

NUVEEN FLOATING RATE INCOME FUND
Form N-CSR
October 07, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT
COMPANIES
Investment Company Act file number **811-21494**
NUVEEN FLOATING RATE INCOME FUND**

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Name and address of agent for service)

Registrant's telephone number, including area code: (312) 917-7700

Date of fiscal year end: July 31

Date of reporting period: July 31, 2010

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles. A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO SHAREHOLDERS

Closed-End Funds

Nuveen Investments

Closed-End Funds

High current income from portfolios of senior corporate loans.

Annual Report

July 31, 2010

**Nuveen Senior
Income Fund
NSL**

**Nuveen Floating
Rate Income Fund
JFR**

**Nuveen Floating
Rate Income
Opportunity Fund
JRO**

NUVEEN INVESTMENTS ANNOUNCES STRATEGIC COMBINATION WITH FAF ADVISORS

On July 29, 2010, Nuveen Investments, Inc. announced that U.S. Bancorp will receive a 9.5% stake in Nuveen Investments and cash consideration in exchange for the long-term asset business of U.S. Bancorp's FAF Advisors (FAF). Nuveen Investments is the parent of Nuveen Asset Management (NAM), the investment adviser for the Funds included in this report.

FAF Advisors, which currently manages about \$25 billion of long-term assets and serves as the advisor of the First American Funds, will be combined with NAM, which currently manages about \$75 billion in municipal fixed income assets. Upon completion of the transaction, Nuveen Investments, which currently manages about \$150 billion of assets across several high-quality affiliates, will manage a combined total of about \$175 billion in institutional and retail assets.

This combination will not affect the investment objectives, strategies or policies of the Funds in this report.

Over time, Nuveen Investments expects that the combination will provide even more ways to meet the needs of investors who work with financial advisors and consultants by enhancing the multi-boutique model of Nuveen Investments, which also includes highly respected investment teams at NWQ Investment Management, Santa Barbara Asset Management, Symphony Asset Management, Tradewinds Global Investors, Winslow Capital and Nuveen HydePark.

The transaction is expected to close late in 2010, subject to customary conditions.

Chairman's
Letter to Shareholders

Dear Shareholder,

Recent months have revealed the fragility and disparity of the global economic recovery. In the U.S., the rate of economic growth has slowed as various stimulus programs have started to wind down, exposing weakness in the underlying economy. In contrast, many emerging market countries are experiencing a return to comparatively high rates of growth. Confidence in global financial markets has been undermined by concerns about high sovereign debt levels in Europe and the U.S. Until these countries can begin credible programs to reduce their budgetary deficits, market unease and hesitation will remain. On a more positive note, even though the countries now enjoying the strongest recovery depend on exports to countries with trade deficits, these importing countries have resisted the temptation to damage world trade by erecting trade barriers.

The U.S. economy is subject to unusually high levels of uncertainty as it struggles to recover from a devastating financial crisis. Unemployment remains stubbornly high, due to what appears to be both cyclical and structural forces. Federal Reserve policy makers are considering novel approaches to provide support to the economy, and administration policy makers are debating additional stimulus measures. However, the high levels of debt owed both by U.S. consumers and the U.S. government limit their ability to engineer a stronger economic recovery.

The U.S. financial markets reflect the crosscurrents now impacting the U.S. economy. Today's historically low interest rates reflect the Fed's easy monetary policy and the demand for U.S. government debt by U.S. and overseas investors looking for a safe haven for investment. Despite a continued corporate earnings recovery, equity markets continue to reflect concern about the possibility of a "double dip" recession. Encouragingly, financial institutions are rebuilding their balance sheets and the financial reform legislation enacted this summer has the potential to address many of the most significant contributors to the financial crisis, although many details still have to be worked out.

In this difficult environment, your Nuveen investment team continues to seek sustainable investment opportunities and, at the same time, remains alert for potential risks that may result from a recovery still facing many headwinds. As your representative, the Nuveen Fund Board monitors the activities of each investment team to assure that all maintain their investment disciplines. As always, I encourage you to contact your financial consultant if you have any questions about your investment in a Nuveen Fund.

On behalf of the other members of your Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,
Robert P. Bremner
Chairman of the Board
September 22, 2010

Portfolio Manager's Comments

Nuveen Senior Income Fund (NSL)
Nuveen Floating Rate Income Fund (JFR)
Nuveen Floating Rate Income Opportunity Fund (JRO)

The Funds' investment portfolios have been managed since 2001 by Gunther Stein of Symphony Asset Management, LLC, an affiliate of Nuveen Investments. Gunther, who is Symphony's chief investment officer, has more than 20 years of investment management experience, much of it in evaluating and purchasing senior corporate loans and other high-yield debt.

Here Gunther talks about general economic and market conditions, his management strategies and the performance of the Funds for the twelve-month period ended July 31, 2010.

What were the general market conditions for the twelve-month period?

During this period, there continued to be considerable stress on the economy and both the Federal Reserve (Fed) and the federal government took actions intended to improve the overall economic environment. For its part, the Fed continued to hold the benchmark fed funds rate in a target range of zero to 0.25%. At its June 2010 meeting, the central bank renewed its pledge to keep the fed funds rate exceptionally low for an extended period. The federal government focused on implementing a \$787 billion economic stimulus package intended to provide job creation, tax relief, fiscal assistance to state and local governments and expansion of unemployment benefits.

Certain statements in this report are forward-looking statements. Discussions of specific investments are for illustration only and are not intended as recommendations of individual investments. The forward-looking statements and other views expressed herein are those of the portfolio manager as of the date of this report. Actual future results or occurrences may differ significantly from those anticipated in any forward-looking statements, and the views expressed herein are subject to change at any time, due to numerous market and other factors. The Funds disclaim any obligation to update publicly or revise any forward-looking statements or views expressed herein.

These and other measures taken by the Fed and the government to ease the economic recession helped to produce some signs of improvement. Over the four calendar quarters comprising most of this period, the U.S. economy, as measured by the U.S. gross domestic product (GDP), grew at annualized rates of 1.6%, 5.0%, 3.7% and 1.6%, respectively. This marked the first time since 2007 that the economy managed to string together four consecutive positive quarters. Housing also provided something of a bright spot, as the S&P/Case-Shiller Home Price Index of average residential prices gained 3.6% for the twelve months ended June 2010 (the most recent data available at the time this report was produced). This moved average home prices across the United States to levels similar to where they were in the autumn of 2003.

Inflation continued to be relatively tame, as the Consumer Price Index (CPI) rose 1.2% year-over-year as of July 2010. The labor markets remained weak, with the national unemployment rate at 9.5% as of July 2010. This compares with the 26-year high of 10.1% in October 2009 and a rate of 9.4% in July 2009.

In the senior loan market, the second half of 2009 saw a continuation of the positive momentum from earlier in the year. This could be attributed to three primary drivers: lack

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of new issuance, incremental demand for the asset class, and relative strength in fundamentals.

Market technical factors remained firm as a result of limited new supply as well as new money being put into loans. New issue activity was virtually nonexistent during the period, although some smaller deals came to market. While the fourth quarter of 2009 saw the highest level of institutional new issuance for the year, the levels paled in comparison with recent years. Many of the deals were driven by refinancings, which continued throughout 2010. Refinancings provide opportunities on a select basis to purchase higher quality new issues with attractive spreads and LIBOR floors. Meanwhile, mutual fund inflows in the second half of 2009 and the first quarter of 2010 remained consistent, given the attractive return profile of senior loan assets and the floating rate coupon which historically has outperformed in rising-rate environments. Institutional investors also showed interest in the asset class off and on throughout the year, with buyers appearing despite spread contraction.

The period also saw an improving fundamental environment for senior loans, with relatively low default rates and better recoveries forecasts from market participants and rating agencies. While fundamentals still were not particularly strong, most companies issuing leveraged loans consistently reported better-than-expected operating and net earnings results throughout 2009 and into 2010. This helped to drive positive price action. The Credit Suisse Leverage Loan Index rose +13.98% during the second half of the 2009.

What key strategies were used to manage the Fund during the twelve-month period ended July 31, 2010?

The investment objective of each Fund is to achieve a high level of current income by investing primarily in adjustable rate secured and unsecured senior loans and other debt instruments. Other investments may include U.S. dollar denominated senior loans of non-U.S. borrowers and equity securities and warrants acquired in connection with the Fund's investment in senior loans.

Toward the end of 2009 and early in 2010, we shifted our investments toward higher quality names as we believed the pace of the rally in riskier assets would normalize as the market leveled off. We also continued to utilize new issues, as well as a variety of older positions where we felt that risk-adjusted returns remained attractive. In addition, we continued to hold select positions in lower quality companies that were purchased at deep discounts to par, such as Infor Global and Citadel. However, the vast majority of the assets in the portfolio traded above 85% of par as fewer broad-based market opportunities were present.

How did the Fund perform over this twelve-month period?

The performance of the Funds, as well as the performance of certain market indexes, is presented in the accompanying table.

Average Annual Total Returns on Common Share Net Asset Value

For periods ended 7/31/10

	1-Year	5-Year	10-Year
NSL	28.15%	3.94%	5.08%
JFR	23.85%	3.43%	3.66%
JRO	26.66%	3.99%	4.02%
CSFB Leveraged Loan Index ¹	14.62%	3.88%	4.46%
Barclays Capital U.S. Aggregate Bond Index ²	8.91%	5.96%	6.49%

For the twelve months ended July 31, 2010, all three Funds outperformed the comparative indexes. During the period, higher risk assets generally outperformed higher quality assets. The risk-driven rally was most evident in some of the low dollar-priced names we hold in the Funds, such as Tribune Company and Swift Transportation. However, some newer higher-quality assets such as Reynolds Brands also performed well.

The more-levered companies generally outperformed during the period, however these names largely underperformed during the previous year and during the financial crisis. There were several special situations that dragged on performance, such as MGM, which is a distressed issuer that had experienced some difficulty with the auction of some of its assets. Other distressed issuers, such as Intelsat also contributed negatively to performance.

Past performance is not predictive of future results. Current performance may be higher or lower than the data shown. Returns do not reflect the deduction of taxes that shareholders may have to pay on Fund distributions or upon the sale of Fund shares.

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

- 1 The CSFB Leveraged Loan Index is a representative, unmanaged index of tradeable, senior, U.S. dollar-denominated leveraged loans. Index returns do not include the effects of any sales charges or management fees. It is not possible to invest directly in an index.
- 2 The Barclays Capital U.S. Aggregate Bond Index is an unmanaged index that includes all investment-grade, publicly issued, fixed-rate, dollar denominated, nonconvertible debt issues and commercial mortgage backed securities with maturities of at least one year and outstanding par values of \$150 million or more. Index returns do not include the effects of any sales charges or management fees. It is not possible to invest directly in an index.

IMPACT OF THE FUNDS LEVERAGE STRATEGIES ON PERFORMANCE

One important factor impacting the returns of these Funds relative to the comparative indexes was the Funds' use of financial leverage, primarily through bank borrowings. The Funds use leverage because their managers believe that, over time, leveraging provides opportunities for additional income and total returns for common shareholders. However, use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share net asset value and common shareholder total return is magnified by the use of leverage. Conversely, leverage may enhance common share returns during periods when the prices of Fund holdings generally are rising.

The use of leverage made a significant positive contribution to the return of each Fund over this period.

RECENT DEVELOPMENTS REGARDING THE FUNDS LEVERAGED CAPITAL STRUCTURES

Shortly after their inception, each Fund issued auction rate preferred shares (ARPS) to create financial leverage. As noted in past shareholder reports, the weekly auctions for those ARPS shares began in February 2008 to consistently fail, causing the Funds to pay the so-called maximum rate to ARPS shareholders under the terms of the ARPS in the Funds charter documents. With the goal of lowering the relative cost of leverage over time for common shareholders and providing liquidity at par for preferred shareholders, the Funds sought to refinance all of their outstanding ARPS beginning shortly thereafter. The Funds completed this refinancing process during 2009 and since then have relied upon bank borrowings to create financial leverage.

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In April and May 2010, 30 Nuveen leveraged closed-end funds, including JRO, received a demand letter from a law firm on behalf of purported holders of common shares of each such fund, alleging that Nuveen and the funds' officers and Board of Directors/Trustees breached their fiduciary duties related to the redemption at par of the funds' ARPS. In response, the Board established an ad hoc Demand Committee consisting of certain of its disinterested and independent Board members to investigate the claims. The Demand Committee retained independent counsel to assist it in conducting an extensive investigation. Based upon its investigation, the Demand Committee found that it was not in the best interests of each fund or its shareholders to take the actions suggested in the demand letters, and recommended that the full Board reject the demands made in the demand letters. After reviewing the findings and recommendation of the Demand Committee, the full Board of each fund unanimously adopted the Demand Committee's recommendation.

Subsequently, twenty of the funds that received demand letters (not including JRO) were named as nominal defendants in a putative shareholder derivative action complaint captioned *Safier and Smith v. Nuveen Asset Management, et al.* that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the Cook County Chancery Court) on July 27, 2010. Three additional funds (not including JRO) were named as nominal defendants in a similar complaint captioned *Curbow v. Nuveen Asset Management, et al.* filed in the Cook County Chancery Court on August 12, 2010, and three additional funds (not including JRO) were named as nominal defendants in a similar complaint captioned *Beidler v. Nuveen Asset Management, et al.* filed in the Cook County Chancery Court on September 21, 2010 (collectively, the Complaints). The Complaints, filed on behalf of purported holders of each fund's common shares, also name Nuveen Asset Management as a defendant, together with current and former Officers and Trustees of each of the funds (together with the nominal defendants, collectively, the Defendants). The Complaints contain the same basic allegations contained in the demand letters. The suits seek a declaration that the Defendants have breached their fiduciary duties, an order directing the Defendants not to redeem any ARPS at their liquidation value using fund assets, indeterminate monetary damages in favor of the funds and an award of plaintiffs' costs and disbursements in pursuing the action. Nuveen Asset Management believes that the Complaints are without merit, and intends to defend vigorously against these charges.

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

Common Share Distribution and Share Price Information

As noted earlier, these Funds use financial leverage to potentially enhance opportunities for additional income for common shareholders. The Funds' use of this leverage strategy continued to provide incremental income, although the extent of this benefit was reduced to some degree by short-term interest rates that remained relatively high during the early part of the period. This, in turn, kept the Funds' borrowing costs high. All three funds' distributions increased twice over the twelve-month period.

During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's common share NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's common share NAV. As of July 31, 2010, NSL had a positive UNII balance for tax purposes while JFR & JRO had negative UNII balances for tax purposes. For financial statement purposes, JRO had a positive UNII balance while NSL and JFR had negative UNII balances.

Common Share Repurchases and Share Price Information

As of July 31, 2010, and since the inception of the Funds' repurchase program, JFR and JRO have cumulatively repurchased common shares as shown in the accompanying table. Since the inception of the Funds' repurchase program, NSL has not repurchased any of its outstanding common shares.

Fund	Common Shares Repurchased	% of Outstanding Common Shares
JFR	147,593	0.3%
JRO	19,400	0.1%

During the twelve-month reporting period, the JFR and JRO repurchased common shares at a weighted average price and a weighted average discount per common share as shown in the accompanying table.

Fund	Common Shares Repurchased	Weighted Average Price Per Share Repurchased	Weighted Average Discount Per Share Repurchased
JFR	137,893	\$9.15	12.86%
JRO	9,700	\$8.95	13.25%

As of July 31, 2010, the Funds were trading at (+) premiums/ (-) discounts to their common share NAVs as shown in the accompanying table.

Fund	7/31/10 (+) Premium/ (-) Discount	Twelve-Month Average (+) Premium/ (-) Discount
NSL	(+)2.06%	(+)1.56%
JFR	(-)2.35%	(-)6.13%
JRO	(+)2.65%	(-)2.86%

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NSL
Performance
OVERVIEW

**Nuveen Senior
Income Fund**

as of July 31, 2010

Fund Snapshot

Common Share Price	\$6.95
Common Share Net Asset Value	\$6.81
Premium/(Discount) to NAV	2.06%
Latest Dividend	\$0.0400
Market Yield	6.91%
Net Assets Applicable to Common Shares (\$000)	\$203,261

Average Annual Total Return

(Inception 10/26/99)

	On Share Price	On NAV
1-Year	44.83%	28.15%
5-Year	3.61%	3.94%
10-Year	5.11%	5.08%

Portfolio Composition

(as a % of total investments)

Media	10.6%
Hotels, Restaurants & Leisure	9.3%
Health Care Providers & Services	8.7%
Specialty Retail	4.4%
Building Products	4.1%
IT Services	3.4%
Oil, Gas & Consumable Fuels	2.8%

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Automobiles	2.8%
Paper & Forest Products	2.4%
Chemicals	2.4%
Road & Rail	2.3%
Diversified Telecommunication Services	2.3%
Airlines	2.3%
Communications Equipment	2.2%
Real Estate Management & Development	2.2%
Software	2.2%
Food & Staples Retailing	2.0%
Leisure Equipment & Products	1.8%
Pharmaceuticals	1.7%
Internet Software & Services	1.6%
Auto Components	1.5%
Food Products	1.2%
Aerospace & Defense	1.2%
Household Products	1.2%
Warrants	0.7%
Short-Term Investments	8.0%
Other	14.7%
Top Five Issuers	
(as a % of total long-term investments)	
Infor Global Solutions Intermediate Holdings, Ltd.	2.4%
Charter Communications Operating Holdings LLC	2.1%
Swift Transportation Company, Inc.	2.0%
Michaels Stores, Inc.	2.0%

Venetian Casino Resort LLC

2.0%

Portfolio Allocation (as a % of total investments)

2009-2010 Monthly Dividends Per Common Share

Share Price Performance Weekly Closing Price

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

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JFR
Performance
OVERVIEW

**Nuveen Floating
Rate Income
Fund**

as of July 31, 2010

Fund Snapshot

Common Share Price	\$11.20
Common Share Net Asset Value	\$11.47
Premium/(Discount) to NAV	-2.35%
Latest Dividend	\$0.0510
Market Yield	5.46%
Net Assets Applicable to Common Shares (\$000)	\$542,456

Average Annual Total Return

(Inception 3/25/04)

	On Share Price	On NAV
1-Year	41.48%	23.85%
5-Year	4.17%	3.43%
Since Inception	3.01%	3.66%

Portfolio Composition

(as a % of total investments)

Media	12.2%
Hotels, Restaurants & Leisure	10.1%
Health Care Providers & Services	6.5%
Specialty Retail	4.8%
IT Services	4.2%
Road & Rail	3.8%
Diversified Telecommunication Services	3.3%

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Building Products	3.2%
Wireless Telecommunication Services	2.9%
Chemicals	2.7%
Oil, Gas & Consumable Fuels	2.7%
Software	2.6%
Airlines	2.4%
Real Estate Management & Development	2.4%
Communications Equipment	2.1%
Automobiles	1.9%
Auto Components	1.9%
Pharmaceuticals	1.8%
Insurance	1.8%
Internet Software & Services	1.6%
Leisure Equipment & Products	1.6%
Food Products	1.5%
Investment Companies	1.6%
Warrants	0.4%
Short-Term Investments	6.0%
Other	14.0%
Top Five Issuers	
(as a % of total long-term investments)	
Swift Transportation Company, Inc.	3.3%
Univision Communications, Inc.	2.8%
Venetian Casino Resort LLC	2.5%
Avaya, Inc.	2.0%
Federal-Mogul Corporation	2.0%

Portfolio Allocation (as a % of total investments)

2009-2010 Monthly Dividends Per Common Share

Share Price Performance Weekly Closing Price

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

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JRO
Performance
OVERVIEW

**Nuveen Floating
Rate Income
Opportunity Fund**

as of July 31, 2010

Fund Snapshot

Common Share Price	\$11.64
Common Share Net Asset Value	\$11.34
Premium/(Discount) to NAV	2.65%
Latest Dividend	\$0.0620
Market Yield	6.39%
Net Assets Applicable to Common Shares (\$000)	\$322,136

Average Annual Total Return

(Inception 7/27/04)

	On Share Price	On NAV
1-Year	49.00%	26.66%
5-Year	6.20%	3.99%
Since Inception	4.22%	4.02%

Portfolio Composition

(as a % of total investments)

Media	13.5%
Hotels, Restaurants & Leisure	10.3%
Health Care Providers & Services	5.8%
Specialty Retail	4.1%
Road & Rail	4.0%
IT Services	3.8%
Oil, Gas & Consumable Fuels	3.4%

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Wireless Telecommunication Services	2.9%
Diversified Telecommunication Services	2.9%
Real Estate Management & Development	2.8%
Communications Equipment	2.7%
Software	2.6%
Building Products	2.6%
Auto Components	2.6%
Airlines	2.5%
Automobiles	2.5%
Internet Software & Services	2.0%
Chemicals	1.9%
Pharmaceuticals	1.9%
Food & Staples Retailing	1.7%
Diversified Consumer Services	1.7%
Health Care Equipment & Supplies	1.6%
Warrants	0.5%
Short-Term Investments	5.0%
Other	14.7%

Top Five Issuers

(as a % of total long-term investments)

Swift Transportation Company, Inc.	3.2%
Clear Channel Communications, Inc.	2.7%
Federal-Mogul Corporation	2.6%
Avaya, Inc.	2.5%
Venetian Casino Resort LLC	2.5%

Portfolio Allocation (as a % of total investments)

2009-2010 Monthly Dividends Per Common Share

Share Price Performance Weekly Closing Price

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

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Report of Independent
Registered Public Accounting Firm

The Board of Trustees and Shareholders
Nuveen Senior Income Fund
Nuveen Floating Rate Income Fund
Nuveen Floating Rate Income Opportunity Fund

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Senior Income Fund, Nuveen Floating Rate Income Fund and Nuveen Floating Rate Income Opportunity Fund (the Funds), as of July 31, 2010, and the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Funds' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of July 31, 2010, by correspondence with the broker, custodian, counterparty and selling or agent banks or by other appropriate auditing procedures where replies from selling or agent banks were not received. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Senior Income Fund, Nuveen Floating Rate Income Fund and Nuveen Floating Rate Income Opportunity Fund at July 31, 2010, the results of their operations and cash flows for the year then ended, the changes in their net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with U.S. generally accepted accounting principles.

Chicago, Illinois
September 27, 2010

NSL Nuveen Senior Income Fund
Portfolio of Investments

July 31, 2010

Principal Amount (000)	Description (1)	Weighted Average Coupon	Maturity (2)	Ratings (3)	Value
	Variable Rate Senior Loan Interests	117.7% (80.9% of Total Investments) (4)			
	Aerospace & Defense	1.8% (1.2% of Total Investments)			
\$ 574	DAE Aviation Holdings, Inc., Term Loan B1	4.230%	7/31/14	B	\$ 521,330
558	DAE Aviation Holdings, Inc., Term Loan B2	4.230%	7/31/14	B	506,118
112	Hawker Beechcraft, LLC, LC Facility	2.533%	3/26/14	CCC+	90,580
1,874	Hawker Beechcraft, LLC, Term Loan	2.374%	3/26/14	CCC+	1,519,032
1,000	McKechnie Aerospace Holdings, Inc., Term Loan	5.320%	5/11/15	N/R	927,323
4,118	Total Aerospace & Defense				3,564,383
	Airlines	3.3% (2.3% of Total Investments)			
1,940	Delta Air Lines, Inc., Credit Linked Deposit	2.258%	4/30/12	Ba2	1,853,104
1,940	Delta Air Lines, Inc., Term Loan	3.591%	4/30/14	B	1,762,166
3,546	United Air Lines, Inc., Term Loan B	2.375%	2/01/14	BB	3,154,636
7,426	Total Airlines				6,769,906
	Auto Components	2.0% (1.4% of Total Investments)			
3,056	Federal-Mogul Corporation, Tranche B, Term Loan	2.286%	12/29/14	Ba3	2,735,669
1,560	Federal-Mogul Corporation, Tranche C, Term Loan	2.279%	12/28/15	Ba3	1,396,127
4,616	Total Auto Components				4,131,796
	Automobiles	2.4% (1.6% of Total Investments)			
4,931	Ford Motor Company, Term Loan	3.350%	12/15/13	Ba1	4,800,633

Building Products 4.1% (2.8% of Total Investments)

1,327	Building Materials Corporation of America, Term Loan	3.125%	2/22/14	BBB	1,285,533
1,331	Euramax Holdings, Inc., PIK Term Loan	3.000%	6/29/13	B	1,255,124
1,288	Euramax Holdings, Inc., Term Loan	10.000%	6/29/13	B	1,214,692
4,568	TFS Acquisition, Term Loan	10.000%	8/11/13	B	4,545,101
8,514	Total Building Products				8,300,450

Chemicals 3.1% (2.1% of Total Investments)

400	Celanese US Holdings LLC, Credit Linked Deposit	2.098%	4/02/14	BB+	384,000
541	Hercules Offshore, Inc., Term Loan	6.000%	7/11/13	B2	482,418
119	Hexion Specialty Chemicals, Inc., Term Loan C1	2.813%	5/05/13	Ba3	112,178
53	Hexion Specialty Chemicals, Inc., Term Loan C2	2.813%	5/05/13	Ba3	49,811
1,412	Hexion Specialty Chemicals, Inc., Term Loan C4	2.625%	5/05/13	Ba3	1,327,573
897	Ineos US Finance LLC, Tranche B2	7.500%	12/16/13	B	884,189
897	Ineos US Finance LLC, Tranche C2	8.000%	12/16/14	B	884,212
710	Styron Corporation, Term Loan	7.500%	6/17/16	B+	716,213
1,508	Univar, Inc., Term Loan	3.316%	10/10/14	B+	1,450,624
6,537	Total Chemicals				6,291,218

Commercial Services & Supplies 1.5% (1.0% of Total Investments)

134	ServiceMaster Company, Delayed Term Loan	2.820%	7/24/14	B+	123,748
1,347	ServiceMaster Company, Term Loan	2.879%	7/24/14	B+	1,242,639
995	Universal City Development Partners, Ltd., Term Loan	5.500%	11/06/14	Ba2	998,002
727	West Corporation, Term Loan B4	4.249%	7/15/16	BB	706,498
3,203	Total Commercial Services & Supplies				3,070,887

Communications Equipment 2.9% (2.0% of Total Investments)

5,449	Avaya, Inc., Term Loan	3.260%	10/24/14	B1	4,848,252
998	Telcordia Technologies, Inc., Term Loan	6.750%	4/30/16	B+	993,759
6,447	Total Communications Equipment				5,842,011

Containers & Packaging 0.0% (0.0% of Total Investments)

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34	Graham Packaging Company LP, Term Loan B	2.636%	10/07/11	B+	34,410
Diversified Consumer Services 1.3% (0.9% of Total Investments)					
2,935	Cengage Learning Acquisitions, Inc., Term Loan	3.030%	7/03/14	B+	2,604,123
Diversified Financial Services 1.7% (1.1% of Total Investments)					
550	CIT Group, Inc., Tranche A1, Term Loan	13.000%	1/18/12	BB	568,385
1,100	CIT Group, Inc., Tranche B1, Term Loan	13.000%	1/18/12	BB	1,135,009
1,736	Fox Acquisition Sub LLC, Term Loan B	7.500%	7/14/15	B	1,670,852
3,386	Total Diversified Financial Services				3,374,246

14 Nuveen Investments

Principal Amount (000)	Description (1)	Weighted Average		Ratings (3)	Value
		Coupon	Maturity (2)		
	Diversified Telecommunication Services	3.3%	(2.3% of Total Investments)		
\$ 1,995	Cincinnati Bell Inc., Tranche B, Term Loan	6.500%	11/18/14	BB	\$ 1,962,938
323	Intelsat, Tranche B2, Term Loan A	3.033%	1/03/14	BB	305,794
323	Intelsat, Tranche B2, Term Loan B	3.033%	1/03/14	BB	305,700
323	Intelsat, Tranche B2, Term Loan C	3.033%	1/03/14	BB	305,700
2,000	Intelsat, Unsecured Term Loan	3.026%	2/01/14	B+	1,800,000
2,267	Level 3 Financing, Inc., Term Loan	2.724%	3/13/14	B+	2,038,112
7,231	Total Diversified Telecommunication Services				6,718,244
	Electric Utilities	0.7%	(0.5% of Total Investments)		
451	Calpine Corporation, DIP Term Loan	3.415%	3/29/14	B+	428,752
556	Calpine Corporation, Delayed Draw, Term Loan, (5), (6)	0.500%	3/29/14	B+	(70,139)
445	TXU Corporation, Term Loan B2	3.975%	10/10/14	B+	346,686
950	TXU Corporation, Term Loan B3	3.846%	10/10/14	B+	736,933
2,402	Total Electric Utilities				1,442,232
	Electrical Equipment	1.7%	(1.2% of Total Investments)		
3,790	Allison Transmission Holdings, Inc., Term Loan	3.100%	8/07/14	B	3,548,331
	Food & Staples Retailing	1.9%	(1.3% of Total Investments)		
4,457	U.S. Foodservice, Inc., Term Loan	2.828%	7/03/14	B2	3,879,521
	Food Products	1.8%	(1.2% of Total Investments)		
1,949	BLB Management Services, Inc., Term Loan, WI/DD	TBD	TBD	N/R	1,409,729
1,700	Michael Foods Group, Inc., Term Loan B	6.250%	6/29/16	BB	1,706,588
492	Pinnacle Foods Finance LLC, Tranche C, Term Loan	7.500%	4/02/14	B	493,967
4,141	Total Food Products				3,610,284
	Health Care Equipment & Supplies	1.2%	(0.8% of Total Investments)		

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239	Fenwal, Inc., Delayed Term Loan	2.788%	2/28/14	B	207,069
759	Fenwal, Inc., Term Loan	2.788%	2/28/14	B	657,379
899	Symbion, Inc., Term Loan A	3.566%	8/23/13	B1	814,266
929	Symbion, Inc., Term Loan B	3.566%	8/25/14	B1	841,453
2,826	Total Health Care Equipment & Supplies				2,520,167
Health Care Providers & Services 12.1% (8.3% of Total Investments)					
1,496	Ardent Medical Services, Inc., Term Loan	6.500%	9/15/15	B1	1,459,779
170	Community Health Systems, Inc., Delayed Term Loan	2.788%	7/25/14	BB	160,963
3,306	Community Health Systems, Inc., Term Loan	2.788%	7/25/14	BB	3,137,327
936	HCA, Inc., Tranche B2, Term Loan	3.783%	3/31/17	BB	912,517
215	IASIS Healthcare LLC, Delayed Term Loan	2.316%	3/14/14	Ba2	203,239
58	IASIS Healthcare LLC, Letter of Credit	2.280%	3/14/14	Ba2	55,303
2,111	IASIS Healthcare LLC, PIK Term Loan	4.250%	6/16/14	CCC+	1,986,592
621	IASIS Healthcare LLC, Term Loan	2.316%	3/14/14	Ba2	587,226
3,810	LifeCare, Term Loan B	4.730%	8/10/12	B2	3,524,250
1,901	Rehabcare Group, Inc., Term Loan B	6.000%	11/24/15	BB	1,889,467
1,712	Select Medical Corporation, Term Loan, WI/DD	TBD	TBD	Ba2	1,668,254
396	Skilled Healthcare Group, Inc., Delayed Term Loan	5.250%	4/09/16	B1	364,833
4,346	Skilled Healthcare Group, Inc., Term Loan, DD1	5.250%	4/09/16	B1	4,002,218
3,000	Universal Health Services Term Loan, WI/DD	TBD	TBD	BB+	2,982,499
1,574	Vanguard Health Holding Company II LLC, Initial Term Loan	5.000%	1/29/16	Ba2	1,561,055
25,652	Total Health Care Providers & Services				24,495,522
Hotels, Restaurants & Leisure 13.1% (9.0% of Total Investments)					
2,000	24 Hour Fitness Worldwide, Inc., Term Loan	6.750%	4/22/16	Ba2	1,866,500
3,368	CCM Merger, Inc., Term Loan B	8.500%	7/13/12	BB	3,327,946
1,470	Cedar Fair LP, Term Loan, WI/DD	TBD	TBD	Ba2	1,476,234
1,000	Harrah's Operating Company, Inc., Term Loan B1	3.498%	1/28/15	B	858,264
2,000	Harrah's Operating Company, Inc., Term Loan B2	3.498%	1/28/15	B	1,722,126

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997	Harrah s Operating Company, Inc., Term Loan B3	3.498%	1/28/15	B	852,256
390	Isle of Capri Casinos, Inc., Delayed Term Loan A	5.000%	11/25/13	B+	369,247
506	Isle of Capri Casinos, Inc., Delayed Term Loan B	5.000%	11/25/13	B+	479,114
1,264	Isle of Capri Casinos, Inc., Delayed Term Loan	5.000%	11/25/13	B+	1,197,785
2,361	Orbitz Worldwide, Inc., Term Loan	3.417%	7/25/14	B+	2,219,713
188	OSI Restaurant Partners LLC, Revolver	1.432%	6/14/13	B+	163,405
1,673	OSI Restaurant Partners LLC, Term Loan	2.875%	6/14/14	B+	1,456,606
1,000	QCE LLC, Term Loan	6.066%	11/05/13	N/R	677,500
994	Reynolds Group Holdings, Inc., US Term Loan	6.250%	11/05/15	BB	993,005
993	SW Acquisitions Co., Inc., Term Loan	5.750%	6/01/16	BB+	994,833

Nuveen Investments 15

NSL Nuveen Senior Income Fund (continued)
Portfolio of Investments July 31, 2010

Principal Amount (000)	Description (1)	Weighted Average		Ratings (3)	Value
		Coupon	Maturity (2)		
Hotels, Restaurants & Leisure (continued)					
\$ 970	Travelport LLC, Delayed Term Loan	2.816%	8/23/13	Ba3	\$ 914,495
268	Travelport LLC, Letter of Credit	3.033%	8/23/13	Ba3	253,028
1,334	Travelport LLC, Term Loan	2.816%	8/23/13	Ba3	1,261,038
1,119	Venetian Casino Resort LLC, Delayed Term Loan, DD1	2.070%	5/23/14	B	1,041,281
4,761	Venetian Casino Resort LLC, Term Loan, DD1	2.070%	5/23/14	B	4,431,111
28,656	Total Hotels, Restaurants & Leisure				26,555,487
Household Products 1.8% (1.2% of Total Investments)					
3,509	Spectrum Brands, Inc., Term Loan	8.000%	6/16/16	B	3,551,057
Insurance 1.3% (0.9% of Total Investments)					
1,165	Conseco, Inc., Term Loan	7.500%	10/10/13	B2	1,141,731
1,563	Fidelity National Information Services, Inc., Term Loan B	5.250%	7/18/16	Ba2	1,573,405
2,728	Total Insurance				2,715,136
Internet Software & Services 1.6% (1.1% of Total Investments)					
1,459	Open Solutions, Inc., Term Loan B	2.625%	1/23/14	BB	1,262,557
2,000	SkillSoft PLC Term Loan	6.500%	5/30/17	BB	2,007,500
3,459	Total Internet Software & Services				3,270,057
IT Services 4.6% (3.2% of Total Investments)					
953	First Data Corporation, Term Loan B1	3.078%	9/24/14	B+	831,563
2,473	First Data Corporation, Term Loan B2	3.078%	9/24/14	B+	2,155,624
127	Infor Global Solutions Intermediate Holdings, Ltd., Delayed Term Loan,	6.030%	7/28/15	B+	118,556

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	First Lien				
2,090	Infor Global Solutions Intermediate Holdings, Ltd., Delayed Term Loan, Second Lien, DD1	6.566%	3/02/14	CCC+	1,546,600
545	Infor Global Solutions Intermediate Holdings, Ltd., Extended Delayed Term Loan	6.070%	7/28/15	B+	508,380
1,008	Infor Global Solutions Intermediate Holdings, Ltd., Holdco PIK Term Loan, WI/DD	TBD	TBD	N/R	414,822
270	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan, First Lien	4.070%	7/28/12	B+	251,521
3,610	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan, Second Lien, DD1	6.566%	3/02/14	CCC+	2,647,332
1,038	Infor Global Solutions Intermediate Holdings, Ltd., Term Loan	6.070%	7/28/15	B+	962,672
12,114	Total IT Services				9,437,070
Leisure Equipment & Products 2.6% (1.8% of Total Investments)					
3,244	Bombardier Recreational Products, Inc., Term Loan	3.193%	6/28/13	Caa1	2,813,754
1,260	Herbst Gaming, Inc., Delayed Term Loan, (7), (8)	10.500%	12/02/11	N/R	775,061
2,613	Herbst Gaming, Inc., Term Loan, (7), (8)	10.500%	12/02/11	N/R	1,607,050
7,117	Total Leisure Equipment & Products				5,195,865
Media 13.6% (9.4% of Total Investments)					
64	American Media Operations, Inc., Term Loan	5.500%	1/30/13	B3	61,185
1,656	Carmike Cinemas, Inc., Term Loan	5.500%	1/27/16	B1	1,655,840
1,000	Charter Communications Operating Holdings LLC, Holdco Term Loan	3.038%	3/06/14	BB+	917,750
4,380	Charter Communications Operating Holdings LLC, Term Loan C	3.790%	9/06/16	BB+	4,186,832
540	Charter Communications Operating Holdings LLC, Term Loan	2.320%	3/06/14	BB+	513,140
1,465	Citadel Broadcasting Corporation, Term Loan, (9)	11.000%	6/03/15	BB+	1,538,046
1,539	Gray Television, Inc., Term Loan B	3.850%	12/31/14	B	1,449,297
2,400	Interactive Data Corporation, Term Loan, WI/DD	TBD	TBD	Ba3	2,398,999
3,860	Metro-Goldwyn-Mayer Studios, Inc., Term Loan B, (7), (8), (9)	18.250%	4/09/12	N/R	1,692,564
1,210	Nielsen Finance LLC, Term Loan B	4.095%	5/02/16	Ba3	1,172,801
1,000		TBD	TBD	Caa2	847,500

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	Emmis Operating Company, Tranche B, Term Loan, WI/DD				
1,888	Philadelphia Newspapers, Term Loan, (7), (8)	6.500%	6/29/13	N/R	580,623
2,974	Spanish Broadcasting System, Inc., Term Loan B	2.290%	6/11/12	B	2,681,428
1,082	SuperMedia, Term Loan	8.000%	12/31/15	B	915,428
2,410	Tribune Company, Term Loan B, (7), (8), DD1	3.000%	6/04/14	Ca	1,548,409
4,968	Univision Communications, Inc., Term Loan	2.566%	9/29/14	B2	4,350,847
2,000	Yell Group PLC, Term Loan	4.066%	7/31/14	N/R	1,210,000
34,436	Total Media				27,720,689
	Metals & Mining 1.0% (0.7% of Total Investments)				
2,135	John Maneely Company, Term Loan	3.775%	12/09/13	B	2,031,112
	Multiline Retail 1.6% (1.1% of Total Investments)				
3,508	Neiman Marcus Group, Inc., Term Loan, DD1	2.473%	4/06/13	BB	3,315,654
	Oil, Gas & Consumable Fuels 3.6% (2.5% of Total Investments)				
167	Alon USA Energy, Inc., Edgington Facility	2.566%	8/05/13	BB	131,227
1,337	Alon USA Energy, Inc., Paramount Facility	2.669%	8/05/13	BB	1,049,738
1,000	Big West Oil LLC, New Term Loan	12.000%	7/23/15	B+	1,008,333

Principal Amount (000)	Description (1)	Weighted Average		Maturity (2)	Ratings (3)	Value
		Coupon				
Oil, Gas & Consumable Fuels (continued)						
\$ 295	Calumet Lubricants Company LP, Credit Linked Deposit	4.383%		1/03/15	B1	\$ 273,235
2,176	Calumet Lubricants Company LP, Term Loan	4.436%		1/03/15	B1	2,018,166
750	DynCorp International, Inc., Term Loan	6.250%		7/07/16	Ba1	754,125
2,369	Venoco, Inc., Term Loan	4.375%		5/07/14	BB	2,147,240
8,094	Total Oil, Gas & Consumable Fuels					7,382,064
Paper & Forest Products 3.0% (2.1% of Total Investments)						
3,000	Newark Group, Inc., DIP Term Loan, WI/DD	TBD		TBD	N/R	3,030,000
3,830	Wilton Products, Term Loan	3.760%		8/01/14	B+	3,121,648
6,830	Total Paper & Forest Products					6,151,648
Personal Products 1.0% (0.7% of Total Investments)						
1,995	Revlon Consumer Products Corporation, Term Loan	6.000%		3/11/15	Ba3	1,961,334
Pharmaceuticals 2.1% (1.5% of Total Investments)						
2,000	Graceway Pharmaceuticals LLC, Second Lien Term Loan, (11)	6.816%		5/03/13	CCC	796,666
2,182	Graceway Pharmaceuticals LLC, Term Loan	3.066%		5/03/12	B	1,831,711
236	Warner Chilcott Corporation, Add on Term Loan	5.750%		4/30/15	BB+	236,412
644	Warner Chilcott Corporation, Term Loan A	5.500%		10/30/14	BB+	644,309
303	Warner Chilcott Corporation, Term Loan B1	5.750%		4/30/15	BB+	303,718
505	Warner Chilcott Corporation, Term Loan B2	5.750%		4/30/15	BB+	505,745
5,870	Total Pharmaceuticals					4,318,561
Professional Services 1.3% (0.9% of Total Investments)						

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1,833	US Invsetigations Services Inc., Term Loan B, WI/DD	TBD	TBD	B+	1,833,333
978	Vertrue Inc., Term Loan	3.540%	8/16/14	Ba3	849,953
2,811	Total Professional Services				2,683,286
Real Estate Management & Development 3.3% (2.2% of Total Investments)					
3,502	Capital Automotive LP, Tranche C	2.850%	12/14/12	Ba3	3,269,688
1,729	LNR Property Corporation, Term Loan B	7.750%	7/12/11	CCC	1,652,720
1,916	Realogy Corporation, Delayed Term Loan	3.380%	10/10/13	Caa1	1,683,359
7,147	Total Real Estate Management & Development				6,605,767
Road & Rail 2.9% (2.0% of Total Investments)					
392	Avis Budget Car Rental LLC, Term Loan	5.750%	4/19/14	Ba2	390,000
5,716	Swift Transportation Company, Inc., Term Loan	8.250%	5/12/14	B	5,578,436
6,108	Total Road & Rail				5,968,436
Semiconductors & Equipment 1.5% (1.0% of Total Investments)					
1,200	Freescale Semiconductor, Inc., Term Loan	4.596%	12/01/16	B2	1,105,934
1,995	Spansion LLC, Term Loan	5.500%	2/09/15	BB	1,984,403