NUVEEN PREMIUM INCOME MUNICIPAL FUND INC
Form N-CSR
January 09, 2009

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 811-05570

Nuveen Premium Income Municipal Fund, 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, 2008

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.

ANNUAL REPORT | Nuveen Investments
October 31, 2008 | MUNICIPAL CLOSED-END FUNDS

Photo of: Small child

NUVEEN PREMIUM
INCOME MUNICIPAL
FUND, INC.
NPI

NUVEEN PREMIUM
INCOME MUNICIPAL
FUND 2, INC.
NPM

NUVEEN PREMIUM
INCOME MUNICIPAL
FUND 4, INC.
NPT

IT'S NOT WHAT YOU EARN, IT'S WHAT YOU KEEP.(R)

Logo: NUVEEN Investments

Photo of: Man working on computer

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Logo: NUVEEN Investments

Photo of: Robert P. Bremner

Chairman's
LETTER TO SHAREHOLDERS

| Robert P. Bremner | Chairman of the Board

Dear Shareholders,

I'd like to use my initial letter to you to accomplish several things. First, I want to report that after fourteen years of service on your Fund's Board, including the last twelve as chairman, Tim Schwertfeger retired from the Board in June. The Board has elected me to replace him as the chairman, the first time this role has been filled by someone who is not an employee of Nuveen Investments. Electing an independent chairman marks a significant milestone in the management of your Fund, and it aligns us with what is now considered a "best practice" in the fund industry. Further, it demonstrates the independence with which your Board has always acted on your behalf.

Following Tim will not be easy. During my eleven previous years on the Nuveen Fund Board, I found that Tim always set a very high standard by combining insightful industry and market knowledge and sound, clear judgment. While the Board will miss his wise counsel, I am certain we will retain the primary commitment Tim shared with all of us - an unceasing dedication to creating and retaining value for Nuveen Fund shareholders. This focus on value over time is a touchstone that I and all the other Board members will continue to use when making decisions on your behalf.

Second, I also want to report that we are very fortunate to welcome two new Board members to our team. John Amboian, the current chairman and CEO of Nuveen Investments, has replaced Tim as Nuveen's representative on the Board. John's presence will allow the independent Board members to benefit not only from his leadership role at Nuveen but also his broad understanding of the fund industry and Nuveen's role within it. We also added Terry Toth as an independent director. A former CEO of the Northern Trust Company's asset management group, Terry will bring extensive experience in the fund industry to our deliberations.

Third, on behalf of the entire Board, I would like you to know that we are closely monitoring the unprecedented market developments and their distressing impact on the Funds. We believe that these Funds continue to be actively and constructively managed for the long term and at the same time we are very aware that these are trying times for our investors. We appreciate the patience you have shown with the Board and with Nuveen Investments as they manage your investment through this extremely difficult period.

Fourth, again on behalf of the entire Board, I would like to acknowledge the effort the whole Nuveen organization is making to resolve the auction rate preferred share situation in a satisfactory manner. As you know, we are actively pursuing a number of possible solutions, all with the goal of providing liquidity for preferred shareholders while preserving the potential benefits of leverage for common shareholders. We appreciate the patience you have shown as we've worked through the many difficulties involved.

Finally, I urge you to take the time to review the Portfolio Manager's Comments, the Common Share Dividend and Share Price Information, and the Performance Overview sections of this report. All of us are grateful that you have chosen Nuveen Investments as a partner as you pursue your financial goals, and, on behalf of myself and the other members of your Fund's Board, let me say we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

/s/ Robert P. Bremner

Robert P. Bremner
Chairman of the Board
December 23, 2008

Portfolio Manager's COMMENTS

Nuveen Investments Municipal Closed-End Funds | NPI, NPM, NPT

Portfolio manager Paul Brennan discusses U.S. economic and municipal market conditions, key investment strategies, and the twelve-month performance of these three national Funds. With nineteen years of investment experience, including eleven years at Nuveen, Paul assumed portfolio management responsibility for NPI, NPM and NPT in 2006.

WHAT FACTORS AFFECTED THE U.S. ECONOMY AND MUNICIPAL MARKET DURING THE TWELVE-MONTH REPORTING PERIOD ENDED OCTOBER 31, 2008?

During this period, stress in the financial and credit markets led to increased price volatility for many securities, reduced liquidity and a general flight to quality. The Federal Reserve (Fed) began in September 2007 a series of interest rate cuts that lowered the fed funds rate by 325 basis points--from 5.25% to 2.00%--over an eight-month period ending April 2008. In October 2008, the Fed announced two additional reductions of 50 basis points each, bringing the fed funds rate to 1.00%, its lowest level since 2003. (On December 16, after the end of this twelve-month period, the Fed reduced the fed funds rate target to 0.25% or less.)

The Fed's rate-cutting actions also were a response to concerns about the pace of U.S. economic growth, as measured by the U.S. gross domestic product (GDP). After declining at an annual rate of 0.2% in the fourth quarter of 2007, GDP improved to a positive 0.9% in the first quarter of 2008 and posted growth of 2.8% in the second quarter of 2008 (all GDP numbers annualized). During the third quarter of 2008, however, GDP contracted at an annual rate of 0.5%, the biggest decrease since 2001, mainly as the result of the first decline in consumer spending since 1991 and an 18% drop in residential investment. The Consumer Price Index (CPI), driven largely by increased energy, food, and transportation prices, registered a 3.7% year-over-year gain as of October 2008, while the core CPI (which excludes food and energy) rose 2.2% over this same period, above the Fed's unofficial target of 2.0% or lower. In the labor markets, October 2008 marked the tenth consecutive month of job losses. The national unemployment rate for October 2008 was 6.5%, its highest point in more than fourteen years, up from 4.8% in October 2007.

In the municipal bond market, performance was significantly impacted by concerns about the credit markets, downgrades of municipal bond insurers, failed auctions of preferred shares, and institutional investors' need to unwind various leveraging strategies. These events created surges of selling pressure, especially in late September and early October 2008. While some investors curtailed purchases, non-traditional buyers of municipal bonds such as hedge funds, traditional buyers

Discussions of specific investments are for illustrative purposes only and are not intended as recommendations of individual investments. The views expressed in this commentary represent those of the portfolio manager as of the date of this report and are subject to change at any time, based on market conditions and other factors. The Funds disclaim any obligation to advise shareholders of such changes.

such as tax-exempt money market funds, and muni market broker/dealers were forced to sell holdings of longer-maturity bonds into a market already experiencing reduced liquidity.

Combined with the Fed rate cuts, this selling produced a sharp steepening of the municipal yield curve, as longer-term interest rates rose and short-term rates declined over this period. In this environment, bonds with shorter maturities generally outperformed longer maturity bonds, and higher quality bonds tended to outperform lower quality credits.

Another item of note in the municipal market was the U.S. Supreme Court's May 2008 ruling that individual states could continue to offer their residents special tax treatment on municipal bonds issued within their borders. The high court's decision preserved tax rules in forty-two states, allowing them to continue to exempt from taxation the income their residents earn on in-state municipal bonds while taxing the income earned on municipal bonds issued in other states.

Over the twelve months ended October 31, 2008, municipal bond issuance nationwide totaled $450.3 billion, a drop of 8% from the previous twelve months. In 2008, insured bonds comprised less than 20% of new supply, compared with the recent historical figure of approximately 50%. While market conditions during this period impacted the demand for municipal bonds, we continued to see demand from investors attracted by higher interest rates and yields relative to taxable bonds.

WHAT KEY STRATEGIES WERE USED TO MANAGE THESE FUNDS?

During this twelve-month period, with the municipal market characterized by volatility and a relatively steep yield curve, we sought to capitalize on a turbulent environment by continuing to focus on relative value and investing for the long term, preserving and enhancing liquidity, and managing duration(1) risk.

As events in the general financial markets unfolded, we found attractive opportunities in various sectors of the municipal market, using a fundamental approach to identify undervalued sectors and individual credits with the potential to perform well over the long term. In addition, some portfolio activity was driven by our efforts to boost liquidity or cash reserves. Especially during the commotion of September and October, we believed that it was prudent to take defensive measures that would reduce the Funds' exposure to market risk. These measures included pre-emptively selling some holdings and raising the Funds' cash reserves.

Throughout the period, we selectively sold holdings with shorter durations, including pre-refunded(2) bonds. We also took advantage of strong bids to sell bonds that were attractive to the retail market. Given the market environment, retail demand was often strongest for higher credit quality bonds. At all times, we were careful to balance

(1) Duration is a measure of a bond's price sensitivity as interest rates change, with longer duration bonds displaying more sensitivity to these changes than bonds with shorter durations.

(2) Pre-refundings, also known as advance refundings or refinancings, occur when an issuer sells new bonds and uses the proceeds to fund principal and interest payments of older existing bonds. This process often results in lower borrowing costs for bond issuers.

our efforts to enhance liquidity through sales to the retail market with our focus on maintaining the credit quality of our portfolios in an uncertain market.

As a key dimension of risk management, a disciplined approach to duration positioning remained an important component of our management strategies. As part of this approach, we used inverse floating rate securities(3), in all three of these Funds. Inverse floaters typically provide the dual benefit of bringing the Funds' durations closer to our strategic target and enhancing their income-generation capabilities. NPI and NPM also invested in certain derivative instruments during this period in an effort to help us manage common share net asset value (NAV) volatility while trying to minimize any negative impact on income streams or common share dividends over the short term. As of October 31, 2008, we continued to use inverse floaters in all of these Funds. The derivatives also remained in place in NPI, while the derivative positions were removed from NPM during the first half of this period.

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.

Annualized Total Returns on Common Share Net Asset Value
For periods ended 10/31/08

	1-Year	5-Year	10-Year
NPI	-15.39%	0.93%	2.96%
NPM	-16.96%	0.60%	2.89%
NPT	-15.97%	1.10%	2.24%
Lipper General Leveraged Municipal Debt Funds Average(4)	-19.05%	0.29%	2.87%
Barclays Capital Municipal Bond Index(5)	-3.30%	2.73%	4.14%
S&P National Municipal Bond Index(6)	-4.15%	2.75%	N/A

For the twelve months ended October 31, 2008, the total returns on common share NAV for all three of the Funds in this report exceeded the average return for the Lipper General Leveraged Municipal Debt Funds Average. The Funds underperformed the Barclays Capital Municipal Bond Index and the Standard & Poor's (S&P) National Municipal Bond Index.

Key management factors that influenced the Funds' returns included duration positioning, the use of derivatives, credit exposure and sector allocations. In addition, a major factor affecting each Fund's performance over this period was the use of leverage. The impact of leverage is discussed in more detail on page 8.

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.

(3) An inverse floating rate security is a financial instrument designed to pay long-term tax-exempt interest at a rate that varies inversely with a short-term tax-exempt interest rate index. For the Nuveen Funds, the index typically used is the Securities Industry and Financial Markets (SIFM) Municipal Swap Index (previously referred to as the Bond Market Association Index or BMA). Inverse floaters, including those inverse floating rate securities in which the Funds invested during this reporting period, are further defined within the Notes to Financial Statements and Glossary of Terms Used in this Report sections of this shareholder report.

(4) The Lipper General Leveraged Municipal Debt Funds Average is calculated using the returns of all closed-end funds in this category for each period as follows: 1 year, 54 funds; 5 years, 52 funds; and 10 years, 38 funds. Fund and Lipper returns assume reinvestment of dividends.

(5) The Barclays Capital (formerly Lehman Brothers) Municipal Bond Index is an unleveraged, unmanaged national index comprising a broad range of investment-grade municipal bonds. Results for the Barclays Capital index do not reflect any expenses.

(6) The Standard & Poor's (S&P) National Municipal Bond Index is an unleveraged, market value-weighted index designed to measure the performance of the investment-grade U.S. municipal bond market.

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Given the changes in the interest rate environment during this period, bonds in the Barclays Capital Municipal Bond Index with maturities of ten years or less outperformed the market as a whole, with bonds maturing in one to six years benefiting the most. Because they were less sensitive to interest rate changes, these shorter bonds generally outperformed credits with longer maturities, with the biggest losses posted by bonds with the longest maturities (twenty-two years and longer). During this period, the Funds' exposure to the underperforming longer part of the yield curve had a negative influence on their performance. Overall, NPM was more heavily weighted in the longer part of the curve than NPI or NPT.

As mentioned earlier, NPI used derivatives positions throughout this period to synthetically shorten duration and move it closer to our strategic duration target. Over this time, in contrast to historical trends, the taxable markets and the municipal market moved in opposite directions. As a result, the derivative positions used in NPI, which reduced duration in the outperforming taxable markets, detracted the Fund's performance.

In addition, the inverse floaters used by all three of these Funds generally had a negative impact on performance. This resulted from the fact that the inverse floaters effectively increased the Funds' exposure to longer maturity bonds at a time when shorter maturities were in favor in the market.

Credit exposure, including exposure to bonds backed by municipal bond insurers, also was a factor in performance during this period. Because risk-averse investors generally sought higher quality investments as disruptions in the financial markets deepened, bonds with higher credit quality ratings typically performed very well. However, insured bonds with underlying credits that were rated BBB or non-rated, originally purchased because of the higher yields they offered, experienced a disproportionately negative impact (compared with bonds with underlying credits rated AA or A) if the insurer backing the bond was downgraded from AAA. As many investors avoided high-yield securities, bonds rated BBB or below and non-rated bonds generally posted poor returns. As of October 31, 2008, allocations of bonds rated BBB and lower and non-rated bonds accounted for approximately 10% of NPI's portfolio, 16% of NPM, and 11% of NPT. This lower-rated credit exposure was a negative influence on Funds' performances for this period. Conversely, the Funds' weightings in bonds rated AAA were generally positive for performance.

Sectors of the market that generally contributed positively to the Funds' performances included general obligation bonds, resource recovery, water and sewer and utilities. Pre-refunded bonds, which are usually backed by U.S. Treasury securities, were one of the top performing segments of the market, due primarily to their shorter effective maturities, higher credit quality and perceived safety. Holdings of pre-refunded bonds ranged from 19% to 26% among these Funds, with NPI having the heaviest weighting of pre-refunded issues and NPM the smallest.

In general, bonds that carried any credit risk, regardless of sector, posted weak performance. Revenue bonds as a whole, and the industrial development sector in particular, underperformed the general municipal market. Next to the industrial development sector, zero coupon bonds were among the worst performing categories. The health care and housing sectors also performed very poorly, as did lower-rated bonds backed by the 1998 master tobacco settlement agreement.

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IMPACT OF THE FUNDS' CAPITAL STRUCTURES AND LEVERAGE STRATEGIES ON PERFORMANCE

In addition to the factors mentioned above, one of the primary factors negatively impacting the annual returns of these Funds relative to those of the unleveraged indexes was the Funds' use of financial leverage. While leverage offers opportunities to generate additional income and total returns for common shareholders, the benefits provided by leveraging are influenced by the price movements of the bonds in each Fund's portfolio. During this period, as yields on longer-term bonds rose and their prices correspondingly fell, declining valuations had a negative effect on performance that was magnified by the use of leverage. In addition, at various points during the twelve-month period, the Funds' borrowing costs were relatively high, negatively impacting their total returns. In the turbulent market environment of the past twelve months, the impact of any valuation change in the Funds' holdings--whether positive or negative--was magnified by the use of leverage.

RECENT DEVELOPMENTS IN THE MARKET ENVIRONMENT

Beginning in October, the nation's financial institutions and financial markets--including the municipal bond market--experienced significant turmoil. Reductions in demand decreased valuations of municipal bonds across all credit ratings, especially those with lower credit ratings, and this generally reduced the Funds' net asset values. The municipal market is one in which dealer firms make markets in bonds on a principal basis using their proprietary capital, and during the recent market turmoil these firms' capital was severely constrained. As a result, some firms were unwilling to commit their capital to purchase and to serve as a dealer for municipal bonds. This reduction in dealer involvement in the market was accompanied by significant net selling pressure by investors, particularly with respect to lower-rated municipal bonds, as institutional investors generally removed money from the municipal bond market, at least in part because of their need to reduce the leveraging of their municipal investments. This de-leveraging was in part driven by the overall reduction in the amount of financing available for such leverage, the increased costs of such leverage financing, and the need to reduce leverage levels that had recently increased due to the decline in municipal bond prices.

Municipal bond prices were further negatively impacted by concerns that the need for further de-leveraging and a supply overhang as a large amount of new issues were postponed would cause selling pressure to persist for a period of time. In addition to falling prices, these market conditions resulted in greater price volatility of municipal bonds; wider credit spreads (i.e., lower quality bonds fell in price more than higher quality bonds); significantly reduced liquidity (i.e., the ability to sell bonds at a price close to their carrying value), particularly for lower quality bonds; and a lack of price transparency (i.e., the ability to accurately determine the price at which a bond would likely trade). Reduced liquidity was most pronounced in mid-October, and although liquidity improved considerably over ensuing weeks, it may reoccur if financial turmoil persists or worsens.

RECENT DEVELOPMENTS REGARDING BOND INSURANCE COMPANIES

As mentioned earlier, another factor that had an impact on the performance of these Funds was their position in bonds backed by municipal bond insurers that experienced downgrades in their credit ratings. During the period covered by this report, ACA, AMBAC, CIFG, FGIC, MBIA, RAAI and SYNCORA (formerly XLCA) experienced one or more rating reductions by at least one or more rating agencies. Subsequent to the reporting period, AMBAC, MBIA and SYNCORA experienced further rating reductions while FSA received its first rating reduction by at least one rating agency. At the time this report was prepared, at least one rating agency has placed each of these insurers on "negative outlook" or "negative credit watch," which may presage one or more rating reductions for such insurer or insurers in the future. As concern increased about the balance sheets of these insurers, prices on bonds insured by these companies - especially those bonds with weaker underlying credits - declined, detracting from the Funds' performance. By the end of this period, most insured bond's were being valued according to their fundamentals as if they were insured. On the whole, the holdings of all of our Funds continued to be well diversified not only between insured and uninsured bonds, but also within the insured bond category. It is important to note that municipal bonds historically have had a very low rate of default.

RECENT DEVELOPMENTS IN THE AUCTION RATE PREFERRED SECURITIES MARKETS

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the auction rate preferred shares issued by these Funds than there were offers to buy. This meant that these auctions "failed to clear'' and that many or all auction rate preferred shareholders who wanted to sell their shares in these auctions were unable to do so. This decline in liquidity in auction rate preferred shares did not lower the credit quality of these shares, and auction rate preferred shareholders unable to sell their shares received distributions at the "maximum rate'' applicable to failed auctions as calculated in accordance with the pre-established terms of the auction rate preferred shares.

On June 11, 2008, Nuveen announced the Fund Board's approval of plans to use tender option bonds (TOBs), also known as floating rate securities, to refinance a portion of the municipal Funds' outstanding auction rate preferred shares, for which auctions have been failing for several months. This plan included an initial phase of approximately $1 billion in forty-one funds. During the twelve-month reporting period, NPI, NPM and NPT redeemed $109,550,000, $63,450,000 and $36,200,000 of their outstanding auction rate preferred shares, respectively, at liquidation value, using the proceeds from the issuance of TOBs.

On August 7, 2008, four Nuveen municipal Funds (none of which are included in this shareholder report) issued par redemption notices for all outstanding shares of their auction rate preferred shares totaling $569.9 million. These redemptions were achieved through the issuance of variable rate demand preferred shares (VRDP) in conjunction with the proceeds from the creation of TOBs.

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

Common Share
Dividend and Share Price
INFORMATION

During the twelve-month period ended October 31, 2008, there was one dividend increase in both NPI and NPT, while the dividend of NPM remained stable throughout the reporting period.

Due to capital gains generated by normal portfolio activity, common shareholders of the Funds received capital gains and/or net ordinary income distributions at the end of December 2007 as follows:

	Long-Term Capital Gains (per share)	Short-Term Capital Gains and/or Ordinary Income (per share)
NPI	--	$0.0009
NPM	$0.0215	$0.0040
NPT	--	$0.0036

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, 2008, all three Funds in this report had positive UNII balances for tax purposes, while NPI and NPT had positive UNII balances and NPM had a negative UNII balance for financial statement purposes.

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The Funds' Board of Directors approved an open-market share repurchase program on July 10, 2007, for NPM and on July 30, 2008, for NPI and NPT under which each Fund may repurchase up to 10% of its common shares. As of October 31, 2008, NPM had cumulatively repurchased 297,500 common shares, representing approximately 0.7% of the Fund's total common shares outstanding.

As of October 31, 2008, the Funds' common share prices were trading at discounts to their common share NAVs as shown in the accompanying chart:

	10/31/08 Discount	Twelve-Month Average Discount
NPI	-7.84%	-8.32%
NPM	-12.21%	-9.57%
NPT	-12.75%	-12.40%

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NPI
Performance
OVERVIEW

Nuveen Premium
Income Municipal
Fund, Inc.
as of October 31, 2008

Pie Chart:
Credit Quality (as a % of total investments)(1),(2)

AAA/U.S. Guaranteed	41%
AA	37%
A	12%
BBB	8%
N/R	2%

Bar Chart:
2007-2008 Monthly Tax-Free Dividends Per Common Share(4)

Nov	0.059
Dec	0.059

Jan	0.059
Feb	0.059
Mar	0.059
Apr	0.059
May	0.059
Jun	0.059
Jul	0.059
Aug	0.059
Sep	0.06
Oct	0.06

Line Chart:
Common Share Price Performance -- Weekly Closing Price

11/01/07	13.27
	13.3
	12.8
	12.55
	12.82
	13.12
	13.21
	12.9
	12.71
	13.17
	13.66
	13.87
	13.63
	13.94
	13.79
	13.99
	13.17
	12.68
	12.41
	13.04
	12.96
	13.08
	13.18
	13.22
	13.32
	13.36
	13.26
	13.22
	13.26
	13.33
	13.23
	13.25
	13.29
	13.04
	12.75
	12.73
	12.92
	12.96
	12.71
	12.77
	12.65
	12.85
	12.76
	12.71
	12.92
	13.05
	12.79
	12.55
	11.39

	11.24
	8.22
	9.85
	10.98
10/31/08	10.93

FUND SNAPSHOT

Common Share Price	$10.93
Common Share Net Asset Value	$11.86
Premium/(Discount) to NAV	-7.84%
Market Yield	6.59%
Taxable-Equivalent Yield(3)	9.15%
Net Assets Applicable to Common Shares ($000)	$756,782
Average Effective Maturity on Securities (Years)	14.56
Leverage-Adjusted Duration	13.97

AVERAGE ANNUAL TOTAL RETURN
(Inception 7/18/88)

	ON SHARE PRICE	ON NAV
1-Year	-13.10%	-15.39%
5-Year	0.79%	0.93%
10-Year	2.84%	2.96%

STATES
(as a % of total investments)(2)

California	13.1%
Texas	10.3%
New York	8.2%
New Jersey	6.2%
Illinois	5.9%
South Carolina	4.2%
Florida	3.6%
Colorado	3.3%
Minnesota	3.1%

Pennsylvania	3.0%
Massachusetts	3.0%
Nevada	2.8%
Washington	2.6%
Michigan	2.6%
District of Columbia	2.5%
Louisiana	2.4%
Wisconsin	2.4%
Alabama	2.3%
Other	18.5%

INDUSTRIES
(as a % of total investments)(2)

U.S. Guaranteed	26.0%
Health Care	15.0%
Tax Obligation/Limited	14.2%
Tax Obligation/General	11.5%
Transportation	11.1%
Utilities	5.8%
Education and Civic Organizations	4.0%
Other	12.4%

(1) The percentages shown in the foregoing chart may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(2) Excluding derivative transactions.

(3) 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.

(4) The Fund paid shareholders net ordinary income distributions in December 2007 of $0.0009 per share.

NPM
Performance
OVERVIEW

Nuveen Premium
Income Municipal
Fund 2, Inc.
as of October 31, 2008

Pie Chart:
Credit Quality (as a % of total investments)(1)

AAA/U.S. Guaranteed	32%
AA	37%
A	15%
BBB	11%
BB or Lower	1%
N/R	4%

Bar Chart:
2007-2008 Monthly Tax-Free Dividends Per Common Share(3)

Nov	0.0575
Dec	0.0575
Jan	0.0575
Feb	0.0575
Mar	0.0575
Apr	0.0575
May	0.0575
Jun	0.0575
Jul	0.0575
Aug	0.0575
Sep	0.0575
Oct	0.0575

Line Chart:
Common Share Price Performance -- Weekly Closing Price

11/01/07	13.21
	13.24
	12.86
	12.53
	13.16
	13.17
	13.41
	13.15
	13.16
	13.45
	13.97
	14.01
	13.81
	13.99
	14
	14.14
	13.27
	13.01
	12.59
	13.09
	12.61
	12.72

	13.01
	12.99
	13
	13.17
	13.26
	13.23
	13.44
	13.41
	13.24
	13.53
	13.51
	13.32
	12.88
	12.45
	12.56
	12.72
	12.55
	12.72
	12.67
	12.85
	12.62
	12.6
	12.67
	12.73
	12.35
	11.89
	10.6
	10.87
	7.73
	9.53
	10.7
10/31/08	10.28

FUND SNAPSHOT

Common Share Price	$10.28
Common Share Net Asset Value	$11.71
Premium/(Discount) to NAV	-12.21%
Market Yield	6.71%
Taxable-Equivalent Yield(2)	9.32%
Net Assets Applicable to Common Shares ($000)	$477,603
Average Effective Maturity on Securities (Years)	14.16
Leverage-Adjusted Duration	15.51

AVERAGE ANNUAL TOTAL RETURN
(Inception 7/23/92)

	ON SHARE PRICE	ON NAV
1-Year	-17.95%	-16.96%

5-Year	-0.42%	0.60%
10-Year	1.47%	2.89%

STATES
(as a % of total investments)

California	10.4%
Illinois	8.9%
Texas	8.3%
South Carolina	6.9%
New York	6.7%
Washington	6.5%
Massachusetts	4.7%
New Jersey	4.3%
Louisiana	3.7%
Ohio	2.9%
Missouri	2.8%
Minnesota	2.7%
Alabama	2.7%
Oklahoma	2.6%
Michigan	2.6%
Nevada	2.6%
Wisconsin	2.0%
Other	18.7%

INDUSTRIES
(as a % of total investments)

U.S. Guaranteed	19.2%
Health Care	17.2%
Tax Obligation/Limited	15.4%
Tax Obligation/General	15.0%
Utilities	11.1%
Transportation	5.5%
Education and Civic Organizations	4.9%

Other	11.7%

(1) The percentages shown in the foregoing chart may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(2) 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.

(3) The Fund paid shareholders capital gains and net ordinary income distributions in December 2007 of $0.0255 per share.

NPT
Performance
OVERVIEW

Nuveen Premium
Income Municipal
Fund 4, Inc.
as of October 31, 2008

Pie Chart:
Credit Quality (as a % of total investments)(1)

AAA/U.S. Guaranteed	38%
AA	38%
A	13%
BBB	6%
BB or Lower	2%
N/R	3%

Bar Chart:
2007-2008 Monthly Tax-Free Dividends Per Common Share(3)

Nov	0.0485
Dec	0.0485
Jan	0.0485
Feb	0.0485
Mar	0.0485
Apr	0.0485
May	0.0485
Jun	0.0485
Jul	0.0485
Aug	0.0485
Sep	0.0515
Oct	0.0515

Line Chart:
Common Share Price Performance -- Weekly Closing Price

11/01/07	11.74
	11.77
	11.35
	11.21
	11.39
	11.63
	11.51
	11.47
	11.39
	11.56
	12.01
	12.03
	11.98
	12.1
	11.98
	12.1
	11.54
	11.32
	10.96
	11.46
	11.08
	11.13
	11.31
	11.45
	11.42
	11.54
	11.45
	11.49
	11.5
	11.6
	11.53
	11.63
	11.62
	11.29
	11.09
	11.11
	11.19
	11.07
	10.8499
	10.85
	10.87
	10.89
	11
	10.96
	10.98
	11.07
	10.97
	10.52
	9.57
	9.54
	7.74
	8.49
	9.3
10/31/08	9.24

FUND SNAPSHOT

Common Share Price	$9.24
Common Share Net Asset Value	$10.59

Premium/(Discount) to NAV	-12.75%
Market Yield	6.69%
Taxable-Equivalent Yield(2)	9.29%
Net Assets Applicable to Common Shares ($000)	$457,866
Average Effective Maturity on Securities (Years)	15.01
Leverage-Adjusted Duration	15.50

AVERAGE ANNUAL TOTAL RETURN
(Inception 2/19/93)

	ON SHARE PRICE	ON NAV
1-Year	-17.19%	-15.97%
5-Year	-0.23%	1.10%
10-Year	1.37%	2.24%

STATES
(as a % of total investments)

Texas	12.1%
Illinois	9.2%
California	8.8%
Indiana	6.1%
Washington	6.1%
New York	5.3%
Louisiana	4.1%
Michigan	4.0%
Florida	3.9%
New Jersey	3.1%
Colorado	3.0%
Alabama	3.0%
South Carolina	2.7%
Ohio	2.0%
North Carolina	1.9%
Rhode Island	1.8%

Wisconsin	1.8%
Pennsylvania	1.7%
Other	19.4%

INDUSTRIES
(as a % of total investments)

U.S. Guaranteed	21.4%
Tax Obligation/Limited	15.6%
Health Care	15.2%
Tax Obligation/General	13.1%
Utilities	9.0%
Transportation	7.0%
Water and Sewer	5.6%
Other	13.1%

(1) The percentages shown in the foregoing chart may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(2) 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.

(3) The Fund paid shareholders net ordinary income distributions in December 2007 of $0.0036 per share.

NPI
NPM
NPT

Shareholder MEETING REPORT

The annual meeting of shareholders was held on July 29, 2008, at The Northern Trust Company, 50 South a Salle Street, Chicago, IL 60675; 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 29, 2008, and additionally adjourned to September 30, 2008, October 28, 2008 and November 25, 2008.

	NPI		NPM	
	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	Preferr shares voti togeth as a cla
TO APPROVE THE ELIMINATION OF THE FUND'S FUNDAMENTAL POLICY RELATING TO INVESTMENTS IN MUNICIPAL SECURITIES AND BELOW INVESTMENT GRADE SECURITIES.				
For	32,486,062	3,973	19,162,094	3,2
Against	2,304,118	829	1,364,811	5
Abstain	1,199,485	125	644,829	1
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO INVESTMENTS IN MUNICIPAL SECURITIES FOR THE FUND.				
For	32,686,225	4,158	19,246,953	3,3
Against	2,052,573	659	1,274,613	3
Abstain	1,250,867	110	650,168	1
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO INVESTING IN OTHER INVESTMENT COMPANIES.				
For	32,340,936	4,133	19,076,745	3,3
Against	2,282,901	690	1,397,958	4
Abstain	1,365,828	104	697,031	1
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO DERIVATIVES AND SHORT SALES.				
For	32,119,814	3,940	19,028,570	3,1
Against	2,525,662	868	1,406,219	5
Abstain	1,344,189	119	736,945	2
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9
TO APPROVE THE ELIMINATION OF THE FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	32,130,877	3,948	18,969,653	3,1
Against	2,490,475	847	1,482,706	5
Abstain	1,368,313	132	719,375	2
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9

NPI
NPM
NPT

Shareholder MEETING REPORT (continued)

	NPI		NPM	
	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	Preferr shares voti togeth as a cla
TO APPROVE THE NEW FUNDAMENTAL POLICY RELATING TO COMMODITIES.				
For	32,236,711	4,005	18,967,381	3,3
Against	2,395,532	803	1,489,999	4
Abstain	1,357,422	119	714,354	1
Broker Non-Votes	10,550,299	11,669	5,840,427	8,0
Total	46,539,964	16,596	27,012,161	11,9
APPROVAL OF THE BOARD MEMBERS WAS REACHED AS FOLLOWS:				
John P. Amboian				
For	44,554,451	--	25,865,281	
Withhold	1,985,270	--	1,146,854	
Total	46,539,721	--	27,012,135	
Robert P. Bremner				
For	44,532,645	--	25,842,212	
Withhold	2,007,076	--	1,169,923	
Total	46,539,721	--	27,012,135	
Jack B. Evans				
For	44,549,539	--	25,836,629	
Withhold	1,990,182	--	1,175,506	
Total	46,539,721	--	27,012,135	
William C. Hunter				
For	--	15,725	--	11,5
Withhold	--	828	--	3
Total	--	16,553	--	11,9
David J. Kundert				
For	44,539,857	--	25,834,078	
Withhold	1,999,864	--	1,178,057	
Total	46,539,721	--	27,012,135	
William J. Schneider				

For	--	15,725	--	11,5
Withhold	--	828	--	3
Total	--	16,553	--	11,9
Judith M. Stockdale				
For	44,531,026	--	25,853,740	
Withhold	2,008,695	--	1,158,395	
Total	46,539,721	--	27,012,135	
Carole E. Stone				
For	44,524,443	--	25,869,062	
Withhold	2,015,278	--	1,143,073	
Total	46,539,721	--	27,012,135	
Terence J. Toth				
For	44,538,235	--	25,860,896	
Withhold	2,001,486	--	1,151,239	
Total	46,539,721	--	27,012,135	

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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, 2008, 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 audit 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, 2008, 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, 2008, the results of their operations and cash flows for the year then ended, 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.

/s/ Ernst & Young LLP

Chicago, Illinois
December 23, 2008

NPI

Nuveen Premium Income Municipal Fund, Inc.
Portfolio of INVESTMENTS

October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	ALABAMA - 3.7% (2.3% OF TOTAL INVESTMENTS)	
$ 4,050	Alabama 21st Century Authority, Tobacco Settlement Revenue Bonds, Series 2000, 6.125%, 12/01/16	6/10 at 102
	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
4,000	5.000%, 11/15/39 (UB)	11/16 at 100
6,000	Alabama Special Care Facilities Financing Authority, Revenue Bonds, Ascension Health, Series 2006D, 5.000%, 11/15/39 (UB)	11/16 at 100
	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
1,300	5.000%, 11/15/30	11/15 at 100
4,000	Birmingham Waterworks And Sewer Board, Alabama, Water and Sewer Revenue Bonds, Tender Option Bond Trust 2707, 0.596%, 1/01/43 - AMBAC Insured (IF)	1/17 at 100

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
5,020	DCH Health Care Authority, Alabama, Healthcare Facilities Revenue Bonds, Series 2002, 5.250%, 6/01/18	6/12 at 101
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
35,695	Total Alabama	
	ALASKA - 2.1% (1.3% 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 (5)	9/13 at 100
2,035	5.250%, 9/01/18 (Pre-refunded 9/01/13) - FGIC Insured	9/13 at 100
5,000	Northern Tobacco Securitization Corporation, Alaska, Tobacco Settlement Asset-Backed Bonds, Series 2000, 6.500%, 6/01/31 (Pre-refunded 6/01/10)	6/10 at 100
10,500	Northern Tobacco Securitization Corporation, Alaska, Tobacco Settlement Asset-Backed Bonds, Series 2006A, 5.000%, 6/01/32	6/14 at 100
19,535	Total Alaska	
	ARIZONA - 1.4% (0.8% 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
660	5.250%, 12/01/25	12/15 at 100
2,910	Pima County Industrial Development Authority, Arizona, Lease Obligation Revenue Refunding Bonds, Tucson Electric Power Company, Series 1988A, 7.250%, 7/15/10 - FSA Insured	1/09 at 100
4,100	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Series 2007, 5.000%,12/01/37	No Opt. C
4,130	University of Arizona, Certificates of Participation, Series 2002B, 5.125%, 6/01/18 - AMBAC Insured	6/12 at 100
12,300	Total Arizona	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS

	ARKANSAS - 1.0% (0.6% OF TOTAL INVESTMENTS)	
$ 480	Paragould, Arkansas, Water, Sewer and Electric Revenue Bonds, Series 2000, 5.650%, 12/01/25 (Pre-refunded 12/01/10) - AMBAC Insured	12/10 at 100
5,245	University of Arkansas, Fayetteville, Athletic Facilities Revenue Bonds, Razorback Stadium, Series 1999, 5.050%, 9/15/20 - AMBAC Insured	9/09 at 100
2,000	Washington County, Arkansas, Hospital Revenue Bonds, Washington Regional Medical Center, Series 2005B, 5.000%, 2/01/25	2/15 at 100
7,725	Total Arkansas	
	CALIFORNIA - 21.7% (13.1% 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. C
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
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
5,400	California Educational Facilities Authority, Revenue Bonds, University of Southern California, Series 2005, 4.750%, 10/01/28 (UB)	10/15 at 100
1,500	California Educational Facilities Authority, Revenue Bonds, University of the Pacific, Series 2006, 5.000%, 11/01/30	11/15 at 100
	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A:	
3,700	5.000%, 3/01/28	3/13 at 100
7,000	5.000%, 3/01/33	3/13 at 100
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. C
8,560	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/27	11/15 at 100
8,570	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanante System, Series 2006, 5.000%, 4/01/37	4/16 at 100
955	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.475%, 11/15/42 (IF)	11/16 at 100
11,395	California State Public Works Board, Lease Revenue Bonds, Department of Corrections, Series 1993E, 5.500%, 6/01/15	No Opt. C

	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
2,730	5.000%, 7/01/39	7/15 at 100
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
6,605	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.640%, 11/15/48 (IF)	5/18 at 100
4,000	California, Economic Recovery Revenue Bonds, Series 2004A, 5.250%, 7/01/14	No Opt. C
	California, General Obligation Bonds, Series 2004:	
2,000	5.125%, 2/01/25	2/14 at 100
10,000	5.125%, 2/01/26	2/14 at 100
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
4,890	Clovis Unified School District, Fresno County, California, General Obligation Bonds, Series 2006B, 0.000%, 8/01/26 - MBIA Insured	No Opt. C

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NPI

Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CALIFORNIA (continued)	
	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1:	
$ 7,000	5.000%, 6/01/33	6/17 at 100
3,000	5.125%, 6/01/47	6/17 at 100
2,000	5.750%, 6/01/47	6/17 at 100
5,000	Kern Community College District, California, General Obligation Bonds, Series 2006, 0.000%, 11/01/24 - FSA Insured	No Opt. C
5,470	Los Angeles Harbors Department, California, Revenue Bonds, Series 2006A, 5.000%, 8/01/22 - FGIC Insured (Alternative Minimum Tax)	8/16 at 102
930	Martinez, California, Home Mortgage Revenue Bonds, Series 1983A, 10.750%, 2/01/16 (ETM)	No Opt. C
18,140	Pomona, California, GNMA/FNMA Collateralized Securities Program Single Family Mortgage Revenue Bonds, Series 1990A, 7.600%, 5/01/23 (ETM)	No Opt. C

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
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
3,700	Sacramento Municipal Utility District, California, Electric Revenue Bonds, Series 2003R, 5.000%, 8/15/22 - MBIA Insured	8/13 at 100
	San Diego County, California, Certificates of Participation, Burnham Institute, Series 2006:	
400	5.000%, 9/01/21	9/15 at 102
445	5.000%, 9/01/23	9/15 at 102
3,500	San Diego Unified Port District, California, Revenue Bonds, Series 2004B, 5.000%, 9/01/29 - MBIA Insured	9/14 at 100
	San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series 1997A:	
10,450	0.000%, 1/15/31 - MBIA Insured	No Opt. C
7,150	0.000%, 1/15/32 - MBIA Insured	No Opt. C
50,400	0.000%, 1/15/34 - MBIA Insured	No Opt. C
24,025	0.000%, 1/15/36 - MBIA Insured	No Opt. C
264,755	Total California	
	COLORADO - 5.4% (3.3% 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
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
2,125	Colorado Health Facilities Authority, Revenue Bonds, Evangelical Lutheran Good Samaritan Society, Series 2005, 5.000%, 6/01/29	6/16 at 100
1,000	Colorado Health Facilities Authority, Revenue Bonds, Parkview Medical Center, Series 2004, 5.000%, 9/01/25	9/14 at 100
800	Colorado Health Facilities Authority, Revenue Bonds, Poudre Valley Health Care, Series 2005F, 5.000%, 3/01/25	3/15 at 100
70	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 1997B-2, 7.000%, 5/01/26 (Alternative Minimum Tax)	11/08 at 105
95	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 1997C-2, 6.875%, 11/01/28 (Alternative Minimum Tax)	11/08 at 105
445	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 2000B-2, 7.250%, 10/01/31 (Alternative Minimum Tax)	4/10 at 105

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	COLORADO (continued)	
$ 8,385	Denver City and County, Colorado, Airport System Revenue Bonds, Series 1991D, 7.750%, 11/15/13 (Alternative Minimum Tax)	No Opt. C
19,810	Denver, Colorado, Excise Tax Revenue Bonds, Convention Center, Series 2001A, 5.500%, 9/01/18 (Pre-refunded 3/01/11) - FSA Insured	3/11 at 100
20,500	E-470 Public Highway Authority, Colorado, Senior Revenue Bonds, Series 2000B, 0.000%, 9/01/32 - MBIA Insured	No Opt. C
24	El Paso County, Colorado, FNMA Mortgage-Backed Single Family Revenue Refunding Bonds, Series 1992A-2, 8.750%, 6/01/11	No Opt. C
56,444	Total Colorado	
	CONNECTICUT - 0.6% (0.3% OF TOTAL INVESTMENTS)	
1,930	Connecticut, General Obligation Bonds, Series 2001C, 5.500%, 12/15/16	No Opt. C
2,310	Greater New Haven Water Pollution Control Authority, Connecticut, Regional Wastewater System Revenue Bonds, Series 2005A, 5.000%, 11/15/30 - MBIA Insured	11/15 at 100
4,240	Total Connecticut	
	DISTRICT OF COLUMBIA - 4.1% (2.5% OF TOTAL INVESTMENTS)	
4,460	District of Columbia Housing Finance Agency, GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1988E-4, 6.375%, 6/01/26 (Alternative Minimum Tax)	12/08 at 100
9,505	District of Columbia, General Obligation Bonds, Series 1998B, 6.000%, 6/01/20 - MBIA Insured	No Opt. C
	District of Columbia, Revenue Bonds, Georgetown University, Series 2001A:	
14,105	0.000%, 4/01/24 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 47
7,625	0.000%, 4/01/25 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 44
16,665	0.000%, 4/01/32 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 29
2,130	Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 1.947%, 10/01/30 - AMBAC Insured (IF)	10/16 at 100

3,335	Washington DC Convention Center Authority, Dedicated Tax Revenue Bonds, Residual Series 1730,1731, 1736, 0.469%, 10/01/30 - AMBAC Insured (IF)	10/16 at 100
57,825	Total District of Columbia	
	FLORIDA - 5.9% (3.6% OF TOTAL INVESTMENTS)	
4,225	Brevard County Health Facilities Authority, Florida, Revenue Bonds, Health First Inc. Project, Series 2005, 5.000%, 4/01/24	4/16 at 100
8,000	Hillsborough County Aviation Authority, Florida, Revenue Bonds, Tampa International Airport, Series 2003A, 5.375%, 10/01/16 - MBIA Insured (Alternative Minimum Tax)	10/13 at 100
5,400	Hillsborough County Industrial Development Authority, Florida, Exempt Facilities Remarketed Revenue Bonds, National Gypsum Company, Apollo Beach Project, Series 2000B, 7.125%, 4/01/30 (Alternative Minimum Tax)	4/10 at 101
19,750	Miami-Dade County Expressway Authority, Florida, Toll System Revenue Bonds, Series 2006, 4.500%, 7/01/33 - AMBAC Insured	7/16 at 100
5,000	Orange County Health Facilities Authority, Florida, Hospital Revenue Bonds, Adventist Health System/Sunbelt Obligated Group, Series 2000, 6.500%, 11/15/30 (Pre-refunded 11/15/10)	11/10 at 101
6,910	South Miami Health Facilities Authority, Florida, Hospital Revenue, Baptist Health System Obligation Group, Series 2007, 5.000%, 8/15/42 (UB)	8/17 at 100
1,785	Tallahassee, Florida, Energy System Revenue Bonds, Series 2005, 5.000%, 10/01/28 - MBIA Insured	10/15 at 100
2,375	Volusia County School Board, Florida, Certificates of Participation, Series 2005B, 5.000%, 8/01/22 - FSA Insured	8/15 at 100
53,445	Total Florida	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	GEORGIA - 1.9% (1.1% OF TOTAL INVESTMENTS)	
$ 2,625	Fulton County Development Authority, Georgia, Revenue Bonds, Georgia Tech Molecular Science Building, Series 2004,	5/14 at 100

	5.250%, 5/01/24 - MBIA Insured	
6,025	Fulton-DeKalb Hospital Authority, Georgia, Revenue Refunding Certificates, Series 2003, 5.250%, 1/01/20 - FSA Insured	1/14 at 100
4,845	Metropolitan Atlanta Rapid Transit Authority, Georgia, Sales Tax Revenue Refunding Bonds, Series 1992P, 6.250%, 7/01/20 - AMBAC Insured	No Opt. C
13,495	Total Georgia	
	HAWAII - 1.3% (0.8% OF TOTAL INVESTMENTS)	
10,000	Hawaii, General Obligation Bonds, Series 2003DA, 5.250%, 9/01/21 - MBIA Insured	9/13 at 100
	IDAHO - 0.8% (0.5% OF TOTAL INVESTMENTS)	
5,000	Boise City, Idaho, Airport Revenue Certificates of Participation, Series 2000, 5.500%, 9/01/25 - FGIC Insured (Alternative Minimum Tax)	9/10 at 100
2,185	Madison County, Idaho, Hospital Revenue Certificates of Participation, Madison Memorial Hospital, Series 2006, 5.250%, 9/01/30	9/16 at 100
7,185	Total Idaho	
	ILLINOIS - 9.8% (5.9% OF TOTAL INVESTMENTS)	
	Chicago Board of Education, Illinois, Unlimited Tax General Obligation Bonds, Dedicated Tax Revenues, Series 1998B-1:	
8,890	0.000%, 12/01/16 - FGIC Insured	No Opt. C
10,000	0.000%, 12/01/20 - FGIC Insured	No Opt. C
10,130	0.000%, 12/01/24 - FGIC Insured	No Opt. C
	Chicago Board of Education, Illinois, Unlimited Tax General Obligation Bonds, Dedicated Tax Revenues, Series 1999A:	
15,000	0.000%, 12/01/21 - FGIC Insured	No Opt. C
10,000	0.000%, 12/01/23 - FGIC Insured	No Opt. C
110	Chicago, Illinois, FNMA/GNMA Collateralized Single Family Mortgage Revenue Bonds, Series 1997B, 6.950%, 9/01/28 (Alternative Minimum Tax)	3/09 at 104
8,740	Illinois Development Finance Authority, Pollution Control Revenue Refunding Bonds, Illinois Power Company, Series 1994A, 5.700%, 2/01/24 - MBIA Insured	2/09 at 100
	Illinois Finance Authority, Revenue Bonds, OSF Healthcare System, Series 2004:	
1,050	5.250%, 11/15/22	5/14 at 100
3,000	5.250%, 11/15/23	5/14 at 100

985	Illinois Finance Authority, Revenue Bonds, Proctor Hospital, Series 2006, 5.125%, 1/01/25	1/16 at 100
1,225	Illinois Health Facilities Authority, Revenue Bonds, Condell Medical Center, Series 2002, 5.500%, 5/15/32	5/12 at 100
9,820	Illinois Health Facilities Authority, Revenue Bonds, Sherman Health Systems, Series 1997, 5.250%, 8/01/27 - AMBAC Insured	2/09 at 100
1,000	Lombard Public Facilities Corporation, Illinois, Second Tier Conference Center and Hotel Revenue Bonds, Series 2005B, 5.250%, 1/01/30	1/16 at 100
10,040	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 1992A, 0.000%, 6/15/15 - FGIC Insured	No Opt. C
9,200	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 1999A, 5.500%, 12/15/24 - FGIC Insured	12/09 at 101
3,000	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Hospitality Facility, Series 1996A, 7.000%, 7/01/26 (ETM)	No Opt. C
3,000	Upper Illinois River Valley Development Authority, Healthcare Facilities Revenue Bonds, Morris Hospital, Series 2001, 6.625%, 12/01/31	12/11 at 101
105,190	Total Illinois	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	INDIANA - 1.4% (0.9% OF TOTAL INVESTMENTS)	
$ 2,005	Hamilton County Public Building Corporation, Indiana, First Mortgage Bonds, Series 2004, 5.000%, 8/01/22 - FSA Insured	8/14 at 100
7,965	Wawasee Community School Corporation, Indiana, First Mortgage Bonds, New Elementary and Remodeling Building Corporation, Series 2000, 5.750%, 1/15/20 (Pre-refunded 1/15/12)	1/12 at 101
9,970	Total Indiana	
	IOWA - 1.6% (1.0% OF TOTAL INVESTMENTS)	
2,000	Iowa Finance Authority, Healthcare Revenue Bonds, Genesis Medical Center, Series 2000, 6.250%, 7/01/25	7/10 at 100
3,570	Iowa Finance Authority, Industrial Remarketed Revenue Refunding	No Opt. C

	Bonds, Urbandale Hotel Corporation, Series 1989A, 8.500%, 8/01/16 (Alternative Minimum Tax) (ETM)	
10,000	Iowa Tobacco Settlement Authority, Asset Backed Settlement Revenue Bonds, Series 2005C, 5.500%, 6/01/42	6/15 at 100
15,570	Total Iowa	
	KANSAS - 0.8% (0.5% OF TOTAL INVESTMENTS)	
6,000	Kansas Department of Transportation, Highway Revenue Bonds, Series 2004A, 5.000%, 3/01/21 (UB)	3/14 at 100
	KENTUCKY - 0.4% (0.3% OF TOTAL INVESTMENTS)	
	Marshall County School District Finance Corporation, Kentucky, School Building Revenue Bonds, Series 2004:	
1,210	5.000%, 6/01/19 - AMBAC Insured	6/14 at 100
1,270	5.000%, 6/01/20 - AMBAC Insured	6/14 at 100
1,335	5.000%, 6/01/21 - AMBAC Insured	6/14 at 100
3,815	Total Kentucky	
	LOUISIANA - 4.0% (2.4% OF TOTAL INVESTMENTS)	
2,915	Jefferson Sales Tax District, Jefferson Parish, Louisiana, Special Sales Tax Revenue Refunding Bonds, Series 2002, 5.250%, 12/01/19 (Pre-refunded 12/01/12) - AMBAC Insured	12/12 at 100
170	Louisiana Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2000A, 7.450%, 12/01/31 (Alternative Minimum Tax)	9/09 at 101
	Louisiana Public Facilities Authority, Extended Care Facilities Revenue Bonds, Comm-Care Corporation Project, Series 1994:	
555	11.000%, 2/01/14 (ETM)	No Opt. C
4,950	11.000%, 2/01/14 (ETM)	No Opt. C
2,000	Louisiana Public Facilities Authority, Hospital Revenue Bonds, Franciscan Missionaries of Our Lady Health System, Series 2005A, 5.250%, 8/15/31	8/15 at 100
5,800	Louisiana Public Facilities Authority, Revenue Bonds, Ochsner Clinic Foundation Project, Series 2007A, 5.500%, 5/15/47	5/17 at 100
	Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2005A:	
1,200	5.000%, 5/01/25 - FGIC Insured	5/15 at 100
2,210	5.000%, 5/01/26 - FGIC Insured	5/15 at 100
2,500	5.000%, 5/01/27 - FGIC Insured	5/15 at 100
	Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006:	
930	4.750%,5/01/39 - FSA Insured (UB)	5/16 at 100
10,105	4.500%, 5/01/41 - FGIC Insured (UB)	5/16 at 100

33,335	Total Louisiana	

Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MARYLAND - 1.0% (0.6% OF TOTAL INVESTMENTS)	
$ 2,200	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/27 - SYNCORA GTY Insured	9/16 at 100
3,560	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 4.750%, 7/01/36 - MBIA Insured	7/16 at 100
3,600	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2000B, 6.200%, 7/01/30 (Alternative Minimum Tax)	7/10 at 100
9,360	Total Maryland	
	MASSACHUSETTS - 5.0% (3.0% OF TOTAL INVESTMENTS)	
840	Massachusetts Bay Transportation Authority, Assessment Bonds, Series 2000A, 5.250%, 7/01/30	7/10 at 100
	Massachusetts Bay Transportation Authority, Assessment Bonds, Series 2000A:	
7,900	5.250%, 7/01/30 (Pre-refunded 7/01/10)	7/10 at 100
1,260	5.250%, 7/01/30 (Pre-refunded 7/01/10)	7/10 at 100
8,505	Massachusetts Housing Finance Agency, Rental Housing Mortgage Revenue Bonds, Series 2001A, 5.850%, 7/01/35 - AMBAC Insured (Alternative Minimum Tax)	1/11 at 100
2,825	Massachusetts Industrial Finance Agency, Resource Recovery Revenue Refunding Bonds, Ogden Haverhill Project, Series 1998A, 5.450%, 12/01/12 (Alternative Minimum Tax)	12/08 at 102
5,625	Massachusetts Water Pollution Abatement Trust, Pooled Loan Program Bonds, Tender Option Bond Trust 2847, 7.405%, 8/01/36 (IF)	8/16 at 100
5,960	Massachusetts Water Resources Authority, General Revenue Bonds, Series 2005A, 5.250%, 8/01/25 - MBIA Insured	8/17 at 100
5,535	Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007A, 4.500%, 8/01/46 - FSA Insured (UB)	2/17 at 100

3,820	Massachusetts, Special Obligation Dedicated Tax Revenue Bonds, Series 2004, 5.250%, 1/01/24 (Pre-refunded 1/01/14) - FGIC Insured	1/14 at 100
42,270	Total Massachusetts	
	MICHIGAN - 4.3% (2.6% OF TOTAL INVESTMENTS)	
	Detroit, Michigan, General Obligation Bonds, Series 2003A:	
3,565	5.250%, 4/01/22 - SYNCORA GTY Insured	4/13 at 100
1,275	5.250%, 4/01/23 - SYNCORA GTY Insured	4/13 at 100
3,000	Kent Hospital Finance Authority, Michigan, Revenue Bonds, Metropolitan Hospital, Series 2005A, 6.000%, 7/01/35	7/15 at 100
6,600	Michigan Housing Development Authority, Limited Obligation Multifamily Mortgage Revenue Refunding Bonds, Forest Hills Regency Square Project, Series 1999A, 5.750%, 7/01/29	1/09 at 101
10,000	Michigan State Building Authority, Revenue Refunding Bonds, Facilities Program, Series 2003II, 5.000%, 10/15/23 - MBIA Insured	10/13 at 100
4,000	Michigan State Hospital Finance Authority, Revenue Bonds, Trinity Health Care Group, Series 2006A, 5.000%, 12/01/31 (UB)	12/16 at 100
850	Monroe County Hospital Finance Authority, Michigan, Mercy Memorial Hospital Corporation Revenue Bonds, Series 2006, 5.500%, 6/01/35	6/16 at 100
6,390	Wayne County, Michigan, Airport Revenue Bonds, Detroit Metropolitan Airport, Series 2002D, 5.500%, 12/01/19 - FGIC Insured (Alternative Minimum Tax)	12/12 at 100
35,680	Total Michigan	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MINNESOTA - 5.1% (3.1% OF TOTAL INVESTMENTS)	
$ 13,650	Cohasset, Minnesota, Pollution Control Revenue Bonds, Allete Inc., Series 2004, 4.950%, 7/01/22	7/14 at 100
2,000	Duluth Economic Development Authority, Minnesota, Healthcare Facilities Revenue Bonds, Benedictine Health System - St. Mary's Duluth Clinic, Series 2004, 5.375%, 2/15/22 (Pre-refunded 2/15/14)	2/14 at 100

	Eden Prairie, Minnesota, GNMA Collateralized Multifamily Housing Revenue Bonds, Rolling Hills Project, Series 2001A:	
1,000	6.150%, 8/20/31	8/11 at 105
2,000	6.200%, 2/20/43	8/11 at 105
90	Minnesota Agricultural and Economic Development Board, Healthcare System Revenue Bonds, Fairview Hospital and Healthcare Services, Series 1997A, 5.750%, 11/15/26 - MBIA Insured	11/08 at 101
1,500	Minnesota Municipal Power Agency, Electric Revenue Bonds, Series 2004A, 5.250%, 10/01/24	10/14 at 100
1,545	St. Paul Housing and Redevelopment Authority, Minnesota, Revenue Bonds, Healtheast Inc., Series 2005, 6.000%, 11/15/25	11/15 at 100
16,750	St. Paul Housing and Redevelopment Authority, Minnesota, Sales Tax Revenue Refunding Bonds, Civic Center Project, Series 1996, 7.100%, 11/01/23 - FSA Insured	11/15 at 103
38,535	Total Minnesota	
	MISSISSIPPI - 0.8% (0.5% OF TOTAL INVESTMENTS)	
6,875	Mississippi Hospital Equipment and Facilities Authority, Revenue Bonds, Baptist Memorial Healthcare, 2004B-1, 5.000%, 9/01/24 (UB)	9/14 at 100
	MISSOURI - 1.8% (1.1% OF TOTAL INVESTMENTS)	
2,000	Cole County Industrial Development Authority, Missouri, Revenue Bonds, Lutheran Senior Services - Heisinger Project, Series 2004, 5.250%, 2/01/24	2/14 at 100
500	Hannibal Industrial Development Authority, Missouri, Health Facilities Revenue Bonds, Hannibal Regional Hospital, Series 2006, 5.000%, 3/01/22	3/16 at 100
	Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds, Branson Landing Project, Series 2005A:	
1,565	6.000%, 6/01/20	No Opt. C
1,260	5.000%, 6/01/35	6/15 at 100
1,500	Missouri Health and Educational Facilities Authority, Revenue Bonds, SSM Healthcare System, Series 2001A, 5.250%, 6/01/21 - AMBAC Insured	6/11 at 101
	Missouri Health and Educational Facilities Authority, Revenue Bonds, SSM Healthcare System, Series 2001A:	
1,500	5.250%, 6/01/21 (Pre-refunded 6/01/11) - AMBAC Insured	6/11 at 101
4,150	5.250%, 6/01/28 (Pre-refunded 6/01/11) - AMBAC Insured	6/11 at 101
115	Missouri Housing Development Commission, GNMA/FNMA Single Family Mortgage Revenue Bonds, Homeownership Loan Program, Series 1996C, 7.450%, 9/01/27 (Alternative Minimum Tax)	3/09 at 103

2,005	Missouri Housing Development Commission, Single Family Mortgage Revenue Bonds, Homeownership Loan Program, Series 1999B-1, 6.700%, 9/01/30 (Alternative Minimum Tax)	3/09 at 103
14,595	Total Missouri	
	NEBRASKA - 0.1% (0.1% OF TOTAL INVESTMENTS)	
1,620	Omaha Public Power District, Nebraska, Separate Electric System Revenue Bonds, Nebraska City 2, Series 2006A, Trust 11673, 14.495%, 2/01/49 - AMBAC Insured (IF)	2/17 at 100

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Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEVADA - 4.7% (2.8% OF TOTAL INVESTMENTS)	
$ 10,410	Clark County School District, Nevada, General Obligation Bonds, Series 2002C, 5.500%, 6/15/18 (Pre-refunded 6/15/12) - MBIA Insured	6/12 at 100
15,000	Clark County, Nevada, General Obligation Bank Bonds, Southern Nevada Water Authority Loan, Series 2001, 5.250%, 6/01/26 (Pre-refunded 6/01/11) - FGIC Insured	6/11 at 100
	Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000:	
6,425	0.000%, 1/01/29 - AMBAC Insured	No Opt. C
12,000	5.375%, 1/01/40 - AMBAC Insured	1/10 at 100
43,835	Total Nevada	
	NEW HAMPSHIRE - 0.1% (0.1% OF TOTAL INVESTMENTS)	
405	New Hampshire Housing Finance Authority, Single Family Mortgage Acquisition Revenue Bonds, Series 1996B, 6.400%, 1/01/27 (Alternative Minimum Tax)	1/09 at 100
	NEW JERSEY - 10.2% (6.2% OF TOTAL INVESTMENTS)	
10,150	Delaware River Port Authority, Pennsylvania and New Jersey,	1/10 at 100

	Revenue Bonds, Port District Project, Series 1999B, 5.625%, 1/01/26 - FSA Insured	
8,000	Essex County Improvement Authority, New Jersey, General Obligation Guaranteed Lease Revenue Bonds, County Correctional Facility Project, Series 2000, 6.000%, 10/01/25 (Pre-refunded 10/01/10) - FGIC Insured	10/10 at 100
500	Middlesex County Improvement Authority, New Jersey, Senior Revenue Bonds, Heldrich Center Hotel/Conference Center Project, Series 2005A, 5.000%, 1/01/15	No Opt. C
	New Jersey Economic Development Authority, School Facilities Construction Bonds, Series 2005P:	
3,655	5.250%, 9/01/24	9/15 at 100
2,000	5.250%, 9/01/26	9/15 at 100
800	New Jersey Health Care Facilities Financing Authority, New Jersey, Revenue Bonds, Saint Peters University Hospital, Series 2007, 5.750%, 7/01/37	7/18 at 100
3,820	New Jersey Housing and Mortgage Finance Agency, Home Buyer Program Revenue Bonds, Series 1997U, 5.850%, 4/01/29 - MBIA Insured (Alternative Minimum Tax)	4/09 at 100
	New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2003C:	
5,410	5.500%, 6/15/20 (Pre-refunded 6/15/13)	6/13 at 100
9,250	5.500%, 6/15/23 (Pre-refunded 6/15/13)	6/13 at 100
3,850	New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2006A, 5.250%, 12/15/20	No Opt. C
	New Jersey Turnpike Authority, Revenue Bonds, Series 2000A:	
3,915	6.000%, 1/01/14 - MBIA Insured (ETM)	No Opt. C
7,585	6.000%, 1/01/14 - MBIA Insured (ETM)	No Opt. C
2,500	New Jersey Turnpike Authority, Revenue Bonds, Series 2003A, 5.000%, 1/01/19 - FGIC Insured	7/13 at 100
9,130	New Jersey Turnpike Authority, Revenue Bonds, Series 2005A, 5.000%, 1/01/25 - FSA Insured (UB)	1/15 at 100
5,000	Tobacco Settlement Financing Corporation, New Jersey, Tobacco Settlement Asset-Backed Bonds, Series 2007-1A, 4.500%, 6/01/23	6/17 at 100
75,565	Total New Jersey	
	NEW MEXICO - 0.8% (0.5% OF TOTAL INVESTMENTS)	
525	New Mexico Mortgage Finance Authority, Single Family Mortgage Program Bonds, Series 2000D-2, 6.850%, 9/01/31 (Alternative Minimum Tax)	3/10 at 102
5,585	Santa Fe County, New Mexico, Correctional System Gross Receipts Tax Revenue Bonds, Series 1997, 6.000%, 2/01/27 - FSA Insured	No Opt. C

6,110	Total New Mexico	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEW YORK - 13.6% (8.2% OF TOTAL INVESTMENTS)	
	Dormitory Authority of the State of New York, Revenue Bonds, University of Rochester, Series 2004A:	
$ 1,000	5.250%, 7/01/22	7/14 at 100
500	5.250%, 7/01/24	7/14 at 100
1,025	Dormitory Authority of the State of New York, Revenue Bonds, University of Rochester, Series 2004A, 5.250%, 7/01/20 (Pre-refunded 7/01/14)	7/14 at 100
1,995	Dormitory Authority of the State of New York, State and Local Appropriation Lease Bonds, Upstate Community Colleges, Series 2004B, 5.250%, 7/01/20	7/14 at 100
2,335	Dormitory Authority of the State of New York, State Personal Income Tax Revenue Bonds, Series 2005F, 5.000%, 3/15/24 - AMBAC Insured	3/15 at 100
6,915	Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, 2006A, 4.500%, 2/15/47 - MBIA Insured (UB)	2/17 at 100
6,000	Liberty Development Corporation, New York, Goldman Sachs Headquarter Revenue Bonds, Series 2005, 5.250%, 10/01/35	No Opt. C
5,100	Long Island Power Authority, New York, Electric System Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB)	11/16 at 100
	Long Island Power Authority, New York, Electric System Revenue Bonds, Series 2006A:	
7,000	5.000%, 12/01/23 - FGIC Insured	6/16 at 100
5,000	5.000%, 12/01/24 - FGIC Insured	6/16 at 100
3,900	Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series 2005B, 5.000%, 11/15/30 - AMBAC Insured	11/15 at 100
5,780	Metropolitan Transportation Authority, New York, Transportation Revenue Bonds, Series 2005F, 5.000%, 11/15/30	11/15 at 100
3,000	Metropolitan Transportation Authority, New York, Transportation Revenue Refunding Bonds, Series 2002A, 5.125%, 11/15/21 - FGIC Insured	11/12 at 100
	New York City Industrial Development Agency, New York, Civic Facility Revenue Bonds, United Jewish Appeal - Federation of Jewish Philanthropies of New York Inc., Series 2004A:	
2,185	5.250%, 7/01/20	7/14 at 100
2,050	5.250%, 7/01/21	7/14 at 100

2,420	5.250%, 7/01/22	4/14 at 100
1,370	5.250%, 7/01/24	4/14 at 100
12,500	New York City, New York, General Obligation Bonds, Fiscal Series 2003D, 5.250%,10/15/22 (UB)	10/13 at 100
525	New York City, New York, General Obligation Bonds, Fiscal Series 2003J, 5.500%, 6/01/23	6/13 at 100
4,475	New York City, New York, General Obligation Bonds, Fiscal Series 2003J, 5.500%, 6/01/23 (Pre-refunded 6/01/13)	6/13 at 100
7,960	New York City, New York, General Obligation Bonds, Fiscal Series 2005M, 5.000%, 4/01/24 (UB)	4/15 at 100
1,500	New York City, New York, General Obligation Bonds, Series 2008, Trust 3217, 13.994%, 8/15/20 (IF)	8/14 at 100
2,880	New York Convention Center Development Corporation, Hotel Fee Revenue Bonds, Trust 2364, 8.714%, 11/15/44 - AMBAC Insured (IF)	11/15 at 100
650	New York Counties Tobacco Trust I, Tobacco Settlement Pass-Through Bonds, Series 2000B, 6.500%, 6/01/35	6/10 at 101
1,350	New York Counties Tobacco Trust I, Tobacco Settlement Pass-Through Bonds, Series 2000B, 6.500%, 6/01/35 (Pre-refunded 6/01/10)	6/10 at 101
7,400	New York State Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed and State Contingency Contract-Backed Bonds, Series 2003A-1, 5.500%, 6/01/16	6/10 at 100
6,460	New York State Urban Development Corporation, State Personal Income Tax Revenue Bonds, Series 2004A-1, 5.000%, 3/15/26 - FGIC Insured	3/14 at 100

Nuveen Premium Income Municipal Fund, Inc. (continued)
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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEW YORK (continued)	
$ 4,750	Port Authority of New York and New Jersey, Consolidated Revenue Bonds, One Hundred Thirty-Fifth Series 2004, 5.000%, 9/15/28 - SYNCORA GTY Insured	3/14 at 101
2,720	Rensselaer County Industrial Development Agency, New York, Civic Facility Revenue Bonds, Rensselaer Polytechnic Institute, Series 2006, 5.000%, 3/01/26	3/16 at 100

110,745	Total New York	
	NORTH CAROLINA - 1.8% (1.1% OF TOTAL INVESTMENTS)	
	Charlotte, North Carolina, Certificates of Participation, Governmental Facilities Projects, Series 2003G:	
5,785	5.250%, 6/01/22 (UB)	6/13 at 100
3,475	5.250%, 6/01/23 (UB)	6/13 at 100
5,130	Charlotte-Mecklenberg Hospital Authority, North Carolina, Carolinas Health Care System Revenue Bonds, Series 2008, Trust 1149, 6.780%, 1/15/47 (IF)	1/18 at 100
1,050	Charlotte-Mecklenburg Hospital Authority, North Carolina, Health Care System Revenue Bonds, Carolinas Health Care, Series 2007A, 5.000%, 1/15/31	1/17 at 100
1,000	Gaston County Industrial Facilities and Pollution Control Financing Authority, North Carolina, National Gypsum Company Project Exempt Facilities Revenue Bonds, Series 2005, 5.750%, 8/01/35 (Alternative Minimum Tax)	8/15 at 100
16,440	Total North Carolina	
	NORTH DAKOTA - 1.4% (0.8% OF TOTAL INVESTMENTS)	
9,650	Dickinson, North Dakota, Health Care Facilities Revenue Bonds, BHS Long-Term Care Inc., Series 1990, 7.625%, 2/15/20 (Pre-refunded 2/15/10) - RAAI Insured	2/10 at 102
	OHIO - 3.3% (2.0% OF TOTAL INVESTMENTS)	
	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:	
275	5.125%, 6/01/24	6/17 at 100
2,850	5.875%, 6/01/30	6/17 at 100
2,745	5.750%, 6/01/34	6/17 at 100
6,285	5.875%, 6/01/47	6/17 at 100
4,265	Franklin County, Ohio, Hospital Revenue and Improvement Bonds, Children's Hospital Project, Series 2001, 5.500%, 5/01/28 (Pre-refunded 5/01/11) - AMBAC Insured	5/11 at 101
2,720	Ohio State University, General Receipts Bonds, Series 2003B, 5.250%, 6/01/20	6/13 at 100
665	Richland County, Ohio, Hospital Facilities Revenue Refunding Bonds, MedCentral Health System Obligated Group, Series 2000A, 6.125%, 11/15/16	11/10 at 101
1,335	Richland County, Ohio, Hospital Facilities Revenue Refunding Bonds, MedCentral Health System Obligated Group, Series 2000A, 6.125%, 11/15/16 (Pre-refunded 11/15/10)	11/10 at 101

7,000	Steubenville, Ohio, Hospital Facilities Revenue Refunding and Improvement Bonds, Trinity Health System, Series 2000, 6.500%, 10/01/30 (Pre-refunded 10/01/10)	10/10 at 100
28,140	Total Ohio	
	OKLAHOMA - 2.7% (1.6% OF TOTAL INVESTMENTS)	
	Norman Regional Hospital Authority, Oklahoma, Hospital Revenue Bonds, Series 2005:	
500	5.375%, 9/01/29	9/16 at 100
1,050	5.375%, 9/01/36	9/16 at 100
3,500	Oklahoma Capitol Improvement Authority, State Facilities Revenue Bonds, Series 2005F, 5.000%, 7/01/24 - AMBAC Insured	7/15 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	OKLAHOMA (continued)	
	Oklahoma Development Finance Authority, Revenue Bonds, Saint John Health System, Series 2007:	
$ 8,150	5.000%, 2/15/37	2/17 at 100
1,335	5.000%, 2/15/42	2/17 at 100
10,035	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, 5.000%, 12/15/36 (UB)	12/16 at 100
143	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, Trust 3500, 7.262%, 12/15/36 (IF)	12/16 at 100
24,713	Total Oklahoma	
	OREGON - 0.5% (0.3% OF TOTAL INVESTMENTS)	
1,060	Oregon Department of Administrative Services, Certificates of Participation, Series 2005A, 5.000%, 5/01/24 - FSA Insured	5/15 at 100
2,500	Oregon State Department of Transportation, Highway User Tax Revenue Bonds, Series 2004A, 5.000%, 11/15/21 (Pre-refunded 11/15/14)	11/14 at 100
3,560	Total Oregon	

	PENNSYLVANIA - 5.0% (3.0% OF TOTAL INVESTMENTS)	
980	Bucks County Industrial Development Authority, Pennsylvania, Charter School Revenue Bonds, School Lane Charter School, Series 2007A, 5.000%, 3/15/37	3/17 at 100
	Lancaster Higher Education Authority, Pennsylvania, Revenue Bonds, Franklin and Marshall College, Series 2003C:	
1,340	5.250%, 4/15/15	4/13 at 100
1,960	5.250%, 4/15/17	4/13 at 100
1,000	Pennsylvania State University, General Revenue Bonds, Series 2005, 5.000%, 9/01/29	9/15 at 100
2,625	Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured	6/16 at 100
	Philadelphia Gas Works, Pennsylvania, Revenue Bonds, General Ordinance, Fifth Series 2004A-1:	
4,505	5.000%, 9/01/21 - FSA Insured (UB)	9/14 at 100
4,735	5.000%, 9/01/22 - FSA Insured (UB)	9/14 at 100
8,405	Philadelphia Redevelopment Authority, Pennsylvania, Multifamily Housing Mortgage Revenue Bonds, Cricket Court Apartments, Series 1998A, 6.200%, 4/01/25 (Alternative Minimum Tax)	4/09 at 102
14,000	State Public School Building Authority, Pennsylvania, Lease Revenue Bonds, Philadelphia School District, Series 2003, 5.250%, 6/01/24 (Pre-refunded 6/01/13) - FSA Insured	6/13 at 100
39,550	Total Pennsylvania	
	PUERTO RICO - 0.3% (0.2% OF TOTAL INVESTMENTS)	
2,500	Puerto Rico Sales Tax Financing Corporation, Sales Tax Revenue Bonds, Series 2007A, 5.250%, 8/01/57	8/17 at 100
	SOUTH CAROLINA - 7.0% (4.2% OF TOTAL INVESTMENTS)	
8,610	Dorchester County School District 2, South Carolina, Installment Purchase Revenue Bonds, GROWTH, Series 2004, 5.250%, 12/01/24	12/14 at 100
	Greenville County School District, South Carolina, Installment Purchase Revenue Bonds, Series 2008, Trust 3219:	
1,275	13.987%, 12/01/18 (IF)	12/13 at 100
895	14.059%, 12/01/20 (IF)	12/13 at 100
465	14.041%, 12/01/21 (IF)	12/13 at 100
	Lexington County Health Service District, South Carolina, Hospital Revenue Bonds, Series 2004:	
1,805	6.000%, 5/01/19 (Pre-refunded 5/01/14)	5/14 at 100
2,400	5.500%, 5/01/24 (Pre-refunded 5/01/14)	5/14 at 100

NPI

Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	SOUTH CAROLINA (continued)	
	South Carolina JOBS Economic Development Authority, Hospital Refunding and Improvement Revenue Bonds, Palmetto Health Alliance, Series 2003C:	
$ 13,345	6.375%, 8/01/34 (Pre-refunded 8/01/13)	8/13 at 100
1,655	6.375%, 8/01/34 (Pre-refunded 8/01/13)	8/13 at 100
4,150	Tobacco Settlement Revenue Management Authority, South Carolina, Tobacco Settlement Asset-Backed Bonds, Series 2001B, 6.375%, 5/15/30 (ETM)	No Opt. C
	Tobacco Settlement Revenue Management Authority, South Carolina, Tobacco Settlement Asset-Backed Bonds, Series 2001B:	
7,975	6.000%, 5/15/22 (Pre-refunded 5/15/12)	5/12 at 100
7,500	6.375%, 5/15/28 (Pre-refunded 5/15/16)	5/16 at 100
50,075	Total South Carolina	
	TENNESSEE - 1.4% (0.8% OF TOTAL INVESTMENTS)	
6,400	Johnson City Health and Educational Facilities Board, Tennessee, Revenue Bonds, Mountain States Health Alliance, Series 2006A, 5.500%, 7/01/36	7/16 at 100
6,100	Knox County Health, Educational and Housing Facilities Board, Tennessee, Hospital Revenue Refunding Bonds, Covenant Health, Series 2006, 0.000%, 1/01/40	1/17 at 31
410	Sullivan County Health Educational and Housing Facilities Board, Tennessee, Revenue Bonds, Wellmont Health System, Series 2006C, 5.250%, 9/01/36	9/16 at 100
	Sumner County Health, Educational, and Housing Facilities Board, Tennessee, Revenue Refunding Bonds, Sumner Regional Health System Inc., Series 2007:	
1,300	5.500%, 11/01/37	11/17 at 100
3,000	5.500%, 11/01/46	11/17 at 100
1,965	Tennessee Housing Development Agency, Homeownership Program Bonds, Series 2004, 5.000%, 7/01/34 (Alternative Minimum Tax)	7/13 at 100
19,175	Total Tennessee	

	TEXAS - 17.1% (10.3% OF TOTAL INVESTMENTS)	
5,000	Alliance Airport Authority, Texas, Special Facilities Revenue Bonds, American Airlines Inc., Series 2007, 5.250%, 12/01/29 (Alternative Minimum Tax)	12/12 at 100
3,203	Austin Housing Finance Corporation, Texas, GNMA Collateralized Multifamily Housing Revenue Bonds, Fairway Village Project, Series 2000A, 7.375%, 6/20/35 (Alternative Minimum Tax)	12/10 at 105
8,840	Board of Regents, University of Texas System, Financing System Revenue Bonds, Series 2006F, 4.250%, 8/15/36 (UB)	2/17 at 100
2,150	Brazos River Authority, Texas, Pollution Control Revenue Bonds, TXU Energy Company LLC Project, Series 2003C, 6.750%, 10/01/38 (Alternative Minimum Tax)	10/13 at 101
175	Clear Creek Independent School District, Galveston and Harris Counties, Texas, Unlimited Tax Schoolhouse and Refunding Bonds, Series 2000, 6.000%, 2/15/16	2/10 at 100
650	Harlingen Housing Finance Corporation, Texas, GNMA/FNMA Single Family Mortgage Revenue Bonds, Series 2000A, 6.700%, 9/01/33 (Alternative Minimum Tax)	9/10 at 105
2,395	Harris County Hospital District, Texas, Revenue Refunding Bonds, Series 1990, 7.400%, 2/15/10 - AMBAC Insured	No Opt. C
580	Harris County Hospital District, Texas, Revenue Refunding Bonds, Series 1990, 7.400%, 2/15/10 - AMBAC Insured (ETM)	No Opt. C
19,125	Harris County Hospital District, Texas, Revenue Refunding Bonds, Series 2000, 6.000%, 2/15/15 (Pre-refunded 8/15/10) - MBIA Insured	8/10 at 100
4,000	Harris County-Houston Sports Authority, Texas, Junior Lien Revenue Refunding Bonds, Series 2001B, 5.250%, 11/15/40 - MBIA Insured	11/11 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TEXAS (continued)	
$ 5,000	Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/25 - MBIA Insured	5/14 at 100
6,000	Houston, Texas, General Obligation Public Improvement Bonds, Series 2001B, 5.500%, 3/01/15 - FSA Insured	3/11 at 100
13,975	Hutto Independent School District, Williamson County, Texas, General Obligation Bonds, Series 2007A, 4.750%, 8/01/43	8/16 at 100
	Kerrville Health Facilities Development Corporation, Texas, Revenue Bonds, Sid Peterson Memorial Hospital Project, Series 2005:	
2,000	5.250%, 8/15/21	No Opt. C

2,800	5.125%, 8/15/26	No Opt. C
1,505	Lower Colorado River Authority, Texas, Contract Revenue Refunding Bonds, Transmission Services Corporation, Series 2003C, 5.250%, 5/15/23 - AMBAC Insured	5/13 at 100
245	Lower Colorado River Authority, Texas, Revenue Refunding and Improvement Bonds, Series 2003, 5.250%, 5/15/24 (Pre-refunded 5/15/13) - AMBAC Insured	5/13 at 100
3,155	Lower Colorado River Authority, Texas, Revenue Refunding and Improvement Bonds, Series 2003, 5.250%, 5/15/24 - AMBAC Insured	5/13 at 100
5,650	North Texas Thruway Authority, Second Tier System Revenue Refunding Bonds, Series 2008, 5.750%, 1/01/38	1/18 at 100
11,000	Pearland Independent School District, Brazoria County, Texas, General Obligation Bonds, Tender Option Bond Trust 1124, 6.314%, 2/15/32 (IF)	2/17 at 100
2,000	Sabine River Authority, Texas, Pollution Control Revenue Bonds, TXU Electric Company, Series 2001C, 5.200%, 5/01/28	11/15 at 100
12,130	Tarrant County Cultural & Educational Facilities Financing Corporation, Texas, Revenue Bonds, Series 2007A, 5.000%, 2/15/36 (UB)	2/17 at 100
10,810	Tarrant County Health Facilities Development Corporation, Texas, GNMA Collateralized Mortgage Loan Revenue Bonds, Eastview Nursing Home, Ebony Lake Nursing Center, Ft. Stockton Nursing Center, Lynnhaven Nursing Center and Mission Oaks Manor, Series 2000A-1, 7.625%, 12/20/32	12/10 at 105
4,000	Tarrant County Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Adventist Health System - Sunbelt Obligated Group, Series 2000, 6.700%, 11/15/30 (Pre-refunded 11/15/10)	11/10 at 101
5,000	Tarrant Regional Water District, Texas, Water Revenue Refunding and Improvement Bonds, Series 1999, 5.250%, 3/01/17 - FSA Insured	3/13 at 100
2,985	Texas State, General Obligation Bonds, Series 2008, Trust 3213, 10.466%, 4/01/33 (IF)	4/17 at 100
25,000	Texas Turnpike Authority, First Tier Revenue Bonds, Central Texas Turnpike System, Series 2002A, 0.000%, 8/15/24 - AMBAC Insured	No Opt. C
2,500	Tomball Hospital Authority, Texas, Hospital Revenue Bonds, Tomball Regional Hospital, Series 2005, 5.000%, 7/01/20	7/15 at 100
161,873	Total Texas	
	UTAH - 0.1% (0.1% OF TOTAL INVESTMENTS)	
470	Utah Housing Finance Agency, Single Family Mortgage Bonds, Series 1997F, 5.750%, 7/01/28 (Alternative Minimum Tax)	1/09 at 101

	VIRGINIA - 0.6% (0.4% OF TOTAL INVESTMENTS)	
4,725	Virginia Beach Development Authority, Virginia, Multifamily Residential Rental Housing Revenue Bonds, Mayfair Apartments I and II, Series 1999, 7.500%, 10/01/39 (Alternative Minimum Tax)	10/14 at 100

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NPI

Nuveen Premium Income Municipal Fund, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WASHINGTON - 3.3% (2.0% OF TOTAL INVESTMENTS)	
$ 2,500	Energy Northwest, Washington, Electric Revenue Refunding Bonds, Columbia Generating Station - Nuclear Project 2, Series 2002C, 5.750%, 7/01/17 - MBIA Insured	7/12 at 100
3,125	Skagit County Public Hospital District 1, Washington, General Obligation Bonds, Series 2004A, 5.375%, 12/01/20 - MBIA Insured	6/14 at 100
5,000	Snohomish County, Washington, Limited Tax General Obligation Bonds, Series 2001, 5.250%, 12/01/26 - MBIA Insured	12/11 at 100
4,750	Washington State Healthcare Facilities Authority, Revenue Bonds, Swedish Health Services, Series 1998, 5.125%, 11/15/22 - AMBAC Insured	11/08 at 101
1,770	Washington State Tobacco Settlement Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2002, 6.500%, 6/01/26	6/13 at 100
6,480	Washington State, Motor Vehicle Fuel Tax General Obligation Bonds, Series 2002-03C, 0.000%, 6/01/24 - MBIA Insured	No Opt. C
11,000	Washington, General Obligation Bonds, Series 2000S-5, 0.000%, 1/01/20 - FGIC Insured	No Opt. C
34,625	Total Washington	
	WISCONSIN - 3.9% (2.4% OF TOTAL INVESTMENTS)	
	Milwaukee Redevelopment Authority, Wisconsin, Lease Revenue Bonds, Public Schools, Series 2003A:	
1,000	5.125%, 8/01/22 (Pre-refunded 8/01/13) - AMBAC Insured	8/13 at 100
750	5.125%, 8/01/23 (Pre-refunded 8/01/13) - AMBAC Insured	8/13 at 100

1,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Agnesian Healthcare Inc., Series 2001, 6.000%, 7/01/21	7/11 at 100
9,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Aurora Healthcare Inc., Series 2003, 6.400%, 4/15/33	4/13 at 100
2,175	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Carroll College Inc., Series 2001, 6.125%, 10/01/16	10/11 at 100
790	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Divine Savior Healthcare, Series 2006, 5.000%, 5/01/32	5/16 at 100
6,025	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Franciscan Sisters of Christian Charity Healthcare Ministry, Series 2003A, 6.000%, 9/01/22 (Pre-refunded 9/01/13)	9/13 at 100
4,995	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Franciscan Sisters of Christian Charity Healthcare Ministry, Series 2007, 5.000%, 9/01/33	9/17 at 100
2,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Wheaton Franciscan Healthcare System, Series 2006, 5.250%, 8/15/34	8/16 at 100
2,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Wheaton Franciscan Services Inc., Series 2003A, 5.250%, 8/15/25	8/13 at 100
	Wisconsin, General Obligation Bonds, Series 2004-3:	
175	5.250%, 5/01/19 - FGIC Insured	5/14 at 100
1,265	5.250%, 5/01/21 - FGIC Insured	5/14 at 100
1,545	Wisconsin, General Obligation Bonds, Series 2004-3, 5.250%, 5/01/19 (Pre-refunded 5/01/14) - FGIC Insured	5/14 at 100
32,720	Total Wisconsin	
	WYOMING - 0.3% (0.2% OF TOTAL INVESTMENTS)	
3,900	Sweetwater County, Wyoming, Solid Waste Disposal Revenue Bonds, FMC Corporation, Series 2005, 5.600%, 12/01/35 (Alternative Minimum Tax)	12/15 at 100
$ 1,534,235	Total Long-Term Investments (cost $1,361,823,561) - 164.1%	

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)
	SHORT-TERM INVESTMENTS - 1.0% (0.6% OF TOTAL INVESTMENTS)
$ 7,751	King County, Washington, Sewer Revenue Bonds, Series 2001,

Trust 554, Variable Rate Demand Obligations, 3.000%, 1/01/19 - FGIC Insured (6)

Total Short-Term Investments (cost $7,778,372)

Total Investments (cost $1,369,601,933) - 165.1%

Floating Rate Obligations - (13.1)%

Other Assets Less Liabilities - 2.9%

Preferred Shares, at Liquidation Value - (54.9)% (7)

Net Assets Applicable to Common Shares - 100%

FORWARD SWAPS OUTSTANDING AT OCTOBER 31, 2008:

COUNTERPARTY	NOTIONAL AMOUNT	FUND PAY/RECEIVE FLOATING RATE	FLOATING RATE INDEX	FIXED RATE (ANNUALIZED)	FIXED RATE PAYMENT FREQUENCY	EFFE DA
Royal Bank of Canada	$23,000,000	Receive	3-Month USD-LIBOR	5.320%	Semi-Annually	1/

USD-LIBOR - (United States Dollar-London Inter-Bank Offered Rate).

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) Portion of investment has been pledged to collateralize the

net payment obligations under forward swap contracts.

(6) Investment has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

(7) Preferred Shares, at Liquidation Value as a percentage of Total Investments is 33.3%.

(8) Effective Date represents the date on which both the Fund and counterparty commence interest payment accruals on each forward swap contract.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

NPM

Nuveen Premium Income Municipal Fund 2, Inc.
Portfolio of INVESTMENTS

October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	ALABAMA - 4.6% (2.7% OF TOTAL INVESTMENTS)	
$ 6,995	Alabama Special Care Facilities Financing Authority, Revenue Bonds, Ascension Health, Series 2006C-2, 5.000%, 11/15/39 (UB)	11/16 at 100
	Birmingham Special Care Facilities Financing Authority, Alabama, Revenue Bonds, Baptist Health System Inc., Series 2005A:	
3,600	5.250%, 11/15/20	11/15 at 100
1,000	5.000%, 11/15/30	11/15 at 100
4,000	Birmingham Waterworks And Sewer Board, Alabama, Water and Sewer Revenue Bonds, Tender Option Bond Trust 2707, 0.596%, 1/01/39 - AMBAC Insured (IF)	1/17 at 100
1,960	Courtland Industrial Development Board, Alabama, Pollution Control Revenue Bonds, International Paper Company, Series 2005A, 5.000%, 6/01/25	6/15 at 100
1,690	Montgomery BMC Special Care Facilities Financing Authority,	11/14 at 100

	Alabama, Revenue Bonds, Baptist Medical Center, Series 2004C, 5.250%, 11/15/29 (Pre-refunded 11/15/14)	
8,255	University of South Alabama, Student Tuition Revenue Bonds, Series 2004, 5.000%, 3/15/24 - FGIC Insured	3/14 at 100
27,500	Total Alabama	
	ARIZONA - 0.7% (0.4% OF TOTAL INVESTMENTS)	
	Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B:	
200	5.250%, 12/01/24	12/15 at 100
265	5.250%, 12/01/25	12/15 at 100
1,265	Pima County Industrial Development Authority, Arizona, Lease Obligation Revenue Refunding Bonds, Tucson Electric Power Company, Series 1988A, 7.250%, 7/15/10 - FSA Insured	1/09 at 100
2,750	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Series 2007, 5.000%,12/01/37	No Opt. C
4,480	Total Arizona	
	ARKANSAS - 0.2% (0.1% OF TOTAL INVESTMENTS)	
1,000	Washington County, Arkansas, Hospital Revenue Bonds, Washington Regional Medical Center, Series 2005B, 5.000%, 2/01/25	2/15 at 100
	CALIFORNIA - 17.8% (10.4% OF TOTAL INVESTMENTS)	
5,690	California Department of Veterans Affairs, Home Purchase Revenue Bonds, Series 2002A, 5.300%, 12/01/21 - AMBAC Insured	6/12 at 101
	California Department of Water Resources, Power Supply Revenue Bonds, Series 2002A:	
4,000	6.000%, 5/01/15 (Pre-refunded 5/01/12)	5/12 at 101
5,500	5.375%, 5/01/21 (Pre-refunded 5/01/12)	5/12 at 101
	California Educational Facilities Authority, Revenue Refunding Bonds, Loyola Marymount University, Series 2001A:	
3,255	0.000%, 10/01/23 - MBIA Insured	No Opt. C
5,890	0.000%, 10/01/24 - MBIA Insured	No Opt. C
7,615	0.000%, 10/01/25 - MBIA Insured	No Opt. C
3,740	California Health Facilities Financing Authority, Revenue Bonds, Cedars-Sinai Medical Center, Series 2005, 5.000%, 11/15/27	11/15 at 100

PRINCIPAL		OPTIONAL C

AMOUNT (000)	DESCRIPTION (1)	PROVISIONS
	CALIFORNIA (continued)	
$ 795	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.475%, 11/15/42 (IF)	11/16 at 100
2,055	California Infrastructure Economic Development Bank, Infrastructure State Revolving Fund Revenue Bonds, Series 2004, 5.000%, 10/01/21	10/14 at 100
1,000	California Statewide Community Development Authority, Revenue Bonds, Daughters of Charity Health System, Series 2005A, 5.000%, 7/01/39	7/15 at 100
4,955	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.640%, 11/15/48 (IF)	5/18 at 100
2,500	California, Economic Recovery Revenue Bonds, Series 2004A, 5.250%, 7/01/14	No Opt. C
8,000	California, General Obligation Bonds, Series 2004, 5.125%, 2/01/25	2/14 at 100
1,900	Chula Vista, California, Industrial Development Revenue Bonds, San Diego Gas and Electric Company, Series 1996A, 5.300%, 7/01/21	6/14 at 102
2,500	Fontana Public Financing Authority, California, Tax Allocation Revenue Bonds, North Fontana Redevelopment Project, Series 2005A, 5.000%, 10/01/23 - AMBAC Insured	10/15 at 100
30,000	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 0.000%, 1/01/21 (ETM)	No Opt. C
1,385	Fullerton Public Financing Authority, California, Tax Allocation Revenue Bonds, Series 2005, 5.000%, 9/01/27 - AMBAC Insured	9/15 at 100
1,000	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, 5.750%, 6/01/47	6/17 at 100
	Perris, California, Special Tax Bonds, Community Facilities District 2001-1, May Farms Improvement Area 4, Series 2005A:	
1,420	5.000%, 9/01/25	9/15 at 102
435	5.100%, 9/01/30	9/15 at 102
	San Diego County, California, Certificates of Participation, Burnham Institute, Series 2006:	
250	5.000%, 9/01/21	9/15 at 102
275	5.000%, 9/01/23	9/15 at 102
2,220	San Diego Redevelopment Agency, California, Subordinate Lien Tax Allocation Bonds, Centre City Project, Series 2004A, 5.000%, 9/01/20 - SYNCORA GTY Insured	9/14 at 100
960	San Francisco Redevelopment Agency, California, Hotel Tax Revenue Bonds, Series 1994, 6.750%, 7/01/25 - FSA Insured	1/09 at 100
	San Joaquin Hills Transportation Corridor Agency, Orange County,	

	California, Toll Road Revenue Refunding Bonds, Series 1997A:	
4,595	0.000%, 1/15/32 - MBIA Insured	No Opt. C
32,400	0.000%, 1/15/34 - MBIA Insured	No Opt. C
6,000	San Jose Redevelopment Agency, California, Tax Allocation Bonds, Merged Area Redevelopment Project, Series 2004A, 5.250%, 8/01/19 - MBIA Insured	8/14 at 100
3,000	Walnut Energy Center Authority, California, Electric Revenue Bonds, Turlock Irrigation District, Series 2004A, 5.000%, 1/01/34 - AMBAC Insured	1/14 at 100
143,335	Total California	
	COLORADO - 2.4% (1.4% OF TOTAL INVESTMENTS)	
1,700	Centennial Water and Sanitation District, Colorado, Water and Sewerage Revenue Bonds, Series 2004, 5.000%, 12/01/22 - FGIC Insured	12/14 at 100
	Colorado Health Facilities Authority, Revenue Bonds, Evangelical Lutheran Good Samaritan Society, Series 2005:	
1,745	5.250%, 6/01/23	6/16 at 100
475	5.000%, 6/01/29	6/16 at 100
400	Colorado Health Facilities Authority, Revenue Bonds, Poudre Valley Health Care, Series 2005F, 5.000%, 3/01/25	3/15 at 100

Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	COLORADO (continued)	
$ 15	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 1995D, 7.375%, 6/01/26 (Alternative Minimum Tax)	12/08 at 103
355	Denver City and County, Colorado, Airport System Revenue Bonds, Series 1991D, 7.750%, 11/15/13 (Alternative Minimum Tax)	No Opt. C
6,925	Denver Convention Center Hotel Authority, Colorado, Senior Revenue Bonds, Convention Center Hotel, Series 2006, 5.125%, 12/01/25 - SYNCORA GTY Insured	11/16 at 100
1,700	Denver, Colorado, FHA-Insured Multifamily Housing Revenue Bonds, Boston Lofts Project, Series 1997A, 5.750%, 10/01/27 (Alternative Minimum Tax)	4/09 at 101

13,315	Total Colorado	
	CONNECTICUT - 1.0% (0.6% OF TOTAL INVESTMENTS)	
5,000	Connecticut, Special Tax Obligation Transportation Infrastructure Purpose Bonds, Series 2003B, 5.000%, 1/01/21 - FGIC Insured	1/14 at 100
	DISTRICT OF COLUMBIA - 3.1% (1.8% OF TOTAL INVESTMENTS)	
	District of Columbia, Revenue Bonds, Georgetown University, Series 2001A:	
11,720	0.000%, 4/01/27 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 39
13,780	0.000%, 4/01/28 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 37
15,855	0.000%, 4/01/29 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 35
1,335	Washington Convention Center Authority, District of Columbia, Senior Lien Dedicated Tax Revenue Bonds, Series 2007, Residuals 1606, 1.947%, 10/01/30 - AMBAC Insured (IF)	10/16 at 100
42,690	Total District of Columbia	
	FLORIDA - 2.4% (1.4% OF TOTAL INVESTMENTS)	
4,230	Brevard County Health Facilities Authority, Florida, Revenue Bonds, Health First Inc. Project, Series 2005, 5.000%, 4/01/24	4/16 at 100
2,500	Escambia County Health Facilities Authority, Florida, Health Facility Revenue Refunding Bonds, Baptist Hospital and Baptist Manor, Series 1998, 5.125%, 10/01/19	10/10 at 100
555	Florida Housing Finance Corporation, Homeowner Mortgage Revenue Bonds, Series 2000-11, 5.850%, 1/01/22 - FSA Insured (Alternative Minimum Tax)	1/10 at 100
3,600	Hillsborough County Industrial Development Authority, Florida, Exempt Facilities Remarketed Revenue Bonds, National Gypsum Company, Apollo Beach Project, Series 2000B, 7.125%, 4/01/30 (Alternative Minimum Tax)	4/10 at 101
1,700	Miami-Dade County, Florida, Beacon Tradeport Community Development District, Special Assessment Bonds, Commercial Project, Series 2002A, 5.625%, 5/01/32 - RAAI Insured	5/12 at 102
2,455	South Miami Health Facilities Authority, Florida, Hospital Revenue, Baptist Health System Obligation Group, Series 2007, 5.000%, 8/15/42 (UB)	8/17 at 100
15,040	Total Florida	
	GEORGIA - 2.0% (1.1% OF TOTAL INVESTMENTS)	
500	Chatham County Hospital Authority, Savannah, Georgia, Hospital	1/14 at 100

	Revenue Bonds, Memorial Health University Medical Center Inc., Series 2004A, 5.375%, 1/01/26	
10	Municipal Electric Authority of Georgia, Combustion Turbine Revenue Bonds, Series 2003A, 5.250%, 11/01/15 (Pre-refunded 11/01/13) - MBIA Insured	11/13 at 100
	Municipal Electric Authority of Georgia, Combustion Turbine Revenue Bonds, Series 2003A:	
3,405	5.250%, 11/01/15 - MBIA Insured	11/13 at 100
3,365	5.000%, 11/01/18 - MBIA Insured	11/13 at 100
2,235	Richmond County Development Authority, Georgia, Revenue Bonds, Medical College of Georgia, Cancer Research Center Project, Series 2004A, 5.000%, 12/15/24 - AMBAC Insured	12/14 at 100
9,515	Total Georgia	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	IDAHO - 1.0% (0.6% OF TOTAL INVESTMENTS)	
$ 150	Idaho Housing Agency, Senior Lien Single Family Mortgage Bonds, Series 1995F, 6.450%, 7/01/27 (Alternative Minimum Tax)	1/09 at 100
3,150	Idaho Housing and Finance Association, GNMA Housing Revenue Refunding Bonds, Wedgewood Terrace Project, Series 2002A-1, 7.250%, 3/20/37	3/12 at 105
200	Idaho Housing and Finance Association, Single Family Mortgage Bonds, Series 1996G, 6.350%, 7/01/26 (Alternative Minimum Tax)	1/09 at 100
165	Idaho Housing and Finance Association, Single Family Mortgage Bonds, Series 2000B, 6.250%, 7/01/22 (Alternative Minimum Tax)	1/10 at 100
295	Idaho Housing and Finance Association, Single Family Mortgage Bonds, Series 2000E, 5.950%, 7/01/20 (Alternative Minimum Tax)	7/10 at 100
1,000	Madison County, Idaho, Hospital Revenue Certificates of Participation, Madison Memorial Hospital, Series 2006, 5.250%, 9/01/30	9/16 at 100
4,960	Total Idaho	
	ILLINOIS - 15.3% (8.9% OF TOTAL INVESTMENTS)	
5,000	Chicago Board of Education, Illinois, Unlimited Tax General Obligation Bonds, Dedicated Tax Revenues, Series 1999A, 0.000%, 12/01/20 - FGIC Insured	No Opt. C

22,670	Chicago, Illinois, General Obligation Bonds, City Colleges, Series 1999, 0.000%, 1/01/25 - FGIC Insured	No Opt. C
1,175	Chicago, Illinois, GNMA Collateralized Multifamily Housing Revenue Bonds, Bryn Mawr-Belle Shores Project, Series 1997, 5.800%, 6/01/23 (Alternative Minimum Tax)	6/09 at 102
2,875	Chicago, Illinois, Tax Increment Allocation Bonds, Read-Dunning Redevelopment Project, Series 1996B, 7.250%, 1/01/14	1/09 at 100
2,815	Chicago, Illinois, Tax Increment Allocation Bonds, Sanitary Drainage and Ship Canal Redevelopment Project, Series 1997A, 7.750%, 1/01/14	1/09 at 100
4,865	Cook County Community Consolidated School District 15, Palatine, Illinois, General Obligation Bonds, Series 2001, 0.000%, 12/01/20 - FGIC Insured (ETM)	No Opt. C
2,575	Cook County Community High School District 219, Niles Township, Illinois, General Obligation Capital Appreciation Bonds, Series 2001, 0.000%, 12/01/20 - MBIA Insured	No Opt. C
3,615	Cook County Community High School District 219, Niles Township, Illinois, General Obligation Capital Appreciation Bonds, Series 2001, 0.000%, 12/01/20 - MBIA Insured (ETM)	No Opt. C
	Illinois Finance Authority, Revenue Bonds, OSF Healthcare System, Series 2004:	
2,000	5.250%, 11/15/14	5/14 at 100
4,420	5.250%, 11/15/15	5/14 at 100
395	Illinois Finance Authority, Revenue Bonds, Proctor Hospital, Series 2006, 5.125%, 1/01/25	1/16 at 100
1,000	Illinois Health Facilities Authority, Revenue Bonds, Condell Medical Center, Series 2002, 5.500%, 5/15/32	5/12 at 100
3,090	Illinois Health Facilities Authority, Revenue Bonds, Lake Forest Hospital, Series 2003, 6.000%, 7/01/33	7/13 at 100
3,000	Illinois Health Facilities Authority, Revenue Refunding Bonds, Lutheran General Health System, Series 1993C, 6.000%, 4/01/18	No Opt. C
	Illinois Housing Development Authority, Housing Finance Bonds, Series 2000A:	
260	5.750%, 9/01/10 (Alternative Minimum Tax)	3/10 at 100
1,245	6.200%, 9/01/20 (Alternative Minimum Tax)	3/10 at 100
11,000	Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2001, 6.000%, 11/01/26 - FGIC Insured	No Opt. C
2,000	Illinois, General Obligation Bonds, Illinois FIRST Program, Series 2002, 5.500%, 2/01/18 - FGIC Insured	2/12 at 100

Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	ILLINOIS (continued)	
	Lake County Community Unit School District 60, Waukegan, Illinois, General Obligation Refunding Bonds, Series 2001B:	
$ 3,230	0.000%, 11/01/19 - FSA Insured	No Opt. C
1,740	0.000%, 11/01/21 - FSA Insured	No Opt. C
4,020	Lake, Cook, Kane and McHenry Counties Community Unit School District 220, Barrington, Illinois, School Refunding Bonds, Series 2002, 5.250%, 12/01/20 - FSA Insured (UB)	No Opt. C
	Lombard Public Facilities Corporation, Illinois, Second Tier Conference Center and Hotel Revenue Bonds, Series 2005B:	
855	5.250%, 1/01/25	1/16 at 100
1,750	5.250%, 1/01/30	1/16 at 100
17,945	McHenry and Kane Counties Community Consolidated School District 158, Huntley, Illinois, General Obligation Bonds, Series 2003, 0.000%, 1/01/22 - FGIC Insured	No Opt. C
2,910	McHenry County Community High School District 154, Marengo, Illinois, Capital Appreciation School Bonds, Series 2001, 0.000%, 1/01/21 - FGIC Insured	No Opt. C
2,540	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 2002A, 5.000%, 12/15/28 - MBIA Insured	6/12 at 101
108,990	Total Illinois	
	INDIANA - 3.3% (1.9% OF TOTAL INVESTMENTS)	
1,000	Ball State University, Indiana, Student Fee Revenue Bonds, Series 2002K, 5.750%, 7/01/20 (Pre-refunded 1/01/12) - FGIC Insured	1/12 at 100
3,500	Indiana Bond Bank, Special Program Bonds, East Chicago Facilities Building Corporation, Series 2000A, 6.125%, 2/01/25 (Pre-refunded 2/01/10) - AMBAC Insured	2/10 at 101
	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series 2000:	
805	5.375%, 12/01/25 (Pre-refunded 12/01/10)	12/10 at 100
4,195	5.375%, 12/01/25 (Pre-refunded 12/01/10)	12/10 at 100
	Indiana University, Student Fee Revenue Bonds, Series 2004P:	
2,750	5.000%, 8/01/22 - AMBAC Insured	8/14 at 100
1,600	5.000%, 8/01/24 - AMBAC Insured	8/14 at 100
1,550	St. Joseph County Hospital Authority, Indiana, Revenue Bonds, Madison Center Inc., Series 2005, 5.250%, 2/15/23	2/15 at 100

15,400	Total Indiana	
	IOWA - 1.8% (1.1% OF TOTAL INVESTMENTS)	
2,000	Iowa Finance Authority, Healthcare Revenue Bonds, Genesis Medical Center, Series 2000, 6.250%, 7/01/25	7/10 at 100
8,000	Iowa Tobacco Settlement Authority, Asset Backed Settlement Revenue Bonds, Series 2005C, 5.500%, 6/01/42	6/15 at 100
2,000	Iowa Tobacco Settlement Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2001B, 5.300%, 6/01/25 (Pre-refunded 6/01/11)	6/11 at 101
12,000	Total Iowa	
	KANSAS - 0.0% (0.0% OF TOTAL INVESTMENTS)	
95	Sedgwick and Shawnee Counties, Kansas, GNMA Collateralized Single Family Mortgage Revenue Refunding Bonds, Series 1994A-1, 7.900%, 5/01/24 (Alternative Minimum Tax)	No Opt. C
	LOUISIANA - 6.4% (3.7% OF TOTAL INVESTMENTS)	
275	Bossier Public Trust Financing Authority, Louisiana, Single Family Mortgage Revenue Refunding Bonds, Series 1995B, 6.125%, 8/01/28	2/09 at 100
2,105	East Baton Rouge Parish Mortgage Finance Authority, Louisiana, GNMA/FNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1994C, 6.350%, 10/01/28 (Alternative Minimum Tax)	4/09 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	LOUISIANA (continued)	
$ 4,350	Louisiana Citizens Property Insurance Corporation, Assessment Revenue Bonds, Series 2006, 5.000%, 6/01/22 - AMBAC Insured	6/16 at 100
4,000	Louisiana Public Facilities Authority, Hospital Revenue Bonds, Franciscan Missionaries of Our Lady Health System, Series 2005A, 5.250%, 8/15/31	8/15 at 100
2,700	Louisiana Public Facilities Authority, Revenue Bonds, Ochsner Clinic Foundation Project, Series 2007A, 5.500%, 5/15/47	5/17 at 100

	Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006A:	
14,550	4.750%, 5/01/39 - FSA Insured (UB)	5/16 at 100
5,920	4.500%, 5/01/41 - FGIC Insured (UB)	5/16 at 100
2,485	Orleans Levee District, Louisiana, Levee District General Obligation Bonds, Series 1986, 5.950%, 11/01/15 - FSA Insured	12/08 at 100
36,385	Total Louisiana	
	MARYLAND - 0.9% (0.5% OF TOTAL INVESTMENTS)	
1,865	Baltimore, Maryland, Senior Lien Convention Center Hotel Revenue Bonds, Series 2006A, 5.250%, 9/01/26 - SYNCORA GTY Insured	9/16 at 100
1,205	Maryland Economic Development Corporation, Student Housing Revenue Refunding Bonds, University of Maryland College Park Projects, Series 2006, 5.000%, 6/01/28 - CIFG Insured	6/16 at 100
1,390	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, LifeBridge Health System, Series 2004A, 5.250%, 7/01/19 (Pre-refunded 7/01/14)	7/14 at 100
4,460	Total Maryland	
	MASSACHUSETTS - 8.0% (4.7% OF TOTAL INVESTMENTS)	
1,920	Massachusetts Development Finance Agency, Pioneer Valley Resource Recovery Revenue Bonds, Eco/Springfield LLC, Series 2000A, 8.375%, 7/01/14 (Alternative Minimum Tax)	No Opt. C
1,595	Massachusetts Development Finance Agency, Pioneer Valley Resource Recovery Revenue Bonds, Eco/Springfield LLC, Series 2006, 5.875%, 7/01/14 (Alternative Minimum Tax)	No Opt. C
1,000	Massachusetts Development Finance Authority, Revenue Bonds, Hampshire College, Series 2004, 5.700%, 10/01/34	10/14 at 100
9,175	Massachusetts Health and Educational Facilities Authority, Revenue Bonds, Berkshire Health System, Series 2001E, 5.700%, 10/01/25 - RAAI Insured	10/11 at 101
1,100	Massachusetts Health and Educational Facilities Authority, Revenue Bonds, Caritas Christi Obligated Group, Series 1999A, 5.625%, 7/01/20	1/09 at 101
2,645	Massachusetts Health and Educational Facilities Authority, Revenue Bonds, New England Medical Center Hospitals, Series 2002H, 5.000%, 5/15/25 - FGIC Insured	5/12 at 100
105	Massachusetts Health and Educational Facilities Authority, Revenue Bonds, New England Medical Center Hospitals, Series 2002H, 5.000%, 5/15/25 (Pre-refunded 5/15/12) - FGIC Insured	5/12 at 100
3,795	Massachusetts Water Resources Authority, General Revenue Bonds, Series 2007A, 4.500%, 8/01/46 - FSA Insured (UB)	2/17 at 100

	Massachusetts, General Obligation Bonds, Consolidated Loan, Series 2002E:	
11,400	5.250%, 1/01/21 (Pre-refunded 1/01/13) - FSA Insured	1/13 at 100
1,850	5.250%, 1/01/21 (Pre-refunded 1/01/13) - FSA Insured	1/13 at 100
	Massachusetts, Special Obligation Dedicated Tax Revenue Bonds, Series 2004:	
2,250	5.250%, 1/01/21 (Pre-refunded 1/01/14) - FGIC Insured	1/14 at 100
4,000	5.250%, 1/01/24 (Pre-refunded 1/01/14) - FGIC Insured	1/14 at 100
40,835	Total Massachusetts	

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Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MICHIGAN - 4.5% (2.6% OF TOTAL INVESTMENTS)	
	Grand Rapids and Kent County Joint Building Authority, Michigan, Limited Tax General Obligation Bonds, Devos Place Project, Series 2001:	
$ 7,660	0.000%, 12/01/21	No Opt. C
7,955	0.000%, 12/01/22	No Opt. C
8,260	0.000%, 12/01/23	No Opt. C
8,575	0.000%, 12/01/24	No Opt. C
1,200	Kent Hospital Finance Authority, Michigan, Revenue Bonds, Metropolitan Hospital, Series 2005A, 6.000%, 7/01/35	7/15 at 100
1,500	Michigan State Hospital Finance Authority, Revenue Bonds, Trinity Health Care Group, Series 2006A, 5.000%, 12/01/31 (UB)	12/16 at 100
1,220	Michigan State Hospital Finance Authority, Revenue Refunding Bonds, Detroit Medical Center Obligated Group, Series 1993A, 6.375%, 8/15/09	2/09 at 100
340	Monroe County Hospital Finance Authority, Michigan, Mercy Memorial Hospital Corporation Revenue Bonds, Series 2006, 5.500%, 6/01/35	6/16 at 100
3,270	Romulus Community Schools, Wayne County, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/22	5/13 at 100
39,980	Total Michigan	

	MINNESOTA - 4.7% (2.7% OF TOTAL INVESTMENTS)	
8,165	Cohasset, Minnesota, Pollution Control Revenue Bonds, Allete Inc., Series 2004, 4.950%, 7/01/22	7/14 at 100
	Minneapolis-St. Paul Housing and Redevelopment Authority, Minnesota, Revenue Bonds, HealthPartners Inc., Series 2003:	
1,000	6.000%, 12/01/18	12/13 at 100
1,050	5.875%, 12/01/29	12/13 at 100
2,400	Minneapolis-St. Paul Metropolitan Airports Commission, Minnesota, Airport Revenue Bonds, Series 2001A, 5.250%, 1/01/25 (Pre-refunded 1/01/11) - FGIC Insured	1/11 at 100
3,000	Minneapolis-St. Paul Metropolitan Airports Commission, Minnesota, Subordinate Airport Revenue Bonds, Series 2001C, 5.250%, 1/01/26 (Pre-refunded 1/01/11) - FGIC Insured	1/11 at 100
310	Minnesota Housing Finance Agency, Rental Housing Bonds, Series 1995D, 5.950%, 2/01/18 - MBIA Insured	2/09 at 100
530	Minnesota Housing Finance Agency, Single Family Mortgage Bonds, Series 1996G, 6.250%, 7/01/26 (Alternative Minimum Tax)	1/09 at 100
810	Minnesota Housing Finance Agency, Single Family Mortgage Revenue Bonds, Series 2000C, 6.100%, 7/01/30 (Alternative Minimum Tax)	7/09 at 100
1,015	Minnesota Housing Finance Agency, Single Family Remarketed Mortgage Bonds, Series 1998H-2, 6.050%, 7/01/31 (Alternative Minimum Tax)	1/11 at 101
1,000	Minnesota Municipal Power Agency, Electric Revenue Bonds, Series 2004A, 5.250%, 10/01/19	10/14 at 100
1,540	Southern Minnesota Municipal Power Agency, Power Supply System Revenue Bonds, Series 1992B, 5.750%, 1/01/11 (ETM)	1/09 at 100
1,620	St. Louis Park, Minnesota, Revenue Bonds, Park Nicollet Health Services, Series 2003B, 5.500%, 7/01/25 (Pre-refunded 7/01/14)	7/14 at 100
1,000	St. Paul Housing and Redevelopment Authority, Minnesota, Revenue Bonds, Healtheast Inc., Series 2005, 6.000%, 11/15/25	11/15 at 100
23,440	Total Minnesota	
	MISSISSIPPI - 0.7% (0.4% OF TOTAL INVESTMENTS)	
3,675	Mississippi Hospital Equipment and Facilities Authority, Revenue Bonds, Baptist Memorial Healthcare, Series 2004B-1, 5.000%, 9/01/24 (UB)	9/14 at 100

PRINCIPAL		OPTIONAL C

AMOUNT (000)	DESCRIPTION (1)	PROVISIONS
	MISSOURI - 4.8% (2.8% OF TOTAL INVESTMENTS)	
$ 2,000	Cole County Industrial Development Authority, Missouri, Revenue Bonds, Lutheran Senior Services - Heisinger Project, Series 2004, 5.250%, 2/01/24	2/14 at 100
200	Hannibal Industrial Development Authority, Missouri, Health Facilities Revenue Bonds, Hannibal Regional Hospital, Series 2006, 5.000%, 3/01/22	3/16 at 100
2,885	Joplin Industrial Development Authority, Missouri, Health Facilities Revenue Bonds, Freeman Health System, Series 2004, 5.500%, 2/15/24	2/15 at 102
9,000	Kansas City, Missouri, Airport Revenue Bonds, General Improvement Projects, Series 2003B, 5.250%, 9/01/17 - FGIC Insured	9/12 at 100
	Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds, Branson Landing Project, Series 2005A:	
780	6.000%, 6/01/20	No Opt. C
1,225	5.000%, 6/01/35	6/15 at 100
2,500	Missouri Health and Educational Facilities Authority, Revenue Bonds, BJC Health System, Series 2003, 5.125%, 5/15/24	5/13 at 100
1,200	Missouri Health and Educational Facilities Authority, Revenue Bonds, Lake Regional Health System, Series 2003, 5.125%, 2/15/18	2/14 at 100
1,250	Missouri Health and Educational Facilities Authority, Revenue Bonds, SSM Healthcare System, Series 2001A, 5.250%, 6/01/21 - AMBAC Insured	6/11 at 101
	Missouri Health and Educational Facilities Authority, Revenue Bonds, SSM Healthcare System, Series 2001A:	
1,250	5.250%, 6/01/21 (Pre-refunded 6/01/11) - AMBAC Insured	6/11 at 101
2,000	5.250%, 6/01/28 (Pre-refunded 6/01/11) - AMBAC Insured	6/11 at 101
24,290	Total Missouri	
	NEBRASKA - 0.5% (0.3% OF TOTAL INVESTMENTS)	
1,470	Municipal Energy Agency of Nebraska, Power Supply System Revenue Bonds, Series 2003A, 5.250%, 4/01/23 - FSA Insured	4/13 at 100
1,050	Omaha Public Power District, Nebraska, Separate Electric System Revenue Bonds, Nebraska City 2, Series 2006A, Trust 11673, 14.495%, 2/01/49 - AMBAC Insured (IF)	2/17 at 100
2,520	Total Nebraska	
	NEVADA - 4.4% (2.6% OF TOTAL INVESTMENTS)	

10,410	Clark County School District, Nevada, General Obligation Bonds, Series 2002C, 5.500%, 6/15/18 (Pre-refunded 6/15/12) - MBIA Insured	6/12 at 100
5,795	Clark County, Nevada, Motor Vehicle Fuel Tax Highway Improvement Revenue Bonds, Series 2003, 5.000%, 7/01/23 - AMBAC Insured	7/13 at 100
4,000	Clark County, Nevada, Subordinate Lien Airport Revenue Bonds, Series 2004A-2, 5.125%, 7/01/25 - FGIC Insured	7/14 at 100
1,000	Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000, 5.375%, 1/01/40 - AMBAC Insured	1/10 at 100
21,205	Total Nevada	
	NEW JERSEY - 7.3% (4.3% OF TOTAL INVESTMENTS)	
5,480	Essex County Improvement Authority, New Jersey, Lease Revenue Bonds, Series 2003, 5.125%, 12/15/20 - FSA Insured	12/13 at 100
135	Essex County Improvement Authority, New Jersey, Lease Revenue Bonds, Series 2003, 5.125%, 12/15/20 (Pre-refunded 12/15/13) - FSA Insured	12/13 at 100
	New Jersey Economic Development Authority, School Facilities Construction Bonds, Series 2005P:	
1,325	5.250%, 9/01/24	9/15 at 100
1,000	5.250%, 9/01/26	9/15 at 100

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Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEW JERSEY (continued)	
$ 520	New Jersey Health Care Facilities Financing Authority, New Jersey, Revenue Bonds, Saint Peters University Hospital, Series 2007, 5.750%, 7/01/37	7/18 at 100
3,675	New Jersey Housing and Mortgage Finance Agency, Multifamily Housing Revenue Bonds, Series 1997A, 5.650%, 5/01/40 - AMBAC Insured (Alternative Minimum Tax)	11/08 at 100
3,400	New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2003C, 5.500%, 6/15/22 (Pre-refunded 6/15/13)	6/13 at 100

3,425	New Jersey Transportation Trust Fund Authority, Transportation System Bonds, Series 2006A, 5.250%, 12/15/20	No Opt. C
4,000	New Jersey Turnpike Authority, Revenue Bonds, Series 2003A, 5.000%, 1/01/19 - FGIC Insured	7/13 at 100
3,000	New Jersey Turnpike Authority, Revenue Bonds, Series 2005A, 5.000%, 1/01/24 - FSA Insured (UB)	1/15 at 100
10,500	Tobacco Settlement Financing Corporation, New Jersey, Tobacco Settlement Asset-Backed Bonds, Series 2007-1A, 5.000%, 6/01/29	6/17 at 100
3,185	Union County Utilities Authority, New Jersey, Solid Waste Facility Subordinate Lease Revenue Bonds, Ogden Martin Systems of Union Inc., Series 1998A, 5.350%, 6/01/23 - AMBAC Insured (Alternative Minimum Tax)	12/08 at 101
39,645	Total New Jersey	
	NEW YORK - 11.5% (6.7% OF TOTAL INVESTMENTS)	
5,000	Dormitory Authority of the State of New York, FHA-Insured Revenue Bonds, Montefiore Medical Center, Series 2005, 5.000%, 2/01/28 - FGIC Insured	2/15 at 100
	Dormitory Authority of the State of New York, Revenue Bonds, Marymount Manhattan College, Series 1999:	
1,975	6.375%, 7/01/16 - RAAI Insured	7/09 at 101
2,080	6.375%, 7/01/17 - RAAI Insured	7/09 at 101
1,500	Dormitory Authority of the State of New York, State and Local Appropriation Lease Bonds, Upstate Community Colleges, Series 2004B, 5.250%, 7/01/19	7/14 at 100
1,250	Hempstead Town Industrial Development Agency, New York, Revenue Bonds, Adelphi University, Civic Facility Project, Series 2005, 5.000%, 10/01/30	10/15 at 100
150	Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Driver Trust 1649, 2006, 4.745%, 2/15/47 - MBIA Insured (IF)	2/17 at 100.
4,580	Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, Series 2006A, 4.500%, 2/15/47 - MBIA Insured (UB)	2/17 at 100.
3,300	Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB)	11/16 at 100
2,500	New York City Transitional Finance Authority, New York, Future Tax Secured Bonds, Fiscal Series 2004C, 5.000%, 2/01/22 (UB)	2/14 at 100
	New York City Transitional Finance Authority, New York, Future Tax Secured Bonds, Tender Option Bond Trust 3218:	
1,720	12.996%, 8/01/23 (IF)	8/13 at 100
1,815	13.003%, 8/01/24 (IF)	8/13 at 100
35	New York City, New York, General Obligation Bonds, Fiscal Series 1996J, 5.500%, 2/15/26	No Opt. C

2,150	New York City, New York, General Obligation Bonds, Fiscal Series 2005J, 5.000%, 3/01/25	3/15 at 100
5,000	New York City, New York, General Obligation Bonds, Fiscal Series 2005M, 5.000%, 4/01/24 (UB)	4/15 at 100
1,000	New York City, New York, General Obligation Bonds, Series 2008, Trust 3217, 13.994%, 8/15/20 (IF)	8/14 at 100
1,855	New York Convention Center Development Corporation, Hotel Fee Revenue Bonds, Trust 2364, 8.714%, 11/15/44 - AMBAC Insured (IF)	11/15 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEW YORK (continued)	
	New York State Municipal Bond Bank Agency, Special School Purpose Revenue Bonds, Series 2003C:	
$ 6,000	5.250%, 6/01/20	6/13 at 100
5,100	5.250%, 6/01/21	6/13 at 100
	New York State Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed and State Contingency Contract-Backed Bonds, Series 2003A-1:	
3,400	5.500%, 6/01/16	6/10 at 100
2,000	5.500%, 6/01/19	6/13 at 100
6,250	Port Authority of New York and New Jersey, Special Project Bonds, JFK International Air Terminal LLC, Sixth Series 1997, 6.250%, 12/01/15 - MBIA Insured (Alternative Minimum Tax)	No Opt. C
1,000	Rensselaer County Industrial Development Agency, New York, Civic Facility Revenue Bonds, Rensselaer Polytechnic Institute, Series 2006, 5.000%, 3/01/26	3/16 at 100
59,660	Total New York	
	NORTH CAROLINA - 1.7% (1.0% OF TOTAL INVESTMENTS)	
3,195	Charlotte-Mecklenberg Hospital Authority, North Carolina, Carolinas Healthcare System Revenue Bonds, Series 2008, Trust 1149, 6.780%, 1/15/47 (IF)	1/18 at 100
2,105	Durham Urban Redevelopment Authority, North Carolina, FHA-Insured Mortgage Loan Revenue Bonds, Durham Hosiery Mill, Series 1987, 7.500%, 8/01/29 (Alternative Minimum Tax)	2/09 at 104
470	North Carolina Housing Finance Agency, Single Family Revenue	3/09 at 100

	Bonds, Series 1996JJ, 6.450%, 9/01/27 (Alternative Minimum Tax)	
	North Carolina Infrastructure Finance Corporation, Certificates of Participation, Correctional Facilities, Series 2004A:	
1,250	5.000%, 2/01/21	2/14 at 100
2,445	5.000%, 2/01/22	2/14 at 100
9,465	Total North Carolina	
	NORTH DAKOTA - 0.1% (0.1% OF TOTAL INVESTMENTS)	
610	North Dakota Housing Finance Agency, Home Mortgage Finance Program Bonds, Series 2000C, 6.150%, 7/01/31 (Alternative Minimum Tax)	7/10 at 100
	OHIO - 4.9% (2.9% OF TOTAL INVESTMENTS)	
	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2:	
90	5.125%, 6/01/24	6/17 at 100
900	5.875%, 6/01/30	6/17 at 100
845	5.750%, 6/01/34	6/17 at 100
1,965	5.875%, 6/01/47	6/17 at 100
3,000	Columbus City School District, Franklin County, Ohio, General Obligation Bonds, Series 2004, 5.250%, 12/01/24 (Pre-refunded 12/01/14) - FSA Insured	12/14 at 100
	Franklin County, Ohio, Hospital Revenue Bonds, OhioHealth Corporation, Series 2003C:	
2,330	5.250%, 5/15/17 - MBIA Insured	5/13 at 100
4,105	5.250%, 5/15/18 - MBIA Insured	5/13 at 100
2,000	Ohio Housing Finance Agency, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Courtyards of Kettering, Series 1998B-1, 5.550%, 1/01/40 (Alternative Minimum Tax)	1/09 at 101
5,550	Ohio Water Development Authority, Solid Waste Disposal Revenue Bonds, Bay Shore Power, Series 1998A, 5.875%, 9/01/20 (Alternative Minimum Tax)	3/09 at 102
6,000	Ohio Water Development Authority, Solid Waste Disposal Revenue Bonds, Bay Shore Power, Series 1998B, 6.625%, 9/01/20 (Alternative Minimum Tax)	9/09 at 102
26,785	Total Ohio	

Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	OKLAHOMA - 4.5% (2.6% OF TOTAL INVESTMENTS)	
	Norman Regional Hospital Authority, Oklahoma, Hospital Revenue Bonds, Series 2005:	
$ 500	5.375%, 9/01/29	9/16 at 100
750	5.375%, 9/01/36	9/16 at 100
	Oklahoma Development Finance Authority, Revenue Bonds, Saint John Health System, Series 2007:	
5,020	5.000%, 2/15/37	2/17 at 100
1,020	5.000%, 2/15/42	2/17 at 100
10,000	Oklahoma Municipal Power Authority, Power Supply System Revenue Bonds, Series 2007, 4.500%, 1/01/47 - FGIC Insured	1/17 at 100
5,000	Oklahoma State Student Loan Authority, Senior Lien Revenue Bonds, Series 2001A-1, 5.625%, 6/01/31 (Alternative Minimum Tax)	6/11 at 102
99	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, Trust 3500, 7.261%, 12/15/36 (IF)	12/16 at 100
5,460	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, 5.000%, 12/15/36 (UB)	12/16 at 100
27,849	Total Oklahoma	
	OREGON - 1.6% (1.0% OF TOTAL INVESTMENTS)	
7,860	Multnomah County Hospital Facilities Authority, Oregon, Revenue Bonds, Sisters of Providence Health System, Series 2004, 5.500%, 10/01/21 (UB)	10/14 at 100
	PENNSYLVANIA - 2.7% (1.6% OF TOTAL INVESTMENTS)	
3,500	Allegheny County Sanitary Authority, Pennsylvania, Sewerage Revenue Bonds, Series 2005A, 5.000%, 12/01/23 - MBIA Insured	12/15 at 100
1,500	Annville-Cleona School District, Lebanon County, Pennsylvania, General Obligation Bonds, Series 2005, 6.000%, 3/01/28 - FSA Insured	3/15 at 100
500	Bucks County Industrial Development Authority, Pennsylvania, Charter School Revenue Bonds, School Lane Charter School, Series 2007A, 5.000%, 3/15/37	3/17 at 100
1,050	Delaware Valley Regional Finance Authority, Pennsylvania, Local Government Revenue Bonds, Series 1997B,	No Opt. C

	5.700%, 7/01/27 - AMBAC Insured	
5,850	Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB)	12/16 at 100
1,000	Pennsylvania State University, General Revenue Bonds, Series 2005, 5.000%, 9/01/29	9/15 at 100
1,050	Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2006A, 5.000%, 12/01/26 - AMBAC Insured	6/16 at 100
14,450	Total Pennsylvania	
	RHODE ISLAND - 2.8% (1.6% OF TOTAL INVESTMENTS)	
	Rhode Island Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds, Series 2002A:	
9,710	6.000%, 6/01/23	6/12 at 100
6,000	6.125%, 6/01/32	6/12 at 100
15,710	Total Rhode Island	

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	SOUTH CAROLINA - 11.9% (6.9% OF TOTAL INVESTMENTS)	
$ 14,000	Berkeley County School District, South Carolina, Installment Purchase Revenue Bonds, Securing Assets for Education, Series 2003, 5.250%, 12/01/24	12/13 at 100
15,445	Greenville County School District, South Carolina, Installment Purchase Revenue Bonds, Series 2002, 5.875%, 12/01/17 (Pre-refunded 12/01/12)	12/12 at 101
2,500	Greenville, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 2003A, 5.000%, 5/01/25 - AMBAC Insured	5/13 at 100
7,600	Piedmont Municipal Power Agency, South Carolina, Electric Revenue Bonds, Series 1991, 4.000%, 1/01/23 - MBIA Insured	1/09 at 100
1,250	South Carolina JOBS Economic Development Authority, Economic Development Revenue Bonds, Bon Secours Health System Inc., Series 2002A, 5.625%, 11/15/30 (Pre-refunded 11/15/12)	11/12 at 100
4,750	South Carolina JOBS Economic Development Authority, Economic Development Revenue Bonds, Bon Secours Health System Inc., Series 2002B, 5.625%, 11/15/30	11/12 at 100
	South Carolina JOBS Economic Development Authority, Hospital	

	Refunding and Improvement Revenue Bonds, Palmetto Health Alliance, Series 2003C:	
1,335	6.875%, 8/01/27 (Pre-refunded 8/01/13)	8/13 at 100
165	6.875%, 8/01/27 (Pre-refunded 8/01/13)	8/13 at 100
4,450	6.375%, 8/01/34 (Pre-refunded 8/01/13)	8/13 at 100
550	6.375%, 8/01/34 (Pre-refunded 8/01/13)	8/13 at 100
4,475	Tobacco Settlement Revenue Management Authority, South Carolina, Tobacco Settlement Asset-Backed Bonds, Series 2001B, 6.000%, 5/15/22 (Pre-refunded 5/15/12)	5/12 at 100
56,520	Total South Carolina	
	TENNESSEE - 1.1% (0.6% OF TOTAL INVESTMENTS)	
3,200	Johnson City Health and Educational Facilities Board, Tennessee, Revenue Bonds, Mountain States Health Alliance, Series 2006A, 5.500%, 7/01/36	7/16 at 100
1,500	Memphis-Shelby County Airport Authority, Tennessee, Airport Revenue Bonds, Series 1999D, 6.000%, 3/01/19 - AMBAC Insured (Alternative Minimum Tax)	3/10 at 101
	Sumner County Health, Educational, and Housing Facilities Board, Tennessee, Revenue Refunding Bonds, Sumner Regional Health System Inc., Series 2007:	
800	5.500%, 11/01/37	11/17 at 100
1,000	5.500%, 11/01/46	11/17 at 100
6,500	Total Tennessee	
	TEXAS - 13.6% (7.9% OF TOTAL INVESTMENTS)	
5,810	Board of Regents, University of Texas System, Financing System Revenue Bonds, Series 2006F, 4.250%, 8/15/36 (UB)	2/17 at 100
5,110	Brazos River Authority, Texas, Pollution Control Revenue Refunding Bonds, TXU Electric Company, Series 1999C, 7.700%, 3/01/32 (Alternative Minimum Tax)	4/13 at 101
10,000	Brazos River Harbor Navigation District, Brazoria County, Texas, Environmental Facilities Revenue Bonds, Dow Chemical Company Project, Series 2002A-6, 6.250%, 5/15/33 (Mandatory put 5/15/17) (Alternative Minimum Tax)	5/12 at 101
3,345	Fort Worth, Texas, Water and Sewerage Revenue Bonds, Series 2001, 5.625%, 2/15/19 (Pre-refunded 2/15/12)	2/12 at 100
5,000	Gulf Coast Industrial Development Authority, Texas, Waste Disposal Revenue Bonds, Valero Refining and Marketing Company Project, Series 1997, 5.600%, 12/01/31 (Alternative Minimum Tax)	6/10 at 100
	Harris County Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Memorial Hermann Healthcare System, Series 2004A:	

1,000	5.000%, 12/01/20	12/14 at 100
1,000	5.000%, 12/01/21	12/14 at 100
2,500	5.125%, 12/01/22	12/14 at 100

Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TEXAS (continued)	
$ 2,800	Harris County-Houston Sports Authority, Texas, Senior Lien Revenue Bonds, Series 2001G, 5.250%, 11/15/30 - MBIA Insured	11/11 at 100
4,000	Houston, Texas, First Lien Combined Utility System Revenue Bonds, Series 2004A, 5.250%, 5/15/24 - FGIC Insured	5/14 at 100
10,850	Houston, Texas, Hotel Occupancy Tax and Special Revenue Bonds, Convention and Entertainment Project, Series 2001B, 0.000%, 9/01/25 - AMBAC Insured	No Opt. C
725	Keller Independent School District, Tarrant County, Texas, Unlimited Tax General Obligation Refunding Bonds, Series 2001, 5.250%, 8/15/26	8/11 at 100
	Kerrville Health Facilities Development Corporation, Texas, Revenue Bonds, Sid Peterson Memorial Hospital Project, Series 2005:	
800	5.250%, 8/15/21	No Opt. C
1,250	5.125%, 8/15/26	No Opt. C
3,100	North Texas Thruway Authority, Second Tier System Revenue Refunding Bonds, Series 2008, 5.750%, 1/01/38	1/18 at 100
2,000	Pearland Independent School District, Brazoria County, Texas, Unlimited Tax Schoolhouse Bonds, Series 2001A, 5.250%, 2/15/22 (Pre-refunded 2/15/11)	2/11 at 100
1,000	Sabine River Authority, Texas, Pollution Control Revenue Bonds, TXU Electric Company, Series 2001C, 5.200%, 5/01/28	11/15 at 100
3,935	Spring Branch Independent School District, Harris County, Texas, Limited Tax Schoolhouse and Refunding Bonds, Series 2001, 5.125%, 2/01/26 (Pre-refunded 2/01/11)	2/11 at 100
7,100	Tarrant County Cultural & Educational Facilities Financing Corporation, Texas, Revenue Bonds, Series 2007A, 5.000%, 2/15/36 (UB)	2/17 at 100
3,755	Texas State, General Obligation Bonds, Series 2008, Trust 3213, 10.466%, 4/01/33 (IF)	4/17 at 100
3,900	Texas, General Obligation Bonds, Veterans Housing Assistance	12/11 at 101

	Program Fund II, Series 2001C-1, 5.200%, 12/01/21 (Alternative Minimum Tax)	
2,905	Weatherford Independent School District, Parker County, Texas, Unlimited Tax School Building and Refunding Bonds, Series 2001, 0.000%, 2/15/25	2/11 at 44
4,040	Weatherford Independent School District, Parker County, Texas, Unlimited Tax School Building and Refunding Bonds, Series 2001, 0.000%, 2/15/25 (Pre-refunded 2/15/11)	2/11 at 44
85,925	Total Texas	
	UTAH - 0.0% (0.0% OF TOTAL INVESTMENTS)	
170	Utah Housing Finance Agency, Single Family Mortgage Bonds, Series 1997C, 5.600%, 7/01/18 (Alternative Minimum Tax)	1/09 at 101
95	Utah Housing Finance Agency, Single Family Mortgage Bonds, Series 1997E-2, 5.875%, 1/01/19 (Alternative Minimum Tax)	1/09 at 101
265	Total Utah	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WASHINGTON - 11.1% (6.5% OF TOTAL INVESTMENTS)	
$ 15,000	Chelan County Public Utility District 1, Washington, Hydro Consolidated System Revenue Bonds, Series 2002A, 5.450%, 7/01/37 - AMBAC Insured (Alternative Minimum Tax)	7/12 at 100
7,500	Energy Northwest, Washington, Electric Revenue Refunding Bonds, Columbia Generating Station - Nuclear Project 2, Series 2002C, 5.750%, 7/01/17 - MBIA Insured	7/12 at 100
5,000	Energy Northwest, Washington, Electric Revenue Refunding Bonds, Nuclear Project 1, Series 2003A, 5.500%, 7/01/16 (UB)	7/13 at 100
10,080	King County School District 401, Highline, Washington, General Obligation Bonds, Series 2002, 5.500%, 12/01/16 - FGIC Insured	6/12 at 100
6,965	Port of Seattle, Washington, Revenue Bonds, Series 1999A, 5.250%, 9/01/22 - FGIC Insured	9/12 at 100
2,820	Skagit County Public Hospital District 1, Washington, General Obligation Bonds, Series 2004A, 5.375%, 12/01/19 - MBIA Insured	12/14 at 100
2,500	Snohomish County, Washington, Limited Tax General Obligation Bonds, Series 2001, 5.125%, 12/01/22 - MBIA Insured	12/11 at 100

1,000	Washington State Health Care Facilities Authority, Revenue Bonds, Northwest Hospital and Medical Center of Seattle, Series 2007, 5.700%, 12/01/32	No Opt. C
4,905	Washington, Various Purpose General Obligation Bonds, Series 1999B, 5.000%, 1/01/19	1/09 at 100
55,770	Total Washington	
	WEST VIRGINIA - 1.5% (1.0% OF TOTAL INVESTMENTS)	
5,000	Mason County, West Virginia, Pollution Control Revenue Bonds, Appalachian Power Company, Series 2003L, 5.500%, 10/01/22	10/11 at 100
1,000	Pleasants County, West Virginia, Pollution Control Revenue Bonds, West Penn Power Company Pleasants Station Project, Series 1999E, 5.500%, 4/01/29 - AMBAC Insured (Alternative Minimum Tax)	4/09 at 101
2,355	West Virginia University, Unlimited Tax General Revenue Bonds, Student Fees, Series 2004C, 5.000%, 10/01/24 - FGIC Insured	10/14 at 100
8,355	Total West Virginia	
	WISCONSIN - 3.4% (2.0% OF TOTAL INVESTMENTS)	
5,105	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Aurora Health Care Inc., Series 1999A, 5.600%, 2/15/29	2/09 at 101
315	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Divine Savior Healthcare, Series 2006, 5.000%, 5/01/32	5/16 at 100
1,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Fort Healthcare Inc., Series 2004, 5.750%, 5/01/24	5/14 at 100
3,215	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Marshfield Clinic, Series 1997, 5.625%, 2/15/17 - MBIA Insured	2/09 at 100
4,530	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Wheaton Franciscan Healthcare System, Series 2006, 5.250%, 8/15/34	8/16 at 100
5,300	Wisconsin State, General Obligation Bonds, Series 2006A, 4.750%, 5/01/25 - FGIC Insured (UB)	5/16 at 100
19,465	Total Wisconsin	

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Nuveen Premium Income Municipal Fund 2, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WYOMING - 0.3% (0.2% OF TOTAL INVESTMENTS)	
$ 2,750	Sweetwater County, Wyoming, Solid Waste Disposal Revenue Bonds, FMC Corporation, Series 2005, 5.600%, 12/01/35 (Alternative Minimum Tax)	12/15 at 100
$ 1,037,694	Total Long-Term Investments (cost $893,839,233) - 170.5%	
	SHORT-TERM INVESTMENTS - 0.6% (0.4% OF TOTAL INVESTMENTS)	
$ 3,000	Red River Authority, Texas, Pollution Control Revenue Bonds, Southwestern Public Service Company, Series 1996, Variable Rate Demand Obligations, 8.300%, 7/01/16 - AMBAC Insured (5)	
	Total Short-Term Investments (cost $3,000,000)	
	Total Investments (cost $896,839,233) - 171.1%	
	Floating Rate Obligations - (14.5)%	
	Other Assets Less Liabilities - 2.8%	
	Preferred Shares, at Liquidation Value - (59.4)% (6)	
	Net Assets Applicable to Common Shares - 100%	

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) Investment has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

(6) Preferred Shares, at Liquidation Value as a percentage of Total Investments is 34.7%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

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Nuveen Premium Income Municipal Fund 4, Inc.
Portfolio of INVESTMENTS

October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	ALABAMA - 5.3% (3.0% OF TOTAL INVESTMENTS)	
$ 5,150	Alabama 21st Century Authority, Tobacco Settlement Revenue Bonds, Series 2001, 5.750%, 12/01/16	12/11 at 101
2,395	Alabama Housing Finance Authority, FNMA Multifamily Housing Revenue Bonds, South Bay Apartments, Series 2000K, 5.950%, 2/01/33 (Alternative Minimum Tax)	2/11 at 102
11,895	Alabama Special Care Facilities Financing Authority, Birmingham, Hospital Revenue Bonds, Daughters of Charity National Health System - Providence Hospital and St. Vincent's Hospital, Series 1995, 5.000%, 11/01/25 (ETM)	11/08 at 100
5,000	Alabama Special Care Facilities Financing Authority, Revenue	11/16 at 100

	Bonds, Ascension Health, Series 2006C-2, 5.000%, 11/15/39 (UB)	
1,000	Birmingham Special Care Facilities Financing Authority, Alabama, Revenue Bonds, Baptist Health System Inc., Series 2005A, 5.000%, 11/15/30	11/15 at 100
1,000	Courtland Industrial Development Board, Alabama, Pollution Control Revenue Bonds, International Paper Company, Series 2005A, 5.000%, 6/01/25	6/15 at 100
26,440	Total Alabama	
	ALASKA - 1.1% (0.6% OF TOTAL INVESTMENTS)	
1,665	Alaska Housing Finance Corporation, General Housing Purpose Bonds, Series 2005A, 5.000%, 12/01/30 - FGIC Insured	12/14 at 100
3,065	Alaska Municipal Bond Bank Authority, General Obligation Bonds, Series 2003E, 5.250%, 12/01/26 (Pre-refunded 12/01/13) - MBIA Insured	12/13 at 100
4,730	Total Alaska	
	ARIZONA - 1.2% (0.7% OF TOTAL INVESTMENTS)	
5,000	Arizona Tourism and Sports Authority, Tax Revenue Bonds, Multipurpose Stadium Facility Project, Series 2003A, 5.000%, 7/01/31 - MBIA Insured	7/13 at 100
2,000	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Series 2007, 5.000%, 12/01/37	No Opt. C
7,000	Total Arizona	
	ARKANSAS - 0.0% (0.0% OF TOTAL INVESTMENTS)	
28	Lonoke County Residential Housing Facilities Board, Arkansas, FNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Refunding Bonds, Series 1993A, 7.900%, 4/01/11	4/09 at 100
	CALIFORNIA - 15.4% (8.8% OF TOTAL INVESTMENTS)	
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
17,000	California Health Facilities Financing Authority, Health Facility Revenue Bonds, Adventist Health System/West, Series 2003A, 5.000%, 3/01/33	3/13 at 100

5,000	California Health Facilities Financing Authority, Revenue Bonds, Kaiser Permanante System, Series 2006, 5.000%, 4/01/37	4/16 at 100
920	California Health Facilities Financing Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.475%, 11/15/42 (IF)	11/16 at 100

Nuveen Premium Income Municipal Fund 4, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	CALIFORNIA (continued)	
$ 2,000	California Infrastructure Economic Development Bank, Revenue Bonds, Kaiser Hospital Assistance LLC, Series 2001A, 5.550%, 8/01/31	8/11 at 102
1,560	California Statewide Community Development Authority, Revenue Bonds, Sutter Health, Tender Option Bond Trust 3175, 11.640%, 11/15/48 (IF)	5/18 at 100
19,545	California, General Obligation Bonds, Series 2005, 5.000%, 6/01/33 - CIFG Insured	6/15 at 100
4,780	Foothill/Eastern Transportation Corridor Agency, California, Toll Road Revenue Bonds, Series 1995A, 0.000%, 1/01/14 (ETM)	No Opt. C
	Golden State Tobacco Securitization Corporation, California, Enhanced Tobacco Settlement Asset-Backed Bonds, Series 2007A-1:	
610	5.125%, 6/01/47	6/17 at 100
1,000	5.750%, 6/01/47	6/17 at 100
1,000	Golden State Tobacco Securitization Corporation, California, Tobacco Settlement Asset-Backed Bonds, Series 2003A-1, 6.750%, 6/01/39 (Pre-refunded 6/01/13)	6/13 at 100
3,190	Hillsborough City School District, San Mateo County, California, General Obligation Bonds, Series 2006B, 0.000%, 9/01/27	No Opt. C
11,310	San Francisco Bay Area Rapid Transit District, California, Sales Tax Revenue Bonds, Refunding Series 2006A, 4.250%, 7/01/31 - FSA Insured (UB)	7/16 at 100
	San Joaquin Hills Transportation Corridor Agency, Orange County, California, Toll Road Revenue Refunding Bonds, Series 1997A:	
4,430	0.000%, 1/15/32 - MBIA Insured	No Opt. C
31,300	0.000%, 1/15/34 - MBIA Insured	No Opt. C
1,945	South Gate Public Financing Authority, California, Water Revenue Refunding Bonds, Series 1996A, 6.000%, 10/01/12 - FGIC Insured	No Opt. C

115,590	Total California	
	COLORADO - 5.3% (3.0% OF TOTAL INVESTMENTS)	
2,000	Colorado Health Facilities Authority, Revenue Refunding Bonds, Catholic Health Initiatives, Series 2001, 5.250%, 9/01/21 (Pre-refunded 9/01/11)	9/11 at 100
425	Colorado Housing Finance Authority, Single Family Program Senior Bonds, Series 1999C-3, 6.750%, 10/01/21	10/09 at 105
2,695	Denver City and County, Colorado, Airport System Revenue Bonds, Series 1991D, 7.750%, 11/15/13 (Alternative Minimum Tax)	No Opt. C
	Denver Convention Center Hotel Authority, Colorado, Senior Revenue Bonds, Convention Center Hotel, Series 2003A:	
2,940	5.000%, 12/01/20 (Pre-refunded 12/01/13) - SYNCORA GTY Insured	12/13 at 100
10,000	5.000%, 12/01/33 (Pre-refunded 12/01/13) - SYNCORA GTY Insured	12/13 at 100
4,345	El Paso County School District 20, Academy, Colorado, General Obligation Bonds, Series 2002, 5.250%, 12/15/17 - FGIC Insured	12/12 at 100
755	Jefferson County School District R1, Colorado, General Obligation Bonds, Series 2004, 5.000%, 12/15/22 - FSA Insured (UB)	12/14 at 100
23,160	Total Colorado	
	DISTRICT OF COLUMBIA - 1.8% (1.0% OF TOTAL INVESTMENTS)	
5	District of Columbia, General Obligation Bonds, Series 1993E, 6.000%, 6/01/09 - CAPMAC Insured	12/08 at 100
	District of Columbia, Revenue Bonds, Georgetown University, Series 2001A:	
9,670	0.000%, 4/01/26 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 42
15,235	0.000%, 4/01/30 (Pre-refunded 4/01/11) - MBIA Insured	4/11 at 32
24,910	Total District of Columbia	

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	FLORIDA - 6.8% (3.9% OF TOTAL INVESTMENTS)	
$ 5,000	Broward County School Board, Florida, Certificates of Participation, Series 2003, 5.000%, 7/01/28 - MBIA Insured	7/13 at 100

5,000	Hillsborough County Aviation Authority, Florida, Revenue Bonds, Tampa International Airport, Series 2003A, 5.250%, 10/01/18 - MBIA Insured (Alternative Minimum Tax)	10/13 at 100
5,000	Martin County Industrial Development Authority, Florida, Industrial Development Revenue Bonds, Indiantown Cogeneration LP, Series 1994A, 7.875%, 12/15/25 (Alternative Minimum Tax)	12/08 at 100
1,380	Miami-Dade County Housing Finance Authority, Florida, Multifamily Housing Revenue Bonds, Sunset Bay Apartments, Series 2000-5A, 5.850%, 7/01/20 - FSA Insured (Alternative Minimum Tax)	1/11 at 102
3,385	Miami-Dade County, Florida, Aviation Revenue Bonds, Miami International Airport, Series 2005A, 5.000%, 10/01/37 - SYNCORA GTY Insured (Alternative Minimum Tax)	10/15 at 100
5,455	South Miami Health Facilities Authority, Florida, Hospital Revenue, Baptist Health System Obligation Group, Series 2007, 5.000%, 8/15/42 (UB)	8/17 at 100
11,000	Sunrise, Florida, Utility System Revenue Refunding Bonds, Series 1998, 5.000%, 10/01/28 - AMBAC Insured	10/18 at 100
36,220	Total Florida	
	GEORGIA - 2.9% (1.7% OF TOTAL INVESTMENTS)	
4,400	Atlanta, Georgia, Water and Wastewater Revenue Bonds, Series 1999A, 5.500%, 11/01/22 - FGIC Insured	No Opt. C
2,880	Georgia Municipal Electric Authority, General Power Revenue Bonds, Series 1992B, 8.250%, 1/01/11	No Opt. C
5,500	Georgia Municipal Electric Authority, General Power Revenue Bonds, Series 1993B, 5.700%, 1/01/19 - FGIC Insured (ETM)	No Opt. C
12,780	Total Georgia	
	HAWAII - 1.2% (0.7% OF TOTAL INVESTMENTS)	
3,720	Honolulu City and County, Hawaii, General Obligation Refunding and Improvement Bonds, Series 1993B, 5.000%, 10/01/13	No Opt. C
1,580	Honolulu City and County, Hawaii, General Obligation Refunding and Improvement Bonds, Series 1993B, 5.000%, 10/01/13 (ETM)	No Opt. C
5,300	Total Hawaii	
	IDAHO - 0.1% (0.1% OF TOTAL INVESTMENTS)	
750	Madison County, Idaho, Hospital Revenue Certificates of Participation, Madison Memorial Hospital, Series 2006,	9/16 at 100

5.250%, 9/01/37

	ILLINOIS - 16.2% (9.2% OF TOTAL INVESTMENTS)	
4,000	Chicago Board of Education, Illinois, General Obligation Lease Certificates, Series 1992A, 6.250%, 1/01/15 - MBIA Insured	No Opt. C
5,550	Chicago, Illinois, Revenue Bonds, Midway Airport, Series 2001A, 5.125%, 1/01/26 - FSA Insured (Alternative Minimum Tax)	1/11 at 101
5,000	Chicago, Illinois, Sales Tax Revenue Bonds, Series 1998, 5.250%, 1/01/28 - FGIC Insured	1/09 at 101
1,665	Chicago, Illinois, Third Lien General Airport Revenue Bonds, O'Hare International Airport, Series 2005A, 5.000%, 1/01/33 - FGIC Insured	1/16 at 100
	Cook County School District 99, Cicero, Illinois, General Obligation School Bonds, Series 1997:	
1,455	8.500%, 12/01/13 - FGIC Insured	No Opt. C
1,685	8.500%, 12/01/15 - FGIC Insured	No Opt. C
6,010	Illinois Development Finance Authority, GNMA Collateralized Mortgage Revenue Bonds, Greek American Nursing Home Committee, Series 2000A, 7.600%, 4/20/40	4/11 at 105

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Nuveen Premium Income Municipal Fund 4, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	ILLINOIS (continued)	
$ 1,385	Illinois Finance Authority, General Obligation Debt Certificates, Local Government Program - Kankakee County, Series 2005B, 5.000%, 12/01/18 - AMBAC Insured	12/14 at 100
2,515	Illinois Finance Authority, Revenue Bonds, Northwestern Memorial Hospital, Series 2004A, 5.250%, 8/15/34 (Pre-refunded 8/15/14)	8/14 at 100
5,565	Illinois Finance Authority, Revenue Bonds, Sherman Health Systems, Series 2007A, 5.500%, 8/01/37	8/17 at 100
4,000	Illinois Health Facilities Authority, FHA-Insured Mortgage Revenue Refunding Bonds, Sinai Health System, Series 2003, 5.150%, 2/15/37	8/13 at 100
4,000	Illinois Health Facilities Authority, Revenue Bonds, Condell Medical Center, Series 2002, 5.500%, 5/15/32	5/12 at 100

4,075	Illinois Health Facilities Authority, Revenue Refunding Bonds, Lutheran General Health System, Series 1993C, 7.000%, 4/01/14	No Opt. C
9,795	Lake, Cook, Kane and McHenry Counties Community Unit School District 220, Barrington, Illinois, School Refunding Bond, Series 2002, 5.250%, 12/01/19 - FSA Insured (UB)	No Opt. C
	Metropolitan Pier and Exposition Authority, Illinois, Revenue Bonds, McCormick Place Expansion Project, Series 2002A:	
9,500	0.000%, 6/15/24 - MBIA Insured	6/22 at 101
4,540	5.000%, 12/15/28 - MBIA Insured	6/12 at 101
36,040	0.000%, 6/15/40 - MBIA Insured	No Opt. C
3,050	Regional Transportation Authority, Cook, DuPage, Kane, Lake, McHenry and Will Counties, Illinois, General Obligation Bonds, Series 1990A, 7.200%, 11/01/20 - AMBAC Insured	No Opt. C
109,830	Total Illinois	
	INDIANA - 10.7% (6.1% OF TOTAL INVESTMENTS)	
	Carmel Redevelopment Authority, Indiana, Lease Rent Revenue Bonds, Series 2005:	
1,950	0.000%, 2/01/24	No Opt. C
2,705	0.000%, 2/01/25	No Opt. C
3,000	Hospital Authority of Delaware County, Indiana, Hospital Revenue Bonds, Cardinal Health System, Series 2006, 5.250%, 8/01/36	8/16 at 100
3,965	Indiana Educational Facilities Authority, Revenue Bonds, Butler University, Series 2001, 5.500%, 2/01/26 - MBIA Insured	2/11 at 100
1,500	Indiana Educational Facilities Authority, Revenue Bonds, University of Indianapolis, Series 1999, 5.750%, 10/01/19 - FSA Insured	10/09 at 101
22,000	Indiana Health Facility Financing Authority, Hospital Revenue Bonds, Clarian Health Obligated Group, Series 2000A, 5.500%, 2/15/30 (Pre-refunded 8/15/10) - MBIA Insured	8/10 at 101
3,000	Indiana Health Facility Financing Authority, Hospital Revenue Refunding Bonds, Columbus Regional Hospital, Series 1993, 7.000%, 8/15/15 - FSA Insured	No Opt. C
2,800	Indiana Health Facility Financing Authority, Revenue Bonds, Community Hospitals of Indiana, Series 2005A, 5.000%, 5/01/35 - AMBAC Insured	5/15 at 100
4,000	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series 2003A, 5.000%, 6/01/23 - FSA Insured	6/13 at 100
6,000	Indiana Transportation Finance Authority, Highway Revenue Bonds, Series 2003A, 5.000%, 6/01/24 (Pre-refunded 6/01/13) - FSA Insured	6/13 at 100
420	Marion County Convention and Recreational Facilities Authority, Indiana, Excise Tax Lease Rental Revenue Bonds,	6/09 at 100

	Series 1997A, 5.000%, 6/01/27 - MBIA Insured	
51,340	Total Indiana	

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	IOWA - 0.2% (0.1% OF TOTAL INVESTMENTS)	
$ 1,000	Iowa Finance Authority, Health Facility Revenue Bonds, Care Initiatives Project, Series 2006A, 5.000%, 7/01/20	7/16 at 100
	KANSAS - 2.1% (1.2% OF TOTAL INVESTMENTS)	
2,000	Olathe, Kansas, Health Facilities Revenue Bonds, Olathe Medical Center, Series 2000A, 5.500%, 9/01/25 - AMBAC Insured	9/10 at 100
6,825	Sedgwick County Unified School District 259, Wichita, Kansas, General Obligation Bonds, Series 2000, 3.500%, 9/01/16	9/10 at 100
1,750	Wamego, Kansas, Pollution Control Revenue Bonds, Kansas Gas and Electric Company, Series 2004, 5.300%, 6/01/31 - MBIA Insured	6/14 at 100
10,575	Total Kansas	
	LOUISIANA - 7.2% (4.1% OF TOTAL INVESTMENTS)	
1,750	Louisiana Local Government Environmental Facilities and Community Development Authority, GNMA Collateralized Mortgage Revenue Refunding Bonds, Sharlo Apartments, Series 2002A, 6.500%, 6/20/37	6/12 at 105
5,150	Louisiana Public Facilities Authority, Hospital Revenue Bonds, Franciscan Missionaries of Our Lady Health System, Series 2005A, 5.250%, 8/15/32	8/15 at 100
10,000	Louisiana Public Facilities Authority, Revenue Bonds, Archdiocese of New Orleans, Series 2007, 4.500%, 7/01/37 - CIFG Insured	7/17 at 100
3,800	Louisiana Public Facilities Authority, Revenue Bonds, Ochsner Clinic Foundation Project, Series 2007A, 5.500%, 5/15/47	5/17 at 100
	Louisiana State, Gasoline and Fuels Tax Revenue Bonds, Series 2006:	
1,480	4.750%, 5/01/39 - FSA Insured (UB)	5/16 at 100.
15,820	4.500%, 5/01/41 - FGIC Insured (UB)	5/16 at 100.

170	Louisiana State, Gasoline Tax Revenue Bonds, Series 2006, Residuals 660-1, 10.855%, 5/01/41 - FGIC Insured (IF)	5/16 at 100.
3,795	Orleans Levee District, Louisiana, Levee District General Obligation Bonds, Series 1986, 5.950%, 11/01/14 - FSA Insured	12/08 at 100
41,965	Total Louisiana	
	MARYLAND - 2.2% (1.3% OF TOTAL INVESTMENTS)	
2,015	Maryland Community Development Administration, Housing Revenue Bonds, Series 1996A, 5.875%, 7/01/16	1/09 at 100
2,900	Maryland Community Development Administration, Housing Revenue Bonds, Series 1997A, 6.000%, 7/01/39 (Alternative Minimum Tax)	1/09 at 101
50	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, MedStar Health, Series 2004, 5.375%, 8/15/24	8/14 at 100
2,210	Maryland Health and Higher Educational Facilities Authority, Revenue Bonds, Western Maryland Health, Series 2006A, 4.750%, 7/01/36 - MBIA Insured	7/16 at 100
1,935	Montgomery County Housing Opportunities Commission, Maryland, GNMA/FHA-Insured Multifamily Housing Revenue Bonds, Series 1996B, 6.400%, 7/01/28 (Alternative Minimum Tax)	1/09 at 100
2,315	Montgomery County Housing Opportunities Commission, Maryland, Multifamily Housing Development Bonds, Series 2000B, 6.125%, 7/01/20 (Alternative Minimum Tax)	7/10 at 100
11,425	Total Maryland	

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Nuveen Premium Income Municipal Fund 4, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MASSACHUSETTS - 1.4% (0.8% OF TOTAL INVESTMENTS)	
$ 3,585	Massachusetts Development Finance Agency, Revenue Bonds, Curry College, Series 2005A, 5.000%, 3/01/35 - ACA Insured	3/15 at 100
1,000	Massachusetts Development Finance Agency, Revenue Bonds, Orchard Cove, Series 2007, 5.250%, 10/01/26	10/12 at 102
1,000	Massachusetts Health and Educational Facilities Authority,	7/15 at 100

	Revenue Bonds, Milton Hospital Project, Series 2005D, 5.375%, 7/01/35	
3,465	Massachusetts Water Resources Authority, General Revenue Bonds, 4.500%, 8/01/46 - FSA Insured (UB)	2/17 at 100
9,050	Total Massachusetts	
	MICHIGAN - 7.0% (4.0% OF TOTAL INVESTMENTS)	
6,000	Detroit, Michigan, Second Lien Sewerage Disposal System Revenue Bonds, Series 2005A, 5.000%, 7/01/35 - MBIA Insured	7/15 at 100
8,915	Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 1997A, 5.000%, 7/01/27 - MBIA Insured	7/27 at 100
5,400	Detroit, Michigan, Sewer Disposal System Revenue Bonds, Second Lien, Series 2006B, 4.625%, 7/01/34 - FGIC Insured	7/16 at 100
5,000	Michigan State Building Authority, Revenue Refunding Bonds, Facilities Program, Series 2003II, 5.000%, 10/15/29 - MBIA Insured	10/13 at 100
10,500	Michigan State Hospital Finance Authority, Hospital Revenue Bonds, Detroit Medical Center Obligated Group, Series 1998A, 5.250%, 8/15/23	2/09 at 101
1,000	Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005, 5.000%, 5/15/30	5/15 at 100
2,000	Michigan State Hospital Finance Authority, Revenue Bonds, Trinity Health Care Group, Series 2006A, 5.000%, 12/01/31 (UB)	12/16 at 100
38,815	Total Michigan	
	MINNESOTA - 1.3% (0.8% OF TOTAL INVESTMENTS)	
650	Minneapolis-St. Paul Housing Finance Board, Minnesota, FNMA/GNMA Mortgage-Backed Securities Program Single Family Mortgage Revenue Bonds, Series 1997, 5.800%, 11/01/30 (Alternative Minimum Tax)	11/08 at 101
3,500	Minneapolis-St. Paul Metropolitan Airports Commission, Minnesota, Airport Revenue Bonds, Series 2001A, 5.250%, 1/01/25 (Pre-refunded 1/01/11) - FGIC Insured	1/11 at 100
2,875	Saint Paul Port Authority, Minnesota, Lease Revenue Bonds, Regions Hospital Parking Ramp Project, Series 2007-1, 5.000%, 8/01/36	8/16 at 100
7,025	Total Minnesota	
	MISSISSIPPI - 1.9% (1.1% OF TOTAL INVESTMENTS)	

2,975	Mississippi Hospital Equipment and Facilities Authority, Revenue Bonds, Baptist Memorial Healthcare, Series 2004B-1, 5.000%, 9/01/24 (UB)	9/14 at 100
5,180	Mississippi, General Obligation Refunding Bonds, Series 2002A, 5.500%, 12/01/18	No Opt. C
1,000	Warren County, Mississippi, Gulf Opportunity Zone Revenue Bonds, International Paper Company, Series 2006A, 4.800%, 8/01/30	8/11 at 100
9,155	Total Mississippi	

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	MISSOURI - 0.8% (0.5% OF TOTAL INVESTMENTS)	
$ 1,450	Cape Girardeau County Industrial Development Authority, Missouri, Health Facilities Revenue Bonds, Southeast Missouri Hospital Association, Series 2007, 5.000%, 6/01/36	6/17 at 100
3,000	Missouri Health and Educational Facilities Authority, Revenue Bonds, BJC Health System, Series 2003, 5.125%, 5/15/24	5/13 at 100
4,450	Total Missouri	
	NEBRASKA - 1.9% (1.1% OF TOTAL INVESTMENTS)	
9,000	NebHelp Inc., Nebraska, Senior Subordinate Bonds, Student Loan Program, Series 1993A-5A, 6.250%, 6/01/18 - MBIA Insured (Alternative Minimum Tax)	No Opt. C
	NEVADA - 2.8% (1.6% OF TOTAL INVESTMENTS)	
4,500	Clark County School District, Nevada, General Obligation School Improvement Bonds, Series 1991A, 7.000%, 6/01/10 - MBIA Insured	No Opt. C
7,000	Clark County, Nevada, Motor Vehicle Fuel Tax Highway Improvement Revenue Bonds, Series 2003, 5.000%, 7/01/23 - AMBAC Insured	7/13 at 100
5,425	Director of Nevada State Department of Business and Industry, Revenue Bonds, Las Vegas Monorail Project, First Tier, Series 2000, 0.000%, 1/01/25 - AMBAC Insured	No Opt. C
16,925	Total Nevada	

	NEW JERSEY - 5.4% (3.1% OF TOTAL INVESTMENTS)	
500	Burlington County Bridge Commission, New Jersey, Economic Development Revenue Bonds, The Evergreens Project, Series 2007, 5.625%, 1/01/38	1/18 at 100
1,100	New Jersey Health Care Facilities Financing Authority, Revenue Bonds, Trinitas Hospital Obligated Group, Series 2000, 7.500%, 7/01/30 (Pre-refunded 7/01/10)	7/10 at 101
880	New Jersey Turnpike Authority, Revenue Bonds, Series 1991C, 6.500%, 1/01/16 - MBIA Insured	No Opt. C
	New Jersey Turnpike Authority, Revenue Bonds, Series 1991C:	
300	6.500%, 1/01/16 - MBIA Insured (ETM)	No Opt. C
2,345	6.500%, 1/01/16 - MBIA Insured (ETM)	No Opt. C
11,070	Tobacco Settlement Financing Corporation, New Jersey, Tobacco Settlement Asset-Backed Bonds, Series 2002, 5.750%, 6/01/32 (Pre-refunded 6/01/12)	6/12 at 100
3,995	Tobacco Settlement Financing Corporation, New Jersey, Tobacco Settlement Asset-Backed Bonds, Series 2003, 6.750%, 6/01/39 (Pre-refunded 6/01/13)	6/13 at 100
5,000	Tobacco Settlement Financing Corporation, New Jersey, Tobacco Settlement Asset-Backed Bonds, Series 2007-1A, 4.750%, 6/01/34	6/17 at 100
25,190	Total New Jersey	
	NEW YORK - 9.3% (5.3% OF TOTAL INVESTMENTS)	
855	Albany Industrial Development Agency, New York, Revenue Bonds, Brighter Choice Charter Schools, Series 2007A, 5.000%, 4/01/32	4/17 at 100
1,200	Hempstead Industrial Development Agency, New York, Resource Recovery Revenue Refunding Bonds, American Ref-Fuel Company of Hempstead LP, Series 2001, 5.000%, 12/01/10 (Mandatory put 6/01/10)	No Opt. C
4,070	Hudson Yards Infrastructure Corporation, New York, Revenue Bonds, 2006A, 4.500%, 2/15/47 - MBIA Insured (UB)	2/17 at 100
3,300	Long Island Power Authority, New York, Electric System General Revenue Bonds, Series 2006F, 4.250%, 5/01/33 - MBIA Insured (UB)	11/16 at 100

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Nuveen Premium Income Municipal Fund 4, Inc. (continued)

Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	NEW YORK (continued)	
$ 6,740	New York City Transitional Finance Authority, New York, Future Tax Secured Bonds, Fiscal Series 1998C, 5.000%, 5/01/26	5/10 at 100
	New York City Transitional Finance Authority, New York, Future Tax Secured Bonds, Fiscal Series 2000C:	
3,630	5.875%, 11/01/16 (Pre-refunded 5/01/10)	5/10 at 101
220	5.875%, 11/01/16 (Pre-refunded 5/01/10)	5/10 at 101
5,000	5.500%, 11/01/24 (Pre-refunded 5/01/10)	5/10 at 101
	New York State Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed and State Contingency Contract-Backed Bonds, Series 2003A-1:	
10,800	5.500%, 6/01/16	6/10 at 100
2,500	5.500%, 6/01/18	6/12 at 100
6,250	Port Authority of New York and New Jersey, Special Project Bonds, JFK International Air Terminal LLC, Sixth Series 1997, 6.250%, 12/01/15 - MBIA Insured (Alternative Minimum Tax)	No Opt. C
44,565	Total New York	
	NORTH CAROLINA - 3.3% (1.9% OF TOTAL INVESTMENTS)	
750	Charlotte-Mecklenburg Hospital Authority, North Carolina, Health Care System Revenue Bonds, Carolinas Health Care, Series 2007A, 5.000%, 1/15/31	1/17 at 100
2,445	North Carolina Infrastructure Finance Corporation, Certificates of Participation, Correctional Facilities, Series 2004A, 5.000%, 2/01/21	2/14 at 100
2,000	North Carolina Municipal Power Agency 1, Catawba Electric Revenue Bonds, Series 1992, 6.000%, 1/01/11 - MBIA Insured	No Opt. C
10,000	North Carolina Municipal Power Agency 1, Catawba Electric Revenue Bonds, Series 2003A, 5.250%, 1/01/18 - MBIA Insured	1/13 at 100
15,195	Total North Carolina	
	OHIO - 3.5% (2.0% OF TOTAL INVESTMENTS)	
5,890	Buckeye Tobacco Settlement Financing Authority, Ohio, Tobacco Settlement Asset-Backed Revenue Bonds, Senior Lien, Series 2007A-2, 5.125%, 6/01/24	6/17 at 100
8,065	Cleveland, Ohio, Airport System Revenue Bonds, Series 2001A, 5.000%, 1/01/31 - FSA Insured	1/10 at 101

3,000	Franklin County, Ohio, Development Revenue Bonds, American Chemical Society, Series 1999, 5.800%, 10/01/14	10/09 at 101
1,000	Franklin County, Ohio, FHA-Insured Multifamily Housing Mortgage Revenue Bonds, Hamilton Creek Apartments Project, Series 1994A, 5.550%, 7/01/24 (Alternative Minimum Tax)	1/09 at 100
17,955	Total Ohio	
	OKLAHOMA - 1.8% (1.0% OF TOTAL INVESTMENTS)	
260	Oklahoma Housing Finance Agency, Single Family Mortgage Revenue Bonds, Homeownership Loan Program, Series 2000C-2, 6.200%, 9/01/28 (Alternative Minimum Tax)	3/10 at 101
5,615	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, 5.000%, 12/15/36 (UB)	12/16 at 100.
88	Tulsa County Industrial Authority, Oklahoma, Health Care Revenue Bonds, Saint Francis Health System, Series 2006, Trust 3500, 7.262%, 12/15/36 (IF)	12/16 at 100.
3,340	Tulsa Industrial Authority, Oklahoma, Hospital Revenue Refunding Bonds, Hillcrest Medical Center, Series 1996, 6.500%, 6/01/09 - CONNIE LEE/AMBA Insured (ETM)	No Opt. C
9,303	Total Oklahoma	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	PENNSYLVANIA - 2.9% (1.7% OF TOTAL INVESTMENTS)	
$ 500	Bucks County Industrial Development Authority, Pennsylvania, Charter School Revenue Bonds, School Lane Charter School, Series 2007A, 5.000%, 3/15/37	3/17 at 100
1,800	Pennsylvania Economic Development Financing Authority, Senior Lien Resource Recovery Revenue Bonds, Northampton Generating Project, Series 1994A, 6.400%, 1/01/09 (Alternative Minimum Tax)	12/08 at 100
5,410	Pennsylvania Housing Finance Agency, Single Family Mortgage Revenue Bonds, Tender Option Bond Trust 3212, 11.325%, 10/01/38 (IF)	10/17 at 100
5,490	Pennsylvania Public School Building Authority, Lease Revenue Bonds, School District of Philadelphia, Series 2006B, 4.500%, 6/01/32 - FSA Insured (UB)	12/16 at 100

2,600	Pennsylvania Turnpike Commission, Turnpike Revenue Bonds, Series 2004A, 5.500%, 12/01/31 - AMBAC Insured	12/14 at 100
15,800	Total Pennsylvania	
	PUERTO RICO - 2.9% (1.6% OF TOTAL INVESTMENTS)	
12,390	Puerto Rico, General Obligation and Public Improvement Refunding Bonds, Series 1997, 6.500%, 7/01/13 - MBIA Insured	No Opt. C
	RHODE ISLAND - 3.2% (1.8% OF TOTAL INVESTMENTS)	
20,000	Rhode Island Tobacco Settlement Financing Corporation, Tobacco Settlement Asset-Backed Bonds, Series 2002A, 6.250%, 6/01/42	6/12 at 100
	SOUTH CAROLINA - 4.8% (2.7% OF TOTAL INVESTMENTS)	
4,120	Medical University Hospital Authority, South Carolina, FHA-Insured Mortgage Revenue Bonds, Series 2004A, 5.250%, 2/15/23 - MBIA Insured	8/14 at 100
3,000	Myrtle Beach, South Carolina, Hospitality and Accommodation Fee Revenue Bonds, Series 2004A, 5.000%, 6/01/36 - FGIC Insured	6/14 at 100
	Piedmont Municipal Power Agency, South Carolina, Electric Revenue Bonds, Series 1991:	
5,000	6.250%, 1/01/21 - FGIC Insured	No Opt. C
5,750	4.000%, 1/01/23 - MBIA Insured	1/09 at 100
5,085	Piedmont Municipal Power Agency, South Carolina, Electric Revenue Refunding Bonds, Series 1998A, 5.500%, 1/01/13 - MBIA Insured	No Opt. C
22,955	Total South Carolina	
	SOUTH DAKOTA - 0.4% (0.2% OF TOTAL INVESTMENTS)	
1,750	South Dakota Health and Educational Facilities Authority, Revenue Bonds, Sioux Valley Hospitals, Series 2004A, 5.500%, 11/01/31	11/14 at 100
	TENNESSEE - 0.6% (0.3% OF TOTAL INVESTMENTS)	
5,075	Knox County Health, Educational and Housing Facilities Board, Tennessee, Hospital Revenue Refunding Bonds, Covenant Health, Series 2006, 0.000%, 1/01/41	1/17 at 30
680	Sullivan County Health Educational and Housing Facilities Board,	9/16 at 100

	Tennessee, Revenue Bonds, Wellmont Health System, Series 2006C, 5.250%, 9/01/36	
	Sumner County Health, Educational, and Housing Facilities Board, Tennessee, Revenue Refunding Bonds, Sumner Regional Health System Inc., Series 2007:	
860	5.500%, 11/01/37	11/17 at 100
1,500	5.500%, 11/01/46	11/17 at 100
8,115	Total Tennessee	

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Nuveen Premium Income Municipal Fund 4, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TEXAS - 21.1% (12.1% OF TOTAL INVESTMENTS)	
$ 3,000	Alliance Airport Authority, Texas, Special Facilities Revenue Bonds, American Airlines Inc., Series 2007, 5.250%, 12/01/29 (Alternative Minimum Tax)	12/12 at 100
5,440	Board of Regents, University of Texas System, Financing System Revenue Bonds, Series 2006F, 4.250%, 8/15/36 (UB)	2/17 at 100
4,000	Central Texas Regional Mobility Authority, Travis and Williamson Counties, Toll Road Revenue Bonds, Series 2005, 5.000%, 1/01/35 - FGIC Insured	1/15 at 100
2,250	Dallas-Ft. Worth International Airport, Texas, Joint Revenue Bonds, Series 2004B, 5.000%, 11/01/27 - FSA Insured (Alternative Minimum Tax)	11/14 at 100
8,000	Dallas-Ft. Worth International Airport, Texas, Joint Revenue Refunding and Improvement Bonds, Series 2001A, 5.875%, 11/01/19 - FGIC Insured (Alternative Minimum Tax)	11/11 at 100
6,000	Garland Housing Finance Corporation, Texas, Multifamily Housing Revenue Bonds, Legacy Pointe Apartments, Series 2000, 7.500%, 6/01/40 (Alternative Minimum Tax)	12/11 at 101
7,000	Harris County Health Facilities Development Corporation, Texas, Thermal Utility Revenue Bonds, TECO Project, Series 2003, 5.000%, 11/15/30 - MBIA Insured	11/13 at 100
28,305	Houston, Texas, Hotel Occupancy Tax and Special Revenue Bonds, Convention and Entertainment Project, Series 2001B, 0.000%, 9/01/28 - AMBAC Insured	No Opt. C
7,500	Houston, Texas, Junior Lien Water and Sewerage System Revenue Refunding Bonds, Series 2002A, 5.750%, 12/01/32 -	No Opt. C

	FSA Insured (ETM)	
33,505	Leander Independent School District, Williamson and Travis Counties, Texas, General Obligation Bonds, Series 2006, 0.000%, 8/15/39	8/14 at 25
54	Midland Housing Finance Corporation, Texas, Single Family Mortgage Revenue Refunding Bonds, Series 1992A, 8.450%, 12/01/11	11/08 at 100
	Montgomery Independent School District, Montgomery County, Texas, Unlimited Tax School Building and Refunding Bonds, Series 2001:	
730	5.500%, 2/15/21	2/11 at 100
760	5.500%, 2/15/23	2/11 at 100
	Montgomery Independent School District, Montgomery County, Texas, Unlimited Tax School Building and Refunding Bonds, Series 2001:	
1,570	5.500%, 2/15/21 (Pre-refunded 2/15/11)	2/11 at 100
1,640	5.500%, 2/15/23 (Pre-refunded 2/15/11)	2/11 at 100
	Mt. Pleasant Independent School District, Titus County, Texas, General Obligation Refunding Bonds, Series 2001:	
3,025	5.000%, 2/15/26	8/11 at 100
2,300	5.125%, 2/15/31	8/11 at 100
700	Mt. Pleasant Independent School District, Titus County, Texas, General Obligation Refunding Bonds, Series 2001, 5.125%, 2/15/31 (Pre-refunded 8/15/11)	8/11 at 100
2,500	North Texas Thruway Authority, Second Tier System Revenue Refunding Bonds, Series 2008, 5.750%, 1/01/38	1/18 at 100
6,000	Raven Hills Higher Education Corporation, Texas, Student Housing Revenue Bonds, Angelo State University - Texan Hall LLC, Series 2002A, 5.000%, 8/01/25 (Pre-refunded 8/01/12) - MBIA Insured	8/12 at 100
3,410	Retama Development Corporation, Texas, Special Facilities Revenue Bonds, Retama Park Racetrack, Series 1993, 8.750%, 12/15/18 (Pre-refunded 12/15/12) (5)	12/12 at 100
1,800	Sam Rayburn Municipal Power Agency, Texas, Power Supply System Revenue Refunding Bonds, Series 2002A, 5.750%, 10/01/21 - RAAI Insured	10/12 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	TEXAS (continued)	
$ 4,700	Spring Branch Independent School District, Harris County, Texas, Limited Tax Schoolhouse and Refunding Bonds, Series 2001, 5.125%, 2/01/26 (Pre-refunded 2/01/11)	2/11 at 100

550	Tarrant County Cultural and Educational Facilities Finance Corporation, Texas, Revenue Bonds, Texas Health Resources Project, Trust 1031, 7.369%, 2/15/36 (IF)	2/17 at 100
5,200	Tarrant County Cultural & Educational Facilities Financing Corporation, Texas, Revenue Bonds, Series 2007A, 5.000%, 2/15/36 (UB)	2/17 at 100
3,395	Texas State, General Obligation Bonds, Series 2008, Trust 3213, 10.466%, 4/01/33 (IF)	4/17 at 100
8,500	Travis County Health Facilities Development Corporation, Texas, Hospital Revenue Bonds, Daughters of Charity National Health System, Series 1993B, 6.000%, 11/15/22 (ETM)	11/08 at 100
151,834	Total Texas	
	UTAH - 2.4% (1.4% OF TOTAL INVESTMENTS)	
4,845	Bountiful, Davis County, Utah, Hospital Revenue Refunding Bonds, South Davis Community Hospital Project, Series 1998, 5.750%, 12/15/18	12/08 at 101
4,995	Intermountain Power Agency, Utah, Power Supply Revenue Bonds, Series 1996A, 6.150%, 7/01/14 (ETM)	1/09 at 100
490	Utah Housing Finance Agency, Single Family Mortgage Bonds, Series 2000G, 5.875%, 7/01/27 (Alternative Minimum Tax)	7/10 at 100
	Utah Housing Finance Agency, Single Family Mortgage Bonds, Series 2001C:	
1,285	5.500%, 1/01/18 (Alternative Minimum Tax)	1/11 at 100
475	5.650%, 1/01/21 (Alternative Minimum Tax)	1/11 at 100
12,090	Total Utah	
	VIRGINIA - 1.6% (0.9% OF TOTAL INVESTMENTS)	
8,190	Hampton, Virginia, Revenue Bonds, Convention Center Project, Series 2002, 5.000%, 1/15/35 - AMBAC Insured	1/13 at 100
	WASHINGTON - 10.7% (6.1% OF TOTAL INVESTMENTS)	
1,855	Chelan County Public Utility District 1, Washington, Hydro Consolidated System Revenue Bonds, Series 1999A, 6.200%, 7/01/34 (Alternative Minimum Tax)	7/09 at 101
2,500	Energy Northwest, Washington, Electric Revenue Refunding Bonds, Columbia Generating Station - Nuclear Project 2, Series 2002C, 5.750%, 7/01/17 - MBIA Insured	7/12 at 100
220	Grant County Public Utility District 2, Washington, Revenue Bonds, Wanapum Hydroelectric Development, Series 2005A, 5.000%, 1/01/34 (Pre-refunded 1/01/15) - FGIC Insured	1/15 at 100

5,780	Grant County Public Utility District 2, Washington, Revenue Bonds, Wanapum Hydroelectric Development, Series 2005A, 5.000%, 1/01/34 - FGIC Insured	1/15 at 100
1,500	Snohomish County School District 6, Mukilteo, Washington, Unlimited Tax General Obligation and Refunding Bonds, Series 1993, 5.700%, 12/01/12 - FGIC Insured	No Opt. C
8,155	Tacoma, Washington, Electric System Revenue Refunding Bonds, Series 2001A, 5.750%, 1/01/20 (Pre-refunded 1/01/11) - FSA Insured	1/11 at 101
4,705	Tacoma, Washington, Sewerage Revenue Refunding Bonds, Series 1994B, 8.000%, 12/01/08 - FGIC Insured	No Opt. C
11,000	Washington Public Power Supply System, Revenue Refunding Bonds, Nuclear Project 3, Series 1993B, 7.000%, 7/01/09	No Opt. C

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NPT

Nuveen Premium Income Municipal Fund 4, Inc. (continued)
Portfolio of INVESTMENTS October 31, 2008

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL C PROVISIONS
	WASHINGTON (continued)	
$ 2,000	Washington State Healthcare Facilities Authority, Revenue Bonds, Northwest Hospital and Medical Center of Seattle, Series 2007, 5.700%, 12/01/32	No Opt. C
1,000	Washington State Healthcare Facilities Authority, Revenue Bonds, Harrison Memorial Hospital, Series 1998, 5.000%, 8/15/28 - AMBAC Insured	8/13 at 102
5,500	Washington State Healthcare Facilities Authority, Revenue Bonds, Swedish Health Services, Series 1998, 5.500%, 11/15/14 - AMBAC Insured	11/08 at 101
1,460	Washington State Healthcare Facilities Authority, Revenue Bonds, Virginia Mason Medical Center, Series 2007B, 5.750%, 8/15/37 - ACA Insured	8/17 at 100
4,305	Washington State Tobacco Settlement Authority, Tobacco Settlement Asset-Backed Revenue Bonds, Series 2002, 6.500%, 6/01/26	6/13 at 100
49,980	Total Washington	
	WISCONSIN - 3.1% (1.8% OF TOTAL INVESTMENTS)	
500	Wisconsin Health and Educational Facilities Authority, Revenue	12/08 at 100

	Bonds, Medical College of Wisconsin Inc., Series 1996, 5.500%, 12/01/26 - MBIA Insured	
7,500	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Ministry Healthcare Inc., Series 2002A, 5.250%, 2/15/32 - MBIA Insured	2/12 at 101
4,000	Wisconsin Health and Educational Facilities Authority, Revenue Bonds, Wheaton Franciscan Healthcare System, Series 2006, 5.250%, 8/15/34	8/16 at 100
5,000	Wisconsin State, General Obligation Bonds, Series 2006A, 4.750%, 5/01/25 - FGIC Insured (UB)	5/16 at 100
17,000	Total Wisconsin	
$ 1,009,775	Total Long-Term Investments (cost $868,421,745) - 173.8%	

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)
	SHORT-TERM INVESTMENTS - 1.3% (0.7% OF TOTAL INVESTMENTS)
2,000	Maryland Health and Higher Educational Facilities Authority, Goucher College, Series 2007, Variable Rate Demand Obligations, 1.450%, 7/01/37 (6)
4,000	Virginia Resources Authority, Clean Water State Revolving Fund Revenue Bonds, Series 2008, Trust 2917, Variable Rate Demand Obligations, 5.690%, 10/01/28 (6)
$ 6,000	Total Short-Term Investments (cost $6,000,000)
	Total Investments (cost $874,421,745) - 175.1%
	Floating Rate Obligations - (13.1)%
	Other Assets Less Liabilities - 4.0%
	Preferred Shares, at Liquidation Value - (66.0)% (7)
	Net Assets Applicable to Common Shares - 100%

(1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.

(2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or

redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.

(3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's Group ("Standard & Poor's") or Moody's Investor Service, Inc. ("Moody's") rating. Ratings below BBB by Standard & Poor's or Baa by Moody's are considered to be below investment grade.

The Portfolio of Investments may reflect the ratings on certain bonds insured by ACA, AMBAC, CIFG, FGIC, FSA, MBIA, RAAI and SYNCORA as of October 31, 2008. Please see the Portfolio Manager's Commentary for an expanded discussion of the affect on the Fund of changes to the ratings of certain bonds in the portfolio resulting from changes to the ratings of the underlying insurers both during the period and after period end.

(4) Backed by an escrow or trust containing sufficient U.S. Government or U.S. Government agency securities which ensure the timely payment of principal and interest. Such investments are normally considered to be equivalent to AAA rated securities.

(5) The issuer has received a formal adverse determination from the Internal Revenue Service (the "IRS") regarding the tax-exempt status of the bonds' coupon payments. The Fund will continue to treat coupon payments as tax-exempt income until such time that it is formally determined that the interest on the bonds should be treated as taxable.

(6) Investment has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term investment. The rate disclosed is that in effect at the end of the reporting period. This rate changes periodically based on market conditions or a specified market index.

(7) Preferred Shares, at Liquidation Value as a percentage of Total Investments is 37.7%.

N/R Not rated.

(ETM) Escrowed to maturity.

(IF) Inverse floating rate investment.

(UB) Underlying bond of an inverse floating rate trust reflected as a financing transaction pursuant to the provisions of SFAS No. 140.

See accompanying notes to financial statements.

Statement of
ASSETS & LIABILITIES

October 31, 2008

	PREMIUM INCOME (NPI)
ASSETS	
Investments, at value (cost $1,369,601,933, $896,839,233, and $874,421,745, respectively)	$1,249,440,713
Cash	6,940,478
Receivables:	
Interest	21,249,020
Investments sold	1,035,000
Other assets	137,708
Total assets	1,278,802,919
LIABILITIES	
Floating rate obligations	98,904,000
Unrealized depreciation on forward swaps	3,082,340
Payables:	
Common share dividends	3,238,256
Preferred share dividends	144,146
Accrued expenses:	
Management fees	614,189
Other	587,986
Total liabilities	106,570,917
Preferred shares, at liquidation value	415,450,000
Net assets applicable to Common shares	$ 756,782,002
Common shares outstanding	63,785,430
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 11.86
NET ASSETS APPLICABLE TO COMMON SHARES CONSIST OF:	
Common shares, $.01 par value per share	$ 637,854
Paid-in surplus	901,373,271
Undistributed (Over-distribution of) net investment income	175,312
Accumulated net realized gain (loss) from investments and derivative transactions	(22,160,875)
Net unrealized appreciation (depreciation) of investments and derivative transactions	(123,243,560)
Net assets applicable to Common shares	$ 756,782,002
Authorized shares:	
Common	200,000,000
Preferred	1,000,000

See accompanying notes to financial statements.

Statement of
OPERATIONS

Year Ended October 31, 2008

	PREMIUM INCOME (NPI)
INVESTMENT INCOME	$ 75,183,816
EXPENSES	
Management fees	8,366,121
Preferred shares - auction fees	1,234,958
Preferred shares - dividend disbursing agent fees	60,000
Shareholders' servicing agent fees and expenses	124,266
Interest expense on floating rate obligations	2,775,047
Custodian's fees and expenses	229,882
Directors' fees and expenses	28,407
Professional fees	85,450
Shareholders' reports - printing and mailing expenses	157,603
Stock exchange listing fees	22,053
Investor relations expense	173,474
Other expenses	46,713
Total expenses before custodian fee credit	13,303,974
Custodian fee credit	(185,299)
Net expenses	13,118,675
Net investment income	62,065,141
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) from:	
Investments	(11,854,156)
Forward swaps	(526,200)
Change in net unrealized appreciation (depreciation) of:	
Investments	(167,308,446)
Forward swaps	(3,340,935)
Net realized and unrealized gain (loss)	(183,029,737)
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS	
From net investment income	(18,128,385)
From accumulated net realized gains	--
Decrease in net assets applicable to Common shares from distributions to Preferred shareholders	(18,128,385)
Net increase (decrease) in net assets applicable to Common shares from operations	$(139,092,981)

See accompanying notes to financial statements.

Statement of
CHANGES in NET ASSETS

	PREMIUM INCOME (NPI)		PREMIUM INCOME 2 (NPM)	
	YEAR ENDED 10/31/08	YEAR ENDED 10/31/07	YEAR ENDED 10/31/08	YEAR ENDED 10/31/07
OPERATIONS				
Net investment income	$ 62,065,141	$ 62,570,194	$ 39,763,270	$ 40,002,526
Net realized gain (loss) from:				
Investments	(11,854,156)	1,507,533	(6,788,025)	195,490
Forward swaps	(526,200)	--	(2,800,000)	--
Futures	--	--	--	1,150,416
Change in net unrealized appreciation (depreciation) of:				
Investments	(167,308,446)	(36,823,378)	(117,638,815)	(24,279,042)
Forward swaps	(3,340,935)	258,595	791,405	(791,405)
Distributions to Preferred Shareholders:				
From net investment income	(18,128,385)	(18,733,665)	(11,883,074)	(12,176,545)
From accumulated net realized gains	--	--	(408,199)	(242,538)
Net increase (decrease) in net assets applicable to Common shares from operations	(139,092,981)	8,779,279	(98,963,438)	3,858,902
DISTRIBUTIONS TO COMMON SHAREHOLDERS				
From net investment income	(45,345,066)	(45,160,091)	(28,251,619)	(28,315,494
From accumulated net realized gains	--	--	(938,312)	(706,808
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(45,345,066)	(45,160,091)	(29,189,931)	(29,022,302
CAPITAL SHARE TRANSACTIONS				
Common shares repurchased	--	--	(60,864)	(4,000,767
Net increase (decrease) in net assets applicable to Common shares from capital share transactions	--	--	(60,864)	(4,000,767
Net increase (decrease) in net assets applicable to Common shares	(184,438,047)	(36,380,812)	(128,214,233)	(29,164,167
Net assets applicable to Common shares at the beginning of year	941,220,049	977,600,861	605,816,853	634,981,020
Net assets applicable to Common shares at the end of year	$ 756,782,002	$941,220,049	$ 477,602,620	$605,816,853
Undistributed (Over-distribution of) net investment income at the end of year	$ 175,312	$ 1,696,530	$ (287,678)	$ 95,004

See accompanying notes to financial statements.

Statement of
CASH FLOWS

Year Ended October 31, 2008

	PREMIUM INCOME (NPI)
CASH FLOWS FROM OPERATING ACTIVITIES:	
NET INCREASE (DECREASE) IN NET ASSETS APPLICABLE TO COMMON SHARES FROM OPERATIONS	$(139,092,981)
Adjustments to reconcile the net increase (decrease) in net assets applicable to Common shares from operations to net cash provided by (used in) operating activities:	
Purchases of investments	(161,616,744)
Proceeds from sales and maturities of investments	284,798,833
Proceeds from (Purchases of) short-term investments, net	(7,778,372)
Proceeds from terminated forward swaps	(526,200)
Amortization (Accretion) of premiums and discounts, net	(1,677,015)
(Increase) Decrease in receivable for interest	1,327,194
(Increase) Decrease in receivable for investments sold	1,185,621
(Increase) Decrease in other assets	5,564
Increase (Decrease) in payable for investments purchased	(1,480,711)
Increase (Decrease) in payable for Preferred share dividends	(23,889)
Increase (Decrease) in accrued management fees	(133,319)
Increase (Decrease) in accrued other liabilities	117,045
Net realized (gain) loss from investments	11,854,156
Net realized (gain) loss from forward swaps	526,200
Net realized (gain) loss from paydowns	520
Change in net unrealized (appreciation) depreciation of investments	167,308,446
Change in net unrealized (appreciation) depreciation of forward swaps	3,340,935
Net cash provided by (used in) operating activities	158,135,283
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase (Decrease) in cash overdraft balance	(182,572)
Increase (Decrease) in floating rate obligations	3,780,000
Cash distributions paid to Common shareholders	(45,242,233)
Increase (Decrease) in Preferred shares	(109,550,000)
Cost of Common share repurchases	--
Net cash provided by (used in) financing activities	(151,194,805)
NET INCREASE (DECREASE) IN CASH	6,940,478
Cash at the beginning of year	--
CASH AT THE END OF YEAR	$ 6,940,478

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION
Cash paid for interest on floating rate obligations was $2,775,047, $1,964,810, and $2,004,389 for Premium Income (NPI), Premium Income 2 (NPM) and Premium Income 4 (NPT), respectively.

See accompanying notes to financial statements.

Notes to
FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

The funds covered in this report and their corresponding Common share New York Stock Exchange symbols are Nuveen Premium Income Municipal Fund, Inc. (NPI), Nuveen Premium Income Municipal Fund 2, Inc. (NPM) and Nuveen Premium Income Municipal Fund 4, Inc. (NPT) (collectively, the "Funds"). The Funds are registered under the Investment Company Act of 1940, as amended, as closed-end, diversified management investment companies.

Each Fund seeks to provide current income exempt from regular federal income tax by investing primarily in a diversified portfolio of municipal obligations issued by state and local government authorities or certain U.S. territories.

The following is a summary of significant accounting policies followed by the Funds in the preparation of their financial statements in accordance with U.S. generally accepted accounting principles.

Investment Valuation

The prices of municipal bonds in each Fund's investment portfolio are provided by a pricing service approved by the Fund's Board of Directors. When market price quotes are not readily available (which is usually the case for municipal securities), the pricing service may establish fair value based on yields or prices of municipal bonds of comparable quality, type of issue, coupon, maturity and rating, indications of value from securities dealers, evaluations of anticipated cash flows or collateral and general market conditions. Prices of forward swap contracts are also provided by an independent pricing service approved by each Fund's Board of Directors. Futures contracts are valued using the closing settlement price, or in the absence of such a price, at the mean of the bid and asked prices. If the pricing service is unable to supply a price for an investment or derivative investment, each Fund may use market quotes provided by major broker/dealers in such investments. If it is determined that the market price for an investment or derivative instrument is unavailable or inappropriate, the Board of Directors of the Funds, or its designee, may establish fair value in accordance with procedures established in good faith by the Board of Directors. Temporary investments in securities that have variable rate and demand features qualifying them as short-term investments are valued at amortized cost, which approximates value.

Investment Transactions

Investment transactions are recorded on a trade date basis. Realized gains and losses from transactions are determined on the specific identification method. Investments purchased on a when-issued/delayed delivery basis may have extended settlement periods. Any investments so purchased are subject to market fluctuation during this period. The Funds have instructed the custodian to segregate assets with a current value at least equal to the amount of the when-issued/delayed delivery purchase commitments. At October 31, 2008, there were no such outstanding purchase commitments in any of the Funds.

Investment Income

Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Investment income also includes paydown gains and losses, if any.

Income Taxes

Each Fund is a separate taxpayer for federal income tax purposes. Each Fund intends to distribute substantially all of its net investment income and net capital gains to shareholders and to otherwise comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. Furthermore, each Fund intends to satisfy conditions which will enable interest from municipal securities, which is exempt from regular federal income tax, to retain such tax-exempt status when distributed to shareholders of the Funds. Net realized capital gains and ordinary income distributions paid by the Funds are subject to federal taxation.

Effective April 30, 2008, the Funds adopted Financial Accounting Standards Board (FASB) Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the affirmative evaluation of tax positions taken or expected to be taken in the course of preparing the Funds' tax returns to determine whether it is "more-likely-than-not" (i.e., a greater than 50-percent likelihood) of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold may result in a tax expense in the current year.

Implementation of FIN 48 required management of the Funds to analyze all open tax years, as defined by the statute of limitations, for all major jurisdictions, which includes federal and certain states. Open tax years are those that are open for examination by taxing authorities (i.e., generally the last four tax year ends and the interim tax period since then). The Funds have no examinations in progress.

For all open tax years and all major taxing jurisdictions through the end of the reporting period, management of the Funds has reviewed all tax positions taken or expected to be taken in the preparation of the Funds' tax returns and concluded the adoption of FIN 48 resulted in no impact to the Funds' net assets or results of operations as of and during the fiscal year ended October 31, 2008.

The Funds are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months.

Dividends and Distributions to Common Shareholders

Dividends from tax-exempt net investment income are declared monthly. Net realized capital gains and/or market discount from investment transactions, if any, are distributed to shareholders at least annually. Furthermore, capital gains are distributed only to the extent they exceed available capital loss carryforwards.

Distributions to Common shareholders of tax-exempt net investment income, net realized capital gains and/or market discount, if any, are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles.

Preferred Shares

The Funds have issued and outstanding Preferred shares, $25,000 stated value per share, as a means of effecting financial leverage. Each Fund's Preferred shares are issued in more than one Series. The dividend rate paid by the Funds on each Series is determined every seven days, pursuant to a dutch auction process overseen by the auction agent, and is payable at the end of each rate period. As of October 31, 2008, the number of Preferred shares outstanding, by Series and in total, for each Fund is as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Number of shares:			
Series M	3,007	1,634	1,965
Series M2	1,582	--	--
Series T	3,007	2,451	1,787
Series T2	--	--	1,186
Series W	3,007	1,634	1,501
Series W2	--	--	464
Series TH	3,008	2,452	2,393
Series F	3,007	1,635	1,607
Series F2	--	1,536	1,185
Total	16,618	11,342	12,088

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the Preferred shares issued by the Funds than there were offers to buy. This meant that these auctions "failed to clear,'' and that many Preferred shareholders who wanted to sell their shares in these auctions were unable to do so. Preferred shareholders unable to sell their shares received distributions at the "maximum rate'' applicable to failed auctions as calculated in accordance with the pre-established terms of the Preferred shares.

These developments generally do not affect the management or investment policies of the Funds. However, one implication of these auction failures for Common shareholders is that the Funds' cost of leverage will likely be higher, at least temporarily, than it otherwise would have been had the auctions continued to be successful. As a result, the Funds' future Common share earnings may be lower than they otherwise would have been.

On June 11, 2008, Nuveen Investments, Inc. ("Nuveen") announced the Fund Board's approval of plans to use tender option bonds (TOBs), also known as "floaters" or floating rate obligations, to refinance a portion of the municipal funds' outstanding Preferred shares, whose auctions have been failing for several months. The plan included an initial phase of approximately $1 billion in forty-one funds. During the fiscal year ended October 31, 2008 Premium Income (NPI), Premium Income 2 (NPM) and Premium Income 4 (NPT) redeemed $109,550,000, $63,450,000 and $36,200,000 of their outstanding Preferred shares, respectively, at liquidation value, using the proceeds from the issuance of TOBs.

Inverse Floating Rate Securities

Each Fund is authorized to invest in inverse floating rate securities. An inverse floating rate security is created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. In turn, this trust (a) issues floating rate certificates, in face amounts equal to some fraction of the deposited bond's par amount or market value, that typically pay short-term tax-exempt interest rates to third parties, and (b) issues to a long-term investor (such as one of the Funds) an inverse floating rate certificate (sometimes referred to as an "inverse floater") that represents all remaining or residual interest in the trust. The income received by the inverse floater holder varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the inverse floater holder bears substantially all of the underlying bond's downside investment risk and also benefits disproportionately from any potential appreciation of the underlying bond's value. The price of an inverse floating rate security will be more volatile than that of the underlying bond because the interest rate is dependent on not only the fixed coupon rate of the underlying bond but also on the short-term interest paid on the floating rate certificates, and because the inverse floating rate security essentially bears the risk of loss of the greater face value of the underlying bond.

A Fund may purchase an inverse floating rate security in a secondary market transaction without first owning the underlying bond (referred to as an "externally-deposited inverse floater"), or instead by first selling a fixed-rate bond to a broker-dealer for deposit into the special purpose trust and receiving in turn the residual interest in the trust (referred to as a "self-deposited inverse floater"). The inverse floater held by a Fund gives the Fund the right (a) to cause the holders of the floating rate certificates to tender their notes at par, and (b) to have the broker transfer the fixed-rate bond held by the trust to the Fund, thereby collapsing the trust. An investment in an externally-deposited inverse floater is identified in the Portfolio of Investments as an "Inverse floating rate investment". An investment in a self-deposited inverse floater is accounted for as a financing transaction in accordance with Statement of Financial Accounting Standards No. 140 (SFAS No. 140) "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities". In such instances, a fixed-rate bond deposited into a special purpose trust is identified in the Portfolio of Investments as an "Underlying bond of an inverse floating rate trust", with the Fund accounting for the short-term floating rate certificates issued by the trust as "Floating rate obligations" on the Statement of Assets and Liabilities. In addition, the Fund reflects in Investment Income the entire earnings of the underlying bond and the related interest paid to the holders of the short-term floating rate certificates is included as "Interest expense on floating rate obligations" on the Statement of Operations.

Each Fund may also enter into shortfall and forbearance agreements (sometimes referred to as a "recourse trust" or "credit recovery swap") (such agreements referred to herein as "Recourse Trusts") with a broker-dealer by which a Fund agrees to reimburse the broker-dealer, in certain circumstances, for the difference between the liquidation value of the fixed-rate bond held by the trust and the liquidation value of the floating rate certificates issued by the trust plus any shortfalls in interest cash flows. Under these agreements, a Fund's potential exposure to losses related to or on inverse floaters may increase beyond the value of a Fund's inverse floater investments as a Fund may potentially be liable to fulfill all amounts owed to holders of the floating rate certificates. At period end, any such shortfall is included as "Unrealized depreciation on Recourse Trusts" on the Statement of Assets and Liabilities.

During the fiscal year ended October 31, 2008, each Fund invested in externally deposited inverse floaters and/or self-deposited inverse floaters.

At October 31, 2008, each Fund's maximum exposure to externally-deposited Recourse Trusts, if any, is as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Maximum exposure	$16,635,000	$13,570,000	$ --

The average floating rate obligations outstanding and average annual interest rate and fees related to self-deposited inverse floaters during the fiscal year ended October 31, 2008, were as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Average floating rate obligations	$97,116,660	$68,897,498	$71,322,092
Average annual interest rate and fees	2.86%	2.85%	2.81%

Forward Swap Transactions

Each Fund is authorized to invest in forward interest rate swap transactions. Each Fund's use of forward interest rate swap transactions is intended to help the Fund manage its overall interest rate sensitivity, either shorter or longer, generally to more closely align the Fund's interest rate sensitivity with that of the broader municipal market. Forward interest rate swap transactions involve each Fund's agreement with a counterparty to pay, in the future, a fixed or variable rate payment in exchange for the counterparty paying the Fund a variable or fixed rate payment, the accruals for which would begin at a specified date in the future (the "effective date"). The amount of the payment obligation is based on the notional amount of the forward swap contract and the termination date of the swap (which is akin to a bond's maturity). The value of the Fund's swap commitment would increase or decrease based primarily on the extent to which long-term interest rates for bonds having a maturity of the swap's termination date increases or decreases. The Funds may terminate a swap contract prior to the effective date, at which point a realized gain or loss is recognized. When a forward swap is terminated, it ordinarily does not involve the delivery of securities or other underlying assets or principal, but rather is settled in cash on a net basis. Each Fund intends, but is not obligated, to terminate its forward swaps before the effective date. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the credit risk associated with a counterparty failing to honor its commitment to pay any realized gain to the Fund upon termination. To reduce such credit risk, all counterparties are required to pledge collateral daily (based on the daily valuation of each swap) on behalf of each Fund with a value approximately equal to the amount of any unrealized gain above a pre-determined threshold.

Reciprocally, when any of the Funds have an unrealized loss on a swap contract, the Funds have instructed the custodian to pledge assets of the Funds as collateral with a value approximately equal to the amount of the unrealized loss above a pre-determined threshold. Collateral pledges are monitored and subsequently adjusted if and when the swap valuations fluctuate, either up or down, by at least the predetermined threshold amount. Premium Income (NPI) and Premium Income 2 (NPM) were the only Funds to invest in forward interest rate swap transactions during the fiscal year ended October 31, 2008.

Futures Contracts

Each Fund is authorized to invest in futures contracts. Upon entering into a futures contract, a Fund is required to deposit with the broker an amount of cash or liquid securities equal to a specified percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by a Fund each day, depending on the daily fluctuation of the value of the contract.

During the period the futures contract is open, changes in the value of the contract are recognized as an unrealized gain or loss by "marking-to-market" on a daily basis to reflect the changes in market value of the contract. When the contract is closed or expired, a Fund records a realized gain or loss equal to the difference between the value of the contract on the closing date and value of the contract when originally entered into. Cash held by the broker to cover initial margin requirements on open futures contracts, if any, is recognized on the Statement of Assets and Liabilities. Additionally, the Statement of Assets and Liabilities reflects a receivable or payable for the variation margin, when applicable. None of the Funds invested in futures contracts during the fiscal year ended October 31, 2008.

Risks of investments in futures contracts include the possible adverse movement of the securities or indices underlying the contracts, the possibility that there may not be a liquid secondary market for the contracts and/or that a change in the value of the contract may not correlate with a change in the value of the underlying securities or indices.

Zero Coupon Securities

Each Fund is authorized to invest in zero coupon securities. A zero coupon security does not pay a regular interest coupon to its holders during the life of the security. Tax-exempt income to the holder of the security comes from accretion of the difference between the original purchase price of the security at issuance and the par value of the security at maturity and is effectively paid at maturity. Such securities are included in the Portfolios of Investments with a 0.000% coupon rate in their description. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

Custodian Fee Credit

Each Fund has an arrangement with the custodian bank whereby certain custodian fees and expenses are reduced by net credits earned on each Fund's cash on deposit with the bank. Such deposit arrangements are an alternative to overnight investments. Credits for cash balances may be offset by charges for any days on which a Fund overdraws its account at the custodian bank.

Indemnifications

Under the Funds' organizational documents, their Officers and Directors are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Funds enter into contracts that provide general indemnifications to other parties. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. However, the Funds have not had prior claims or losses pursuant to these contracts and expect the risk of loss to be remote.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets applicable to Common shares from operations during the reporting period. Actual results may differ from those estimates.

2. FUND SHARES

Common Shares

The Funds' Board of Directors approved an open-market share repurchase program on July 10, 2007, for Premium Income 2 (NPM) and on July 30, 2008, for Premium Income (NPI) and Premium Income 4 (NPT) under which each Fund may repurchase an aggregate of up to approximately 10% of its outstanding Common shares.

Transactions in Common shares were as follows:

	PREMIUM INCOME (NPI)		PREMIUM INCOME 2 (NPM)		I
	YEAR ENDED 10/31/08	YEAR ENDED 10/31/07	YEAR ENDED 10/31/08	YEAR ENDED 10/31/07	YEAR E 10/3
Common shares repurchased	--	--	(4,800)	(292,700)	
Weighted average price per Common share repurchased	--	--	$12.66	$13.65	
Weighted average discount per Common share repurchased	--	--	12.81%	7.30%	

Preferred Shares

Transactions in Preferred shares were as follows:

	PREMIUM INCOME (NPI)		INC
	YEAR ENDED 10/31/08	YEAR ENDED 10/31/07	YEAR ENDED 10/31/08

	SHARES	AMOUNT	SHARES	AMOUNT	SHARES	AMO
Preferred shares redeemed:						
Series M	793	$ 19,825,000	--	$ --	366	$ 9,150,
Series M2	418	10,450,000	--	--	--	
Series T	793	19,825,000	--	--	549	13,725,
Series W	793	19,825,000	--	--	366	9,150,
Series TH	792	19,800,000	--	--	548	13,700,
Series F	793	19,825,000	--	--	365	9,125,
Series F2	--	--	--	--	344	8,600,
Total	4,382	$109,550,000	--	$ --	2,538	$63,450,

	INC	
	YEAR ENDED 10/31/08	
	SHARES	AMO
Preferred shares redeemed:		
Series M	235	$ 5,875,
Series T	213	5,325,
Series T2	142	3,550,
Series W	179	4,475,
Series W2	56	1,400,
Series TH	287	7,175,
Series F	193	4,825,
Series F2	143	3,575,
Total	1,448	$36,200,

3. INVESTMENT TRANSACTIONS

Purchases and sales (including maturities but excluding short-term investments and derivative transactions) during the fiscal year ended October 31, 2008, were as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Purchases	$161,616,744	$ 71,896,636	$ 93,598,412
Sales and maturities	284,798,833	129,747,899	152,587,972

4. INCOME TAX INFORMATION

The following information is presented on an income tax basis. Differences between amounts for financial statement and federal income tax purposes are primarily due to timing differences in recognizing taxable market discount, timing differences in recognizing certain gains and losses on investment transactions and the treatment of investments in inverse floating rate transactions subject to SFAS No. 140. To the extent that differences arise that are permanent in nature, such amounts are reclassified within the capital accounts on the Statement of Assets and Liabilities presented in the annual report, based on their federal tax basis treatment; temporary differences do not require reclassification. Temporary and permanent differences do not impact the net asset values of the Funds.

At October 31, 2008, the cost of investments was as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Cost of investments	$1,270,131,999	$827,189,072	$814,189,276

Gross unrealized appreciation and gross unrealized depreciation of investments at October 31, 2008, were as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Gross unrealized:			
Appreciation	$ 28,325,602	$ 14,054,633	$ 15,091,968
Depreciation	(148,033,146)	(93,574,465)	(87,765,691)
Net unrealized appreciation (depreciation) of investments	$(119,707,544)	$(79,519,832)	$(72,673,723)

The tax components of undistributed net tax-exempt income, net ordinary income and net long-term capital gains at October 31, 2008, the Funds' tax year end, were as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Undistributed net tax-exempt income *	$2,961,599	$1,706,806	$2,485,185
Undistributed net ordinary income **	860	--	18,210
Undistributed net long-term capital gains	--	--	--

* Undistributed net tax-exempt income (on a tax basis) has not been reduced for the dividend declared on October 1, 2008, paid on November 3, 2008.

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

The tax character of distributions paid during the Funds' tax years ended October 31, 2008 and October 31, 2007, was designated for purposes of the dividends paid deduction as follows:

2008	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Distributions from net tax-exempt income***	$63,352,587	$40,025,218	$37,511,796
Distributions from net ordinary income **	80,967	234,668	224,617
Distributions from net long-term capital gains****	--	1,257,894	--

2007	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Distributions from net tax-exempt income	$63,910,797	$40,521,587	$39,978,752
Distributions from net ordinary income **	--	--	--
Distributions from net long-term capital gains	--	949,346	--

** Net ordinary income consists of taxable market discount income and net short-term capital gains, if any.

*** The Funds hereby designate these amounts paid during the fiscal year ended October 31, 2008, as Exempt Interest Dividends.

**** The Funds designated as a long-term capital gain dividend, pursuant to the Internal Revenue Code Section 852(b)(3), the amount necessary to reduce earnings and profits of the Funds related to net capital gain to zero for the tax year ended October 31, 2008.

At October 31, 2008, the Funds' tax year end, the following Funds had unused capital loss carryforwards available for federal income tax purposes to be applied against future capital gains, if any. If not applied, the carryforwards will expire as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Expiration:			
October 31, 2010	$ --	$ --	$18,079,555
October 31, 2011	5,278,912	--	24,792,603
October 31, 2013	--	--	6,161,830
October 31, 2014	4,614,516	--	806,337
October 31, 2016	11,536,998	9,320,812	7,113,122
Total	$21,430,426	$9,320,812	$56,953,447

Premium Income 4 (NPT) had $355,272 of its capital loss carryforward expire on October 31, 2008.

5. MANAGEMENT FEES AND OTHER TRANSACTIONS WITH AFFILIATES

Each Fund's management fee is separated into two components - a complex-level component, based on the aggregate amount of all fund assets managed by Nuveen Asset Management (the "Adviser"), a wholly owned subsidiary of Nuveen, and a specific fund-level component, based only on the amount of assets within each individual Fund. This pricing structure enables Nuveen fund shareholders to benefit from growth in the assets within each individual fund as well as from growth in the amount of complex-wide assets managed by the Adviser.

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The annual fund-level fee, payable monthly, for each Fund is based upon the average daily net assets (including net assets attributable to Preferred shares) of each Fund as follows:

AVERAGE DAILY NET ASSETS (INCLUDING NET ASSETS ATTRIBUTABLE TO PREFERRED SHARES)	FUND-LEVEL FEE RATE
For the first $125 million	.4500%
For the next $125 million	.4375
For the next $250 million	.4250
For the next $500 million	.4125
For the next $1 billion	.4000
For the next $3 billion	.3875
For net assets over $5 billion	.3750

The annual complex-level fee, payable monthly, which is additive to the fund-level fee, for all Nuveen sponsored funds in the U.S., is based on the aggregate amount of total fund assets managed as stated in the following table. As of October 31, 2008, the complex-level fee rate was .1998%.

The complex-level fee schedule is as follows:

COMPLEX-LEVEL ASSET BREAKPOINT LEVEL (1)	EFFECTIVE RATE AT BREAKPOINT LEVEL
$55 billion	.2000%
$56 billion	.1996
$57 billion	.1989
$60 billion	.1961
$63 billion	.1931
$66 billion	.1900
$71 billion	.1851
$76 billion	.1806
$80 billion	.1773
$91 billion	.1691
$125 billion	.1599
$200 billion	.1505
$250 billion	.1469
$300 billion	.1445

(1) The complex-level component of the management fee for the Funds is calculated based upon the aggregate daily net assets of all Nuveen funds, with such daily net assets to include assets attributable to preferred stock issued by or borrowings by such Funds but to exclude assets attributable to investments in other Nuveen funds.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Funds pay no compensation directly to those of its Directors who are affiliated with the Adviser or to its Officers, all of whom receive remuneration for their services to the Funds from the Adviser or its affiliates. The Board of Directors has adopted a deferred compensation plan for independent Directors that enables Directors to elect to defer receipt of all or a portion of the annual compensation they are entitled to receive from certain Nuveen advised funds. Under the plan, deferred amounts are treated as though equal dollar amounts had been invested in shares of select Nuveen advised funds.

6. NEW ACCOUNTING PRONOUNCEMENTS

Financial Accounting Standards Board Statement on Financial Accounting Standards No. 157 (SFAS No. 157)

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. SFAS No. 157 applies to fair value measurements already required or permitted by existing standards. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current generally accepted accounting principles from the application of this standard relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements. As of October 31, 2008, management does not believe the adoption of SFAS No. 157 will impact the financial statement amounts; however, additional disclosures may be required about the inputs used to develop the measurements and the effect of certain of the measurements included within the Statement of Operations for the period.

Financial Accounting Standards Board Statement of Financial Accounting Standards No. 161 (SFAS No. 161)

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities." This standard is intended to enhance financial statement disclosures for derivative instruments and hedging activities and enable investors to understand: a) how and why a fund uses derivative instruments, b) how derivative instruments and related hedge items are accounted for, and c) how derivative instruments and related hedge items affect a fund's financial position, results of operations and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. As of October 31, 2008, management does not believe the adoption of SFAS No. 161 will impact the financial statement amounts; however, additional footnote disclosures may be required about the use of derivative instruments and hedging items.

7. SUBSEQUENT EVENTS

Distributions to Common Shareholders

The Funds declared Common share dividend distributions from their tax-exempt net investment income which were paid on December 1, 2008, to shareholders of record on November 15, 2008, as follows:

	PREMIUM INCOME (NPI)	PREMIUM INCOME 2 (NPM)	PREMIUM INCOME 4 (NPT)
Dividend per share	$.0600	$.0575	$.0515

Financial
HIGHLIGHTS

Financial
HIGHLIGHTS

Selected data for a Common share outstanding throughout each period:

		Investment Operations				
	Beginning Common Share Net Asset Value	Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share- holders+	Distributions from Capital Gains to Preferred Share- holders+	Total
PREMIUM INCOME (NPI)						
Year Ended 10/31:						
2008	$14.76	$ .97	$(2.88)	$(.28)	$ --	$(2.19)
2007	15.33	.98	(.55)	(.29)	--	.14
2006	14.85	1.00	.49	(.26)	--	1.23
2005	15.20	.98	(.26)	(.16)	--	.56
2004	14.87	1.01	.36	(.08)	--	1.29
PREMIUM INCOME 2 (NPM)						
Year Ended 10/31:						
2008	14.85	.97	(3.10)	(.29)	(.01)	(2.43)
2007	15.45	.97	(.55)	(.30)	(.01)	.11
2006	15.07	.97	.49	(.25)	(.01)	1.20
2005	15.53	.98	(.24)	(.16)	(.01)	.57
2004	15.09	1.02	.48	(.08)	--	1.42

	Total Returns
Ending	Based on

	Common Share Net Asset Value	Ending Market Value	Based on Market Value*	Common Share Net Asset Value*
PREMIUM INCOME (NPI)				
Year Ended 10/31:				
2008	$11.86	$10.93	(13.10)%	(15.39)%
2007	14.76	13.30	(1.02)	.93
2006	15.33	14.13	7.52	8.53
2005	14.85	13.87	3.37	3.71
2004	15.20	14.30	8.82	9.00
PREMIUM INCOME 2 (NPM)				
Year Ended 10/31:				
2008	11.71	10.28	(17.95)	(16.96)
2007	14.85	13.25	(.81)	.71
2006	15.45	14.05	6.71	8.24
2005	15.07	13.97	2.98	3.71
2004	15.53	14.57	9.48	9.77

Ratios/Supplemental Data

		Ratios to Average Net Assets Applicable to Common Shares Before Credit/Refund			Ratios to Ave Applicable to After Cre
	Ending Net Assets Applicable to Common Shares (000)	Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Expenses Including Interest++(a)
PREMIUM INCOME (NPI)					
Year Ended 10/31:					
2008	$756,782	1.49%	1.18%	6.95%	1.47%
2007	941,220	1.56	1.17	6.52	1.54
2006	977,601	1.19	1.19	6.64	1.16
2005	947,446	1.19	1.19	6.44	1.18
2004	969,539	1.21	1.21	6.76	1.20
PREMIUM INCOME 2 (NPM)					
Year Ended 10/31:					
2008	477,603	1.56	1.22	6.93	1.54
2007	605,817	1.62	1.19	6.44	1.60
2006	634,981	1.20	1.20	6.42	1.20
2005	619,282	1.20	1.20	6.40	1.19
2004	637,981	1.21	1.21	6.75	1.21

Preferred Shares at End of Period

Aggregate Amount	Liquidation and Market	Asset

	Outstanding (000)	Value Per Share	Coverage Per Share
PREMIUM INCOME (NPI)			
Year Ended 10/31:			
2008	$415,450	$25,000	$70,540
2007	525,000	25,000	69,820
2006	525,000	25,000	71,552
2005	525,000	25,000	70,116
2004	525,000	25,000	71,169
PREMIUM INCOME 2 (NPM)			
Year Ended 10/31:			
2008	283,550	25,000	67,109
2007	347,000	25,000	68,647
2006	347,000	25,000	70,748
2005	347,000	25,000	69,617
2004	347,000	25,000	70,964

* Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

** After custodian fee credit and legal fee refund, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1- Inverse Floating Rate Securities.

See accompanying notes to financial statements.

Financial
HIGHLIGHTS (continued)

Selected data for a Common share outstanding throughout each period:

	Beginning Common Share Net Asset Value	Investment Operations: Net Investment Income	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to Preferred Share- holders+	Distributions from Capital Gains to Preferred Share- holders+	Total
PREMIUM INCOME 4 (NPT)						
Year Ended 10/31:						
2008	$13.22	$.91	$(2.67)	$(.28)	$ --	$(2.04)
2007	13.69	.90	(.45)	(.28)	--	.17
2006	13.38	.90	.35	(.25)	--	1.00
2005	13.54	.91	(.10)	(.16)	--	.65
2004	13.15	.94	.40	(.08)	--	1.26

	Ending Common Share Net Asset Value	Ending Market Value	Total Returns: Based on Market Value*	Based on Common Share Net Asset Value*
PREMIUM INCOME 4 (NPT)				
Year Ended 10/31:				
2008	$10.59	$ 9.24	(17.19)%	(15.97)%
2007	13.22	11.77	(3.30)	1.25
2006	13.69	12.80	9.89	7.72
2005	13.38	12.31	3.07	4.87
2004	13.54	12.74	8.98	9.90

Ratios/Supplemental Data

	Ending Net Assets Applicable to Common Shares (000)	Ratios to Average Net Assets Applicable to Common Shares Before Credit/Refund: Expenses Including Interest++(a)	Expenses Excluding Interest++(a)	Net Investment Income++	Ratios to Av Applicable t After Cr: Expenses Including Interest++(a)	Int
PREMIUM INCOME 4 (NPT)						

Year Ended 10/31:					
2008	$457,866	1.62%	1.25%	7.19%	1.61%
2007	571,427	1.69	1.23	6.68	1.68
2006	591,941	1.25	1.25	6.70	1.23
2005	578,517	1.26	1.26	6.63	1.22
2004	585,284	1.30	1.30	7.10	1.29

	Preferred Shares at End of Period		
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share
PREMIUM INCOME 4 (NPT)			
Year Ended 10/31:			
2008	$302,200	$25,000	$62,878
2007	338,400	25,000	67,215
2006	338,400	25,000	68,731
2005	338,400	25,000	67,739
2004	338,400	25,000	68,239

* Total Return Based on Market Value is the combination of changes in the market price per share and the effect of reinvested dividend income and reinvested capital gains distributions, if any, at the average price paid per share at the time of reinvestment. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending market price. The actual reinvestment for the last dividend declared in the period may take place over several days, and in some instances may not be based on the market price, so the actual reinvestment price may be different from the price used in the calculation. Total returns are not annualized.

Total Return Based on Common Share Net Asset Value is the combination of changes in Common share net asset value, reinvested dividend income at net asset value and reinvested capital gains distributions at net asset value, if any. The last dividend declared in the period, which is typically paid on the first business day of the following month, is assumed to be reinvested at the ending net asset value. The actual reinvest price for the last dividend declared in the period may often be based on the Fund's market price (and not its net asset value), and therefore may be different from the price used in the calculation. Total returns are not annualized.

** After custodian fee credit and legal fee refund, where applicable.

\+ The amounts shown are based on Common share equivalents.

++ Ratios do not reflect the effect of dividend payments to Preferred shareholders; income ratios reflect income earned on assets attributable to Preferred shares.

(a) Interest expense arises from the application of SFAS No. 140 to certain inverse floating rate transactions entered into by the Fund as more fully described in Footnote 1- Inverse Floating Rate Securities.

See accompanying notes to financial statements.

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Board Members & Officers

The management of the Funds, including general supervision of the duties performed for the Funds by the Adviser, is the responsibility of the Board Members of the Funds. The number of board members of the Fund is currently set at nine. None of the board members who are not "interested" persons of the Funds (referred to herein as "independent board members") has ever been a director or employee of, or consultant to, Nuveen or its affiliates. The names and business addresses of the board members and officers of the Funds, their principal occupations and other affiliations during the past five years, the number of portfolios each oversees and other directorships they hold are set forth below.

NAME, BIRTHDATE & ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED AND TERM(1)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATIO INCLUDING DIRECTORS DURING PA
INDEPENDENT BOARD MEMBERS:				
[] ROBERT P. BREMNER 8/22/40 333 W. Wacker Drive Chicago, IL 60606	Chairman of the Board and Board member	1997	186	Private I
[] JACK B. EVANS 10/22/48 333 W. Wacker Drive Chicago, IL 60606	Board member	1999	186	President private p 1996); Di Fire Grou Member of State of Director, of Coe Co Foundatio Council o the Tippi Universit Alliant E Federal R formerly, Officer, regional
[] WILLIAM C. HUNTER 3/6/48 333 W. Wacker Drive Chicago, IL 60606	Board member	2004	186	Dean, Tip Universit formerly, Professor at the Un (2003-200 President Federal R (1995-200 Credit Re

				Universit Xerox Cor Beta Gamm Society; Inc. (May
[] DAVID J. KUNDERT 10/28/42 333 W. Wacker Drive Chicago, IL 60606	Board member	2005	186	Director, Managemen as Chairm Managemen Investmen President thereto, One Corpo Banc One Member, B member of member of Boerner B Investmen Foundatio
[] WILLIAM J. SCHNEIDER 9/24/44 333 W. Wacker Drive Chicago, IL 60606	Board member	1997	186	Chairman, Chief Ope of Miller estate in Dayton De member, B Cleveland

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NAME, BIRTHDATE & ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED AND TERM(1)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY BOARD MEMBER	PRINCIPAL OCCUPATIO INCLUDING DIRECTORS DURING PA
INDEPENDENT BOARD MEMBERS:				
[] JUDITH M. STOCKDALE 12/29/47 333 W. Wacker Drive Chicago, IL 60606	Board member	1997	186	Executive Donnelley thereto, Protectio
[] CAROLE E. STONE 6/28/47 333 W. Wacker Drive Chicago, IL 60606	Board member	2007	186	Director, (since 20 State Com Reform (s York Raci (2005-200 State Div Chair, Pu (2000-200 Governmen (2000-200
[] TERENCE J. TOTH 9/29/59				Director,

333 W. Wacker Drive Chicago, IL 60606	Board Member	2008	186	Managemen (since 20 Trust Inv Vice Pres Securitie thereto, Trust Com Goodman T Chicago F Universit Board (si of Chicag Member: N (2005-200 (2004-200 Inc. Boar Hong Kong
INTERESTED BOARD MEMBER:				
[] JOHN P. AMBOIAN(2)(3) 6/14/61 333 W. Wacker Drive Chicago, IL 60606	Board Member	2008	186	Chief Exe and Direc Investmen Officer (Managemen Nuveen In formerly, Advisory Advisory

81

NAME, BIRTHDATE AND ADDRESS	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR APPOINTED(4)	NUMBER OF PORTFOLIOS IN FUND COMPLEX OVERSEEN BY OFFICER	PRINCIPAL OCCUPATIO DURING PA
OFFICERS OF THE FUNDS:				
[] GIFFORD R. ZIMMERMAN 9/9/56 333 W. Wacker Drive Chicago, IL 60606	Chief Administrative Officer	1988	186	Managing Secretary of Nuveen Director Counsel a Nuveen As and Assis Managemen Nuveen In 2002), Sy NWQ Inves (since 20 Investors Managemen HydePark Solutions Director, Assistant Managemen

				Director Secretary Investmen Director (1998-200 Nuveen Ad Instituti Chartered
[] WILLIAM ADAMS IV 6/9/55 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	120	Executive Investmen President Nuveen In prior the Structure
[] CEDRIC H. ANTOSIEWICZ 1/11/62 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	120	Managing previousl Nuveen In
[] MICHAEL T. ATKINSON 2/3/66 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2000	186	Vice Pres Investmen
[] LORNA C. FERGUSON 10/24/45 333 W. Wacker Drive Chicago, IL 60606	Vice President	1998	186	Managing Vice Pres LLC; Mana Nuveen As Director President Corp. and Corp.(3)
[] STEPHEN D. FOY 5/31/54 333 W. Wacker Drive Chicago, IL 60606	Vice President and Controller	1998	186	Vice Pres Controlle Investmen President (1998-200 Certified
[] WALTER M. KELLY 2/24/70 333 W. Wacker Drive Chicago, IL 60606	Chief Compliance Officer and Vice President	2003	186	Senior Vi President Vice Pres Counsel (Investmen 2006) and 2008) of
[] DAVID J. LAMB 3/22/63 333 W. Wacker Drive Chicago, IL 60606	Vice President	2000	186	Vice Pres Investmen Accountan

NAME, BIRTHDATE	POSITION(S) HELD WITH THE FUNDS	YEAR FIRST ELECTED OR	NUMBER OF PORTFOLIOS	PRINCIPAL OCCUPATION

AND ADDRESS		APPOINTED(4)	IN FUND COMPLEX OVERSEEN BY OFFICER	DURING PAS
OFFICERS OF THE FUNDS:				
[] TINA M. LAZAR 8/27/61 333 W. Wacker Drive Chicago, IL 60606	Vice President	2002	186	Vice Pres (since 19
[] LARRY W. MARTIN 7/27/51 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	1988	186	Vice Pres Assistant Investmen 2005) and Investmen 2005) and 1997) of President Secretary (since 19 Managemen Assistant Advisers Investmen 2002), Sy (since 20 Investors Managemen HydePark Solutions Vice Pres Nuveen Ad Instituti
[] KEVIN J. MCCARTHY 3/26/66 333 W. Wacker Drive Chicago, IL 60606	Vice President and Secretary	2007	186	Managing Vice Pres Investmen Assistant Managemen Inc., Nuv Nuveen In Group LLC Company, LLC, NWQH Managemen Managemen LLC and N (since 20 Bell, Boy
[] JOHN V. MILLER 4/10/67 333 W. Wacker Drive Chicago, IL 60606	Vice President	2007	186	Managing Vice Pres Asset Man LLC; Char
[] CHRISTOPHER M. ROHRBACHER 8/1/71 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2008	186	Vice Pres (since 20 Assistant Managemen Associate Flom LLP

[] JAMES F. RUANE 7/3/62 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2007	186	Vice Pres (since 20 Deloitte formerly, Certified
[] MARK L. WINGET 12/21/68 333 W. Wacker Drive Chicago, IL 60606	Vice President and Assistant Secretary	2008	186	Vice Pres (since 20 Assistant Managemen Counsel,

(1) Board Members serve a one year term to serve until the next annual meeting or until their successors shall have been duly elected and qualified. The first year elected or appointed represents the year in which the board member was first elected or appointed to any fund in the Nuveen Complex.

(2) Mr. Amboian is an interested trustee because of his position with Nuveen Investments, Inc. and certain of its subsidiaries, which are affiliates of the Nuveen Funds.

(3) Nuveen Advisory Corp. and Nuveen Institutional Advisory Corp. were reorganized into Nuveen Asset Management, effective January 1, 2005.

(4) Officers serve one year terms through July of each year. The year first elected or appointed represents the year in which the Officer was first elected or appointed to any fund in the Nuveen Complex.

Annual Investment Management Agreement APPROVAL PROCESS

The Investment Company Act of 1940, as amended (the "1940 Act"), provides, in substance, that each investment advisory agreement between a fund and its investment adviser will continue in effect from year to year only if its continuance is approved at least annually by the fund's board members, including by a vote of a majority of the board members who are not parties to the advisory agreement or "interested persons" of any parties (the "Independent Board Members"), cast in person at a meeting called for the purpose of considering such approval. In connection with such approvals, the fund's board members must request and evaluate, and the investment adviser is required to furnish, such information as may be reasonably necessary to evaluate the terms of the advisory agreement. Accordingly, at a meeting held on May 28-29, 2008 (the "May Meeting"), the Boards of Trustees or Directors (as the case may be)(each, a "Board" and each Trustee or Director, a "Board Member") of the Funds, including a majority of the Independent Board Members, considered and approved the continuation of the advisory agreement (each, an "Advisory Agreement") between each Fund and Nuveen Asset Management ("NAM") for an additional one-year period. In preparation for their considerations at the May Meeting, the Board also held a separate meeting on April 23, 2008 (the "April Meeting"). Accordingly, the factors considered and determinations made regarding the renewals by the Independent Board Members include those made at the April Meeting.

In addition, in evaluating the Advisory Agreements, as described in further detail below, the Independent Board Members reviewed a broad range of information relating to the Funds and NAM, including absolute performance, fee and expense information for the Funds as well as comparative performance, fee and expense information for a comparable peer group of funds, the performance information of recognized benchmarks (as applicable), the profitability of Nuveen for its advisory activities (which includes its wholly owned subsidiaries), and other information regarding the organization, personnel, and services provided by NAM. The Independent Board Members also met quarterly as well as at other times as the need arose during the year and took into account the information provided at such meetings and the knowledge gained therefrom. Prior to approving the renewal of the Advisory Agreements, the Independent Board Members reviewed the foregoing information with their independent legal counsel and with management, reviewed materials from independent legal counsel describing applicable law and their duties in reviewing advisory contracts, and met with independent legal counsel in private sessions without management present. The Independent Board Members considered the legal advice provided by independent legal counsel and relied upon their knowledge of NAM, its services and the Funds resulting from their meetings and other interactions throughout the year and their own business judgment in determining the factors to be considered in evaluating the Advisory Agreements. Each Board Member may have accorded different weight to the various factors in reaching his or her conclusions with respect to a Fund's Advisory Agreement. The Independent Board Members did not identify any single factor as all-important or controlling. The Independent Board Members' considerations were instead based on a comprehensive consideration of all the information presented. The principal factors considered by the Board and its conclusions are described below.

A. NATURE, EXTENT AND QUALITY OF SERVICES

In considering renewal of the Advisory Agreements, the Independent Board Members considered the nature, extent and quality of NAM's services, including advisory services and administrative services. The Independent Board Members reviewed materials outlining, among other things, NAM's organization and business; the types of services that NAM or its affiliates provide and are expected to provide to the Funds; the performance record of the applicable Fund (as described in further detail below); and any initiatives Nuveen had taken for the applicable fund product line. With respect to personnel, the Independent Board Members evaluated the background, experience and track record of NAM's

investment personnel. In this regard, the Independent Board Members considered the additional investment in personnel to support Nuveen fund advisory activities, including in operations, product management and marketing as well as related fund support functions, including sales, executive, finance, human resources and information technology. The Independent Board Members also reviewed information regarding portfolio manager compensation arrangements to evaluate NAM's ability to attract and retain high quality investment personnel.

In evaluating the services of NAM, the Independent Board Members also considered NAM's ability to supervise the Funds' other service providers and given the importance of compliance, NAM's compliance program. Among other things, the Independent Board Members considered the report of the chief compliance officer regarding the Funds' compliance policies and procedures.

In addition to advisory services, the Independent Board Members considered the quality of administrative services provided by NAM and its affiliates including product management, fund administration, oversight of service providers, shareholder services, administration of Board relations, regulatory and portfolio compliance and legal support.

In addition to the foregoing services, the Independent Board Members also noted the additional services that NAM or its affiliates provide to closed-end funds, including, in particular, its secondary market support activities and the costs of such activities. The Independent Board Members recognized Nuveen's continued commitment to supporting the secondary market for the common shares of its closed-end funds through a variety of programs designed to raise investor and analyst awareness and understanding of closed-end funds. These efforts include maintaining an investor relations program to timely provide information and education to financial advisers and investors; providing advertising and marketing for the closed-end funds; maintaining its closed-end fund website; and providing educational seminars. With respect to closed-end funds that utilize leverage through the issuance of auction rate preferred securities ("ARPS"), the Board has recognized the unprecedented market conditions in the auction rate market industry with the failure of the auction process. The Independent Board Members noted Nuveen's efforts and the resources and personnel employed to analyze the situation, explore potential alternatives and develop and implement solutions that serve the interests of the affected funds and all of their respective shareholders. The Independent Board Members further noted Nuveen's commitment and efforts to keep investors and financial advisers informed as to its progress in addressing the ARPS situation through, among other things, conference calls, press releases, and information posted on its website as well as its refinancing activities. The Independent Board Members also noted Nuveen's continued support for holders of preferred shares of its closed-end funds by, among other things, seeking distribution for preferred shares with new market participants, managing relations with remarketing agents and the broker community, maintaining the leverage and risk management of leverage and maintaining systems necessary to test compliance with rating agency criteria.

Based on their review, the Independent Board Members found that, overall, the nature, extent and quality of services provided (and expected to be provided) to the respective Funds under the Advisory Agreements were satisfactory.

B. THE INVESTMENT PERFORMANCE OF THE FUNDS AND NAM

The Board considered the investment performance of each Fund, including the Fund's historic performance as well as its performance compared to funds with similar investment objectives (the "Performance Peer Group") based on data provided by an independent third party (as described below). The Independent Board Members also reviewed portfolio level performance (which does not reflect fund level fees, expenses and leverage), as described in further detail below.

In evaluating the performance information, the Board considered whether the Fund has operated within its investment objectives and parameters and the impact that the investment mandates may have had on performance. In addition, in comparing a Fund's performance with that of its Performance Peer Group, the Independent Board Members took into account that the closest Performance Peer Group in certain

instances may not adequately reflect the respective fund's investment objectives and strategies thereby hindering a meaningful comparison of the fund's performance with that of the Performance Peer Group.

The Independent Board Members reviewed performance information including, among other things, total return information compared with the Fund's Performance Peer Group and recognized benchmarks for the one-, three-, and five-year periods (as applicable) ending December 31, 2007 and with the Performance Peer Group for the quarter and same yearly periods ending March 31, 2008 (as applicable). The Independent Board Members also reviewed the Fund's portfolio level performance (which does not reflect fund level fees and expenses (and leverage for closed-end funds)) compared to recognized benchmarks for the one-, three-, and five-year periods ending December 31, 2007 (as applicable). The analysis was used to assess the efficacy of investment decisions against appropriate measures of risk and total return, within specific market segments. This information supplemented the Fund performance information provided to the Board at each of its quarterly meetings. Based on their review, the Independent Board Members determined that each Fund's investment performance over time had been satisfactory.

C. FEES, EXPENSES AND PROFITABILITY

1. FEES AND EXPENSES

The Board evaluated the management fees and expenses of each Fund reviewing, among other things, such Fund's gross management fees (which take into account breakpoints), net management fees (which take into account fee waivers or reimbursements) and total expense ratios (before and after expense reimbursements and/or waivers) in absolute terms as well as compared to the gross management fees, net management fees (after waivers and/or reimbursements) and total expense ratios (before and after waivers) of a comparable universe of unaffiliated funds based on data provided by an independent data provider (the "Peer Universe") and/or a more focused subset of funds therein (the "Peer Group"). The Independent Board Members further reviewed data regarding the construction of Peer Groups as well as the methods of measurement for the fee and expense analysis and the performance analysis. In reviewing the comparisons of fee and expense information, the Independent Board Members took into account that in certain instances various factors such as the size of the Fund relative to peers, the size and particular composition of the Peer Group, the investment objectives of the peers, expense anomalies, and the timing of information used may impact the comparative data, thereby limiting the ability to make a meaningful comparison. The Independent Board Members also considered, among other things, the differences in the use of leverage and the differences in the use of insurance, if any. In reviewing the fee schedule for a Fund, the Independent Board Members also considered the fund-level and complex-wide breakpoint schedules (described in further detail below) and any fee waivers and reimbursements provided by Nuveen (applicable, in particular, for certain closed-end funds launched since 1999). Based on their review of the fee and expense information provided, the Independent Board Members determined that each Fund's management fees and net total expense ratio were reasonable in light of the nature, extent and quality of services provided to the Fund.

2. COMPARISONS WITH THE FEES OF OTHER CLIENTS

The Independent Board Members further reviewed information regarding the nature of services and fee rates offered by NAM to other clients. Such other clients include NAM's municipal separately managed accounts. In evaluating the comparisons of fees, the Independent Board Members noted that the fee rates charged to the Funds and other clients vary, among other things, because of the different services involved and the additional regulatory and compliance requirements associated with registered investment companies, such as the Funds. Accordingly, the Independent Board Members considered the differences in the product types, including, but not limited to, the services provided, the structure and operations, product distribution and costs thereof, portfolio investment policies, investor profiles, account sizes and regulatory requirements. The Independent Board Members noted, in particular, that

the range of services provided to the Funds (as discussed above) is much more extensive than that provided to separately managed accounts. Given the inherent differences in the products, particularly the extensive services provided to the Funds, the Independent Board Members believe such facts justify the different levels of fees.

3. PROFITABILITY OF NUVEEN

In conjunction with its review of fees, the Independent Board Members also considered the profitability of Nuveen for its advisory activities (which incorporated Nuveen's wholly-owned affiliated sub-advisers) and its financial condition. The Independent Board Members reviewed the revenues and expenses of Nuveen's advisory activities for the last two years and the allocation methodology used in preparing the profitability data. The Independent Board Members noted this information supplemented the profitability information requested and received during the year to help keep them apprised of developments affecting profitability (such as changes in fee waivers and expense reimbursement commitments). In this regard, the Independent Board Members noted that they had also appointed an Independent Board Member as a point person to review and keep them apprised of changes to the profitability analysis and/or methodologies during the year. The Independent Board Members considered Nuveen's profitability compared with other fund sponsors prepared by two independent third party service providers as well as comparisons of the revenues, expenses and profit margins of various unaffiliated management firms with similar amounts of assets under management prepared by Nuveen.

In reviewing profitability, the Independent Board Members recognized the subjective nature of determining profitability which may be affected by numerous factors including the allocation of expenses. Further, the Independent Board Members recognized the difficulties in making comparisons as the profitability of other advisers generally is not publicly available and the profitability information that is available for certain advisers or management firms may not be representative of the industry and may be affected by, among other things, the adviser's particular business mix, capital costs, types of funds managed and expense allocations.

Notwithstanding the foregoing, the Independent Board Members reviewed Nuveen's methodology and assumptions for allocating expenses across product lines to determine profitability. In reviewing profitability, the Independent Board Members recognized Nuveen's investment in its fund business.

Based on its review, the Independent Board Members concluded that Nuveen's level of profitability for its advisory activities was reasonable in light of the services provided.

In evaluating the reasonableness of the compensation, the Independent Board Members also considered other amounts paid to NAM by the Funds as well as any indirect benefits (such as soft dollar arrangements, if any) NAM and its affiliates receive, or are expected to receive, that are directly attributable to the management of the Funds, if any. See Section E below for additional information on indirect benefits NAM may receive as a result of its relationship with the Funds. Based on their review of the overall fee arrangements of each Fund, the Independent Board Members determined that the advisory fees and expenses of the respective Fund were reasonable.

D. ECONOMIES OF SCALE AND WHETHER FEE LEVELS REFLECT THESE ECONOMIES OF SCALE

With respect to economies of scale, the Independent Board Members recognized the potential benefits resulting from the costs of a fund being spread over a larger asset base. The Independent Board Members therefore considered whether the Funds have appropriately benefited from any economies of scale and whether there is potential realization of any further economies of scale. In considering economies of scale, the Independent Board Members have recognized that economies of scale are difficult to measure and predict with precision, particularly on a fund-by-fund basis. Notwithstanding the foregoing, one method to help ensure the shareholders share in these benefits is to include breakpoints in the advisory fee schedule. Accordingly, the Independent Board Members reviewed and considered the fund-level breakpoints in the

advisory fee schedules that reduce advisory fees. In this regard, given that the Funds are closed-end funds, the Independent Board Members recognized that although the Funds may from time to time make additional share offerings, the growth in their assets will occur primarily through appreciation of each Fund's investment portfolio.

In addition to fund-level advisory fee breakpoints, the Board also considered the Funds' complex-wide fee arrangement. Pursuant to the complex-wide fee arrangement, the fees of the funds in the Nuveen complex, including the Funds, are reduced as the assets in the fund complex reach certain levels. In evaluating the complex-wide fee arrangement, the Independent Board Members recognized that the complex-wide fee schedule was recently revised in 2007 to provide for additional fee savings to shareholders and considered the amended schedule. The Independent Board Members further considered that the complex-wide fee arrangement seeks to provide the benefits of economies of scale to fund shareholders when total fund complex assets increase, even if assets of a particular fund are unchanged or have decreased. The approach reflects the notion that some of Nuveen's costs are attributable to services provided to all its funds in the complex and therefore all funds benefit if these costs are spread over a larger asset base. Based on their review, the Independent Board Members concluded that the breakpoint schedule and complex-wide fee arrangement were acceptable and desirable in providing benefits from economies of scale to shareholders.

E. INDIRECT BENEFITS

In evaluating fees, the Independent Board Members received and considered information regarding potential "fall out" or ancillary benefits NAM or its affiliates may receive as a result of its relationship with each Fund. In this regard, the Independent Board Members considered revenues received by affiliates of NAM for serving as agent at Nuveen's preferred trading desk and for serving as a co-manager in the initial public offering of new closed-end exchange traded funds.

In addition to the above, the Independent Board Members considered whether NAM received any benefits from soft dollar arrangements whereby a portion of the commissions paid by a Fund for brokerage may be used to acquire research that may be useful to NAM in managing the assets of the Funds and other clients. The Independent Board Members noted that NAM does not currently have any soft dollar arrangements; however, to the extent certain bona fide agency transactions that occur on markets that traditionally trade on a principal basis and riskless principal transactions are considered as generating "commissions," NAM intends to comply with the applicable safe harbor provisions.

Based on their review, the Independent Board Members concluded that any indirect benefits received by NAM as a result of its relationship with the Funds were reasonable and within acceptable parameters.

F. OTHER CONSIDERATIONS

The Independent Board Members did not identify any single factor discussed previously as all-important or controlling. The Board Members, including the Independent Board Members, unanimously concluded that the terms of the Advisory Agreements are fair and reasonable, that NAM's fees are reasonable in light of the services provided to each Fund and that the Advisory Agreements be renewed.

Reinvest Automatically
EASILY and CONVENIENTLY

NUVEEN MAKES REINVESTING EASY. A PHONE CALL IS ALL IT TAKES TO SET UP YOUR REINVESTMENT ACCOUNT.

NUVEEN CLOSED-END FUNDS DIVIDEND REINVESTMENT PLAN

Your Nuveen Closed-End Fund allows you to conveniently reinvest dividends and/or capital gains distributions in additional Fund shares.

By choosing to reinvest, you'll be able to invest money regularly and automatically, and watch your investment grow through the power of tax-free compounding. Just like dividends or distributions in cash, there may be times when income or capital gains taxes may be payable on dividends or distributions that are reinvested.

It is important to note that an automatic reinvestment plan does not ensure a profit, nor does it protect you against loss in a declining market.

EASY AND CONVENIENT

To make recordkeeping easy and convenient, each month you'll receive a statement showing your total dividends and distributions, the date of investment, the shares acquired and the price per share, and the total number of shares you own.

HOW SHARES ARE PURCHASED

The shares you acquire by reinvesting will either be purchased on the open market or newly issued by the Fund. If the shares are trading at or above net asset value at the time of valuation, the Fund will issue new shares at the greater of the net asset value or 95% of the then-current market price. If the shares are trading at less than net asset value, shares for your account will be purchased on the open market. If the Plan Agent begins purchasing Fund shares on the open market while shares are trading below net asset value, but the Fund's shares subsequently trade at or above their net asset value before the Plan Agent is able to complete its purchases, the Plan Agent may cease open-market purchases and may invest the uninvested portion of the distribution in newly-issued Fund shares at a price equal to the greater of the shares' net asset value or 95% of the shares' market value on the last business day immediately prior to the purchase date. Dividends and distributions received to purchase shares in the open market will normally be invested shortly after the dividend payment date. No interest will be paid on dividends and distributions awaiting reinvestment. Because the market price of the shares may increase before purchases are completed, the average purchase price per share may exceed the market price at the time of valuation, resulting in the acquisition of fewer shares than if the dividend or distribution had been paid in shares issued by the Fund. A pro rata portion of any applicable brokerage commissions on open market purchases will be paid by Plan participants. These commissions usually will be lower than those charged on individual transactions.

FLEXIBLE

You may change your distribution option or withdraw from the Plan at any time, should your needs or situation change. Should you withdraw, you can receive a certificate for all whole shares credited to your reinvestment account and cash payment for fractional shares, or cash payment for all reinvestment account shares, less brokerage commissions and a $2.50 service fee.

You can reinvest whether your shares are registered in your name, or in the name of a brokerage firm, bank, or other nominee. Ask your investment advisor if his or her firm will participate on your behalf. Participants whose shares are registered in the name of one firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

The Fund reserves the right to amend or terminate the Plan at any time. Although the Fund reserves the right to amend the Plan to include a service charge payable by the participants, there is no direct service charge to participants in the Plan at this time.

CALL TODAY TO START REINVESTING DIVIDENDS AND/OR DISTRIBUTIONS

For more information on the Nuveen Automatic Reinvestment Plan or to enroll in or withdraw from the Plan, speak with your financial advisor or call us at (800) 257-8787.

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Glossary of
TERMS USED in this REPORT

- AUCTION RATE BOND: An auction rate bond is a security whose interest payments are adjusted periodically through an auction process, which process typically also serves as a means for buying and selling the bond. Auctions that fail to attract enough buyers for all the shares offered for sale are deemed to have "failed", with current holders receiving a formula-based interest rate until the next scheduled auction.

- AVERAGE ANNUAL TOTAL RETURN: This is a commonly used method to express an investment's performance over a particular, usually multi-year time period. It expresses the return that would have been necessary each year to equal the investment's actual cumulative performance (including change in NAV or market price and reinvested dividends and capital gains distributions, if any) over the time period being considered.

- AVERAGE EFFECTIVE MATURITY: The average of the number of years to maturity of the bonds in a Fund's portfolio, computed by weighting each bond's time to maturity (the date the security comes due) by the market value of the security. This figure does not account for the likelihood of prepayments or the exercise of call provisions unless an escrow account has been established to redeem the bond before maturity. The market value weighting for an investment in an inverse floating rate security is the value of the portfolio's residual interest in the inverse floating rate trust, and does not include the value of the floating rate securities issued by the trust.

- INVERSE FLOATERS: Inverse floating rate securities are created by depositing a municipal bond, typically with a fixed interest rate, into a special purpose trust created by a broker-dealer. This trust, in turn, (a) issues floating rate certificates typically paying short-term tax-exempt interest rates to third parties in amounts equal to some fraction of the deposited bond's par amount or market value, and (b) issues an inverse floating rate certificate (sometimes referred to as an "inverse floater") to an investor (such as a Fund) interested in gaining investment exposure to a long-term municipal bond. The income received by the holder of the inverse floater varies inversely with the short-term rate paid to the floating rate certificates' holders, and in most circumstances the holder of the inverse floater bears substantially all of the underlying bond's downside investment risk. The holder of the inverse floater typically also benefits disproportionately from any potential appreciation of the underlying bond's value. Hence, an inverse floater essentially represents an investment in the underlying bond on a leveraged basis.

- [] LEVERAGE-ADJUSTED DURATION: Duration is a measure of the expected period over which a bond's principal and interest will be paid, and consequently is a measure of the sensitivity of a bond's or bond Fund's value to changes when market interest rates change. Generally, the longer a bond's or Fund's duration, the more the price of the bond or Fund will change as interest rates change. Leverage-adjusted duration takes into account the leveraging process for a Fund and therefore is longer than the duration of the Fund's portfolio of bonds.

- [] MARKET YIELD (ALSO KNOWN AS DIVIDEND YIELD OR CURRENT YIELD): An investment's current annualized dividend divided by its current market price.

- [] NET ASSET VALUE (NAV): A Fund's NAV per common share is calculated by subtracting the liabilities of the Fund (including any Preferred shares issued in order to leverage the Fund) from its total assets and then dividing the remainder by the number of common shares outstanding. Fund NAVs are calculated at the end of each business day.

- [] TAXABLE-EQUIVALENT YIELD: The yield necessary from a fully taxable investment to equal, on an after-tax basis, the yield of a municipal bond investment.

- [] ZERO COUPON BOND: A zero coupon bond does not pay a regular interest coupon to its holders during the life of the bond. Tax-exempt income to the holder of the bond comes from accretion of the difference between the original purchase price of the bond at issuance and the par value of the bond at maturity and is effectively paid at maturity. The market prices of zero coupon bonds generally are more volatile than the market prices of bonds that pay interest periodically.

Other Useful INFORMATION

QUARTERLY PORTFOLIO OF INVESTMENTS AND PROXY VOTING INFORMATION

You may obtain (i) each Fund's quarterly portfolio of investments, (ii) information regarding how the Funds voted proxies relating to portfolio securities held during the twelve-month period ended June 30, 2008, and (iii) a description of the policies and procedures that the Funds used to determine how to vote proxies relating to portfolio securities without charge, upon request, by calling Nuveen Investments toll-free at (800) 257-8787 or on Nuveen's website at www.nuveen.com.

You may also obtain this and other Fund information directly from the Securities and Exchange Commission ("SEC"). The SEC may charge a copying fee for this information. Visit the SEC on-line at http://www.sec.gov or in person at the SEC's Public Reference Room in Washington, D.C. Call the SEC at (202) 942-8090 for room hours and operation. You may also request Fund information by sending an e-mail request to publicinfo@sec.gov or by writing to the SEC's Public References Section at 100 F Street NE, Washington, D.C. 20549.

CEO CERTIFICATION DISCLOSURE

Each Fund's Chief Executive Officer has submitted to the New York Stock Exchange (NYSE) the annual CEO certification as required by Section 303A.12(a) of the

NYSE Listed Company Manual.

Each Fund has filed with the Securities and Exchange Commission the certification of its Chief Executive Officer and Chief Financial Officer required by Section 302 of the Sarbanes-Oxley Act.

FUND MANAGER
Nuveen Asset Management
333 West Wacker Drive
Chicago, IL 60606

CUSTODIAN
State Street Bank & Trust Company
Boston, MA

TRANSFER AGENT AND
SHAREHOLDER SERVICES
State Street Bank & Trust Company
Nuveen Funds
P.O. Box 43071
Providence, RI 02940-3071
(800) 257-8787

LEGAL COUNSEL
Chapman and Cutler LLP
Chicago, IL

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
Chicago, IL

Each Fund intends to repurchase and/or redeem shares of its own common or preferred stock in the future at such times and in such amounts as is deemed advisable. During the period covered by this report, NPM repurchased 4,800 common shares and redeemed 2,538 preferred shares, and NPI and NPT redeemed 4,328 and 1,448 preferred shares, respectively. Any future repurchases and/or redemptions will be reported to shareholders in the next annual or semi-annual report.

Nuveen Investments:

SERVING INVESTORS FOR GENERATIONS

Since 1898, financial advisors and their clients have relied on Nuveen Investments to provide dependable investment solutions. For the past century, Nuveen Investments has adhered to the belief that the best approach to investing is to apply conservative risk-management principles to help minimize volatility. Building on this tradition, we today offer a range of high quality equity and fixed-income solutions that are integral to a well-diversified core portfolio. Our clients have come to appreciate this diversity, as well as our continued adherence to proven, long-term investing principles.

We offer many different investing solutions for our clients' different needs.

Nuveen Investments is a global investment management firm that seeks to help secure the long-term goals of institutions and high net worth investors as well as the consultants and financial advisors who serve them. Nuveen Investments markets its growing range of specialized investment solutions under the high-quality brands of HydePark, NWQ, Nuveen, Rittenhouse, Santa Barbara, Symphony and Tradewinds. In total, the Company managed $134 billion of assets on September 30, 2008.

Find out how we can help you reach your financial goals.

To learn more about the products and services Nuveen Investments offers, talk to your financial advisor, or call us at (800) 257-8787. Please read the information provided carefully before you invest. Be sure to obtain a prospectus, where applicable. Investors should consider the investment objective and policies, risk considerations, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information relevant to an investment in the Fund. For a prospectus, please contact your securities representative or Nuveen Investments, 333 W. Wacker Dr., Chicago, IL 60606. Please read the prospectus carefully before you invest or send money.

Learn more about Nuveen Funds at: www.nuveen.com/etf

Share prices
Fund details
Daily financial news
Investor education
Interactive planning tools

EAN-E-1008D

ITEM 2. CODE OF ETHICS.

As of the end of the period covered by this report, the registrant has adopted a code of ethics that applies to the registrant's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. There were no amendments to or waivers from the Code during the period covered by this report. The registrant has posted the code of ethics on its website at www.nuveen.com/etf. (To view the code, click on the Shareholder Resources drop down menu box, click on Fund Governance and then click on Code of Conduct.)

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

The registrant's Board of Directors or Trustees determined that the registrant has at least one "audit committee financial expert" (as defined in Item 3 of Form N-CSR) serving on its Audit Committee. The registrant's audit committee financial expert is Jack B. Evans, who is "independent" for purposes of Item 3 of Form N-CSR.

Mr. Evans was formerly President and Chief Operating Officer of SCI Financial Group, Inc., a full service registered broker-dealer and registered investment adviser ("SCI"). As part of his role as President and Chief Operating Officer, Mr. Evans actively supervised the Chief Financial Officer (the "CFO") and actively supervised the CFO's preparation of financial statements and other filings with various regulatory authorities. In such capacity, Mr. Evans was actively involved in the preparation of SCI's financial statements and the resolution of issues raised in connection therewith. Mr. Evans has also served on the audit committee of various reporting companies. At such companies, Mr. Evans was involved in the oversight of audits, audit plans, and the preparation of financial statements. Mr. Evans also formerly chaired the audit committee of the Federal Reserve Bank of Chicago.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Nuveen Premium Income Municipal Fund, Inc.

The following tables show the amount of fees that Ernst & Young LLP, the Fund's auditor, billed to the Fund during the Fund's last two full fiscal years. For engagements with Ernst & Young LLP the Audit Committee approved in advance all audit services and non-audit services that Ernst & Young LLP provided to the Fund, except for those non-audit services that were subject to the pre-approval exception under Rule 2-01 of Regulation S-X (the "pre-approval exception"). The pre-approval exception for services provided directly to the Fund waives the pre-approval requirement for services other than audit, review or attest services if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid by the Fund to its accountant during the fiscal year in which the services are provided; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the audit is completed.

The Audit Committee has delegated certain pre-approval responsibilities to its Chairman (or, in his absence, any other member of the Audit Committee).

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE FUND

FISCAL YEAR ENDED	AUDIT FEES BILLED TO FUND (1)	AUDIT-RELATED FEES BILLED TO FUND (2)	TAX BILLED TO
October 31, 2008	$ 51,660	$ 0	$
Percentage approved pursuant to pre-approval exception	0%	0%	
October 31, 2007	$ 45,546	$ 0	$ 5
Percentage approved pursuant to pre-approval exception	0%	0%	

(1) "Audit Fees" are the aggregate fees billed for professional services for the audit of the Fund's annual financial statements and services provided in connection with statutory and regulatory filings or engagements.

(2) "Audit Related Fees" are the aggregate fees billed for assurance and related services reasonably related to the performance of the audit or review of financial statements and are not reported under "Audit Fees".

(3) "Tax Fees" are the aggregate fees billed for professional services for tax advice, tax compliance, and tax planning.

(4) "All Other Fees" are the aggregate fees billed for products and services for agreed upon procedures engagements performed for leveraged funds.

SERVICES THAT THE FUND'S AUDITOR BILLED TO THE ADVISER AND AFFILIATED FUND SERVICE PROVIDERS

The following tables show the amount of fees billed by Ernst & Young LLP to Nuveen Asset Management ("NAM" or the "Adviser"), and any entity controlling, controlled by or under common control with NAM ("Control Affiliate") that provides ongoing services to the Fund ("Affiliated Fund Service Provider"), for engagements directly related to the Fund's operations and financial reporting, during the Fund's last two full fiscal years.

The tables also show the percentage of fees subject to the pre-approval exception. The pre-approval exception for services provided to the Adviser and any Affiliated Fund Service Provider (other than audit, review or attest services) waives the pre-approval requirement if: (A) the aggregate amount of all such services provided constitutes no more than 5% of the total amount of revenues paid to Ernst & Young LLP by the Fund, the Adviser and Affiliated Fund Service Providers during the fiscal year in which the services are provided that would have to be pre-approved by the Audit Committee; (B) the Fund did not recognize the services as non-audit services at the time of the engagement; and (C) the services are promptly brought to the Audit Committee's attention, and the Committee (or its delegate) approves the services before the Fund's audit is completed.

FISCAL YEAR ENDED	AUDIT-RELATED FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS	TAX FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS	ALL OTH BILLED T AND AFFIL SERVICE
October 31, 2008	$ 0	$ 0	
Percentage approved pursuant to pre-approval exception	0%	0%	
October 31, 2007	$ 0	$ 0	
Percentage approved pursuant to pre-approval exception	0%	0%	

NON-AUDIT SERVICES

The following table shows the amount of fees that Ernst & Young LLP billed during the Fund's last two full fiscal years for non-audit services. The Audit Committee is required to pre-approve non-audit services that Ernst & Young LLP provides to the Adviser and any Affiliated Fund Services Provider, if the engagement related directly to the Fund's operations and financial reporting (except for those subject to the de minimis exception described above). The Audit Committee requested and received information from Ernst & Young LLP about any non-audit services that Ernst & Young LLP rendered during the Fund's last fiscal year to the Adviser and any Affiliated Fund Service Provider. The Committee considered this information in evaluating Ernst & Young LLP's independence.

FISCAL YEAR ENDED	TOTAL NON-AUDIT FEES BILLED TO FUND	TOTAL NON-AUDIT FEES BILLED TO ADVISER AND AFFILIATED FUND SERVICE PROVIDERS (ENGAGEMENTS RELATED DIRECTLY TO THE OPERATIONS AND FINANCIAL REPORTING OF THE FUND)	TOTAL NON BILLED TO AFFILIATED PROVIDERS ENGA
October 31, 2008	$ 3,350	$ 0	$
October 31, 2007	$ 2,850	$ 0	$

"Non-Audit Fees billed to Adviser" for both fiscal year ends represent "Tax Fees" billed to Adviser in their respective amounts from the previous table.

Audit Committee Pre-Approval Policies and Procedures. Generally, the Audit Committee must approve (i) all non-audit services to be performed for the Fund by the Fund's independent accountants and (ii) all audit and non-audit services to be performed by the Fund's independent accountants for the Affiliated Fund Service Providers with respect to operations and financial reporting of the Fund. Regarding tax and research projects conducted by the independent accountants for the Fund and Affiliated Fund Service Providers (with respect to operations and financial reports of the Fund) such engagements will be (i) pre-approved by the Audit Committee if they are expected to be for amounts greater than $10,000; (ii) reported to the Audit Committee chairman for his verbal approval prior to engagement if they are expected to be for amounts under $10,000 but greater than $5,000; and (iii) reported to the Audit Committee at the next Audit Committee meeting if they are expected to be for an amount under $5,000.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

The registrant's Board of Directors or Trustees has a separately designated Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78c(a)(58)(A)). The members of the audit committee are Robert P. Bremner, Jack B. Evans, Terence J. Toth, William J. Schneider and David J. Kundert.

ITEM 6. SCHEDULE OF INVESTMENTS.

See Portfolio of Investments in Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

The registrant invests its assets primarily in municipal bonds and cash management securities. On rare occasions the registrant may acquire, directly or through a special purpose vehicle, equity securities of a municipal bond issuer whose bonds the registrant already owns when such bonds have deteriorated or are expected shortly to deteriorate significantly in credit quality. The purpose of acquiring equity securities generally will be to acquire control of the municipal bond issuer and to seek to prevent the credit deterioration or facilitate the liquidation or other workout of the distressed issuer's credit problem. In the course of exercising control of a distressed municipal issuer, NAM may pursue the registrant's interests in a variety of ways, which may entail negotiating and executing consents, agreements and other arrangements, and otherwise influencing the management of the issuer. NAM does not consider such activities proxy voting for purposes of Rule 206(4)-6 under the 1940 Act, but nevertheless provides reports to the registrant's Board of Trustees on its control activities on a quarterly basis.

In the rare event that a municipal issuer were to issue a proxy or that the registrant were to receive a proxy issued by a cash management security, NAM would either engage an independent third party to determine how the proxy should be voted or vote the proxy with the consent, or based on the instructions, of the registrant's Board of Trustees or its representative. A member of NAM's legal department would oversee the administration of the voting, and ensure that records were maintained in accordance with Rule 206(4)-6, reports were filed with the SEC on Form N-PX, and the results provided to the registrant's Board of Trustees and made available to shareholders as required by applicable rules.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

THE PORTFOLIO MANAGER

The following individual has primary responsibility for the day-to-day implementation of the registrant's investment strategies:

NAME	FUND
PAUL BRENNAN	Nuveen Premium Income Municipal Fund, Inc

Other Accounts Managed. In addition to managing the registrant, the portfolio manager is also primarily responsible for the day-to-day portfolio management of the following accounts:

PORTFOLIO MANAGER	TYPE OF ACCOUNT MANAGED	NUMBER OF ACCOUNTS	ASSETS
Paul Brennan	Registered Investment Company	15	$11.80 billion
	Other Pooled Investment Vehicles	0	$0
	Other Accounts	1	$.859 million

* Assets are as of October 31, 2008. None of the assets in these accounts are subject to an advisory fee based on performance.

Compensation. Each portfolio manager's compensation consists of three basic elements--base salary, cash bonus and long-term incentive compensation. The compensation strategy is to annually compare overall compensation, including these three elements, to the market in order to create a compensation structure that is competitive and consistent with similar financial services companies. As discussed below, several factors are considered in determining each portfolio manager's total compensation. In any year these factors may include, among others, the effectiveness of the investment strategies recommended by the portfolio manager's investment team, the investment performance of the accounts managed by the portfolio manager, and the overall performance of Nuveen Investments, Inc. (the parent company of NAM). Although investment performance is a factor in determining the portfolio manager's compensation, it is not necessarily a decisive factor. The portfolio manager's performance is evaluated in part by comparing manager's performance against a specified investment benchmark. This fund-specific benchmark is a customized subset (limited to bonds in each Fund's specific state and with certain maturity parameters) of the S&P/Investortools Municipal Bond index, an index comprised of bonds held by managed municipal bond fund customers of Standard & Poor's Securities Pricing, Inc. that are priced daily and whose fund holdings aggregate at least $2 million. As of October 31, 2008, the S&P/Investortools Municipal Bond index was comprised of 52,959 securities with an aggregate current market value of $1,009 billion.

Base salary. Each portfolio manager is paid a base salary that is set at a level determined by NAM in accordance with its overall compensation strategy discussed above. NAM is not under any current contractual obligation to increase a portfolio manager's base salary.

Cash bonus. Each portfolio manager is also eligible to receive an annual cash bonus. The level of this bonus is based upon evaluations and determinations made by each portfolio manager's supervisors, along with reviews submitted by his peers. These reviews and evaluations often take into account a number of factors, including the effectiveness of the investment strategies recommended to the NAM's investment team, the performance of the accounts for which he serves as portfolio manager relative to any benchmarks established for those accounts, his effectiveness in communicating investment performance to stockholders and their representatives, and his contribution to the NAM's investment process and to the execution of investment strategies. The cash bonus component is also impacted by the overall performance of Nuveen Investments, Inc. in achieving its business objectives.

Long-term incentive compensation. In connection with the acquisition of Nuveen Investments, Inc., by a group of investors lead by Madison Dearborn Partners in November 2007, certain employees, including portfolio managers, received profit interests in Nuveen's parent. These profit interests entitle the holders to participate in the appreciation in the value of Nuveen beyond the issue date and vest over five to seven years, or earlier in the case of a liquidity event.

Material Conflicts of Interest. Each portfolio manager's simultaneous management of the registrant and the other accounts noted above may present actual or apparent conflicts of interest with respect to the allocation and aggregation of securities orders placed on behalf of the Registrant and the other account. NAM, however, believes that such potential conflicts are mitigated by the fact that the NAM has adopted several policies that address potential conflicts of interest, including best execution and trade allocation policies that are designed to ensure (1) that portfolio management is seeking the best price for portfolio securities under the circumstances, (2) fair and equitable allocation of investment opportunities among accounts over time and (3) compliance with applicable regulatory requirements. All accounts are to be treated in a non-preferential manner, such that allocations are not based upon account performance, fee structure or preference of the portfolio manager, although the allocation procedures may provide allocation preferences to funds with special characteristics (such as favoring state funds versus national funds for allocations of in-state bonds). In addition, NAM has adopted a Code of Conduct that sets forth policies regarding conflicts of interest.

Beneficial Ownership of Securities. As of October 31, 2008, the portfolio manager beneficially owned the following dollar range of equity securities issued by the Registrant and other Nuveen Funds managed by NAM's municipal investment team.

NAME OF PORTFOLIO MANAGER	FUND	DOLLAR RANGE OF EQUITY SECURITIES BENEFICIALLY OWNED IN FUND	DOLL EQUI BENE IN T NUVE BY N INVE
Paul Brennan	Nuveen Premium Income Municipal Fund, Inc	$10,001-$50,000	$100,

PORTFOLIO MANAGER BIO:

Paul Brennan, CFA, CPA, became a portfolio manager of Flagship Financial Inc. in 1994, and subsequently became an Assistant Vice President of NAM upon the acquisition of Flagship Resources Inc. by Nuveen in 1997. He became Vice President of NAM in 2002. He currently manages investments for 16 Nuveen-sponsored investment companies.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

Period*	(a) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED	(b) AVERAGE PRICE PAID PER SHARE (OR UNIT)	(c) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	(d)* MAXIMUM APPROXI SHARES BE PURC PROGRAM
AUGUST 7-31, 2008	0	$0	0	6,380,0
SEPTEMBER 1-30, 2008	0	$0	0	6,380,0
OCTOBER 1-31, 2008	0	$0	0	6,380,0
TOTAL	0			

* The registrant's repurchase program, which authorized the repurchase of 6,380,000 shares, was announced August 7, 2008. Any repurchases made by the registrant pursuant to the program were made through open-market transactions.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There have been no material changes to the procedures by which shareholders may recommend nominees to the registrant's Board implemented after the registrant last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR

270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") (17 CFR 240.13a-15(b) or 240.15d-15(b)).

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

File the exhibits listed below as part of this Form. Letter or number the exhibits in the sequence indicated.

(a)(1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit: Not applicable because the code is posted on registrant's website at www.nuveen.com/etf and there were no amendments during the period covered by this report. (To view the code, click on the Investor Resources drop down menu box, click on Fund Governance and then Code of Conduct.)

(a)(2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the 1940 Act (17 CFR 270.30a-2(a)) in the exact form set forth below: Ex-99.CERT Attached hereto.

(a)(3) Any written solicitation to purchase securities under Rule 23c-1 under the 1940 Act (17 CFR 270.23c-1) sent or given during the period covered by the report by or on behalf of the registrant to 10 or more persons. Not applicable.

(b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the 1940 Act (17 CFR 270.30a-2(b)); Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference. Ex-99.906 CERT attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) Nuveen Premium Income Municipal Fund, Inc.

By (Signature and Title) /s/ Kevin J. McCarthy

Kevin J. McCarthy
Vice President and Secretary

Date: January 9, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title) /s/ Gifford R. Zimmerman

Gifford R. Zimmerman
Chief Administrative Officer
(principal executive officer)

Date: January 9, 2009

By (Signature and Title) /s/ Stephen D. Foy

Stephen D. Foy
Vice President and Controller
(principal financial officer)

Date: January 9, 2009