

NUVEEN MICHIGAN QUALITY INCOME MUNICIPAL FUND INC
Form N-CSR
October 06, 2006

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 811-06383

Nuveen Michigan Quality Income Municipal Fund, Inc.

(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606

(Address of principal executive offices) (Zip code)

Jessica R. Droeger
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, 2006

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

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

ANNUAL REPORT July 31, 2006

Nuveen Investments
Municipal Exchange-Traded
Closed-End Funds

NUVEEN MICHIGAN
QUALITY INCOME
MUNICIPAL FUND, INC.
NUM

NUVEEN MICHIGAN
PREMIUM INCOME
MUNICIPAL FUND, INC.
NMP

NUVEEN MICHIGAN
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NZW

NUVEEN OHIO
QUALITY INCOME
MUNICIPAL FUND, INC.
NUO

NUVEEN OHIO
DIVIDEND ADVANTAGE
MUNICIPAL FUND
NXI

NUVEEN OHIO
DIVIDEND ADVANTAGE
MUNICIPAL FUND 2
NBJ

NUVEEN OHIO
DIVIDEND ADVANTAGE
MUNICIPAL FUND 3
NVJ

Photo of: Man, woman and child at the beach.

Photo of: A child.

DEPENDABLE,
TAX-FREE INCOME BECAUSE
IT'S NOT WHAT YOU EARN,
IT'S WHAT YOU KEEP. (R)

Logo: NUVEEN Investments

Photo of: Woman

Photo of: Woman

Photo of: Man and child

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if you get your Nuveen Fund dividends
and statements directly from Nuveen.

(Be sure to have the address sheet that accompanied this report handy. You'll need it to complete the enrollment process.)

Logo: NUVEEN Investments

Photo: Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

Chairman's
LETTER TO SHAREHOLDERS

Once again, I am pleased to report that over the twelve- month period covered by this report your Fund continued to provide you with attractive monthly tax-free income. For more details about the management strategy and performance of your Fund, please read the Portfolio Manager's Comments, the Dividend and Share Price Information, and the Performance Overview sections of this report.

For some time, I've used these letters to remind you that municipal bonds can be an important building block in a well balanced investment portfolio. In addition to providing attractive tax-free monthly income, a municipal bond investment like your Fund may help you achieve and benefit from greater portfolio diversification. Portfolio diversification is a recognized way to try to reduce

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some of the risk that comes with investing. For more information about this important investment strategy, I encourage you to contact your personal financial advisor.

"IN ADDITION TO PROVIDING ATTRACTIVE TAX-FREE MONTHLY INCOME, A MUNICIPAL BOND INVESTMENT LIKE YOUR FUND MAY HELP YOU ACHIEVE AND BENEFIT FROM GREATER PORTFOLIO DIVERSIFICATION."

We also are pleased to be able to offer you a choice concerning how you receive your shareholder reports and other Fund information. As an alternative to mailed copies, you can sign up to receive future Fund reports and other Fund information by e-mail and the Internet. The inside front cover of this report contains information on how you can sign up.

We are grateful that you have chosen us as a partner as you pursue your financial goals, and we look forward to continuing to earn your trust in the months and years ahead. At Nuveen Investments, our mission continues to be to assist you and your financial advisor by offering investment services and products that can help you to secure your financial objectives.

Sincerely,

/s/ Timothy R. Schwertfeger

Timothy R. Schwertfeger
Chairman of the Board

September 15, 2006

Nuveen Investments Michigan and Ohio Municipal Exchange-Traded
Closed-End Funds
(NUM, NMP, NZW, NUO, NXI, NBJ, NVJ)

Portfolio Manager's
COMMENTS

Portfolio manager Cathryn Steeves discusses economic and municipal market conditions at both the national and state levels, key investment strategies, and the annual performance of these seven Nuveen Funds. Cathryn, who joined Nuveen in 1996, has managed the Ohio Funds since 2004 and the Michigan Funds since 2005.

WHAT FACTORS AFFECTED THE U.S. ECONOMY AND MUNICIPAL MARKET DURING THE ANNUAL REPORTING PERIOD ENDED JULY 31, 2006?

During this reporting period, we saw an increase in interest rates (and a corresponding drop in bond prices) across virtually the entire yield curve, although during much of the period rates at the longer end of the curve generally remained more stable than short-term rates. Between August 1, 2005 and July 31, 2006, the Federal Reserve announced eight increases of 0.25% each in the fed funds rate, raising this short-term benchmark by 200 basis points from 3.25% to 5.25%. By comparison, the yield on the benchmark 10-year U.S. Treasury note ended July 2006 at 4.98%, up 70 basis points from 12 months earlier. This resulted in a yield curve flattening as shorter-term rates approached or

exceeded the levels of longer-term rates.

In the municipal market, the Bond Buyer 25 Revenue Bond Index, a widely followed measure of longer-term municipal market rates, stood at 5.13% at the end of July 2006, an increase of just 27 basis points from the beginning of August 2005.

Despite rising interest rates, record energy prices, and a softening housing market, the overall economy remained resilient. After expanding at an annual rate of 4.2% in the third quarter of 2005, the U.S. gross domestic product (GDP) growth rate slowed to 1.8% (annualized) in the fourth quarter of 2005, then rebounded sharply to 5.6% (annualized) in the first quarter of 2006. In the second quarter of 2006, GDP growth moderated to 2.9% (annualized), with the deceleration reflecting a downturn in federal spending as well as the largest decline in residential investment in 11 years. Despite sluggish payroll growth, the overall jobs picture remained positive, with national unemployment at 4.8% in July 2006, down from 5.0% in July 2005. However, the markets continued to keep a close eye on inflation trends, with the year-over-year increase in the Consumer Price Index register-

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ing 4.1% as of July 2006. During the first seven months of 2006, the increase in inflation was driven mainly by higher energy and transportation costs, rising at a rate of 4.8% (annualized), compared with 3.4% for all of 2005.

Over the 12 months ended July 2006, municipal bond supply nationwide remained strong, as \$403.6 billion in new securities came to market, up 3% from the previous 12 months. However, following record levels of municipal issuance in calendar year 2005, we saw a drop-off in new supply during the first seven months of 2006, when issuance totaled \$205.2 billion, off 16% from the same period in 2005. A major factor in 2006's decline in supply was the sharp reduction in pre-refunding volume, which dropped 57% from last year's levels, as rising interest rates made advance refundings less economically attractive. In the month of July 2006 alone, pre-refunding volume was down 85% compared with July 2005. Overall, demand for municipal bonds, especially those offering higher yields, continued to be strong and broad-based, with retail investors, property and casualty insurance companies, and hedge funds all participating in the market.

HOW WERE THE ECONOMIC AND MARKET ENVIRONMENTS IN MICHIGAN AND OHIO DURING THIS PERIOD?

Michigan and Ohio were among the slowest growing state economies in the nation in 2005, with Michigan ranking 49th with a gross state product (GSP) growth of \$0.1 billion and Ohio ranking 47th with a GSP growth of \$1.0 billion, compared with the national average of \$3.5 billion. Michigan's economy continued to rely heavily on the manufacturing sector, which has lost thousands of jobs in recent years, and specifically on the auto industry, with General Motors, Ford, and Chrysler comprising the top three employers in the state. Although international auto parts makers have continued to move to Michigan, ongoing layoffs by auto-related industries leave the state vulnerable to further employment declines. As of July 2006, Michigan's jobless rate was 7.0%, higher than the 6.7% posted a year earlier and up from the four-year low of 6.0% registered in May 2006. This represented the second highest state unemployment rate in the nation for July 2006. As of July 31, 2006, Michigan general obligation bonds were rated Aa2/AA/AA by Moody's, Standard & Poor's, and Fitch, respectively. For the 12 months ended July 31, 2006, municipal issuance in Michigan totaled \$14.3 billion, an increase of 7% over the previous 12 months, making Michigan the 6th largest state issuer in the nation.

During the first seven months of 2006, however, issuance in the state declined sharply, with \$6.6 billion in new paper, down 41% compared with the same period in 2005.

Ohio also continued to have high exposure to the manufacturing sector, including the auto industry, which impacted both economic and job growth in the state. However, the education, health care, and leisure and hospitality sectors helped to provide some recovery. As of July 2006, Ohio's unemployment rate stood at 5.8%, down from 5.9% in July 2005 but higher than the 52-month low of 5.0% reached in March 2006. Moody's, S&P, and Fitch continued to rate Ohio general obligation debt at Aa1, AA+, and AA+, respectively. For the 12 months ended July 31, 2006, municipal issuance in Ohio reached \$12.0 billion, an increase of 7% over the previous 12 months, ranking Ohio 9th among state issuers. During the first seven months of 2006, issuance in the state fell 24% compared with the same period in 2005, to \$5.1 billion.

WHAT KEY STRATEGIES WERE USED TO MANAGE THE MICHIGAN AND OHIO FUNDS DURING THIS REPORTING PERIOD?

As interest rates rose and the yield curve flattened during this 12-month period, we continued to emphasize careful management of the Funds' underlying portfolios in line with our established targets. This included a disciplined approach to duration¹ management and yield curve positioning. In selecting new additions for the portfolios, we focused mainly on attractively priced, premium coupon² bonds maturing in 20 to 30 years for the Michigan Funds and in 20 to 25 years for the Ohio Funds, depending on their differing needs. Overall, we believed that bonds in these parts of the curve offered strong performance potential, better value, and attractive reward opportunities without excessive risk.

To help maintain the Funds' durations within our preferred strategic range, we selectively sold holdings with shorter durations, including pre-refunded bonds with short call or maturity dates. Selling these shorter-term bonds and reinvesting further out on the yield curve also helped to improve the Funds' overall call protection profile. With yields rising during this period, we also found some opportunities to sell a few of our holdings that were purchased when yields were lower and we replaced them with similar, newer

- 1 Duration is a measure of a bond's price sensitivity as interest rates change, with longer duration bonds displaying more sensitivity to these changes than bonds with shorter durations.
- 2 Premium coupon bonds are credits that are trading above their par values because their coupons are higher than current coupon levels. Historically, these bonds have held their value better than current coupon bonds when interest rates rise.

credits that yielded comparatively more. This process allowed us to maintain the Funds' current portfolio characteristics while strengthening their future income

streams.

In looking for potential purchase candidates, we kept an opportunistic eye toward all types of issuance that we believed could add value to the Funds' portfolios. As previously mentioned, while issuance in Michigan and Ohio was up for the 12-month period as a whole, both states saw declines in municipal supply during the first seven months of 2006, with Michigan experiencing the sharper drop-off. In general, however, these declines did not have a major impact on the implementation of strategies we had planned for these Funds. Since Michigan and Ohio are relatively high-quality states, much of the new supply was highly rated and/or insured, and the majority of our new purchases were higher-rated credits. For the Michigan Funds, we purchased insured Detroit water and sewer bonds that offered the longer maturities we were seeking for these Funds.

We also continued to emphasize maintaining the Funds' weightings of BBB rated and non-rated bonds. As municipal supply tightened in 2006, we generally found fewer interesting lower-rated credit opportunities in the Michigan and Ohio markets. As a result, several of these Funds, particularly the Michigan Funds, had less exposure to lower quality bonds than we would have liked. However, we did take advantage of opportunities when they presented themselves, adding a lower-rated charter school issue and healthcare bonds to the Michigan Funds.

In NZW and NVJ, our duration management strategies over the past 12 months included the use of forward interest rate swaps, a type of derivative financial instrument. We also purchased a small number of U.S. Treasury note futures contracts for NVJ. These hedging strategies were not an attempt to profit from correctly predicting the timing and direction of interest rate movements. Instead, our sole objective was to manage the Funds' durations (and price sensitivity) without having a negative impact on their income streams or common share dividends over the short term. During this reporting period, the hedges in NZW and NVJ performed as expected.

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HOW DID THE FUNDS PERFORM?

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

TOTAL RETURNS ON NET ASSET VALUE*

For periods ended 7/31/06

MICHIGAN FUNDS	1-YEAR	5-YEAR	10-YEAR
NUM	1.41%	6.40%	6.48%
NMP	2.06%	6.07%	6.71%
NZW	2.46%	NA	NA
Lehman Brothers Municipal Bond Index3	2.55%	4.99%	5.82%
Lipper Michigan Municipal Debt			

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Funds Average ⁴	2.21%	6.13%	6.32%

OHIO FUNDS			

NUO	2.10%	6.20%	6.44%

NXI	2.32%	6.93%	NA

NBJ	1.96%	NA	NA

NVJ	1.87%	NA	NA

Lehman Brothers Municipal Bond Index ³	2.55%	4.99%	5.82%

Lipper Other States Municipal Debt Funds Average ⁵	2.46%	6.53%	6.69%

*Annualized

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.

For the 12 months ended July 31, 2006, the total returns on net asset value (NAV) for all of these Funds underperformed the return on the unmanaged Lehman Brothers Municipal Bond Index. NZW outperformed the average return for the Lipper Michigan peer group, while NMP and NUM underperformed the peer average. All of the Ohio Funds underperformed the Lipper Other States peer group average over this period. Shareholders of the Ohio Funds should note that the performance of the Lipper Other States category represents the overall average of returns for funds from 10 different

- 3 The Lehman Brothers Municipal Bond Index is an unleveraged, unmanaged national index comprising a broad range of investment-grade municipal bonds. Results for the Lehman indexes do not reflect any expenses.
- 4 The Lipper Michigan Municipal Debt Funds category average is calculated using the returns of all exchange-traded closed-end funds in this category for each period as follows: 1 year, 7 funds; 5 years, 5 funds; and 10 years, 4 funds. Fund and Lipper returns assume reinvestment of dividends.
- 5 The Lipper Other States Municipal Debt Funds category average is calculated using the returns of all exchange-traded closed-end funds in this category for each period as follows: 1 year, 46 funds; 5 years, 27 funds; and 10 years, 18 funds. Fund and Lipper returns assume reinvestment of dividends.

states with a wide variety of municipal market conditions, making direct comparisons less meaningful.

The major factor impacting the annual performance of these Funds, especially in relation to the return for the unleveraged Lehman Brothers Municipal Bond Index, was the Funds' use of financial leverage. Although leveraging provides opportunities for additional income and total returns for common shareholders when interest rates fall or remain consistently low, this benefit is reduced when interest rates rise. With the increases in interest rates during this period, the decline in value of the bonds in the underlying portfolios of these Funds was exacerbated by the effects of leveraging. In addition, the benefits of leveraging are tied in part to the short-term rates leveraged Funds pay their MuniPreferred(R) shareholders. During periods of low short-term rates, these Funds generally pay lower dividends to their MuniPreferred shareholders, which can leave more earnings to support common share dividends. Conversely, when short-term interest rates rise, as they did during this reporting period, the Funds' borrowing costs also rise, impacting the Funds' income streams and total returns. Despite the rise in short-term rates over this one-year period, the Funds' leveraging strategy continued to benefit common shareholders, and we remain convinced that, over the long term, these benefits should continue. This is demonstrated by the five-year and ten-year return performance--both absolute and relative to the Lehman index--of NUM, NMP and NUO.

Other factors influencing the Funds' returns during this period included yield curve positioning and duration management, allocations to lower-rated credits (or credit risk), sector weightings, and pre-refunding activity. As the yield curve continued to flatten over the course of this period, bonds in the Lehman municipal index with maturities between two and six years generally were the most adversely impacted, and they generally underperformed long-intermediate bonds (those with maturities between 17 and 22 years) and long-term bonds (those with maturities of at least 22 years). In general, the Ohio Funds were well positioned across the yield curve during this period, with good exposure to the long-intermediate segment, but slightly underexposed to the longest part of the curve. Yield curve positioning was less of a factor in the performance of the Michigan Funds.

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With bonds rated BBB or lower and non-rated bonds generally outperforming other credit quality sectors during this period, all of these Funds benefited from their allocations of lower-quality credits. The performance of this sector was largely the result of investor demand for the higher yields typically associated with lower-quality bonds. As of July 31, 2006, the Michigan Funds had weightings of BBB, below-investment-grade, and non-rated bonds ranging from 4% in NMP and 6% in NUM to 10% in NZW, while the Ohio Funds' allocations totaled 4% in NUO, 7% in NVJ, and 8% in NXI and NBJ. The heavier weightings of lower credit quality securities in NZW and NXI, helped the performances of these two Funds during this period. However, as noted earlier, the lack of lower-rated supply in Michigan and Ohio resulted in the Funds having less than optimal exposures to lower quality sectors, which hampered their performances. Among the lower-rated holdings making positive contributions to the Funds' total returns for this period were health care (including hospitals) credits and industrial development bonds, both of which ranked among the top performing revenue sectors in the Lehman Brothers municipal index, as well as bonds backed by the 1998 master tobacco settlement agreement (which comprised between 1% and 4% of the Ohio Funds' portfolios).

Housing bonds were also among some of the best performing credits in the Funds' portfolios, as rising interest rates lessened the incidence and impact of prepayments and bond calls. Both multi-family and single-family housing bonds were positive contributors across all of these Funds. Holdings of higher education credits also helped the performance of the Ohio Funds.

During this period, we continued to see a number of advance refundings,⁶ which benefit the Funds through price appreciation and enhanced credit quality. With 18% of its portfolio holdings advance-refunded during this period, NXI in particular was positively impacted by these refinancings, while NBJ, NUO, and NVJ had 4%, 7%, and 11%, respectively, of their portfolios pre-refunded. Among the three Michigan Funds, pre-refundings during this period ranged from 6% in NMP and NZW to 9% in NUM.

While advance refundings generally enhanced performance for this 12-month period, the rising interest rate environment meant that the Funds' holdings of previously pre-refunded bonds tended to underperform the general municipal market. Among these seven Funds,

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

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NUM had the heaviest allocation of these bonds going into this period. In addition, a bond call affecting one of NUM's multi-family housing holdings--credits issued by Michigan Housing Development Authority for Renaissance Court Apartments--adversely impacted this Fund's performance. NUM also had heavier exposure to non-callable bonds, which underperformed during this period.

HOW WERE THE FUNDS POSITIONED IN TERMS OF CREDIT QUALITY AND BOND CALLS AS OF JULY 31, 2006?

We continued to believe that maintaining strong credit quality was an important requirement. As of July 31, 2006, all of these Funds continued to offer excellent credit quality, with allocations of bonds rated AAA/U.S. guaranteed and AA ranging from 82% in NBJ and NVJ, 83% in NZW, and 84% in NXI to 91% in NUM and NUO, and 92% in NMP.

As of July 31, 2006, potential call exposure for the period August 2006 through the end of 2008 ranged from 2% in NZW, 3% in NBJ, 7% in NXI, 8% in NUM, and 9% in NVJ to 14% in NMP and 16% in NUO. The number of actual bond calls in all of these Funds depends largely on future market interest rates.

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Dividend and Share Price INFORMATION

As previously noted, all of these Funds use leverage to potentially enhance

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opportunities for additional income for common shareholders. During periods of rising short-term interest rates, as was the case during this reporting period, the Funds' borrowing costs also rise, reducing the extent of the benefits of leveraging. The Funds' income streams were also impacted as the proceeds from older, higher-yielding bonds that matured or were called were reinvested into bonds currently available in the market, which generally offered lower yields. These factors resulted in two monthly dividend reductions in NZW, NBJ, and NVJ, three in NUM, NMP and NUO, and four in NXI over the 12-month period ended July 31, 2006.

Due to capital gains generated by normal portfolio activity, common shareholders of the following Funds received capital gains and net ordinary income distributions at the end of December 2005 as follows:

	LONG-TERM CAPITAL GAINS (PER SHARE)	ORDINARY INCOME (PER SHARE)
NUM	\$0.1125	--
NMP	\$0.1465	\$0.0023
NUO	\$0.0543	\$0.0001
NXI	\$0.0337	\$0.0018
NBJ	\$0.0480	\$0.0001

These distributions, which represented an important part of these Funds' total returns for this period, were generated by bond calls and the sale of appreciated securities. This had a slight negative impact on the Funds' earning power per common share and was a minor factor in the per share dividend reductions noted above.

All of the Funds in this report seek to pay stable dividends at rates that reflect each Fund's past results and projected future performance. During certain periods, each Fund may pay dividends at a rate that may be more or less than the amount of net investment income actually earned by the Fund during the period. If a Fund has cumulatively earned more than it has paid in dividends, it holds the excess in reserve as undistributed net investment income (UNII) as part of the Fund's NAV. Conversely, if a Fund has cumulatively paid dividends in excess of its earnings, the excess constitutes negative UNII that is likewise reflected in the Fund's NAV. Each Fund will, over time, pay all of its net investment income as dividends to shareholders. As of July 31, 2006, all of the

Michigan Funds had positive UNII balances for both financial statement and tax purposes. All of the Ohio Funds had negative UNII balances for financial statement purposes, and positive UNII balances for tax purposes as of July 31, 2006.

At the end of the reporting period, the Funds' share prices were trading at premiums or discounts to their NAVs as shown in the accompanying chart:

	7/31/06 PREMIUM/DISCOUNT	12-MONTH AVERAGE PREMIUM/DISCOUNT
NUM	-5.01%	-1.59%

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NMP	-4.36%	-1.85%
NZW	+5.82%	+3.06%
NUO	-1.12%	+0.71%
NXI	+0.20%	+5.65%
NBJ	-0.74%	+1.58%
NVJ	-2.06%	+0.37%

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Nuveen Michigan Quality Income Municipal Fund, Inc.
NUM

Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	83%
AA	8%
A	3%
BBB	4%
BB or Lower	1%
N/R	1%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Aug	0.072
Sep	0.072
Oct	0.072
Nov	0.072
Dec	0.0685
Jan	0.0685
Feb	0.0685
Mar	0.065
Apr	0.065
May	0.065
Jun	0.062
Jul	0.062

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	15.72
	15.7
	15.61
	15.78
	15.75
	16.07
	16.1

	15.84
	15.82
	16.05
	16.08
	15.96
	15.7
	15.65
	15.59
	15.48
	15.25
	15.1
	14.99
	14.91
	14.56
	14.7
	14.68
	14.92
	15.06
	15.07
	15.12
	15.28
	15.18
	15.29
	15.42
	15.45
	15.65
	15.5
	15.28
	15.11
	15.1
	14.9
	14.77
	14.72
	15.1
	15
	14.75
	14.87
	15
	14.76
	14.47
	14.24
	14.29
	14.69
	14.38
	14.25
	14.35
7/31/06	14.41

FUND SNAPSHOT

Common Share Price	\$14.41
Common Share Net Asset Value	\$15.17
Premium/(Discount) to NAV	-5.01%
Market Yield	5.16%
Taxable-Equivalent Yield ¹	7.48%

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Net Assets Applicable to
Common Shares (\$000) \$177,734

Average Effective
Maturity on Securities (Years) 14.01

Leverage-Adjusted Duration 8.47

AVERAGE ANNUAL TOTAL RETURN
(Inception 10/17/91)

	ON SHARE PRICE	ON NAV
1-Year	-2.28%	1.41%
5-Year	5.17%	6.40%
10-Year	5.72%	6.48%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	31.0%
U.S. Guaranteed	28.5%
Tax Obligation/Limited	9.5%
Health Care	8.0%
Utilities	8.0%
Water and Sewer	5.9%
Education and Civic Organizations	5.3%
Other	3.8%

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund paid shareholders a capital gains distribution in December 2005 of \$0.1125 per share.

Nuveen Michigan Premium Income Municipal Fund, Inc.
NMP

Performance
OVERVIEW As of July 31, 2006

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Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	76%
AA	16%
A	4%
BBB	2%
BB or Lower	1%
N/R	1%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Aug	0.07
Sep	0.07
Oct	0.07
Nov	0.07
Dec	0.0665
Jan	0.0665
Feb	0.0665
Mar	0.063
Apr	0.063
May	0.063
Jun	0.0605
Jul	0.0605

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	15.67
	15.71
	15.8
	15.66
	15.59
	15.59
	15.59
	15.35
	15.16
	14.96
	14.92
	14.8
	14.85
	14.81
	14.81
	14.44
	14.24
	14.37
	14.52
	14.34
	14.4
	14.52
	14.75
	15.33
	15.55
	14.9
	15.35
	15.07
	15.16
	15.04
	15.1

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	15.37
	14.73
	15.01
	15
	14.62
	14.45
	14.43
	14.3
	14.86
	14.83
	14.94
	14.9
	14.82
	15.11
	14.73
	14.5
	14.26
	14.66
	14.84
	14.45
	14.19
	14.2
7/31/06	14.27

FUND SNAPSHOT

Common Share Price	\$14.27
Common Share Net Asset Value	\$14.92
Premium/(Discount) to NAV	-4.36%
Market Yield	5.09%
Taxable-Equivalent Yield ¹	7.38%
Net Assets Applicable to Common Shares (\$000)	\$115,611
Average Effective Maturity on Securities (Years)	15.56
Leverage-Adjusted Duration	7.04

AVERAGE ANNUAL TOTAL RETURN
(Inception 12/17/92)

	ON SHARE PRICE	ON NAV
1-Year	-3.12%	2.06%
5-Year	6.10%	6.07%
10-Year	7.48%	6.71%

INDUSTRIES

(as a % of total investments)

Tax Obligation/General	35.0%
------------------------	-------

U.S. Guaranteed	18.0%
Tax Obligation/Limited	11.9%
Utilities	9.3%
Water and Sewer	9.0%
Health Care	7.6%
Other	9.2%

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund paid shareholders capital gains and net ordinary income distributions in December 2005 of \$0.1488 per share.

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Nuveen Michigan Dividend Advantage Municipal Fund
NZW

Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	72%
AA	11%
A	7%
BBB	6%
BB or Lower	2%
N/R	2%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Aug	0.0745
Sep	0.0745
Oct	0.0745
Nov	0.0745
Dec	0.0745
Jan	0.0745
Feb	0.0745
Mar	0.0705
Apr	0.0705
May	0.0705
Jun	0.0675
Jul	0.0675

Line Chart:

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SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	16.79
	16.35
	16
	15.92
	15.9
	15.94
	15.95
	15.74
	15.78
	15.65
	15.71
	15.7
	15.42
	15.23
	15.9
	15.05
	14.91
	14.8
	14.8
	14.57
	14.8
	14.87
	15.12
	15.2
	15.32
	15.38
	15.8
	15.95
	16.15
	16.2
	16.11
	16.25
	16
	15.86
	15.32
	15.73
	15.76
	15.8
	16
	16.06
	16
	15.4
	15.25
	15.39
	15.65
	15.41
	15.36
	15.4
	15.59
	15.48
	15.37
	15.5
	15.8
7/31/06	15.81

FUND SNAPSHOT

Common Share Price \$15.81

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Common Share	
Net Asset Value	\$14.94
Premium/(Discount) to NAV	5.82%
Market Yield	5.12%
Taxable-Equivalent Yield ¹	7.42%
Net Assets Applicable to Common Shares (\$000)	\$30,823
Average Effective Maturity on Securities (Years)	15.57
Leverage-Adjusted Duration	7.99

AVERAGE ANNUAL TOTAL RETURN
(Inception 9/25/01)

	ON SHARE PRICE	ON NAV
1-Year	-0.47%	2.46%
Since Inception	6.95%	6.79%

INDUSTRIES
(as a % of total investments)

U.S. Guaranteed	28.0%
Tax Obligation/General	21.0%
Water and Sewer	11.3%
Health Care	10.4%
Utilities	10.1%
Tax Obligation/Limited	6.5%
Other	12.7%

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 31%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

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Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	69%
AA	22%
A	5%
BBB	3%
N/R	1%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Aug	0.0765
Sep	0.073
Oct	0.073
Nov	0.073
Dec	0.073
Jan	0.073
Feb	0.073
Mar	0.069
Apr	0.069
May	0.069
Jun	0.0655
Jul	0.0655

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	16.98
	16.96
	16.78
	16.75
	16.99
	16.8
	16.79
	16.77
	16.75
	16.74
	16.74
	16.55
	16.44
	16.49
	16.49
	16.23
	16.01
	16.16
	16.39
	16.2
	16.01
	16.21
	16.25
	16.49
	17
	16.95
	17.01
	16.8
	17.1

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	17.15
	17.12
	16.35
	16.38
	16.5
	16.27
	16.37
	16.1
	16.09
	16.11
	16.27
	16.1
	15.6
	16.1
	16.3
	16.15
	15.8
	15.43
	15.04
	15.22
	15.37
	15.31
	15.66
	15.9
7/31/06	15.83

FUND SNAPSHOT

Common Share Price	\$15.83
Common Share Net Asset Value	\$16.01
Premium/(Discount) to NAV	-1.12%
Market Yield	4.97%
Taxable-Equivalent Yield ¹	7.36%
Net Assets Applicable to Common Shares (\$000)	\$156,026
Average Effective Maturity on Securities (Years)	14.98
Leverage-Adjusted Duration	7.32

AVERAGE ANNUAL TOTAL RETURN
(Inception 10/17/91)

	ON SHARE PRICE	ON NAV
1-Year	-1.36%	2.10%
5-Year	4.80%	6.20%
10-Year	5.82%	6.44%

INDUSTRIES

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(as a % of total investments)

Tax Obligation/General	30.6%
U.S. Guaranteed	18.4%
Health Care	11.7%
Education and Civic Organizations	8.3%
Water and Sewer	6.7%
Tax Obligation/Limited	5.9%
Utilities	4.7%
Other	13.7%

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.5%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund paid shareholders capital gains and net ordinary income distributions in December 2005 of \$0.0544 per share.

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Nuveen Ohio Dividend Advantage Municipal Fund
NXI

Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	63%
AA	21%
A	8%
BBB	6%
N/R	2%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Aug	0.078
Sep	0.0745
Oct	0.0745
Nov	0.0745
Dec	0.071
Jan	0.071
Feb	0.071
Mar	0.0675
Apr	0.0675

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May	0.0675
Jun	0.0635
Jul	0.0635

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	16.93
	16.52
	16.12
	16.2
	16.3
	16.32
	16.3
	16.32
	16.72
	16.87
	16.8
	16.71
	16.59
	16.25
	16.15
	16.32
	16.5
	16.32
	16.52
	16.47
	16.34
	16.85
	16.85
	16.63
	16.08
	16.75
	17.5
	16.55
	16.4
	16.77
	16.75
	16.6
	16.24
	16.3
	16
	16.4
	15.97
	16.23
	15.85
	15.8
	15.6
	15.45
	15.6
	15.66
	15.52
	15.23
	14.95
	14.48
	14.38
	14.5
	14.48
	14.7
	15.1
7/31/06	15.05

FUND SNAPSHOT

Common Share Price	\$15.05
Common Share Net Asset Value	\$15.02
Premium/(Discount) to NAV	0.20%
Market Yield	5.06%
Taxable-Equivalent Yield ¹	7.50%
Net Assets Applicable to Common Shares (\$000)	\$63,735
Average Effective Maturity on Securities (Years)	14.27
Leverage-Adjusted Duration	7.18

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/27/01)

	ON SHARE PRICE	ON NAV
1-Year	-6.53%	2.32%
5-Year	5.64%	6.93%
Since Inception	5.99%	7.09%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	27.8%
U.S. Guaranteed	22.7%
Education and Civic Organizations	12.9%
Utilities	7.0%
Tax Obligation/Limited	6.9%
Health Care	6.0%
Water and Sewer	4.5%
Other	12.2%

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.5%. When comparing this Fund to investments that generate

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qualified dividend income, the Taxable-Equivalent Yield is lower.

- 2 The Fund paid shareholders capital gains and net ordinary income distributions in December 2005 of \$0.0355 per share.

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Nuveen Ohio Dividend Advantage Municipal Fund 2
NBJ

Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	70%
AA	12%
A	10%
BBB	7%
N/R	1%

Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE²

Aug	0.07
Sep	0.07
Oct	0.07
Nov	0.07
Dec	0.0665
Jan	0.0665
Feb	0.0665
Mar	0.0665
Apr	0.0665
May	0.0665
Jun	0.062
Jul	0.062

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	15.41
	15.12
	14.98
	15.1
	15.17
	15.38
	15.67
	15.18
	15.37
	15.25
	15.08
	14.79
	14.85
	14.82
	15.08
	14.8
	15.45

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	15.37
	15.75
	15.84
	15.75
	15.35
	15.68
	15.3
	15.6
	15.5
	16.4
	16.3
	16.21
	16.16
	15.76
	15.1
	15.5
	15.45
	15.3
	15.11
	15.05
	15.32
	15.5
	15.46
	15.18
	15.44
	15.5
	15.4
	15.15
	14.83
	14.49
	14.7
	14.3
	14.01
	14.1
	14.45
	14.7
7/31/06	14.7

FUND SNAPSHOT

Common Share Price	\$14.70

Common Share	
Net Asset Value	\$14.81

Premium/(Discount) to NAV	-0.74%

Market Yield	5.06%

Taxable-Equivalent Yield ¹	7.50%

Net Assets Applicable to	
Common Shares (\$000)	\$46,242

Average Effective	
Maturity on Securities (Years)	15.00

Leverage-Adjusted Duration	7.64

AVERAGE ANNUAL TOTAL RETURN

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(Inception 9/25/01)

	ON SHARE PRICE	ON NAV
1-Year	0.35%	1.96%
Since Inception	5.40%	6.66%

INDUSTRIES

(as a % of total investments)

Tax Obligation/General	30.9%
Health Care	15.7%
U.S. Guaranteed	11.8%
Tax Obligation/Limited	10.3%
Education and Civic Organizations	7.6%
Utilities	6.0%
Consumer Staples	5.8%
Transportation	5.2%
Other	6.7%

- 1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.5%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.
- 2 The Fund paid shareholders capital gains and net ordinary income distributions in December 2005 of \$0.0481 per share.

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Nuveen Ohio Dividend Advantage Municipal Fund 3
NVJ

Performance

OVERVIEW As of July 31, 2006

Pie Chart:

CREDIT QUALITY

(as a % of total investments)

AAA/U.S. Guaranteed	65%
AA	17%
A	11%
BBB	7%

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Bar Chart:

2005-2006 MONTHLY TAX-FREE DIVIDENDS PER SHARE

Aug	0.069
Sep	0.069
Oct	0.069
Nov	0.069
Dec	0.0655
Jan	0.0655
Feb	0.0655
Mar	0.0655
Apr	0.0655
May	0.0655
Jun	0.0615
Jul	0.0615

Line Chart:

SHARE PRICE PERFORMANCE

Weekly Closing Price

Past performance is not predictive of future results.

8/01/05	15.7
	16.07
	15.93
	15.98
	15.72
	15.79
	15.78
	15.48
	15.32
	15.1
	15.38
	15.07
	15.1
	15.2
	15.75
	15.7
	15.13
	15.1
	15.16
	15.38
	15.12
	14.98
	15.1
	15.09
	15.18
	15.35
	15.82
	15.8
	15.81
	15.91
	15.58
	15.35
	15.35
	15.18
	15.45
	15.65
	15.65
	15.38
	15.67
	16.05
	15.83
	15.87

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	15.55
	15.4
	15.4
	15.01
	14.49
	14.46
	14.38
	14.02
	14.05
	14.1
	14.67
7/31/06	14.75

FUND SNAPSHOT

Common Share Price	\$14.75
Common Share Net Asset Value	\$15.06
Premium/(Discount) to NAV	-2.06%
Market Yield	5.00%
Taxable-Equivalent Yield ¹	7.41%
Net Assets Applicable to Common Shares (\$000)	\$32,506
Average Effective Maturity on Securities (Years)	13.70
Leverage-Adjusted Duration	7.37

AVERAGE ANNUAL TOTAL RETURN
(Inception 3/25/02)

	ON SHARE PRICE	ON NAV
1-Year	-2.33%	1.87%
Since Inception	5.44%	7.06%

INDUSTRIES
(as a % of total investments)

Tax Obligation/General	27.8%
U.S. Guaranteed	18.5%
Tax Obligation/Limited	14.2%
Health Care	10.6%
Education and Civic Organizations	8.2%
Transportation	6.0%

Other 14.7%

1 Taxable-Equivalent Yield represents the yield that must be earned on a fully taxable investment in order to equal the yield of the Fund on an after-tax basis. It is based on a combined federal and state income tax rate of 32.5%. When comparing this Fund to investments that generate qualified dividend income, the Taxable-Equivalent Yield is lower.

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Report of
INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

THE BOARDS OF DIRECTORS, TRUSTEES AND SHAREHOLDERS
NUVEEN MICHIGAN QUALITY INCOME MUNICIPAL FUND, INC.
NUVEEN MICHIGAN PREMIUM INCOME MUNICIPAL FUND, INC.
NUVEEN MICHIGAN DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN OHIO QUALITY INCOME MUNICIPAL FUND, INC.
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 2
NUVEEN OHIO DIVIDEND ADVANTAGE MUNICIPAL FUND 3

We have audited the accompanying statements of assets and liabilities, including the portfolios of investments, of Nuveen Michigan Quality Income Municipal Fund, Inc., Nuveen Michigan Premium Income Municipal Fund, Inc., Nuveen Michigan Dividend Advantage Municipal Fund, Nuveen Ohio Quality Income Municipal Fund, Inc., Nuveen Ohio Dividend Advantage Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund 2 and Nuveen Ohio Dividend Advantage Municipal Fund 3 (the "Funds"), as of July 31, 2006, and the related statements of operations 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 periods indicated therein. 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, 2006, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our

opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial positions of Nuveen Michigan Quality Income Municipal Fund, Inc., Nuveen Michigan Premium Income Municipal Fund, Inc., Nuveen Michigan Dividend Advantage Municipal Fund, Nuveen Ohio Quality Income Municipal Fund, Inc., Nuveen Ohio Dividend Advantage Municipal Fund, Nuveen Ohio Dividend Advantage Municipal Fund 2 and Nuveen Ohio Dividend Advantage Municipal Fund 3 at July 31, 2006, the results of their operations 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 periods indicated therein in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Chicago, Illinois
September 21, 2006

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Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM)
Portfolio of
INVESTMENTS July 31, 2006

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

	EDUCATION AND CIVIC ORGANIZATIONS - 8.2% (5.3% OF TOTAL INVESTMENTS)	
\$ 700	Chandler Park Academy, Michigan, Public School Academy Charter School Revenue Bonds, Series 2005, 5.125%, 11/01/35	11/15 at 100
1,380	Ferris State College, Michigan, General Revenue Bonds, Series 1998, 5.000%, 10/01/23 - AMBAC Insured	4/08 at 100
1,685	Michigan Higher Education Facilities Authority, Limited Obligation Revenue Refunding Bonds, Kettering University, Series 2001, 5.500%, 9/01/17 - AMBAC Insured	9/11 at 100
1,500	Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2000 XII-T, 5.300%, 9/01/10 - AMBAC Insured (Alternative Minimum Tax)	No Opt. C
1,000	Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2002 XVII-G, 5.200%, 9/01/20 - AMBAC Insured (Alternative Minimum Tax)	9/12 at 100
	Michigan Technological University, General Revenue Bonds, Series 2004A:	
1,115	5.000%, 10/01/22 - MBIA Insured	10/13 at 100
1,170	5.000%, 10/01/23 - MBIA Insured	10/13 at 100
	Wayne State University, Michigan, General Revenue Bonds, Series 1999:	
3,430	5.250%, 11/15/19 - FGIC Insured	11/09 at 101
1,000	5.125%, 11/15/29 - FGIC Insured	11/09 at 101
1,000	Western Michigan University, General Revenue Refunding	11/13 at 100

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Bonds, Series 2003, 5.000%, 11/15/20 - MBIA Insured

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CA PROVISIONS
13,980	Total Education and Civic Organizations	
	HEALTH CARE - 12.4% (8.0% OF TOTAL INVESTMENTS)	
2,900	Dearborn Hospital Finance Authority, Michigan, Hospital Revenue Bonds, Oakwood Obligated Group, Series 1995A, 5.875%, 11/15/25 - FGIC Insured	11/06 at 101
1,235	Hancock Hospital Finance Authority, Michigan, FHA-Insured Mortgage Hospital Revenue Bonds, Portage Health System Inc., Series 1998, 5.450%, 8/01/47 - MBIA Insured	8/08 at 100
601	Michigan State Hospital Finance Authority, Collateralized Loan, Detroit Medical Center, Series 2001, 7.360%, 3/01/07	No Opt. C
2,700	Michigan State Hospital Finance Authority, Hospital Revenue Bonds, Detroit Medical Center Obligated Group, Series 1998A, 5.250%, 8/15/28	8/08 at 101
1,000	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Memorial Healthcare Center Obligated Group, Series 1999, 5.875%, 11/15/21	11/09 at 101
	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Mercy Mt. Clemens Corporation Obligated Group, Series 1999A:	
3,385	5.750%, 5/15/17 - MBIA Insured	5/09 at 101
500	5.750%, 5/15/29 - MBIA Insured	5/09 at 101
500	Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005, 5.000%, 5/15/37	5/15 at 100
500	Michigan State Hospital Finance Authority, Revenue Bonds, Marquette General Hospital, Series 2005A, 5.000%, 5/15/26	5/15 at 100
1,000	Monroe County Hospital Finance Authority, Michigan, Mercy Memorial Hospital Corporation Revenue Bonds, Series 2006, 5.375%, 6/01/26	6/16 at 100
5,500	Royal Oak Hospital Finance Authority, Michigan, Hospital Revenue Bonds, William Beaumont Hospital, Series 2001M, 5.250%, 11/15/31 - MBIA Insured	11/11 at 100
2,195	University of Michigan, Medical Service Plan Revenue Bonds, Series 1991, 0.000%, 12/01/10	No Opt. C
22,016	Total Health Care	

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HOUSING/MULTIFAMILY - 2.9% (1.9% OF TOTAL INVESTMENTS)

\$	2,675	Michigan Housing Development Authority, FNMA Limited Obligation Multifamily Housing Revenue Bonds, Parkview Place Apartments, Series 2002A, 5.550%, 12/01/34 (Alternative Minimum Tax)	12/20 at 101
	1,055	Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 1999A, 5.300%, 10/01/37 - MBIA Insured (Alternative Minimum Tax)	4/09 at 101
	1,300	Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2006D, 5.125%, 4/01/31 - FSA Insured (Alternative Minimum Tax)	7/15 at 100

	5,030	Total Housing/Multifamily	

HOUSING/SINGLE FAMILY - 0.5% (0.4% OF TOTAL INVESTMENTS)

	1,000	Michigan Housing Development Authority, Single Family Mortgage Revenue Bonds, Series 2001, 5.300%, 12/01/16 - MBIA Insured (Alternative Minimum Tax)	1/11 at 100

LONG-TERM CARE - 0.7% (0.5% OF TOTAL INVESTMENTS)

	1,000	Michigan State Hospital Finance Authority, Revenue Bonds, Presbyterian Villages of Michigan Obligated Group, Series 2005, 5.250%, 11/15/25	5/15 at 100
	200	Michigan Strategic Fund, Limited Obligation Revenue Refunding Bonds, Porter Hills Presbyterian Village, Series 1998, 5.375%, 7/01/28	7/08 at 101

	1,200	Total Long-Term Care	

MATERIALS - 1.0% (0.6% OF TOTAL INVESTMENTS)

	1,750	Dickinson County Economic Development Corporation, Michigan, Pollution Control Revenue Bonds, International Paper Company, Series 2004A, 4.800%, 11/01/18	11/14 at 100

TAX OBLIGATION/GENERAL - 47.0% (30.4% OF TOTAL INVESTMENTS)

	1,000	Anchor Bay School District, Macomb and St. Clair Counties, Michigan, General Obligation Refunding Bonds, Series 2002, 5.000%, 5/01/25	5/12 at 100
	2,500	Anchor Bay School District, Macomb and St. Clair Counties, Michigan, Unlimited Tax General Obligation Refunding Bonds, Series 2001: 5.000%, 5/01/21	5/11 at 100

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3,200	5.000%, 5/01/29	5/11 at 100
1,000	Belding School District, Ionia, Kent and Montcalm Counties, Michigan, General Obligation Refunding Bonds, Series 1998, 5.000%, 5/01/26 - AMBAC Insured	5/08 at 100
1,200	Birmingham, Michigan, General Obligation Bonds, Series 2002, 5.000%, 10/01/20	10/12 at 100
1,320	Bridgeport Spaulding Community School District, Saginaw County, Michigan, General Obligation Bonds, Series 2002, 5.500%, 5/01/16	5/12 at 100
2,110	Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2003, 5.250%, 5/01/20	5/13 at 100
1,000	Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/25 - MBIA Insured	5/15 at 100
2,000	Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2002A, 6.000%, 5/01/19 - FGIC Insured	No Opt. C
1,195	Detroit, Michigan, General Obligation Bonds, Series 2004A-1, 5.250%, 4/01/24 - AMBAC Insured	4/14 at 100
	Grand Rapids and Kent County Joint Building Authority, Michigan, Limited Tax General Obligation Bonds, Devos Place Project, Series 2001:	
8,900	0.000%, 12/01/25	No Opt. C
3,000	0.000%, 12/01/26	No Opt. C
1,400	Howell Public Schools, Livingston County, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/21	11/13 at 100
1,065	Jackson Public Schools, Jackson County, Michigan, General Obligation School Building and Site Bonds, Series 2004, 5.000%, 5/01/22 - FSA Insured	5/14 at 100
1,935	Kalamazoo Public Schools, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 - FSA Insured	5/16 at 100
2,000	Lake Fenton Community Schools, Genesee County, Michigan, General Obligation Bonds, Series 2002, 5.000%, 5/01/24	5/12 at 100

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Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM) (continued)
Portfolio of INVESTMENTS July 31, 2006

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

	TAX OBLIGATION/GENERAL (continued)	
\$ 1,790	Lansing Building Authority, Michigan, General Obligation Bonds, Series 2003A, 5.000%, 6/01/26 - MBIA Insured	6/13 at 100

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2,505	Lincoln Consolidated School District, Washtenaw and Wayne Counties, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 - MBIA Insured	5/16 at 100
2,810	Livonia Public Schools, Wayne County, Michigan, General Obligation Bonds, Series 2004A, 5.000%, 5/01/21 - MBIA Insured	5/14 at 100
3,880	Mayville Community Schools, Tuscola County, Michigan, General Obligation Bonds, School Building and Site Project, Series 2004, 5.000%, 5/01/34 - FGIC Insured	11/14 at 100
2,100	Michigan Municipal Bond Authority, General Obligation Bonds, Detroit City School District, Series 2005, 5.000%, 6/01/18 - FSA Insured	6/15 at 100
4,000	Michigan, General Obligation Bonds, Environmental Protection Program, Series 2003A, 5.250%, 5/01/20	5/13 at 100
2,500	Montrose School District, Michigan, School Building and Site Bonds, Series 1997, 6.000%, 5/01/22 - MBIA Insured	No Opt. C
1,100	Muskegon County, Michigan, Limited Tax General Obligation Wastewater Management System 2 Revenue Bonds, Series 2002, 5.000%, 7/01/26 - FGIC Insured	7/11 at 100
1,000	Oakland County Building Authority, Michigan, General Obligation Bonds, Series 2002, 5.125%, 9/01/22	9/11 at 100
	Oakridge Public Schools, Muskegon County, Michigan, General Obligation Bonds, Series 2005:	
1,535	5.000%, 5/01/20 - MBIA Insured	5/15 at 100
1,595	5.000%, 5/01/22 - MBIA Insured	5/15 at 100
4,340	Plymouth-Canton Community School District, Wayne and Washtenaw Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/26 - FGIC Insured	5/14 at 100
4,200	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2001A, 5.500%, 7/01/20 - MBIA Insured	No Opt. C
3,175	South Redford School District, Wayne County, Michigan, General Obligation Bonds, School Building and Site, Series 2005, 5.000%, 5/01/30 - MBIA Insured	5/15 at 100
1,655	Southfield Library Building Authority, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/26 - MBIA Insured	5/15 at 100
2,275	Troy City School District, Oakland County, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/19 - MBIA Insured	5/16 at 100
1,050	Warren Consolidated School District, Macomb and Oakland Counties, Michigan, General Obligation Bonds, Series 2001, 5.375%, 5/01/19 - FSA Insured	11/11 at 100
5,000	Wayne County, Michigan, Limited Tax General Obligation Airport Hotel Revenue Bonds, Detroit Metropolitan Wayne County Airport, Series 2001A, 5.000%, 12/01/21 - MBIA Insured	12/11 at 101

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3,350	Wayne Westland Community Schools, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/17 - FSA Insured	11/14 at 100
1,725	Williamston Community School District, Michigan, Unlimited Tax General Obligation QSBLF Bonds, Series 1996, 5.500%, 5/01/25 - MBIA Insured	No Opt. C
86,410	Total Tax Obligation/General	

TAX OBLIGATION/LIMITED - 14.7% (9.5% OF TOTAL INVESTMENTS)

1,000	Grand Rapids Building Authority, Kent County, Michigan, Limited Tax General Obligation Bonds, Series 1998, 5.000%, 4/01/16	No Opt. C
1,345	Grand Rapids Building Authority, Kent County, Michigan, Limited Tax General Obligation Bonds, Series 2001, 5.125%, 10/01/26 - MBIA Insured	10/11 at 100
60	Michigan Municipal Bond Authority, Local Government Loan Program Revenue Sharing Bonds, Series 1992D, 6.650%, 5/01/12	11/06 at 100
2,135	Michigan State Building Authority, Revenue Bonds, Facilities Program, Series 2005II, 5.000%, 10/15/33 - AMBAC Insured	10/15 at 100

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PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CA PROVISIONS
TAX OBLIGATION/LIMITED (continued)		
\$ 5,100	Michigan State Building Authority, Revenue Refunding Bonds, Facilities Program, Series 2003II: 5.000%, 10/15/22 - MBIA Insured	10/13 at 100
5,000	5.000%, 10/15/23 - MBIA Insured	10/13 at 100
3,500	Michigan State Trunk Line, Fund Refunding Bonds, Series 2002, 5.250%, 10/01/21 - FSA Insured	10/12 at 100
915	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 6.000%, 8/01/26	No Opt. C
4,100	Puerto Rico, Highway Revenue Bonds, Highway and Transportation Authority, Series 1996Y, 5.500%, 7/01/36	7/16 at 100
1,800	Wayne County, Dearborn Heights, Michigan, Tax Increment Financing Authority, Limited Tax General Obligation Bonds, Police and Courthouse Facility, Series 2001A, 5.000%, 10/01/26 - MBIA Insured	10/10 at 100
24,955	Total Tax Obligation/Limited	

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TRANSPORTATION - 0.6% (0.4% OF TOTAL INVESTMENTS)

1,000	Capital Region Airport Authority, Michigan, Revenue Refunding Bonds, Series 2002, 5.250%, 7/01/21 - MBIA Insured (Alternative Minimum Tax)	7/12 at 100
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U.S. GUARANTEED - 44.1% (28.5% OF TOTAL INVESTMENTS) (4)

1,850	Allegan County Public School District, Michigan, General Obligation Bonds, Series 2000, 5.600%, 5/01/20 (Pre-refunded 5/01/10) - FSA Insured	5/10 at 100
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2,190	Anchor Bay School District, Macomb and St. Clair Counties, Michigan, General Obligation Bonds, Series 1999I, 6.000%, 5/01/29 (Pre-refunded 5/01/09) - FGIC Insured	5/09 at 100
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1,000	Charlotte Public School District, Easton County, Michigan, General Obligation Bonds, Series 1999, 5.250%, 5/01/25 (Pre-refunded 5/01/09) - FGIC Insured	5/09 at 100
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2,000	Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 1999A, 5.750%, 7/01/26 (Pre-refunded 1/01/10) - FGIC Insured	1/10 at 101
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Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 2001A:

3,400	5.750%, 7/01/28 (Pre-refunded 7/01/11) - FGIC Insured	7/11 at 101
770	5.250%, 7/01/33 (Pre-refunded 7/01/11) - FGIC Insured	7/11 at 100
730	5.250%, 7/01/33 (Pre-refunded 7/01/11) - FGIC Insured	7/11 at 100

Detroit, Michigan, Senior Lien Water Supply System Revenue Bonds, Series 2003A:

4,025	5.000%, 7/01/24 (Pre-refunded 7/01/13) - MBIA Insured	7/13 at 100
3,000	5.000%, 7/01/25 (Pre-refunded 1/01/13) - MBIA Insured	1/13 at 100

Detroit, Michigan, Sewerage Disposal System Revenue Bonds, Series 1997A:

950	5.500%, 7/01/20 (Pre-refunded 7/01/07) - MBIA Insured	7/07 at 101
1,000	5.000%, 7/01/22 (Pre-refunded 7/01/07) - MBIA Insured	7/07 at 101

1,000	Detroit, Michigan, Sewerage Disposal System Revenue Bonds, Series 1999A, 5.875%, 7/01/27 (Pre-refunded 1/01/10) - FGIC Insured	1/10 at 101
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1,000	East China School District, St. Clair County, Michigan, General Obligation Bonds, Series 2001, 5.500%, 5/01/20 (Pre-refunded 11/01/11)	11/11 at 100
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2,000	East Grand Rapids Public Schools, Kent County, Michigan, Unlimited Tax General Obligation School Building and Site Bonds, Series 2000, 6.000%, 5/01/29 (Pre-refunded 5/01/09) - FSA Insured	5/09 at 100
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340	Ferris State College, Michigan, General Revenue Bonds, Series 1998, 5.000%, 10/01/23 (Pre-refunded 4/01/08) - AMBAC Insured	4/08 at 100
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1,085	Freeland Community School District, Saginaw, Midland and	5/10 at 100
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	Bay Counties, Michigan, General Obligation Bonds, Series 2000, 5.250%, 5/01/19 (Pre-refunded 5/01/10)	
1,500	Huron Valley School District, Oakland and Livingston Counties, Michigan, General Obligation Bonds, Series 2001, 5.500%, 5/01/17 (Pre-refunded 11/01/11)	11/11 at 100
3,500	Kent Hospital Finance Authority, Michigan, Revenue Bonds, Spectrum Health, Series 2001A, 5.250%, 1/15/21 (Pre-refunded 7/15/11)	7/11 at 101
250	Michigan South Central Power Agency, Power Supply System Revenue Bonds, Series 2000, 6.000%, 5/01/12 (ETM)	No Opt. C

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Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM) (continued)
Portfolio of INVESTMENTS July 31, 2006

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)	OPTIONAL CA PROVISIONS
	U.S. GUARANTEED (4) (continued)	
	Michigan State Hospital Finance Authority, Hospital Revenue Bonds, Ascension Health Credit Group, Series 1999A:	
\$ 1,000	6.125%, 11/15/23 (Pre-refunded 11/15/09) - MBIA Insured	11/09 at 101
500	6.125%, 11/15/26 (Pre-refunded 11/15/09)	11/09 at 101
5,000	Michigan State Hospital Finance Authority, Hospital Revenue Bonds, Henry Ford Health System, Series 1999A, 6.000%, 11/15/24 (Pre-refunded 11/15/09)	11/09 at 101
3,300	Michigan State Hospital Finance Authority, Hospital Revenue Bonds, Presbyterian Villages of Michigan Obligated Group, Series 1997, 6.375%, 1/01/25 (Pre-refunded 1/01/07)	1/07 at 102
1,500	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Henry Ford Health System, Series 2003A, 5.625%, 3/01/17 (Pre-refunded 3/01/13)	3/13 at 100
1,700	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Mercy Health Services Obligated Group, Series 1999X, 5.750%, 8/15/19 (Pre-refunded 8/15/09) - MBIA Insured	8/09 at 101
1,000	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, OSF Healthcare System, Series 1999, 6.125%, 11/15/19 (Pre-refunded 11/15/09)	11/09 at 101
3,460	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, St. John's Health System, Series 1998A, 5.000%, 5/15/28 - AMBAC Insured (ETM)	5/08 at 101
1,000	Michigan State Trunk Line, Fund Bonds, Series 2001A, 5.000%, 11/01/25 (Pre-refunded 11/01/11) - FSA Insured	11/11 at 100
1,100	Michigan Strategic Fund, Limited Obligation Revenue	7/08 at 101

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	Refunding Bonds, Porter Hills Presbyterian Village, Series 1998, 5.375%, 7/01/28 (Pre-refunded 7/01/08)		
1,000	Michigan, Certificates of Participation, New Center Development Inc., Series 2001, 5.375%, 9/01/21 (Pre-refunded 9/01/11) - MBIA Insured		9/11 at 100
2,000	Michigan, Certificates of Participation, Series 2000: 5.500%, 6/01/19 (Pre-refunded 6/01/10) - AMBAC Insured		6/10 at 100
2,000	5.500%, 6/01/27 (Pre-refunded 6/01/10) - AMBAC Insured		6/10 at 100
2,875	Milan Area Schools, Washtenaw and Monroe Counties, Michigan, General Obligation Bonds, Series 2000A, 5.750%, 5/01/24 (Pre-refunded 5/01/10) - FGIC Insured		5/10 at 100
1,040	Muskegon Heights, Muskegon County, Michigan, Water Supply System Revenue Bonds, Series 2000A: 5.625%, 11/01/25 (Pre-refunded 11/01/10) - MBIA Insured		11/10 at 100
1,160	5.625%, 11/01/30 (Pre-refunded 11/01/10) - MBIA Insured		11/10 at 100
1,125	Puerto Rico Highway and Transportation Authority, Highway Revenue Bonds, Series 2000B, 6.000%, 7/01/39 (Pre-refunded 7/01/10)		7/10 at 101
85	Puerto Rico Public Finance Corporation, Commonwealth Appropriation Bonds, Series 2002E, 6.000%, 8/01/26 (ETM)		No Opt. C
185	Puerto Rico, The Children's Trust Fund, Tobacco Settlement Asset-Backed Bonds, Series 2000, 5.750%, 7/01/20 (Pre-refunded 7/01/10)		7/10 at 100
1,000	Rochester Community School District, Oakland and Macomb Counties, Michigan, General Obligation Bonds, Series 2000I, 5.750%, 5/01/19 (Pre-refunded 5/01/10) - FGIC Insured		5/10 at 100
2,100	Romulus Community Schools, Wayne County, Michigan, Unlimited Tax General Obligation School Building and Site Bonds, Series 1999, 5.750%, 5/01/25 (Pre-refunded 5/01/09) - FGIC Insured		5/09 at 100
2,500	Taylor Building Authority, Wayne, Michigan, Limited Tax General Obligation Bonds, Series 2000, 5.125%, 3/01/17 (Pre-refunded 3/01/10) - AMBAC Insured		3/10 at 100
1,980	Washtenaw County Building Authority, Michigan, Limited Tax General Obligation Bonds, Series 1999, 5.400%, 9/01/17 (Pre-refunded 9/01/07) - FGIC Insured		9/07 at 100

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

	U.S. GUARANTEED (4) (continued)	
\$ 2,600	West Bloomfield School District, Oakland County, Michigan, Unlimited Tax General Obligation School Building and Site Bonds, Series 2000, 5.900%, 5/01/18 (Pre-refunded 5/01/10) -	5/10 at 100

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FGIC Insured

1,125	Whitehall District Schools, Muskegon County, Michigan, General Obligation Bonds, Series 2001, 5.500%, 5/01/17 (Pre-refunded 11/01/11)	11/11 at 100
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73,925	Total U.S. Guaranteed	
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UTILITIES - 12.4% (8.0% OF TOTAL INVESTMENTS)

3,000	Michigan Public Power Agency, Revenue Bonds, Combustion Turbine 1 Project, Series 2001A, 5.250%, 1/01/27 - AMBAC Insured	1/12 at 100
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3,225	Michigan South Central Power Agency, Power Supply System Revenue Bonds, Series 2000, 6.000%, 5/01/12	No Opt. C
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1,000	Michigan Strategic Fund, Collateralized Limited Obligation Pollution Control Revenue Refunding Bonds, Detroit Edison Company, Series 1999A, 5.550%, 9/01/29 - MBIA Insured (Alternative Minimum Tax)	9/09 at 102
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4,000	Michigan Strategic Fund, Collateralized Limited Obligation Pollution Control Revenue Refunding Bonds, Detroit Edison Company, Series 2001C, 5.450%, 9/01/29	9/11 at 100
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2,000	Michigan Strategic Fund, Limited Obligation Pollution Control Revenue Refunding Bonds, Detroit Edison Company, Series 1995CC, 4.850%, 9/01/30 (Mandatory put 9/01/11) - AMBAC Insured	No Opt. C
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3,630	Michigan Strategic Fund, Limited Obligation Revenue Refunding Bonds, Detroit Edison Company, Series 1991BB, 7.000%, 5/01/21 - AMBAC Insured	No Opt. C
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3,000	Michigan Strategic Fund, Limited Obligation Revenue Refunding Bonds, Detroit Edison Company, Series 2002C, 5.450%, 12/15/32 - XLCA Insured (Alternative Minimum Tax)	12/12 at 100
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400	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2000HH, 5.250%, 7/01/29 - FSA Insured	7/10 at 101
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20,255	Total Utilities	
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WATER AND SEWER - 9.2% (5.9% OF TOTAL INVESTMENTS)

5,500	Detroit Water Supply System, Michigan, Water Supply System Revenue Bonds, Series 2006A, 5.000%, 7/01/34 (WI/DD, Settling 8/16/06) - FSA Insured	7/16 at 100
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1,500	Detroit, Michigan, Senior Lien Sewerage Disposal System Revenue Bonds, Series 2001B, 5.500%, 7/01/29 - FGIC Insured	No Opt. C
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2,000	Detroit, Michigan, Senior Lien Sewerage Disposal System Revenue Bonds, Series 2003A, 5.000%, 7/01/17 - FSA Insured	7/13 at 100
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4,210	Michigan Municipal Bond Authority, Clean Water Revolving Fund Revenue Bonds, Series 2004, 5.000%, 10/01/19	10/14 at 100
1,100	Michigan Municipal Bond Authority, Clean Water Revolving Fund Revenue Refunding Bonds, Series 2002, 5.250%, 10/01/18	10/12 at 100
1,150	Michigan Municipal Bond Authority, Drinking Water Revolving Fund Revenue Bonds, Series 2004, 5.000%, 10/01/23	10/14 at 100

15,460	Total Water and Sewer	

\$ 266,981	Total Long-Term Investments (cost \$260,068,216) - 153.7%	
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Nuveen Michigan Quality Income Municipal Fund, Inc. (NUM) (continued)
Portfolio of INVESTMENTS July 31, 2006

PRINCIPAL AMOUNT (000)	DESCRIPTION (1)

	SHORT-TERM INVESTMENTS - 0.9% (0.6% OF TOTAL INVESTMENTS)
\$ 1,650	Puerto Rico Government Development Bank, Adjustable Refunding Bonds, Variable Rate Demand Obligations, Series 1985, 3.530%, 12/01/15 - MBIA Insured (5)

\$ 1,650	Total Short-Term Investments (cost \$1,650,000)
=====	
	Total Investments (cost \$261,718,216) - 154.6%

	Other Assets Less Liabilities - (1.7)%

	Preferred Shares, at Liquidation Value - (52.9)%

	Net Assets Applicable to Common Shares - 100%
=====	

- (1) All percentages shown in the Portfolio of Investments are based on net assets applicable to Common shares unless otherwise noted.
- (2) Optional Call Provisions (not covered by the report of independent registered public accounting firm): Dates (month and year) and prices of the earliest optional call or redemption. There may be other call provisions at varying prices at later dates. Certain mortgage-backed securities may be subject to periodic principal paydowns.
- (3) Ratings (not covered by the report of independent registered public accounting firm): Using the higher of Standard & Poor's or Moody's rating. Ratings below BBB by Standard & Poor's Group or Baa by Moody's Investor Service, Inc. are considered to be below investment grade.

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

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

N/R Not rated.

WI/DD Purchased on a when-issued or delayed delivery basis.

(ETM) Escrowed to maturity.

See accompanying notes to financial statements.

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Nuveen Michigan Premium Income Municipal Fund, Inc. (NMP)
Portfolio of
INVESTMENTS July 31, 2006

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

EDUCATION AND CIVIC ORGANIZATIONS - 5.3% (3.5% OF TOTAL INVESTMENTS)		
\$ 440	Chandler Park Academy, Michigan, Public School Academy Charter School Revenue Bonds, Series 2005, 5.125%, 11/01/35	11/15 at 100
2,000	Michigan Higher Education Student Loan Authority, Revenue Bonds, Series 2002 XVII-G, 5.200%, 9/01/20 - AMBAC Insured (Alternative Minimum Tax)	9/12 at 100
3,500	Wayne State University, Michigan, General Revenue Bonds, Series 1999, 5.125%, 11/15/29 - FGIC Insured	11/09 at 101

5,940	Total Education and Civic Organizations	

HEALTH CARE - 11.4% (7.6% OF TOTAL INVESTMENTS)		
2,050	Dearborn Hospital Finance Authority, Michigan, Hospital Revenue Bonds, Oakwood Obligated Group, Series 1995A, 5.875%, 11/15/25 - FGIC Insured	11/06 at 101
2,200	Hancock Hospital Finance Authority, Michigan, FHA-Insured Mortgage Hospital Revenue Bonds, Portage Health System Inc., Series 1998, 5.450%, 8/01/47 - MBIA Insured	8/08 at 100
4,000	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Mercy Mt. Clemens Corporation Obligated	5/09 at 101

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Group, Series 1999A, 5.750%, 5/15/29 - MBIA Insured

500	Michigan State Hospital Finance Authority, Hospital Revenue Refunding Bonds, Sparrow Obligated Group, Series 2001, 5.625%, 11/15/31	11/11 at 101
425	Michigan State Hospital Finance Authority, Revenue Bonds, Chelsea Community Hospital, Series 2005, 5.000%, 5/15/25	5/15 at 100
325	Michigan State Hospital Finance Authority, Revenue Bonds, Marquette General Hospital, Series 2005A, 5.000%, 5/15/26	5/15 at 100
2,000	Michigan State Hospital Finance Authority, Revenue Refunding Bonds, Detroit Medical Center Obligated Group, Series 1993A: 6.250%, 8/15/13	8/06 at 100
500	6.500%, 8/15/18	8/06 at 100
800	Monroe County Hospital Finance Authority, Michigan, Mercy Memorial Hospital Corporation Revenue Bonds, Series 2006, 5.375%, 6/01/26	6/16 at 100

12,800 Total Health Care

HOUSING/MULTIFAMILY - 7.0% (4.7% OF TOTAL INVESTMENTS)

935	Michigan Housing Development Authority, GNMA Collateralized Limited Obligation Multifamily Housing Revenue Bonds, Burkshire Pointe Apartments, Series 2002A, 5.400%, 10/20/32 (Alternative Minimum Tax)	4/12 at 102
1,500	Michigan Housing Development Authority, Limited Obligation Revenue Bonds, Breton Village Green Project, Series 1993, 5.625%, 10/15/18 - FSA Insured	10/06 at 100
2,400	Michigan Housing Development Authority, Limited Obligation Revenue Bonds, Walled Lake Villa Project, Series 1993, 6.000%, 4/15/18 - FSA Insured	10/06 at 101
800	Michigan Housing Development Authority, Rental Housing Revenue Bonds, Series 2006D, 5.125%, 4/01/31 - FSA Insured (Alternative Minimum Tax)	7/15 at 100
765	Mt. Clemens Housing Corporation, Michigan, FHA-Insured Section 8 Assisted Multifamily Housing Revenue Refunding Bonds, Clinton Place Project, Series 1992A: 6.600%, 6/01/13	12/06 at 100
1,500	6.600%, 6/01/22	12/06 at 100

7,900 Total Housing/Multifamily

LONG-TERM CARE - 0.6% (0.4% OF TOTAL INVESTMENTS)

665	Michigan State Hospital Finance Authority, Revenue Bonds, Presbyterian Villages of Michigan Obligated Group, Series 2005, 5.250%, 11/15/25	5/15 at 100
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Nuveen Michigan Premium Income Municipal Fund, Inc. (NMP) (continued)
 Portfolio of INVESTMENTS July 31, 2006

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

MATERIALS - 0.9% (0.6% OF TOTAL INVESTMENTS)		
\$ 1,050	Dickinson County Economic Development Corporation, Michigan, Pollution Control Revenue Bonds, International Paper Company, Series 2004A, 4.800%, 11/01/18	11/14 at 100

TAX OBLIGATION/GENERAL - 51.8% (34.7% OF TOTAL INVESTMENTS)		
1,475	Anchor Bay School District, Macomb and St. Clair Counties, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/21	11/13 at 100
2,500	Anchor Bay School District, Macomb and St. Clair Counties, Michigan, Unlimited Tax General Obligation Refunding Bonds, Series 2001, 5.000%, 5/01/21	5/11 at 100
2,250	Caledonia Community Schools, Kent, Allegan and Barry Counties, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/26 - MBIA Insured	5/15 at 100
1,375	Chippewa Valley Schools, Macomb County, Michigan, General Obligation Bonds, Series 2001, 5.000%, 5/01/26	5/11 at 100
1,815	Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2002A: 6.000%, 5/01/20 - FGIC Insured	No Opt. C
750	6.000%, 5/01/21 - FGIC Insured	No Opt. C
2,500	Detroit City School District, Wayne County, Michigan, General Obligation Bonds, Series 2003B, 5.000%, 5/01/23 - FGIC Insured	5/13 at 100
2,665	Detroit, Michigan, General Obligation Bonds, Series 2004A-1, 5.250%, 4/01/24 - AMBAC Insured	4/14 at 100
7,000	Detroit-Wayne County Stadium Authority, Michigan, Limited Tax General Obligation Building Authority Stadium Bonds, Series 1997, 5.250%, 2/01/27 - FGIC Insured	2/07 at 102
1,350	Gull Lake Community Schools, Barry and Calhoun Counties, Kalamazoo, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/23 - FSA Insured	5/14 at 100
1,650	Holly Area School District, Oakland County, Michigan, General Obligation Bonds, Series 2006, 5.125%, 5/01/32 - MBIA Insured	5/16 at 100
2,000	Howell Public Schools, Livingston County, Michigan, General Obligation Bonds, Series 2003, 5.000%, 5/01/22	11/13 at 100

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1,250	Kalamazoo Public Schools, Michigan, General Obligation Bonds, Series 2006, 5.000%, 5/01/25 - FSA Insured	5/16 at 100
1,000	Lansing School District, Ingham County, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/22	5/14 at 100
1,000	Livonia Public Schools, Wayne County, Michigan, General Obligation Bonds, Series 2004A, 5.000%, 5/01/21 - MBIA Insured	5/14 at 100
1,000	Michigan Municipal Bond Authority, General Obligation Bonds, Detroit City School District, Series 2005, 5.000%, 6/01/18 - FSA Insured	6/15 at 100
	Michigan, General Obligation Bonds, Environmental Protection Program, Series 2003A:	
1,000	5.250%, 5/01/20	5/13 at 100
2,000	5.250%, 5/01/21	5/13 at 100
1,000	Otsego Public Schools District, Allegan and Kalamazoo Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/25 - FSA Insured	5/14 at 100
1,100	Oxford Area Community Schools, Oakland and Lapeer Counties, Michigan, General Obligation Bonds, Series 2004, 5.000%, 5/01/25 - FSA Insured	5/14 at 100
2,515	Plainwell Community Schools, Allegan County, Michigan, General Obligation Bonds, Series 2002, 5.000%, 5/01/28	11/12 at 100
1,000	Rockford Public Schools, Kent County, Michigan, General Obligation Bonds, Series 2005, 5.000%, 5/01/27 - FSA Insured	5/15 at 100

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