

Nuveen Asset Management

The Nuveen Inflation Protected Municipal Bond Fund (NITAX)

Daniel Close, CFA
Douglas Baker, CFA

Nuveen Asset Management



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SECOND QUARTER 2011

SUMMARY

- Investor Concerns and the Risk of Inflation
- Current Inflation Hedging Options
- The Nuveen Inflation Protected Municipal Bond Fund
- The Nuveen Asset Management Advantage

Investor Concerns and the Risk of Inflation

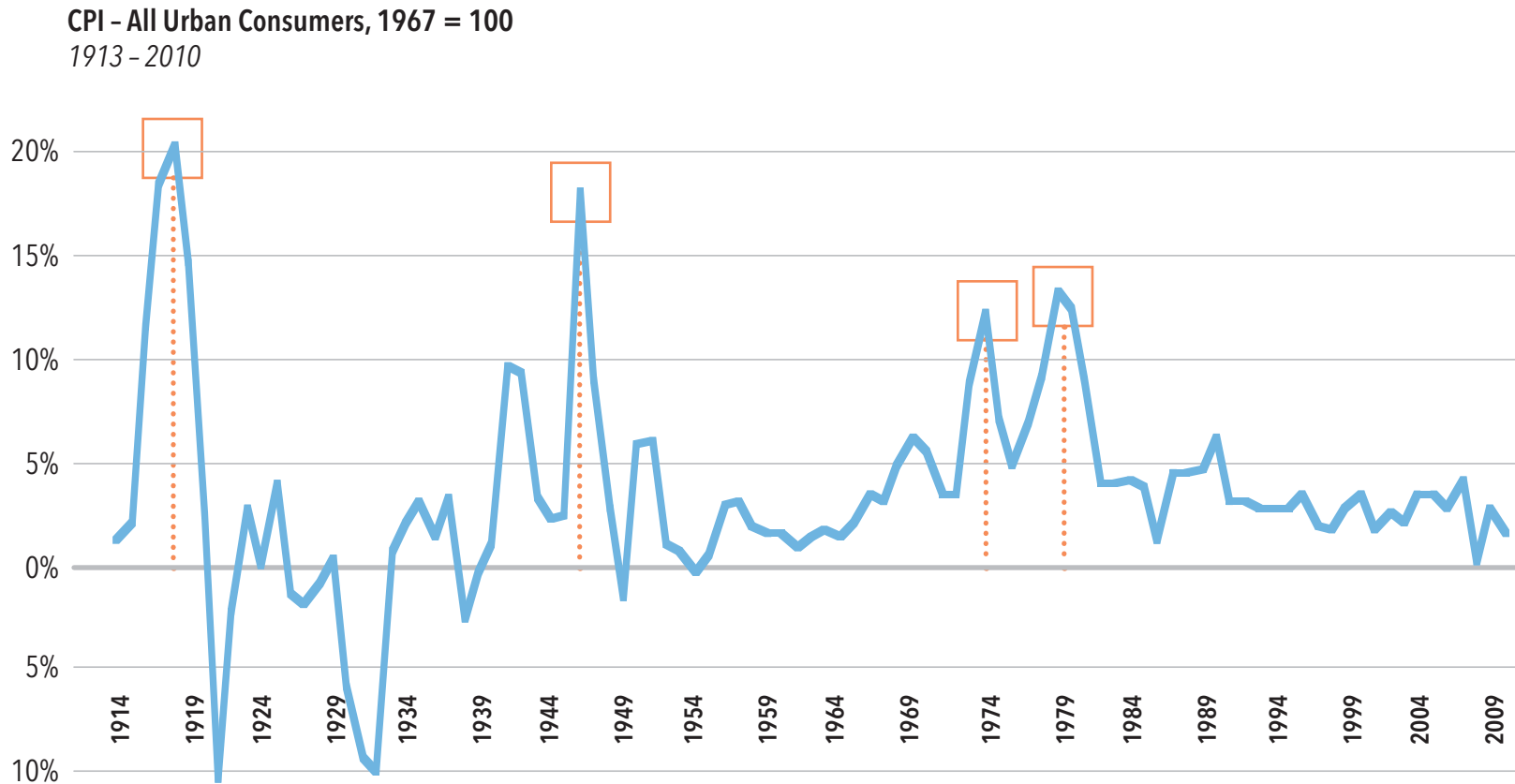


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TODAY'S INCOME INVESTORS HAVE MULTIPLE CONCERNS

- Where can I find yield?
- How can I protect against inflation?
- How will taxes impact my investment?
- How can I protect against rising rates?

HISTORICALLY, INVESTORS HAVE EXPERIENCED PERIODS OF VOLATILE INFLATION RISK



Source: U.S. Department of Labor, Bureau of Labor Statistics. Data from January 1913 to February 2011. All Urban Consumers - (CPI-U); 1982-84=100. The squares indicate peak periods of inflation at various points in history.

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ARE INFLATIONARY PRESSURES BUILDING TODAY?

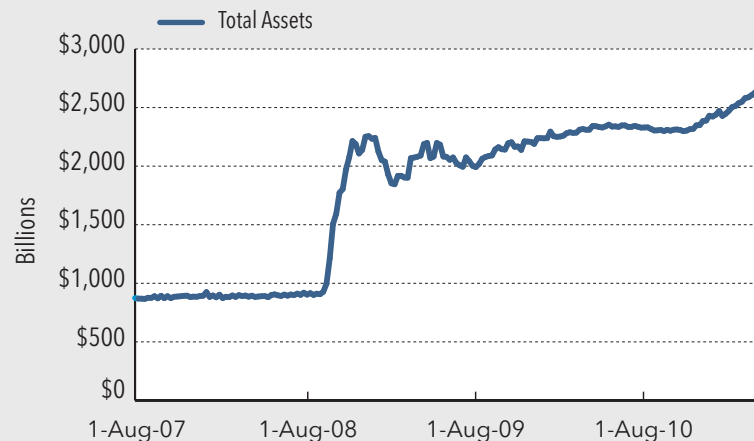
► Short-Term Considerations

- Increasing U.S. and worldwide fiscal deficits
- Easy global monetary policy
- Rapid growth of emerging/developing market economies
- Rapid increase in global commodity prices

► Long-Term Considerations

- Wage growth
- Capacity utilization
- Global population growth

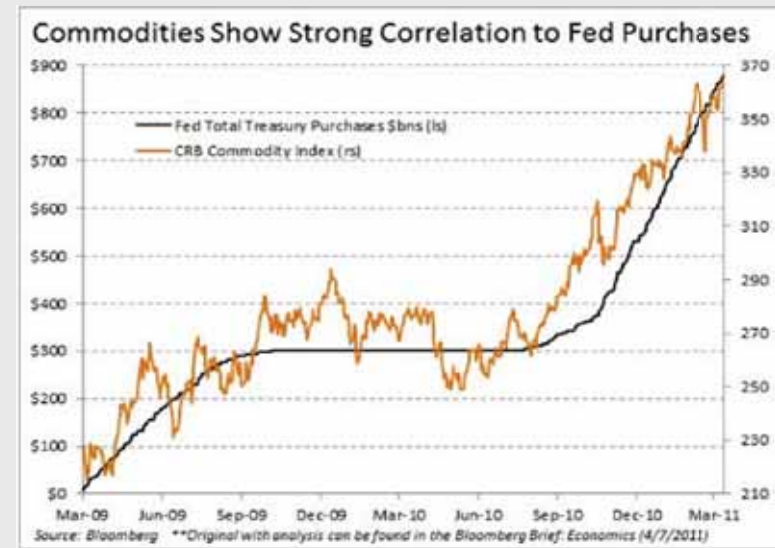
Total Assets of the Federal Reserve



Since the beginning of the financial market turmoil in August 2007, the Federal Reserve's balance sheet has grown in size and has changed in composition. Total assets of the Federal Reserve have increased significantly from approximately \$870 billion in August 2007, to well over \$2 trillion in April 2011.

Source: Federal Reserve

Commodities Show Strong Correlation to Fed Purchases



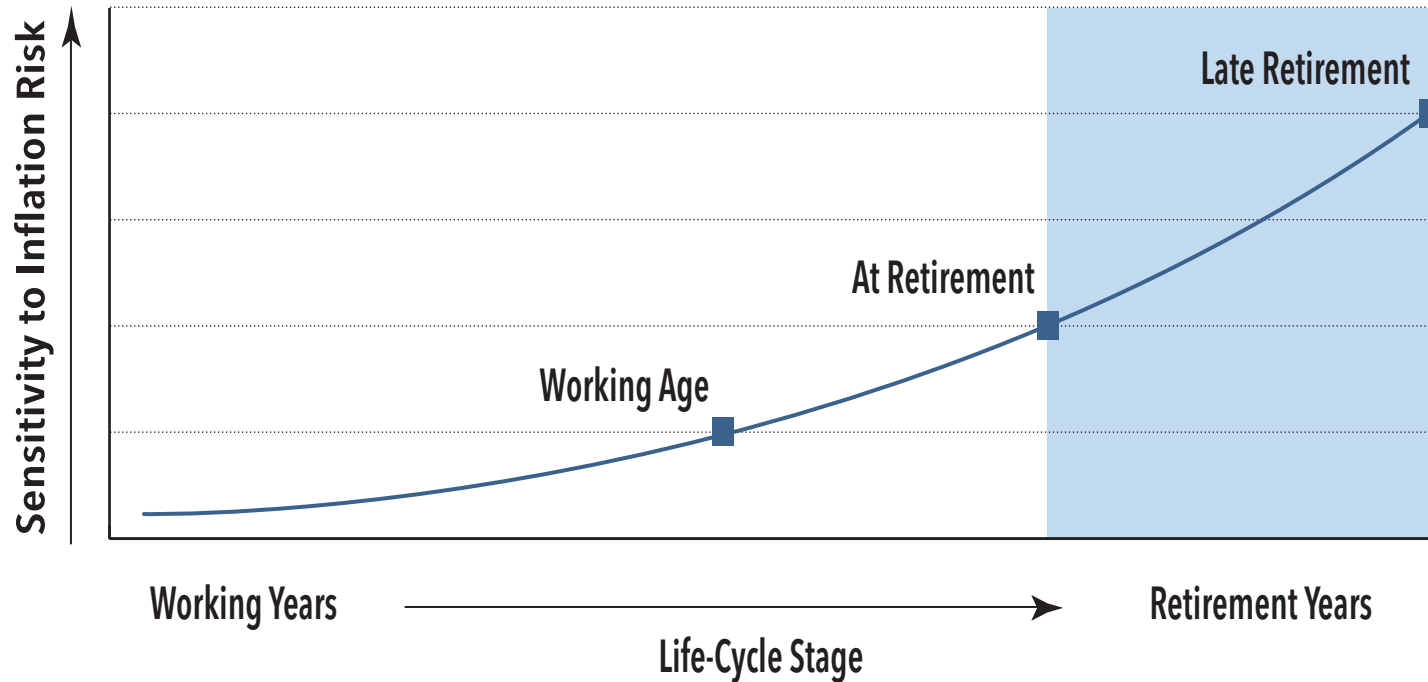
Commodity price moves have tracked exactly with a chart of Fed purchases of Treasuries. Part of what QE2 was intended to accomplish was to spike inflation expectations. That has shown up most dramatically in commodities.

Source: Bloomberg

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THE IMPACT INFLATION HAS ON AN INVESTOR'S PORTFOLIO TYPICALLY INCREASES OVER TIME

- Wages typically rise with inflation
- As investors rely more on cash flow from their investment portfolios to fund their current and future spending needs, their exposure to the adverse effects of unexpected inflation grows.



Source: Nuveen Asset Management

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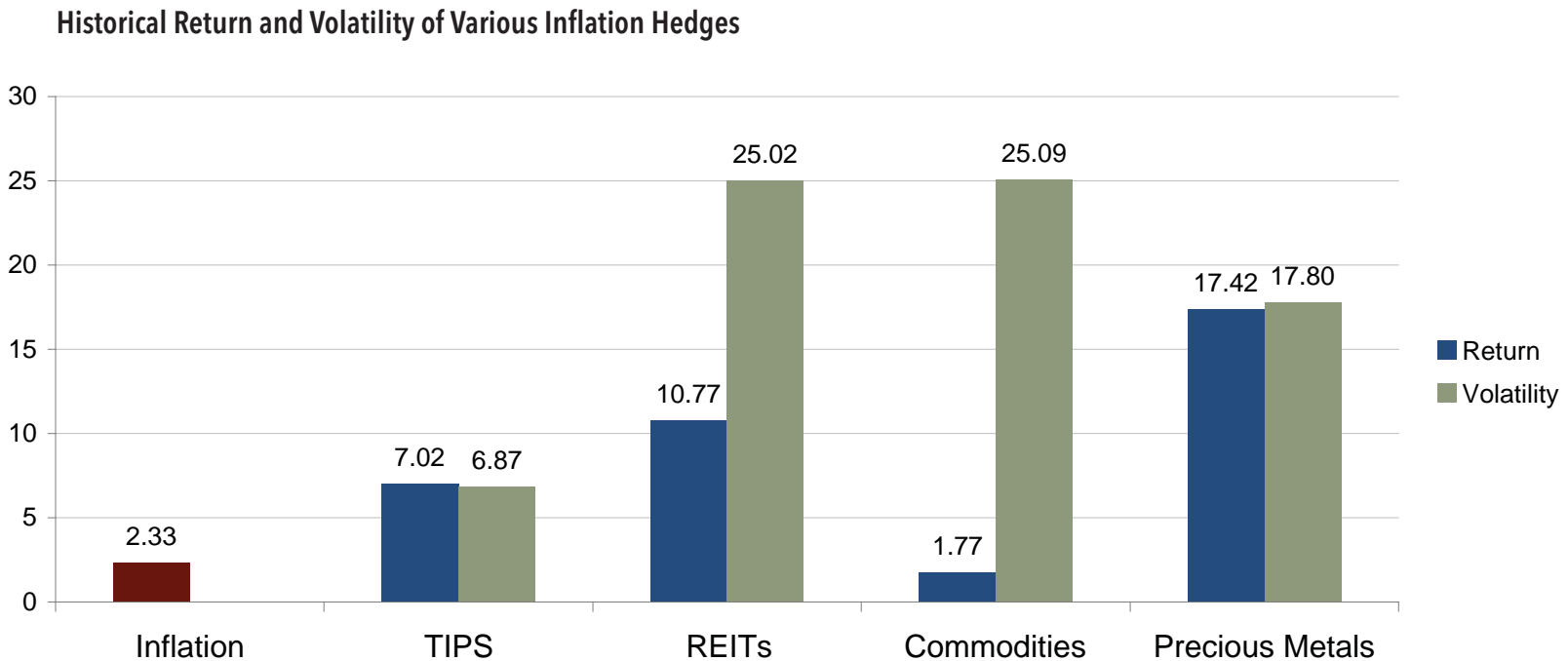
Current Inflation Hedging Options



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INFLATION HEDGING ALTERNATIVES

- A number of asset classes have been traditionally considered inflation hedges
- Conservative investors often choose Treasury Inflation Protected Securities (TIPS) due to lower volatility



Return based on the 10-year total return as of 12/31/10. Volatility based on 10-year standard deviation as of 12/31/10. Inflation represented by the IA SBBI US Inflation Index; TIPS by the Barclays Capital U.S. Treasury TIPS Index; REITs by the FTSE NAREIT Equity REITs Index; Commodities by the S&P GSCI Index; Precious Metals by the S&P GSCI Precious Metals Index. Past performance is no guarantee of future results.

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ARE TIPS THE IDEAL SOLUTION FOR TAXABLE INVESTORS?

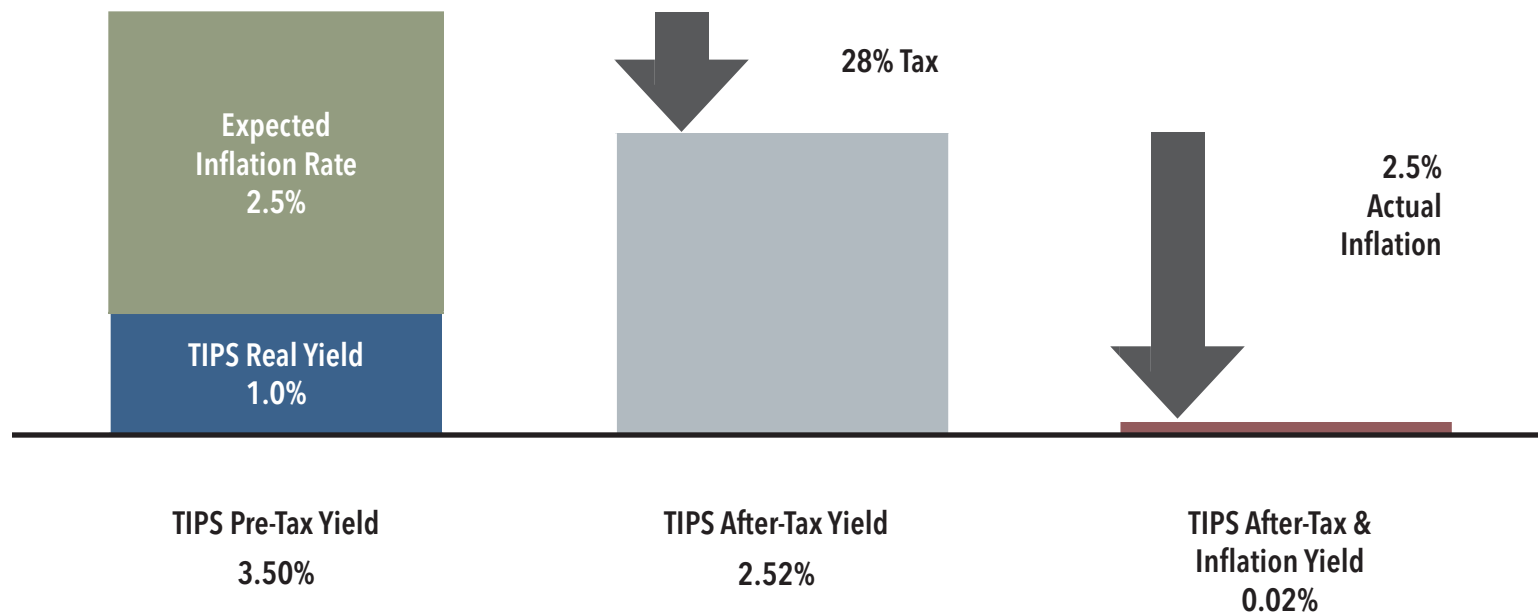
➤ TIPS generate “phantom income”

- TIPS principal changes with monthly CPI data
- This change in principal value is taxed as ordinary income even though principal is not received until maturity

➤ TIPS are not tax-efficient

- Principal accretion and coupon payments are fully taxable

Taxes and Inflation Erode TIPS Return Potential



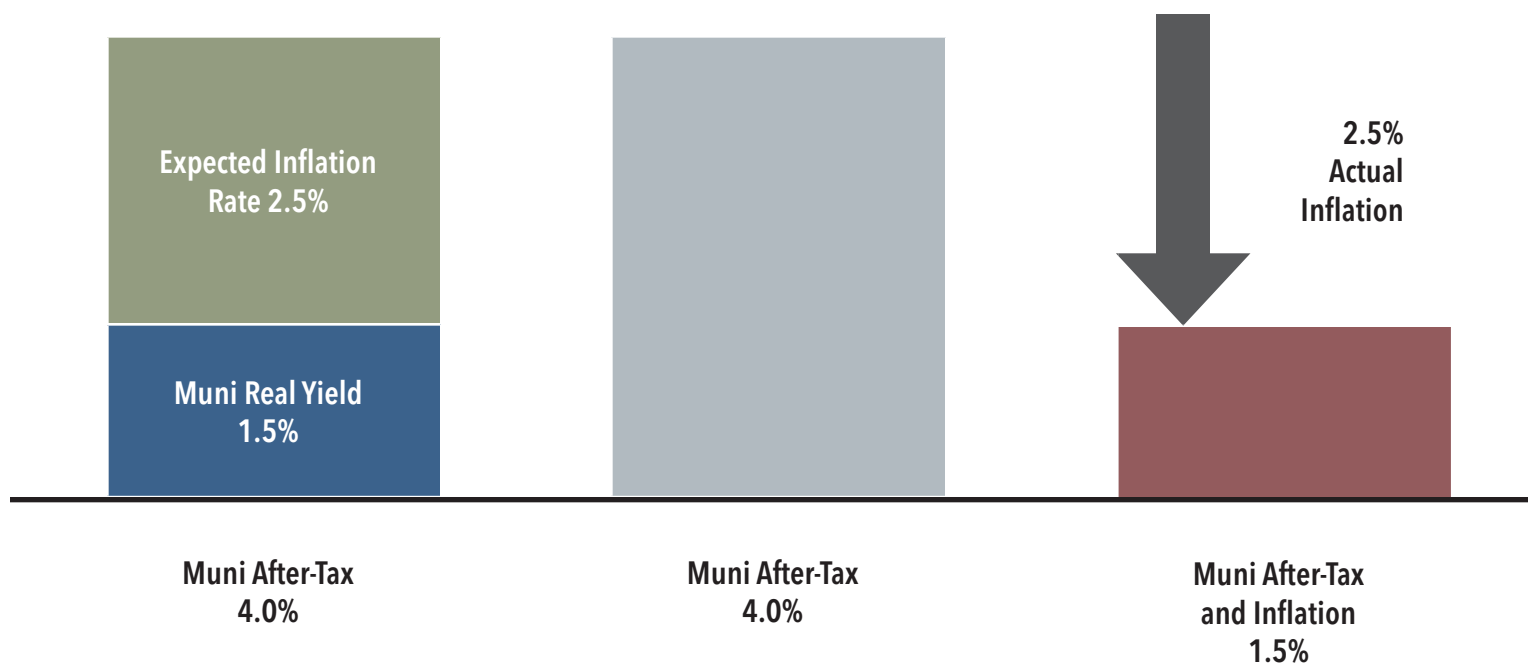
* Based on 10-year historical correlation between the Barclays Capital U.S. TIPS Index and CPI-U as of 12/31/10.

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A TRADITIONAL MUNICIPAL BOND PORTFOLIO IS TAX EFFICIENT AND PROVIDES SOME PROTECTION AGAINST INFLATION

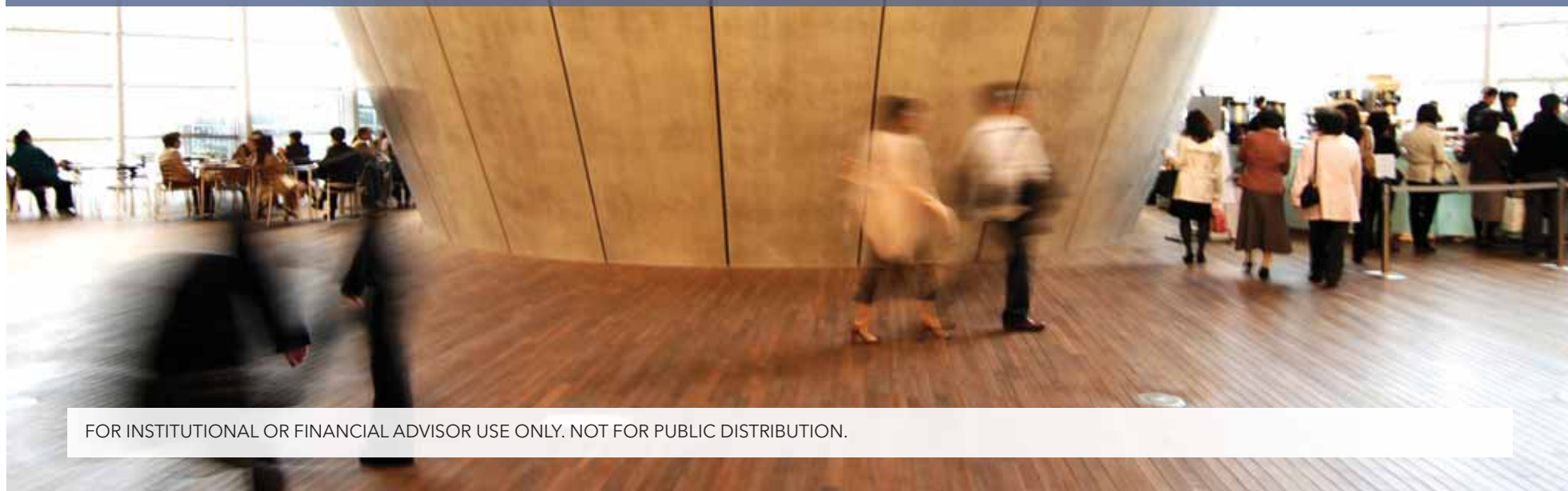
- Municipal bonds generate after-tax income
- Municipal bonds help protect against expected inflation
- Municipal bonds can generate attractive after-tax, after-inflation returns versus TIPS

A Municipal Bond Portfolio
Can Offer Positive Returns After Taxes and Inflation



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The Nuveen Inflation Protected Municipal Bond Fund



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NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND



STRATEGY ADDRESSES MULTIPLE INVESTOR CONCERNS

Investor Concern	Nuveen Inflation Protected Municipal Bond Fund
<p>Where can I find yield in a low rate environment?</p>	<ul style="list-style-type: none"> • Intermediate, municipal bonds offer attractive after-tax yields
<p>How can I protect against unexpected inflation?</p>	<ul style="list-style-type: none"> • Inflation hedge helps protect against unexpected inflation
<p>How will taxes impact my investment?</p>	<ul style="list-style-type: none"> • Municipal bond fund dividends generally not subject to federal taxes • Avoid “phantom income” associated with TIPS
<p>How can I protect against rising rates?</p>	<ul style="list-style-type: none"> • Intermediate-term duration offers attractive return/interest rate risk trade-off • Active management can help mitigate impact of rising rates through portfolio positioning

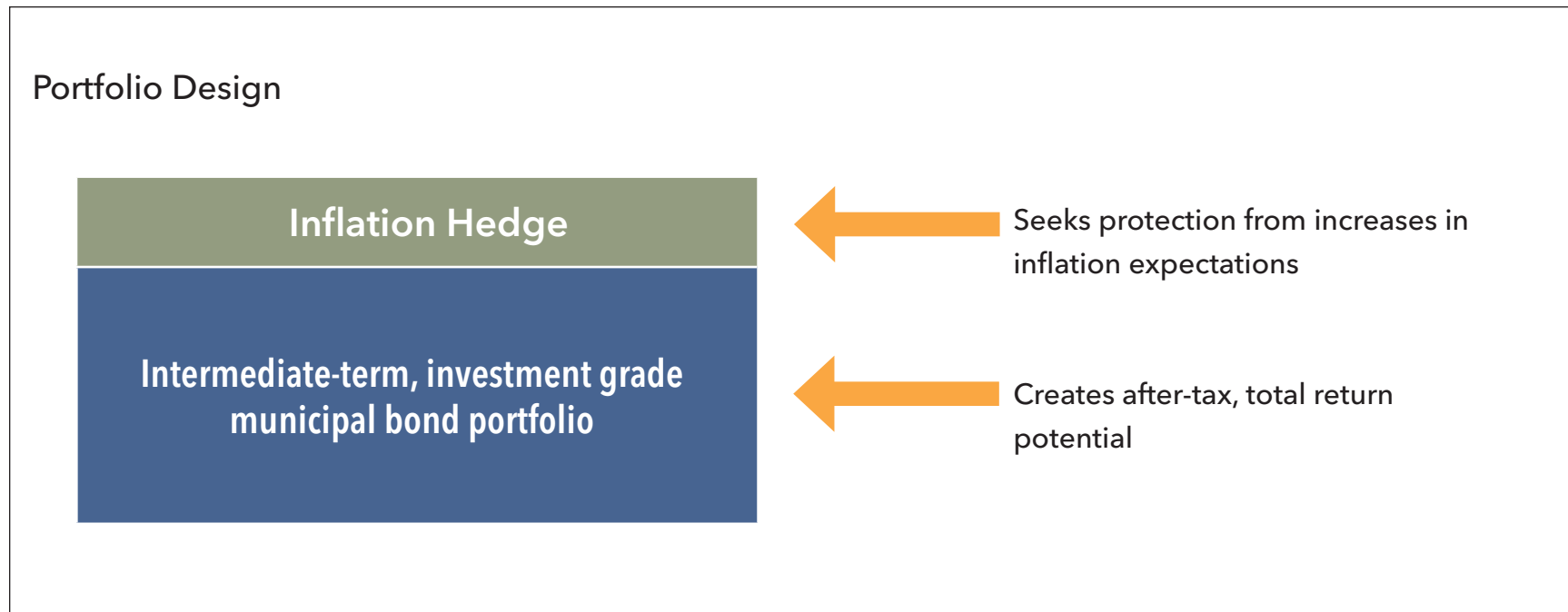
NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND

➤ Designed to:

- Generate after-tax income
- Protect the portfolio from the eroding effects of unexpected inflation

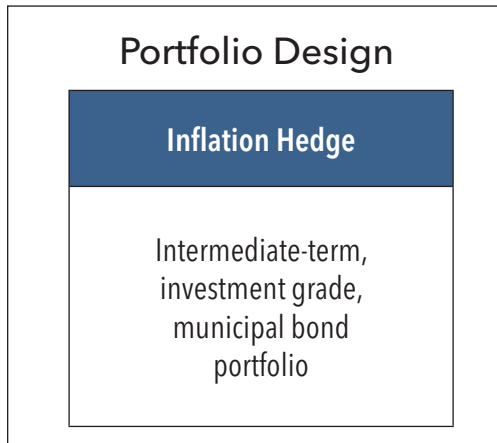
➤ Designed for Investors who are:

- Conservative and seeking income protected from eroding impact of inflation and taxes
- Municipal bond investors concerned about rising inflation
- Treasury Inflation Protected Securities (TIPS) investors who are concerned about taxes



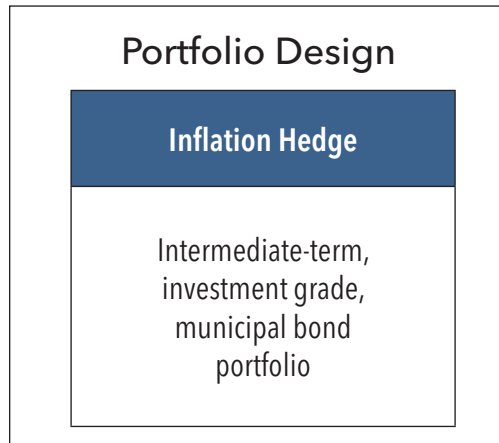
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BUILDING THE PORTFOLIO: MUNICIPAL BOND PORTFOLIO



- **Conservatively managed underlying municipal bond portfolio:**
 - At least 80% investment-grade municipals to reduce credit risk
 - Up to 20% below-investment-grade bonds to increase yield potential
 - Intermediate-term in duration to help manage interest rate risk
 - Actively managed to increase total return potential

BUILDING THE PORTFOLIO: INFLATION HEDGE COMPONENT



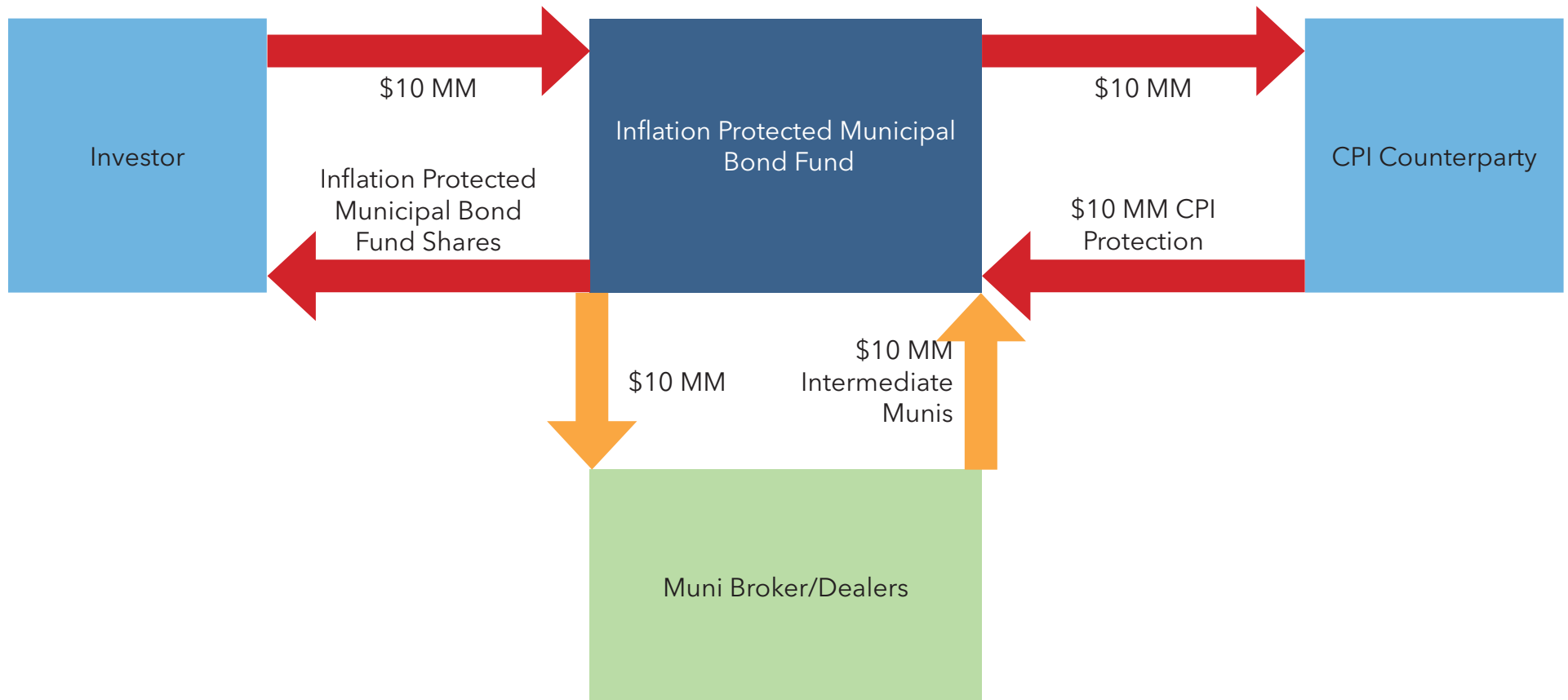
➤ Inflation hedge **WILL NOT**:

- Attempt to add return by anticipating changes to inflation expectations
- Attempt to add return by adjusting the hedge ratio
- Hedge against portfolio risks other than changes in inflation expectations
- Hedge the NAV against the impact of inflation expectation changes

PASSIVE VERSUS ACTIVE HEDGING




► How is this fund different from competing offerings?

- Inflation hedge is 100% at all times
 - The Portfolio Managers do not make active bets on inflation
 - The Portfolio Managers align the dollar amount and duration of the CPI swaps to the municipal bond portfolio
 - The dollar amount and maturity of CPI swaps will closely match the underlying municipal bonds



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HOW WILL THE INFLATION PROTECTED MUNICIPAL BOND FUND PERFORM VERSUS AN UNHEDGED INTERMEDIATE DURATION MUNICIPAL FUND?*

1. **Inflation expectations INCREASE:** Inflation protected municipal bond fund outperforms a similar unhedged fund 
2. **Inflation expectations DECREASE:** Inflation protected municipal Bond Fund underperforms a similar unhedged fund 
3. **Inflation expectations UNCHANGED:** Inflation Protected Municipal Bond Fund performs like a similar unhedged fund** 

* This assumes all other factors remain constant, and only considers changes in inflation expectations.

** CPI Swaps have a net present value of zero at initiation, except for a modest bid/ask of between 1 and 3 basis points (under normal market conditions). In a scenario where inflation expectations are unchanged, the Fund, all else equal, will underperform a similar unhedged fund by the bid/ask of the CPI swaps - i.e., the cost of inflation 'insurance', all else equal is 1bp to 3 bps.

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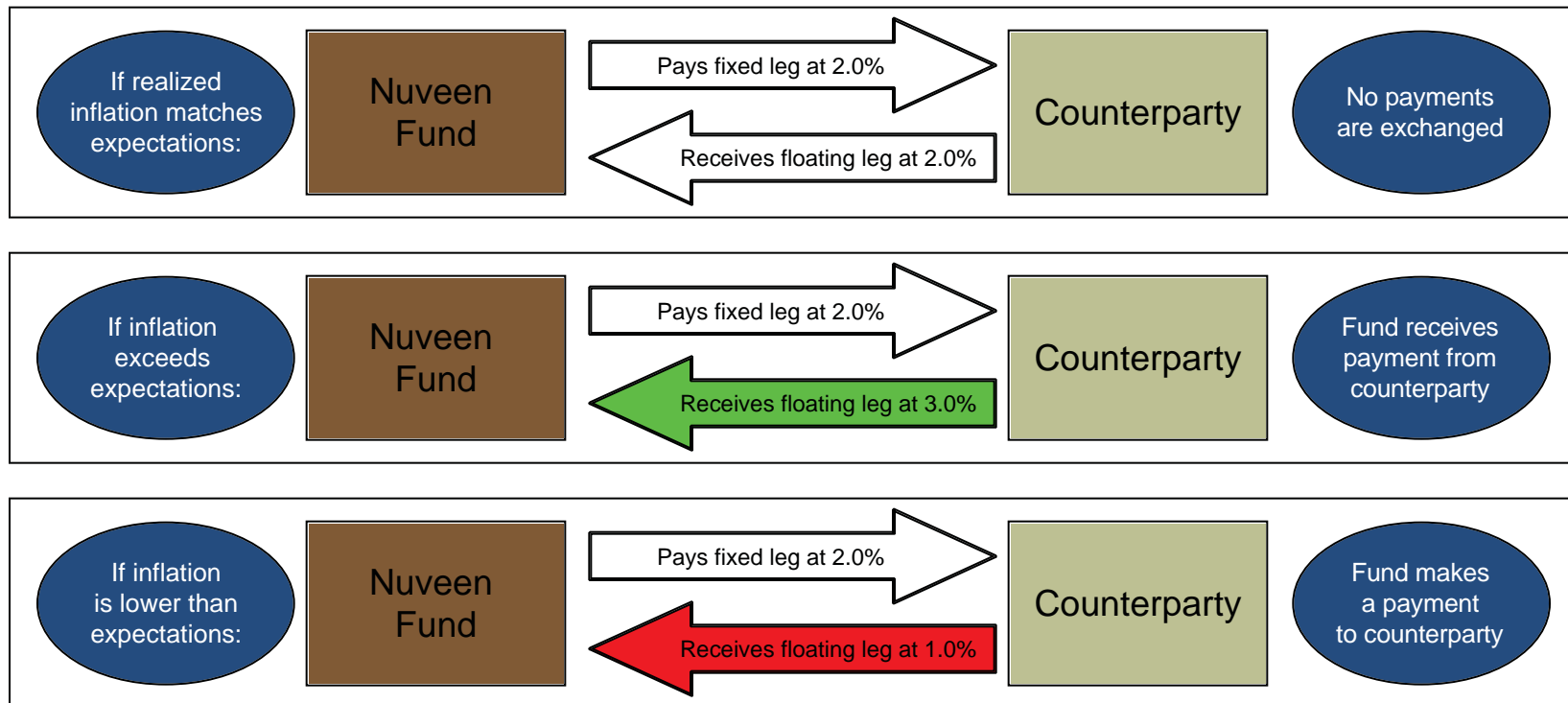
HOW CPI SWAPS WORK — THREE SAMPLE SCENARIOS

► Assumptions:

- The expected inflation rate (or “breakeven”) at initiation of the CPI swap was 2%.
- Nuveen pays the fixed rate leg on the CPI swap and receives the floating rate leg.
- The value of swap is marked to market daily and is reflected in the Fund’s daily NAV.

Scenario:

Result:



NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND OVERVIEW

Investment Objective	<ul style="list-style-type: none"> • Provide after-tax total return, protected from inflation, through a combination of federally tax-exempt income and inflation-linked investments.¹
Portfolio Composition	<ul style="list-style-type: none"> • At least 80% invested in investment-grade municipal bonds. • Up to 20% in below-investment-grade municipal bonds. • Uses derivatives to hedge full portfolio against rising inflation expectations. <ul style="list-style-type: none"> – Typically, CPI swaps – May use TIPS or Treasuries in volatile markets • Generally invests in intermediate and long-term bonds with duration between two and ten years.
Duration	<ul style="list-style-type: none"> • Intermediate-term range to reduce interest rate risk • 2 - 4 years (option-adjusted)
Benchmark	<ul style="list-style-type: none"> • Barclays Capital 1 - 10 Year Municipal Bond Index
Portfolio Managers	<ul style="list-style-type: none"> • Daniel Close, CFA (Intermediate Municipal Bonds) • Douglas Baker, CFA (Inflation Hedging Strategy)
Expected Turnover	<ul style="list-style-type: none"> • 15 - 20% annually (for the underlying cash municipal bond portfolio)
Expense Ratios (A Shares)	<ul style="list-style-type: none"> • Net: 0.80%² • Gross: 0.97%

¹Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any are subject to tax. The inflation-hedging strategy may improve performance when unanticipated increases in inflation occur and may detract from performance if inflation expectations decrease.

²Expense ratios are based on the Fund's most recent fiscal year end and are estimated for the Fund's first fiscal year. The net expense ratio reflects a contractual commitment by the Fund's investment adviser to waive fees and reimburse expenses through August 31, 2013. Absent the waiver and reimbursement, expenses would be higher and total returns would be less.

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NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND (NITAX)

Fund Characteristics as of 6/30/11

Portfolio Statistics¹

Average Effective Maturity	9.53 Years
Average Modified Duration	3.56 Years ²
Number of Postions	106
Fund Net Assets	\$6.5 million

Top Five Sectors³

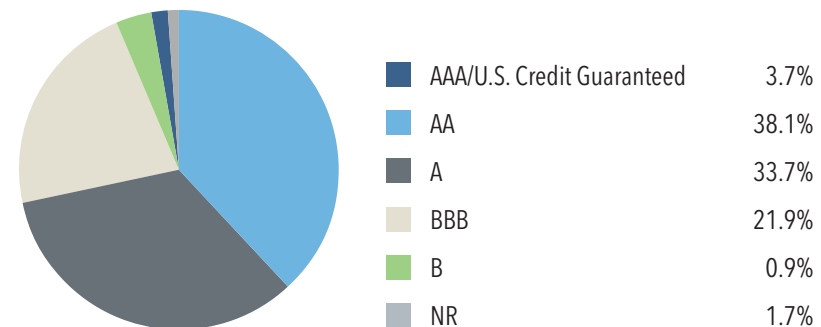
Tax Obligation/Limited	23.4%
Transportation	18.9%
Utilities	16.8%
Health Care	15.3%
Tax Obligation/General	11.7%

Top 5 Geographic Breakdown

California	9.8%
New York	9.3%
Illinois	8.9%
Ohio	8.2%
Texas	7.4%

Credit Quality

Ratings shown are the highest rating given by one or more national rating agencies (S&P or Moody's). Credit ratings are subject to change. AAA includes bonds with an implied AAA rating since they are backed by U.S. Government or agency securities. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. Holdings designated NR are not rated by a national rating agency.



¹As of 6/30/11. This data relates to the cash municipal bond portion of the portfolio and the underlying securities held in the portfolio. It should not be construed as a measure of performance for the fund itself.

²In calculating the Fund's overall duration, duration for inflation hedge is converted to nominal durations through a conversion factor (reviewed at least annually) which reflects the long-term relationship between inflation-linked investments and traditional bonds. The actual relationship in any given period may be different, making the Fund more or less sensitive to changes in nominal yields. As of 6/30/11, the duration of the underlying cash municipal bond portfolio is 5.37.

³As a percentage of total net assets as of 6/30/11. These holdings may change over time without notice.

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IMPORTANT RISK AND OTHER DISCLOSURES

Mutual fund investing involves risk; principal loss is possible. Debt or fixed income securities are subject to credit risk and interest rate risk. The value of, and income generated by debt securities will decrease or increase based on changes in market interest rates. As interest rates rise, bond prices fall. Credit risk refers to an issuer's ability to make interest and principal payments when due. Below investment grade bonds carry heightened credit risk and potential for default. The use of derivative instruments involves a high degree of financial risk, including the risk that the loss on a derivative may be greater than the principal amount invested. The Fund is non-diversified and may be subject to greater market risk due to political, regulatory, or economic factors affecting individual municipal bond issuers.

Please advise your clients to carefully consider the Fund's objectives, risks, charges and expenses before investing. For a prospectus containing this and other information about the Fund, please contact Nuveen Investments at (800) 752-8700 or visit www.nuveen.com. Instruct your clients to read the prospectus carefully before investing or sending money.

Fund distributed by Nuveen Securities, LLC.

Nuveen Asset Management – Municipal Investment Process



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NUVEEN ASSET MANAGEMENT SERVES A BROAD RANGE OF MARKETS

- The broad range of clients and wide variety of mandates attests to our municipal management expertise

ASSETS BY CLIENT TYPE

Client Type	Total
Corporate	\$5,568 MM
Endowment/Foundation	\$1,354 MM
High Net Worth	\$1,135 MM
Insurance	\$150 MM
Public/Government	\$1,118 MM
Taft-Hartley/Union	\$422 MM
Commingled/Mutual Funds	\$70,163 MM
Collective Trust	\$6 MM
Sub-Advised	\$4,516 MM
Total Institutional	\$84,307 MM
WRAP Managed Accounts	\$16,237 MM
Total Assets Under Management	\$100,394 MM

ASSETS BY PORTFOLIO STRATEGY

Portfolio	Total
Limited Maturity	\$6,361 MM
Intermediate	\$22,815 MM
Long-Term	\$42,707 MM
High-Yield/Inflation Protected Securities	\$6,098 MM
Total Return	\$1,579 MM
Preferred Securities	\$715 MM
Short Term/Cash Alternative	\$1,903 MM
BABs	\$894 MM
Core Taxable Fixed Income	\$1,197 MM
Other	\$271 MM
Equity	\$11,366 MM
Asset Allocation/Quantitative	\$462 MM
Real Estate	\$4,026 MM
Total Assets Under Management	\$100,394 MM

As of 3/31/11. Investing entails risk including risk of loss of principal.

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NUVEEN MUNICIPAL FIXED-INCOME INVESTMENT PHILOSOPHY

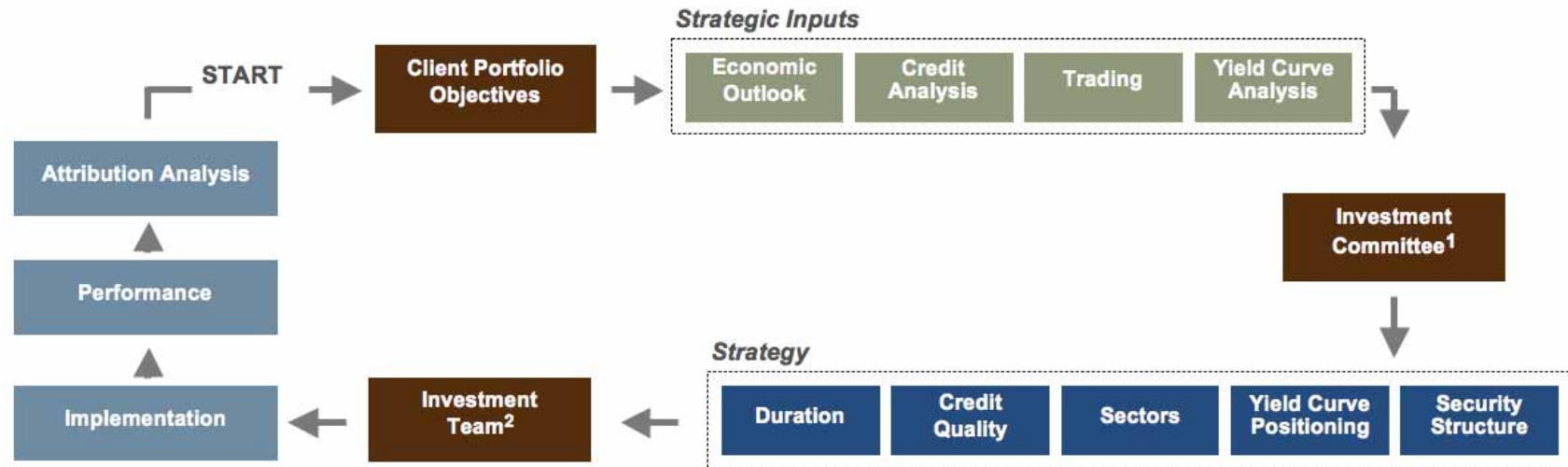
► Our mission is to:

- Provide customized portfolio management solutions that match our clients' needs
- Provide returns that are consistent and research-driven
- Provide current income that enhances the risk-adjusted returns of our clients' overall portfolios
- Structure fixed-income portfolios that most effectively diversify the risks of other asset classes within our clients' portfolios

► We believe:

- The fixed-income markets are inherently inefficient
- Risks in the fixed-income markets are multi-faceted
- Through rigorous evaluation of securities, sectors, structures, and yield curve and duration positioning we can capitalize upon inefficiencies and effectively manage risk

NUVEEN MUNICIPAL FIXED INCOME INVESTMENT PROCESS



The Investment Committee considers four strategic inputs – economic outlook, credit analysis, trading and yield curve analysis – when determining overall investment strategy. They then provide the Investment Team with targets and parameters regarding duration, yield curve positions, security structure, sectors and credit quality.³ The Investment Team works within these guidelines to implement the strategies and select specific securities in portfolio construction. This process and performance is regularly evaluated through attribution analysis.

Nuveen May Sell a Bond When They Believe It:

- Will no longer enjoy significant price appreciation.
- Has developed unfavorable convexity.⁴
- Is manifesting credit difficulties.
- Is in an overvalued sector.
- Can generate realized tax losses.

¹ The Investment Committee includes portfolio managers and other members of the municipal team.

² The Investment Team is composed of portfolio managers and trading assistants.

³ The credit quality targets are based on the average portfolio quality at time of purchase.

⁴ A bond has unfavorable convexity when the price increase, resulting from a decline in interest rates, is less than the price decrease from an equivalent change in rates in the opposite direction.

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NUVEEN MUNICIPAL FIXED-INCOME SOURCES OF ADDED VALUE

► Execution¹

- Market power of \$73.6 billion in municipal fixed-income assets under management²
- Access to bids
- Access to supply
- Access to research and ideas

► Research

- Strategic advantage in a large, thinly covered, inefficient market
- Dedicated and specialized
- Experienced
- Proprietary

► Active Management

- Relative value approach
- Continuously identify and exploit potential market opportunities
 - Yield Curve
 - Credit
 - Security Structure
 - Duration
 - Sectors



¹Institutional trade execution applies primarily to municipal bond trading as part of ongoing account management and generally does not include sales of legacy securities contributed to new or existing accounts or in connection with termination and liquidation instructions.

²As of 3/31/11. Includes institutional and retail accounts, closed-end funds, and mutual funds. Includes assets under management acquired from FAF Advisors, Inc. after the close of business on December 31, 2010. These assets are now managed by Nuveen Asset Management, LLC ("NAM") is the successor firm to (i) the portfolio management business of Nuveen Asset Management and (ii) the long-term asset management business of FAF Advisors, Inc. following an internal reorganization of Nuveen Asset Management and Nuveen Investments, Inc.'s acquisition of the long-term asset management business of FAF Advisors, Inc. from US Bank effective on December 31, 2010.

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Investment Professionals



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THE NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND

PORTFOLIO MANAGEMENT TEAM

Municipal bond management experience paired with derivative management experience

Daniel J. Close, CFA

Senior Vice President, Portfolio Manager

- Portfolio manager for many of Nuveen's state-specific, open-end municipal bond funds as well as several closed-end funds
- Served as research analyst covering corporate-backed, energy, transportation, and utility credits
- Worked as analyst at Banc of America Securities specializing in originating and structuring asset backed securities
- 13 years industry experience, 11 at Nuveen
- B.S., Business, Miami University (Ohio)
- M.B.A., J.L. Kellogg School of Management

Douglas M. Baker, CFA

Senior Vice President, Overlay Manager

- Responsible for the development and implementation of derivatives-based strategies for Nuveen Asset Management
- Assists in managing risk, leverage, and structured products in both existing and new investment vehicles
- Portfolio manager for the Nuveen Preferred Securities Fund
- Three years at Lehman Brothers focused on treasuries, agencies, TIPS, and over-the-counter derivatives (including inflation-linked swaps)
- 13 years industry experience, 5 at Nuveen
- B.S., Finance, University of Illinois
- M.B.A., Finance and Economics, University of Chicago

NUVEEN ASSET MANAGEMENT'S DEEP INDUSTRY AND FIRM EXPERIENCE

Nuveen Asset Management

William T. Huffman, CPA
President

Portfolio Management & Trading

- 59 Professionals
- 21 average years industry experience
- 13 average years Nuveen experience¹

Risk Management

- 2 Professionals
- 24 average years industry experience
- 20 average years Nuveen experience¹

Research

- 59 Professionals
- 14 average years industry experience
- 8 average years Nuveen experience¹

Client Service

- 21 Professionals
- 18 average years industry experience
- 11 average years Nuveen experience¹

Shared Service Organizations

- | | | | |
|-------------------|----------------------|------------------------|--------------------------|
| • Operations | • Sales | • Investment Oversight | • Information Technology |
| • Human Resources | • Marketing | • Legal | • Fund Administration |
| • Finance | • Product Management | • Compliance | • National Accounts |

As of 6/30/2011.

Nuveen Investments, Inc. acquired the Long-term asset management business of FAF Advisors, Inc. (FAF) and combined it with Nuveen Asset Management, LLC, a wholly-owned subsidiary of Nuveen Investments. Former employees of FAF joined Nuveen Asset Management in conjunction with that transaction on January 1, 2011.

¹Calculation of average years of experience incorporates years employed at both NAM and/or FAF.

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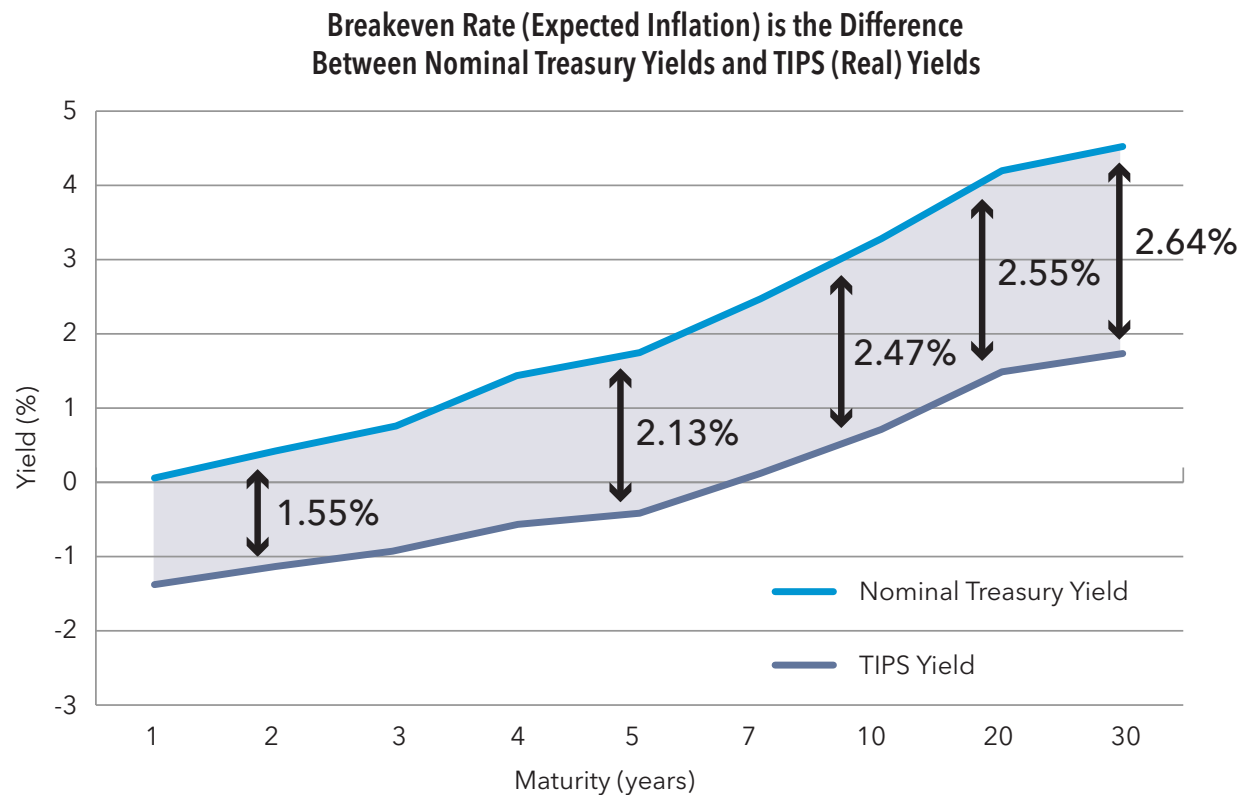
Appendix



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CPI SWAPS BASED ON EXPECTED INFLATION RATE

- Fund uses zero coupon CPI swaps
- These securities use the “breakeven rate” as their expected inflation measure
- “Breakeven rate” is the difference between the nominal Treasury curve and the TIPS yield curve



As of 6/30/11. Source: Morgan Stanley US Liquid Rate Tracker 6/30/11.

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CPI SWAP STRATEGY IMPLEMENTATION

- Seek to fully immunize portfolio against unexpected inflation
- Match the duration profile of the underlying municipal bond portfolio with the duration profile of the CPI swaps
- Always fully hedged

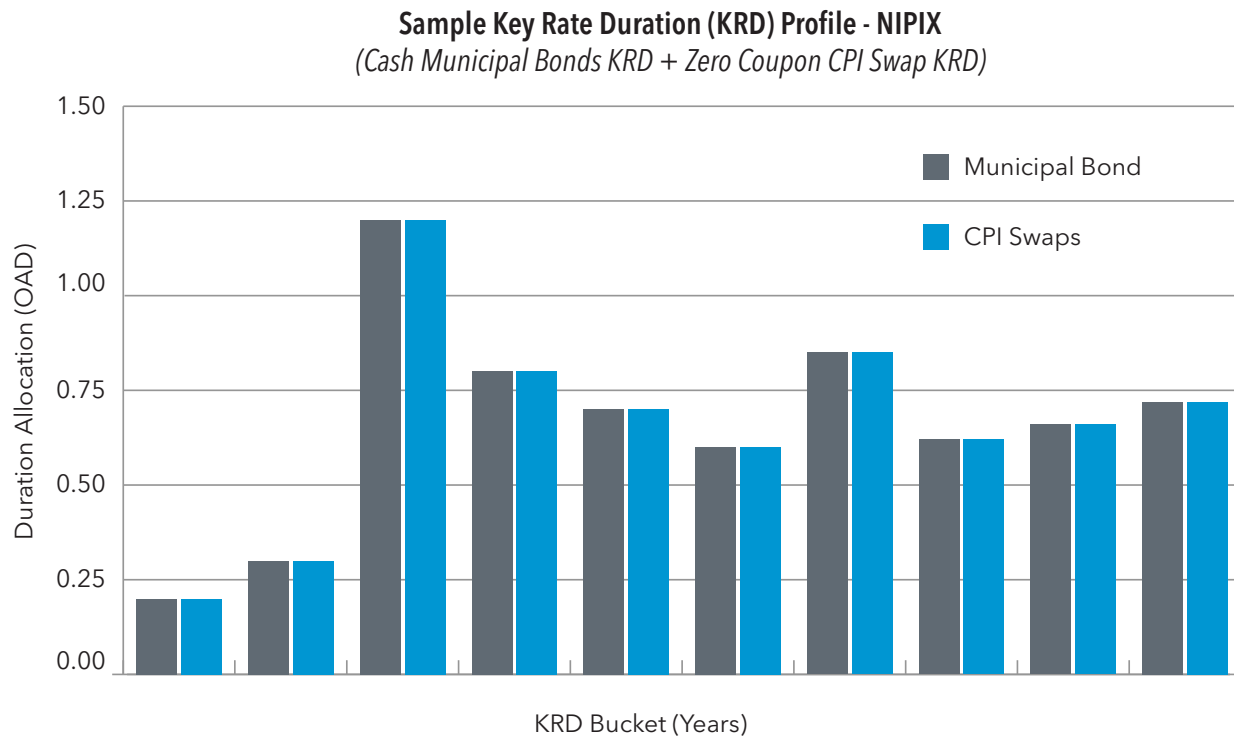


Chart for illustration purposes only. Actual hedges may not always exactly match key duration profile of underlying portfolio due to market fluctuation in value of portfolio and swaps.

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COMPARING TIPS TO INFLATION-HEDGED MUNI PORTFOLIO

Inflation hedged municipal bond portfolio can offer:

- Higher yield potential
- Lower interest rate sensitivity

It should be noted that TIPS are backed by full faith and credit of the U.S. Government, while municipal bonds have credit risk. The use of CPI swaps involves additional risks, including leverage, counterparty risk and the risk that the hedge will not perform as expected.

TIPS vs. Inflation-Hedged AA-Rated Municipal Bond

(As of June 30, 2011)	Generic 10-Year TIPS	Generic 10-Year Tax Exempt AA-Rated Municipal Bond	
Real Yield	+0.70%	+0.53%	
Expected Inflation	+2.46%	+2.46%	
Expected Nominal Yield	+3.16%	+2.99%	
Less Taxes*	-0.88%	-0.00%	
Less Inflation	-2.46%	-2.46%	
Expected Yield AFTER Taxes and Inflation	-0.18%	+0.53%	← 0.71% higher yield
Nominal Duration Equivalent**	5.5 Years	8.6 Years	
Nominal Duration Equivalent w/CPI Swap Hedge		5.6 Years	← equivalent duration

* Assumes individual investor in the 28% marginal tax bracket.

** Assumes an inflation/nominal duration conversion hedge ratio of 0.35.

Sources: Bloomberg, MMD; Nuveen Asset Management

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Appendix 2 – Municipal Credit Research



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NUVEEN MUNICIPAL CREDIT RESEARCH — MISSION AND CORE RESPONSIBILITIES

➤ Credit Research – Mission

- To develop actionable investment decisions that preserve capital and enhance total return through fundamental market, sector and security analysis.
- Nuveen’s research team dedicates time to regular planning activities, but also has the breadth and depth of resources to address urgent matters on short notice.

➤ Credit Research – Core Responsibilities

- New Credit Analysis
 - Evaluate new candidates for purchase (in both primary and secondary markets) for credit quality, security structure and market value to determine if buy recommendations are warranted
- Surveillance
 - Analyze current holdings on a targeted, regular basis to monitor any changes in status
 - Evaluate critical changes in existing holdings (due to events, regulatory/legislative changes, etc.)
- Sector Analysis
 - Perform a top-down review of core sectors as a whole as well as bottom-up analysis of individual credits
 - Analyze yield spreads and pricing

NUVEEN MUNICIPAL CREDIT RESEARCH — ORGANIZATION AND RESOURCES

► Organization

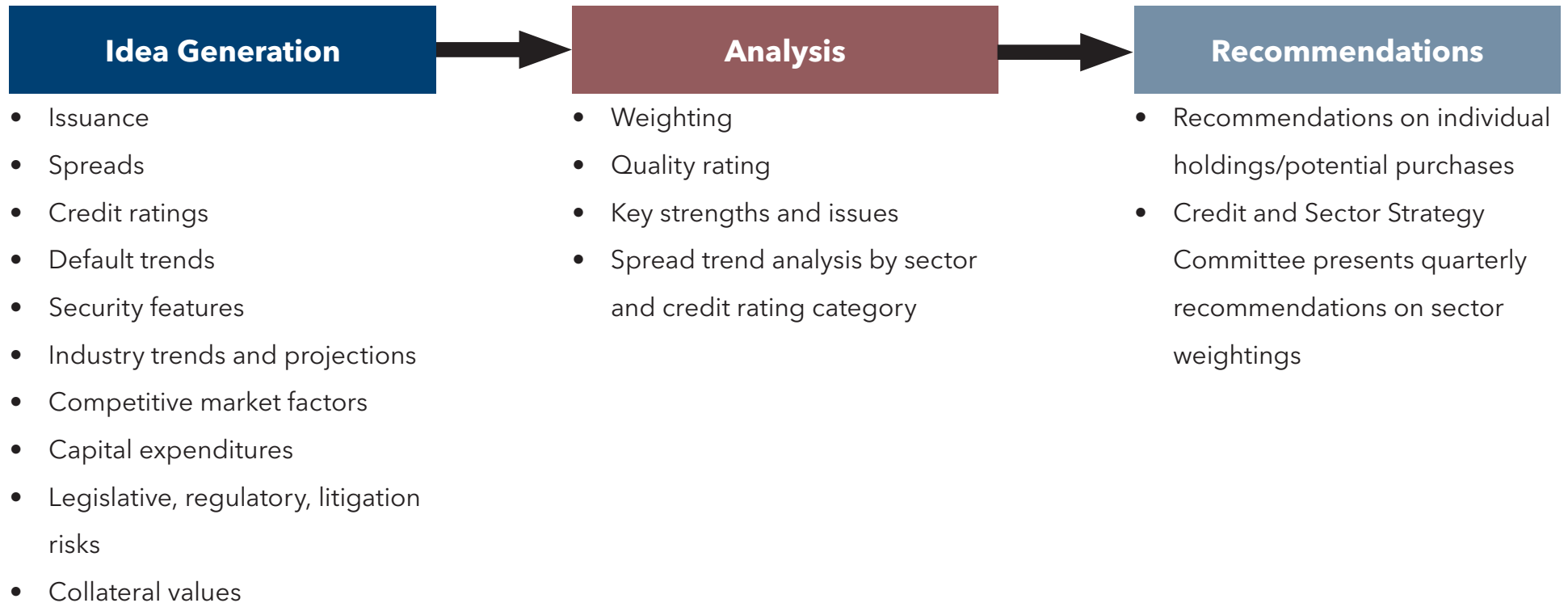
- 23 member team¹
- Analysts are organized into team based on a limited number of specific credit sectors followed
- Within sectors analysts follow the entire ratings spectrum from high-grade to high-yield and are responsible for both reviewing potential new purchases and surveillance of existing holdings

► Resources

- Customized, proprietary research system which archives and tracks the holdings, financial information and research done for all credits reviewed (currently held, formerly held, or reviewed and not purchased)
- Access to ratings agency databases, information repositories, news search databases and secondary market trade information

¹ As of 6/30/11.

NUVEEN MUNICIPAL CREDIT RESEARCH — PROCESS AND PHILOSOPHY



NUVEEN MUNICIPAL CREDIT RESEARCH — PROCESS AND PHILOSOPHY

➤ Communications

- Face-to-face and/or e-mails to portfolio managers and trading team
- Enter written analysis into proprietary research database

➤ Information Gathering

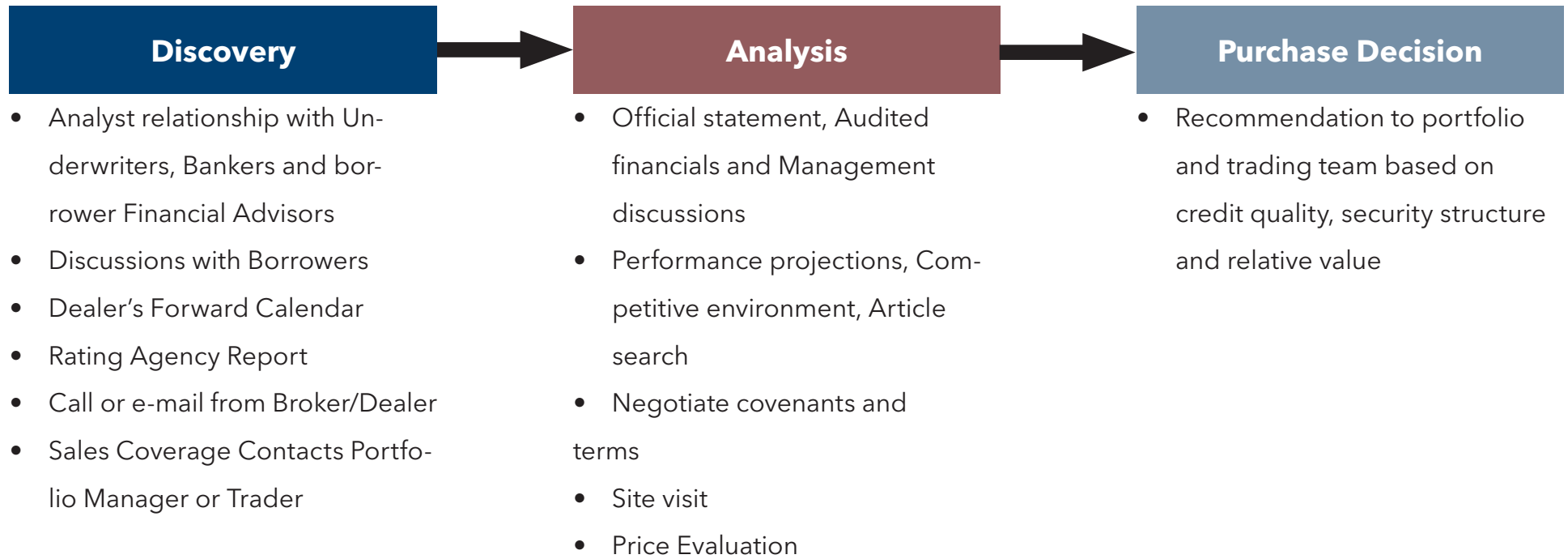
- Daily news searches (Factiva, sector publications)
- Financial statement and key metric reviews
- Phone calls with borrower and site visits
- Secondary market trades

➤ Written Analysis

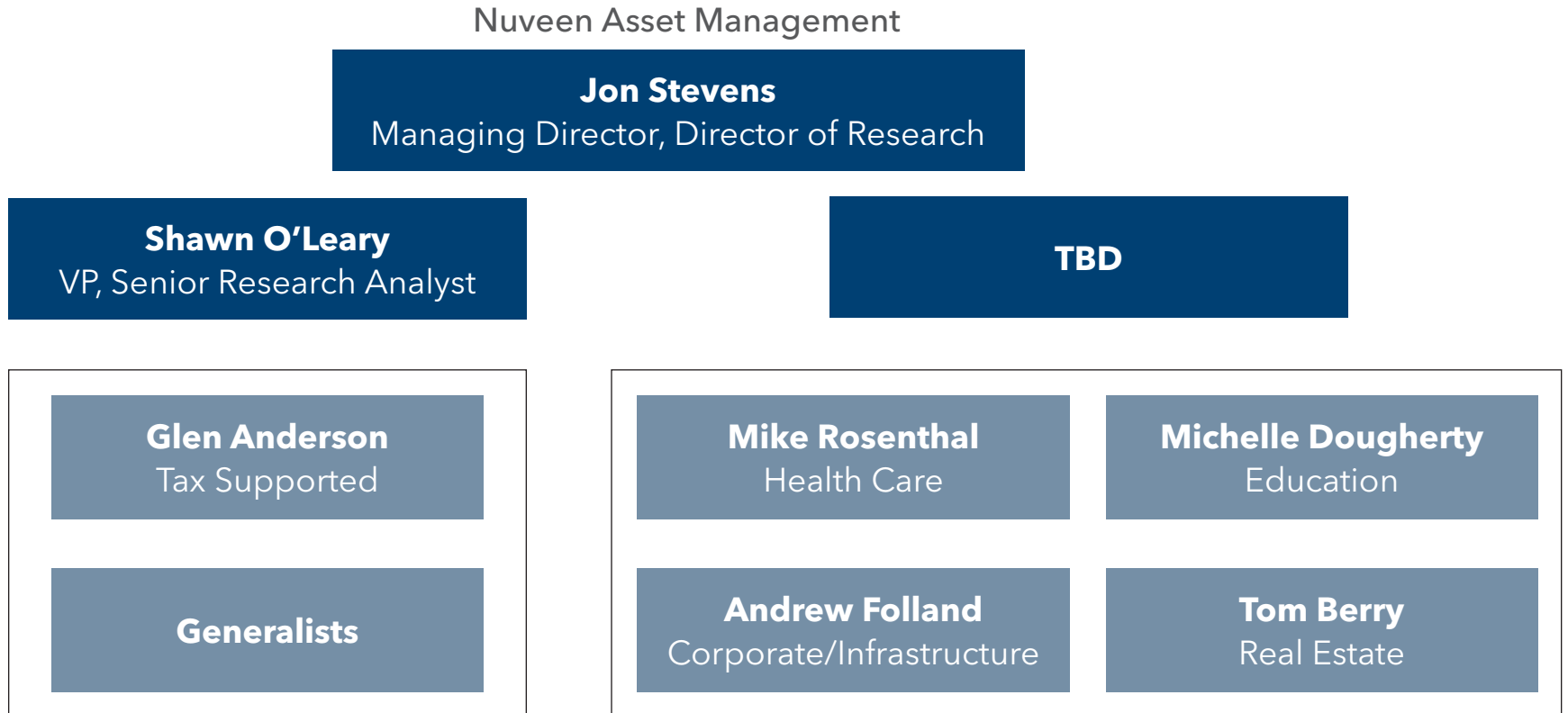
- Best practices
- Standard reports
- Credit rating, trend and rationale



NUVEEN MUNICIPAL CREDIT RESEARCH — PROCESS AND PHILOSOPHY



MUNICIPAL CREDIT RESEARCH TEAM



- One of the largest municipal credit research teams in the investment management industry
- 23 professionals averaging 13 years of experience¹
- Organized in teams that specialize in specific sectors and niche markets

¹ As of 7/25/11.

NUVEEN INFLATION PROTECTED MUNICIPAL BOND FUND PRESENTATION NOTES

Slide 4

Today's income investors have multiple concerns about where to find yield, how to protect against inflation, how taxes will impact their investment and how to protect against rising interest rates.

Slide 5

The inflation risk that investors face can be volatile over time. The chart below highlights peak periods of inflation at various points in history.

Slide 6

When evaluating whether inflationary pressures are building today, there are multiple considerations. Short-term considerations include: increasing U.S. and worldwide fiscal deficits, easy global monetary policy, the rapid growth of emerging/developing market economies and the rapid increase in global commodity prices. Long-term considerations include wage growth, capacity utilization and global population growth. The charts on this slide further illustrate two of the short-term considerations: easy monetary policy and the rapid increase in commodity prices.

Slide 7

The impact that inflation has on an investor's portfolio typically increases over time. Wages typically rise with inflation, but as

investors rely more on cash flow from their investment portfolios to fund their current and future spending needs, their exposure to the adverse effects of unexpected inflation grows.

Slide 9

A number of asset classes, including TIPS, REITs, commodities and precious metals, have traditionally been considered inflation hedges, but some are more volatile than others. Conservative investors often choose TIPS as an inflation hedge because their volatility can be lower relative to other inflation hedging alternatives.

Slide 10

In evaluating whether TIPS are the ideal solution as an inflation hedge for taxable investors, it is important to consider the following:

- 1) TIPS generate "phantom income," as the TIPS principal changes with monthly CPI data and this change in principal value is taxed as ordinary income even though principal is not received until maturity.
- 2) TIPS are not tax-efficient investments because the principal accretion and coupon payments are fully taxable.
- 3) The chart below illustrates how taxes and inflation erode the return potential of TIPS (assuming a 28% tax rate and 2.5% actual inflation).

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Slide 11

In evaluating other investment alternatives that may protect against inflation and taxes, it is important to note that a traditional municipal bond portfolio is tax-efficient and can provide some protection against inflation, thus being an attractive source of after-tax, after-inflation returns in comparison to TIPS. The chart below illustrates how a municipal bond portfolio can offer positive returns after taxes and inflation (assuming 2.5% actual inflation).

Slide 13

The Nuveen Inflation Protected Municipal Bond Fund combines the benefits of after-tax income from municipal bonds with protection from unexpected inflation.

Slide 14

The Nuveen Inflation Protected Municipal Bond Fund addresses multiple investor concerns about where to find yield, how to protect against inflation, how taxes will impact their investment and how to protect against rising interest rates. First, in a low interest rate environment, intermediate duration municipal bonds offer attractive after-tax yields. Second, the Fund's inflation hedging strategy helps to protect against the effects of unexpected inflation. Third, the Fund mitigates the impact of taxes on a portfolio because municipal bonds are generally not subject to federal taxes, and the inflation hedging strategy avoids the "phantom income" associated with TIPS. Lastly, in a rising rate environment, the Fund's intermediate term duration

offers an attractive risk/return tradeoff and the active management of the portfolio can help mitigate the impact of rising rates through portfolio positioning.

Slide 15

The Nuveen Inflation Protected Municipal Bond Fund is designed to create after-tax, total return potential and seek protection from the eroding effects of unexpected increases in inflation expectations. The Fund is designed for investors who are: conservative and seeking income protected from the eroding effects of inflation and taxes; municipal bond investors concerned about rising inflation and TIPS investors who are concerned about taxes.

Slide 16

The Nuveen Inflation Protected Municipal Bond Fund's underlying municipal bond portfolio is conservatively managed and has the following characteristics: at least 80% is in investment-grade bonds in order to reduce credit risk; a maximum of 20% in below-investment grade bonds to increase yield potential; the duration is intermediate-term in order to help manage interest rate risk and active management increases total return potential.

Slide 17

The Nuveen Inflation Protected Municipal Bond Fund's CPI swap hedge will not do the following: attempt to add return by anticipating changes in inflation expectations; attempt to add return by adjusting

the hedge ratio; hedge against risks to the portfolio other than changes in inflation expectations or hedge the Fund's NAV against the impact of inflation expectation changes.

Slide 18

This slide provides further detail on how the Fund differentiates itself from competing offerings and an illustration of the CPI swap overlay.

Slide 19

This slide provides an overview of how the Fund is expected to perform versus an unhedged intermediate duration municipal bond fund in various scenarios where inflation expectations rise, decrease or remain unchanged.

Slide 20

Fund uses primarily zero coupon CPI swaps:

- Fixed Leg – Average expected annualized rate of inflation over the life of the swap, often referred to as the breakeven rate of inflation
- Floating Leg – Actual monthly CPI data points released by the Bureau of Labor Statistics

To hedge against inflation, the fund will:

- Pay the fixed rate on swap
- Receive the floating leg of swap

Zero coupon CPI swaps make a single payment at maturity.

If over the life of the swap:

- Average realized inflation (floating) = expected inflation (fixed)
→ No payment exchanged
- Average realized inflation (floating) > expected inflation (fixed)
→ Fixed rate payer receives payment
- Average realized inflation (floating) < expected inflation (fixed)
→ Floating rate payer receives payment

Value of swap is marked to market daily and reflected in the Fund's daily NAV.

Slide 21

The Nuveen Inflation Protected Municipal Bond Fund's investment objective is to provide after-tax total return, protected from inflation, through a combination of federally tax-exempt income and inflation-linked investments. The primary features of the Fund are:

- Under normal circumstances, at least 80% of the portfolio is invested in investment-grade municipal bonds, with up to 20% in below-investment-grade municipal bonds. Derivatives are used to hedge the full portfolio against rising inflation expectations. Typically, CPI swaps will be used but TIPS or Treasuries may also be used in volatile markets. The Fund generally invests in intermediate and long-term bonds with duration between two and ten years.
- The Fund's duration is in the intermediate-term range (two to four years) to reduce interest rate risk. The Fund's bench-

mark is the Barclays Capital 1-10 Year Municipal Bond Index. The expected turnover for the underlying cash municipal bond portfolio is 15-20% annually.

- The portfolio managers are Daniel Close and Douglas Baker.
- The A share expense ratios are 0.80% (net) and 0.97% (gross).

Slide 22

This page includes fund facts such as portfolio statistics, sector and geographic allocations, as well as the portfolio's credit profile.

Slide 23

Please read the risk disclosure verbatim.

Slide 25

Nuveen Asset Management serves a broad range of clients with a wide variety of mandates.

Slide 26

Nuveen Asset Management's mission is to provide customized portfolio management solutions that match client needs and to provide returns that are consistent and research driven. The team designs portfolios to try to provide current income that enhances the risk-adjusted return of a client's overall portfolio. Using a value-oriented approach, Nuveen Asset Management rigorously evaluates securities and sectors, selects what are believed to be attractive bond structures and works to position the portfolio within appropriate

maturity and duration ranges. With this approach, the team seeks to effectively diversify the risks of other asset classes within an investor's portfolio.

Slide 27

Nuveen Asset Management's fixed income investment process includes four strategic inputs when determining overall investment strategy: economic outlook, credit analysis, trading and yield curve analysis. The Investment Committee provides the Investment Team with targets and parameters regarding duration, yield curve positions, security structure, sectors and credit quality. The Investment Team works within these guidelines to implement the strategies and select specific securities in portfolio construction. This process and performance is regularly evaluated through attribution analysis.

Slide 28

Nuveen Asset Management's execution, research and active management capabilities provide various sources of added value in fixed income portfolio management.

Slide 30

The Nuveen Inflation Protected Municipal Bond Fund's portfolio management team, led by Daniel Close and Douglas Baker, pairs municipal bond management and derivative management experience.

Slide 31

This slide provides an overview of Nuveen Asset Management's municipal bond investment team.

Slide 33

Fund uses primarily zero coupon CPI swaps, which uses the "breakeven rate" as their expected inflation measure. As illustrated in the chart below, the "breakeven rate" is the difference between the nominal Treasury curve and the TIPS yield curve.

Slide 33

The implementation of the Fund's CPI swap strategy seeks to fully immunize the portfolio against unexpected inflation by matching the duration profile of the underlying municipal bond portfolio with the duration profile of the CPI swaps, as illustrated in the chart below.

Slide 35

In comparison to TIPS, an inflation-hedged municipal bond fund can offer higher yield potential and lower interest rate sensitivity. The chart below further illustrates the comparison.

Slide 37

This slide provides further detail on the mission and core responsibilities of Nuveen's municipal credit research team.

Slide 38

This slide provides further detail on the organization and resources of Nuveen's municipal credit research team.

Slide 39-41

These slides provide further detail on the process and philosophy of Nuveen's municipal credit research team.

Slide 42

This slide provides an overview of Nuveen Asset Management's municipal credit research team.