PIMCO CORPORATE INCOME FUND Form N-Q March 30, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
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10105

(Zip code)

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number

811-10555 PIMCO CORPORATE INCOME FUND

(Exact name of registrant as specified in charter)

1345 Avenue of the Americas New York, New York

(Address of principal executive offices)

Lawrence G. Altadonna 1345 Avenue of the Americas New York, New York 10105

(Name and address of agent for service)

Registrant's telephone number, including area code: 212-739-3371

Date of fiscal year end: 10/31/05

Date of reporting period: 1/31/05

Form N-Q is to be used by the registered management investment company, other than a small business investment company 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 30b 1-5 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 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.

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PIMCO Corporate Income Fund

Schedule of Investments

January 31, 2005

(unaudited)

CORPORATE BONDS & NOTES - 73.6% Arlrines - 45.5%	Princip Amoun (000)			Credit Rating (Moody s/S&P)	Value*
\$ 3,008 American Airlines, Inc., pass thru certificates, 698%, 41/11, Ser. 01-2 Baa2/A \$ 3,048,916 Continental Airlines, Inc., pass thru certificates, 10,000 6.50%, 6/15/11, Ser. 01-1 Baa3/A 3,086,621 2,500 7,49%, 10/210, Ser. 00-2 Baa3/A 3,086,621 4,270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,242,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A WR/NR 3,034,63 6,487 6,201%, 9/1/08, Ser. 01-1 WR/NR 5,903,680 4,908 7,186%, 4/111, Ser. 00-2 WR/NR 4,455,892 5,599 7,73%, 7/1/10, Ser. 00-1 WR/NR 4,951,882 700 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 32,2000 Autom/tills/Trust, 12,38%, 5/1/20 Autom/tills/Trust, 12,38%, 5/1/20 Autom/tills/Trust, 12,38%, 5/1/20 A3/BBB 3,182,004 5,000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7,26%, 11/11 Baa2/BBB- 1,083,476 Baa1/BBB- 1,083,476 Baa1/BBB- 5,032,095 1,000 Hertz Corp., 7,025%, 6/1/12 Baa1/BBB- 5,932,705 1,000 Firth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Firth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Baa1/BBB- 1,088,470 1,385,1369 1,385,1			CORPORATE BONDS & NOTES - 73.6%		
6.98%, 4/1/11, Ser. 01-2 Continental Airlines, Inc., pass thru certificates, 10,000 6.50%, 6/15/11, Ser. 01-1 3.035 7.06%, 9/15/09, Ser. 99-2 Baa3/A 3,086.621 2,500 7.49%, 10/2/10, Ser. 00-2 Baa3/A 3,086.621 2,500 7.49%, 10/2/10, Ser. 00-2 Baa3/A 3,086.621 2,500 7.49%, 10/2/10, Ser. 00-2 Baa3/A 2,492,944 4,270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 5,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 5,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 5,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 5,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 5,342,088 4.908 7.186%, 4/1/11, Ser. 00-2 WR/NR 3,042,63 4.908 7.186%, 4/1/11, Ser. 00-2 WR/NR 4.455,892 WR/NR 4.455,892 WR/NR 4.455,892 WR/NR 4.455,892 WR/NR 4.455,892 WR/NR 4.455,892 WR/NR 4.351,882 3,182,004 4.000 Auburn Hilb Trust, 12,38%, 5/1/20 A3/BBB 3,182,004 4.000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB 5,023,095 1,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB 5,023,095 1,000 General Motors Corp., 7.20%, 1/15/11 Ban2/BBB 5,023,095 1,000 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A Aa3/NR 1.976,275 1,000 HBBC Capital Funding, 1.018%, 1/2/39/49 A1/A-1,580,588 1,000 Riggs Capital Trust, 8.625%, 1/2/31/26, Ser. A (a) Capital Funding, 1.018%, 1/2/39/49 A1/A-1,580,588 1,000 Riggs Capital Trust, 8.625%, 1/2/31/26, Ser. A (a) Bal/BBB-1,058,170 Bal/BBB-1,			Airlines - 4.5%		
10,000	\$	3,008	American Airlines, Inc., pass thru certificates,		
10,000 6,50%, 6/15/11, Ser. 01-1 Baa3/A 3,086,621 2,500 7,49%, 10/210, Ser. 00-2 Baa3/A 2,492,944 4,270 Northwest Airlines Corp., pass thru certificates,				Baa2/A- \$	3,048,916
3.035 7.06%, 9/15/09, Ser. 99-2 2.500 7.49%, 10/2/10, Ser. 00-2 3.000 7.49%, 10/2/10, Ser. 00-2 4.270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A 4.270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A 4.342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A 5.515 1.535%, 3/249, Ser. 97A 5.000 WR/NR 5.903,680 4.908 7.186%, 4/1/11, Ser. 00-2 WR/NR 5.903,680 5.599 7.73%, 7/1/10, Ser. 00-1 WR/NR 7.186%, 4/11/1, Ser. 00-1 Sana/RBB-1.058, 4/11/1 Sana/RBB-1.058, 4/					
2,500 7,49%, 10/2/10, Ser. 00-2 Baa3/A 2,492,944 4,270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A Baa2/A 4,342,088 United Airlines, Inc., pass thru certificates, 7.58%, 3/1/19, Ser. 992A WR/NR 3,034,263 3,515 1,535%, 3/2/49, Ser. 97A WR/NR 5,903,680 4,908 7,186%, 4/1/11, Ser. 00-1 WR/NR 4,951,882 5,599 7,73%, 7/1/10, Ser. 00-1 WR/NR 4,951,882 700 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 332,500 Automotive - 1.7% 2,000 Auburn Hills Trust, 12,38%, 5/1/20 A3/BB 3,182,004 5,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB- 5,023,095 1,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 1,082,492 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (Caa1/D) 1,005,000 1,750 Riggs National Corp., 9,65%, 6/1/509 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7,65%, 9/30/31 VRN A1/A 1,258,356 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 Royal Bank Oscotland Group, plc, 7,65%, 9/30/31 VRN Ba1/BBB- 1,058,170 Tolonic Data Systems Corp., 1,000 Royal Bank Oscotland Group, plc, 7,65%, 9/30/31 VRN A1/A 1,263,350 Containers - 0.4% 500 Dresser, Inc., 9,375%, 4/15/11 B2/B 5,45,000 Hutchison Whampoa International Ltd., 6,25%, 6,50%, 2/13/13-12/41/4 (d) A3/A- 4,280,999 1,030 Raychem Corp., 5,27%, 10/15/08 Ba3/BBB 1,164,267 Tyco International Group SA,, 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 Tyco International Group SA,, 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 Energy - 1,2% Lidon Edison Mission Energy, 7,73%, 6/15/09 B1/B 1,065,000					
4,270 Northwest Airlines Corp., pass thru certificates, 7.58%, 3/1/19, Ser. 992A United Airlines, Inc., pass thru certificates, 3,515 1,535%, 3/2/49, Ser. 97A WR/NR 3,034,263 6,487 6,201%, 9/1/08, Ser. 01-1 WR/NR 5,903,680 4,908 7,186%, 4/1/11, Ser. 00-2 WR/NR 4,455,892 5,599 7,73%, 7/1/10, Ser. 00-1 WR/NR 3,20,509 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 3,20,000 Automotive - 1,7% 2,000 Auburn Hills Trust, 12,38%, 5/1/20 Automotive - 1,7% 2,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7,20%, 1/15/11 Baa2/BBB- 5,032,095 1,000 Hertz Corp., 7,625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476 Banking - 1,5% Colonial Bank Inc., 9,375%, 6/1/11 Ba1/BBB- 5,932,705 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A A3/NR 1,976,275 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (a) 1,750 Riggs National Corp., 9,66%, 6/15/09 Bay Bank of Scotland Group, plc, 7,65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0,3% Electronic Data Systems Corp., 1,000 Royal Bank for Scotland Group, plc, 7,65%, 9/30/31 VRN Diversified Manufacturing - 2,5% 5,000 Presser, Inc., 9,375%, 4/15/11 Ba2/B 5,45,000 Ba1/BBB- 1,058,170 Ba1/BBB- 1,058		3,035	7.06%, 9/15/09, Ser. 99-2	Baa3/A	3,086,621
United Airlines, Inc., pass thru certificates, 3,515 1,535%, 3/2/49, Ser. 97A WR/NR 3,034,263 6,487 6,201%, 9/1/08, Ser. 01-1 WR/NR 5,903,680 4,908 7,186%, 4/1/11, Ser. 00-2 WR/NR 4,455,892 5,599 7,73%, 7/1/1/0, Ser. 00-1 WR/NR 3,25,00 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 332,500 Automotive - 1,7% 2,000 Auburn Hills Trust, 12,38%, 5/1/20 A3/BBB 3,182,004 5,000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB 6,165,885 5,000 General Motors Corp., 7,20%, 1/15/11 Baa2/BBB 5,023,095 1,000 Hertz Corp., 7,625%, 6/1/12 Baa2/BBB 1,082,492 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Ba1/BBB 5,932,705 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (a) Caa1/D 1,095,000 1,750 Riggs National Corp., 9,65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, ple, 7,65%, 9/30/31 VRN A1/A 1,263,051 1,000 Royal Bank of Scotland Group, ple, 7,65%, 9/30/31 VRN Ba1/BBB 1,068,176 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Ba1/BBB 1,068,176 5,000 T.125%, 10/15/09 Ba1/BBB 1,068,208 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/11/12 B2/B 545,000 4,000 Uniteristic Manufacturing - 2.5% 500 Dresser, Inc., 9,375%, 4/15/11 B2/B 545,000 4,000 Hutchison Wampoa International Ltd, 6,25%-6,50%, 2/13/13-12/4/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7,20%, 10/15/08 Ba3/BBB 1,164,267 Tyco International Group SA., 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,106,500		2,500		Baa3/A	2,492,944
3,515 1,535%, 3/2/49, Ser. 97A WR/NR 3,034,263 6,487 6,201%, 91/08, Ser. 01-1 WR/NR 5,903,680 4,908 7,186%, 4/1/11, Ser. 00-2 WR/NR 4,455,892 5,599 7,73%, 7/1/10, Ser. 00-1 WR/NR 4,951,882 700 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 332,500 41,243,601 Automotive - 1,7% 41,243,601 Baa1/BBB 6,165,885 5,000 Ford Motor Cop., 9,8%, 2/15/47 Baa1/BBB 6,165,885 5,000 Ford Motor Cop., 7,20%, 1/15/11 Baa2/BBB 5,023,095 Baa2/BBB 1,082,492 Baa1/BBB 5,023,095 Baa1/BBB 1,082,492 Baa1/BBB 1,082,492 Baa2/BBB		4,270		Baa2/A-	4,342,088
6,487 6,201%, 91/108, Ser. 01-1 4,908 7,186%, 41/11, Ser. 00-2 5,599 7,73%, 71/110, Ser. 00-1 10,36%, 11/13/12, Ser. 91C (a) (b) (c) Ruthomative - 1,7% 2,000 Auburn Hills Trust, 12,38%, 5/1/20 3,000 Ford Motor Co., 9,98%, 21/5/47 Baal/BBB 6,165,885 5,000 General Motors Corp., 7,20%, 11/5/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7,625%, 61/1/2 Banking - 1,5% 5,000 Colonial Bank Inc., 9,375%, 61/1/11 Bal2/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (a) Caal/D 1,095,000 1,750 Riggs National Corp., 9,65%, 6/15/09 Bal2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7,65%, 9/30/31 VRN Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Bal/BBB- 1,058,170 1,500 7,125%, 10/15/09 Bal/BBB- 1,058,170 1,500 7,125%, 10/15/09 Bal/BBB- 1,540,358 Containers - 0.4% 3,000 Ball Corp., 6,875%, 12/15/12 Ba3/BBB 1,058,170 1,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 2,00%, 10/15/08 Ba3/BBB 1,164,267 Energy - 1,2% Long Mission Energy, 7,73%, 6/15/09 Ba1/BBB- 1,065,000 Ba1/BOD Ba1/BBB- 1,065,000 Ba1/BOD Ba1/BBB- 1,065,000 Ba1/BOD Ba1/BBB- 1,065,000					
4,908 7,186%, 41/11, Ser. 00-2 5,599 7,73%, 71/10, Ser. 00-1 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 4,951,882 700 10,36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 3,32,500 Automotive - 1.7% 2,000 Autom Hills Trust, 12,38%, 5/1/20 AJ/BBB 3,182,004 5,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB-6,165,885 5,000 General Motors Corp., 7,20%, 1/15/11 Baa2/BBB-5,003,095 1,000 Hertz Corp., 7,20%, 1/15/11 Ban2/BBB-1,082,492 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,20%, 1/15/11 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,20%, 1/15/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,20%, 1/15/11 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,625%, 6/1/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,625%, 6/1/11 Banking - 1.5% 5,000 Ford Motors Corp., 7,625%, 6/1/11 Banking - 1.5% 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A And AnyNR 1,976,275 1,000 Figgs Capital Trust, 8,136%, 3/15/27, Ser. A AnyNR 1,976,275 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (a) Can1/D 1,095,000 1,750 Riggs National Corp., 9,65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7,65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Banl/BBB- 1,058,170 1,500 7,125%, 10/15/09 Bal/BBB- 1,058,170 1,500 7,125%, 10/15/19 Banking - 1,058,170 Banking - 1					
5,599 7,73%, 71/10, Ser. 00-1 10,36%, 11/13/12, Ser. 91C (a) (b) (c) Number 332,500 Automotive - 1.7% 2,000 Auburn Hills Trust, 12.38%, 5/1/20 A3/BBB 3,182,004 5,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa1/BBB- 1,082,492 Banking - 1.5% 5,000 Colonial Bank Inc., 9,375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A A3/NR 1,976,275 1,000 Riggs Capital Funding, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8,625%, 1/2/31/26, Ser. A (a) A1/A- 1,580,588 1,000 Riggs Capital Trust, 8,625%, 1/2/31/26, Ser. A (a) A1/A- 1,260,305 Computer Services - 0,3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7,125%, 10/15/09 Ba1/BBB- 1,058,170 1,500 7,125%, 10/15/09 Ba1/BBB- 1,640,358 Containers - 0,4% 3,000 Ball Corp., 6,875%, 1/2/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9,375%, 4/15/11 B2/B 545,000 14,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7,20%, 10/15/08 Ba1/BBB 1,164,267 Tyce International Group SA., 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 Tyce International Group SA., 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 Tyce International Group SA., 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 B		6,487	6.201%, 9/1/08, Ser. 01-1	WR/NR	5,903,680
700 10.36%, 11/13/12, Ser. 91C (a) (b) (c) WR/NR 332,500 41,243,601 Automotive - 1.7% 2,000 Auburn Hills Trust, 12.38%, 5/1/20 A3/BBB 3, 182,004 5,000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476 Banking - 1.5% 5,000 Colonial Bank Inc., 9.375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 HSBC Capital Trunting, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) Can1/D 1,095,000 1,750 Riggs National Corp., 9.65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7,125%, 10/15/09 Ba1/BBB- 1,058,170 1,500 7,125%, 10/15/09 Ba1/BBB- 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7,20%, 10/15/08 Ba3/BBB 1,164,267 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Ba3/BBB 1,061,9639 Energy - 1,2% Edison Mission Energy, 7,73%, 6/15/09 B1/B 1,065,000			7.186%, 4/1/11, Ser. 00-2	WR/NR	4,455,892
Automotive - 1.7% 2,000 Auburn Hills Trust, 12,38%, 5/1/20 A3/BBB 3,182,004 5,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7,20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7,625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476 Banking - 1.5% 15,453,476 Banking - 1.5% 15,453,476 Banking - 1.5% 15,453,476 Banking - 1.5% 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 HSBC Capital Funding, 10,18%, 12/39/49 A1/A 1,580,588 1,000 Riggs Capital Trust, 8,625%, 12/31/26, Ser. A (a) Caa1/D 1,095,000 1,750 Riggs National Corp., 9,65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7,65%, 9/30/31 VRN A1/A 1,263,051 13,851,369 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Ba1/BBB 1,058,170 1,500 7,125%, 10/15/09 Ba1/BBB 1,540,358 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6,875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9,375%, 4/15/11 B2/B 545,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A 4,280,999 1,030 Raychem Corp., 7,20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6,75%-7,00%, 2/15/11-6/15/28 Ba3/BBB 1,691,673 22,909,939 Energy - 1,2% Edison Mission Energy, 7,73%, 6/15/09 B 1/B 1,065,000 B		5,599		WR/NR	4,951,882
Automotive - 1.7% 2,000 Aburn Hills Trust, 12.38%, 5/1/20 5,000 Ford Motor Co., 9,98%, 2/15/47 Baa1/BBB- 5,023,095 1,000 Hertz Corp., 7.20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa1/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492 Colonial Bank Inc., 9,375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8,136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Funding, 10,18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Group, 9,65%, 6/15/90 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 1,3851,369 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,043,358 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 5,45,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Ba3/BBB 1,065,000		700	10.36%, 11/13/12, Ser. 91C (a) (b) (c)	WR/NR	
2,000 Auburn Hills Trust, 12.38%, 5/1/20 5,000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB- 5,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 5,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476 Banking - 1.5% 5,000 Colonial Bank Inc., 9.375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 RISBC capital Funding, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (aa1/D 1,095,000 1,750 Riggs National Corp., 9.65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 7,125%, 10/15/09 Ba1/BBB- 1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BBB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9,375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6,25%-6,50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 16,919,673 22,909,939 Energy - 1.2% Liggs Nation Energy, 7,73%, 6/15/09 B1/B 1,065,000					41,243,601
5,000 Ford Motor Co., 9.98%, 2/15/47 Baa1/BBB- 6,165,885 5,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492					
5,000 General Motors Corp., 7.20%, 1/15/11 Baa2/BBB- 5,023,095 1,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476 Banking - 1.5% 5,000 Colonial Bank Inc., 9.375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 Riggs Capital Funding, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) Caa1/D 1,095,000 1,750 Riggs National Corp., 9.65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,640,358		2,000	Auburn Hills Trust, 12.38%, 5/1/20	A3/BBB	3,182,004
1,000 Hertz Corp., 7.625%, 6/1/12 Baa2/BBB- 1,082,492 15,453,476		5,000	Ford Motor Co., 9.98%, 2/15/47	Baa1/BBB-	6,165,885
Sanking - 1.5% South Sanking - 1.5%		5,000	General Motors Corp., 7.20%, 1/15/11	Baa2/BBB-	5,023,095
Banking - 1.5% 5,000 Colonial Bank Inc., 9.375%, 6/1/11 Ba1/BBB- 5,932,705 1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A Aa3/NR 1,976,275 1,000 HSBC Capital Funding, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) Caa1/D 1,095,000 1,750 Riggs National Corp., 9.65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% Ba3/BB 3,210,000 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999		1,000	Hertz Corp., 7.625%, 6/1/12	Baa2/BBB-	1,082,492
5,000 Colonial Bank Inc., 9.375%, 6/1/11 1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A 1,000 HSBC Capital Funding, 10.18%, 12/39/49 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) 1,750 Riggs National Corp., 9.65%, 6/15/09 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 6.00%, 8/1/13, Ser. B 1,000 6.00%, 8/1/13, Ser. B 1,000 Rall Bank Inc., 9.375%, 4/15/12 1,000 Ball Corp., 6.875%, 12/15/12 1,000 Ball Corp., 6.875%, 12/15/12 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN 1,000 Royal Bank of Scotland Group, 7.20%, 10/15/08 1,000 Royal Bank of Scotland Group, 7.20%, 10/15/08 1,000 Royal Bank of Scotland Group, 7.20%, 6/15/09 1,000 Royal Bank of Scotland Group, 7					15,453,476
1,700 Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A 1,000 HSBC Capital Funding, 10.18%, 12/39/49 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) 1,750 Riggs National Corp., 9.65%, 6/15/09 1,750 Riggs National Corp., 9.65%, 6/15/09 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 A,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A,3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Ba(515) Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000					
1,000 HSBC Capital Funding, 10.18%, 12/39/49 A1/A- 1,580,588 1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) Caa1/D 1,095,000 1,750 Riggs National Corp., 9.65%, 6/15/09 B2/CCC 2,003,750 1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 13,851,369 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,640,358 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Ba3/BBB 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		5,000	Colonial Bank Inc., 9.375%, 6/1/11	Ba1/BBB-	5,932,705
1,000 Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a) 1,750 Riggs National Corp., 9.65%, 6/15/09 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN A1/A 1,263,051 13,851,369 Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		1,700	Fifth Third Capital Trust, 8.136%, 3/15/27, Ser. A	Aa3/NR	1,976,275
1,750 Riggs National Corp., 9.65%, 6/15/09 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6,00%, 8/1/13, Ser. B Bal/BBB- 1,058,170 1,500 7.125%, 10/15/09 Bal/BBB- 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB Diversified Manufacturing - 2.5% Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 Energy - 1.2% Logge Salve S		1,000	HSBC Capital Funding, 10.18%, 12/39/49	A1/A-	1,580,588
1,000 Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN Computer Services - 0.3% Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB Signature - 2.5% Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- A3/A- A280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		1,000	Riggs Capital Trust, 8.625%, 12/31/26, Ser. A (a)	Caa1/D	1,095,000
13,851,369 Computer Services - 0.3%		1,750	Riggs National Corp., 9.65%, 6/15/09	B2/CCC	2,003,750
Computer Services - 0.3%		1,000	Royal Bank of Scotland Group, plc, 7.65%, 9/30/31 VRN	A1/A	1,263,051
Electronic Data Systems Corp., 1,000 6.00%, 8/1/13, Ser. B Ba1/BBB- 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000					13,851,369
1,000 6.00%, 8/1/13, Ser. B 1,058,170 1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000			Computer Services - 0.3%		
1,500 7.125%, 10/15/09 Ba1/BBB- 1,640,358 2,698,528 Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000			Electronic Data Systems Corp.,		
Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		1,000	6.00%, 8/1/13, Ser. B	Ba1/BBB-	1,058,170
Containers - 0.4% 3,000 Ball Corp., 6.875%, 12/15/12 Ba3/BB 3,210,000 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% B1/B 1,065,000		1,500	7.125%, 10/15/09	Ba1/BBB-	1,640,358
3,000 Ball Corp., 6.875%, 12/15/12 Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) Raychem Corp., 7.20%, 10/15/08 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 Ba3/BB 3,210,000 B2/B 545,000 A3/A- 4,280,999 Ba3/BBB 1,164,267 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000					2,698,528
Diversified Manufacturing - 2.5% 500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd., 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000			Containers - 0.4%		
500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd.,		3,000	Ball Corp., 6.875%, 12/15/12	Ba3/BB	3,210,000
500 Dresser, Inc., 9.375%, 4/15/11 B2/B 545,000 4,000 Hutchison Whampoa International Ltd.,					
4,000 Hutchison Whampoa International Ltd., 6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000			Diversified Manufacturing - 2.5%		
6.25%-6.50%, 2/13/13-1/24/14 (d) A3/A- 4,280,999 1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		500		B2/B	545,000
1,030 Raychem Corp., 7.20%, 10/15/08 Ba3/BBB 1,164,267 14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		4,000	Hutchison Whampoa International Ltd.,		
14,574 Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28 Baa3/BBB 16,919,673 22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000			6.25%-6.50%, 2/13/13-1/24/14 (d)		4,280,999
22,909,939 Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		1,030			, ,
Energy - 1.2% 1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000		14,574	Tyco International Group SA., 6.75%-7.00%, 2/15/11-6/15/28	Baa3/BBB	16,919,673
1,000 Edison Mission Energy, 7.73%, 6/15/09 B1/B 1,065,000					22,909,939
			Energy - 1.2%		
898 GG1C Funding Corp., 5.13%, 1/15/14 (d) Baa3/BBB 897,324		1,000	Edison Mission Energy, 7.73%, 6/15/09		1,065,000
		898	GG1C Funding Corp., 5.13%, 1/15/14 (d)	Baa3/BBB	897,324

5,000	MidAmerican Energy Holdings, Co., 5.875%, 10/1/12	Baa3/BBB-	5,331,235
1,000	Ohio Edison Co., 5.647%, 6/15/09 (d)	Baa2/BB+	1,030,411
2,719	Sithe Independence Funding Corp., 9.00%, 12/30/13, Ser. A	Ba2/B	3,050,995
			11,374,965
	Financing - 9.1%		
8,500	Beaver Valley Funding Corp., 9.00%, 6/1/17	Baa3/BB+	10,094,455
1,000	BlueWater Finance Ltd., 10.25%, 2/15/12	B1/B	1,105,000
10,000	CIT Group Inc., 2.74%, 9/20/07 (e)	A2/BBB-	10,023,850
	Cedar Brakes II LLC.,		
552	8.50%, 2/15/14, Ser.B	Baa2/CCC+	637,765
4,841	9.875%, 9/1/13	Baa2/CCC+	5,797,217
10,500	Ford Motor Credit Co., 5.80%-7.25%, 1/25/07-10/1/13	A3/BBB-	11,003,995
1,180	General Electric Capital Corp., 8.30%, 9/20/09	Aaa/AAA	1,372,357
8,000	General Motors Accecptance Corp.,		
	3.56%-3.695% 5/18/06-1/16/07 (e)	Baa1/BBB-	7,951,431
10,000	General Motors Acceptance Corp., 6.125%-6.875%, 8/28/07-9/15/11	Baa1/BBB-	10,104,150

.moun 100)	al t		Credit Rating (Moody s/S&P)	Value*
		Financing (continued)	(112, 112, 112, 11	
		Household Finance Corp.,		
	500	3.14%, 10/12/06 (d)	A1/A \$	504,230
	5,265	7.20%-7.65%, 7/15/06-5/15/07	A1/A	5,573,499
	1,300	Mizuho JGB Investment LLC, 9.87%, 6/30/08 (b) (d)	Baa1/BBB-	1,514,908
	300	Mizuho Preferred Capital Co., 8.79%, 6/30/08 (b) (d)	Baa3/BB	337,464
	2,000	Preferred Term Securities XIII, 3.08%, 3/24/34 (b) (c) (d) (e)	Aaa/AAA	1,981,592
	5,000	Sets Trust No. 2002-3, 8.85%, 4/2/07 (c) (d) (e)	NR/NR	5,322,247
	10,000	TIERS Principal Protected Trust, 8.41%, 3/22/07 (b) (d) (e) (f)	NR/NR	9,597,570
				82,921,730
		Food & Beverage - 1.2%		
	2,000	Anheuser Busch Cos., Inc., 5.00%, 3/1/19	A1/A+	2,008,964
	5,000	Delhaize America, Inc., 8.125%, 4/15/11	Ba1/BB+	5,837,635
	3,000	Ingles Markets, Inc., 8.875%, 12/1/11	Ba3/B+	3,135,000
				10,981,599
		Food Services - 1.3%		
	4,139	Kroger Co., 8.15%, 7/15/06,	Baa2/BBB	4,402,278
	5,897	Tricon Global Restaurants, Inc., 8.875%, 4/15/11	Baa3/BBB-	7,256,724
				11,659,002
		Healthcare & Hospitials - 2.2%		
	6,470	Columbia/HCA Healthcare Corp., 8.70%-9.00%, 2/10/10-12/15/14	Ba2/BB+	7,642,006
		Healthsouth Corp., 7.00%-8.375%, 6/15/08-10/1/11	WR/NR	7,233,750
		Manor Care, Inc., 8.00%, 3/1/08	Baa3/BBB	1,116,231
		Tenet Healthcare Corp., 6.375%, 12/01/11	B3/B-	4,512,500
		•		20,504,487
		Hotels & Gaming - 4.7%		
	2,000	Harrah s Operating Co., Inc., 8.00%, 2/1/11	Baa3/BBB-	2,320,358
		Hilton Hotels Corp., 7.625%, 12/1/12	Baa3/BBB-	2,351,330
		Host Marriot LP, 9.50%, 1/15/07, Ser. I, REIT	Ba3/B+	1,631,250
		ITT Corp., 7.375%, 11/15/15	Ba1/BB+	5,625,000
		Mandalay Resort Group,		
	2,471	6.45%, 2/1/06	Ba2/BB+	2,565,791
		9.375%, 2/15/10	Ba3/BB-	576,250
	12,190	MGM Mirage, Inc., 6.75%-8.50%, 2/1/08-9/15/10	Ba2/BB+	13,587,000
		Park Place Entertainment Corp.,		
	3,000	8.125%-8.875%, 9/15/08-5/15/11	Ba2/BB-	3,428,750
		8.50%, 11/15/06	Ba1/BB+	3,240,000
	ŕ	Starwood Hotels & Resorts Worldwide, Inc.,		
	3,880	7.375%-7.875%, 5/1/07-5/1/12	Ba1/BB+	4,223,000
	2,621	Times Square Hotel Trust, 8.528%, 8/1/26 (c) (d)	Baa3/BB+	3,184,414
	,-	1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1		42,733,143
		Insurance - 0.4%		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	2,300	Dai-Ichi Mutual Life Co., 5.73%, 3/17/14 (d)	NR/BBB+	2,387,671
		Prudential Financial Inc., 4.104%, 11/15/06	A3/A	124,094
		Residential Reinsurance Ltd., 7.35%, 6/8/06 (b) (c) (e)	Ba2/BB+	1,462,957
	,			3,974,722
		Medical Products - 0.1%		, ,
	1,000	Fresenius Medical Care AG, 7.875%, 6/15/11	Ba2/BB-	1,110,000
	,	, ,	<u>.</u>	,
		Metals & Mining - 0.4%		
	3,000	Noranda, Inc., 7.25%, 7/15/12	Baa3/BBB-	3,407,661
	2,300	,,,	, 222	2,.07,001
		Multi-Media - 6.3%		
	8,000	AOL Time Warner Inc., 7.70%, 5/1/32	Baa1/BBB+	9,997,816
	2,300	British Sky Broadcasting Group,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
		6.875%, 2/23/09	Baa3/BBB-	3,283,311

2,105 7.30%, 10/15/06 Baa2/BBB- 2,225,905

Principal Amount (000)			Credit Rating (Moody s/S&P)	Value*
		Multi-Media (continued)	,	
\$	1,000	CF Cable TV, Inc., 9.125%, 7/15/07	Ba3/BB- \$	1,028,442
		Comcast Corp.,		
	500	6.50%, 1/15/15	Baa3/BBB	558,672
	2,250	10.625%, 7/15/12	Ba2/BBB-	2,956,835
	925	Continental Cablevision, Inc., 9.00%, 9/1/08	Baa3/BBB	1,073,321
		CSC Holding, Inc.,		
	1,000	7.25%, 7/15/08	B1/BB-	1,062,500
	3,625	7.25%-8.125%, 7/15/08-4/11/11, Ser.B	B1/BB-	3,989,062
		8.125%, 7/15/09	B1/BB-	3,307,500
	6,000	DirecTV Holdings Corp., 8.375%, 3/15/13	Ba2/BB-	6,787,500
	1,950	Echostar DBS Corp., 9.125%, 1/15/09	Ba3/BB-	2,130,375
		News America, Inc., 6.75%-7.43%, 10/1/26-1/9/38	Baa3/BBB-	10,716,802
		Rogers Cable Inc., 7.25%, 12/15/11	Ba3/BB+	1,466,855
	5,500	Time Warner, Inc., 6.625%- 9.125%, 1/15/13-5/15/29	Baa1/BBB+	6,967,090
				57,551,986
		Oil & Gas - 9.3%		
		AmeriGas Partners, L.P., 8.875%, 5/20/11, Ser. B	B2/BB-	1,085,000
	3,000	Columbia Energy Group Inc., 7.32%, 11/28/10	Baa2/BBB	3,091,449
	1.550	Dynergy-Roseton Danskamme,	G. 25	1.554.050
		7.27%, 11/8/10, Ser. A	Caa2/B	1,776,250
		7.67%, 11/8/16, Ser. B	Caa2/B	2,925,000
		Forest Oil Corp., 8.00%, 12/15/11	Ba3/BB-	3,368,750
		Gaz Capital SA., 8.625%, 4/28/34	Ba2/BB-	5,063,250
		Hanover Equipment Trust, 8.50%, 9/1/08, Ser. A	B2/B+ Ba1/BBB	3,993,750
	8,000	Noram Energy Corp., 6.50%, 2/1/08 Pemex Project Funding Master Trust,	рат/ррр	8,521,480
	5 750	8.00%-8.625%, 11/15/11-2/1/22	Baa1/BBB	6,679,375
		9.50%, 9/15/27, (c)	Baa1/BBB	4,497,500
		Perforadora Centrale SA, 4.92%, 12/15/18	NR/NR	984,933
		Pioneer Natural Resource Co., 5.875%-6.50%, 1/15/08-7/15/16	Baa3/BBB-	5,195,953
		Pogo Producing Co., 8.25%, 4/15/11, Ser. B	Ba3/BB	1,397,500
		Reliant Energy Resources Corp., 7.75%, 2/15/11	Ba1/BBB	1,393,112
		SESI, LLC, 8.875%, 5/15/11	B1/BB-	327,750
		Transcontinental Gas Pipe Corp., 8.875%, 7/15/12, Ser. B	Ba2/B+	304,688
	2,000	USX Corp., 9.375%, 2/15/12	Baa1/BBB+	2,554,828
		Valero Energy Corp., 6.875%, 4/15/12	Baa3/BBB	5,684,795
		Weatherford International, Inc., 6.625%, 11/15/11, Ser. B	Baa1/BBB+	5,566,170
	15,000	Williams Cos., Inc., 7.125%-8.75%, 9/1/11-3/15/32	B1/B+	16,737,500
		XTO Energy, Inc., 6.25%, 4/15/13	Baa3/BBB-	3,859,083
				85,008,116
		Paper/Paper Products - 1.3%		
		Boise Cascade Corp., 7.315%, 6/15/09	Ba1/BB	2,781,250
	6,662	Donohue Forest Products 7.625%, 5/15/07	Ba3/BB-	6,911,825
	500	Georgia-Pacific Corp., 8.125%, 5/15/11	Ba3/BB+	577,500
	500	International Paper Co., 6.75%, 9/1/11	Baa2/BBB	562,793
	850	Norske Skogindustrier ASA, 6.125%, 10/15/15 (d)	Baa3/BBB-	885,540
				11,718,908
		Pharmaceuticals - 0.4%		
	3,500	Wyeth, 5.50%-6.50%, 2/1/14-2/1/34	Baa1/A	3,720,115
		Printing/Publishing- 0.7%		
		Quebecor World Inc.,		
	6,000	6.125%, 11/15/13	Baa3/BBB-	6,254,034

5,000 Bellsouth Cap Funding Corp., 7.875%, 2/15/30 A2/A 5,000 Citizens Communications Co., 9.25%, 5/15/11 Ba3/BB+	6,405,375
5,000 Citizens Communications Co., 9.25%, 5/15/11 Ba3/BB+	0, .00,070
	5,862,500
3,000 Citizens Utilities Co., 7.60%, 6/1/06 Ba3/BB+	3,142,500
10,000 Deutsche Telekom International, 8.00%, 6/15/10 Baa1/BBB	+ 11,881,720

\$ 1,000 France Telecom, 7.75%, 31/11 1,333 MCI Communications Cop., 6,088%-8,735%, 51/107-51/1/4 1,250 PanAmSat Copp, 6,375%, 11/1508 1,250 PanAmSat Copp, 6,375%, 11/1508 1,286 Quest Capital II, 1,1d., 6,00%, 7/15/13 (d) 1,286 Quest Capital Funding, Inc., 7,25%, 2/15/11 Quest Capital Funding, Inc., 7,25%, 2/15/11 (d) Ba/BB Ba/BBB 798,28; 1,200 Quest Capital Funding, Inc., 7,25%, 2/15/11 (d) Ba/BB 9,270,000 Quest Capital Funding, Inc., 7,25%, 2/15/11 (d) Ba/BB 15,049,678 3,000 Sprint Capital Corp., 160, 1679, 167,25%, 2/15/11 (d) Ba/BBB 15,049,678 8,969 Verizon Global Funding Corp., 6,875%-7,25%, 12/1/10-6/15/12 Cullifies 8.8% 2,000 CMS Energy Corp., 8,90%, 7/15/08 Ba/BBB 15,049,678 3,500 Consumers Energy, Inc., 6,25%-6,375%, 9/15/06-2/1/08 Ba/BBB 15,168,33 2,000 Elorida Gas Transmission Co., 7,00%, 7/17/12 (d) Ba/BBB 15,168,33 2,000 Elorida Gas Transmission Co., 7,00%, 7/17/12 (d) Ba/BBB 15,168,33 2,000 Florida Gas Transmission Co., 7,00%, 7/17/12 (d) Ba/BBB 15,168,33 2,000 Florida Gas Transmission Co., 7,00%, 7/17/10 (d) Ba/BBB 15,168,33 2,000 Florida Gas Transmission Co., 7,00%, 7/17/10 (d) Ba/BBB 2,229,900 4,730 FPL Energy Wind Funding, 6,88%, 6/27/17 (d) Ba/BBB 2,200, 7,65% 4,700 Florida Gas Transmission Co., 7,00%, 7/17/10 (d) Ba/BBB 2,200, 7,65% Ba/BBB 3,561,50% 4,700 Midwest Generation LLC, 8,50%, 1/2/16, Ser. B BI/B 4,485,000 Northern State Power Co., 2,48%, 2/17/05, Ser. U, (e) A2/A 2,409,256 2,000 Pacific Gas & Electric Corp., 3,26%, 4/3706 (e) Ba/BBB 3,263,26% Ba/BBB 3,263,26% Ba/BBB 4,200,220 Pacific Gas & Electric Corp., 3,26%, 4/3706 (e) Ba/BBB 4,200,220 Pacific Gas & Electric Corp., 3,26%, 4/3706 (e) Ba/BBB 4,260,3778 BB/BB 5,200,378	Principal Amount (000)			Credit Rating (Moody s/S&P)	Value*
1.353 MCI Communications Corp., 6.908%-8.735%, 51/075-51/14 S. No Nextel Communications Inc., 6.875%-7.375%, 10/31/13-81/15 Ba3/BB 5.488,758 1,250 PanamSat Corp., 6.375%, 1/15/08 B1/BH 1.303,125 750 PCCW Capital II, Ltd., 6.00%, 71/51/3 (d) Ba0/BBB 798,838 12,860 Quest Capital Funding, Inc., 7.25%, 2/15/11 Quest Communications International, Inc., 7.25%, 2/15/11 (d) B3/B 9,270,000 BBC Communications Inc., 4.125%, 9/15/09 B3/BO SBC Communications Inc., 4.125%, 9/15/09 B3/BO SBC Communications Inc., 7.25%, 2/15/11 (d) B3/B 9,270,000 BBC Communications Inc., 1.25%, 2/15/11 (d) B3/BB-15,049,078 8,969 Verizon Global Funding Corp., 6.875%-7.875%, 11/15/08-11/15/28 Bau3/BBB-15,049,078 B3/BB-15,049,078 B1/B+ 2,202,500 3,500 Consumers Energy, Inc., 6.25%-6.375%, 9/15/06-2/1/08 B1/B+ 2,202,500 3,500 Consumers Energy, Inc., 6.25%-6.375%, 9/15/06-2/1/08 Bau3/BBB-365148 4,838 East Coast Power LLC, 6.74+7.07%, 3/31/08-3/13/12, Ser B Bau3/BBB-365148 4,838 East Coast Power LLC, 6.74+7.07%, 3/31/08-3/13/12, Ser B Bau3/BBB-365148 2,000 Florida Gar Transmission Co., 7.00%, 7/11/12 (d) Bau2/BBB-42,090 4,730 FPL Energy Wind Funding, 6.88%, 6/27/17 (d) Bau2/BBB-42,090 4,730 FPL Energy Wind Funding, 6.88%, 6/27/17 (d) Bau2/BBB-42,090 4,730 FPL Energy Wind Funding, 6.88%, 6/27/17 (d) Bau2/BBB-42,040 A2/A 2.503,199 4,900 Homer City Funding LLC, 8.14%, 10/11/19 Ba/BB-43,000 Ba/BB-55,01,500 Ba/BB-50,000 Ba			Telecommunications (continued)		
5.000 Nextel Communications Inc., 6.875%-7.375%, 10/31/13-81/15 1.250 PanAmsU Corp., 6.375%, 1/15/10 9.000 Quest Capital II. Ltd., 6.00%, 7/15/13 (d) 9.000 Quest Capital Funding, Inc., 7.25%, 2/15/11 1.3000 SBC Communications, Inc., 41.25%, 9/15/09 9.001 Quest Capital Corp., 16/00 Kroup), 6.125%, 9/15/09 8.3000 SBC Communications, Inc., 41.25%, 9/15/09 8.300 Sprint Capital Corp., 16/00 Kroup), 6.125%, 9/15/09 8.300 Sprint Capital Corp., 16/00 Kroup), 6.125%, 9/15/09 8.300 Consumer Sangay, Inc., 6.25%-6.375%, 9/15/06-2/1/08 8.1784 2.000 CMS Energy Corp., 8.90%, 7/15/08 8.184 8.185 East Coast Power LLC, 6.74-7.07%, 3/31/08-3/15/12. Ser B 8.184 8.2000 Florida Gas Transmission Co., 7.00%, 7/17/12 (d) 8.2000 Florida Gas Transmission Co., 7.00%, 7/17/12 (d) 8.2000 Georgia Power Co., 2.48%, 2/17/05, Ser U., (e) 4.730 FPL Energy Wind Funding, 6.88%, 6/27/17 (d) 8.2000 Georgia Power Co., 2.48%, 2/17/05, Ser U., (e) 4.740 Homer City Funding LLC, 8.14%, 10/1/19 8.202B 4.900 Homer City Funding LLC, 8.14%, 10/1/19 8.202B 4.900 Morthern State Power Co., 6.83%, 2/17/05, Ser, B 8.168 8.178 8.2000 Potential Electric Corp., 3.26%, 4/306 (e) 8.2000 Potential Electric Power Co., 6.25%, 6/3010 (e) 8.2000 Potential Electric Power Co., 6.25%, 6/3010 (e) 8.2000 Potential Electric Corp., 3.26%, 4/306 (e) 8.2000 Potential Electric Corp., 3.26%,	\$				
1.250 PanAmSat Corp., 6.375%, 1/15/08 Baa/BBB 798, 283 12,860 Quest Capital Funding, Inc., 7.25%, 2/15/11 Cau2/B 12,409,900 3,000 SBC Communications, Inc., 4.125%, 9/15/90 A2/A 2,981,700 3,900 SBC Communications, Inc., 4.125%, 9/15/90 A2/A 10,249,541					
Top PCCW Capital Funding, Inc., 7.25%, 2/15/11 Cau2/B 12,409,900 Quest Communications International, Inc., 7.25%, 2/15/11 Cau2/B 12,409,900 Quest Communications International, Inc., 7.25%, 2/15/11 (d) B3/B 9,270,000 3,000 SBC Communications, Inc., 4,125%, 9/15/09 A2/A 2,981,700 2,000 Sprint Capital Corp., FON Group), 6,125%-7.875%, 11/15/08-11/15/28 Baa3/BBB 15,049,678 10,249,541					
12,860 Quest Capital Funding, Inc., 72.5%, 21/5/11 Ca2/B 12,409,900					
9,000 Quest Communications International, Inc., 7,25%, 2/15/11 (d) 3,000 SBC Communications, Inc., 4,125%, 9/15/09 3,000 SBC Communications, Inc., 4,125%, 9/15/09 13,900 Sprint Capital Corp., CFON Group, 6, 125%-7,875%, 11/15/08-11/15/28 8,969 Verizon Global Funding Corp., 6,875%-7,25%, 12/1/10-6/15/12 Verizon Global Funding Corp., 6,875%-7,25%, 12/1/10-6/15/12 2,000 CMS Energy Corp., 8,90%, 7/15/08 8 B1/B+ 2,202,506 3,500 Consumers Energy, Inc., 6,25%-6,375%, 9/15/06-2/1/08 8 Baa3/BBB- 3,651,483 4,838 East Coast Power LLC, 6,74-7,07%, 3/31/08-3/3/12, Ser B Baa3/BBB- 5,116,833 2,000 Florida Cas Transmission Co., 7,00%, 7/17/12 (d) 8 Ba2/BBB- 4,948,762 2,500 Georgia Power Co., 2,48%, 2/17/05, Ser. U, (e) A2/A 2,2503,196 4,900 Homer City Funding LLC, 8,14%, 10/1/19 8 Ba2/BB 5,561,500 7,650 PBALCO Enterprises, Inc., 8,375%-8,625%, 11/14/08-11/14/11 8 Ba1/BB- 8,936,254 4,000 Midwest Generation LLC, 8,56%, 1/2/16, Ser. B B B1/B 4,485,000 2,000 Northern State Power Co., 8,00%, 8/28/12, Ser. B B B2/BB 1,402,200 0 Pacific Gas & Electric Corp., 3,26%, 4/306 (e) 8 Ba2/BBB 2,002,22 2,000 Potomac Electric Power Co., 6,25%, 10/15/07 Ba1/BB- 11,191,41,818 5,000 Ba1/BB+ 2,003,778 PSEG Energy Holdings, Inc., 10,790 8,50%-8,625%, 2/15/08-6/15/11 Ba1/BB- 8,378,133 5,000 PDC, 2,35%, 3/15/31 Ba1/BB- 1,191,41,818 5,000 Ros25%, 5/15/31 Ba1/BB- 1,191,41,818 5,000 Ros25%, 5/15/31 Ba1/BB- 1,218,138 5,000 PDC Compiler Energy Center LLC, 8,40%, 5/30/12 (d) B2/B 5,308,BB- 1,218,138 5,000 Texas Utilities Electric Co., 7,17%, 8/10/07 Ba3/BBB- 1,218,138 5,000 PDC Compiler Energy Center LLC, 8,40%, 5/30/12 (d) B2/B 5,308,BBB- 1,208,308 CVEREIGN DEBT OBLIGATIONS - 4,2% Brazi - 0,3% Federal Republic of Brazil, 2,300 Ros,4/15/14 Ba1/BB- 2,370,522 Ba2/BB- 3,888,488 Ba3/BBB- 1,717,500 Ba2/BB- 3,888,488 Ba3/BBB- 1,717,500 Ba2/BB- 3,888,488 Ba3/BBB- 1,717,500 Ba2/BB- 3,888,488 Ba3/BBB- 1,717,500 Ba2/BB- 3,888,488 Ba3/BB- 1,717,500 Ba2/BB- 3,888,488 Ba3/BB- 1,717,500 Ba2/BB- 3,889,402 Ba2/BB- 3,889,402 Ba2/BB- 3,889,402 Ba2/BB- 3,889,402 Ba2/BB-					
3,000 SBC Communications, Inc., 4,125%, 9/15/09 13,900 Sprint Capital Corp. (FON Group), 6,125%-7,875%, 11/15/08-11/15/28 8,969 Verizon Global Funding Corp., 6,875%-7.25%, 12/11/10-6/15/12 Utilities - 8.8% 2,000 CMS Energy Corp., 8,90%, 7/15/08 3,500 Consumers Energy, Inc., 6,25%-6,375%, 9/15/06-2/1/08 Ban3/BBB- 3,501,833 2,000 Florida Cas Transmission Co., 7,00%, 7/17/12 (d) Ban3/BBB- 2,000 Florida Cas Transmission Co., 7,00%, 7/17/12 (d) Ban2/BBB- 2,209,900 4,730 FPL Energy Wind Funding, 6,88%, 6/27/17 (d) Ban2/BBB- 2,209,900 4,730 FPL Energy Wind Funding, 6,88%, 6/27/17 (d) Ban2/BBB- 2,209,900 4,730 FPL Energy Wind Funding, 6,88%, 6/27/17 (d) Ban2/BBB- 4,988,000 4,900 Homer City Funding LLC, 8,14%, 10/11/19 Ban2/BB 4,900 Homer City Funding LLC, 8,14%, 10/11/19 Ban2/BB 4,000 Midwest Generation LLC, 8,15%, 10/11/19 Ban2/BB 4,000 Midwest Generation LLC, 8,15%, 10/11/408-11/14/11 Bal/BB- 8,936,256 4,000 Northern State Power Co., 8,00%, 8/28/12, Ser. B BL/B 4,488,500 2,000 Potomac Electric Power, 6, 8,00%, 8/28/12, Ser. B A2/A- 2,449,25c 2,000 Potomac Electric Power Co., 6,25%, 10/15/07 A3/A- 2,117,938 2,500 PPL Capital Funding Trust 1, 7,29%, 5/18/06 Bal/BB+ 2,003,778 PSEG Energy Holdings, Inc., 10,790 8,50%-8,605%, 2/15/08-6/15/11 Ba3/BB- 11,914,185 5,000 8,625%, 5/15/31 Baal/BB- 5,000 S,625%, 5/15/31 Baal/BB- 5,000 S,648, 5/16/11 Baal/BB- 5,000 S,648, 5/16/11 Baal/BB- 5,000 S,648, 5/16/11 Baal/BB- S,765, 5/16/11 Baal/BB- S,765, 5/16/11 Baal/BB- S,765, 5/16/11 B					
13,900 Sprint Capital Corp., (F.ON Group), 6.125%-7.875%, 11/15/08-11/15/28 Baa3/BBB-					
10,249,541 10,249,541 120,026,157 12					
Utilities- 8.8% 2,000 CMS Energy Corp., 8.90%, 7/15/08 3,500 Consumers Energy, Inc., 6.25%-6.375%, 9/15/06-2/1/08 Baa3/BBB- 3,651,483 4,838 East Coast Power LLC, 6.74-7.07%, 3/31/08-3/13/12, Ser B Baa3/BBB- 5,116,833 2,000 Florida Gas Transmission Co., 7.00%, 7/17/12 (d) Ba2/BB- 4,943,766 2,500 Georgia Power Co., 2,48%, 2/17/05, Ser U. (e) A2/A 2,503,198 4,900 Homer City Funding LLC, 8.14%, 10/1/19 Ba2/BB 5,561,500 7,650 IPALCO Enterprises, Inc., 8.375% - 8.625%, 11/14/08-11/14/11 Ba1/BB- 8,936,256 4,000 Midwest Generation LLC, 8.56%, 1/2/16, Ser. B B1/B 4,485,000 2,000 Northern State Power Co., 8,09%, 8/28/12, Ser. B A2/A- 2,449,256 2,000 Pacific Gas & Electric Corp., 3,26%, 4/3/06 (e) Baa2/BBB 2,002,226 2,000 Pacific Gas & Electric Corp., 3,26%, 4/3/06 (e) Baa2/BBB 2,002,226 2,000 Potomac Electric Power Co., 6,25%, 10/15/07 A3/A- 2,117/938 2,500 PPL Capital Funding Trust I, 7,29%, 5/18/06 Ba1/BB+ 2,603,778 PSEG Energy Holdings, Inc. 10,790 8,50%-8,625%, 2/15/08-6/15/11 Ba3/BB- 11,914,185 5,000 8,625%, 2/15/08-6/15/11 Ba3/BB- 11,914,185 5,000 8,625%, 2/15/08-6/15/11 Ba3/BB- 11,914,185 5,000 8,625%, 5/15/31 Baa1/BB- 6,878,135 5,000 Public Service Electric & Gas Co., 4,00%, 111/08 A3/A- 499,097 5,315 South Point Energy Center LLC, 8,40%, 5/30/12 (d) B2/B 5,005,331 1,144 Southern California Edison Co., 8,00%, 2/15/07 WR/BBB+ 1,238,194 2,000 Texas Utilities Electric Co., 7,17%, 8/1/07 Baa3/BBB- 2,112,512 3,500 Tucson Electric Power Co., 7,50%, 8/1/08, Ser. B Ba2/BB- 3,611,584 Total Corporate Bonds & Notes (cost-\$633,616,514) 671,293,425 Total Corporate Bonds & Notes (cost-\$633,616,514) 671,293,425 Brazil - 0,3% Federal Republic of Brazil, 23,00 8,00%, 4/15/14 B1/BB- 2,370,523 Republic of Guatemala, 1,500 9,25%, 8/1/31 (d) Ba2/BB- 1,717,500					, ,
Cultities - 8.8% 2,000 CMS Energy Corp., 8.90%, 7/15/08 B1/B+ 2,202.500 3,500 Consumers Energy, Inc., 6.25%-6.375%, 9/15/06-2/1/08 Baa3/BBB- 3,651,483 4,838 East Coast Power LLC, 6.74-7.07%, 3/31/08-3/13/12, Ser B Baa3/BBB- 5,116,833 2,000 Florida Gas Transmission Co., 7.00%, 7/17/12 (d) Baa2/BBB+ 2,229/02 4,730 FPL Energy Wind Funding, 6.88%, 6/27/17 (d) Ba2/BBB- 4,948,762 2,500 Georgia Power Co., 2.48%, 2/17/05, Ser. U. (e) A2/A 2,503,19 4,900 Homer City Funding LLC, 8.14%, 10/1/19 Ba2/BB- 5,561,500 7,650 IPALCO Enterprises, Inc., 8.375% - 8.625%, 1/1/4/08-11/14/11 Ba1/BB- 8,936,250 4,000 Midwest Generation LLC, 8.56%, 1/2/16, Ser. B B1/B 4,485,000 4,485,000 A2/A 2,449,256 2,000 Potimic State Power Co., 8.00%, 8/28/12, Ser. B A2/A 2,449,256 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) Baa2/BBB 2,002,220 2,000 Potomac Electric Power Co., 6.25%, 10/15/07 A3/A- 2,117,938 2,250 PPL Capital Funding Trust 1, 7.29%, 5/18/06 Ba1/BB+ 2,603,778 PSEG Energy Holdings, Inc., 10,790 8.50%, 8.625%, 2/15/08-6/15/11 Ba3/BB- 11,944,185 5,000 8.625%, 5/15/31 Ba3/BB- 11,944,185 5,000 8.625%, 5/15/31 Ba3/BB- 11,944,185 5,000 8.625%, 5/15/31 Ba3/BB- 1,248,194 2,000 Texas Utilities Electric & Gas Co., 4.00%, 1/1/08 A3/A- 499,095 3,315 5,00th Point Energy Center LLC, 8.40%, 5/30/12 (d) B2/B 5,009,537 1,144 Southern California Edison Co., 8.00%, 2/15/07 WR/BBB+ 1,238,194 2,000 Texas Utilities Electric Co., 7.17%, 8/1/07 Baa3/BBB- 3,611,580 80.085,865		8,969	Verizon Global Funding Corp., 6.8/5%-7.25%, 12/1/10-6/15/12	A2/A+	
2,000 CMS Energy Corp., 8-90%, 7/15/08 B1/B+ 2,202,500 3,500 Consumers Energy, Inc., 6-25%-6-375%, 9/15/06-2/1/08 Baa3/BBB- 3,651,483 4,838 East Coast Power LLC, 6-74-7.07%, 3/31/08-3/13/12, Ser B Baa3/BBB- 5,116,833 2,000 Florida Gas Transmission Co., 7.00%, 7/17/12 (d) Baa2/BBB+ 2,229,900 4,730 FPL Energy Wind Funding, 6.88%, 627/17 (d) Ba2/BB- 4,948,762 2,500 Georgia Power Co., 2.48%, 2/17/05, Ser. U, (e) A2/A 2,503,198 4,900 Homer City Funding LLC, 8.14%, 10/17/9 Ba2/BB 5,561,500 76.50 IPALCO Enterprises, Inc., 8.375% 8.625%, 1/1/408-1/1/4/11 Ba1/BB- 8,936,255 4,000 Midwest Generation LLC, 8.56%, 1/2/16, Ser. B B1/B 4.485,000 2,000 Northern State Power Co., 8.00%, 8/28/12, Ser. B A2/A- 2,449,256 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) Baa2/BBB 2,002,226 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) Baa2/BBB 2,002,226 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) Baa2/BBB 2,002,226 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) Baa2/BBB 2,003,778 PSEG Energy Holdings, Inc., 10,790 8.50%-8.625%, 2/15/08-6/15/11 Ba3/BB- 11,914,185 5,000 8.625%, 2/15/08-6/15/11 Ba3/BB- 6,878,131 5,000 8.625%, 2/15/08-6/15/11 Ba3/BB- 6,878,131 5,000 8.625%, 2/15/08-6/15/11 Ba3/BB- 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%, 8/108 6,878,131 5,000 8.50%,			T141141 0 007		120,026,157
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2,000 Northern State Power Co., 8.00%, 8/28/12, Ser. B 2,000 Pacific Gas & Electric Corp., 3.26%, 4/3/06 (e) 8aa2/BBB 2,002,226 2,000 Potomac Electric Power Co., 6.25%, 10/15/07 A3/A- 2,117,938 2,500 PPL Capital Funding Trust 1, 7.29%, 5/18/06 Ba1/BB+ 2,603,778 PSEG Energy Holdings, Inc. 10,790 8.50%-8.625%, 2/15/31 Baa1/BB- 5,000 8.625%, 5/15/31 Baa1/BB- 6,878,133 Sou Public Service Electric & Gas Co., 4.00%, 11/1/08 A3/A- 499,097 5,315 South Point Energy Center LLC, 8.40%, 5/30/12 (d) B2/B 5,000 Texas Utilities Electric Co., 7.17%, 8/1/07 Baa3/BBB- 2,126,512 3,500 Tucson Electric Power Co., 7.50%, 8/1/08, Ser. B Ba2/BBB- 3,611,588 Ba2/BBB- 3,611,588 Ba2/BBB- 3,888,488 13,000 Waste Management- 2.1% Total Corporate Bonds & Notes (cost-\$633,616,514) SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/31 (d) Ba2/BB- 1,717,500					
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500 Public Service Electric & Gas Co., 4.00%, 11/1/08 5,315 South Point Energy Center LLC, 8.40%, 5/30/12 (d) 82/B 5,009,537 1,144 Southern California Edison Co., 8.00%, 2/15/07 WR/BBH 2,000 Texas Utilities Electric Co., 7.17%, 8/1/07 3,500 Tucson Electric Power Co., 7.50%, 8/1/08, Ser. B Waste Management- 2.1% 3,745 Allied Waste North America, Inc., 7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB- 3,888,488 13,000 Waste Management, Inc., 7.10%-7.65%, 8/1/10-3/1/26 Baa3/BBB 15,005,534 Total Corporate Bonds & Notes (cost-\$633,616,514) SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500					
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2,000 Texas Utilities Electric Co., 7.17%, 8/1/07 3,500 Tucson Electric Power Co., 7.50%, 8/1/08, Ser. B Ba2/BBB- 3,611,580 80,085,865 Waste Management- 2.1% 3,745 Allied Waste North America, Inc., 7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB- 3,888,488 13,000 Waste Management, Inc., 7.10%-7.65%, 8/1/10-3/1/26 Baa3/BBB 15,005,534 18,894,022 Total Corporate Bonds & Notes (cost-\$633,616,514) SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500					
3,500 Tucson Electric Power Co., 7.50%, 8/1/08, Ser. B Waste Management- 2.1% 3,745 Allied Waste North America, Inc., 7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB-					
Waste Management - 2.1% 3,745 Allied Waste North America, Inc., 7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB- 3,888,488 13,000 Waste Management, Inc., 7.10%-7.65%, 8/1/10-3/1/26 Baa3/BBB 15,005,534 18,894,022					3,611,580
Waste Management- 2.1% 3,745 Allied Waste North America, Inc., 7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB- 3,888,488 13,000 Waste Management, Inc., 7.10%-7.65%, 8/1/10-3/1/26 Baa3/BBB 15,005,534 Total Corporate Bonds & Notes (cost-\$633,616,514) 671,293,425 SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500		- ,	,,,,,,		, ,
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7.625%-8.500%, 1/1/08-12/1/08, Ser. B (c) B2/BB- 13,000 Waste Management, Inc., 7.10%-7.65%, 8/1/10-3/1/26 Baa3/BBB Baa3/BB Baa3/BBB Baa3/		3,745			
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18,894,022 Total Corporate Bonds & Notes (cost-\$633,616,514) SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 Bulber 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500		13,000		Baa3/BBB	
SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500					18,894,022
SOVEREIGN DEBT OBLIGATIONS - 4.2% Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500					
Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500			Total Corporate Bonds & Notes (cost-\$633,616,514)		671,293,425
Brazil - 0.3% Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500					
Federal Republic of Brazil, 2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500			SOVEREIGN DEBT OBLIGATIONS - 4.2%		
2,300 8.00%, 4/15/14 B1/BB- 2,370,523 Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500			Brazil - 0.3%		
Guatemala - 0.2% Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500			Federal Republic of Brazil,		
Republic of Guatemala, 1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500		2,300	8.00%, 4/15/14	B1/BB-	2,370,523
1,500 9.25%, 8/1/13 (d) Ba2/BB- 1,717,500			Guatemala - 0.2%		
Panama - 1.0%		1,500		Ba2/BB-	1,717,500
Republic of Panama,					
		7,470		Ba1/BB	8,814,600
Peru - 1.2%					
Republic of Peru,					
7,590 9.125%-9.875%, 2/21/12-2/6/15 Ba3/BB 11,302,075		7,590	9.125%-9.875%, 2/21/12-2/6/15	Ba3/BB	11,302,075

Russia - 1.0%		
Russian Federation,		
8,662 5.00%-8.25%, 3/31/10-3/31/30	Baa3/BB+	9,169,890

Principal Amount (000)			Credit Rating (Moody s/S&P)	Value*
		SOVEREIGN DEBT OBLIGATIONS (continued)		
		South Africa - 0.3%		
		Republic of South Africa,		
\$	2,720	7.375%-9.125%, 5/19/09-4/25/12	Baa1/BBB \$	3,199,350
		Ukraine Republic - 0.2%		
		Republic of Ukraine,	B1/B	
	1,502	7.65%-11.00%, 3/15/07-6/11/13	B1/B+	1,601,773
		Total Sovereign Debt Obligations (cost-\$36,290,332)		38,175,711
		MORTGAGE-BACKED SECURITIES (d) - 2.1%		
	3,500	Chase Commercial Mortgage Securities Corp.,		
		6.89%, 11/15/32	NR/BB+	3,528,979
	5,963	GSMPS Mortgage Loan Trust, 7.50%, 6/19/27	NR/NR	6,270,256
	2,343	Lehman Brothers Floating Rate Commercial Mortgage Trust,		
		4.13%, 11/19/12	NR/AAA	2,345,903
		Merrill Lynch Mortgage Investors, Inc.,		
	2,805	7.14%, 12/15/30	Baa3/A-	3,100,729
	2,000	7.38%, 12/15/30	Baa1/BBB+	2,189,745
				5,290,474
	21,222	Morgan Stanley Capital, Inc., 2.62%, 4/15/06	Aaa/AAA	2,126,681
		Total Mortgage-Backed Securities (cost-\$19,387,748)		19,562,293
		SENIOR LOANS (b) (g) (h) - 1.0 %		
		Containers- 0.3%		
	810	Owens-Illinois Group, Inc., 5.23%, 4/1/08, Term B		824,598
		Smurfit Stone Container Corp.,		
	215	4.438%, 11/1/11		218,202
	107	4.50%, 11/1/10, Term C		109,101
	107	4.50%, 11/1/10, Term B		109,078
	404	Stone Container Corp.,		400.055
		2.206%, 11/1/10		133,075
		4.17%, 5/8/09, Term B		107,323
		4.438%, 11/1/10, Term B		436,310
	510	4.688%, 11/1/11, Term B		518,118
		Engage 0.10/		2,455,805
		Energy - 0.1%		
	1 420	AES Corp.,		1 452 274
	1,428	4.25%-4.44%, 4/30/08-8/10/11, Term B		1,453,274
		Multi-Media - 0.3%		
	2,500	Adelphia Century Cable, 7.25%, 6/30/09, Term B		2,485,937
	2,300	Adelphila Century Cable, 7.25 %, 6/30/05, Termi B		2,403,937
		Publishing- 0.1%		
	1,220	Readers Digest Association Inc., 4.55%, 5/20/08, Term B		1,238,515
		Telecommunications - 0.2%		
		Dex Media East LLC,		
	114	4.14%, 5/8/09, Term B		115,012
	280			283,670
	881	4.21%, 5/8/09, Term B		892,489
	89	4.23%, 5/8/09, Term B		90,391
	101	4.25%, 5/8/09, Term B		102,263
				1,483,825
		Total Senior Loans (cost-\$9,014,594)		9,117,356

Principal Amount (000)			Credit Rating (Moody s/S&P)	Value*
		ASSET BACKED SECURITIES - 0.5%		.=
\$		Ameriquest Mortgage Securities Inc., 2.94%, 2/25/33 (e)	Aaa/AAA \$	
		CS First Boston Mortgage Securities Corp., 2.86%, 5/25/43	Aaa/AAA	1,091,273
	3,000	Redwood Capital Ltd., 6.41%, 1/9/06 (b) (c)	Ba1/BB+	3,003,240
		Total Asset-Backed Securities (cost-\$4,269,372)		4,273,981
		MUNICIPAL BONDS (c) (e) -1.2%		
		New Jersey-1.2%		
		Tobacco Settlement Funding Corp.,		
		9.465%, 6/1/24	NR/AA	2,572,700
	4,314	8.715%, 6/1/32	NR/AA	4,058,956
	4,166	9.965%, 6/1/32	NR/AA	4,159,668
		Total Municipal Bonds (cost-\$10,187,748)		10,791,324
Shares				
	2 400	PREFERRED STOCK - 0.4%	D 2/DD	2.662.500
	3,400	Fresenius Medical Care AG, 7.875%, 10/25/43 (cost-\$3,674,550)	Ba2/BB-	3,663,500
Principal Amount (000)				
		U.S. GOVERNMENT AGENCY SECURITIES - 0.3%		
\$	2,590	Freddie Mac 7.50%, 2/24/05, CMO (cost-\$2,818,480)	Aaa/AAA	2,784,681
		U.S. TREASURY NOTES - 7.8%		
	63,349	3.50%, 1/15/11 (cost-\$71,558,311)	Aaa/AAA	71,524,977
		SHORT-TERM INVESTMENTS - 9.2%		
		CORPORATE NOTES - 8.0%		
		Financing -1.4%		
	1,000	Dankse Corp., 2.59%, 4/5/05, Ser. A	P-1/A-1+	995,430
		General Electric Capital Corp., 2.72%, 4/28/05	P-1/A-1+	2,484,100
		General Motors Acceptance Corp., 3.92%, 10/20/05 (d)	Baa1/BBB-	6,027,774
		Midland Funding II, 11.75%, 7/23/05, Ser. A	Ba3/BB-	678,324
		STEERS-2002-26 Cox, 6.10%, 5/19/05 (b) (c) (d) (e)	NR/NR	2,749,894
	_,,,,,,			12,935,522
		Food Services - 0.2%		
	1,500	Heinz (H.J.) Co., 6.189%, 12/1/05 (c) (e)	A3/NA	1,578,521
		Healthcare/Hospitals - 0.1%		
	1,000	Columbia/HCA Healthcare Corp., 6.91%, 6/15/05	Ba2/BB+	1,015,902
		Hotels/Gaming - 0.3%		
	175	ITT Corp., 6.75%, 11/15/05	Ba1/BB+	179,594
	450	Mirage Resorts, Inc., 6.625%, 2/1/05	WR/BB+	450,000
	2,000	Park Place Entertainment Corp., 7.875%, 12/12/05	Ba2/BB-	2,072,500
	2,000	Tark Frace Entertainment Corp., 7.875 /0, 12/12/05	Da2/DD-	2,702,094
		Medical Products - 0.1%		
	1,000	Mallinckrodt Inc., 6.75%, 9/15/05	Baa3/BBB	1,016,663
		Multi-Media-2.6%		
	6,625	Continental Cablevision, Inc., 8.875%, 9/15/05	Baa3/BBB	6,845,262
		Lenfest Communications, Inc., 8.375%, 11/1/05	Baa3/BBB	9,711,713
	6,350		Ba3/BB+	6,421,438
	3,230		340,221	22,978,413
		Oil & Gas - 2.4%		,,,,,,,,,,

2,000 Appalachian Power Co., 4.80%, 6/15/05, Ser. E	Baa2/BBB	2,013,034
2,662 Atlantic Richfield Co., 10.875%, 7/15/05	Aa1/AA+	2,751,270
3,000 Enterprise Products Partners, L.P., 8.25%, 3/15/05	Baa3/BB+	3,015,978
1,000 GPU Inc., 7.70%, 12/1/05, Ser. A	Baa3/BB+	1,031,115
2,000 Oryx Energy Ltd., 8.125%, 10/15/05	Baa3/BBB	2,050,074
1,850 PG&E Gas Transmission Northwest Corp., 7.10%, 6/1/05	A2/A-	1,872,344
4,000 Reliant Energy Resources Corp, 8.125%, 7/15/05, Ser. B	Ba1/BBB	4,090,184
5,000 Ultramar Corp., 8.00%, 3/15/05	Baa3/BBB	5,025,390
		21,849,389

Principal					
Amount			Credit Rating		
(000)		CHODT TEDM INVESTMENTS (condiment)	(Moody s/S&P)		Value*
		SHORT-TERM INVESTMENTS (continued)			
¢ 1.0	025	Telecommunications - 0.4%	Baa1/BBB+	\$	1 060 522
		Deutsche Telekom International, 7.75%, 6/15/05	Baa3/BBB-	Ф	1,960,532 965,929
		Sprint Capital Corp. (FON Group), 7.90%, 3/15/05	A3/A		, .
	300	Telefonica Europe BV. 7.35%, 9/15/05	AS/A		512,697 3,439,158
					3,439,136
		Utilities - 0.5%			
,	200	Connectiv, Inc., 5.30%, 6/1/05, Ser. B	Baa2/BBB		201,176
	500	Kansas Gas & Electric Co., 6.20%, 1/15/06	Baa3/BBB		4,633,380
1,	300	Ransus Gus & Electric Co., 0.2076, 1713/700	Биизльвь		4,834,556
		Total Corporate Notes (cost-\$71,915,267)			72,350,218
		10th 201point 110th (2000 \$11,910,201)			, 2,000,210
		U.S. TREASURY BILLS (i) - 0.7%			
6	140	2.08%-2.21%, 3/3/05-3/17/05 (cost-\$6,124,205)	Aaa/AAA		6,124,205
0,	110	2.00% 2.21%, 5/3/02 3/1//03 (0000 \$0,12 1,200)	1144/11/11		0,121,203
		REPURCHASE AGREEMENT - 0.5%			
4,	792	State Street Bank & Trust Co. dated 1/31/05, 1.90%, due 2/1/05,			
Ź		proceeds:\$4,792,253; collateralized by Federal Home Loan Bank,			
		1.625%			
		6/17/05, valued at \$4,878,930 with accrued interest (cost - \$4,792,000)			4,792,000
		Total Short-Term Investments (cost-\$152,385,980)			83,266,423
Contracts					
		PUT OPTION PURCHASED (j) - 0.0%			
125,0	000	HVOL3 Credit Default 1.05%, expires 6/20/05 (premium			44,753
		paid-\$437,500)			
		Total Investments, before put options written			
		(cost-\$874,086,621) -100.3 %			914,498,424
		CALL OPTIONS WRITTEN (j) -(0.3)%			
		U.S. Treasury Notes 10 yr. Futures,			
(2	94)	Strike price \$113, expires 2/18/05			(68,906)
(3	84)	Strike price \$114, expires 5/20/05			(126,000)
(1	96)	Strike price \$107, expires 5/20/05			(36,750)
(1,0	67)	U.S. Treasury Bonds, strike price \$108, expires 5/20/05			(338,312)
		News America Holdings, Strike price \$100, expires 10/1/06			(1,094,115)
(125,0		HVOL Credit Default 1.15%, expires 6/20/05			(920,295)
		EPUT 4.6, Strike price \$4.6, expires 2/03/05			(129)
(32,3	00)	OTC ECAL 3ML, 4.15%, expires 2/03/05			(6,719)
		Total call options written (premium received-\$1,303,093)			(2,591,226)
		Total Investments net of call options written		Ф	011 007 100
		(cost-\$872,783,528) -100.0 %		\$	911,907,198

(a) Futures contracts outstanding at January 31, 2005:

Туре		nal Amount (000)	Expiration Date	Unrealized Appreciation (Depreciation)
Long:	Financial Future Euro-90			_
	day	\$ 2,188	3/21/05	\$ 24,000
		281	3/19/05	(1,246,875)

U.S. Treasury Notes-10

Year

\$ (1,222,875)

(b) Interest rate swap contracts oustanding at January 31, 2005:

			Rate Type						
Swap Counterparty	Notio	nal Amount	Termination Date	Fixed Payments made by the Fund	Fixed Payments received by the Fund		Unrealized Appreciation (Depreciation)		
Goldman Sachs & Co.	\$	19,986	12/24/2024	5.13%	3 month LIBOR	\$	19,985,601		
Goldman Sachs & Co.		(24,105)	6/15/2025	2.25%	3 month LIBOR		(22,295,901)		
Lehman Brothers		7,450	10/1/2006	7.43%	3 month LIBOR		(331,374)		
						\$	(2 641 674)		

LIBOR-London Interbank Offered Rate

(c) Credit default swap contracts oustanding at January 31, 2005:

	N	lotional Amount			
Swap Counterparty/		Payable on		Payments	
Referenced Debt		Default	Termination	received	Unrealized
Obligation		(000)	Date	by Fund	Appreciation
Bear Stearns					
Encana Corp., 4.75%, 10/15/13	\$	3,000	9/20/2009	0.53%	\$ 28,365

(e) Forward foreign currency contracts outstanding at January 31, 2005:

	U.S.\$ Value Origination Date		U.S.\$ Value January 31, 2005		Unrealized Appreciation (Depreciation)	
Purchased:						
6,045,000 settling 2/10/05	\$	7,886,537	\$	7,880,945	\$	(5,592)
5,319,000 settling 2/17/05		6,893,451		6,935,057		41,606
						189,699
Sold:						
CA\$1,750,000 settling 2/17/05		1,437,750		1,410,441		27,309
6,045,000 settling 2/10/05		8,002,407		7,880,945		121,462
5,319,000 settling 2/17/05		6,939,971		6,935,057		4,914

Notes	ŧο	Scho	alub	of I	nvestm	ont.
notes	w	ocne	anne	\mathbf{OI}	uvesiii	em:

* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial instruments for which market quotations are not readily available or if development/event occurs that may impact the value of the security, may be fair-valued in good faith pursuant to procedures established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Fund s investments are valued daily by an independent pricing service, dealer quotations, or are valued at the last sale price on the exchange that is primary market for such securities, or the last quoted bid price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. The independent pricing service uses information provided by market makers or estimates of market value obtained from yield data relating to investments or securities with similar characteristics. Senior Loans, for which a secondary market does not exist, are valued at fair value by Pacific Investment Management Co. LLC, the Fund s sub-adviser, pursuant to procedures approved by the Board of Trustees. Such procedures may include consideration and evaluation of: (1) the creditworthiness of the borrower and any intermediate participants; (2) the term of the Senior Loan; (3) recent prices in the market for similar loans, if any; (4) recent prices in the market for loans of similar quality, coupon rate, and period until next interest rate reset and maturity; and (5) general economic and market conditions affecting the fair value of the Senior Loan. Exchange traded options, futures and options on futures are valued at the settlement price determined by relevant exchange. Swaps are marked to market daily by the Portfolio s Sub-Adviser based on quotatives from market makers. Short-term investments maturing in 60 days or less are valued at amortized cost, if their original maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term of the maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund s net asset value is determined daily at the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange.

- (a) Security in default.
- (b) Illiquid security
- (c) Fair-valued security.
- (d) 144A Security- Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional investors.
- (e) Floating Rate Security-Interest rate shown is the rate in effect at January 31, 2005.
- (f) Credit-linked trust certificate.
- (g) Private Placement. Restricted as to resale and does not have a readily available market.
- (h) These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the London Inter-Bank Offered Rate (LIBOR) or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Fund is ordinarily contractually obligated to receive approval from the Agent Bank and/or borrower prior to disposition.
- (i) All or partial principal amount segregated as initial margin on futures contracts.
- (j) Non-income producing security.

Glossary:

CMO -Collateralized Mortgage Obligation

NR - Not Rated

REIT -Real Estate Investment Trust

VRN -Variable Rate Note. Maturity date shown date of next rate change and the interest rate disclosed reflects the rate in effect on January 31, 2005.

WR -Withdrawn Rating

Item 2. Controls and Procedures

- (a) The registrant s President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant s disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.
- (b) There were no significant changes in the registrant s internal controls or in factors that could affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 3. Exhibits

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: PIMCO Corporate Income Fund

By /s/ Brian S. Shlissel President & Chief Executive Officer

Date: March 30, 2005

By /s/ Lawrence G. Altadonna Treasurer, Principal Financial & Accounting Officer

Date: March 30, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dated indicated.

By /s/ Brian S. Shlissel President & Chief Executive Officer

Date: March 30, 2005

By /s/ Lawrence G. Altadonna Treasurer, Principal Financial & Accounting Officer

Date: March 30, 2005