

NUVEEN ARIZONA PREMIUM INCOME MUNICIPAL FUND INC
Form N-Q
January 27, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT
COMPANY

Investment Company Act file number 811-7278

Nuveen Arizona Premium Income Municipal Fund, Inc.
(Exact name of registrant as specified in charter)

Nuveen Investments
333 West Wacker Drive, Chicago, Illinois 60606
(Address of principal executive offices) (Zip code)

Kevin J. McCarthy
Vice President and Secretary
333 West Wacker Drive, Chicago, Illinois 60606
(Name and address of agent for service)

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

Date of fiscal year end: 2/28

Date of reporting period: 11/30/11

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q 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 the 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. § 3507.

Item 1. Schedule of Investments

Portfolio of Investments (Unaudited)

Nuveen Arizona Premium Income Municipal Fund, Inc. (NAZ)

November 30, 2011

Principal Amount (000)	Description (1)	Optional Call Provisions (2)	Ratings (3)	Value
	Consumer Staples – 1.1% (0.8% of Total Investments)			
\$ 745	Puerto Rico, The Children’s Trust Fund, Tobacco Settlement Asset-Backed Refunding Bonds, Series 2002, 5.375%, 5/15/33	5/12 at 100.00	BBB	\$ 697,290
	Education and Civic Organizations – 16.1% (11.3% of Total Investments)			
2,500	Arizona Higher Education Loan Authority, Student Loan Revenue Bonds, Series 2007B, Auction	3/12 at 100.00	A	1,739,925
1,000	Rate Securities, 0.508%, 11/01/41 (Alternative Minimum Tax) (4) Arizona State University, System Revenue Bonds, Series 2002, 5.000%, 7/01/25 – FGIC Insured	7/12 at 100.00	AA	1,021,850
1,455	Arizona State University, System Revenue Bonds, Series 2005: 5.000%, 7/01/20 – AMBAC Insured	7/15 at 100.00	Aa3	1,549,124
750	5.000%, 7/01/21 – AMBAC Insured	7/15 at 100.00	Aa3	793,155
755	Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2007, 5.000%, 5/15/31	5/22 at 100.00	A–	770,085
1,600	Glendale Industrial Development Authority, Arizona, Revenue Bonds, Midwestern University, Refunding Series 2010, 5.125%, 5/15/40	5/20 at 100.00	A–	1,604,320
	Pima County Industrial Development Authority, Arizona, Education Revenue Bonds, Paradise Education Center Project, Series 2010:			
170	6.000%, 6/01/40	6/19 at 100.00	BBB–	147,268
200	6.100%, 6/01/45	6/19 at 100.00	BBB–	172,970
1,500	Tempe Industrial Development Authority, Arizona, Lease Revenue Bonds, Arizona State University Foundation Project, Series 2003, 5.000%, 7/01/34 – AMBAC Insured	7/13 at 100.00	N/R	1,430,640
825	Yavapai County Industrial Development Authority, Arizona, Charter School Revenue Bonds, Arizona Agribusiness and Equine Center Charter School, Series 2011, 7.875%, 3/01/42	3/21 at 100.00	BB+	859,914
10,755	Total Education and Civic Organizations			10,089,251

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	Health Care – 21.8% (15.3% of Total Investments)		
1,430	Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007A, 5.000%, 1/01/25	1/17 at 100.00	AA– 1,494,565
885	Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2007B, 1.059%, 1/02/37	1/17 at 100.00	AA– 579,126
3,470	Arizona Health Facilities Authority, Hospital Revenue Bonds, Banner Health Systems, Series 2008D, 5.500%, 1/01/38	1/18 at 100.00	AA– 3,603,212
675	Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2005B, 5.000%, 12/01/37	12/15 at 100.00	BBB 581,540
1,110	Glendale Industrial Development Authority, Arizona, Revenue Bonds, John C. Lincoln Health Network, Series 2007, 5.000%, 12/01/42	12/17 at 100.00	BBB 936,185
2,150	Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2004A, 5.375%, 7/01/23	7/14 at 100.00	A 2,255,565
2,900	Maricopa County Industrial Development Authority, Arizona, Health Facility Revenue Bonds, Catholic Healthcare West, Series 2007A, 5.250%, 7/01/32	7/17 at 100.00	A 2,911,687
425	Puerto Rico Industrial, Tourist, Educational, Medical and Environmental Control Facilities Financing Authority, Hospital Revenue Bonds, Hospital de la Concepcion, Series 2000A, 6.375%, 11/15/15	5/12 at 100.00	AA+ 426,696
	Show Low Industrial Development Authority, Arizona, Hospital Revenue Bonds, Navapache Regional Medical Center, Series 2005:		
525	5.000%, 12/01/25 – RAAI Insured	12/15 at 100.00	BBB+ 499,548
435	5.000%, 12/01/30 – RAAI Insured	12/15 at 100.00	BBB+ 398,756
14,005	Total Health Care		13,686,880
	Tax Obligation/General – 11.6% (8.2% of Total Investments)		
1,265	Gila County Unified School District 10 Payson, Arizona, School Improvement Bonds, Project 2006, Series 2008B, 5.750%, 7/01/28	7/18 at 100.00	Aa3 1,386,263
1,200	Maricopa County Unified School District 95 Queen Creek, Arizona, General Obligation Bonds, Series 2008, 5.000%, 7/01/27 – AGM Insured	7/18 at 100.00	Aa3 1,270,620
515	Pima County Continental Elementary School District 39, Arizona, General Obligation Bonds, Series 2011A, 2.000%, 7/01/30 – AGM Insured	7/21 at 100.00	AA– 566,449
3,530	Pinal County Unified School District 1, Florence, Arizona, General Obligation Bonds, Series 2008C, 5.250%, 7/01/28	7/18 at 100.00	A 3,767,356
330	Puerto Rico, General Obligation and Public Improvement Bonds, Series 2002A, 5.375%, 7/01/28	2/12 at 100.00	Baa1 330,083
6,840	Total Tax Obligation/General		7,320,771

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Tax Obligation/Limited – 37.4% (26.2% of Total Investments)				
321	Estrella Mountain Ranch Community Facilities District, Goodyear, Arizona, Special Assessment Lien Bonds, Series 2001A, 7.875%, 7/01/25	7/12 at 100.00	N/R	323,623
3,000	Glendale Western Loop 101 Public Facilities Corporation, Arizona, Third Lien Excise Tax Revenue Bonds, Series 2008B, 6.250%, 7/01/38	1/14 at 100.00	AA	3,094,530
1,280	Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006-1, 5.000%, 8/01/22 – NPMFG Insured	8/16 at 100.00	AA–	1,355,648
740	Greater Arizona Development Authority, Infrastructure Revenue Bonds, Series 2006A, 5.000%, 8/01/23 – NPMFG Insured	8/16 at 100.00	AA–	779,183
1,125	Marana Municipal Property Corporation, Arizona, Municipal Facilities Revenue Bonds, Series 2008B, 5.125%, 7/01/28	7/12 at 100.00	AA	1,125,765
575	Marana Municipal Property Corporation, Arizona, Revenue Bonds, Series 2003, 5.000%, 7/01/28 – AMBAC Insured	7/13 at 100.00	AA	585,195
1,350	Marana, Arizona, Tangerine Farms Road Improvement District Revenue Bonds, Series 2006, 4.600%, 1/01/26	7/16 at 100.00	A2	1,354,766
3,400	Maricopa County Stadium District, Arizona, Revenue Refunding Bonds, Series 2002, 5.375%, 6/01/18 – AMBAC Insured	6/12 at 100.00	N/R	3,183,998
3,400	Mesa, Arizona, Street and Highway User Tax Revenue Bonds, Series 2005, 5.000%, 7/01/24 – AGM Insured	7/15 at 100.00	AA	3,572,141
1,140	Pinetop Fire District of Navajo County, Arizona, Certificates of Participation, Series 2008, 7.750%, 6/15/29	6/16 at 102.00	A3	1,177,107
265	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24	7/12 at 100.00	Baa1	265,223
1,610	San Luis Civic Improvement Corporation, Arizona, Municipal Facilities Excise Tax Revenue Bonds, Series 2005, 5.000%, 7/01/25 – SYNCORA GTY Insured	7/15 at 100.00	A+	1,665,690
1,000	Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Refunding Series 2006, 5.000%, 7/01/24	No Opt. Call	AAA	1,218,330
2,000	Scottsdale Municipal Property Corporation, Arizona, Excise Tax Revenue Bonds, Water & Sewer Improvements Project, Series 2010, 5.000%, 7/01/36	No Opt. Call	AAA	2,126,860
1,000	Virgin Islands Public Finance Authority, Matching Fund Loan Notes Revenue Bonds, Senior Lien Series 2010A, 5.000%, 10/01/29	10/20 at 100.00	BBB	994,680
645	Vistancia Community Facilities District, Arizona, Restricted General Obligation Bonds, Series 2005, 5.750%, 7/15/24	7/15 at 100.00	A1	677,263
22,851	Total Tax Obligation/Limited U.S. Guaranteed – 11.2% (7.9% of Total Investments) (5)			23,500,002

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1,250	Maricopa County Industrial Development Authority, Arizona, Hospital Revenue Refunding Bonds, Samaritan Health Services, Series 1990A, 7.000%, 12/01/16 – NPMF Insured (ETM)	No Opt. Call	N/R (5)	1,497,238
385	Maricopa County, Arizona, Hospital Revenue Bonds, Sun Health Corporation, Series 2005, 5.000%, 4/01/16 (Pre-refunded 4/01/15)	4/15 at 100.00	N/R (5)	436,417
1,500	Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water System Revenue Bonds, Series 2002, 5.000%, 7/01/26 (Pre-refunded 7/01/12) – FGIC Insured	7/12 at 100.00	AAA	1,540,755
1,200	Prescott Valley Municipal Property Corporation, Arizona, Municipal Facilities Revenue Bonds, Series 2003, 5.000%, 1/01/27 (Pre-refunded 1/01/13) – FGIC Insured	1/13 at 100.00	AA– (5)	1,260,504
735	Puerto Rico Public Buildings Authority, Guaranteed Government Facilities Revenue Refunding Bonds, Series 2002D, 5.125%, 7/01/24 (Pre-refunded 7/01/12)	7/12 at 100.00	Baa1 (5)	755,815
530	Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Bonds, Series 2002B, 5.000%, 1/01/22 (Pre-refunded 1/01/13)	1/13 at 100.00	Aa1 (5)	556,961
	Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Refunding Bonds, Series 2002A:			
310	5.125%, 1/01/27 (Pre-refunded 1/01/12)	1/12 at 101.00	N/R (5)	314,421
660	5.125%, 1/01/27 (Pre-refunded 1/01/12)	1/12 at 101.00	Aa1 (5)	669,412
6,570	Total U.S. Guaranteed Utilities – 24.9% (17.4% of Total Investments)			7,031,523
1,000	Arizona Power Authority, Special Obligation Power Resource Revenue Refunding Crossover Bonds, Hoover Project, Series 2001, 5.250%, 10/01/15	No Opt. Call	AA	1,148,940
1,600	Maricopa County Pollution Control Corporation, Arizona, Pollution Control Revenue Refunding Bonds, Southern California Edison Company, Series 2000A, 5.000%, 6/01/35	6/20 at 100.00	A1	1,674,992
1,340	Pima County Industrial Development Authority, Arizona, Revenue Bonds, Tucson Electric Power Company, Refunding Series 2008, 5.750%, 9/01/29	1/15 at 100.00	BBB–	1,366,733
650	Pinal County Electrical District 3, Arizona, Electric System Revenue Bonds, Refunding Series 2011, 5.250%, 7/01/36	7/21 at 100.00	A	664,963
2,170	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series 2005RR, 5.000%, 7/01/27 – SYNCORA GTY Insured	7/15 at 100.00	A3	2,196,517
715	Salt River Project Agricultural Improvement and Power District, Arizona, Electric System Revenue Bonds, Tender Option Bond Trust 09-9W, 18.060%, 1/01/38 (IF) (6)	1/18 at 100.00	Aa1	845,244
	Salt Verde Financial Corporation, Arizona, Senior Gas Revenue Bonds, Citigroup Energy Inc			

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Prepay Contract Obligations, Series 2007:

4,500	5.500%, 12/01/29	No Opt. Call	A	4,506,748
3,500	5.000%, 12/01/37	No Opt. Call	A	3,219,440
15,475	Total Utilities			15,623,577
	Water and Sewer – 18.4% (12.9% of Total Investments)			
	Cottonwood, Arizona, Senior Lien Water System Revenue Bonds,	7/14 at		
1,005	Municipal Property Corporation,	100.00	A	1,018,568
	Series 2004, 5.000%, 7/01/24 – SYNCORA GTY Insured			
	Glendale, Arizona, Water and Sewer Revenue Bonds, Subordinate	7/13 at		
3,500	Lien, Series 2003, 5.000%,	100.00	AA	3,629,079
	7/01/28 – AMBAC Insured			
	Goodyear, Arizona, Water and Sewer Revenue Obligations, Series	7/20 at		
1,425	2010, 5.625%, 7/01/39	100.00	A+	1,466,938
	Oro Valley Municipal Property Corporation, Arizona, Senior Lien	7/13 at		
575	Water Revenue Bonds, Series	100.00	AA–	589,835
	2003, 5.000%, 7/01/23 – NPFQ Insured			
	Phoenix Civic Improvement Corporation, Arizona, Junior Lien	7/14 at		
1,000	Wastewater System Revenue Bonds,	100.00	AA+	1,079,830
	Series 2004, 5.000%, 7/01/24 – NPFQ Insured			
	Phoenix Civic Improvement Corporation, Arizona, Junior Lien Water	No Opt.		
1,250	System Revenue Refunding	Call	AAA	1,578,213
	Bonds, Series 2001, 5.500%, 7/01/21 – FGIC Insured			
	Surprise Municipal Property Corporation, Arizona, Wastewater			
	System Revenue Bonds, Series 2007:			
		4/14 at		
600	4.700%, 4/01/22	100.00	N/R	603,708
		4/17 at		
810	4.900%, 4/01/32	100.00	N/R	767,305
	Yuma County Industrial Development Authority, Arizona, Exempt	12/17 at		
905	Revenue Bonds, Far West Water &	100.00	N/R	820,618
	Sewer Inc. Refunding, Series 2007A, 6.375%, 12/01/37 (Alternative			
	Minimum Tax)			
11,070	Total Water and Sewer			11,554,094
\$ 88,311	Total Investments (cost \$85,205,805) – 142.5%			89,503,388
	Variable Rate MuniFund Term Preferred Shares, at Liquidation Value			
	– (44.6)% (7)			(28,000,000)
	Other Assets Less Liabilities – 2.1%			1,315,829
				\$
	Net Assets Applicable to Common Shares – 100%			62,819,217

Fair Value Measurements

Fair value is defined as the price that the Fund would receive upon selling an investment or transferring a liability in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. A three-tier hierarchy is used to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability. Observable inputs are based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability. Unobservable inputs are based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

Level 1 – Quoted prices in active markets for identical securities.

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

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

The inputs or methodologies used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the Fund's fair value measurements as of November 30, 2011:

	Level 1	Level 2	Level 3	Total
Investments:				
Municipal Bonds	\$ —	\$87,763,463	\$1,739,925	\$89,503,388

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

	Level 3 Municipal Bonds
Balance at the begin	