NUVEEN DIVIDEND ADVANTAGE MUNICIPAL FUND
Form N-CSRS
July 07, 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 811-09297

Nuveen Dividend Advantage Municipal 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 end: October 31

Date of reporting period: April 30, 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.

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.

Nuveen Investments to be acquired by TIAA-CREF

On April 14, 2014, TIAA-CREF announced that it had entered into an agreement to acquire Nuveen Investments, the parent company of your fund's investment adviser, Nuveen Fund Advisors, LLC ("NFAL") and the Nuveen affiliates that act as sub-advisers to the majority of the Nuveen Funds. TIAA-CREF is a national financial services organization with approximately $569 billion in assets under management (as of March 31, 2014) and is a leading provider of retirement services in the academic, research, medical and cultural fields. Nuveen anticipates that it will operate as a separate subsidiary within TIAA-CREF's asset management business, and that its current leadership and key investment teams will stay in place.

Your fund investment will not change as a result of Nuveen's change of ownership. You will still own the same fund shares and the underlying value of those shares will not change as a result of the transaction. NFAL and your fund's sub-adviser(s) will continue to manage your fund according to the same objectives and policies as before, and we do not anticipate any significant changes to your fund's operations. Under the securities laws, the consummation of the transaction will result in the automatic termination of the investment management agreements between the funds and NFAL and the investment sub-advisory agreements between NFAL and each fund's sub-adviser(s). New agreements will be presented to the funds' shareholders for approval, and, if approved, will take effect upon consummation of the transaction or such later time as shareholder approval is obtained.

The transaction, expected to be completed by year end, is subject to customary closing conditions.

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Chairman's Letter to Shareholders

Dear Shareholders,

After significant growth in 2013, domestic and international equity markets have been less compelling during the first part of 2014. Concerns about deflation, political uncertainty in many places and the potential for more fragile economies to impact other countries have produced uncertainty in the markets.

Europe is beginning to emerge slowly from recession in mid-2013, with improved GDP and employment trends in some countries. However, Japan's deflationary headwinds have resurfaced; and China shows signs of slowing from credit distress combined with declines in manufacturing and exports. Most recently, tensions between Russia and Ukraine may continue to hold back stocks and support government bonds in the near term.

Despite these headwinds, there are some encouraging signs of forward momentum in the markets. In the U.S., the news is more positive with financial risks slowly receding, positive GDP trends, downward trending unemployment and stronger household finances and corporate spending.

It is in such changeable 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.

William J. Schneider
Chairman of the Board
June 23, 2014

Portfolio Managers' Comments

Nuveen Performance Plus Municipal Fund, Inc. (NPP)
Nuveen Municipal Advantage Fund, Inc. (NMA)
Nuveen Municipal Market Opportunity Fund, Inc. (NMO)
Nuveen Dividend Advantage Municipal Fund (NAD)
Nuveen Dividend Advantage Municipal Fund 2 (NXZ)
Nuveen Dividend Advantage Municipal Fund 3 (NZF)

These Funds feature management by Nuveen Asset Management, LLC, an affiliate of Nuveen Investments. Portfolio managers Thomas C. Spalding, CFA, and Paul L. Brennan, CFA, discuss key investment strategies and the six-month performance of these six national Funds. Tom has managed NXZ since its inception in 2001 and NPP, NMA, NMO and NAD since 2003. Paul assumed portfolio management responsibility for NZF in 2006.

What key strategies were used to manage these Funds during the six-month reporting period ended April 30, 2014?

During this reporting period, we saw the municipal market shift from volatility to a more stable environment. As 2014 began, the selling pressure that had been triggered by uncertainty about the Federal Reserve's (Fed) next steps and headline credit stories involving Detroit and Puerto Rico gave way to increased flows into municipal bond funds, as the Fed remained accommodative and municipal credit fundamentals continued to improve. Municipal bonds rebounded, driven by stronger demand and declining supply. For the reporting period as a whole, municipal bonds nationwide generally produced positive total returns. During this time, we continued to take a bottom-up approach to discovering sectors that appeared undervalued as well as individual credits that had the potential to perform well over the long term and helped keep our Funds fully invested.

During this period, the Funds generally emphasized staying fully invested in credit sensitive sectors and longer maturity bonds that tend to perform well when new issuance is scarce and credit spreads are stable or tightening, as money flowed back into the municipal market. Overall, we were focused on finding bonds in the new issue and secondary markets that could enhance our efforts to achieve portfolio objectives. Because the Funds experienced turnover in short-term bonds, some of that focus was on purchasing bonds with longer maturities to maintain the Funds' longer durations. During the last part of 2013 and early 2014, this included the purchase of zero coupon bonds in NPP, NMA, NMO, NAD and NXZ, which provided long maturities and additional income to support the Funds' dividends. In general, NPP, NMA, NMO, NAD and NXZ continued to find value in sectors that represent some of our larger exposures, including transportation (e.g., tollroads, highways), water and sewer, health care and tobacco. One of our additions in the transportation sector was a new issue from the Foothill/Eastern Transportation Corridor Agency (F/ETCA) in California, which we purchased at attractive prices in December 2013. In one of the largest fixed-rate municipal transactions of 2013, F/ETCA refinanced $2.3 billion in outstanding debt originally issued in 1999. The refinancing extended the agency's debt from 2040 to 2053, lowered annual payments through 2040 and reduced the maximum annual debt payment. Traffic

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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, Inc. (Moody's) 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.

Bond insurance guarantees only the payment of principal and interest on the bond when due, and not the value of the bonds themselves, which will fluctuate with the bond market and the financial success of the issuer and the insurer. Insurance relates specifically to the bonds in the portfolio and not to the share prices of a Fund. No representation is made as to the insurers' ability to meet their commitments.

Portfolio Managers' Comments (continued)

and revenues on the tollroads in F/ETCA's 36-mile network, which links major population centers in Southern California, have increased and the bonds have performed very well for the Funds since purchase.

NZF also found value in diversified areas of the market, including transportation, health care and general obligation (GO) bonds. Despite the challenging environment created by the 20% decrease in new issuance during this reporting period, we continued to find opportunities to purchase bonds that helped achieve our goals. In the primary market, we added some new BBB-rated bond offerings, including the F/ETCA issue as well as bonds issued to finance the Downtown Crossing bridge across the Ohio River from Indiana to Louisville, Kentucky. In addition, we purchased bonds for Catholic Health Initiative, a national non-profit health system that operates hospitals and long-term care facilities in 17 states, for facilities in Colorado and Tennessee. We also increased our exposure to GO bonds issued by the state of Illinois. Despite the state's well-publicized fiscal difficulties, we believe Illinois has taken small positive steps to begin addressing these problems and these holdings have performed well for NZF.

Also during this period, S&P upgraded its credit rating on National Public Finance Guarantee Corp. (NPFG), the insurance subsidiary of MBIA, to AA-rated from A-rated, citing NPFG's strong operating performance and competitive position in the financial guarantee market. As a result, the Funds' holdings of bonds backed by insurance from NPFG were similarly upgraded to AA-rated as of mid-March 2014. This action produced an increase in the percentage of our portfolios held in the AA-rated credit quality category (and a corresponding decrease in the A-rated category), improving the overall credit quality of the Funds. During this reporting period, S&P also upgraded its rating on Assured Guaranty Municipal (AGM) as well as AGM's municipal-only insurer Municipal Assurance Corp. to AA from AA-.

Cash for new purchases during this reporting period was generated primarily by the proceeds from called and matured bonds, which we worked to redeploy to keep the Funds fully invested and support their income streams. The Funds also engaged in some light selling for cashflow management purposes or to take advantage of attractive prices for some of the Funds' holdings. In addition, NPP, NMA, NMO and NAD sold several holdings of Puerto Rico paper. This activity is further discussed in our comments on Puerto Rico at the end of this Portfolio Managers' Comments section.

As of April 30, 2014, all six of these Funds continued to use inverse floating rate securities. We employ inverse floaters for a variety of reasons, including duration management, income enhancement and total return enhancement.

How did the Funds perform during the six-month reporting period ended April 30, 2014?

The tables in each Fund's Performance Overview and Holding Summaries section of this report provide the Funds' total returns for the six-month, one-year, five-year and ten-year periods ended April 30, 2014. Each Fund's total returns at net asset value (NAV) are compared with the performance of a corresponding market index and Lipper classification average.

For the six months ended April 30, 2014, the total returns at common share NAV for all six of these Funds outperformed the return for the national S&P Municipal Bond Index. For the same period, NPP exceeded the average return for the Lipper General & Insured Leveraged Municipal Debt Funds Classification Average, while the remaining five Funds lagged this Lipper average.

Key management factors that influenced the Funds' returns during this reporting period included duration and yield curve positioning, credit exposure and sector allocation. In addition, the use of regulatory leverage was an important positive factor affecting the Funds' performance. Leverage is discussed in more detail in the Fund Leverage section of this report.

As interest rates on longer bonds slipped and the yield curve flattened during this reporting period, municipal bonds with longer maturities generally outperformed those with shorter maturities. Overall, credits with long-intermediate maturities (15 years and longer) posted the best returns, while bonds at the shortest end of the municipal yield curve produced the weakest results. In general, the Funds' durations and yield curve positioning were the key contributors to their performance. Consistent with our long-term strategy, these Funds tended to have longer durations than the municipal market in general, with overweightings in the longer parts of the yield curve that performed well and underweightings in the underperforming shorter end of the curve. This was beneficial for the Funds' performance during this reporting period. Performance differentials among the Funds can be ascribed to individual differences in duration and yield curve positioning. Overall, NPP was the most advantageously positioned in terms of duration and yield curve, while the performance of NXZ and NZF was restrained by their shorter durations.

Credit exposure was another key factor in the Funds' performance during this six-month reporting period. In general, lower rated bonds were rewarded as the environment shifted from selloff to rally, investors became more risk-tolerant and credit spreads, or the difference in yield spreads between U.S. Treasury securities and comparable investments such as municipal bonds, narrowed. Overall, A-rated credits and lower, outperformed those AAA-rated and AA-rated. These Funds benefited from their lower rated holdings during this reporting period.

For the reporting period, revenue bonds generally outperformed tax-supported bonds as well as the municipal market as a whole. Top performers included the industrial development revenue (IDR) and health care sectors. In addition, transportation (especially lower rated tollroad issues), water and sewer, education and housing credits generally outperformed the municipal market return. Each of these Funds had strong exposures to the health care and transportation sectors, which benefited their performance. Tobacco credits backed by the 1998 master tobacco settlement agreement also were among the best performing market sectors, due in part to their longer effective durations and lower credit quality. All of these Funds were overweighted in tobacco bonds, with NPP and NMO having the largest allocations of these credits and NZF the smallest.

In contrast, pre-refunded bonds, which are often backed by U.S. Treasury securities, were among the weaker performers. The under-performance of these bonds relative to the market can be attributed primarily to their shorter effective maturities and higher credit quality. All of these Funds had holdings of pre-refunded bonds, with NMO and NZF having the heaviest exposures to these bonds and NAD the smallest. Utilities and GO bonds also trailed the market for the reporting period, although by a substantially smaller margin than the pre-refunded category.

Shareholders also should be aware of two events in the broader municipal bond market that continued to have an impact on the Funds' holdings and performance: the City of Detroit's ongoing bankruptcy proceedings and the downgrade of ratings on Puerto Rico GO bonds and related debt to below investment grade. Burdened by decades of population loss, changes in the auto manufacturing industry, and significant tax base deterioration, the City of Detroit filed for Chapter 9 in federal bankruptcy court in July 2013. Given the complexity of its debt portfolio, number of creditors, numerous union contracts, and significant legal questions that must be addressed, Detroit's bankruptcy filing is expected to be a lengthy one. All of these Funds had allocations of Detroit water and sewer credits, which are supported by revenue streams generated by service fees. Many of these holdings also are insured. In addition, NPP and NMO held positions in Detroit distributable state aid general obligation (limited tax) bonds secured by liens on certain shared revenue streams and NZF held insured Detroit City School District bonds. Neither of these issues are part of the Detroit bankruptcy. During this reporting period, the Fund's Detroit holdings generally posted positive results.

In Puerto Rico, the commonwealth's continued economic weakening, escalating debt service obligations and long-standing inability to deliver a balanced budget led to several downgrades on its debt. Following the most recent round of rating reductions in February 2014, Moody's, S&P and Fitch rated Puerto Rico GO debt at Ba2/BB+/BB, respectively, with negative outlooks. Ratings on sales tax bonds issued by the Puerto Rico Sales Tax Financing Corporation (COFINA) also have been lowered, with senior sales tax revenue bonds rated Baa1/AA-/AA- and subordinate sales tax revenue bonds rated Baa2/A+/A+ by Moody's, S&P and Fitch, respectively, as of April 2014. The COFINA bonds were able to maintain a higher credit rating than the GOs because, unlike the revenue streams supporting some Puerto Rican issues, the sales taxes supporting the COFINA bonds cannot be diverted and used to support Puerto Rico's GO bonds.

For the reporting period ended April 30, 2014, Puerto Rico paper underperformed the municipal market as a whole. At the beginning of this reporting period, all of these Funds had limited exposure to Puerto Rico bonds, generally between under 1% and 5%. The effect on performance from their Puerto Rico holdings differed from Fund to Fund in line with the type and amount of its position, but on the whole, the small nature of our exposures helped to limit the negative impact of the underperformance. Puerto Rico bonds were originally added to our portfolios in order to keep assets fully invested and working for the Funds. We found Puerto Rico credits attractive because they offer higher yields, added diversification and triple exemption (i.e., exemption from most federal, state and local taxes). As previously mentioned, NPP, NMA, NMO and NAD sold some of their holdings of uninsured Puerto Rico paper. At period end, the majority of the Funds' exposure to Puerto Rico consisted of COFINA sales tax credits, issues that were insured or escrowed and bonds that Nuveen considers to be of higher quality. NPP, NMA, NMO, NAD, NXZ and NZF began the reporting period with portfolio allocations of 3.7%, 4.6%, 3.4%, 3.6%, 2.4% and 0.3% to Puerto Rico, respectively and ended the reporting period with an exposure to Puerto Rico of 3.2%, 3.2%, 1.8%, 2.3%, 2.1% and 0.2%, respectively. We believe that our decision to maintain limited exposure to Puerto Rico bonds will enable participation in any future upside for the commonwealth's obligations.

Fund Leverage

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of the Funds relative to their comparative benchmarks was the Funds' use of leverage through their issuance of preferred shares and/or investments in inverse floating rate securities, which represent leveraged investments in underlying bonds. The Funds use leverage because our research has shown that, over time, leveraging provides opportunities for additional income, particularly in the recent market environment where short-term market rates are at or near historical lows, meaning that the short-term rates the Fund has been paying on its leveraging instruments have been much lower than the interest the Fund has been earning on its portfolio of long-term bonds that it has bought with the proceeds of that leverage. However, use of leverage also can expose the Fund to additional price volatility. When a Fund uses leverage, the Fund will experience a greater increase in its net asset value if the municipal bonds acquired through the use of leverage increase in value, but it will also experience a correspondingly larger decline in its net asset value if the bonds acquired through leverage decline in value, which will make the Fund's net asset value more volatile, and its total return performance more variable over time. In addition, income in levered funds will typically decrease in comparison to unlevered funds when short-term interest rates increase and increase when short-term interest rates decrease. Leverage made a positive contribution to the performance of these Funds over this reporting period.

As of April 30, 2014, the Funds' percentages of effective and regulatory leverage are as shown in the accompanying table.

	NPP	NMA	NMO	NAD	NXZ	NZF
Effective Leverage*	38.45%	35.79%	37.82%	35.93%	34.46%	34.50%
Regulatory Leverage*	36.20%	31.49%	34.50%	30.87%	30.33%	28.34%

* Effective Leverage is a 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. Currently, the leverage effects of Tender Option Bond (TOB) inverse floater holdings are included in effective leverage values, in addition to any regulatory leverage. Regulatory leverage consists of preferred shares issued or borrowings of a Fund. Both of these are part of a 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

As of April 30, 2014, the Funds have issued and outstanding Institutional MuniFund Term Preferred (iMTP) Shares, Variable Rate MuniFund Term Preferred (VMTP) Shares and Variable Rate Demand Preferred (VRDP) Shares as shown in the accompanying table.

	iMTP Shares		VMTP Shares		VRDP Shares		
	Series	Shares Issued at Liquidation Value	Series	Shares Issued at Liquidation Value	Series	Shares Issued at Liquidation Value	Total
NPP	—	—	2015	$ 535,000,000	—	—	$ 535,000,000
NMA	—	—	—	—	1	$ 296,800,000	$ 296,800,000
NMO	—	—	—	—	1	$ 350,900,000	$ 350,900,000
NAD	—	—	2016	$ 265,000,000	—	—	$ 265,000,000
NXZ	—	—	—	—	2	$ 196,000,000	$ 196,000,000
NZF	2017	$ 150,000,000	2017	$ 91,000,000	—	—	$ 241,000,000

During the current reporting period, NAD refinanced all of its outstanding MuniFund Term Preferred (MTP) and VMTP shares with the issuance of new VMTP Shares, and NZF refinanced all of its outstanding MTP and VMTP shares with the issuance of new iMTP and VMTP Shares. Refer to Notes to Financial Statements, Note 1 – General Information and Significant Accounting Policies for further details on iMTP, MTP, VMTP and VRDP Shares and each Fund's respective transactions.

Common Share Information

COMMON SHARE DIVIDEND INFORMATION

The following information regarding the Fund's distributions is current as of April 30, 2014. Each Fund's distribution levels may vary over time based on each Fund's investment activity and portfolio investments value changes.

During the current reporting period, the Funds' monthly dividends to common shareholders were as shown in the accompanying table.

	Per Common Share Amounts					
Ex-Dividend Date	NPP	NMA	NMO	NAD	NXZ	NZF
November 2013	$ 0.0770	$ 0.0670	$ 0.0645	$ 0.0730	$ 0.0670	$ 0.0580
December	0.0770	0.0670	0.0645	0.0730	0.0670	0.0580
January	0.0770	0.0670	0.0670	0.0740	0.0695	0.0595
February	0.0770	0.0670	0.0670	0.0740	0.0695	0.0595
March	0.0770	0.0670	0.0670	0.0740	0.0695	0.0595
April 2014	0.0770	0.0670	0.0670	0.0740	0.0695	0.0595
Ordinary Income Distribution*	$ 0.0006	$ 0.0009	$ 0.0042	$ 0.0183	$ 0.0002	$ 0.0002
Market Yield**	6.27%	6.05%	6.09%	6.44%	6.03%	5.34%
Taxable-Equivalent Yield**	8.71%	8.40%	8.46%	8.94%	8.38%	7.42%

* Distribution paid in December 2013.

** Market Yield is based on the Fund's current annualized monthly dividend divided by the Fund's current market price as of the end of the reporting period. Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a federal income tax rate of 28.0%. When comparing a Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. 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 the 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 its 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 April 30, 2014, all of the Funds in this report had positive UNII balances, based upon our best estimate, for tax purposes and positive UNII balances for financial reporting purposes.

COMMON SHARE REPURCHASES

As of April 30, 2014, and since the inception of the Funds' repurchase programs, the Funds have not repurchased any of their outstanding common shares.

	NPP	NMA	NMO	NAD	NXZ	NZF
Common Shares Cumulatively Repurchased and Retired	—	—	—	—	—	—
Common Shares Authorized for Repurchase	6,005,000	4,370,000	4,585,000	3,930,000	2,950,000	4,040,000

OTHER COMMON SHARE INFORMATION

As of April 30, 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.

	NPP	NMA	NMO	NAD	NXZ	NZF
Common Share NAV	$ 15.71	$ 14.78	$ 14.52	$ 15.10	$ 15.27	$ 15.08
Common Share Price	$ 14.73	$ 13.28	$ 13.21	$ 13.78	$ 13.84	$ 13.37
Premium/(Discount) to NAV	(6.24)%	(10.15)%	(9.02)%	(8.74)%	(9.36)%	(11.34)%
6-Month Average Premium/(Discount) to NAV	(7.52)%	(10.99)%	(10.75)%	(9.61)%	(10.09)%	(12.34)%

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. 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 municipal securities owned by the Funds, which generally trade in the over-the-counter markets. Shares of closed-end investment companies like these Funds frequently trade at a discount to their net asset value (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. Each Fund's use of leverage creates the possibility of higher volatility for the Fund's per share NAV, market price, distributions and returns. There is no assurance that a Fund's leveraging strategy will be successful. Certain aspects of the recently adopted Volcker Rule may limit the availability of tender option bonds, which are used by the Funds for leveraging and duration management purposes. The effects of this new Rule, expected to take effect in mid-2015, may make it more difficult for a Fund to maintain current or desired levels of leverage and may cause the Fund to incur additional expenses to maintain its leverage.

Inverse Floater Risk. The Funds may invest in inverse floaters. Due to their leveraged nature, these investments can greatly increase a Fund's exposure to interest rate risk and credit risk. In addition, investments in inverse floaters involve the risk that a Fund could lose more than its original principal investment.

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.

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 bond that generated the income.

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

Derivatives Risk. The Funds may use derivative instruments which involve a high degree of financial risk, including the risk that the loss on a derivative may be greater than the principal amount investment.

NPP

Nuveen Performance Plus Municipal Fund, Inc.
Performance Overview and Holding Summaries as of April 30, 2014

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

Average Annual Total Returns as of April 30, 2014

	Cumulative		Average Annual	
	6-Month	1-Year	5-Year	10-Year
NPP at Common Share NAV	9.37%	(1.23)%	9.62%	6.37%
NPP at Common Share Price	11.60%	(0.90)%	10.43%	7.29%
S&P Municipal Bond Index	4.25%	0.47%	5.93%	4.88%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	9.29%	(0.78)%	10.51%	6.21%

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 and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

NPP Performance Overview and Holding Summaries as of April 30, 2014 (continued)

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.

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.

Fund Allocation (% of net assets)	
Municipal Bonds	158.7%
Corporate Bonds	0.0%
Floating Rate Obligations	(3.8)%
Variable Rate MuniFund Term Preferred Shares	(56.7)%
Other Assets Less Liabilities	1.8%

Credit Quality (% of total investment exposure)	
AAA/U.S. Guaranteed	11.8%
AA	49.9%
A	22.4%
BBB	7.8%
BB or Lower	7.0%
N/R (not rated)	1.1%

Portfolio Composition (% of total investments)	
Tax Obligation/Limited	21.7%
Health Care	18.1%
Transportation	17.1%
Tax Obligation/General	14.8%
Utilities	7.5%
U.S. Guaranteed	7.1%
Consumer Staples	6.5%
Other Industries	7.2%

States (% of total municipal bonds)	
Illinois	17.2%
California	13.4%
Texas	9.3%
Colorado	6.0%
Florida	4.9%
Ohio	4.3%
New York	3.6%
Puerto Rico	3.2%

Virginia	2.7%
Pennsylvania	2.7%
Massachusetts	2.6%
New Jersey	2.5%
South Carolina	2.5%
Michigan	2.4%
Indiana	2.3%
Nevada	2.3%
Other States	18.1%

NMA

Nuveen Municipal Advantage Fund, Inc.
Performance Overview and Holding Summaries as of April 30, 2014

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

Average Annual Total Returns as of April 30, 2014

	Cumulative		Average Annual	
	6-Month	1-Year	5-Year	10-Year
NMA at Common Share NAV	8.28%	(2.09)%	9.84%	6.05%
NMA at Common Share Price	9.46%	(4.39)%	8.98%	6.02%
S&P Municipal Bond Index	4.25%	0.47%	5.93%	4.88%
Lipper General & Insured Leveraged Municipal Debt Funds Classification Average	9.29%	(0.78)%	10.51%	6.21%

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 and Lipper return information is provided for the Fund's shares at NAV only. Indexes and Lipper averages are not available for direct investment.

NMA Performance Overview and Holding Summaries as of April 30, 2014 (continued)

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.

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.

Fund Allocation (% of net assets)	
Municipal Bonds	149.2%
Corporate Bonds	0.0%
Short-Term Investments	0.3%
Floating Rate Obligations	(5.9)%
Variable Rate Demand Preferred Shares	(46.0)%
Other Assets Less Liabilities	2.4%

Credit Quality (% of total investment exposure)	
AAA/U.S. Guaranteed	14.5%
AA	46.6%
A	20.9%
BBB	9.2%
BB or Lower	8.3%
N/R (not rated)	0.5%

Portfolio Composition (% of total investments)	
Health Care	20.6%
Transportation	17.8%
Tax Obligation/Limited	16.2%
Tax Obligation/General	16.1%
U.S. Guaranteed	9.1%
Utilities	5.8%
Consumer Staples	5.5%
Other Industries	8.9%

States (% of total municipal bonds)	
California	15.9%
Illinois	10.8%
Texas	9.0%
Colorado	8.3%
New York	4.9%
Ohio	4.8%
Louisiana	4.3%

Pennsylvania	3.8%
Nevada	3.4%
Indiana	3.2%
Puerto Rico	3.2%
Michigan	3.1%
Florida	2.5%
Arizona	2.4%
New Jersey	1.9%
Other States	18.5%

NMO

Nuveen Municipal Market Opportunity Fund, Inc.
Performance Overview and Holding Summaries as of April 30, 2014

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Average Annual Total Returns as of April 30, 2014

	Cumulative	Average Annual	
	6-Month	1-Year	5-Year