NUVEEN NEW YORK DIVIDEND ADVANTAGE MUNICIPAL INCOME FUND
Form N-CSRS
June 07, 2012

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 811-09473

Nuveen New York Dividend Advantage Municipal Income Fund
(Exact name of registrant as specified in charter)

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

Kevin J. McCarthy
Nuveen Investments
333 West Wacker Drive
Chicago, IL 60606
(Name and address of agent for service)

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

Date of fiscal year end: September 30

Date of reporting period: March 31, 2012

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.

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Chairman's
Letter to Shareholders

Dear Shareholders,

In recent months the positive atmosphere in financial markets has reflected efforts by central banks in the U.S. and Europe to provide liquidity to the financial system and keep interest rates low. At the same time, future economic growth in these countries still faces serious headwinds in the form of high energy prices, uncertainties about potential political leadership changes and increasing pressure to reduce government spending regardless of its impact on the economy. Together with the continuing political tensions in the Middle East, investors have many reasons to remain cautious.

Though progress has been painfully slow, officials in Europe have taken important steps to address critical issues. The European Central Bank has provided vital liquidity to the banking system. Similarly, officials in the Euro area finally agreed to an enhanced "firewall" of funding to deal with financial crises in member countries. These steps, in addition to the completion of another round of financing for Greece, have eased credit conditions across the continent. Several very significant challenges remain with the potential to derail the recent progress but European leaders have demonstrated political will and persistence in dealing with their problems.

In the U.S., strong corporate earnings and continued progress on job creation have contributed to a rebound in the equity market and many of the major stock market indexes are approaching their levels before the financial crisis. The Fed's commitment to an extended period of low interest rates is promoting economic growth, which remains moderate but steady and raises concerns about the future course of long term rates once the program ends. Pre-election maneuvering has added to the highly partisan atmosphere in the Congress. The end of the Bush-era tax cuts and implementation of the spending restrictions of the Budget Control Act of 2011, both scheduled to take place at year-end, loom closer with little progress being made to deal with them.

During the last year, investors have experienced a sharp decline and a strong recovery in the equity markets. Experienced investment teams keep their eye on a longer time horizon and use their practiced investment disciplines to negotiate through market peaks and valleys to achieve long term goals for investors. Monitoring this process is an important consideration for the Fund Board as it oversees your Nuveen funds on your behalf.

As always, I encourage you to contact your financial consultant if you have any questions about your investment in a Nuveen Fund. On behalf of the other members of your Fund Board, we look forward to continuing to earn your trust in the months and years ahead.

Sincerely,

Robert P. Bremner
Chairman of the Board
May 18, 2012

Portfolio Manager's Comments

Nuveen New York Investment Quality Municipal Fund, Inc. (NQN)
Nuveen New York Select Quality Municipal Fund, Inc. (NVN)
Nuveen New York Quality Income Municipal Fund, Inc. (NUN)
Nuveen New York Premium Income Municipal Fund, Inc. (NNF)
Nuveen New York Dividend Advantage Municipal Income Fund (NKO)
Nuveen New York AMT-Free Municipal Income Fund (NRK)

Portfolio manager Scott Romans discusses key investment strategies and the six-month performance of these Nuveen New York Funds. Scott, who joined Nuveen in 2000, assumed portfolio management responsibility for the New York Funds in January 2011.

What key strategies were used to manage these New York Funds during the six-month reporting period ended March 31, 2012?

During this reporting period, municipal bond prices generally rallied, amid strong demand and yields that continued to be relatively low. Due to their insured mandate and the continued decline in insured issuance, finding appropriate insured municipal bonds, especially new insured issues, remained a challenge for these New York Funds during the first three months of this period. Over the past few years, most municipal bond insurers had their credit ratings downgraded and only one insurer currently insures new municipal bonds. As a result, the supply of insured municipal securities decreased dramatically. In 2011, issuance of new insured paper accounted for just over 5% of total municipal issuance (compared with an historical level of 50%), down 43.5% from 2010. The combination of comparatively tight municipal supply, little insured issuance, and relatively lower yields meant fewer attractive opportunities for these Funds during the first half of this period.

In view of this situation, in October 2011, the Funds' Board of Directors/Trustees approved changes to the Funds' investment policy regarding insured municipal securities. Effective January 2, 2012, the Funds eliminated the policy requiring them to invest at least 80% of their managed assets in municipal securities covered by insurance. This change was designed to provide more flexibility regarding the types of securities available for investment. This does not represent a change in investment objectives; each Fund will continue to invest substantially all of its assets in a portfolio of investment-grade quality municipal securities.

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

Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

Following the change to these Funds' investment policy, we were very active in adding a variety of bonds to the Funds' portfolios, including health care and lower-rated tobacco credits. During the period when there were fewer purchase opportunities due to the insured mandate, the Funds' durations had drifted lower as bonds matured or were called from their portfolios. One of our goals during the second half of this period was to bring the Funds' durations back into their targeted range. We were able to make progress toward this goal by purchasing zero coupon bonds, primarily Puerto Rico sales tax issues, which offered longer durations, quality in the AA range and substantial spreads. We found this to be an attractive way of increasing the Funds' durations using uninsured bonds that were still high quality. Overall, we continued to take a bottom-up approach to discovering sectors that appeared undervalued as well as individual credits that had the potential to perform well over the long term.

Cash for new purchases during this period was generated primarily by the proceeds from called and maturing bonds. A number of bond calls and refundings provided a meaningful source of liquidity, which we worked to redeploy to keep the Funds fully invested and enhance their durations and credit and sector diversification. The Funds also sold a few selected holdings, but for the most part, selling was minimal during this period, as the bonds in our portfolios generally offered higher yields than those available in the current marketplace.

As of March 31, 2012, all six of these Funds continued to use inverse floating rate securities. We employ inverse floaters for a variety of reasons, including duration management, income enhancement, and total return enhancement.

How did the Funds perform during the six-month period ended March 31, 2012?

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

Average Annual Total Returns on Common Share Net Asset Value*

For periods ended 3/31/12

Fund	6-Month	1-Year	5-Year	10-Year
NQN	4.63%	16.12%	6.02%	6.58%
NVN	5.10%	17.29%	6.04%	6.70%
NUN	4.83%	16.17%	5.88%	6.47%
NNF	4.27%	15.91%	5.86%	6.28%
NKO	4.36%	14.66%	5.69%	6.64%
NRK	3.50%	13.10%	5.45%	N/A
Standard & Poor's (S&P) New York Municipal Bond Index**	3.47%	11.22%	5.17%	5.44%
Standard & Poor's (S&P) National Municipal Bond Index**	4.14%	12.56%	5.11%	5.49%
Lipper New York Municipal Debt Funds Classification Average**	6.21%	18.78%	4.94%	6.34%

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

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

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

** Refer to Glossary of Terms Used in this Report for definitions.

Average Annual Total Returns on Common Share Net Asset Value* (continued)

	6-Month	1-Year	5-Year	10-Year
Standard & Poor's (S&P) Insured National Municipal Bond Index**	4.33%	13.71%	5.20%	5.60%
Lipper Single-State Insured Municipal Debt Classification Funds Average**	6.26%	22.52%	5.91%	6.42%

For the six months ended March 31, 2012, the cumulative returns on common share net asset value (NAV) for all six of these New York Funds exceeded the return for the Standard & Poor's (S&P) New York Municipal Bond Index. NQN, NVN, NUN, NNF and NKO also outperformed the Standard & Poor's (S&P) National Municipal Bond Index, while NRK lagged this index. For the same period, the Funds underperformed the average return for the Lipper New York Municipal Debt Funds Classification. NQN, NVN, NUN, and NKO outperformed the Standard & Poor's (S&P) Insured National Municipal Bond Index, NNF performed in line with the S&P insured national return, while NRK lagged this index. For the same period, the Funds underperformed the average return for the Lipper Single-State Insured Municipal Debt Funds Classification.

Key management factors that influenced the Funds' returns during this period included duration and yield curve positioning, credit exposure and sector allocation. The use of regulatory leverage also was an important positive factor affecting the Funds' performance. Leverage is discussed in more detail later in this report.

During this period, municipal bonds with longer maturities generally outperformed those with shorter maturities. Overall, credits at the longest end of the municipal yield curve posted the strongest returns, while bonds at the shortest end produced the weakest results. As previously mentioned, the durations of these Funds had shortened over the last several years as bonds matured or were called from their portfolios, and the lack of insured issuance hampered our replacing them with bonds with longer maturities. During the second half of this period, we worked to give these Funds better access to the longer segment of the yield curve. Overall, duration and yield curve positioning was the dominant factor in the Funds' performance during these six months. Among these six Funds, NVN, NUN and NQN were the most advantageously positioned in terms of duration and yield curve exposure, with durations that were longer than the market average. With the shortest effective duration, NRK was the least advantageously positioned, which had a negative impact on its performance.

Credit exposure was also an important factor in performance during these six months, as lower-quality bonds generally outperformed higher-quality credits. This outperformance was due in part to the greater demand for lower-rated bonds as investors looked for investment vehicles offering higher yields. As with duration and yield curve positioning, bonds that matured or were called from the Funds over the past few years and not replaced due to the insured mandate caused the Funds' credit weightings to shift toward the upper end of the quality spectrum. While we worked to add to their lower-rated allocations following the change in investment policy, the Funds' underweightings in non-rated and sub-investment grade credits, which generally outperformed the market, detracted from their performance during this period.

Holdings and sectors that generally made positive contributions to the Funds' returns during this period included zero coupon bonds, health care, industrial development revenue (IDR), transportation and special tax credits. Leasing and housing bonds also outpaced the general municipal market for the period. Tobacco bonds backed by the 1998 master settlement agreement also were one of the top performing sectors, as these bonds benefited from several developments in the market, including increased demand for higher-yielding investments by investors who became less risk-averse. In addition, based on recent data showing that cigarette sales have fallen less steeply than anticipated, the 46 states participating in the agreement, including New York, stand to receive increased payments from the tobacco companies.

In contrast, pre-refunded bonds, which are often backed by U.S. Treasury securities, were the poorest performing market segment during this period. The underperformance of these bonds can be attributed primarily to their shorter effective maturities and higher credit quality. All six of these Funds were overweighted in pre-refunded bonds, with NRK having the heaviest weighting as of March 31, 2012. General obligation and other tax-supported bonds as well as credits issued by the electric utilities and water and sewer sectors also lagged the performance of the general municipal market for this period.

FUND POLICY CHANGES

On October 28, 2011, the Funds' Board of Directors/Trustees approved changes to each Fund's investment policy regarding its investment in insured municipal securities. These changes were designed to provide the Adviser with more flexibility regarding the types of securities available for investment by each Fund.

Effective January 2, 2012, each Fund eliminated the investment policy requiring it, under normal circumstances, to invest at least 80% of its managed assets in municipal securities that are covered by insurance guaranteeing the timely payment of principal and interest. Over the past few years, most municipal bond insurers have had their credit ratings downgraded and only one insurer is currently insuring new municipal bonds. As a result, the supply of insured municipal securities has decreased dramatically and the long-term viability of the municipal bond insurance market is uncertain. The Funds have not changed their investment objective and will continue to invest substantially all of their assets in a portfolio of investment grade quality municipal securities. Concurrent with the investment policy changes, certain Funds changed their names as follows:

– Nuveen Insured New York Premium Income Municipal Fund, Inc. (NNF) changed to Nuveen New York Premium Income Municipal Fund, Inc. (NNF),

– Nuveen Insured New York Dividend Advantage Municipal Fund (NKO) changed to Nuveen New York Dividend Advantage Municipal Income Fund (NKO) and

– Nuveen Insured New York Tax Free Advantage Municipal Fund (NRK) changed to Nuveen New York AMT-Free Municipal Income Fund (NRK).

In addition, each Fund changed its non-fundamental investment policy requiring each Fund to invest in municipal securities rated at least investment grade at the time of investment. Each Fund adopted a new policy to, under normal circumstances, invest at least 80% of its managed assets in investment grade securities that, at the time of investment, are rated within the four highest grades (Baa or BBB or better) by at least one nationally recognized statistical ratings organization ("NRSRO") or are unrated but judged to be of comparable quality by the Fund's investment adviser. Under the new policy, each Fund may invest up to 20% of its managed assets in municipal securities that at the time of investment are rated below investment grade or are unrated but judged to be of comparable quality by the Fund's investment adviser. No more than 10% of each Fund's managed assets may be invested in municipal securities rated below B3/B- or that are unrated but judged to be of comparable quality by the Fund's investment adviser.

Fund Leverage and
Other Information

IMPACT OF THE FUNDS' LEVERAGE STRATEGIES ON PERFORMANCE

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

THE FUNDS' REGULATORY LEVERAGE

As of March 31, 2012, the Funds have issued and outstanding MuniFund Term Preferred (MTP) Shares, Variable Rate MuniFund Term Preferred (VMTP) Shares and Variable Rate Demand Preferred (VRDP) Shares as shown in the accompanying tables.

MTP Shares

Fund	Series	MTP Shares Issued at Liquidation Value	Annual Interest Rate	NYSE Ticker
NRK	2015	$27,680,000	2.55%	NRK PrC

VMTP Shares

Fund	Series	VMTP Shares Issued at Liquidation Value
NNF	2014	$50,700,000

VRDP Shares

Fund	VRDP Shares Issued at Liquidation Value
NQN	$112,300,000
NVN	$164,800,000
NUN	$161,700,000
NKO	$ 50,000,000

(Refer to Notes to Financial Statements, Footnote 1 – General Information and Significant Accounting Policies and Footnote 4 – Fund Shares for further details on MTP Shares, VMTP Shares and VRDP Shares.)

UPDATE ON LITIGATION REGARDING THE FUNDS' REDEMPTION OF AUCTION RATE PREFERRED SHARES

During 2011, certain funds (including NUN) were named in a consolidated complaint as nominal defendants in a putative shareholder derivative action captioned Martin Safier, et al. v. Nuveen Asset Management, et al. that was filed in the Circuit Court of Cook County, Illinois, Chancery Division (the "Cook County Chancery Court") on February 18, 2011 (the "Complaint"). The Complaint, filed on behalf of purported holders of each fund's common shares, also named Nuveen Fund Advisors, Inc. as a defendant, together with current and former Officers and interested Directors/Trustees of each of the funds (together with the nominal defendants, collectively, the "Defendants"). The Complaint contained allegations regarding breaches of fiduciary duties in connection with the redemption of auction rate preferred shares issued by the funds. The Defendants filed a motion to dismiss the suit and on December 16, 2011, the court granted that motion dismissing the Complaint. The plaintiffs failed to file an appeal of the court's decision within the required time period, resulting in the final disposition of the suit.

RISK CONSIDERATIONS

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

Investment and Market Risk. An investment in common shares is subject to investment risk, including the possible loss of the entire principal amount that you invest. Your investment in common shares represents an indirect investment in the municipal securities owned by the Fund, which generally trade in the over-the-counter markets. Your common shares at any point in time may be worth less than your original investment, even after taking into account the reinvestment of Fund dividends and distributions.

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

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

Tax Risk. The tax treatment of Fund distributions may be affected by new IRS interpretations of the Internal Revenue Code and future changes in tax laws and regulations.

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

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

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

Call Risk or Prepayment Risk. Issuers may exercise their option to prepay principal earlier than scheduled, forcing a Fund to reinvest in lower-yielding securities.

Inverse Floater Risk. The Funds may invest in inverse floaters. Due to their leveraged nature, these investments can greatly increase a Fund's exposure to interest rate risk and credit risk. In addition, investments in inverse floaters involve the risk that the Fund could lose more than its original principal investment.

Common Share Dividend
and Price Information

DIVIDEND INFORMATION

The dividends of NQN, NVN, NUN, NNF, NKO and NRK remained stable throughout the six-month reporting period ended March 31, 2012.

Due to normal portfolio activity, common shareholders of the Funds received capital gains and/or net ordinary income distributions in December 2011 as follows:

Fund	Long-Term Capital Gains (per share)	Short-Term Capital Gains and/or Ordinary Income (per share)
NQN	$0.0496	$0.0082
NVN	$0.0283	—
NUN	$0.0222	—
NNF	$0.0058	—
NKO	$0.0052	—
NRK	$0.0103	—

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 March 31, 2012, all of the Funds in this report had positive UNII balances, based upon our best estimate, for tax purposes and positive UNII balances for financial reporting purposes.

COMMON SHARE REPURCHASES AND PRICE INFORMATION

As of March 31, 2012, and since the inception of the Funds' repurchase programs, the Funds have cumulatively repurchased and retired their common shares as shown in the accompanying table.

Fund	Common Shares Repurchased and Retired	% of Outstanding Common Shares
NQN	105,600	0.6%
NVN	118,000	0.5%
NUN	159,800	0.7%
NNF	85,700	1.0%
NKO	27,000	0.3%
NRK	6,800	0.2%

During the six-month reporting period, the Funds did not repurchase any of their outstanding common shares.

As of March 31, 2012, and during the six-month reporting period, the Funds' share prices were trading at (-) discounts to their NAVs as shown in the accompanying table.

Fund	3/31/12 (-)Discount	Six-Month Average (-)Discount
NQN	(-)4.05%	(-)1.92%
NVN	(-)4.67%	(-)1.85%
NUN	(-)4.76%	(-)1.10%
NNF	(-)4.52%	(-)2.05%
NKO	(-)5.31%	(-)4.39%
NRK	(-)5.19%	(-)5.30%

NQN	Nuveen New York
Performance	Investment Quality
OVERVIEW	Municipal Fund, Inc.

as of March 31, 2012

Fund Snapshot		
Common Share Price	$	14.94
Common Share Net Asset Value (NAV)	$	15.57
Premium/(Discount) to NAV		-4.05%
Market Yield		5.54%
Taxable-Equivalent Yield2		8.24%
Net Assets Applicable to Common Shares ($000)	$	273,112

Leverage	
Regulatory Leverage	29.14%
Effective Leverage	36.92%

Average Annual Total Returns
(Inception 11/20/90)

	On Share Price	On NAV
6-Month (Cumulative)	7.22%	4.63%
1-Year	20.22%	16.12%
5-Year	6.75%	6.02%
10-Year	7.10%	6.58%

Portfolio Composition3
(as a % of total investments)

Tax Obligation/Limited	36.6%
Education and Civic Organizations	16.8%
Health Care	8.2%
Tax Obligation/General	7.6%
Water and Sewer	7.5%
Transportation	7.2%
Utilities	6.2%
U.S. Guaranteed	6.2%
Other	3.7%

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

1 Ratings shown are the highest rating given by one of the following national rating agencies: Standard & Poor's Group, Moody's Investors Service, Inc. or Fitch, Inc. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC, CC, C and D are below-investment grade ratings. Certain bonds backed by U.S. Government or agency securities are regarded as having an implied rating equal to the rating of such securities. Holdings designated N/R are not rated by a national rating agency.

2 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 32.8%. When comparing this Fund to investments that generate qualified

dividend income, the Taxable-Equivalent Yield is lower.

3 Holdings are subject to change.

4 The Fund paid shareholders a net ordinary income distribution and a capital gains distribution in December 2011 of $0.0082 and $0.0496 per share.