Directors/Trustees reauthorized (authorized for JPW) open-market share repurchase program, allowing each Fund to repurchase an aggregate of up to approximately 10% of its outstanding common shares.

As of January 31, 2014, and since the inception of the Funds' repurchase programs, the Funds have cumulatively repurchased and retired their common shares as shown in the accompanying table.

	JPC	JPI	JPW
Common Shares Cumulatively Repurchased and Retired	2,724,287		
Common Shares Authorized for Repurchase	9,700,000	2,275,000	370,000

During the current reporting period, the Funds did not repurchase any of their outstanding common shares.

OTHER COMMON SHARE INFORMATION

As of January 31, 2014, and during the current reporting period, the Funds' common share prices were trading at a premium/(discount) to their common share NAVs as shown in the accompanying table.

	JPC	JPI	JPW
Common Share NAV	\$ 10.05	\$ 24.34	\$ 18.57
Common Share Price	\$ 8.99	\$ 22.55	\$ 16.58
Premium/(Discount) to NAV	(10.55)%	(7.35)%	(10.72)%
6-Month Average Premium/(Discount) to NAV	(11.56)%	(8.66)%	(8.83)%

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Risk

Considerations

Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Shares of closed-end funds are subject to investment risks, including the possible loss of principal invested. Past performance is no guarantee of future results. Fund common shares are subject to a variety of risks, including:

Investment, Market and Price Risk. An investment in common shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in common shares represents an indirect investment in the corporate securities owned by the Funds, which generally trade in the over-the-counter markets. Shares of closed-end investment companies like the Funds frequently trade at a discount to their NAV. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Leverage Risk. A Fund's use of leverage creates the possibility of higher volatility for a Fund's per share NAV, market price and distributions. Leverage risk can be introduced through regulatory leverage (issuing preferred shares or debt borrowings at the Fund level) or through certain derivative investments held in a Fund's portfolio. Leverage typically magnifies the total return of a Fund's portfolio, whether that return is positive or negative. The use of leverage creates an opportunity for increased common share net income, but there is no assurance that a Fund's leveraging strategy will be successful.

Tax Risk. The tax treatment of Fund distributions may be affected by new IRS interpretations of the Internal Revenue Code and future changes in tax laws and regulations.

Common Stock Risk. Common stock returns often have experienced significant volatility.

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due.

Interest Rate Risk. Fixed-income securities such as bonds, preferred, convertible and other debt securities will decline in value if market interest rates rise.

Reinvestment Risk. If market interest rates decline, income earned from a Fund's portfolio may be reinvested at rates below that of the original investment that generated the income.

Preferred Stock Risk. Preferred stocks are subordinated to bonds and other debt instruments in a company's capital structure, and therefore are subject to greater credit risk.

Convertible Securities Risk. Convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar credit quality.

Call Risk or Prepayment Risk. Issuers may exercise their option to prepay principal earlier than scheduled, forcing the Fund to reinvest in lower-yielding securities.

Non-U.S. Securities Risk. Investments in non-U.S securities involve special risks not typically associated with domestic investments including currency risk and adverse political, social and economic developments. These risks often are magnified in emerging markets.

Below-Investment Grade Securities Risk: Investments in securities below investment grade quality are predominantly speculative and subject to greater volatility and risk of default.

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Derivatives Strategy Risk: Derivative securities, such as calls, puts, warrants, swaps and forwards, carry risks different from, and possibly greater than, the risks associated with the underlying investments.

Financial Sector Risk: Because the Funds invest a substantial portion of their assets (at least 25%) in securities issued by financial services companies, concentration in this sector may present more risks than if the Funds were more diversely invested in numerous sectors of the economy.

Unrated Investment Risk: In determining whether an unrated security is an appropriate investment for the Fund, the portfolio manager will consider information from industry sources, as well as its own quantitative and qualitative analysis, in making such a determination. However such a determination by the portfolio manager is not the equivalent of a rating by a rating agency.

Counterparty Risk: To the extent that a Fund's derivative investments are purchased or sold in over-the-counter transactions, the Fund will be exposed to the risk that counterparties to these transactions will be unable to meet their obligations.

Interest Rate Swaps Risk: The risk that yields will move in the direction opposite to the direction anticipated by a Fund, which would cause a Fund to make payments to its counterparty in the transaction that could adversely affect the Fund's performance.

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JPC**Nuveen Preferred Income Opportunities Fund****Performance Overview and Holding Summaries as of January 31, 2014****Average Annual Total Returns as of January 31, 2014**

	Cumulative 6-Month	1-Year	Average Annual 5-Year	10-Year
JPC at Common Share NAV	1.75%	3.27%	22.36%	4.22%
JPC at Common Share Price	0.35%	(1.88)%	25.33%	4.18%
JPC Blended Index (Comparative Benchmark)	5.39%	9.51%	16.75%	6.21%
BofA/Merrill Lynch Preferred Stock Fixed Rate Index	0.51%	(1.68)%	12.89%	1.92%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

Fund Allocation

(% of net assets)

\$25 Par (or similar) Retail Preferred	68.2%
\$1,000 Par (or similar) Institutional Preferred	60.8%
Common Stocks	4.3%
Corporate Bonds	4.0%
Short-Term Investments	2.3%
Investment Companies	0.7%
Convertible Preferred Securities	0.1%
Borrowings	(41.3)%
Other Assets Less Liabilities	0.9%

Portfolio Composition¹

(% of total investments)

Insurance	27.7%
Commercial Banks	22.0%
Diversified Financial Services	14.5%
Real Estate	13.9%
Capital Markets	6.4%
Short-Term Investments	1.7%
Other Industries	13.8%

Country Allocation¹

(% of total investments)

United States	77.1%
United Kingdom	5.6%
Netherlands	5.1%
Spain	2.8%
Switzerland	2.5%
Other Countries	6.9%

Top Five Issuers¹

(% of total long-term investments)

General Electric Company	3.5%
JPMorgan Chase & Company	3.3%
Wells Fargo & Company	2.8%
Citigroup Inc	2.4%
MetLife Inc	2.2%

Credit Quality¹

(% of total investments)

AAA/U.S. Guaranteed ²	%
AA	3.5%
A	8.6%
BBB	47.5%
BB or Lower	21.9%
N/R (not rated)	6.6%
N/A (not applicable)	11.9%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this page.

1 Excluding investments in derivatives.

2 Rounds to less than 0.1%.

3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

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JPI**Nuveen Preferred and Income Term Fund****Performance Overview and Holding Summaries as of January 31, 2014****Average Annual Total Returns as of January 31, 2014**

	Cumulative	Average Annual	
	6-Month	1-Year	Since Inception¹
JPI at Common Share NAV	3.21%	5.73%	10.92%
JPI at Common Share Price	1.80%	0.08%	2.78%
BofA/Merrill Lynch Preferred Stock Fixed Rate Index	0.51%	(1.68)%	1.39%
JPI Blended Benchmark Index	1.91%	0.21%	3.43%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

Fund Allocation

(% of net assets)

\$1,000 Par (or similar) Institutional Preferred	97.7%
\$25 Par (or similar) Retail Preferred	39.6%
Short-Term Investments	1.2%
Corporate Bonds	1.2%
Borrowings	(40.6)%
Other Assets Less Liabilities	0.9%

Portfolio Composition²

(% of total investments)

Insurance	37.2%
Commercial Banks	25.3%
Diversified Financial Services	20.8%
U.S. Agency	8.1%
Real Estate	2.4%
Capital Markets	2.0%
Short-Term Investments	0.9%
Other Industries	3.3%

Country Allocation²

(% of total investments)

United States	63.0%
United Kingdom	11.6%
Netherlands	8.9%
Spain	5.1%
France	4.8%
Other Countries	6.6%

Top Five Issuers²

(% of total long-term investments)

Rabobank Nederland	5.0%
JPMorgan Chase & Company	5.0%
Wells Fargo & Company	5.0%
Catlin Group	4.4%
General Electric Company	4.0%

Credit Quality²

(% of total investments)

AA	4.0%
A	13.9%
BBB	52.6%
BB or Lower	26.7%
N/R (not rated)	1.7%
N/A (not applicable)	1.1%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this page.

1 Since inception returns are from 7/26/12.

2 Excluding investments in derivatives.

3 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by these national rating agencies.

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JPW

Nuveen Flexible Investment Income Fund

Performance Overview and Holding Summaries as of January 31, 2014

Cumulative Total Returns as of January 31, 2014

	6-Month	Cumulative Since Inception¹
JPW at Common Share NAV	2.37%	1.35%
JPW at Common Share Price	(12.35)%	(13.22)%
BofA/Merrill Lynch Preferred Stock Fixed Rate Index	0.51%	1.53%

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares. Comparative index return information is provided for the Fund's shares at NAV only. Indexes are not available for direct investment.

Common Share Price Performance Weekly Closing Price

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This data relates to the securities held in the Fund's portfolio of investments as of the end of the reporting period. It should not be construed as a measure of performance for the Fund itself. Holdings are subject to change.

Fund Allocation

(% of net assets)

\$25 Par (or similar) Retail Preferred	99.4%
Common Stocks	18.2%
Corporate Bonds	12.0%
\$1,000 Par (or similar) Institutional Preferred	8.2%
Investment Companies	2.1%
Short-Term Investments	1.9%
Convertible Preferred Securities	0.4%
Borrowings	(40.0)%
Other Assets Less Liabilities	(2.2)%

Top Five Issuers

(% of total long-term investments)

NuStar Logistics	1.9%
Frontier Communications Corporation	1.7%
Maiden Holdings LTD	1.5%
CenturyLink	1.5%
JPMorgan Chase & Company	1.4%

Portfolio Composition

(% of total investments)

Real Estate	25.1%
Capital Markets	13.9%
Insurance	12.9%
Commercial Banks	10.1%
Oil, Gas & Consumable Fuels	8.5%
Diversified Financial Services	7.3%
Diversified Telecommunication Services	3.2%
Short-Term Investments	1.3%
Other Industries	17.7%

Credit Quality

(% of total investments)

AAA/U.S. Guaranteed	0.5%
A	2.2