NUVEEN PREMIUM INCOME MUNICIPAL FUND 4 INC
Form N-CSR
January 06, 2012

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 811-07432

Nuveen Premium Income Municipal Fund 4, Inc.
(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: October 31, 2011

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.

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Chairman's
Letter to Shareholders

Dear Shareholders,

These are perplexing times for investors. The global economy continues to struggle. The solutions being implemented in the eurozone to deal with the debt crises of many of its member countries are not yet seen as sufficient by the financial markets. The political paralysis in the U.S. has prevented the compromises necessary to deal with the fiscal imbalance and government spending priorities. The efforts by individual consumers, governments and financial institutions to reduce their debts are increasing savings but reducing demand for the goods and services that drive employment. These developments are undermining the rebuilding of confidence by consumers, corporations and investors that is so essential to a resumption of economic growth.

Although it is painfully slow, progress is being made. In Europe, the turnover of a number of national governments reflects the realization by politicians and voters alike that leaders who practiced business as usual had to be replaced by leaders willing to face problems and accept the hard choices needed to resolve them. The recent coordinated efforts by central banks in the U.S. and Europe to provide liquidity to the largest European banks indicates that these monetary authorities are committed to facilitating a recovery in the European banking sector.

In the U.S., the failure of the congressionally appointed Debt Reduction Committee was a blow to those who hoped for a bipartisan effort to finally begin addressing the looming fiscal crisis. Nevertheless, Congress and the administration cannot ignore the issue for long. The Bush era tax cuts are scheduled to expire on December 31, 2012, and six months later the $1.2 trillion of mandatory across-the-board spending cuts under the Budget Control Act of 2011 begin to go into effect. Any legislative modification would require bipartisan support and the prospects for a bipartisan solution are unclear. The impact of these two developments would be a mixed blessing: a meaningful reduction in the annual budget deficit at the cost of slowing the economic recovery.

It is in these particularly volatile markets that professional investment management is most important. Skillful investment teams who have experienced challenging markets and remain committed to their investment disciplines are critical to the success of an investor's long-term objectives. In fact, many long-term investment track records are built during challenging markets when managers are able to protect investors against these economic crosscurrents. Experienced investment teams know that volatile markets put a premium on companies and investment ideas that will weather the short-term volatility and that compelling values and opportunities are opened up when markets overreact to negative developments. 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 contact your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of your Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

Robert P. Bremner
Chairman of the
Board December 21, 2011

Portfolio Managers' Comments

Nuveen Premium Income Municipal Fund, Inc. (NPI)
Nuveen Premium Income Municipal Fund 2, Inc. (NPM)
Nuveen Premium Income Municipal Fund 4, Inc. (NPT)

Portfolio managers Paul Brennan and Chris Drahn discuss U.S. economic and municipal market conditions, key investment strategies and the twelve-month performance of these three national Funds. With 20 years of investment experience, including 14 years at Nuveen, Paul has managed NPI and NPM since 2006. Chris, who has 31 years of financial industry experience, assumed portfolio management responsibility for NPT from Paul in January 2011.

What factors affected the U.S. economy and municipal market during the twelve-month reporting period ended October 31, 2011?

During this period, the U.S. economy's recovery from recession remained slow. The Federal Reserve (Fed) maintained its efforts to improve the overall economic environment by continuing to hold the benchmark fed funds rate at the record low level of zero to 0.25% that it had established in December 2008. At its November 2011 meeting (shortly after the end of this reporting period), the central bank reaffirmed its opinion that economic conditions would likely warrant keeping this rate at "exceptionally low levels" at least through mid-2013. The Fed also said that it would continue its program to extend the average maturity of its U.S. Treasury holdings by purchasing $400 billion of these securities with maturities of six to thirty years and selling an equal amount of U.S. Treasury securities with maturities of three years or less. The goals of this program, which the Fed expects to complete by the end of June 2012, are to lower longer-term interest rates, support a stronger economic recovery and help ensure that inflation remains at levels consistent with the Fed's mandates of maximum employment and price stability.

In the third quarter of 2011, the U.S. economy, as measured by the U.S. gross domestic product (GDP), grew at an annualized rate of 2.0%, the best growth number since the fourth quarter of 2010 and the ninth consecutive quarter of positive growth. The Consumer Price Index (CPI) rose 3.5% year-over-year as of October 2011, while the core CPI (which excludes food and energy) increased 2.1%, edging just above the Fed's unofficial objective of 2.0% or lower for this inflation measure. Unemployment numbers remained high, as October 2011 marked the seventh straight month with a national jobless number of 9.0% or higher. However, after the reporting period came to a close the U.S. unemployment rate fell to 8.6% in November 2011. While the dip was a step in the right direction, it was due partly to a number of individuals dropping out of the hunt for work. The housing market also continued to be a major weak spot. For the twelve months ended September 2011 (the most recent data available at the time this report

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 Group, Moody's Investor Services, 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

was prepared), the average home price in the Standard & Poor's/Case-Shiller Index lost 3.6% over the preceding twelve months, with 18 of the 20 major metropolitan areas reporting losses. In addition, the U.S. economic picture continued to be clouded by concerns about the European debt crisis and efforts to reduce the federal deficit.

Municipal bond prices ended this period generally unchanged versus the beginning of this reporting period, masking a sell-off that commenced in the fourth quarter of 2010, as the result of investor concerns about inflation, the federal deficit and its impact on demand for U.S. Treasuries. Adding to this situation was media coverage of the strained finances of many state and local governments, which failed to differentiate between gaps in these governments' operating budgets and their ability to meet their debt service obligations. As a result, money flowed out of municipal mutual funds, yields rose and valuations declined.

During the second half of this reporting period (i.e., May-October 2011), municipal bond prices generally rallied as yields declined across the municipal curve. The decline in yields was due in part to the continued depressed level of municipal bond issuance. Tax-exempt volume, which had been limited in 2010 by issuers' extensive use of taxable Build America Bonds (BABs), continued to drift lower in 2011. Even though BABs were no longer an option for issuers (the BAB program expired at the end of 2010), some borrowers had accelerated issuance into 2010 in order to take advantage of the program's favorable terms before its termination, fulfilling their capital program borrowing needs well into 2012. This reduced the need for many borrowers to come to market with new issues during this period. Over the twelve months ended October 31, 2011, municipal bond issuance nationwide totaled $320.2 billion, a decrease of 23% compared with the issuance of the twelve-month period ended October 31, 2010. During the majority of this period, demand for municipal bonds remained very strong.

What key strategies were used to manage these Funds during this reporting period?

In an environment characterized by tighter municipal supply and relatively lower yields, we continued to take a bottom-up approach to discovering sectors and individual credits that we believed were undervalued and that had potential to perform well over the long term. During this period, all three of these Funds found value in the health care sector, where we added to our holdings at attractive prices; essential services such as water and sewer bonds; and tax-supported credits. In NPT, these tax-supported bonds included a general obligation (GO) issue for the city of Philadelphia, local school districts in California and Kansas, as well as Puerto Rican sales tax bonds. In general, the Funds focused on purchasing longer bonds in order to take advantage of more attractive yields at the longer end of the municipal yield curve. The purchase of longer bonds also helped maintain for the Funds' duration (price sensitivity to interest rate movements) and yield curve positioning.

Cash for new purchases during this period was generated primarily by the proceeds from bond calls and maturing bonds, which we worked to redeploy to keep the Funds fully invested. In NPI and NPM, we also sold some bonds with short maturities or short call dates in advance of their maturity or call dates to take advantage of attractive purchase candidates as they became available in the market. Selling in NPT was relatively limited.

As of October 31, 2011, all three of these Funds continued to use inverse floating rate securities. We employ inverse floaters as a form of leverage for a variety of reasons, including duration management, income enhancement and total return enhancement.

How did the Funds perform?

Individual results for these Funds, as well as relevant index and peer group information, are presented in the accompanying table.

Average Annual Total Returns on Common Share Net Asset Value
For periods ended 10/31/11

Fund	1-Year	5-Year	10-Year
NPI	4.18%	4.18%	5.20%
NPM	4.74%	4.77%	5.65%
NPT	5.13%	4.93%	5.18%
Standard & Poor's (S&P) National Municipal Bond Index*	3.75%	4.48%	4.95%
Lipper General and Insured Leveraged Municipal Debt Funds Classification Average*	4.80%	4.20%	5.59%

For the twelve months ended October 31, 2011, the total returns on common share net asset value (NAV) for all three of these Nuveen Funds exceeded the return for the Standard & Poor's (S&P) National Municipal Bond Index. For this same period, NPT outperformed the Lipper General and Insured Leveraged Municipal Debt Funds Classification Average, NPM performed in line with this Lipper average and NPI lagged the Lipper return.

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

During this period, municipal bonds with intermediate and longer maturities tended to outperform the short maturity categories, with credits having maturities of seven years and longer generally outpacing the market. Among these Funds, NPT was the most advantageously situated in terms of duration and yield curve positioning, with an overweighting in some of the longer parts of the yield curve that performed well and an underweighting in the underperforming short end of the curve. In NPI and NPM, duration and yield curve positioning was generally a neutral factor.

Credit exposure also played a role in performance, as bonds rated A and AA typically outperformed the other credit quality categories. On the whole, bonds with higher levels of credit risk were not favored by the market during this period. The performance of the BBB category, in particular, was dragged down by poor returns in the tobacco bond sector. All of these Funds benefited from their heavier weightings in the A and AA sectors, which made up more than 55% of their portfolios.

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.

For additional information, see the individual Performance Overview for your Fund in this report.

* Refer to Glossary of Terms Used in this Report for definitions.

Holdings that generally made positive contributions to the Funds' returns during this period included housing, water and sewer and health care credits. General obligation and other tax-supported bonds also generally outpaced the municipal market return for the twelve months. All three of these Funds, particularly NPT, had good exposure to the health care sector, which added to their performance. However, they tended to be somewhat underweighted in general obligation bonds, which limited their participation in the performance of this sector. On the whole, some of the best performing bonds in the Funds' portfolios for this period were those purchased during the earlier part of this period before the market rallied, when yields were relatively higher and prices attractive.

In contrast, pre-refunded bonds, which are often backed by U.S. Treasury securities, were among the poorest performing market segments during this period. The underperformance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. Although their allocations of pre-refunded bonds fell over the past twelve months, these three Funds continued to hold between 6% and 10% of their portfolios in pre-refunded bonds, which detracted from the Funds' performance.

Fund Leverage
and Other Information

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of all these Funds relative to the comparative indexes was the Funds' use of leverage. The Funds use leverage because their managers believe 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 net asset value 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. Leverage made a positive contribution to the performance of these Funds over this reporting period.

RECENT DEVELOPMENTS REGARDING THE FUNDS' REDEMPTION OF AUCTION RATE PREFERRED SHARES

Shortly after their respective inceptions, each of the Funds issued auction rate preferred shares (ARPS) to create structural leverage. As noted in past shareholder reports, the ARPS issued by many closed-end funds, including these Funds, have been hampered by a lack of liquidity since February 2008. Since that time, more ARPS have been submitted for sale in each of their regularly scheduled auctions than there have been offers to buy. In fact, offers to buy have been almost completely nonexistent since late February 2008. This means that these auctions have "failed to clear," and that many, or all, of the ARPS shareholders who wanted to sell their shares in these auctions were unable to do so. This lack of liquidity in ARPS did not lower the credit quality of these shares, and ARPS shareholders unable to sell their shares continued to receive distributions at the "maximum rate" applicable to failed auctions, as calculated in accordance with the pre-established terms of the ARPS. In the recent market, with short term rates at multigenerational lows, those maximum rates also have been low.

One continuing implication for common shareholders from the auction failures is that each Fund's cost of leverage likely has been incrementally higher at times than it otherwise might have been had the auctions continued to be successful. As a result each Fund's common share earnings likely have been incrementally lower at times than they otherwise might have been.

As noted in past shareholder reports, the Nuveen funds' Board of Directors/Trustees authorized several methods that can be used separately or in combination to refinance a portion of the Nuveen funds' outstanding ARPS. Some funds have utilized tender option bonds (TOBs), also known as inverse floating rate securities, for leverage purposes. The amount of TOBs that a fund may use varies according to the composition of each fund's portfolio. Some funds have a greater ability to use TOBs than others. Some funds have issued Variable Rate Demand Preferred (VRDP) Shares or Variable Rate MuniFund Term Preferred (VMTP) Shares, which are a floating rate form of preferred stock with a mandatory term redemption. Some funds have issued MuniFund Term Preferred (MTP) Shares, a fixed rate form of preferred stock with a mandatory redemption period of three to five years.

During 2010 and 2011, certain Nuveen leveraged closed-end funds (including NPI and NPM) received a demand letter from a law firm on behalf of purported holders of common shares of each such fund, alleging that Nuveen and the funds' officers and Board of Directors/Trustees breached their fiduciary duties related to the redemption at par of the funds' ARPS. In response, the Board established an ad hoc Demand Committee consisting of certain of its disinterested and independent Board members to investigate the claims. The Demand Committee retained independent counsel to assist it in conducting an extensive investigation. Based upon its investigation, the Demand Committee found that it was not in the best interests of each fund or its shareholders to take the actions suggested in the demand letters, and recommended that the full Board reject the demands made in the demand letters. After reviewing the findings and recommendation of the Demand Committee, the full Board of each fund unanimously adopted the Demand Committee's recommendation.

Subsequently, 33 of the funds that received demand letters (including NPI and NPM) were named in a consolidated complaint as nominal defendants in a putative shareholder derivative action captioned Martin Safier, et al. v. Nuveen Asset Management, et al. that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the "Cook County Chancery Court") on February 18, 2011 (the "Complaint"). The Complaint, filed on behalf of purported holders of each fund's common shares, also name Nuveen Fund Advisors, Inc. as a defendant, together with current and former Officers and interested Director/Trustees of each of the funds (together with the nominal defendants, collectively, the "Defendants"). The Complaint contains the same basic allegations contained in the demand letters. The suits seek a declaration that the Defendants have breached their fiduciary duties, an order directing the Defendants not to redeem any ARPS at their liquidation value using fund assets, indeterminate monetary damages in favor of the funds and an award of plaintiffs' costs and disbursements in pursuing the action. The Defendants filed a motion to dismiss the suit and on December 16, 2011, the court granted that motion dismissing the Complaint with prejudice.

As of October 31, 2011, each of the Funds has redeemed all of their outstanding APRS at liquidation value.

As of October 31, 2011, the Funds have issued and outstanding VMTP Shares and VRDP Shares as shown in the accompanying tables.

VMTP Shares

Fund	VMTP Series		VMTP Shares Issued at Liquidation Value
NPI	2014	$	402,400,000

VRDP Shares

Fund		VRDP Shares Issued at Liquidation Value
NPM	$	489,500,000
NPT	$	262,200,000

(Refer to Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies and Footnote 4 – Fund Shares for further details on VMTP Shares and VRDP Shares.)

As of October 5, 2011, all 84 of the Nuveen closed-end municipal funds that had issued ARPS, approximately $11.0 billion, have redeemed at liquidation value all of these shares.

For up-to-date information, please visit the Nuveen CEF Auction Rate Preferred Resource Center at: http://www.nuveen.com/arps.

Regulatory Matters

During May 2011, Nuveen Securities, LLC, known as Nuveen Investments, LLC prior to April 30, 2011, entered into a settlement with the Financial Industry Regulatory Authority (FINRA) with respect to certain allegations regarding Nuveen-sponsored closed-end fund ARPS marketing brochures. As part of this settlement, Nuveen Securities, LLC neither admitted to nor denied FINRA's allegations. Nuveen Securities, LLC is the broker-dealer subsidiary of Nuveen Investments. The settlement with FINRA concludes an investigation that followed the widespread failure of auctions for ARPS and other auction rate securities, which generally began in mid-February 2008. In the settlement, FINRA alleged that certain marketing materials provided by Nuveen Securities, LLC were false and misleading. Nuveen Securities, LLC agreed to a censure and the payment of a $3 million fine.

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 Risk. The possible loss of the entire principal amount that you invest.

Price Risk. Shares of closed-end investment companies like these 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. 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.

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.

Common Share Dividend and Share Price Information

During the twelve-month reporting period ended October 31, 2011, NPM had two monthly dividend increases, while the monthly dividends of NPI and NPT remained stable throughout the reporting period.

Due to normal portfolio activity, common shareholders of NPM received a net ordinary income distribution of $0.0050 per share in December 2010.

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 October 31, 2011, all three of the Funds in this report had positive UNII balances for both tax and financial reporting purposes.

COMMON SHARE REPURCHASES AND SHARE PRICE INFORMATION

As of October 31, 2011, and since the inception of the Funds’ repurchase programs, NPM has cumulatively repurchased and retired common shares as shown in the accompanying table. Since the inception of the Funds’ repurchase programs, NPI and NPT have not repurchased any of their outstanding common shares.

Fund	Common Shares Repurchased and Retired	% of Outstanding Common Shares
NPM	422,900	0.6%

During the twelve-month reporting period, NPM did not repurchase any of its outstanding common shares.

As of October 31, 2011, the Funds’ common share prices were trading at (-)discounts to their common share NAVs as shown in the accompanying table.

Fund	10/31/11 (-)Discount	12-Month Average (-)Discount
NPI	(-)3.76%	(-)3.47%
NPM	(-)2.99%	(-)4.68%
NPT	(-)2.37%	(-)3.34%

NPI Performance OVERVIEW

Nuveen Premium Income Municipal Fund, Inc.

as of October 31, 2011

Fund Snapshot		
Common Share Price	$	13.56
Common Share		
Net Asset Value (NAV)	$	14.09
Premium/(Discount) to NAV		-3.76%
Market Yield		6.77%
Taxable-Equivalent Yield1		9.40%
Net Assets Applicable to		
Common Shares ($000)	$	900,461

Leverage	
Structural Leverage	30.89%
Effective Leverage	38.65%

Average Annual Total Return (Inception 7/18/88)

	On Share Price	On NAV
1-Year	1.37%	4.18%
5-Year	5.39%	4.18%
10-Year	5.85%	5.20%

States3	
(as a % of total investments)	
California	14.4%
Texas	10.1%
New York	9.1%
Illinois	8.0%
New Jersey	4.8%
Florida	4.6%
Pennsylvania	4.1%
Louisiana	3.2%
Alabama	3.1%
Minnesota	3.1%
South Carolina	3.1%
Massachusetts	3.1%
Washington	2.6%
Wisconsin	2.5%
Michigan	2.4%
Nevada	1.9%
Other	19.9%

Portfolio Composition3	
(as a % of total investments)	
Health Care	17.3%
Tax Obligation/Limited	16.9%
Transportation	13.9%
Tax Obligation/General	13.5%
U.S. Guaranteed	13.4%
Water and Sewer	6.7%
Utilities	5.6%
Other	12.7%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

1 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%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

2 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

3 Holdings are subject to change.

NPM Performance OVERVIEW

Nuveen Premium Income Municipal Fund 2, Inc.

as of October 31, 2011

Fund Snapshot

Common Share Price	$	14.27
Common Share Net Asset Value (NAV)	$	14.71
Premium/(Discount) to NAV		-2.99%
Market Yield		6.69%
Taxable-Equivalent Yield1		9.29%
Net Assets Applicable to Common Shares ($000)	$	1,039,723

Leverage

Structural Leverage	32.01%
Effective Leverage	38.47%

Average Annual Total Return (Inception 7/23/92)

	On Share Price	On NAV
1-Year	4.95%	4.74%
5-Year	6.51%	4.77%
10-Year	6.38%	5.65%

States4 (as a % of total investments)

Florida2	26.6%
California	8.8%
Illinois	8.4%
Texas	5.5%
New York	4.7%
Washington	4.5%
Nevada	4.0%
Massachusetts	3.7%
South Carolina	3.6%
New Jersey	3.6%
Louisiana	3.3%
Michigan	3.2%
Alabama	2.1%
Other	18.0%

Portfolio Composition4 (as a % of total investments)

Tax Obligation/Limited	22.7%
Health Care	16.5%

Tax Obligation/General	14.9%
U.S. Guaranteed	12.5%
Transportation	10.0%
Water and Sewer	6.4%
Other	17.0%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

1 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%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

2 As noted in previous shareholder reports percentage includes assets acquired in the Reorganization of Nuveen Florida Investment Quality Municipal Fund (NQF) and Nuveen Florida Quality Income Municipal Fund (NUF).

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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

4 Holdings are subject to change.

5 The Fund paid shareholders an ordinary income distribution in December 2010 of $0.0050.

NPT Performance OVERVIEW

Nuveen Premium Income Municipal Fund 4, Inc.

as of October 31, 2011

Fund Snapshot		
Common Share Price	$	12.76
Common Share Net Asset Value (NAV)	$	13.07
Premium/(Discount) to NAV		-2.37%
Market Yield		6.68%
Taxable-Equivalent Yield1		9.28%
Net Assets Applicable to Common Shares ($000)	$	565,529

Leverage	
Structural Leverage	31.68%
Effective Leverage	37.86%

Average Annual Total Return (Inception 2/19/93)

	On Share Price	On NAV
1-Year	2.63%	5.13%
5-Year	6.20%	4.93%
10-Year	5.62%	5.18%

States3 (as a % of total investments)	
California	14.9%
Illinois	12.1%
Texas	11.9%
Florida	4.7%
Michigan	3.9%
Louisiana	3.2%
Alabama	3.2%
Ohio	3.1%
Colorado	3.0%
Indiana	2.7%
New Jersey	2.6%
New York	2.5%
Georgia	2.5%
South Carolina	2.5%
Wisconsin	2.4%
Pennsylvania	2.2%
Puerto Rico	2.1%
Washington	2.0%
Other	18.5%

Portfolio Composition3	
(as a % of total investments)	
Health Care	22.9%
Tax Obligation/Limited	16.7%
U.S. Guaranteed	13.2%
Tax Obligation/General	13.2%
Transportation	7.5%
Utilities	6.7%
Water and Sewer	6.3%
Other	13.5%

Refer to the Glossary of Terms Used in this Report for further definition of the terms used within this Fund's Performance Overview page.

1 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%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

2 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. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

3 Holdings are subject to change.

NPI
NPM
NPT

Shareholder Meeting Report

The annual meeting of shareholders was held on July 25, 2011, in the Lobby Conference Room, 333 West Wacker Drive, Chicago, IL 60606; at this meeting the shareholders were asked to vote on the election of Board Members, the elimination of Fundamental Investment Policies and the approval of new Fundamental Investment Policies. The meeting was subsequently adjourned to August 31, 2011.

	NPI		NPM		NPT	
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class
Approval of the Board Members was reached as follows:						
John P. Amboian						
For	38,235,826	—	42,378,947	—	26,756,084	—
Withhold	1,443,646	—	1,367,329	—	763,700	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
Robert P. Bremner						
For	38,236,773	—	42,366,212	—	26,757,569	—
Withhold	1,442,699	—	1,380,064	—	762,215	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
Jack B. Evans						
For	38,244,919	—	42,395,413	—	26,742,926	—
Withhold	1,434,553	—	1,350,863	—	776,858	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
William C. Hunter						
For	—	4,024	—	3,740	—	2,272
Withhold	—	—	—	300	—	—
Total	—	4,024	—	4,040	—	2,272
David J. Kundert						
For	38,237,419	—	42,367,726	—	26,752,863	—
Withhold	1,442,053	—	1,378,550	—	766,921	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
William J. Schneider						
For	—	4,024	—	3,740	—	2,272
Withhold	—	—	—	300	—	—
Total	—	4,024	—	4,040	—	2,272

Judith M. Stockdale						
For	38,207,519	—	42,335,539	—	26,751,304	—
Withhold	1,471,953	—	1,410,737	—	768,480	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
Carole E. Stone						
For	38,227,748	—	42,330,585	—	26,759,481	—
Withhold	1,451,724	—	1,415,691	—	760,303	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
Virginia L. Stringer						
For	38,212,207	—	42,331,060	—	26,772,101	—
Withhold	1,467,265	—	1,415,216	—	747,683	—
Total	39,679,472	—	43,746,276	—	27,519,784	—
Terence J. Toth						
For	38,265,664	—	42,378,212	—	26,755,135	—
Withhold	1,413,808	—	1,368,064	—	764,649	—
Total	39,679,472	—	43,746,276	—	27,519,784	—

NPI
NPM
NPT

Shareholder Meeting Report (continued)

	NPI		NPM		NPT	
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class
To approve the elimination of the Fund's fundamental investment policy relating to the Fund's ability to make loans						
For	29,180,533	4,024	30,638,056	4,040	19,885,284	2,272
Against	1,914,591	—	1,965,156	—	1,215,633	—
Abstain	994,827	—	1,017,103	—	730,858	—
Broker Non-Votes	7,589,521	—	10,125,961	—	5,688,009	—
Total	39,679,472	4,024	43,746,276	4,040	27,519,784	2,272
To approve the new fundamental investment policy relating to the Fund's ability to make loans						
For	29,034,265	4,024	30,606,336	4,040	19,747,215	2,272
Against	2,042,642	—	2,006,594	—	1,320,846	—
Abstain	1,013,044	—	1,007,384	—	763,715	—
Broker Non-Votes	7,589,521	—	10,125,962	—	5,688,008	—
Total	39,679,472	4,024	43,746,276	4,040	27,519,784	2,272
To approve the elimination of the Fund's fundamental policy relating to investments in municipal securities and below investment grade securities.						
For	29,106,754	4,024	—	—	—	—

Against	1,993,227	—	—	—	—	—
Abstain	989,971	—	—	—	—	—
Broker Non-Votes	7,589,520	—	—	—	—	—
Total	39,679,472	4,024	—	—	—	—
To approve the new fundamental policy relating to investments in municipal securities for the Fund.						
For	29,256,977	4,024	—	—	—	—
Against	1,870,945	—	—	—	—	—
Abstain	962,027	—	—	—	—	—
Broker Non-Votes	7,589,523	—	—	—	—	—
Total	39,679,472	4,024	—	—	—	—

	NPI		NPM		NPT	
	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class	Common and Preferred shares voting together as a class	Preferred shares voting together as a class
To approve the elimination of the fundamental policy relating to investing in other investment companies.						
For	29,150,431	4,024	—	—	—	—
Against	1,971,081	—	—	—	—	—
Abstain	968,436	—	—	—	—	—
Broker Non-Votes	7,589,524	—	—	—	—	—
Total	39,679,472	4,024	—	—	—	—
To approve the elimination of the fundamental policy relating to derivatives and short sales.						
For	28,880,264	4,024	—	—	—	—
Against	2,246,752	—	—	—	—	—
Abstain	962,024	—	—	—	—	—
Broker Non-Votes	7,590,432	—	—	—	—	—
Total	39,679,472	4,024	—	—	—	—
To approve the elimination of the fundamental policy relating to commodities.						
For	29,022,722	4,024	—	—	—	—
Against	2,089,870	—	—	—	—	—
Abstain	977,357	—	—	—	—	—
Broker Non-Votes	7,589,523	—	—	—	—	—
Total	39,679,472	4,024	—	—	—	—
To approve the new fundamental policy relating to commodities.						
For	28,914,482	4,024	—	—	—	—
Against	2,198,506	—	—	—	—	—
Abstain	976,960	—	—	—	—	—
Broker Non-Votes	7,589,524	—	—	—	—	—

Total	39,679,472	4,024	—	—	—	—

Report of Independent
Registered Public Accounting Firm

The Board of Directors and Shareholders
Nuveen Premium Income Municipal Fund, Inc.
Nuveen Premium Income Municipal Fund 2, Inc.
Nuveen Premium Income Municipal Fund 4, Inc.

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Premium Income Municipal Fund, Inc., Nuveen Premium Income Municipal Fund 2, Inc., and Nuveen Premium Income Municipal Fund 4, Inc. (the "Funds") as of October 31, 2011, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of October 31, 2011, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Premium Income Municipal Fund, Inc., Nuveen Premium Income Municipal Fund 2, Inc., and Nuveen Premium Income Municipal Fund 4, Inc. at October 31, 2011, and the results of their operations and their cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with U.S. generally accepted accounting principles.

Chicago, Illinois
December 28, 2011

NPI

Nuveen Premium Income Municipal Fund, Inc.
Portfolio of Investments

October 31, 2011

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Alabama – 4.8% (3.1% of Total Investments)			
$ 4,050	Alabama 21st Century Authority, Tobacco Settlement Revenue Bonds, Series 2000, 6.125%, 12/01/16	12/11 at 101.00	A1	$ 4,101,921
	Alabama Special Care Facilities Financing Authority, Revenue Bonds, Ascension Health, Series 2006C-2:			
1,435	5.000%, 11/15/36 (UB)	11/16 at 100.00	AA+	1,462,136
4,000	5.000%, 11/15/39 (UB)	11/16 at 100.00	AA+	4,068,440
6,000	Alabama Special Care Facilities Financing Authority, Revenue Bonds, Ascension Health, Series 2006D, 5.000%, 11/15/39 (UB)	11/16 at 100.00	AA+	6,102,660
	Birmingham Special Care Facilities Financing Authority, Alabama, Revenue Bonds, Baptist Health System Inc., Series 2005A:			
6,000	5.250%, 11/15/20	11/15 at 100.00	Baa2	5,995,560
1,300	5.000%, 11/15/30	11/15 at 100.00	Baa2	1,124,422
12,000	Birmingham Waterworks and Sewerage Board, Alabama, Water and Sewerage Revenue Bonds, Series 2007A, 4.500%, 1/01/43 – BHAC Insured	1/17 at 100.00	AA+	11,553,600
2,890	Courtland Industrial Development Board, Alabama, Pollution Control Revenue Bonds, International Paper Company, Series 2005A, 5.000%, 6/01/25	6/15 at 100.00	BBB	2,853,153
5,020	DCH Health Care Authority, Alabama, Healthcare Facilities Revenue Bonds, Series 2002, 5.250%, 6/01/18	6/12 at 101.00	A	5,110,059
1,000	Montgomery BMC Special Care Facilities Financing Authority, Alabama, Revenue Bonds, Baptist Medical Center, Series 2004C, 5.250%, 11/15/29 (Pre-refunded 11/15/14)	11/14 at 100.00	A3 (4)	1,133,170
43,695	Total Alabama			43,505,121
	Alaska – 1.3% (0.9% of Total Investments)			
	Anchorage, Alaska, General Obligation Refunding Bonds, Series 2003A:			
2,000	5.250%, 9/01/17 (Pre-refunded 9/01/13) – FGIC Insured	9/13 at 100.00	AA (4)	2,175,880
2,035	5.250%, 9/01/18 (Pre-refunded 9/01/13) – FGIC Insured	9/13 at 100.00	AA (4)	2,213,958
10,500			B2	7,510,335

	Northern Tobacco Securitization Corporation, Alaska, Tobacco Settlement Asset-Backed Bonds, Series 2006A, 5.000%, 6/01/32	6/14 at 100.00		
14,535	Total Alaska			11,900,173
	Arizona – 2.1% (1.4% of Total Investments)			
	Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B:			
500	5.250%, 12/01/24	12/15 at 100.00	BBB	491,580
660	5.250%, 12/01/25	12/15 at 100.00	BBB	637,606
9,720	Phoenix Civic Improvement Corporation, Arizona, Junior Lien Airport Revenue Bonds, Series 2010A, 5.000%, 7/01/40	No Opt. Call	A+	9,956,293
4,100	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc Prepay Contract Obligations, Series 2007, 5.000%, 12/01/37	No Opt. Call	A	3,718,577
4,130	University of Arizona, Certificates of Participation, Series 2002B, 5.125%, 6/01/18 – AMBAC Insured	6/12 at 100.00	AA–	4,218,754
19,110	Total Arizona			19,022,810
	Arkansas – 0.2% (0.1% of Total Investments)			
2,000	Washington County, Arkansas, Hospital Revenue Bonds, Washington Regional Medical Center, Series 2005B, 5.000%, 2/01/25	2/15 at 100.00	Baa1	2,030,440
	California – 22.3% (14.4% of Total Investments)			
9,200	Alameda Corridor Transportation Authority, California, Subordinate Lien Revenue Bonds, Series 2004A, 0.000%, 10/01/20 – AMBAC Insured	No Opt. Call	A–	5,741,628
10,000	Anaheim Public Finance Authority, California, Public Improvement Project Lease Bonds, Series 2007A-1, 4.375%, 3/01/37 – FGIC Insured	9/17 at 100.00	A1	8,736,800
4,000	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A, 6.000%, 5/01/15 (Pre-refunded 5/01/12)	5/12 at 101.00	Aaa	4,155,960
5,400	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Series 2005, 4.750%, 10/01/28 (UB)	10/15 at 100.00	Aa1	5,577,930

NPI

Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of Investments
October 31, 2011

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	California (continued)			
$ 1,500	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006, 5.000%, 11/01/30	11/15 at 100.00	A2	$ 1,518,690
	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A:			
3,730	5.000%, 3/01/28	3/13 at 100.00	A	3,730,000
7,000	5.000%, 3/01/33	3/13 at 100.00	A	6,860,070
5,425	California Health Facilities Financing Authority, Revenue Bonds, Catholic Healthcare West, Series 2004I, 4.950%, 7/01/26 (Mandatory put 7/01/14)	No Opt. Call	A	5,895,239
8,560	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/27	11/15 at 100.00	AAA	8,583,026
8,570	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanante System, Series 2006, 5.000%, 4/01/37	4/16 at 100.00	A+	8,394,486
4,250	California Health Facilities Financing Authority, Revenue Bonds, Providence Health & Services, Series 2009B, 5.500%, 10/01/39	10/19 at 100.00	AA	4,465,263
3,015	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Series 2007A, 5.000%, 11/15/42 (UB)	11/16 at 100.00	AA–	2,970,499
9,355	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 1993E, 5.500%, 6/01/15	No Opt. Call	A2	9,874,764
1,000	California State Public Works Board, Lease Revenue Bonds, Various Capital Projects, Series 2010A-1, 6.000%, 3/01/35	3/20 at 100.00	A2	1,077,630
	California State, General Obligation Bonds, Series 2004:			
1,160	5.125%, 2/01/25	2/14 at 100.00	A1	1,210,750
10,000	5.125%, 2/01/26	2/14 at 100.00	A1	10,406,500
	California Statewide Community Development Authority, Revenue Bonds, Daughters of Charity Health System, Series 2005A:			
1,640	5.250%, 7/01/30	7/15 at 100.00	BBB	1,457,337

4,730	5.000%, 7/01/39	7/15 at 100.00	BBB	3,816,306
5,000	California Statewide Community Development Authority, Revenue Bonds, St. Joseph Health System, Series 2007A, 5.750%, 7/01/47 – FGIC Insured	7/18 at 100.00	AA–	5,071,600
7,130	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 13.584%, 5/15/14 (IF)	No Opt. Call	AA–	8,507,587
3,130	California, Economic Recovery Revenue Bonds, Series 2004A, 5.250%, 7/01/14	No Opt. Call	Aa3	3,491,891
905	California, Economic Recovery Revenue Bonds, Series 2004A, 5.250%, 7/01/14 (ETM)	No Opt. Call	Aaa	1,016,025
3,575	Chula Vista, California, Industrial Development Revenue Bonds, San Diego Gas and Electric Company, Series 1996A, 5.300%, 7/01/21	6/14 at 102.00	A	3,769,266
4,890	Clovis Unified School District, Fresno County, California, General Obligation Bonds, Series 2006B, 0.000%, 8/01/26 – NPFG Insured	No Opt. Call	AA+	2,170,573
	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2007A-1:			
7,200	5.000%, 6/01/33	6/17 at 100.00	BB+	5,087,376
2,000	5.750%, 6/01/47	6/17 at 100.00	BB+	1,446,960
3,000	5.125%, 6/01/47	6/17 at 100.00	BB+	1,953,600
5,000	Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/24 – AGM Insured	No Opt. Call	Aa2	2,542,350
15,000	Los Angeles Department of Water and Power, California, Waterworks Revenue Bonds, Series 2011A, 5.000%, 7/01/41	1/21 at 100.00	AA	15,793,500
650	Martinez, California, Home Mortgage Revenue Bonds, Series 1983A, 10.750%, 2/01/16 (ETM)	No Opt. Call	Aaa	793,254
15,810	Pomona, California, GNMA/FNMA Collateralized Securities Program Single Family Mortgage Revenue Bonds, Series 1990A, 7.600%, 5/01/23 (ETM)	No Opt. Call	Aaa	21,006,905
5,000	Rancho Mirage Joint Powers Financing Authority, California, Revenue Bonds, Eisenhower Medical Center, Series 2004, 5.875%, 7/01/26 (Pre-refunded 7/01/14)	7/14 at 100.00	Baa2 (4)	5,695,950
2,000	Redwood City School District, San Mateo County, California, General Obligation Bonds, Series 2002, 5.000%, 7/15/27 – FGIC Insured	7/12 at 100.00	A+	2,012,340
2,570	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2003R, 5.000%, 8/15/22 (Pre-refunded 8/15/13) – NPFG Insured	8/13 at 100.00	A1 (4)	2,780,072

	Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)		Value
		California (continued)				
$	1,130	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2003R, 5.000%, 8/15/22 – NPFG Insured	No Opt. Call	A+	$	1,191,811
		San Diego County, California, Certificates of Participation, Burnham Institute, Series 2006:				
	400	5.000%, 9/01/21	9/15 at 102.00	Baa3		392,368
	445	5.000%, 9/01/23	9/15 at 102.00	Baa3		422,830
	3,500	San Diego Unified Port District, California, Revenue Bonds, Series 2004B, 5.000%, 9/01/29 – NPFG Insured	9/14 at 100.00	A+		3,556,560
		San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series 1997A:				
	10,450	0.000%, 1/15/31 – NPFG Insured	No Opt. Call	Baa1		2,089,687
	7,150	0.000%, 1/15/32 – NPFG Insured	No Opt. Call	Baa1		1,284,355
	50,400	0.000%, 1/15/34 – NPFG Insured	No Opt. Call	Baa1		7,728,336
	24,025	0.000%, 1/15/36 – NPFG Insured	No Opt. Call	Baa1		3,104,270
		Union City Community Redevelopment Agency, California, Tax Allocation Revenue Bonds, Redevelopment Project, Subordinate Lien Series 2011:				
	1,000	6.500%, 12/01/24	No Opt. Call	A		1,092,420
	1,000	6.625%, 12/01/25	No Opt. Call	A		1,092,040
	1,325	6.750%, 12/01/26	No Opt. Call	A		1,449,656
	282,220	Total California				201,016,460
		Colorado – 1.8% (1.2% of Total Investments)				
	2,500	Centennial Water and Sanitation District, Colorado, Water and Sewerage Revenue Bonds, Series 2004, 5.000%, 12/01/21 – FGIC Insured	12/14 at 100.00	AA+		2,745,350
	690	Colorado Educational and Cultural Facilities Authority, Charter School Revenue Bonds, Bromley School, Series 2005, 5.125%, 9/15/20 – SYNCORA GTY Insured	9/15 at 100.00	A		717,455
	2,125	Colorado Health Facilities Authority, Revenue Bonds, Evangelical Lutheran Good Samaritan Society, Series 2005, 5.000%, 6/01/29	6/16 at 100.00	A–		2,028,015
	1,000	Colorado Health Facilities Authority, Revenue Bonds, Parkview Medical Center, Series 2004, 5.000%, 9/01/25	9/14 at 100.00	A3		1,004,310
	800	Colorado Health Facilities Authority, Revenue Bonds, Poudre Valley Health Care, Series 2005F, 5.000%, 3/01/25	3/15 at 100.00	A		803,768
	275	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 2000B-2,	4/12 at 105.00	AA		282,783

	7.250%, 10/01/31 (Alternative Minimum Tax)			
3,220	Denver City and County, Colorado, Airport System Revenue Bonds, Series 1991D, 7.750%, 11/15/13 (Alternative Minimum Tax)	No Opt. Call	A+	3,437,028
20,500	E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/32 – NPFG Insured	No Opt. Call	Baa1	4,943,575
250	Regional Transportation District, Colorado, Denver Transit Partners Eagle P3 Project Private Activity Bonds, Series 2010, 6.000%, 1/15/41	7/20 at 100.00	Baa3	254,723
31,360	Total Colorado			16,217,007
	Connecticut – 0.5% (0.3% of Total Investments)			
1,930	Connecticut, General Obligation Bonds, Series 2001C, 5.500%, 12/15/16	No Opt. Call	AA	2,321,057
2,310	Greater New Haven Water Pollution Control Authority, Connecticut, Regional Wastewater System Revenue Bonds, Series 2005A, 5.000%, 11/15/30 – NPFG Insured	11/15 at 100.00	A1	2,384,451
4,240	Total Connecticut			4,705,508
	Delaware – 0.1% (0.1% of Total Investments)			
1,000	Delaware Health Facilities Authority, Revenue Bonds, Christiana Care Health Services Inc., Series 2010A, 5.000%, 10/01/40 – NPFG Insured	10/20 at 100.00	AA	1,039,710
	District of Columbia – 2.4% (1.5% of Total Investments)			
3,960	District of Columbia Housing Finance Agency, GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1988E-4, 6.375%, 6/01/26 (Alternative Minimum Tax)	12/11 at 100.00	AA+	3,965,148
9,505	District of Columbia, General Obligation Bonds, Series 1998B, 6.000%, 6/01/20 – NPFG Insured	No Opt. Call	Aa2	11,580,132
2,130	Washington Convention Center Authority, District of Columbia, Dedicated Tax Revenue Bonds, Tender Option Bond Trust 1606, 11.616%, 10/01/30 – AMBAC Insured (IF)	10/16 at 100.00	AA+	