Nuveen Multi-Strategy Income & Growth Fund 2
Form N-CSRS
September 07, 2011

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 811-21333

Nuveen Multi-Strategy Income and Growth Fund 2
(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: December 31

Date of reporting period: June 30, 2011

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, Date: 27-AUG-2009 inspection, and policymaking roles.

ITEM 1. REPORTS TO STOCKHOLDERS.

Closed-End Funds

Nuveen Investments

Closed-End Funds

Seeks Attractive Distributions from a Portfolio of Preferred and Convertible Securities, Domestic and Foreign Equities, and Debt Instruments

Semi-Annual Report

June 30, 2011

Nuveen Multi-Strategy Income and Growth Fund

JPC

Nuveen Multi-Strategy Income and Growth Fund 2

JQC

If you receive your Nuveen Fund dividends and statements from your financial advisor or brokerage account.

OR

www.nuveen.com/accountaccess

If you receive your Nuveen Fund dividends and statements directly from Nuveen.

Table of Contents

Chairman's
Letter to Shareholders

Dear Shareholders,

The global economy continues to be weighed down by an unusual combination of pressures facing the larger developed economies. Japanese leaders continue to work through the economic aftereffects of the March 2011 earthquake and tsunami. Political leaders in Europe and the U.S. have resolved some of the near term fiscal problems, but the financial markets are not convinced that these leaders are able to address more complex longer term fiscal issues. Despite improved earnings and capital increases, the largest banks in these countries continue to be vulnerable to deteriorating mortgage portfolios and sovereign credit exposure, adding another source of uncertainty to the global financial system.

In the U.S., recent economic statistics indicate that the economic recovery may be losing momentum. Consumption, which represents about 70% of the gross domestic product, faces an array of challenges from seemingly intractable declines in housing values, increased energy costs and limited growth in the job market. The failure of Congress and the administration to agree on the debt ceiling increase on a timely basis and the deep divisions between the political parties over fashioning a balanced program to address growing fiscal imbalances that led to the recent S&P ratings downgrade add considerable uncertainty to the domestic economic picture.

On a more positive note, corporate earnings continue to hold up well and the municipal bond market is recovering from recent weakness as states and municipalities implement various programs to reduce their budgetary deficits. In addition, the Federal Reserve System has made it clear that it stands ready to take additional steps should the economic recovery falter. However, there are concerns that the Fed is approaching the limits of its resources to intervene in the economy.

These perplexing times highlight the importance of professional investment management. Your Nuveen investment team is working hard to develop an appropriate response to increased risk, and they continue to seek opportunities created by stressful markets using proven investment disciplines to designed to help your Fund achieve its investment objectives. On your behalf, we monitor their activities to assure that they 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
August 23, 2011

Portfolio Managers' Comments

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

Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated NR are not rated by a national rating agency.

Nuveen Multi-Strategy Income and Growth Fund (JPC)
Nuveen Multi-Strategy Income and Growth Fund 2 (JQC)

These Funds are advised by Nuveen Fund Advisors, Inc., which determines and oversees the Funds' asset allocations. Nuveen Fund Advisors uses a team of sub-advisers with specialties in different asset classes to manage the Funds' portfolios. These sub-advisers include Spectrum Asset Management, Inc., Symphony Asset Management, LLC, and Tradewinds Global Investors, LLC. Symphony and Tradewinds are affiliates of Nuveen Investments.

Spectrum, a wholly-owned subsidiary of Principal Global Investors, LLC, manages the preferred securities positions within the income-oriented portion of each Fund's portfolio. Mark Lieb and Phil Jacoby, who have more than 50 years of combined experience in the preferred securities and other debt markets, lead the team at Spectrum.

Symphony has primary responsibility for investments in convertible, high yield and senior loan securities, and for domestic and international equity investments. The team at Symphony managing the convertible, high yield and senior loan portions of each portfolio is led by Gunther Stein, the firm's Chief Investment Officer, who has more than 20 years of investment management experience. The Symphony team responsible for managing domestic and international equity investments is led by Ross Sakamoto, who has more than 20 years of investment management experience.

Tradewinds invests its portion of each Fund's assets in global equities and manages each Fund's options strategy. The Tradewinds team is led by Dave Iben, who is Chief Investment Officer of that firm and has more than 25 years of investment management experience.

Here representatives from Spectrum, Symphony and Tradewinds talk about their management strategies and the performance of both Funds for the six-month period ended June 30, 2011

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

Within the preferred securities portion of both Funds' portfolios, our basic strategy is to stay relatively balanced between the retail investor-oriented $25 par sector and the institutional investor-oriented $1000 par capital securities sector. This was because of unique short-term capital performance differences and broad diversification benefits of the combined universe, which together, help to augment total risk-adjusted rates of return.

Our risk-averse posture toward security structure and portfolio structure are important core aspects of our strategy, which over the long-term seeks to preserve capital and income distributions. We also maintain an approximate 60% weight to U.S. names and a 40% weight to foreign names, which keep the Funds in a neutral position relative to the benchmark.

In the senior loan and other debt portion of each Fund's portfolio, risk assets traded positively as the Federal Reserve's quantitative easing initiative was underway, optimism about stability (and growth) increased, and sovereign concerns stayed on the back burner until mid-May, when volatility began to increase as macro concerns about Europe (and later the U.S.) drove markets lower.

Nonetheless, the corporate credit market remained positive during the first half of the year, despite a selloff late in the period with convertibles, high yield bonds and senior loans all showing positive returns for the six months. Overall, consensus opinion in the loan and high yield market centered on optimism regarding a low default environment, with the default rate for the U.S. market decreasing 20 basis points to 1.05% for the twelve-month period ended June 2011. While the average recovery rate has dropped, such a low default rate makes the average recovery rate less meaningful particularly for higher quality portfolios within the non-investment grade space. Within convertibles, sentiment was more mixed as the equity markets continue to trade volatility with little conviction to the upside.

In the core domestic and international equity portions of both Funds' portfolios that are managed by Symphony, we used both quantitative and qualitative methods to evaluate opportunities. The quantitative screening process served as the starting point for decision-making, with the qualitative process then providing a systematic way of researching companies from a broad perspective, as fundamental analysts actively sought catalysts that we believed would drive upside price movements. Symphony uses a "bottom-up" approach to stock picking, seeking to maximize return per unit of risk while obeying limits on position size, industry weights, beta, and other portfolio constraints. Quantitative tools provide the risk diagnostic measurements which guide these limits and keep forecasted risk within acceptable tolerances. The overall result is an investment process which is disciplined, repeatable, and we think blends the most effective elements of both quantitative and qualitative investing.

For the global equity portion of the Funds' portfolios managed by Tradewinds, our basic investment philosophy continued to focus on buying good or improving business franchises around the globe whose securities were selling below their intrinsic value, maintaining a disciplined, opportunistic investing approach in this unique environment. We found that the best value opportunities in the securities of those businesses were the most leveraged to the growth of the global economy.

In the first half of 2011, Tradewinds continued to like materials, food, agriculture and energy stocks which benefit from increased global demand. Within the equity asset class, both the long and short equity exposure remained generally unchanged, as measured at the beginning and end of the six-month period, while the convertible bond position decreased by the end of the period. We continued to write covered call options on individual stocks in an effort to enhance returns, although this did cause the Funds potentially to forego some upside opportunities. We also held put options on one stock to benefit in the event its price declines.

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 Performance Overview for your Fund in this report.

* Six-month returns are cumulative; all other returns are annualized.

1. Comparative benchmark performance is a blended return consisting of: 1) 27.5% of the Merrill Lynch Preferred Stock Hybrid Securities Index, an unmanaged index of investment-grade, exchange traded preferred issues with outstanding market values of at least $100 million and at least one year to maturity. 2) 22.5% of the Barclays Capital Tier 1 Capital Securities Index, an unmanaged index that includes securities that can generally be viewed as hybrid fixed-income securities that either receive regulatory capital treatment or a degree of "equity credit" from a rating agency. 3) 10.0% of the Russell 3000 Index. The Russell 3000 Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. 4) 10.0% of the MSCI EAFE Index. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. 5) 10.0% of the MSCI All Country World Index. The MSCI ACWI is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. 6) 6.7% of the Merrill Lynch All U.S. Convertibles Index consisting of approximately 595 securities with par value greater than $50 million that were issued by U.S. companies or non-U.S. based issuers that have a significant business presence in the U.S. 7) 6.7% of the CSFB High Yield Index, which includes approximately $515 billion of $U.S.-denominated high yield debt with a minimum of $75 million in par value and at least one rating below investment-grade. 8) 6.6% of the CSFB Leverage Loan Index, which includes approximately $611 billion of $U.S.-denominated Leveraged Loans at least one rating below investment-grade. Benchmark returns do not include the effects of any sales charges or management fees. It is not possible to invest directly in this benchmark.

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.

How did the Funds perform over the reporting period?

The performance of JPC and JQC, as well as a comparative benchmark and a general fixed income market index, is presented in the accompanying table.

Average Annual Total Return on Common Share Net Asset Value*

For periods ended 6/30/11

	6-Month	**1-Year**	**5-Year**
JPC	5.31%	25.87%	2.12%
JQC	5.54%	25.50%	2.93%
Comparative Benchmark[1]	4.79%	19.78%	4.57%
	2.72%	3.90%	6.52%

Barclays Capital U.S. Aggregate Bond Index[2]

For the six-month period ended June 30, 2011, the total return on net asset value for both Funds outperformed the comparative benchmark and the general market index.

Among the largest positive contributors in the preferred securities portion of both Funds over the period were Deutsche Bank, Aegon, ING, XL Capital and Centaur Funding. We also bought call protection and traded out of premium paper in favor of discount paper to provide more opportunity for capital upside. We reduced the European banking concentration the first two weeks of May by reducing French banking by 50% and Spanish banking by 25% ahead of the sovereign debt turmoil that played out into mid-June.

We increased concentration in Australian P&C insurance by 50%, which helped to preserve capital amidst declines in the European banking sector. We ended the period overweight in capital securities by 7% relative to the custom benchmark in order to more fully benefit from the technical value inherent in certain hybrid securities this is in keeping with the trends underway in the hybrid preferred securities market that are reducing overall sector volatility.

The market had two shocks to contend with during the period: 1) The reinsurance industry had catastrophe loss payments to satisfy claims from the tsunami damage in Japan, and 2) the protracted European sovereign debt concerns revalued financial risk in foreign bank names within the region, as well in some of foreign insurance issues. Both events constrained performance for the reporting period. Specifically, the main performance detractors for the Funds were Daiachi Life, AXA Insurance, Lloyd's Capital and Credit Suisse.

The senior loan and high yield sleeves of both Funds benefited from several positions that performed well. Specifically, Burlington Coat Factory continued to show positive earnings and free cash-flow momentum and an ability to translate that into debt paydowns. Other positions that performed well were Western Refining bonds, as well as Infor Global Solutions.

The Funds' exposure to senior loans was a drag on performance as the senior loan asset class had a lower average coupon than its high yield counterparts in a largely flat secondary market trading environment. We continued to believe that senior loans offered better risk-adjusted return potential, particularly as we believe that volatility and uncertainty in the current economic environment will be high.

In the core domestic equities portion of each Fund managed by Symphony, a top performer for the period included Watson Pharmaceuticals, a generic drug manufacturer. The company is seeing steady growth and margin improvements as the generic drug pipeline remains attractive and Watson's push into overseas markets is seeing positive results. Also positively contributing was Humana, a U.S. focused managed health care company. The company raised its full year outlook, noting a better than expected medical loss ratio and rising revenues due in part to the Medicare Advantage membership program.

Tesoro also positively contributed to the Fund's overall return. The company is engaged in the refining and retail marketing of refined petroleum products. The company operates seven refineries, including the largest refineries in Hawaii and Utah and the second-largest in northern California. Improving prices, a restructuring plan that was received favorably, and an attractive valuation relative to its peers led Tesoro shares to perform strongly during the period.

Several positions detracted from performance, including Freeport McMoran, a copper, gold and molybdenum mining company. After a strong run, shares underperformed the broader market during the period. Chinese demand for copper and other commodities has been a key driver of metals prices in recent years. As China took steps to temper its high economic growth by raising interest rates, investors took profits in Freeport's shares.

Arch Coal is a coal mining corporation. Shares underperformed on the back of a tepid response to the company's intention to acquire International Coal Group. Investors turned to other opportunities in the space as concerns regarding the implied purchase price, greater financial leverage, and operating/integration risks pressured the shares.

In the global equity sleeve of the Funds managed by Tradewinds, the Fund's long equity holdings in the health care sector were the most significant contributor to positive performance in the period. Aetna Incorporated, which provides managed health care benefits through group, individual, Medicare and Medicaid programs, was the top performer in absolute terms due to, in our view, more benign prospects for health care reform, and shares performed well after the company beat first quarter 2011 earnings estimates. The industrials sector also contributed positively, notably due to the performance of the equities of French defense electronics company Thales S.A. and U.S. defense contactor Lockheed Martin Corporation.

In the international equity portion of the portfolio managed by Symphony, the Funds benefited from stock selection in the U.K. and Portugal as well as our non-benchmark positions in Canada. Our top three performers were Jeronimo Martins, ABB Limited, and Fresenius Medical Care. In the U.K., Burberry, Next, and Aggreko were among the top relative return contributors to the portfolios. Our stock selection in the Industrials and Consumer Staples sectors also added to performance, but our overweight in Information Technology hurt performance during the first half of 2011. Since the MSCI Germany USD Index outperformed the benchmark MSCI EAFE Index by 8.5%, our underweight position in Germany was a drag on relative performance. Our overweight positions in Nidec and Nippon Electric Glass also adversely affected performance. Overall, our emphasis on selecting companies with good growth characteristics and sound fundamentals performed well in this period.

Tradewinds' worst performer for the period was our long equity position in Canadian-based Cameco Corporation, the world's largest uranium producer. Its share price was severely impacted by troubling news regarding the stricken Fukushima Daiichi nuclear plant in Japan. Nuclear power still meets important global energy requirements, and we took advantage of the price correction to add to the Funds' holdings of high quality nuclear energy-related companies. Another equity position that significantly negatively affected absolute performance was Finnish mobile communication company Nokia Corporation.

Other significant underperformers included long equity positions in Canadian-based gold producer Barrick Gold Corporation and South African-based gold miner Gold Fields Limited. During the period, precious metals companies mostly underperformed the spot prices of the metals they produce. While the environment for these stocks is currently gloomy, we think it's important to weigh the somewhat countervailing aspects of world-class mining firms priced at what we believe to be bargain levels. Tradewinds has a bias to precious metals companies with low costs and high quality metal reserves. In our view, it's very likely that increasing demand will be set against dwindling supply as mining becomes more costly and difficult, and in such a situation, companies with superior assets and a low cost of production stand to outpace their peers. The materials sector holdings continued to be significantly overweight versus the benchmark and proved to be a significant detractor from performance this period.

Our covered call writing strategy also detracted from the Fund's absolute performance, even though the Funds' short equity holdings represented a limited percentage of overall assets. The short equity positions are concentrated in several companies that we characterize as members of the "contemporary nifty fifty" high momentum growth companies that we believe are overvalued. The Fund's greatest detractor from performance was specialty coffee and coffee maker Green Mountain Coffee Roasters Incorporated. However, as "value" investors, we remain patient.

During the period, each Fund also entered into interest rate swaps to partially fix the interest cost of leverage, which each Fund uses through the use of bank borrowings. This portion of the Funds is overseen by Nuveen Fund Advisors, Inc., also an affiliate of Nuveen Investments.

IMPACT OF THE FUNDS' LEVERAGE STRATEGY ON PERFORMANCE

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

RECENT DEVELOPMENTS REGARDING THE FUND'S REDEMPTION OF AUCTION RATE PREFERRED SHARES

Shortly after its inception, the Funds issued auction rate preferred shares (ARPS) to create structural leverage. As noted in past shareholder reports, the weekly auctions for those ARPS shares began in February 2008 to consistently fail, causing the Fund to pay the so called "maximum rate" to ARPS shareholders under the terms of the ARPS in the Fund's charter documents. The Fund redeemed its ARPS at par in 2009 and since then has relied upon bank borrowings to create structural leverage.

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

Subsequently, 33 of the funds that received demand letters (including these Funds) were named in a consolidated complaint as nominal defendants in a putative shareholder derivative action captioned *Martin Safier, et al. v. Nuveen Asset Management, et al.* that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the "Cook County Chancery Court") on February 18, 2011 (the "Complaint"). The Complaint, filed on behalf of purported holders of each fund's common shares, also name Nuveen Fund Advisors, Inc. as a defendant, together with current and former Officers and interested Directors/Trustees of each of the funds (together with the nominal defendants, collectively, the "Defendants"). The Complaint contains the same basic allegations contained in the demand letters. The suits seek a declaration that the Defendants have breached their fiduciary duties, an order directing the Defendants not to redeem any ARPS at their liquidation value using fund assets, indeterminate monetary damages in favor of the funds and an award of plaintiffs' costs and disbursements in pursuing the action. The funds and other Defendants have filed a motion to dismiss the suit, which is still pending before the court. Nuveen Fund Advisors, Inc. believes that the Complaint is without merit, and is defending vigorously against these charges.

Regulatory Matters

During May 2011, Nuveen Securities, LLC, known as Nuveen Investments, LLC, prior to April 30, 2011, entered into a settlement with the Financial Industry Regulatory Authority (FINRA) with respect to certain allegations regarding Nuveen-sponsored closed-end fund ARPS marketing brochures. As part of this settlement, Nuveen Securities, LLC neither admitted to nor denied FINRA's allegations. Nuveen Securities, LLC is the broker-dealer subsidiary of Nuveen Investments.

The settlement with FINRA concludes an investigation that followed the widespread failure of auctions for ARPS and other auction rate securities, which generally began in mid-February 2008. In the settlement, FINRA alleged that certain marketing materials provided by Nuveen Securities, LLC were false and misleading. Nuveen Securities, LLC agreed to a censure and the payment of a $3 million fine.

FUND REPOSITIONINGS

Subsequent to the end of the reporting period, the Board of Trustees of each of JPC and JQC approved repositioning each Fund's current portfolio.

JPC

For JPC, the Board adopted a single-strategy, preferred securities approach. JPC's investment objective of high current income with a secondary objective of total return will remain unchanged. The Board also approved changing the Fund's name to Nuveen Preferred Income Opportunities Fund once the repositioning is completed.

The goal of the proposed repositioning is to increase the attractiveness of the Fund's common shares and narrow the fund's trading discount by:

- Simplifying the Fund to focus on one of its current core portfolio strategies;

- Positioning the Fund in a closed-end fund category that is well understood and has historically seen more consistent secondary market demand; and

- Differentiating the Fund from similar funds, including other Nuveen closed-end funds in the same fund category.

In connection with the repositioning and subject to shareholder approval, Nuveen Asset Management, LLC ("NAM") and NWQ Investment Management Company, LLC ("NWQ"), affiliates of Nuveen Investments, would assume portfolio management responsibilities from JPC's existing sub-advisers and each would manage approximately half of JPC's investment portfolio. The Fund will hold a special shareholder meeting later this year to seek approval of sub-advisory agreements with NAM and NWQ.

Upon completion of its proposed repositioning, the Fund also will discontinue its managed distribution policy (in which distributions may be sourced not just from income but also from realized capital gains and, if necessary, from capital), and shift from quarterly to monthly distributions. The repositioning is not expected to initially affect the level of the Fund's annualized distribution per share.

A Proxy Statement relating to the proposed repositioning will be filed with the SEC in the coming weeks and will contain important information relating to the repositioning. Shareholders are urged to read the Proxy Statement carefully. After they are filed, free copies of the Proxy Statement will be available on the SEC's web site at www.sec.gov.

JQC

For JQC, the Board approved repositioning the Fund's current portfolio and adopting a single-strategy, debt-oriented approach. JQC's investment objective of high current income with a secondary objective of total return will remain unchanged. The Board also approved changing the Fund's name to Nuveen Credit Strategies Income Fund once the repositioning is completed.

The goal of each proposed repositioning is to increase the attractiveness of the Fund's common shares and narrow the Fund's trading discount by:

- Simplifying the Fund to focus on one of its current core portfolio strategies;

- Positioning the Fund in a closed-end fund category that is well understood and has historically seen more consistent secondary market demand; and

- Differentiating the Fund from similar funds, including other Nuveen closed-end funds in the same fund category.

In connection with the proposed repositioning, Symphony Asset Management, LLC, an existing JQC sub-adviser and affiliate of Nuveen Investments, will assume sole responsibility for managing JQC's investment portfolio. The Fund will hold a special shareholder meeting later this year to seek approval of removing the Fund's existing fundamental policy of concentrating portfolio investments in the financial services industry. This policy reflects JQC's current 50% target allocation to preferred securities, which are predominantly issued by companies in the financial services industry.

Upon completion of its proposed repositioning, the Fund also will discontinue its managed distribution policy (in which distributions may be sourced not just from income but also from realized capital gains and, if necessary, from capital), and shift from quarterly to monthly distributions. The repositioning is not expected to initially affect the level of the Fund's annualized distribution per share.

A Proxy Statement relating to the proposed repositioning will be filed with the SEC in the coming weeks and will contain important information relating to the repositioning. Shareholders are urged to read the Proxy Statement carefully. After they are filed, free copies of the Proxy Statement will be available on the SEC's web site at www.sec.gov.

RISK CONSIDERATIONS

Fund shares are not guaranteed or endorsed by any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation. Past performance is no guarantee of future results. Fund common shares are subject to a variety of risks, including:

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

Price Risk. Shares of closed-end investment companies like the Funds frequently trade at a discount to their net asset value. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

Leverage Risk. The Funds' use of leverage creates the possibility of higher volatility for each Fund's per share NAV, market price, distributions and returns. There is no assurance that a Fund's leveraging strategy will be successful.

Tax Risk. The tax treatment of Fund distributions may be affected by new IRS interpretations of the Internal Revenue Code and future changes in tax laws and regulations. This is particularly true for funds employing a managed distribution program.

Common Stock Risk. Common stock returns often have experienced significant volatility.

Issuer Credit Risk. This is the risk that a security in a Fund's portfolio will fail to make dividend or interest payments when due.

Non-U.S. Securities Risk. Investments in non-U.S securities involve special risks not typically associated with domestic investments including currency risk and adverse political, social and economic development. These risks often are magnified in emerging markets.

Interest Rate Risk. Fixed-income securities such as bonds, preferred, convertible and other debt securities will decline in value if market interest rates rise.

Reinvestment Risk. If market interest rates decline, income earned from each Fund's portfolio may be reinvested at rates below that of the original bond that generated the income.

Preferred Stock Risk. Preferred stocks are subordinated to bonds and other debt instruments in a company's capital structure, and therefore are subject to greater credit risk.

Convertible Securities Risk. Convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar credit quality.

Currency Risk. Changes in exchange rates will affect the value of each Fund's investments.

Common Share Distribution
and Share Price Information

The following information regarding your Fund's distributions is current as of June 30, 2011, and likely will vary over time based on the Fund's investment activities and portfolio investment value changes.

During the six-month reporting period, the Funds' quarterly distribution to common shareholders increased in March and June. Some of the important factors affecting the amount and composition of these distributions are summarized below.

The Funds employ financial leverage through the use of bank borrowings. Financial leverage provides the potential for higher earnings (net investment income), total returns and distributions over time, but as noted earlier also increases the variability of common shareholders' net asset value per share in response to changing market conditions.

Each Fund has a managed distribution program. The goal of this program is to provide common shareholders with relatively consistent and predictable cash flow by systematically converting the Fund's expected long-term return potential into regular distributions. As a result, regular common share distributions throughout the year are likely to include a portion of expected long-term gains (both realized and unrealized), along with net investment income.

Important points to understand about the managed distribution program are:

- Each Fund seeks to establish a relatively stable common share distribution rate that roughly corresponds to the projected total return from its investment strategy over an extended period of time. However, you should not draw any conclusions about a Fund's past or future investment performance from its current distribution rate.

- Actual common share returns will differ from projected long-term returns (and therefore a Fund's distribution rate), at least over shorter time periods. Over a specific timeframe, the difference between actual returns and total distributions will be reflected in an increasing (returns exceed distributions) or a decreasing (distributions exceed returns) Fund net asset value.

- Each distribution is expected to be paid from some or all of the following sources:

- net investment income (regular interest and dividends),

- realized capital gains, and

- unrealized gains, or, in certain cases, a return of principal (non-taxable distributions).

- A non-taxable distribution is a payment of a portion of a Fund's capital. When a Fund's returns exceed distributions, it may represent portfolio gains generated, but not realized as a taxable capital gain. In periods when a Fund's returns fall short of distributions, the shortfall will represent a portion of your original principal, unless the shortfall is offset during other time periods over the life of your investment (previous or subsequent) when a Fund's total return exceeds distributions.

• Because distribution source estimates are updated during the year based on a Fund's performance and forecast for its current fiscal year (which is the calendar year for each Fund), estimates on the nature of your distributions provided at the time distributions are paid may differ from both the tax information reported to you in your Fund's IRS Form 1099 statement provided at year end, as well as the ultimate economic sources of distributions over the life of your investment.

The following table provides estimated information regarding each Fund's common share distributions and total return performance for the six months ended June 30, 2011. This information is presented on a tax basis rather than on a generally accepted accounting principles (GAAP) basis. This information is intended to help you better understand whether the Fund's returns for the specified time period were sufficient to meet each Fund's distributions.

As of 6/30/11 (Common Shares)	JPC	JQC
Inception date	3/26/03	6/25/03
Six months ended June 30, 2011:		
Per share distribution:		
From net investment income	$ 0.27	$ 0.28
From realized capital gains	0.10	0.11
Return of capital	0.00	0.00
Total per share distribution	$ 0.37	$ 0.39
Annualized distribution rate on NAV	7.64%	7.64%
Average annual total returns:		
Six-month (cumulative) on NAV	5.31%	5.54%
1-Year on NAV	25.87%	25.50%
5-Year on NAV	2.12%	2.93%
Since inception on NAV	4.14%	4.26%

Common Share Repurchases and Share Price Information

As of June 30, 2011, and since the inception of the Funds' repurchase program, the Funds have cumulatively repurchased and retired shares of their common stock as shown in the accompanying table.

Fund	Common Shares Repurchased and Retired	% of Outstanding Common Shares
JPC	2,658,200	2.7%
JQC	4,129,654	3.0%

During the six-month reporting period, the Funds' common shares were repurchased and retired at a weighted average price and a weighted average discount per common share as shown in the accompanying table.

Fund	Common Shares Repurchased and Retired	Weighted Average Price Per Common Share Repurchased and Retired		Weighted Average Discount Per Common Share Repurchased and Retired
JPC	534,950	$	8.48	13.94%
JQC	710,259	$	8.93	14.01%

At June 30, 2011, the Funds' common share prices were trading at ( ) discounts to their common share NAVs as shown in the accompanying table.

Fund	6/30/11 ( ) Discount	Six-Month Average ( ) Discount
JPC	-9.83%	-12.86%
JQC	-11.26%	-13.50%

JPC

Performance

OVERVIEW

Nuveen Multi-Strategy Income and Growth Fund

as of June 30, 2011

Portfolio Allocation (as a % of total investments)[2,4]

2010-2011 Distributions Per Common Share

Common 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.

1 Current Distribution Rate 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 return of capital for tax purposes.

2 Excluding common stocks sold short and investments in derivatives.

3 Excluding short-term investments, common stocks sold short and investments in derivatives.

4 Holdings are subject to change.

5 Rounds to less than 0.1%.

6 As defined in Footnote 7 Management Fees and Other Transactions with Affiliates.

Fund Snapshot

Common Share Price	$ 8.81
Common Share Net Asset Value (NAV)	$ 9.77
Premium/(Discount) to NAV	-9.83%
Current Distribution Rate[1]	8.63%
Net Assets Applicable to Common Shares ($000)	$ 947,787

Leverage

(as a % of managed assets)[6]

Structural Leverage	22.74%
Effective Leverage	22.74%

Average Annual Total Return

(Inception 3/26/03)

	On Share Price	On NAV
6-Month (Cumulative)	10.06%	5.31%
1-Year	30.36%	25.87%
5-Year	3.46%	2.12%
Since Inception	3.33%	4.14%

Portfolio Composition

(as a % of total investments)[2,4]

Insurance	14.3%
Commercial Banks	11.1%
Real Estate	8.4%
Media	5.5%
Oil, Gas & Consumable Fuels	5.5%