INGERSOLL RAND CO LTD
Form 8-K
February 09, 2005

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934

Date of Report - December 1, 2004
(Date of earliest event reported)

INGERSOLL-RAND COMPANY LIMITED
(Exact name of registrant as specified in its charter)

Bermuda	**1-985**	**75-2993910**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

Clarendon House
2 Church Street
Hamilton HM 11, Bermuda
(Address of principal executive offices, including zip code)

(441) 295-2838
(Registrant's phone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
(17 CFR 240.14d-2(b))

[] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act
(17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement

Audit Committee Fees

On February 2, 2005, at a regularly scheduled meeting, the Board of Directors (the "Board") of Ingersoll-Rand Company Limited (the "Company") approved an increase in the meeting fee payable to members of the Audit Committee of the Board (the "Audit Committee") from $1,500 to $2,000 per meeting. The per-meeting compensation of the chairperson of the Audit Committee remained at $3,000 per meeting. In addition, the Board approved a retainer of $5,000 per quarter for the chairperson of the Audit Committee. All other Board retainers and meeting fees were unchanged.

Salaries of Certain Executive Officers

On February 2, 2005, the Compensation Committee of the Board (the "Compensation Committee") approved an increase in the base annual salary of Michael W. Lamach, Senior Vice President and President of the Company's Security and Safety Sector, from $450,000 to $470,000, effective February 1, 2005, after a review of performance and competitive market data. Mr. Lamach is a Named Executive Officer of the Company as of December 31, 2004. On December 1, 2004, the Compensation Committee approved an increase in the base annual salary of Herbert L. Henkel, Chairman, President and Chief Executive Officer of the Company, from $1,100,000 to $1,200,000, effective January 1, 2005, after a review of performance and competitive market data. On December 1, 2004, the Compensation Committee approved an increase in the base annual salary of Christopher Vasiloff, Senior Vice President and President of the Company's Infrastructure Sector, from $420,000 to $440,000, effective December 1, 2004, after a review of performance and competitive market data.

2004 Incentive Compensation for Named Executive Officers

On February 2, 2005, the Compensation Committee approved 2004 annual incentive compensation awards for the Company's Named Executive Officers under the Company's Annual Incentive Matrix ("AIM") Bonus Program, the Stock Option Program under the Company's Incentive Stock Plan and the Performance (phantom) Share Program. Those compensation plans, as in effect for 2004, are described in detail in the Company's Proxy Statement on Schedule 14A filed with the Commission on April 15, 2004. The 2004 compensation awards were as follows:

AIM Bonus Program

H. L. Henkel	$2,750,000

Chairman of the Board, President and Chief Executive Officer	
T. R. McLevish Senior Vice President and Chief Financial Officer	$550,000
R.P. Smith Senior Vice President	$474,900
C.P.Vasiloff Senior Vice President	$514,800
M. W. Lamach Senior Vice President	$413,700

Stock Option Program

Mr. Henkel	225,000 options at exercise price of $77.37 per share
Mr. McLevish	66,000 options at exercise price of $77.37 per share
Mr. Smith	50,000 options at exercise price of $77.37 per share
Mr. Vasiloff	50,000 options at exercise price of $77.37 per share
Mr. Lamach	50,000 options at exercise price of $77.37 per share

Performance Share Program

Mr. Henkel	$6,383,025
Mr. McLevish	$1,148,945
Mr. Smith	$1,148,945
Mr. Vasiloff	$1,148,945
Mr. Lamach	$ 765,963

<u>2005 Incentive Compensation Arrangements for Named Executive Officers</u>

On February 2, 2005, the Compensation Committee approved the terms of the AIM Bonus Program, Stock Option Program and Performance Share Program for Mr. Henkel and Mr. McLevish for 2005. In addition, the Compensation Committee approved the terms of the Stock Option Program and Performance Share program for Mr. Smith, Mr. Vasiloff and Mr. Lamach. The terms of the AIM Bonus Program for those officers will be finalized in the near future.

A description of the 2005 Incentive Stock Option Program and Performance Share Program for all of the Named Executive Officers, as well as the AIM Bonus Program for Mr. Henkel and Mr. McLevish, is set forth below.

The value of the AIM Bonus Program, the Stock Option Program and the Performance Share Program are directly linked to the financial performance of the Company and to the value of the Company's Class A common shares. Thus, alignment of the interests of the shareholders and of the executives is achieved. The Compensation Committee periodically reviews and evaluates its executive officer compensation practices against the practices and pay levels of other similar companies. These comparisons are conducted continuously throughout the year through a variety of methods such as direct analysis of peer company proxy statements, compilation of survey data published by several independent consulting firms, and customized compensation surveys performed by independent consulting firms.

Mr. Henkel and Mr. McLevish may receive annual cash incentive awards under the Company's AIM Bonus Program based upon both the Company's and their individual performance during each such year. Individual performance assessments are based on judgments about the achievement of pre-established objectives. In fixing such bonus awards, the Compensation Committee considers several financial metrics, including the Company's earnings per share, cash flow, and return on invested capital performance compared to the annual plan and also the individual's contribution to such performance. In addition, the general economic environment in which the Company operated during such year is taken into account as are the prevailing pay levels for similar positions in similar companies. On December 1, 2004, the Compensation Committee approved an increase in Mr. Henkel's target bonus guideline under the Company's AIM Bonus Program from 115% of his base salary to 150% of his base salary, effective for his bonus to be paid in 2006. The parameters of Mr. Smith's, Mr. Vasiloff's and Mr. Lamach's participation in the AIM Bonus Program will be finalized in the near future.

Stock options under the Company's Stock Option Program will be granted annually at an exercise price equal to the average of the high and low prices of the Class A common shares of IR on the date of grant. Currently, options granted to executive officers generally become exercisable in three equal annual installments beginning one year from the date of grant and expire on the tenth anniversary of the grant.

The Performance Share Program provides annual awards based on a combination of the achievement of longer-term strategic initiatives and annual financial performance. Awards are based on target levels of common share equivalents assigned to each participant and are completely contingent on and variable with the collective performance of the program participants in relation to pre-established strategic initiatives and financial performance goals. Payments are made in cash (based on the value of the Class A common shares), unless previously deferred into the Executive Deferral Plan described below.

The number of stock options and Performance Share Program awards granted are based upon the position responsibility of each recipient, his or her individual performance, the Company's performance, and the long-term incentive practices of the surveyed corporations referred to above. These factors are periodically reevaluated by the Compensation Committee. The Compensation Committee seeks to target compensation, comprised of salary, annual incentives and long-term incentives, for executive officers at approximately the median of the pay levels for equivalent positions as determined through the survey processes discussed above. This level of opportunity is earned only with commensurate achievement of business results. The Compensation Committee uses these guidelines in making its award grant determinations.

SIGNATURES

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

INGERSOLL-RAND COMPANY LIMITED

(Registrant)

Date: February 8, 2005

/s/ Patricia Nachtigal
Patricia Nachtigal

Senior Vice President and

General Counsel

6,249,947 3,500

Shinsei Finance II Cayman Limited, Perpetual Maturity, 144A
7.160% 7/25/49 Baa2 2,471,875 3,100
Standard Chartered PLC, 144A
6.409% 1/30/57 BBB+ 2,491,507 11,700
Standard Chartered PLC, 144A
7.014% 1/30/58 BBB+ 10,105,044 14,700
Swedbank ForeningsSparbanken AB, 144A
9.000% 9/17/50 A1 14,910,563 15,290
Unicredito Italiano Capital Trust, 144A
9.200% 4/05/51 A1 15,685,291 600
Union Bank of Norway
7.068% 11/19/49 A 908,205
Total Commercial Banks
254,819,599 **Diversified Financial Services 1.6%** 4,800
Fulton Capital Trust I
6.290% 2/01/36 A3 3,327,839 23,600
Old Mutual Capital Funding, Notes
8.000% 6/22/53 Baa2 22,478,999
Total Diversified Financial Services
25,806,838 **Diversified Telecommunication Services 1.2%** 19
Centaur Funding Corporation, Series B, 144A
9.080% 4/21/20 BBB 18,871,313 **Insurance 5.9%** 2,000
Allstate Corporation
6.500% 5/15/57 A2 1,752,685 4,000
AMBAC Financial Group Inc.
6.150% 2/15/87 BBB+ 642,487 10,000
American General Capital II
8.500% 7/01/30 A1 10,378,239 4,980
American General Institutional Capital, 144A
8.125% 3/15/46 A1 4,818,891 12,400
American International Group
8.175% 5/15/58 A1 11,700,924 6,900
AXA S.A., 144A
6.463% 12/14/49 BBB+ 5,529,521

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JQC Nuveen Multi-Strategy Income and Growth Fund 2 (continued)
Portfolio of INVESTMENTS June 30, 2008 (Unaudited)

Principal Amount (000)/ Shares	**Description (1)**	**Coupon**	**Maturity**	**Ratings (3)**		**Value**
	Insurance (continued)					
750	Great West Life and Annuity Insurance Company	7.153%	5/16/46	A	$	672,061
7,000	Hartford Financial Services Group Inc.	8.125%	6/15/68	AAA		6,824,173
3,500	Liberty Mutual Group	7.800%	3/15/37	Baa3		2,801,102
6,000	MetLife Capital Trust X	9.250%	4/08/68	BBB+		6,478,007
1,550	Nationwide Financial Services Capital Trust	7.899%	3/01/37	Baa1		1,374,152
4,000	Nationwide Financial Services Inc.	6.750%	5/15/67	Baa1		3,176,835
7,600	Oil Insurance Limited, 144A	7.558%	12/30/49	Baa1		6,487,868
3,800	Progressive Corporation	6.700%	6/15/37	A2		3,337,482
4,000	Prudential Financial Inc.	0.000%	6/15/38	A		4,005,395
1,000	Prudential PLC	6.500%	6/29/49	A		853,450
9,000	QBE Capital Funding Trust II, 144A	6.797%	6/01/49	BBB		7,556,750
22,200	XL Capital, Limited	6.500%	10/15/57	BBB		15,007,332
	Total Insurance					93,397,354
	Real Estate 0.0%					
2,000	CBG Florida REIT Corporation	7.114%	11/15/49	BB+		543,471
4	PS Business Parks Inc., Series M	7.200%	3/30/55	BBB		80,825
	Total Real Estate					624,296
	Road & Rail 0.4%					
7,600	Burlington Northern Santa Fe Funding Trust I	6.613%	12/15/55	BBB		6,891,102
	Thrifts & Mortgage Finance 0.9%					
25,600	Washington Mutual Preferred Funding Cayman, Series A-1,	7.250%	3/15/49	BB+		14,477,541

	144A				
1,000	Washington Mutual Preferred Funding Trust II	6.665%	3/15/57	BB+	540,736
	Total Thrifts & Mortgage Finance				15,018,277
	Total Capital Preferred Securities (cost $557,822,602)				**463,635,197**

Shares	**Description (1)**	**Value**
	Investment Companies 2.4% (1.5% of Total Investments)	
99,306	Blackrock Preferred and Corporate Income Strategies Fund	$ 1,517,395
751,883	Blackrock Preferred Income Strategies Fund	11,443,658
88,292	Blackrock Preferred Opportunity Trust	1,549,524
753,964	Flaherty and Crumrine/Claymore Preferred Securities Income Fund Inc.	10,510,257
109,139	Flaherty and Crumrine/Claymore Total Return Fund Inc.	1,634,901
84,688	John Hancock Preferred Income Fund	1,603,143
63,914	John Hancock Preferred Income Fund II	1,195,191
540,883	John Hancock Preferred Income Fund III	9,016,519
	Total Investment Companies (cost $50,705,066)	**38,470,588**

Principal Amount (000)	**Description (1)**	**Coupon**	**Maturity**	**Value**
	Short-Term Investments 8.5% (5.2% of Total Investments)			
$ 63,458	Repurchase Agreement with Fixed Income Clearing Corporation, dated 6/30/08, repurchase price $63,461,331, collateralized by $51,020,000 U.S. Treasury Bonds, 6.250%, due 8/15/23, value $61,925,525, $1,225,000 U.S. Treasury Bonds, 6.500%, due 11/15/26, value $1,525,125 and $1,000,000 U.S. Treasury Bonds, 6.625%, due 2/15/27, value $1,278,750	1.350%	7/01/08	$ 63,458,951

71,260	Repurchase Agreement with Fixed Income Clearing Corporation, dated 6/30/08, repurchase price $71,262,186, collateralized by $73,385,000 U.S. Treasury Bills, 0.000%, due 12/11/08, value $72,687,843	1.350%	7/01/08	71,259,514
$ 134,718	**Total Short-Term Investments (cost $134,718,465)**			**134,718,465**
	Total Investments (cost $2,894,611,077) 163.9%			**2,599,974,826**

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Shares	Description (1)	Value
	Common Stocks Sold Short (0.7)%	
	Chemicals (0.1)%	
(30,000)	Sigma-Aldrich Corporation	$ (1,615,800)
	Computers & Peripherals (0.1)%	
(6,500)	Apple, Inc.,	(1,088,360)
	Health Care Equipment & Supplies (0.1)%	
(13,000)	C. R. Bard, Inc.	(1,143,350)
(9,000)	Chattem Inc., (2)	(585,450)
	Total Health Care Equipment & Supplies	(1,728,800)
	Hotels, Restaurants & Leisure (0.0)%	
(17,600)	Tim Hortons Inc.	(504,944)
	Internet Software & Services (0.1)%	
(20,426)	Bankrate Inc., (2)	(798,044)
	Pharmaceuticals (0.2)%	
(45,500)	Abbott Laboratories	(2,410,927)
(26,600)	Allergan, Inc.	(1,384,530)
	Total Pharmaceuticals	(3,795,457)
	Specialty Retail (0.1)%	
(11,600)	AutoZone, Inc., (2)	(1,403,716)
(20,100)	Urban Outfitters, Inc., (2)	(626,919)
	Total Specialty Retail	(2,030,635)
	Total Common Stocks Sold Short (proceeds $12,715,797)	**(11,562,040)**

Number of Contracts	Type	Notional Amount (8)	Expiration Date	Strike Price	Value
	Call Options Written (1.0)%				
(3,777)	Allied Waste Industries	$ (3,777,000)	1/17/09	$10.0	$ (1,246,410)
(664)	Allied Waste Industries	(830,000)	1/17/09	12.5	(92,960)
(538)	Ameren Corporation	(2,421,000)	12/20/08	45.0	(65,905)
(388)	Amgen, Inc.	(1,940,000)	1/17/09	50.0	(120,280)
(603)	Amgen, Inc.	(3,316,500)	1/17/09	55.0	(91,355)
(1,386)	AngloGold Limited	(5,544,000)	1/17/09	40.0	(270,270)
(221)	Arch Coal Inc.	(1,215,500)	1/17/09	55.0	(541,450)
(750)	AstraZeneca Group	(3,375,000)	7/19/08	45.0	(24,375)
(1,048)	AstraZeneca Group	(5,240,000)	1/17/09	50.0	(115,280)
(2,813)	Barrick Gold Corporation	(14,065,000)	1/17/09	50.0	(1,153,330)
(3,280)	BJ Services Company	(7,380,000)	1/17/09	22.5	(3,378,400)
(1,703)	AbitibiBowater, Inc.	(2,128,750)	1/17/09	12.5	(183,073)
(1,231)	BP Amoco, PLC	(8,617,000)	1/17/09	70.0	(640,120)
(900)	eBay, Inc.	(2,700,000)	1/17/09	30.0	(191,700)

(1,400)	Electronic Data Systems Corporation	(2,800,000)	1/17/09	20.0	(707,000)
(1,430)	Gold Fields Limited	(2,502,500)	7/19/08	17.5	(7,150)
(430)	Health Net Inc.	(1,290,000)	10/18/08	30.0	(27,950)
(570)	IdaCorp Inc.	(1,710,000)	11/22/08	30.0	(57,000)
(1,800)	Ivanhoe Mines Ltd.	(2,250,000)	1/17/09	12.5	(292,500)
(433)	KT Corporation	(1,082,500)	7/19/08	25.0	(8,660)
(2,446)	LM Ericsson Telephone Company	(2,763,980)	1/17/09	11.3	(244,600)
(650)	Microsoft Corporation	(1,950,000)	1/17/09	30.0	(92,625)
(2,351)	Newmont Mining Corporation	(11,755,000)	1/17/09	50.0	(1,657,455)
(865)	Nexen Inc.	(2,595,000)	1/17/09	30.0	(977,450)
(2,613)	Nippon Telegraph & Telephone Corporation	(6,532,500)	12/20/08	25.0	(385,418)
(585)	Progress Energy, Inc.	(2,340,000)	1/17/09	40.0	(176,963)
(833)	Royal Dutch Shell PLC	(5,831,000)	7/19/08	70.0	(849,660)
(601)	Sanofi Aventis	(2,554,250)	9/20/08	42.5	(4,508)
(870)	Scholastic Corporation	(2,610,000)	9/20/08	30.0	(113,100)
(1,888)	Smithfield Foods, Inc.	(5,664,000)	1/17/09	30.0	(66,080)
(670)	Tech Data Corporation	(2,680,000)	1/17/09	40.0	(60,300)
(143)	Technip S.A.	(858,000)	12/20/08	60.0	(137,114)
(5,094)	Tyson Foods, Inc.	(7,641,000)	1/17/09	15.0	(967,860)
(1,699)	Tyson Foods, Inc.	(2,973,250)	1/17/09	17.5	(165,653)

JQC Nuveen Multi-Strategy Income and Growth Fund 2 (continued)
Portfolio of INVESTMENTS June 30, 2008 (Unaudited)

Number of Contracts	Type	Notional Amount (8)	Expiration Date	Strike Price	Value
	Call Options Written (continued)				
(540)	UBS AG	$ (1,620,000)	1/17/09	$ 30.0	$ (36,447)
(580)	UBS AG	(2,320,000)	1/17/09	40.0	(5,800)
(47,793)	**Total Call Options Written (cost $(14,210,004))**	**(136,872,730)**			**(15,156,201)**
	Borrowings Payable (40.4)% (11), (12)				**(640,000,000)**
	Other Assets Less Liabilities (1.3)%				**(22,363,188)**
	FundPreferred Shares, at Liquidation Value (20.5)% (11)				**(325,000,000)**
	Net Assets Applicable to Common Shares 100%				**$ 1,585,893,397**

Interest Rate Swaps outstanding at June 30, 2008:

Counterparty	Notional Amount	Fund Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate (Annualized)	Fixed Rate Payment Frequency	Termination Date	Unrealized Appreciation (Depreciation)
JPMorgan Chase	$ 97,000,000	Receive	1-Month USD-LIBOR	3.360%	Monthly	1/23/09	$ (160,737)

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) Non-income producing.

(3)	Ratings: 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.
(4)	Senior Loans generally are subject to mandatory and/or optional prepayment. Because of these mandatory prepayment conditions and because there may be significant economic incentives for a Borrower to prepay, prepayments of Senior Loans may occur. As a result, the actual remaining maturity of Senior Loans held may be substantially less than the stated maturities shown.
(5)	Senior Loans generally pay interest at rates which are periodically adjusted by reference to a base short-term, floating lending rate plus an assigned fixed rate. These floating lending rates are generally (i) the lending rate referenced by the London Inter-Bank Offered Rate (LIBOR), or (ii) the prime rate offered by one or more major United States banks. Senior Loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the Agent Bank and/or Borrower prior to the disposition of a Senior Loan.
(6)	Position or portion of position represents an unfunded Senior Loan commitment outstanding at June 30, 2008.
(7)	Negative value represents unrealized depreciation an unfunded Senior Loan commitment outstanding at June 30, 2008.
(8)	For disclosure purposes, Notional Amount is calculated by multiplying the Number of Contracts by the Strike Price by 100.
(9)	Portion of investments, with an aggregate market value of $138,324,273, has been pledged to collateralize the net payment obligations under call options written.
(10)	Portion of investment, with an aggregate market value of $400,350, has been pledged to collateralize the net payment obligations under interest rate swap contracts.
(11)	Borrowings and FundPreferred Shares, at Liquidation Value as a percentage of total investments are (24.6)% and (12.5)%, respectively.
(12)	The Fund may pledge up to 100% of its eligible securities in the Portfolio of Investments as collateral for Borrowings.
N/R	Not rated.
WI/DD	Purchased on a when-issued or delayed delivery basis.
144A	Investment is exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These investments may only be resold in transactions exempt from registration which are normally those transactions with qualified institutional buyers.
ADR	American Depositary Receipt.
CORTS	Corporate Backed Trust Securities.
PPLUS	PreferredPlus Trust.
SATURNS	Structured Asset Trust Unit Repackaging.
TBD	Senior Loan purchased on a when-issued or delayed-delivery basis. Certain details associated with this purchase are not known prior to the settlement date of the transaction. In addition, Senior Loans typically trade without accrued interest and therefore a weighted average coupon rate is not available prior to settlement. At settlement, if still unknown, the Borrower or counterparty will provide the Fund with the final weighted average coupon rate and maturity date.

See accompanying notes to financial statements.

Statement of
ASSETS & LIABILITIES

June 30, 2008 (Unaudited)

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Assets		
Investments, at value (cost $2,067,225,278 and $2,894,611,077, respectively)	$ 1,844,235,167	$ 2,599,974,826
Cash	52,374	3,749
Cash deposits with brokers	9,569,595	22,531,966
Cash denominated in foreign currencies (cost $456,645 and $1,167,499, respectively)	459,259	1,175,838
Receivables:		
Call options closed/expired	42,938	
Dividends	2,430,841	2,916,023
Interest	8,751,086	12,705,156
Investments sold	21,858,174	29,858,396
Reclaims	90,209	85,116
Deferred borrowing costs	345,000	565,333
Other assets	149,866	189,054
Total assets	1,887,984,509	2,670,005,457
Liabilities		
Borrowings	450,000,000	640,000,000
Securities sold short, at value (proceeds $9,112,809 and $12,715,797, respectively)	8,265,724	11,562,040
Call options written, at value (premiums received $10,461,853 and $14,210,004, respectively)	11,019,271	15,156,201
Unrealized depreciation on interest rate swaps	138,013	160,737
Payable for investments purchased	33,172,837	50,334,195
Accrued expenses:		
Interest on borrowings	1,054,219	1,499,333
Management fees	935,443	1,095,714
Other	551,741	703,855
FundPreferred shares dividends payable	99,623	129,956
Common shares dividends payable	27,205,145	38,470,029
Total liabilities	532,442,016	759,112,060
FundPreferred shares, at liquidation value	258,000,000	325,000,000

Net assets applicable to Common shares	$ 1,097,542,493	$ 1,585,893,397
Common shares outstanding	99,403,528	139,731,300
Net asset value per Common share outstanding (net assets applicable to Common shares, divided by Common shares outstanding)	$ 11.04	$ 11.35
Net assets applicable to Common shares consist of:		
Common shares, $.01 par value per share	$ 994,035	$ 1,397,313
Paid-in surplus	1,380,691,001	1,964,129,054
Undistributed (Over-distribution of) net investment income	(32,828,142)	(48,903,754)
Accumulated net realized gain (loss) from investments foreign currencies and derivative transactions	(28,484,730)	(36,155,395)
Net unrealized appreciation (depreciation) of investments foreign currencies and derivative transactions	(222,829,671)	(294,573,821)
Net assets applicable to Common shares	$ 1,097,542,493	$ 1,585,893,397
Authorized shares:		
Common	Unlimited	Unlimited
FundPreferred	Unlimited	Unlimited

See accompanying notes to financial statements.

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Statement of
OPERATIONS

(Unaudited)

Six Months Ended June 30, 2008

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Investment Income		
Dividends (net of foreign tax withheld of $483,813 and $666,483, respectively)	$ 30,903,663	$ 42,326,813
Interest	20,701,958	30,902,429
Fees	4,901,831	6,502,978
Total investment income	56,507,452	79,732,220
Expenses		
Management fees	8,077,699	11,081,010
Dividend expense on securities sold short	9,762	13,743
FundPreferred shares auction fees	719,133	1,004,030
FundPreferred shares dividend disbursing agent fees	16,666	26,604
Shareholders servicing agent fees and expenses	4,033	5,023
Interest expense on borrowings and amortization of borrowing costs	3,003,328	3,687,409
Custodian s fees and expenses	263,247	346,806
Trustees fees and expenses	18,116	36,944
Professional fees	28,105	35,438
Shareholders reports printing and mailing expenses	181,305	224,444
Stock exchange listing fees	16,955	23,841
Investor relations expense	157,866	214,215
Prime broker expense	16,104	32,052
Other expenses	20,822	25,908
Total expenses before custodian fee credit and expense reimbursement	12,533,141	16,757,467
Custodian fee credit	(10,226)	(11,454)
Expense reimbursement	(2,664,454)	(4,264,409)
Net expenses	9,858,461	12,481,604
Net investment income	46,648,991	67,250,616
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) from:		
Investments and securities sold short	(32,766,692)	(40,532,141)

Interest rate swaps	101,282	168,141
Foreign currencies	46,217	64,467
Futures	120,926	164,214
Call options written	4,859,793	6,901,740
Change in net unrealized appreciation (depreciation) of:		
Investments and securities sold short	(83,324,245)	(92,202,290)
Interest rate swaps	(724,058)	(1,006,224)
Foreign currencies	10,463	16,247
Call options written	263,110	95,438
Net realized and unrealized gain (loss)	(111,413,204)	(126,330,408)
Distributions to FundPreferred Shareholders		
From and in excess of net investment income	(11,375,661)	(15,905,858)
Decrease in net assets applicable to Common shares from distributions to FundPreferred shareholders	(11,375,661)	(15,905,858)
Net increase (decrease) in net assets applicable to Common shares from operations	$ (76,139,874)	$ (74,985,650)

See accompanying notes to financial statements.

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Statement of
CHANGES in NET ASSETS (Unaudited)

	Multi-Strategy Income and Growth (JPC) Six Months Ended 6/30/08	Multi-Strategy Income and Growth (JPC) Year Ended 12/31/07	Multi-Strategy Income and Growth 2 (JQC) Six Months Ended 6/30/08	Multi-Strategy Income and Growth 2 (JQC) Year Ended 12/31/07
Operations				
Net investment income	$ 46,648,991	$ 96,883,727	$ 67,250,616	$ 136,499,508
Net realized gain (loss) from:				
Investments and securities sold short	(32,766,692)	57,700,944	(40,532,141)	81,973,158
Interest rate swaps	101,282	3,200,749	168,141	4,297,734
Foreign currencies	46,217	(96,087)	64,467	(149,515)
Futures	120,926	(9,930,657)	164,214	(14,369,007)
Call options written	4,859,793	(825,947)	6,901,740	(1,262,638)
Change in net unrealized appreciation (depreciation) of:				
Investments and securities sold short	(83,324,245)	(180,582,470)	(92,202,290)	(249,889,055)
Interest rate swaps	(724,058)	(3,662,494)	(1,006,224)	(4,936,771)
Foreign currencies	10,463	(2,852)	16,247	(2,264)
Call options written	263,110	(820,528)	95,438	(1,041,635)
Distributions to FundPreferred shareholders:				
From and in excess of net investment income	(11,375,661)		(15,905,858)	
From net investment income		(27,675,110)		(36,573,078)
From accumulated net realized gains		(9,138,483)		(13,728,192)
Net increase (decrease) in net assets applicable to Common shares from operations	(76,139,874)	(74,949,208)	(74,985,650)	(99,181,755)
Distributions to Common Shareholders				
From and in excess of net investment income	(56,660,011)		(79,646,841)	
From net investment income		(76,330,955)		(111,173,317)
From accumulated net realized gains		(25,112,801)		(41,701,368)

Tax return of capital		(12,226,104)		(7,272,288)
Decrease in net assets applicable to Common shares from distributions to Common shareholders	(56,660,011)	(113,669,860)	(79,646,841)	(160,146,973)
Capital Share Transactions				
Common shares repurchased		(3,326,834)	(426,558)	(7,872,338)
Net proceeds from Common shares issued to shareholders due to reinvestment of distributions		337,266		
Net increase (decrease) in net assets applicable to Common shares from capital share transactions		(2,989,568)	(426,558)	(7,872,338)
Net increase (decrease) in net assets applicable to Common shares	(132,799,885)	(191,608,636)	(155,059,049)	(267,201,066)
Net assets applicable to Common shares at the beginning of period	1,230,342,378	1,421,951,014	1,740,952,446	2,008,153,512
Net assets applicable to Common shares at the end of period	$ 1,097,542,493	$ 1,230,342,378	$ 1,585,893,397	$ 1,740,952,446
Undistributed (Over-distribution of) net investment income at the end of period	$ (32,828,142)	$ (11,441,461)	$ (48,903,754)	$ (20,601,671)

See accompanying notes to financial statements.

Statement of
CASH FLOWS

Six Months Ended June 30, 2008 (Unaudited)

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Cash Flows from Operating Activities:		
Net Increase (Decrease) in Net Assets Applicable to Common Shares from Operations	$ (76,139,874)	$ (74,985,650)
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 and securities sold short	(353,368,590)	(490,086,736)
Proceeds from sales and maturities of investments and securities sold short	373,616,495	495,942,334
Cash paid for call options terminated	(1,559,615)	(2,036,945)
Premiums received for call options written	9,920,278	13,430,538
Proceeds from (Purchases of) short-term investments, net	(49,570,531)	(47,592,017)
Proceeds from terminated interest rate swaps	101,282	168,141
Proceeds from sales of futures contracts	120,926	164,214
Amortization (Accretion) of premiums and discounts, net	(42,318)	147,065
(Increase) Decrease in receivable for call options closed/expired	(42,938)	
(Increase) Decrease in receivable for dividends	(128,574)	(219,056)
(Increase) Decrease in receivable for interest	(284,545)	256,799
(Increase) Decrease in receivable for investments sold	(20,314,803)	(23,552,550)
(Increase) Decrease in receivable for reclaims	(62,306)	28,383
(Increase) Decrease in other assets	1,365	5,414
Increase (Decrease) in payable for investments purchased	31,161,416	44,003,460
Increase (Decrease) in interest on borrowings	1,054,219	1,499,333
Increase (Decrease) in accrued management fees	53,534	(95,149)
Increase (Decrease) in accrued other liabilities	(9,983)	31,261
Increase (Decrease) in securities sold short dividends payable	(19,038)	(26,790)
Increase (Decrease) in FundPreferred shares dividends payable	(311,651)	(515,579)
Net realized (gain) loss from investments and securities sold short	32,766,692	40,532,141
Net realized (gain) loss from interest rate swaps	(101,282)	(168,141)
Net realized (gain) loss from foreign currencies	(46,217)	(64,467)
Net realized (gain) loss from futures	(120,926)	(164,214)
Net realized (gain) loss from call options written	(4,859,793)	(6,901,740)
Net realized (gain) loss from paydowns	(394,687)	(602,642)
Change in net unrealized (appreciation) depreciation of investments and securities sold short	83,324,245	92,202,290
Change in net unrealized (appreciation) depreciation of interest rate swaps	724,058	1,006,224

Change in net unrealized (appreciation) depreciation of foreign currencies	(10,463)	(16,247)
Change in net unrealized (appreciation) depreciation of call options written	(263,110)	(95,438)
Capital gains and return of capital distributions from investments	1,602,827	1,353,110
Net cash provided by (used in) operating activities	26,796,093	43,647,346
Cash Flows from Financing Activities:		
Increase (Decrease) in borrowings	450,000,000	640,000,000
Cash distributions paid to Common shareholders	(29,454,866)	(41,176,812)
Increase (Decrease) in FundPreferred shares	(450,000,000)	(640,000,000)
(Increase) Decrease in deferred borrowing costs	(345,000)	(565,333)
Cost of Common shares repurchased		(426,558)
Net cash provided by (used in) financing activities	(29,799,866)	(42,168,703)
Net Increase (Decrease) in Cash	(3,003,773)	1,478,643
Cash at the beginning of period	12,625,742	21,057,072
Cash at the End of Period	$ 9,621,969	$ 22,535,715

Supplemental Disclosure of Cash Flow Information

Cash paid for interest on borrowings (excluding amortization of borrowing costs) during the six months ended June 30, 2008, was $1,619,109 and $1,793,409 for Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC), respectively.

See accompanying notes to financial statements.

Notes to
FINANCIAL STATEMENTS (Unaudited)

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 Multi-Strategy Income and Growth Fund (JPC) and Nuveen Multi-Strategy Income and Growth Fund 2 (JQC) (collectively, the Funds). The Funds are registered under the Investment Company Act of 1940, as amended, as diversified, closed-end management investment companies.

Each Fund seeks to provide high income by investing primarily in a portfolio of preferred securities, domestic and international equity securities, high yield securities and convertible securities.

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

Exchange-listed securities are generally valued at the last sales price on the security exchange on which such securities are primarily traded. Securities traded on a securities exchange for which there are no transactions on a given day or securities not listed on a securities exchange are valued at the mean of the closing bid and asked prices. Securities traded on Nasdaq are valued at the Nasdaq Official Closing Price. Prices of fixed-income securities, senior loans and derivative instruments are generally provided by an independent pricing service approved by the Funds Board of Trustees. When market price quotes are not readily available, the pricing service or, in the absence of a pricing service for a particular investment, the Board of Trustees of the Funds, or its designee, may establish fair value using a wide variety of market data including yields or prices of investments of comparable quality, type of issue, coupon, maturity and rating, market quotes or indications of value from security dealers, evaluations of anticipated cash flows or collateral, general market conditions and other information and analysis, including the obligor s credit characteristics considered relevant by the pricing service or the Board of Trustee s designee. The value of options written are based on the last sale price in the case of exchange-traded options or, in the case of options traded in the OTC market, the last asked price. 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 instrument the Funds 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 Trustees of the Funds, or its designee, may establish fair value in accordance with procedures established in good faith by the Board of Trustees. Short-term investments are valued at amortized cost, which approximates market value.

The senior loans in which the Funds invest are not listed on an organized exchange and the secondary market for such investments may be less liquid relative to markets for other fixed-income securities. Consequently, the value of senior loans, determined as described above, may differ significantly from the value that would have been determined had there been an active market for that senior loan.

Investment Transactions

Investment transactions are recorded on a trade date basis. Trade date for senior loans purchased in the primary market is considered the date on which the loan allocations are determined. Trade date for senior loans purchased in the secondary market is the date on which the transaction is entered into. Realized gains and losses from investment 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 June 30, 2008, Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC) had outstanding when-issued/delayed delivery purchase commitments of $8,889,895 and $12,835,643, respectively.

Investment Income

Dividend income on securities purchased and dividend expense on securities sold short are recorded on the ex-dividend date or, for foreign securities, when information is available. Interest income, which includes the amortization of premiums and accretion of discounts for financial reporting purposes, is recorded on an accrual basis. Interest income also includes paydown gains and losses and fee income, if any. Fee income consists primarily of amendment fees. Amendment fees are earned as compensation for evaluating and accepting changes to an original senior loan agreement and are recognized when received.

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

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.

Effective June 29, 2007, 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 liklihood) 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 six months ended June 30, 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
Distributions to Common shareholders are recorded on the ex-dividend date. The amount and timing of distributions are determined in accordance with federal corporate income tax regulations, which may differ from U.S. generally accepted accounting principles.

The Funds make quarterly cash distributions to Common shareholders of a stated dollar amount per share. Subject to approval and oversight by the Funds Board of Trustees, each Fund seeks to maintain a stable distribution level designed to deliver the long-term return potential of each Fund s investment strategy through regular quarterly distributions (a Managed Distribution Program). Total distributions during a calendar year generally will be made from each Fund s net investment income, net realized capital gains and net unrealized capital gains in the Fund s portfolio, if any. The portion of distributions paid from net unrealized gains, if any, would be distributed from the Fund s assets and would be treated by shareholders as a non-taxable distribution for tax purposes. In the event that total distributions during a calendar year exceed a Fund s total return on net asset value, the difference will be treated as a return of capital for tax purposes and will reduce net asset value per share. If a Fund s total return on net asset value exceeds total distributions during a calendar year, the excess will be reflected as an increase in net asset value per share. The final determination of the source and character of all distributions for the fiscal year are made after the end of the fiscal year and are reflected in the financial statements contained in the annual report as of December 31 each year.

Real Estate Investment Trust (REIT) distributions received by the Funds are generally comprised of ordinary income, long-term and short-term capital gains, and a return of REIT capital. The actual character of amounts received during the period are not known until after the fiscal year-end.

For the fiscal year ended December 31, 2007, the character of distributions to the Funds from the REITs was as follows:

	Multi-Strategy Income and Growth (JPC)	**Multi-Strategy Income and Growth 2 (JQC)**
Ordinary income	72.59%	82.98%
Long-term and short-term capital gains	27.32	16.92
Return of REIT capital	0.09	0.10

For the fiscal year ended December 31, 2007, the Funds applied the actual character of distributions reported by the REITs in which the Funds invest to their receipts from the REITs. If a REIT held in the portfolio of investments did not report the actual character of its distributions during the period, the Funds treated the distributions as ordinary income.

For the six months ended June 30, 2008, the Funds applied the actual percentages for the fiscal year ended December 31, 2007, described above, to its receipts from the REITs and treated as income on the Statement of Operations only the amount of ordinary income so calculated. The Funds adjust that estimated breakdown of income type (and consequently their net investment income) as necessary early in the following calendar year when the REITs inform their shareholders of the actual breakdown of income type.

The actual character of distributions made by the Funds during the fiscal year ended December 31, 2007, are reflected in the accompanying financial statements.

The distributions made by the Funds to their shareholders during the six months ended June 30, 2008, are provisionally classified as being From and in excess of net investment income , and those distributions will be classified as being from net investment income, net realized capital gains and/or a return of capital for tax purposes after the fiscal year end, based upon the income type breakdown information conveyed at the time by the REITs whose securities are held in the Funds portfolios. For purposes of calculating Undistributed (Over-distribution of) net investment income as of June 30, 2008, the distribution amounts provisionally classified as From and in excess of net investment income were treated as being entirely from net investment income. Consequently, the financial statements at June 30, 2008, reflect an over-distribution of net investment income.

FundPreferred Shares
The Funds have issued and outstanding FundPreferred shares, $25,000 stated value per share, as a means of effecting financial leverage. Each Fund s FundPreferred 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. The number of FundPreferred shares outstanding, by Series and in total, for each Fund is as follows:

	Multi-Strategy Income and Growth (JPC)	**Multi-Strategy Income and Growth 2 (JQC)**
Number of shares:		
Series M	1,720	1,300
Series M2		1,300
Series T	1,720	1,300
Series T2		1,300
Series W	1,720	1,300
Series W2		1,300
Series TH	1,720	1,300
Series TH2		1,300
Series F	1,720	1,300
Series F2	1,720	1,300
Total	10,320	13,000

Beginning in February 2008, more shares for sale were submitted in the regularly scheduled auctions for the FundPreferred shares issued by the Funds than there were offers to buy. This meant that these auctions failed to clear, and that many FundPreferred shareholders who wanted to sell their shares in these auctions were unable to do so. FundPreferred 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 FundPreferred 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 to 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.

As approved by each Fund s Board of Trustees, Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC) redeemed $450 million and $640 million of their outstanding FundPreferred shares at liquidation value, respectively, during the six months ended June 30, 2008.

Interest Rate Swap Transactions

Each Fund is authorized to invest in interest rate swap transactions. Each Fund s use of interest rate swap transactions is intended to mitigate the negative impact that an increase in short-term interest rates could have on Common share net earnings as a result of leverage. Interest rate swap transactions involve each Fund s agreement with the counterparty to pay or receive a

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

fixed rate payment in exchange for the counterparty receiving or paying a variable rate payment that is intended to approximate each Fund s variable rate payment obligation on FundPreferred shares or any variable rate borrowing. The payment obligation is based on the notional amount of the interest rate swap contract. Interest rate swaps do not involve the delivery of securities or other underlying assets or principal. Accordingly, the risk of loss with respect to the swap counterparty on such transactions is limited to the net amount of interest payments that each Fund is to receive. Interest rate swap positions are valued daily. Each Fund accrues the fixed rate payment expected to be paid or received and the variable rate payment expected to be received or paid on interest rate swap contracts on a daily basis, and recognize an unrealized gain or loss for the daily changes in the market value of the Fund s contractual rights and obligations under the contracts. The net amount recorded for these transactions is recognized on the Statement of Assets and Liabilities. Once periodic payments are settled in cash, the net amount is recorded as net realized gain or loss from interest rate swaps, in addition to net realized gain or loss recorded upon the termination of interest rate swap contracts on the Statement of Operations. For tax purposes, periodic payments are treated as ordinary income or expense. Although there are economic advantages of entering into interest rate swap transactions, there are also additional risks. Each Fund helps manage the credit risks associated with interest rate swap transactions by entering into agreements only with counterparties that Nuveen Asset Management (the Adviser), a wholly owned subsidiary of Nuveen investments, Inc. (Nuveen), believes have the financial resources to honor their obligations and by having the Adviser continually monitor the financial stability of the swap counterparties. In addition, 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 a Fund has an unrealized loss on a swap contract, each Fund has instructed the custodian to pledge assets of the Fund 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 interest rate swap valuations fluctuate, either up or down, by at least the pre-determined threshold amount.

Foreign Currency Transactions

Each Fund is authorized to engage in foreign currency exchange transactions including foreign currency forward, futures, options and swap contracts. To the extent that the Funds invest in securities and/or contracts that are denominated in a currency other than U.S. dollars, the Funds will be subject to currency risk, which is the risk that an increase in the U.S. dollar relative to the foreign currency will reduce returns or portfolio value. Generally, when the U.S. dollar rises in value against a foreign currency, the Funds investments denominated in that currency will lose value because its currency is worth fewer U.S. dollars; the opposite effect occurs if the U.S. dollar falls in relative value. Investments and other assets and liabilities denominated in foreign currencies are converted into U.S. dollars on a spot (i.e. cash) basis at the spot rate prevailing in the foreign currency exchange market at the time of valuation. Purchases and sales of investments and income denominated in foreign currencies are translated into U.S. dollars on the respective dates of such transactions. The gains or losses resulting from changes in foreign exchange rates are included in Realized gain (loss) from foreign currencies and Change in net unrealized appreciation (depreciation) of foreign currencies on the Statement of Operations.

The books and records of the Funds are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at 4:00 p.m. Eastern time. Investments and income and expenses are translated on the respective dates of such transactions. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date of the transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Funds and the amounts actually received.

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 the 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. At June 30, 2008, there were no open futures contracts in either Fund.

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.

Options Transactions
Each Fund is authorized to write (sell) call options. When the Funds write a call option, an amount equal to the net premium received (the premium less commission) is recorded as a liability and is subsequently adjusted to reflect the current value of the written option until the option expires or the Funds enter into a closing purchase transaction. When a call option expires or the Funds enter into a closing purchase transaction, the difference between the net premium received and any amount paid at expiration or on effecting a closing purchase transaction, including commission, is treated as a net realized gain on option contracts written or, if the net premium received is less than the amount paid, as a net realized loss on option contracts written. The Funds, as writers of a call option, bears the risk of an unfavorable change in the market value of the security or index underlying the written option. There is the risk the Funds may not be able to enter into closing transactions because of an illiquid market.

Short Sales
Each Fund is authorized to make short sales of securities if the Fund owns at least an equal amount of such securities or securities convertible into securities of the same issuer. To secure its obligation to deliver securities sold short, each Fund has instructed the custodian to segregate assets with an equivalent amount of the securities sold short or securities convertible into or exchangeable for such securities. Each Fund is obligated to pay to the party to which the securities were sold short, dividends declared on the stock by the issuer and records such amounts as Dividend expense on securities sold short on the Statement of Operations. Short sales are valued daily and the corresponding unrealized gains or losses are included in Change in net unrealized appreciation (depreciation) of investments and securities sold short on the Statement of Operations.

Repurchase Agreements
In connection with transactions in repurchase agreements, it is the Funds policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral may be delayed or limited.

Borrowing Costs
Costs incurred by each Fund in connection with structuring its revolving credit agreement are recorded as a deferred charge which are being amortized over the 30 year life of the borrowings and included with Interest expense on borrowings and amortization of borrowing costs on the Statement of Operations.

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 Trustees 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.

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

2. Fair Value Measurements

During the current fiscal period, the Funds adopted the provisions of Statement of Financial Accounting Standards No. 157, Fair Value Measurements (SFAS 157). SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosure about fair value measurements. In determining the value of the Funds investments various inputs are used. These inputs are summarized in the three broad levels listed below:

Level 1 Quoted prices in active markets for identical securities.

Level 2 Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 Significant unobservable inputs (including management s assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of each Fund s fair value measurements as of June 30, 2008:

Multi-Strategy Income and Growth (JPC)	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments	$ 1,111,016,395	$ 733,218,772	$	$ 1,844,235,167
Derivatives*		(138,013)		(138,013)
Securities sold short	(8,265,724)			(8,265,724)
Call options written	(11,019,271)			(11,019,271)
Total	$ 1,091,731,400	$ 733,080,759	$	$ 1,824,812,159

Multi-Strategy Income and Growth 2 (JQC)	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments	$ 1,555,830,398	$ 1,044,144,428	$	$ 2,599,974,826
Derivatives*		(160,737)		(160,737)
Securities sold short	(11,562,040)			(11,562,040)
Call options written	(15,156,201)			(15,156,201)
Total	$ 1,529,112,157	$ 1,043,983,691	$	$ 2,573,095,848

* Represents net unrealized appreciation (depreciation).

The following is a reconciliation of each Fund s Level 3 investments held at the beginning and end of the measurement period:

	Multi-Strategy Income and Growth (JPC) Level 3 Investments	Multi-Strategy Income and Growth 2 (JQC) Level 3 Investments
Balance as of December 31, 2007	$ 4,003,008	$ 5,625,849
Gains (losses):		
Net realized gains (losses)	568,137	798,463
Net change in unrealized appreciation (depreciation)	(303,329)	(426,300)
Net purchases at cost (sales at proceeds)	(850,056)	(1,194,674)
Net discounts (premiums)	22,374	31,445
Net transfers in to (out of) at end of period fair value	(3,440,134)	(4,834,783)
Balance as of June 30, 2008	$	$

3. Fund Shares

On November 21, 2007, the Funds Board of Trustees approved an open market share repurchase program, as part of a broad, ongoing effort designed to support the market prices of the Funds Common shares. Under the terms of the program, each Fund may repurchase up to 10% of its outstanding Common shares.

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Transactions in Common shares were as follows:

	Multi-Strategy Income and Growth (JPC)		**Multi-Strategy Income and Growth 2 (JQC)**	
	Six Months Ended 6/30/08	**Year Ended 12/31/07**	**Six Months Ended 6/30/08**	**Year Ended 12/31/07**
Common shares:				
Repurchased		(311,100)	(38,900)	(725,600)
Issued to shareholders due to reinvestments of distributions		23,651		
		(287,449)	(38,900)	(725,600)
Weighted average price per Common share repurchased		$10.67	$10.95	$10.83
Weighted average discount per Common share repurchased		13.81%	12.44%	13.85%

Transactions in Preferred shares were as follows:

	Multi-Strategy Income and Growth (JPC)				**Multi-Strategy Income and Growth 2 (JQC)**			
	Six Months Ended 6/30/08		**Year Ended 12/31/07**		**Six Months Ended 6/30/08**		**Year Ended 12/31/07**	
	Shares	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**	**Shares**	**Amount**
Preferred shares redeemed:								
Series M	3,000	$75,000,000		$	2,560	$64,000,000		$
Series M2					2,560	64,000,000		
Series T	3,000	75,000,000			2,560	64,000,000		
Series T2					2,560	64,000,000		
Series W	3,000	75,000,000			2,560	64,000,000		
Series W2					2,560	64,000,000		
Series TH	3,000	75,000,000			2,560	64,000,000		
Series TH2					2,560	64,000,000		
Series F	3,000	75,000,000			2,560	64,000,000		
Series F2	3,000	75,000,000			2,560	64,000,000		
	18,000	$450,000,000		$	25,600	$640,000,000		$

4. Investment Transactions

Purchases and sales (including maturities and proceeds from securities sold short, but excluding short-term investments, call options written and derivative transactions) during the six months ended June 30, 2008, were as follows:

	Multi-Strategy Income and Growth (JPC)	**Multi-Strategy Income and Growth 2 (JQC)**
Purchases	$353,368,590	$490,086,736
Sales and maturities	373,616,495	495,942,334

Transactions in call options written during the six months ended June 30, 2008, were as follows:

	Multi-Strategy Income and Growth (JPC)		**Multi-Strategy Income and Growth 2 (JQC)**	
	Number of Contracts	**Premiums Received**	**Number of Contracts**	**Premiums Received**
Outstanding, beginning of period	29,645	$ 6,960,983	40,830	$ 9,718,151
Options written	35,018	9,920,278	46,693	13,430,538
Options terminated in closing purchase transactions	(3,223)	(532,218)	(5,565)	(1,276,636)
Options expired	(18,296)	(4,071,391)	(23,284)	(4,973,452)
Options exercised	(7,456)	(1,815,799)	(10,881)	(2,688,597)
Outstanding, end of period	35,688	$ 10,461,853	47,793	$ 14,210,004

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

5. 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 the treatment of paydown gains and losses, recognition of premium amortization, timing differences in the recognition of income on REIT investments and timing differences in recognizing certain gains and losses on investment transactions. 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 June 30, 2008, the cost of investments (excluding proceeds received on securities sold short and call options written) was as follows:

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Cost of investments	$2,078,776,702	$2,915,980,127

Gross unrealized appreciation and gross unrealized depreciation of investments (excluding proceeds received on securities sold short and call options written) at June 30, 2008, were as follows:

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Gross unrealized:		
Appreciation	$ 56,843,366	$ 79,796,919
Depreciation	(291,384,901)	(395,802,220)
Net unrealized appreciation (depreciation) of investments	$ (234,541,535)	$ (316,005,301)

The tax components of undistributed net ordinary income and net long-term capital gains at December 31, 2007, the Funds last tax year end, were as follows:

Multi-Strategy Income and	Multi-Strategy Income and

	Growth (JPC)	Growth 2 (JQC)
Undistributed net ordinary income *	$	$
Undistributed net long-term capital gains		

* Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any.

The tax character of distributions paid during the Funds last tax year ended December 31, 2007, was designated for purposes of the dividends paid deduction as follows:

	Multi-Strategy Income and Growth (JPC)	Multi-Strategy Income and Growth 2 (JQC)
Distributions from net ordinary income *	$138,358,876	$200,640,767
Distributions from net long-term capital gains		2,560,636
Tax return of capital	12,226,104	7,272,288

* Net ordinary income consists of net taxable income derived from dividends, interest, and net short-term capital gains, if any.

Multi-Strategy Income and Growth 2 (JQC) elected to defer net realized losses from investments incurred from November 1, 2007 through December 31, 2007, the Funds last tax year end, (post-October losses) in accordance with federal income tax regulations. Post-October losses of $1,573,568 were treated as having arisen on the first day of the current fiscal year.
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6. 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 the Adviser, 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.

The annual fund-level fee, payable monthly, for each Fund is based upon the average daily Managed Assets of each Fund as follows:

Average Daily Managed Assets	**Fund-Level Fee Rate**
For the first $500 million	.7000%
For the next $500 million	.6750
For the next $500 million	.6500
For the next $500 million	.6250
For Managed Assets over $2 billion	.6000

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 table below. As of June 30, 2008, the complex-level fee rate was .1868%.

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 fee component of the management fee for the funds is calculated based upon the aggregate Managed Assets (Managed Assets means the average daily net assets of each fund including assets attributable to preferred stock issued by or borrowings by the Nuveen funds) of Nuveen-sponsored funds in the U.S.

The management fee compensates the Adviser for overall investment advisory and administrative services and general office facilities. The Adviser is responsible for the overall strategy and asset allocation decisions. The Adviser has entered into Sub-Advisory Agreements with Spectrum Asset Management, Inc. (Spectrum), Symphony Asset Management, LLC (Symphony) and Tradewinds Global Investors, LLC (Tradewinds). Spectrum manages the portion of the Funds investment portfolios allocated to preferred securities. Symphony manages the portion of the Funds investment portfolios allocated to debt securities and certain equity investments. Tradewinds manages the portion of the Funds investment portfolios allocated to global equities. Each sub-adviser is compensated for its services to the Funds from the management fees paid to the Adviser. Spectrum also receives compensation on certain portfolio transactions for providing brokerage services to the Funds.

The Funds pay no compensation directly to those of its Trustees 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 Trustees has adopted a deferred compensation plan for independent Trustees that enables Trustees 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.

Notes to
FINANCIAL STATEMENTS (continued) (Unaudited)

For the first eight years of Multi-Strategy Income and Growth s (JPC) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily Managed Assets, for fees and expenses in the amounts and for the time periods set forth below:

Year Ending March 31,		**Year Ending March 31,**	
2003 *	.32%	2008	.32%
2004	.32	2009	.24
2005	.32	2010	.16
2006	.32	2011	.08
2007	.32		

* From the commencement of operations.

The Adviser has not agreed to reimburse Multi-Strategy Income and Growth (JPC) for any portion of its fees and expenses beyond March 31, 2011.

For the first eight years of Multi-Strategy Income and Growth 2 s (JQC) operations, the Adviser has agreed to reimburse the Fund, as a percentage of average daily Managed Assets, for fees and expenses in the amounts and for the time periods set forth below:

Year Ending June 30,		**Year Ending June 30,**	
2003 *	.32%	2008	.32%
2004	.32	2009	.24
2005	.32	2010	.16
2006	.32	2011	.08
2007	.32		

* From the commencement of operations.

The Adviser has not agreed to reimburse Multi-Strategy Income and Growth 2 (JQC) for any portion of its fees and expenses beyond June 30, 2011.

Related Party Holdings
Nuveen is owned by an investor group led by Madison Dearborn Partners, LLC. An affiliate of Merrill Lynch & Co. (Merrill Lynch), as part of this investor group, owns more than 5% of Nuveen s common stock. As a result, Merrill Lynch is an indirect affiliated person (as that term is defined in the Investment Company Act of 1940) of each Fund.

At June 30, 2008, Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC) owned 557,861 and 807,945 shares, respectively, of Merrill Lynch and Company, Inc. preferred securities with aggregate market values of $10,363,475 and $14,521,379, respectively. Total income earned by Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC) from such securities amounted to $501,794 and $699,805, respectively, and is included in dividend income on the Statement of Operations.

7. Senior Loan Commitments

Unfunded Commitments

Pursuant to the terms of certain of the variable rate senior loan agreements, Each Fund may have unfunded senior loan commitments. Each Fund will maintain with its custodian, cash, liquid securities and/or liquid senior loans having an aggregate value at least equal to the amount of unfunded senior loan commitments. At June 30, 2008, Multi-Strategy Income and Growth (JPC) and Multi-Strategy Income and Growth 2 (JQC) had unfunded senior loan commitments of $561,432 and $763,488, respectively.

Participation Commitments

With respect to the senior loans held in each Fund s portfolio, the Funds may: 1) invest in assignments; 2) act as a participant in primary lending syndicates; or 3) invest in participations. If a Fund purchases a participation of a senior loan interest, a Fund would typically enter into a contractual agreement with the lender or other third party selling the participation, rather than directly with the Borrower. As such, a Fund not only assumes the credit risk of the Borrower, but also that of the Selling Participant or other persons interpositioned between the Fund and the Borrower. At June 30, 2008, there were no such outstanding participation commitments in either Fund.

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8. Borrowing Arrangements

Refinancings

On April 7, 2008, Multi-Strategy Income and Growth (JPC) entered into a $400 million prime brokerage facility with Bank of America. On April 7, 2008 and May 2, 2008, Multi-Strategy Income and Growth (JPC) utilized $255 million and $195 million, respectively, of the facility with Bank of America to redeem at liquidation value $450 million of its outstanding FundPreferred shares. For the six months ended June 30, 2008, the average daily balance outstanding and average annualized interest rate on these borrowings were $183,379,121 and 2.81%, respectively.

On April 16, 2008, Multi-Strategy Income and Growth 2 (JQC) entered into $640 million prime brokerage facility with Bank of America. On April 18, 2008 and May 13, 2008, Multi-Strategy Income and Growth 2 (JQC) utilized $400 million and $240 million, respectively, of the facility with Bank of America to redeem at liquidation value $640 million of its outstanding FundPreferred shares. For the six months ended June 30, 2008, the average daily balance outstanding and average annualized interest rate on these borrowings were $227,252,747 and 2.82%, respectively.

Interest expense incurred on these borrowing arrangements is recognized as Interest expense on borrowings and amortization of borrowing costs on the Statement of Operations.

9. New Accounting Pronouncement

Financial Accounting Standards Board Statement of Financial Accounting Standards 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 June 30, 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.

Financial
HIGHLIGHTS (Unaudited)
Selected data for a Common share outstanding throughout each period:

	Investment Operations					Less Distributions					
ginning mmon Share Net Asset Value	Net Investment Income(a)	Net Realized/ Unrealized Gain (Loss)	Distributions from Net Investment Income to FundPreferred Share-holders	Distributions from Capital Gains to FundPreferred Share-holders	Total	Net Investment Income to Common Share-holders	Capital Gains to Common Share-holders	Tax Return of Capital to Common Share-holders	Total	Offering Costs and FundPreferred Share Underwriting Discounts	Ending Common Share Net Asset Value
egy Income and Growth (JPC)											
$12.38	$.47	$(1.13)	$(.11)*****	$	$ (.77)	$(.57)*****	$	$	$ (.57)	$	$11.04
14.26	.97	(1.34)	(.28)	(.09)	(.74)	(.77)	(.25)	(.12)	(1.14)		12.38
14.18	1.02	.50	(.31)	(.03)	1.18	(.87)	(.08)	(.15)	(1.10)		14.26
15.32	1.13	(.74)	(.22)		.17	(1.15)	(.16)		(1.31)		14.18
14.73	.52	.85	(.04)	(.01)	1.32	(.50)	(.23)		(.73)		15.32
14.12	1.25	.71	(.08)		1.88	(1.22)	(.05)		(1.27)		14.73
14.33	.30	(.02)	(.02)		.26	(.30)			(.30)	(.17)	14.12
egy Income and Growth 2 (JQC)											
12.46	.48	(.91)	(.11)*****		(.54)	(.57)*****			(.57)		11.35
14.29	.97	(1.30)	(.26)	(.10)	(.69)	(.79)	(.30)	(.05)	(1.14)		12.46
14.20	1.04	.48	(.30)	(.03)	1.19	(.93)	(.09)	(.08)	(1.10)		14.29
15.18	1.12	(.70)	(.21)	(.01)	.20	(1.09)	(.09)		(1.18)		14.20
14.33	.51	.90	(.05)		1.36	(.49)	(.02)		(.51)		15.18

13.83	1.16	.73	(.08)	1.81	(1.17)	(1.17)	(.14)	14.33
14.33	.04	(.53)		(.49)			(.01)	13.83

(a) Per share Net Investment Income is calculated using the average daily shares method.
(b) For the period August 1, 2004 through December 31, 2004.
(c) For the period March 26, 2003 (commencement of operations) through July 31, 2003.
(d) For the period June 25, 2003 (commencement of operations) through July 31, 2003.
(e) Borrowings interest expense includes amortization of borrowing costs.
(f) For the six months ended June 30, 2008.
* Annualized.
** 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 expense reimbursement, where applicable.
**** Ratio rounds to less than .01%.
***** Represents distributions paid From and in excess of net investment income for the six months ended June 30, 2008.

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Total Returns			Ratios/Supplemental Data				
			Ratios to Average Net Assets Applicable to Common Shares Before Credit/Reimbursement		Ratios to Average Net Assets Applicable to Common Shares After Credit/Reimbursement***		
Based on Market Value**	Based on Common Share Net Asset Value**	Ending Net Assets Applicable to Common Shares (000)	Expenses	Net Investment Income	Expenses	Net Investment Income	Portfolio Turnover Rate
(6.86)%	(6.23)%	$1,097,542	2.10%*	7.35%*	1.65%*	7.80%*	19%
(16.28)%	(5.71)%	1,230,342	1.53%	6.54%	1.05%	7.03%	84%
29.81	8.71	1,421,951	1.49	6.80	1.00	7.28	72
(7.63)	1.32	1,419,946	1.50	7.25	1.03	7.72	37
8.06	9.07	1,533,722	1.51*	7.66*	1.04*	8.13*	13
4.34	13.44	1,474,983	1.53	7.90	1.05	8.37	19
(.89)	.58	1,412,983	1.29*	5.67*	.87*	6.09*	21
(5.10)%	(4.30)%	1,585,893	1.97*	7.40*	1.47*	7.90*	19
(14.70)%	(5.34)%	1,740,952	1.50	6.51	1.02	6.99	78
26.71	8.73	2,008,154	1.44	6.90	.96	7.37	77
(4.40)	1.41	2,002,079	1.46	7.25	.99	7.72	34
6.20	9.59	2,140,563	1.47*	7.81*	1.00*	8.28*	13
.10	12.25	2,021,258	1.47	7.51	1.00	7.98	27
(2.07)	(3.49)	1,950,622	.97*	2.86*	.65*	3.18*	5

The amounts shown are based on Common share equivalents.

Ratios do not reflect the effect of dividend payments to FundPreferred shareholders.

Income ratios reflect income earned on assets attributable to FundPreferred shares and borrowings where applicable.

Each ratio includes the effect of the dividend expense on securities sold short as follows:

Ratios of Dividend Expense on Securities Sold Short

	to Average Net Assets Applicable to Common Shares	
Multi-Strategy Income and Growth (JPC)		
Year Ended 12/31:		
2008(f)		%****
2007		****
2006		
2005	.01	
2004(b)	.04*	
Year Ended 7/31:		
2004	.03	
2003(c)		
Multi-Strategy Income and Growth 2 (JQC)		
Year Ended 12/31:		
2008(f)		%****
2007		****
2006		
2005	.01	
2004(b)	.05*	
Year Ended 7/31:		
2004	03	
2003(d)		

Each ratio includes the effect of the interest expense paid on borrowings as follows:

	Ratios of Borrowing Interest Expense to Average Net Assets Applicable to Common Shares(e)
Multi-Strategy Income and Growth (JPC)	
Year Ended 12/31:	
2008(f)	
2007	.50%*
2006	
2005	
2004(b)	
Year Ended 7/31:	
2004	
2003(c)	
Multi-Strategy Income and Growth 2 (JQC)	
Year Ended 12/31:	
2008(f)	
2007	.43%*

2006
2005
2004(b)
Year Ended 7/31:
2004
2003(d)

See accompanying notes to financial statements.
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Financial
HIGHLIGHTS (continued) (Unaudited)

	Fund Preferred Shares at End of Period			Borrowings at End of Period	
	Aggregate Amount Outstanding (000)	Liquidation and Market Value Per Share	Asset Coverage Per Share	Aggregate Amount Outstanding (000)	Asset Coverage Per $1,000
Multi-Strategy Income and Growth (JPC)					
Year Ended 12/31:					
2008(f)	$258,000	$25,000	$131,351	$450,000	$4,012
2007	708,000	25,000	64,444		
2006	708,000	25,000	75,210		
2005	708,000	25,000	75,139		
2004(b)	708,000	25,000	79,157		
Year Ended 7/31:					
2004	708,000	25,000	77,083		
2003(c)	708,000	25,000	74,893		
Multi-Strategy Income and Growth 2 (JQC)					
Year Ended 12/31:					
2008(f)	325,000	25,000	146,992	640,000	3,986
2007	965,000	25,000	70,102		
2006	965,000	25,000	77,025		
2005	965,000	25,000	76,867		
2004(b)	965,000	25,000	80,455		
Year Ended 7/31:					
2004	965,000	25,000	77,364		
2003(d)					

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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 (including sub-advisers) 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 (each, a *Board* and each Trustee, a *Board Member*) of the Funds, including a majority of the Independent Board Members, considered and approved the continuation of the advisory and sub-advisory agreements for the Funds for an additional one-year period. These agreements include the investment advisory agreements between Nuveen Asset Management (*NAM*) and each Fund and the sub-advisory agreements between NAM and Spectrum Asset Management, Inc. (*Spectrum*), NAM and Tradewinds Global Investors, LLC (*Tradewinds*) and NAM and Symphony Asset Management LLC (*Symphony*) (Spectrum, Tradewinds and Symphony are each a *Sub-Adviser*). 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 applicable advisory agreements (each an *Investment Management Agreement*) and sub-advisory agreements (each a *Sub-Advisory Agreement,* and each Investment Management Agreement and Sub-Advisory Agreement, an *Advisory Agreement*), as described in further detail below, the Independent Board Members reviewed a broad range of information relating to the Funds, NAM and the Sub-Advisers (NAM and each Sub-Adviser are each a *Fund Adviser*), 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 and/or customized 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 the respective Fund Adviser. 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 the Fund Adviser, 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 Agreements. 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 Investment Management Agreements, the Independent Board Members considered the nature, extent and quality of the Fund Adviser 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;

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Annual Investment
Management Agreement
APPROVAL PROCESS (continued)

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 the Fund Adviser 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 oversight of the performance, business activities and compliance of the Sub-Advisers, the 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.

The Independent Board Members reviewed an evaluation of the Sub-Advisers from NAM, including information as to the process followed by NAM in evaluating sub-advisers. The evaluation also included information relating to each Sub-Adviser s organization, operations, personnel, assets under management, investment philosophy, strategies and techniques in managing the Funds, developments affecting each Sub-Adviser, and an analysis of each Sub-Adviser. The Board considered the performance of the portion of the investment portfolio of each Fund for which the respective Sub-Adviser is responsible. The Board also recognized that the Sub-Advisory Agreements were essentially agreements for portfolio management services only and the Sub-Advisers were not expected to supply other significant administrative services to the Funds. During the last year, the Independent Board Members noted that they visited several sub-advisers to the Nuveen funds, meeting their key investment and business personnel. In this regard, during 2007, the Independent Board Members visited Tradewinds and Symphony. The Independent Board Members also noted that they anticipate visiting each sub-adviser to the Nuveen funds at least once over the course of a multiple-year rotation. The Independent Board Members further noted that NAM recommended the renewal of the applicable Sub-Advisory Agreements and considered the basis for such recommendations and any qualifications in connection therewith.

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

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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 Funds under the respective Investment Management Agreement or Sub-Advisory Agreement, as applicable, were satisfactory.

B. The Investment Performance of the Funds and Fund Advisers

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). In addition, the Independent Board Members reviewed the respective Fund s historic performance compared to recognized and/or customized benchmarks (as applicable).

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. These Performance Peer Groups include those for the Funds. In addition, the Independent Board Members noted the previous changes to the investment mandate of the Funds limit somewhat the usefulness of reviewing the Funds past performance.

The Independent Board Members reviewed performance information including, among other things, total return information compared with the Fund s Performance Peer Group as well as recognized and/or customized benchmarks (as appropriate) for the one-, three- and five-year periods (as applicable) ending December 31, 2007 and with the Fund s Performance Peer Group for the quarter, one-, three-, and five- year periods ending March 31, 2008 (as applicable). 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 the respective 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. In addition, the Independent

Board Members noted the limited Peer Groups available for the Nuveen funds with multi-sleeves of investments. In reviewing the fee schedule for a Fund, the Independent Board Members considered the fund-level and complex-wide breakpoint schedules (described in further detail below) and any fee waivers and

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APPROVAL PROCESS (continued)

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 clients include separately managed accounts (both retail and institutional accounts) and funds that are not offered by Nuveen but are sub-advised by one of Nuveen s investment management teams. 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.

In considering the fees of the Sub-Advisers, the Independent Board Members also considered the pricing schedule or fees that each Sub-Adviser charges for similar investment management services for other fund sponsors or clients (such as retail and/or institutional managed accounts) as applicable. With respect to Symphony, the Independent Board Members also reviewed the fees it assesses for equity and taxable fixed-income hedge funds and hedge accounts it manages, which include a performance fee. In addition, the Independent Board Members noted that with respect to Spectrum, the Sub-Adviser unaffiliated with Nuveen, such fees were the result of arm s-length negotiations.

3. Profitability of Fund Advisers
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.

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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. With respect to Spectrum, the Sub-Adviser unaffiliated with Nuveen, the Independent Board Members also considered such Sub-Adviser s revenues, expenses (including the basis for allocating expenses) and profitability margins (pre- and post-tax). Based on their review, the Independent Board Members were satisfied that such Sub-Adviser s level of profitability 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 a Fund Adviser by the Funds as well as any indirect benefits (such as soft dollar arrangements, if any) the Fund Adviser 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 the Fund Adviser 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 such 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 the respective Fund Adviser 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 the Fund Adviser received any benefits from soft dollar arrangements whereby a portion of the commissions paid by a Fund for brokerage may

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be used to acquire research that may be useful to the Fund Adviser in managing the assets of the Funds and other clients. With respect to NAM, 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.

With respect to Tradewinds, the Independent Board Members considered that such Sub-Adviser may benefit from its soft dollar arrangements pursuant to which it receives research from brokers that execute the applicable Fund s portfolio transactions and noted that its profitability may be lower if it were required to pay for this research with hard dollars. The Board noted that Spectrum does not direct trades through non-affiliated broker-dealers and therefore does not have any brokerage to provide in order to receive research or related services on a soft dollar basis; however, this Sub-Adviser may from time to time receive research from various firms with which it transacts client business, but it has no arrangements with these firms and clients do not pay higher commissions to receive such research. Further, the Board considered that Symphony currently does not enter into soft dollar arrangements; however, it has adopted a soft dollar policy in the event it does so in the future.

Based on their review, the Independent Board Members concluded that any indirect benefits received by a Fund Adviser 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 Investment Management Agreements and Sub-Advisory Agreements are fair and reasonable, that the respective Fund Adviser s fees are reasonable in light of the services provided to each Fund and that the Investment Management Agreements and the Sub-Advisory Agreements be renewed.

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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.

Glossary of
TERMS USED in this REPORT

- ***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.

- ***Collateralized Debt Obligations (CDOs):*** Collateralized debt obligations are a type of asset-backed security constructed from a portfolio of fixed-income assets. CDOs usually are divided into different tranches having different ratings and paying different interest rates. Losses, if any, are applied in reverse order of seniority and so junior tranches generally offer higher coupons to compensate for added default risk.

- ***Market Yield (also known as Dividend Yield or Current Yield):*** Market yield is based on the Fund s current annualized quarterly distribution divided by the Fund s current market price. The Fund s quarterly distributions to its shareholders may be comprised of ordinary income, net realized capital gains and, if at the end of the calendar year the Fund s cumulative net ordinary income and net realized gains are less than the amount of the Fund s distributions, a tax return of capital.

- ***Net Asset Value (NAV):*** A Fund s common share NAV per 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 shares outstanding. Fund NAVs are calculated at the end of each business day.

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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 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 JQC repurchased 38,900 common shares, and JPC and JQC redeemed 18,000 and 25,600 preferred shares, respectively. Any future repurchases or redemptions will be reported to shareholders in the next annual or semi-annual report.

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 most recent 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 Reference 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.

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 $152 billion of assets on June 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/cef**

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

ESA-F-0608D

ITEM 2. CODE OF ETHICS.
Not applicable to this filing.
ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.
Not applicable to this filing.
ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.
Not applicable to this filing.
ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.
Not applicable to this filing.
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.
Not applicable to this filing.
ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.
Not applicable to this filing.
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 NUMBER (OR APPROXIMATE DOLLAR VALUE) OF SHARES (OR UNITS) THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
JANUARY 1-31, 2008	0	$0	0	9,688,900
FEBRUARY 1-29, 2008	0	$0	0	9,688,900
MARCH 1-31, 2008	0	$0	0	9,688,900
APRIL 1-30, 2008	0	$0	0	9,688,900
MAY 1-31, 2008	0	$0	0	9,688,900
JUNE 1-30, 2008	0	$0	0	9,688,900
TOTAL	0			

* The registrant s repurchase program was announced November 21, 2007. The registrant s repurchase program authorized the repurchase of 10,000,000 shares. The repurchases made by the registrant pursuant to the program were all 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.

(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 to this filing.

(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 Multi-Strategy Income and Growth Fund

By (Signature and Title)*	/s/ Kevin J. McCarthy
	Kevin J. McCarthy Vice President and Secretary

Date: September 8, 2008

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: September 8, 2008

By (Signature and Title)*	/s/ Stephen D. Foy
	Stephen D. Foy Vice President and Controller (principal financial officer)

Date: September 8, 2008

* Print the name and title of each signing officer under his or her signature.