

WELLS FARGO INCOME OPPORTUNITIES FUND

Form N-Q

September 25, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS

OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-21507

Wells Fargo Income Opportunities Fund

(Exact name of registrant as specified in charter)

525 Market Street, 12th Floor, San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

C. David Messman

Wells Fargo Funds Management, LLC

525 Market Street, 12th Floor, San Francisco, CA 94105

(Name and address of agent for service)

Registrant's telephone number, including area code: 800-222-8222

Date of fiscal year end: April 30

Registrant is making a filing for Wells Fargo Income Opportunities Fund.

Date of reporting period: July 31, 2018

ITEM 1. INVESTMENTS

Wells Fargo Income Opportunities Fund

Portfolio of investments July 31, 2018
(unaudited)

| Security name | Shares | Value |
|---|--------|--------|
| Common Stocks : 0.00% | | |
| Materials : 0.00% | | |
| Chemicals : 0.00% | | |
| <i>LyondellBasell Industries NV Class A</i> | 7 | \$ 776 |
| Total Common Stocks (Cost \$606) | | 776 |

| | Interest rate | Maturity date | Principal | |
|---|---------------|---------------|--------------|------------|
| Corporate Bonds and Notes : 114.20% | | | | |
| Consumer Discretionary : 26.81% | | | | |
| Auto Components : 2.57% | | | | |
| <i>Allison Transmission Incorporated 144A</i> | 4.75 | 10-1-2027 | \$ 1,695,000 | 1,572,113 |
| <i>Allison Transmission Incorporated 144A</i> | 5.00 | 10-1-2024 | 8,325,000 | 8,179,313 |
| <i>Cooper Tire & Rubber Company</i> | 7.63 | 3-15-2027 | 5,190,000 | 5,760,900 |
| <i>Cooper Tire & Rubber Company</i> | 8.00 | 12-15-2019 | 400,000 | 422,800 |
| | | | | 15,935,126 |

| | | | | |
|-------------------------------------|------|------------|-----------|-----------|
| Distributors : 0.43% | | | | |
| <i>LKQ Corporation</i> | 4.75 | 5-15-2023 | 2,375,000 | 2,375,000 |
| <i>Spectrum Brands Incorporated</i> | 6.63 | 11-15-2022 | 250,000 | 257,500 |
| | | | | 2,632,500 |

| | | | | |
|--|------|------------|-----------|------------|
| Diversified Consumer Services : 2.13% | | | | |
| <i>Carriage Services Incorporated 144A</i> | 6.63 | 6-1-2026 | 1,125,000 | 1,151,719 |
| <i>Service Corporation International</i> | 4.63 | 12-15-2027 | 1,250,000 | 1,187,500 |
| <i>Service Corporation International</i> | 7.50 | 4-1-2027 | 8,125,000 | 9,059,375 |
| <i>Service Corporation International</i> | 8.00 | 11-15-2021 | 1,635,000 | 1,814,850 |
| | | | | 13,213,444 |

| | | | | |
|--|------|-----------|-----------|------------|
| Hotels, Restaurants & Leisure : 2.94% | | | | |
| <i>Brinker International Incorporated 144A</i> | 5.00 | 10-1-2024 | 850,000 | 818,125 |
| <i>CCM Merger Incorporated 144A</i> | 6.00 | 3-15-2022 | 8,475,000 | 8,623,313 |
| <i>Hilton Domestic Operating Company Incorporated 144A</i> | 5.13 | 5-1-2026 | 1,175,000 | 1,175,000 |
| <i>KFC Holding Company 144A</i> | 5.00 | 6-1-2024 | 2,075,000 | 2,054,250 |
| <i>Pinnacle Entertainment Incorporated</i> | 5.63 | 5-1-2024 | 700,000 | 733,250 |
| <i>Speedway Motorsports Incorporated</i> | 5.13 | 2-1-2023 | 825,000 | 810,563 |
| <i>Wyndham Hotels & Resorts Company 144A</i> | 5.38 | 4-15-2026 | 4,025,000 | 4,019,969 |
| | | | | 18,234,470 |

| | | | | |
|---|------|-----------|-----------|-----------|
| Media : 12.73% | | | | |
| <i>Altice US Finance I Corporation 144A</i> | 5.38 | 7-15-2023 | 2,270,000 | 2,289,863 |
| <i>Altice US Finance I Corporation 144A</i> | 5.50 | 5-15-2026 | 2,200,000 | 2,158,750 |
| <i>CCO Holdings LLC 144A</i> | 4.00 | 3-1-2023 | 175,000 | 167,125 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|--|------|------------|-----------|-----------|
| <i>CCO Holdings LLC 144A</i> | 5.00 | 2-1-2028 | 350,000 | 327,688 |
| <i>CCO Holdings LLC</i> | 5.13 | 2-15-2023 | 2,266,000 | 2,254,670 |
| <i>CCO Holdings LLC 144A</i> | 5.13 | 5-1-2023 | 2,965,000 | 2,957,588 |
| <i>CCO Holdings LLC 144A</i> | 5.13 | 5-1-2027 | 750,000 | 716,250 |
| <i>CCO Holdings LLC</i> | 5.25 | 9-30-2022 | 2,048,000 | 2,068,480 |
| <i>CCO Holdings LLC 144A</i> | 5.38 | 5-1-2025 | 7,195,000 | 7,069,088 |
| <i>CCO Holdings LLC 144A</i> | 5.50 | 5-1-2026 | 325,000 | 319,313 |
| <i>CCO Holdings LLC 144A</i> | 5.75 | 2-15-2026 | 5,675,000 | 5,642,653 |
| <i>CCO Holdings LLC 144A</i> | 5.88 | 4-1-2024 | 2,350,000 | 2,391,125 |
| <i>Cequel Communications Holdings I LLC 144A</i> | 7.75 | 7-15-2025 | 3,625,000 | 3,819,844 |
| <i>Cinemark USA Incorporated</i> | 4.88 | 6-1-2023 | 750,000 | 738,975 |
| <i>CSC Holdings LLC 144A</i> | 5.38 | 2-1-2028 | 1,125,000 | 1,059,986 |
| <i>CSC Holdings LLC</i> | 8.63 | 2-15-2019 | 635,000 | 651,669 |
| <i>Dish Network Corporation</i> | 3.38 | 8-15-2026 | 625,000 | 567,784 |
| <i>EMI Music Publishing Group 144A</i> | 7.63 | 6-15-2024 | 3,528,000 | 3,797,010 |
| <i>Gray Television Incorporated 144A</i> | 5.13 | 10-15-2024 | 2,400,000 | 2,304,000 |

| Portfolio of investments | Wells Fargo Income Opportunities Fund | | | |
|---|---------------------------------------|---------------|--------------|--------------|
| July 31, 2018 (unaudited) | | | | |
| Security name | Interest rate | Maturity date | Principal | Value |
| Media (continued) | | | | |
| <i>Gray Television Incorporated 144A</i> | 5.88% | 7-15-2026 | \$ 6,650,000 | \$ 6,500,375 |
| <i>Lamar Media Corporation</i> | 5.38 | 1-15-2024 | 725,000 | 743,125 |
| <i>LIN Television Corporation</i> | 5.88 | 11-15-2022 | 425,000 | 431,906 |
| <i>Live Nation Entertainment Incorporated 144A</i> | 4.88 | 11-1-2024 | 2,300,000 | 2,268,375 |
| <i>Live Nation Entertainment Incorporated 144A</i> | 5.38 | 6-15-2022 | 790,000 | 803,825 |
| <i>Live Nation Entertainment Incorporated 144A</i> | 5.63 | 3-15-2026 | 500,000 | 498,750 |
| <i>National CineMedia LLC</i> | 6.00 | 4-15-2022 | 7,000,000 | 7,105,000 |
| <i>Nexstar Broadcasting Group Incorporated 144A</i> | 5.63 | 8-1-2024 | 725,000 | 714,125 |
| <i>Nexstar Broadcasting Group Incorporated 144A</i> | 6.13 | 2-15-2022 | 2,865,000 | 2,911,556 |
| <i>Nielsen Finance LLC 144A</i> | 5.00 | 4-15-2022 | 1,945,000 | 1,890,297 |
| <i>Outfront Media Capital Corporation</i> | 5.25 | 2-15-2022 | 320,000 | 322,400 |
| <i>Outfront Media Capital Corporation</i> | 5.63 | 2-15-2024 | 735,000 | 741,240 |
| <i>Outfront Media Capital Corporation</i> | 5.88 | 3-15-2025 | 1,275,000 | 1,286,156 |
| <i>Salem Media Group Incorporated 144A</i> | 6.75 | 6-1-2024 | 6,225,000 | 5,633,625 |
| <i>The E.W. Scripps Company 144A</i> | 5.13 | 5-15-2025 | 6,019,000 | 5,663,518 |
| | | | | 78,816,134 |
| Specialty Retail : 5.21% | | | | |
| <i>Asbury Automotive Group Incorporated</i> | 6.00 | 12-15-2024 | 7,200,000 | 7,164,000 |
| <i>Group 1 Automotive Incorporated</i> | 5.00 | 6-1-2022 | 2,259,000 | 2,230,763 |
| <i>Group 1 Automotive Incorporated 144A</i> | 5.25 | 12-15-2023 | 3,275,000 | 3,193,125 |
| <i>Lithia Motors Incorporated 144A</i> | 5.25 | 8-1-2025 | 6,825,000 | 6,517,875 |
| <i>Penske Auto Group Incorporated</i> | 3.75 | 8-15-2020 | 1,045,000 | 1,031,938 |
| <i>Penske Auto Group Incorporated</i> | 5.38 | 12-1-2024 | 5,398,000 | 5,276,545 |
| <i>Penske Auto Group Incorporated</i> | 5.75 | 10-1-2022 | 2,100,000 | 2,144,142 |
| <i>Sonic Automotive Incorporated</i> | 5.00 | 5-15-2023 | 3,200,000 | 3,016,000 |
| <i>Sonic Automotive Incorporated</i> | 6.13 | 3-15-2027 | 1,799,000 | 1,682,065 |
| | | | | 32,256,453 |
| Textiles, Apparel & Luxury Goods : 0.80% | | | | |
| <i>The William Carter Company</i> | 5.25 | 8-15-2021 | 1,200,000 | 1,215,420 |
| <i>Wolverine World Wide Incorporated 144A</i> | 5.00 | 9-1-2026 | 3,925,000 | 3,728,750 |
| | | | | 4,944,170 |
| Consumer Staples : 1.58% | | | | |
| Beverages : 0.18% | | | | |
| <i>Cott Beverages Incorporated 144A</i> | 5.50 | 4-1-2025 | 1,125,000 | 1,082,813 |
| Food Products : 1.15% | | | | |
| <i>B&G Foods Incorporated</i> | 4.63 | 6-1-2021 | 670,000 | 664,138 |
| <i>B&G Foods Incorporated</i> | 5.25 | 4-1-2025 | 1,750,000 | 1,680,000 |
| <i>Darling Ingredients Incorporated</i> | 5.38 | 1-15-2022 | 295,000 | 299,794 |
| <i>Lamb Weston Holdings Incorporated 144A</i> | 4.63 | 11-1-2024 | 375,000 | 367,500 |
| <i>Lamb Weston Holdings Incorporated 144A</i> | 4.88 | 11-1-2026 | 75,000 | 73,781 |
| <i>Pilgrim s Pride Corporation 144A</i> | 5.75 | 3-15-2025 | 2,360,000 | 2,256,750 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|--|------|-----------|---------|-----------|
| <i>Pilgrim s Pride Corporation 144A</i> | 5.88 | 9-30-2027 | 400,000 | 373,000 |
| <i>Pinnacle Foods Incorporated</i> | 5.88 | 1-15-2024 | 100,000 | 105,125 |
| <i>Prestige Brands Incorporated 144A</i> | 6.38 | 3-1-2024 | 660,000 | 659,175 |
| <i>US Foods Incorporated 144A</i> | 5.88 | 6-15-2024 | 670,000 | 666,650 |
| | | | | 7,145,913 |

Household Products : 0.25%

| | | | | |
|---|------|------------|---------|-----------|
| <i>Central Garden & Pet Company</i> | 5.13 | 2-1-2028 | 400,000 | 374,000 |
| <i>Central Garden & Pet Company</i> | 6.13 | 11-15-2023 | 405,000 | 416,138 |
| <i>Spectrum Brands Incorporated</i> | 5.75 | 7-15-2025 | 775,000 | 773,063 |
| | | | | 1,563,201 |

Wells Fargo Income Opportunities Fund

Portfolio of investments July 31, 2018
(unaudited)

| Security name | Interest rate | Maturity date | Principal | Value |
|---|---------------|---------------|--------------|--------------|
| Energy : 27.28% | | | | |
| Energy Equipment & Services : 8.38% | | | | |
| <i>Bristow Group Incorporated</i> | 6.25% | 10-15-2022 | \$ 6,900,000 | \$ 5,313,000 |
| <i>Bristow Group Incorporated 144A</i> | 8.75 | 3-1-2023 | 1,550,000 | 1,519,000 |
| <i>Diamond Offshore Drilling Incorporated</i> | 4.88 | 11-1-2043 | 2,875,000 | 2,070,000 |
| <i>Era Group Incorporated</i> | 7.75 | 12-15-2022 | 4,745,000 | 4,661,963 |
| <i>Hilcorp Energy Company 144A</i> | 5.00 | 12-1-2024 | 3,100,000 | 2,979,875 |
| <i>Hilcorp Energy Company 144A</i> | 5.75 | 10-1-2025 | 4,195,000 | 4,184,513 |
| <i>Hornbeck Offshore Services Incorporated</i> | 1.50 | 9-1-2019 | 7,847,000 | 7,003,448 |
| <i>Hornbeck Offshore Services Incorporated</i> | 5.00 | 3-1-2021 | 1,800,000 | 1,318,500 |
| <i>Hornbeck Offshore Services Incorporated</i> | 5.88 | 4-1-2020 | 2,450,000 | 1,947,750 |
| <i>NGPL PipeCo LLC 144A</i> | 4.38 | 8-15-2022 | 675,000 | 676,688 |
| <i>NGPL PipeCo LLC 144A</i> | 4.88 | 8-15-2027 | 1,050,000 | 1,048,688 |
| <i>NGPL PipeCo LLC 144A</i> | 7.77 | 12-15-2037 | 12,450,000 | 15,313,500 |
| <i>Oceaneering International Incorporated</i> | 6.00 | 2-1-2028 | 1,700,000 | 1,692,118 |
| <i>USA Compression Partners LP 144A</i> | 6.88 | 4-1-2026 | 2,100,000 | 2,160,375 |
| | | | | 51,889,418 |
| Oil, Gas & Consumable Fuels : 18.90% | | | | |
| <i>Andeavor Logistics LP</i> | 5.25 | 1-15-2025 | 1,150,000 | 1,188,732 |
| <i>Archrock Partners LP</i> | 6.00 | 10-1-2022 | 1,650,000 | 1,633,500 |
| <i>Carrizo Oil & Gas Incorporated</i> | 8.25 | 7-15-2025 | 1,600,000 | 1,728,000 |
| <i>Cheniere Energy Partners LP</i> | 5.25 | 10-1-2025 | 9,200,000 | 9,154,000 |
| <i>Continental Resources Incorporated</i> | 3.80 | 6-1-2024 | 2,000,000 | 1,964,530 |
| <i>Continental Resources Incorporated</i> | 4.38 | 1-15-2028 | 500,000 | 498,500 |
| <i>DCP Midstream Operating LP</i> | 2.70 | 4-1-2019 | 1,425,000 | 1,414,313 |
| <i>Denbury Resources Incorporated</i> | 6.38 | 8-15-2021 | 6,205,000 | 5,832,700 |
| <i>Denbury Resources Incorporated 144A</i> | 9.25 | 3-31-2022 | 1,312,000 | 1,390,720 |
| <i>Enable Midstream Partner LP</i> | 2.40 | 5-15-2019 | 5,475,000 | 5,448,445 |
| <i>Enable Oklahoma Intrastate Transmission LLC 144A</i> | 6.25 | 3-15-2020 | 1,100,000 | 1,141,263 |
| <i>EnLink Midstream LLC</i> | 4.15 | 6-1-2025 | 200,000 | 187,250 |
| <i>EnLink Midstream Partners LLC</i> | 4.40 | 4-1-2024 | 6,450,000 | 6,192,259 |
| <i>EnLink Midstream Partners LP</i> | 4.85 | 7-15-2026 | 2,275,000 | 2,187,305 |
| <i>Exterran Partners LP</i> | 6.00 | 4-1-2021 | 5,075,000 | 5,049,625 |
| <i>Gulfport Energy Corporation</i> | 6.00 | 10-15-2024 | 1,625,000 | 1,568,125 |
| <i>Kinder Morgan Incorporated</i> | 6.50 | 9-15-2020 | 1,155,000 | 1,225,353 |
| <i>Kinder Morgan Incorporated</i> | 7.42 | 2-15-2037 | 1,820,000 | 2,091,092 |
| <i>Matador Resources Company</i> | 6.88 | 4-15-2023 | 700,000 | 735,875 |
| <i>Murphy Oil Corporation</i> | 4.45 | 12-1-2022 | 3,200,000 | 3,162,848 |
| <i>Murphy Oil Corporation</i> | 5.75 | 8-15-2025 | 360,000 | 360,907 |
| <i>Murphy Oil Corporation</i> | 6.88 | 8-15-2024 | 1,425,000 | 1,496,250 |
| <i>Nabors Industries Incorporated</i> | 0.75 | 1-15-2024 | 2,850,000 | 2,224,468 |
| <i>PDC Energy Incorporated</i> | 6.13 | 9-15-2024 | 950,000 | 953,563 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|---|------|------------|------------|-------------|
| <i>Rockies Express Pipeline LLC 144A</i> | 5.63 | 4-15-2020 | 7,320,000 | 7,531,548 |
| <i>Rockies Express Pipeline LLC 144A</i> | 6.88 | 4-15-2040 | 5,300,000 | 6,148,000 |
| <i>Rockies Express Pipeline LLC 144A</i> | 7.50 | 7-15-2038 | 1,150,000 | 1,380,000 |
| <i>Rose Rock Midstream LP</i> | 5.63 | 7-15-2022 | 2,450,000 | 2,413,250 |
| <i>Rose Rock Midstream LP</i> | 5.63 | 11-15-2023 | 1,775,000 | 1,695,125 |
| <i>Sabine Pass Liquefaction LLC</i> | 5.63 | 2-1-2021 | 2,275,000 | 2,378,539 |
| <i>Sabine Pass Liquefaction LLC</i> | 6.25 | 3-15-2022 | 3,075,000 | 3,318,913 |
| <i>SemGroup Corporation</i> | 6.38 | 3-15-2025 | 5,725,000 | 5,496,000 |
| <i>SemGroup Corporation</i> | 7.25 | 3-15-2026 | 2,869,000 | 2,861,828 |
| <i>Southern Star Central Corporation 144A</i> | 5.13 | 7-15-2022 | 3,054,000 | 3,054,000 |
| <i>Southwestern Energy Company</i> | 6.20 | 1-23-2025 | 75,000 | 73,969 |
| <i>Southwestern Energy Company</i> | 7.50 | 4-1-2026 | 750,000 | 778,125 |
| <i>Southwestern Energy Company</i> | 7.75 | 10-1-2027 | 750,000 | 784,219 |
| <i>Summit Midstream Holdings LLC</i> | 5.75 | 4-15-2025 | 400,000 | 386,000 |
| <i>Tallgrass Energy Partners LP 144A</i> | 5.50 | 9-15-2024 | 12,825,000 | 13,145,625 |
| <i>Tesoro Logistics LP</i> | 6.38 | 5-1-2024 | 725,000 | 771,842 |
| <i>Ultra Resources Incorporated 144A</i> | 6.88 | 4-15-2022 | 2,480,000 | 1,649,200 |
| <i>Ultra Resources Incorporated 144A</i> | 7.13 | 4-15-2025 | 7,225,000 | 4,316,938 |
| <i>Western Gas Partners LP</i> | 5.38 | 6-1-2021 | 30,000 | 31,067 |
| | | | | 117,043,811 |

Portfolio of investments July 31, 2018 (unaudited)

Wells Fargo Income Opportunities Fund

| Security name | Interest rate | Maturity date | Principal | Value |
|---|---------------|---------------|------------|------------|
| Financials : 6.88% | | | | |
| Banks : 0.06% | | | | |
| <i>Citigroup Incorporated</i> | 4.13% | 3-9-2021 | \$ 115,000 | \$ 114,856 |
| <i>Citigroup Incorporated</i> | 5.25 | 3-7-2025 | 25,000 | 25,563 |
| <i>Citigroup Incorporated</i> | 6.13 | 3-9-2028 | 195,000 | 204,750 |
| | | | | 345,169 |
| Capital Markets : 0.11% | | | | |
| <i>MSCI Incorporated 144A</i> | 5.38 | 5-15-2027 | 675,000 | 680,063 |
| Consumer Finance : 2.40% | | | | |
| <i>Ally Financial Incorporated</i> | 7.50 | 9-15-2020 | 300,000 | 322,125 |
| <i>Ally Financial Incorporated</i> | 8.00 | 12-31-2018 | 1,300,000 | 1,325,350 |
| <i>Ally Financial Incorporated</i> | 8.00 | 3-15-2020 | 3,016,000 | 3,212,040 |
| <i>FirstCash Incorporated 144A</i> | 5.38 | 6-1-2024 | 2,749,000 | 2,735,255 |
| <i>Navient Corporation</i> | 8.00 | 3-25-2020 | 2,725,000 | 2,874,875 |
| <i>Springleaf Finance Corporation</i> | 6.00 | 6-1-2020 | 1,375,000 | 1,416,250 |
| <i>Springleaf Finance Corporation</i> | 7.13 | 3-15-2026 | 1,375,000 | 1,397,344 |
| <i>Springleaf Finance Corporation</i> | 8.25 | 12-15-2020 | 75,000 | 81,188 |
| <i>Springleaf Finance Corporation</i> | 8.25 | 10-1-2023 | 1,342,000 | 1,479,555 |
| | | | | 14,843,982 |
| Diversified Financial Services : 3.30% | | | | |
| <i>Infinity Acquisition LLC 144A</i> | 7.25 | 8-1-2022 | 1,590,000 | 1,618,827 |
| <i>LPL Holdings Incorporated 144A</i> | 5.75 | 9-15-2025 | 16,525,000 | 16,029,250 |
| <i>MGM Growth Properties Operating Partnership LP</i> | 5.63 | 5-1-2024 | 225,000 | 230,063 |
| <i>Tempo Acquisition LLC 144A</i> | 6.75 | 6-1-2025 | 1,700,000 | 1,643,390 |
| <i>Vantiv LLC 144A</i> | 4.38 | 11-15-2025 | 975,000 | 922,594 |
| | | | | 20,444,124 |
| Insurance : 1.01% | | | | |
| <i>AmWINS Group Incorporated 144A</i> | 7.75 | 7-1-2026 | 2,200,000 | 2,299,000 |
| <i>HUB International Limited 144A</i> | 7.00 | 5-1-2026 | 1,300,000 | 1,304,875 |
| <i>USIS Merger Subordinate Incorporated 144A</i> | 6.88 | 5-1-2025 | 2,700,000 | 2,666,250 |
| | | | | 6,270,125 |
| Health Care : 11.80% | | | | |
| Health Care Equipment & Supplies : 2.35% | | | | |
| <i>Hill-Rom Holdings Incorporated 144A</i> | 5.00 | 2-15-2025 | 975,000 | 940,875 |
| <i>Hill-Rom Holdings Incorporated 144A</i> | 5.75 | 9-1-2023 | 325,000 | 329,875 |
| <i>Hologic Incorporated 144A</i> | 4.38 | 10-15-2025 | 4,700,000 | 4,545,887 |
| <i>Hologic Incorporated 144A</i> | 4.63 | 2-1-2028 | 475,000 | 446,500 |
| <i>Kinetics Concepts Incorporated 144A</i> | 7.88 | 2-15-2021 | 4,000,000 | 4,092,680 |
| <i>Surgery Center Holdings Incorporated 144A</i> | 6.75 | 7-1-2025 | 1,000,000 | 943,750 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|--|------|-----------|-----------|------------|
| <i>Surgery Center Holdings Incorporated 144A</i> | 8.88 | 4-15-2021 | 3,150,000 | 3,236,625 |
| | | | | 14,536,192 |

Health Care Providers & Services : 8.05%

| | | | | |
|--|------|------------|-----------|-----------|
| <i>Acadia Healthcare Company Incorporated</i> | 6.50 | 3-1-2024 | 310,000 | 315,425 |
| <i>Centene Corporation 144A</i> | 5.38 | 6-1-2026 | 1,425,000 | 1,458,844 |
| <i>Centene Corporation</i> | 6.13 | 2-15-2024 | 650,000 | 684,125 |
| <i>CHS Incorporated</i> | 5.13 | 8-1-2021 | 4,850,000 | 4,587,809 |
| <i>DaVita HealthCare Partners Incorporated</i> | 5.00 | 5-1-2025 | 2,125,000 | 2,002,813 |
| <i>HCA Incorporated</i> | 5.88 | 3-15-2022 | 750,000 | 788,438 |
| <i>HCA Incorporated</i> | 6.50 | 2-15-2020 | 6,525,000 | 6,791,220 |
| <i>HealthSouth Corporation</i> | 5.75 | 9-15-2025 | 1,725,000 | 1,733,625 |
| <i>Mednax Incorporated 144A</i> | 5.25 | 12-1-2023 | 1,075,000 | 1,066,938 |
| <i>MPH Acquisition Holdings LLC 144A</i> | 7.13 | 6-1-2024 | 6,825,000 | 7,063,875 |
| <i>MPT Operating Partnership LP</i> | 5.00 | 10-15-2027 | 2,275,000 | 2,201,063 |
| <i>MPT Operating Partnership LP</i> | 5.25 | 8-1-2026 | 3,200,000 | 3,152,000 |
| <i>MPT Operating Partnership LP</i> | 6.38 | 3-1-2024 | 395,000 | 414,750 |
| <i>NVA Holdings Company 144A</i> | 6.88 | 4-1-2026 | 425,000 | 422,875 |
| <i>Polaris Intermediate Corporation 144A</i> | 8.50 | 12-1-2022 | 1,200,000 | 1,240,500 |
| <i>Select Medical Corporation</i> | 6.38 | 6-1-2021 | 6,730,000 | 6,797,300 |

Wells Fargo Income Opportunities Fund

Portfolio of investments July 31, 2018
(unaudited)

| Security name | Interest rate | Maturity date | Principal | Value |
|---|---------------|---------------|------------|------------|
| Health Care Providers & Services (continued) | | | | |
| <i>Tenet Healthcare Corporation</i> | 4.63% | 7-15-2024 | \$ 614,000 | \$ 594,813 |
| <i>Tenet Healthcare Corporation</i> | 6.00 | 10-1-2020 | 575,000 | 597,281 |
| <i>Vizient Incorporated 144A</i> | 10.38 | 3-1-2024 | 7,235,000 | 7,940,413 |
| | | | | 49,854,107 |
| Health Care Technology : 1.27% | | | | |
| <i>Change Healthcare Holdings Incorporated 144A</i> | 5.75 | 3-1-2025 | 6,300,000 | 6,095,250 |
| <i>Quintiles IMS Holdings Incorporated 144A</i> | 4.88 | 5-15-2023 | 1,375,000 | 1,395,625 |
| <i>Quintiles IMS Holdings Incorporated 144A</i> | 5.00 | 10-15-2026 | 375,000 | 373,763 |
| | | | | 7,864,638 |
| Life Sciences Tools & Services : 0.13% | | | | |
| <i>Charles River Laboratories Incorporated 144A</i> | 5.50 | 4-1-2026 | 800,000 | 810,000 |
| Industrials : 6.60% | | | | |
| Aerospace & Defense : 0.11% | | | | |
| <i>RBS Global & Rexnord LLC 144A</i> | 4.88 | 12-15-2025 | 700,000 | 672,000 |
| Airlines : 1.06% | | | | |
| <i>Aviation Capital Group Corporation 144A</i> | 6.75 | 4-6-2021 | 2,190,000 | 2,362,244 |
| <i>BBA US Holdings Incorporated 144A</i> | 5.38 | 5-1-2026 | 4,150,000 | 4,181,084 |
| | | | | 6,543,328 |
| Commercial Services & Supplies : 5.02% | | | | |
| <i>Acco Brands Corporation 144A</i> | 5.25 | 12-15-2024 | 725,000 | 719,563 |
| <i>Advanced Disposal Services Incorporated 144A</i> | 5.63 | 11-15-2024 | 5,900,000 | 5,826,250 |
| <i>Aramark Services Incorporated 144A</i> | 5.00 | 2-1-2028 | 450,000 | 434,115 |
| <i>Aramark Services Incorporated</i> | 5.13 | 1-15-2024 | 1,256,000 | 1,266,990 |
| <i>Covanta Holding Corporation</i> | 5.88 | 3-1-2024 | 5,393,000 | 5,393,000 |
| <i>Covanta Holding Corporation</i> | 5.88 | 7-1-2025 | 1,500,000 | 1,466,250 |
| <i>Covanta Holding Corporation</i> | 6.38 | 10-1-2022 | 3,205,000 | 3,281,119 |
| <i>KAR Auction Services Incorporated 144A</i> | 5.13 | 6-1-2025 | 11,725,000 | 11,431,875 |
| <i>Waste Pro USA Incorporated 144A</i> | 5.50 | 2-15-2026 | 725,000 | 692,375 |
| <i>Wrangler Buyer Corporation 144A</i> | 6.00 | 10-1-2025 | 650,000 | 611,000 |
| | | | | 31,122,537 |
| Professional Services : 0.25% | | | | |
| <i>IHS Markit Limited 144A</i> | 4.75 | 2-15-2025 | 1,400,000 | 1,403,500 |
| <i>IHS Markit Limited 144A</i> | 5.00 | 11-1-2022 | 125,000 | 128,339 |
| | | | | 1,531,839 |
| Trading Companies & Distributors : 0.16% | | | | |
| <i>International Lease Finance Corporation 144A</i> | 7.13 | 9-1-2018 | 1,015,000 | 1,018,500 |

Information Technology : 10.31%**Communications Equipment : 0.26%**

| | | | | |
|--|------|-----------|-----------|-----------|
| <i>CommScope Technologies Finance LLC 144A</i> | 6.00 | 6-15-2025 | 1,550,000 | 1,596,500 |
|--|------|-----------|-----------|-----------|

Internet Software & Services : 1.67%

| | | | | |
|--------------------------------|------|-----------|---------|---------|
| <i>Infor (US) Incorporated</i> | 6.50 | 5-15-2022 | 875,000 | 885,938 |
|--------------------------------|------|-----------|---------|---------|

| | | | | |
|--|------|----------|-----------|-----------|
| <i>Infor Software Parent LLC (PIK at 7.88%) 144A</i> | 7.13 | 5-1-2021 | 1,260,000 | 1,272,600 |
|--|------|----------|-----------|-----------|

| | | | | |
|----------------------------|------|-----------|-----------|-----------|
| <i>Zayo Group LLC 144A</i> | 5.75 | 1-15-2027 | 1,975,000 | 1,955,250 |
|----------------------------|------|-----------|-----------|-----------|

| | | | | |
|-----------------------|------|----------|---------|---------|
| <i>Zayo Group LLC</i> | 6.00 | 4-1-2023 | 625,000 | 639,063 |
|-----------------------|------|----------|---------|---------|

| | | | | |
|-----------------------|------|-----------|-----------|-----------|
| <i>Zayo Group LLC</i> | 6.38 | 5-15-2025 | 5,396,000 | 5,584,860 |
|-----------------------|------|-----------|-----------|-----------|

| | | | | |
|--|--|--|--|------------|
| | | | | 10,337,711 |
|--|--|--|--|------------|

Portfolio of investments July 31, 2018 (unaudited)

Wells Fargo Income Opportunities Fund

| Security name | Interest rate | Maturity date | Principal | Value |
|---|---------------|---------------|--------------|--------------|
| IT Services : 3.51% | | | | |
| <i>Cardtronics Incorporated</i> | 5.13% | 8-1-2022 | \$ 3,375,000 | \$ 3,197,813 |
| <i>Cardtronics Incorporated 144A</i> | 5.50 | 5-1-2025 | 3,100,000 | 2,759,000 |
| <i>First Data Corporation 144A</i> | 5.00 | 1-15-2024 | 2,325,000 | 2,345,344 |
| <i>First Data Corporation 144A</i> | 5.38 | 8-15-2023 | 550,000 | 557,563 |
| <i>First Data Corporation 144A</i> | 5.75 | 1-15-2024 | 2,100,000 | 2,147,250 |
| <i>First Data Corporation 144A</i> | 7.00 | 12-1-2023 | 5,425,000 | 5,675,906 |
| <i>Gartner Incorporated 144A</i> | 5.13 | 4-1-2025 | 4,975,000 | 5,019,259 |
| | | | | 21,702,135 |
| Semiconductors & Semiconductor Equipment : 0.11% | | | | |
| <i>Micron Technology Incorporated</i> | 5.50 | 2-1-2025 | 659,000 | 681,241 |
| Software : 0.56% | | | | |
| <i>CDK Global Incorporated</i> | 4.88 | 6-1-2027 | 425,000 | 415,969 |
| <i>CDK Global Incorporated</i> | 5.00 | 10-15-2024 | 1,050,000 | 1,071,000 |
| <i>CDK Global Incorporated</i> | 5.88 | 6-15-2026 | 650,000 | 666,250 |
| <i>Fair Isaac Corporation 144A</i> | 5.25 | 5-15-2026 | 350,000 | 351,504 |
| <i>Symantec Corporation 144A</i> | 5.00 | 4-15-2025 | 975,000 | 961,669 |
| | | | | 3,466,392 |
| Technology Hardware, Storage & Peripherals : 4.20% | | | | |
| <i>Dell International LLC 144A</i> | 5.88 | 6-15-2021 | 5,125,000 | 5,246,334 |
| <i>Dell International LLC 144A</i> | 7.13 | 6-15-2024 | 9,450,000 | 10,158,750 |
| <i>NCR Corporation</i> | 5.88 | 12-15-2021 | 380,000 | 385,700 |
| <i>NCR Corporation</i> | 6.38 | 12-15-2023 | 10,038,000 | 10,238,760 |
| | | | | 26,029,544 |
| Materials : 4.27% | | | | |
| Chemicals : 0.18% | | | | |
| <i>Celanese U.S. Holdings LLC</i> | 5.88 | 6-15-2021 | 440,000 | 464,227 |
| <i>Valvoline Incorporated</i> | 5.50 | 7-15-2024 | 625,000 | 631,250 |
| | | | | 1,095,477 |
| Containers & Packaging : 4.04% | | | | |
| <i>Ball Corporation</i> | 4.88 | 3-15-2026 | 1,100,000 | 1,095,875 |
| <i>Ball Corporation</i> | 5.25 | 7-1-2025 | 630,000 | 645,750 |
| <i>Berry Plastics Corporation</i> | 5.13 | 7-15-2023 | 700,000 | 694,750 |
| <i>Berry Plastics Corporation</i> | 6.00 | 10-15-2022 | 575,000 | 587,938 |
| <i>Crown Americas LLC 144A</i> | 4.75 | 2-1-2026 | 1,650,000 | 1,551,000 |
| <i>Crown Cork & Seal Company Incorporated</i> | 7.38 | 12-15-2026 | 2,910,000 | 3,142,800 |
| <i>Flex Acquisition Company Incorporated 144A</i> | 6.88 | 1-15-2025 | 3,425,000 | 3,330,813 |
| <i>Flex Acquisition Company Incorporated 144A</i> | 7.88 | 7-15-2026 | 750,000 | 755,175 |
| <i>Owens-Brockway Glass Container Incorporated 144A</i> | 5.38 | 1-15-2025 | 925,000 | 914,594 |
| | 5.88 | 8-15-2023 | 1,300,000 | 1,319,500 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

*Owens-Brockway Glass Container Incorporated
144A*

| | | | | |
|--|------|-----------|-----------|------------|
| <i>Owens-Illinois Incorporated 144A</i> | 6.38 | 8-15-2025 | 7,800,000 | 7,995,000 |
| <i>Reynolds Group Issuer Incorporated 144A</i> | 5.13 | 7-15-2023 | 401,000 | 398,754 |
| <i>Sealed Air Corporation 144A</i> | 5.13 | 12-1-2024 | 2,350,000 | 2,367,625 |
| <i>Silgan Holdings Incorporated</i> | 5.50 | 2-1-2022 | 225,000 | 227,250 |
| | | | | 25,026,824 |

Metals & Mining : 0.05%

| | | | | |
|---|-------|-----------|-----------|---------|
| <i>Indalex Holdings Corporation (a)</i> | 11.50 | 2-1-2020 | 5,985,000 | 0 |
| <i>Novelis Corporation 144A</i> | 6.25 | 8-15-2024 | 325,000 | 325,813 |
| | | | | 325,813 |

Real Estate : 7.63%

Equity REITs : 7.63%

| | | | | |
|---|------|------------|-----------|-----------|
| <i>CoreCivic Incorporated</i> | 4.63 | 5-1-2023 | 800,000 | 776,000 |
| <i>CoreCivic Incorporated</i> | 5.00 | 10-15-2022 | 2,175,000 | 2,169,563 |
| <i>Crown Castle International Corporation</i> | 4.88 | 4-15-2022 | 760,000 | 783,155 |

Wells Fargo Income Opportunities Fund

Portfolio of investments July 31, 2018
(unaudited)

| Security name | Interest rate | Maturity date | Principal | Value |
|---|---------------|---------------|--------------|--------------|
| Equity REITs (continued) | | | | |
| <i>Crown Castle International Corporation</i> | 5.25% | 1-15-2023 | \$ 4,385,000 | \$ 4,599,690 |
| <i>Equinix Incorporated</i> | 5.75 | 1-1-2025 | 2,300,000 | 2,371,875 |
| <i>Equinix Incorporated</i> | 5.88 | 1-15-2026 | 2,350,000 | 2,429,313 |
| <i>ESH Hospitality Incorporated 144A</i> | 5.25 | 5-1-2025 | 7,800,000 | 7,566,000 |
| <i>Iron Mountain Incorporated 144A</i> | 4.38 | 6-1-2021 | 2,500,000 | 2,493,750 |
| <i>Iron Mountain Incorporated 144A</i> | 5.25 | 3-15-2028 | 1,325,000 | 1,225,625 |
| <i>Iron Mountain Incorporated 144A</i> | 5.38 | 6-1-2026 | 2,175,000 | 2,068,969 |
| <i>Iron Mountain Incorporated</i> | 6.00 | 8-15-2023 | 5,185,000 | 5,301,663 |
| <i>MGM Growth Properties LLC</i> | 4.50 | 1-15-2028 | 775,000 | 707,188 |
| <i>Sabra Health Care REIT Incorporated</i> | 5.38 | 6-1-2023 | 2,100,000 | 2,105,250 |
| <i>Sabra Health Care REIT Incorporated</i> | 5.50 | 2-1-2021 | 2,285,000 | 2,316,419 |
| <i>SBA Communications Corporation</i> | 4.00 | 10-1-2022 | 250,000 | 241,955 |
| <i>SBA Communications Corporation</i> | 4.88 | 7-15-2022 | 1,485,000 | 1,479,431 |
| <i>The Geo Group Incorporated</i> | 5.13 | 4-1-2023 | 1,874,000 | 1,824,264 |
| <i>The Geo Group Incorporated</i> | 5.88 | 1-15-2022 | 2,595,000 | 2,620,950 |
| <i>The Geo Group Incorporated</i> | 5.88 | 10-15-2024 | 2,925,000 | 2,851,875 |
| <i>The Geo Group Incorporated</i> | 6.00 | 4-15-2026 | 1,360,000 | 1,326,000 |
| | | | | 47,258,935 |

Telecommunication Services : 4.78%**Diversified Telecommunication Services : 2.17%**

| | | | | |
|---------------------------------------|------|-----------|-----------|------------|
| <i>GCI Incorporated</i> | 6.75 | 6-1-2021 | 2,625,000 | 2,658,994 |
| <i>Level 3 Financing Incorporated</i> | 5.13 | 5-1-2023 | 1,595,000 | 1,577,056 |
| <i>Level 3 Financing Incorporated</i> | 5.25 | 3-15-2026 | 1,050,000 | 1,011,938 |
| <i>Level 3 Financing Incorporated</i> | 5.38 | 8-15-2022 | 2,545,000 | 2,551,363 |
| <i>Level 3 Financing Incorporated</i> | 5.38 | 1-15-2024 | 1,125,000 | 1,113,750 |
| <i>Level 3 Financing Incorporated</i> | 5.38 | 5-1-2025 | 1,595,000 | 1,555,125 |
| <i>Level 3 Financing Incorporated</i> | 5.63 | 2-1-2023 | 1,275,000 | 1,284,563 |
| <i>Level 3 Financing Incorporated</i> | 6.13 | 1-15-2021 | 1,690,000 | 1,705,311 |
| | | | | 13,458,100 |

Wireless Telecommunication Services : 2.61%

| | | | | |
|---|------|------------|-----------|-----------|
| <i>Sprint Capital Corporation</i> | 6.88 | 11-15-2028 | 2,600,000 | 2,502,500 |
| <i>Sprint Capital Corporation</i> | 8.75 | 3-15-2032 | 2,675,000 | 2,878,969 |
| <i>Sprint Communications Incorporated</i> | 7.00 | 8-15-2020 | 380,000 | 397,100 |
| <i>T-Mobile USA Incorporated</i> | 6.50 | 1-15-2026 | 1,900,000 | 1,992,625 |
| <i>T-Mobile USA Incorporated</i> | 4.00 | 4-15-2022 | 1,075,000 | 1,062,906 |
| <i>T-Mobile USA Incorporated</i> | 4.50 | 2-1-2026 | 225,000 | 211,500 |
| <i>T-Mobile USA Incorporated</i> | 4.75 | 2-1-2028 | 225,000 | 208,620 |
| <i>T-Mobile USA Incorporated</i> | 5.13 | 4-15-2025 | 725,000 | 728,190 |
| <i>T-Mobile USA Incorporated</i> | 5.38 | 4-15-2027 | 2,050,000 | 2,021,813 |
| <i>T-Mobile USA Incorporated</i> | 6.00 | 3-1-2023 | 500,000 | 515,000 |
| <i>T-Mobile USA Incorporated</i> | 6.00 | 4-15-2024 | 275,000 | 284,625 |
| <i>T-Mobile USA Incorporated</i> | 6.38 | 3-1-2025 | 3,050,000 | 3,179,625 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|----------------------------------|------|-----------|---------|------------|
| <i>T-Mobile USA Incorporated</i> | 6.50 | 1-15-2024 | 140,000 | 145,950 |
| | | | | 16,129,423 |

Utilities : 6.26%

Electric Utilities : 0.05%

| | | | | |
|---|------|-----------|---------|---------|
| <i>NextEra Energy Incorporated 144A</i> | 4.25 | 9-15-2024 | 350,000 | 337,750 |
|---|------|-----------|---------|---------|

Gas Utilities : 0.35%

| | | | | |
|-----------------------------|------|-----------|-----------|-----------|
| <i>AmeriGas Partners LP</i> | 5.75 | 5-20-2027 | 2,250,000 | 2,151,563 |
|-----------------------------|------|-----------|-----------|-----------|

Independent Power & Renewable Electricity Producers : 5.86%

| | | | | |
|------------------------------|------|------------|-----------|-----------|
| <i>NSG Holdings LLC 144A</i> | 7.75 | 12-15-2025 | 8,427,007 | 9,259,174 |
|------------------------------|------|------------|-----------|-----------|

| | | | | |
|---|------|----------|------------|------------|
| <i>Pattern Energy Group Incorporated 144A</i> | 5.88 | 2-1-2024 | 11,518,000 | 11,604,385 |
|---|------|----------|------------|------------|

| | | | | |
|--|------|----------|-----------|-----------|
| <i>TerraForm Global Operating LLC 144A</i> | 6.13 | 3-1-2026 | 2,800,000 | 2,723,000 |
|--|------|----------|-----------|-----------|

| | | | | |
|---|------|-----------|-----------|-----------|
| <i>TerraForm Power Operating LLC 144A</i> | 4.25 | 1-31-2023 | 7,950,000 | 7,651,875 |
|---|------|-----------|-----------|-----------|

| | | | | |
|---|------|-----------|-----------|-----------|
| <i>TerraForm Power Operating LLC 144A</i> | 5.00 | 1-31-2028 | 1,275,000 | 1,200,094 |
|---|------|-----------|-----------|-----------|

| | | | | |
|---|------|-----------|-----------|-----------|
| <i>TerraForm Power Operating LLC 144A</i> | 6.63 | 6-15-2025 | 3,600,000 | 3,834,000 |
|---|------|-----------|-----------|-----------|

36,272,528

| | | | | |
|---|--|--|--|-------------|
| Total Corporate Bonds and Notes (Cost \$709,492,377) | | | | 707,163,993 |
|---|--|--|--|-------------|

| Portfolio of investments | July 31, 2018 (unaudited) | Wells Fargo Income Opportunities Fund | | |
|---|---------------------------|---------------------------------------|--------------|------------------------|
| Security name | Interest rate | Maturity date | Principal | Value |
| Loans : 4.88% | | | | |
| Consumer Discretionary : 2.16% | | | | |
| Auto Components : 0.55% | | | | |
| <i>Federal-Mogul Corporation (1 Month LIBOR +3.75%) ±</i> | 5.82% | 4-15-2021 | \$ 3,408,159 | \$ 3,412,419 |
| Hotels, Restaurants & Leisure : 1.61% | | | | |
| <i>CCM Merger Incorporated (1 Month LIBOR +2.75%) ±</i> | 4.83 | 8-8-2021 | 755,214 | 756,913 |
| <i>Montreign Operating Company LLC (3 Month LIBOR +8.25%) ±</i> | 10.59 | 12-7-2022 | 10,398,938 | 9,185,693 9,942,606 |
| Energy : 0.12% | | | | |
| Oil, Gas & Consumable Fuels : 0.12% | | | | |
| <i>Chesapeake Energy Corporation (1 Month LIBOR +7.50%) ±</i> | 9.58 | 8-23-2021 | 725,000 | 757,263 |
| Financials : 0.34% | | | | |
| Diversified Financial Services : 0.34% | | | | |
| <i>Resolute Investment Managers Incorporated (3 Month LIBOR +7.50%) ±</i> | 9.84 | 4-30-2023 | 2,110,000 | 2,131,100 |
| Health Care : 0.36% | | | | |
| Health Care Providers & Services : 0.02% | | | | |
| <i>Press Ganey Holdings Incorporated (1 Month LIBOR +6.50%) ±</i> | 8.58 | 10-21-2024 | 112,360 | 113,484 |
| Health Care Technology : 0.34% | | | | |
| <i>Emerald Bidco Incorporated (1 Month LIBOR +2.75%) ±</i> | 4.83 | 10-23-2023 | 2,110,324 | 2,109,670 |
| Industrials : 0.28% | | | | |
| Commercial Services & Supplies : 0.28% | | | | |
| <i>Advantage Sales & Marketing LLC (1 Month LIBOR +6.50%) ±</i> | 8.58 | 7-25-2022 | 2,025,000 | 1,764,281 |
| Information Technology : 1.26% | | | | |
| Internet Software & Services : 1.26% | | | | |
| <i>Ancestry.com Incorporated (1 Month LIBOR +3.25%) ±</i> | 5.33 | 10-19-2023 | 7,771,125 | 7,771,125 |
| Real Estate : 0.21% | | | | |
| Real Estate Management & Development : 0.21% | | | | |
| <i>Capital Automotive LP (1 Month LIBOR +6.00%) ±</i> | 8.08 | 3-24-2025 | 1,262,425 | 1,281,362 |

Utilities : 0.15%

Independent Power & Renewable Electricity Producers : 0.15%

Vistra Energy Corporation (1 Month LIBOR

+2.25%) ±

4.33

12-14-2023

911,125

910,633

Total Loans (Cost \$31,491,488)

30,193,943

Wells Fargo Income Opportunities Fund

Portfolio of investments July 31, 2018
(unaudited)

| Security name | Expiration date | Shares | Value |
|--|-----------------|---------|------------|
| Rights : 0.06% | | | |
| Utilities : 0.06% | | | |
| Independent Power & Renewable Electricity Producers : 0.06% | | | |
| <i>Vistra Energy Corporation</i> | 12-31-2046 | 559,650 | \$ 341,387 |
| Total Rights (Cost \$582,794) | | | 341,387 |

| | Interest rate | Maturity date | Principal | |
|---|---------------|---------------|------------|-----------|
| Yankee Corporate Bonds and Notes : 11.29% | | | | |
| Consumer Discretionary : 0.10% | | | | |
| Textiles, Apparel & Luxury Goods : 0.10% | | | | |
| <i>Eagle Intermediate Global Holding BV 144A</i> | 7.50% | 5-1-2025 | \$ 600,000 | 597,000 |
| Energy : 3.30% | | | | |
| Energy Equipment & Services : 0.88% | | | | |
| <i>Enscoc plc</i> | 5.75 | 10-1-2044 | 7,377,000 | 5,366,768 |
| <i>Trinidad Drilling Limited 144A</i> | 6.63 | 2-15-2025 | 100,000 | 97,000 |
| | | | | 5,463,768 |

| | | | | |
|--|------|-----------|-----------|------------|
| Oil, Gas & Consumable Fuels : 2.42% | | | | |
| <i>Baytex Energy Corporation 144A</i> | 5.13 | 6-1-2021 | 3,600,000 | 3,483,000 |
| <i>Baytex Energy Corporation 144A</i> | 5.63 | 6-1-2024 | 2,434,000 | 2,281,875 |
| <i>Griffin Coal Mining Company Limited 144A(a)</i> | 9.50 | 12-1-2016 | 1,410,935 | 0 |
| <i>Griffin Coal Mining Company Limited (a)</i> | 9.50 | 12-1-2016 | 193,118 | 0 |
| <i>Rockpoint Gas Storage 144A</i> | 7.00 | 3-31-2023 | 2,950,000 | 2,935,250 |
| <i>Teekay Corporation</i> | 8.50 | 1-15-2020 | 6,050,000 | 6,284,438 |
| | | | | 14,984,563 |

| | | | | |
|--|------|------------|-----------|-----------|
| Financials : 2.31% | | | | |
| Banks : 0.71% | | | | |
| <i>Nielsen Holding and Finance BV 144A</i> | 5.00 | 2-1-2025 | 4,000,000 | 3,690,000 |
| <i>Nielsen Holding and Finance BV 144A</i> | 5.50 | 10-1-2021 | 700,000 | 698,250 |
| <i>Preferred Term Securities XII Limited (a)</i> | 1.00 | 12-24-2033 | 1,540,000 | 0 |
| | | | | 4,388,250 |

| | | | | |
|---|------|-----------|------------|-----------|
| Diversified Financial Services : 1.60% | | | | |
| <i>Intelsat Jackson Holdings SA</i> | 5.50 | 8-1-2023 | 10,515,000 | 9,686,944 |
| <i>Intelsat Jackson Holdings SA 144A</i> | 8.00 | 2-15-2024 | 225,000 | 236,531 |
| | | | | 9,923,475 |

| | | | | |
|--|------|-----------|-----------|-----------|
| Health Care : 2.45% | | | | |
| Pharmaceuticals : 2.45% | | | | |
| <i>Bausch Health Companies Incorporated 144A</i> | 5.50 | 3-1-2023 | 3,825,000 | 3,624,188 |
| <i>Bausch Health Companies Incorporated 144A</i> | 5.50 | 11-1-2025 | 925,000 | 925,870 |

Edgar Filing: WELLS FARGO INCOME OPPORTUNITIES FUND - Form N-Q

| | | | | |
|--|------|-----------|-----------|------------|
| <i>Bausch Health Companies Incorporated 144A</i> | 5.88 | 5-15-2023 | 3,600,000 | 3,457,800 |
| <i>Bausch Health Companies Incorporated 144A</i> | 6.13 | 4-15-2025 | 3,750,000 | 3,515,625 |
| <i>Bausch Health Companies Incorporated 144A</i> | 6.50 | 3-15-2022 | 525,000 | 547,418 |
| <i>Bausch Health Companies Incorporated 144A</i> | 7.00 | 3-15-2024 | 975,000 | 1,033,744 |
| <i>Bausch Health Companies Incorporated 144A</i> | 7.50 | 7-15-2021 | 1,266,000 | 1,291,478 |
| <i>Bausch Health Companies Incorporated 144A</i> | 8.50 | 1-31-2027 | 750,000 | 770,250 |
| | | | | 15,166,373 |

Industrials : 1.66%

Commercial Services & Supplies : 1.33%

| | | | | |
|---|------|-----------|-----------|-----------|
| <i>Ritchie Brothers Auctioneers Incorporated 144A</i> | 5.38 | 1-15-2025 | 8,400,000 | 8,263,500 |
|---|------|-----------|-----------|-----------|

Machinery : 0.33%

| | | | | |
|-------------------------------------|------|-----------|-----------|-----------|
| <i>Sensata Technologies BV 144A</i> | 5.00 | 10-1-2025 | 760,000 | 760,000 |
| <i>Sensata Technologies BV 144A</i> | 6.25 | 2-15-2026 | 1,225,000 | 1,284,719 |
| | | | | 2,044,719 |

| Portfolio of investments | July 31, 2018 (unaudited) | | | | Wells Fargo Income Opportunities Fund |
|---|---------------------------|---------------|---------------|----------------|---------------------------------------|
| Security name | Interest rate | Maturity date | Principal | Value | |
| Materials : 1.07% | | | | | |
| Containers & Packaging : 0.99% | | | | | |
| <i>Ardagh Packaging Finance plc 144A</i> | 4.25% | 9-15-2022 | \$ 600,000 | \$ 589,500 | |
| <i>Ardagh Packaging Finance plc 144A</i> | 4.63 | 5-15-2023 | 275,000 | 271,563 | |
| <i>Ardagh Packaging Finance plc 144A</i> | 6.00 | 2-15-2025 | 3,000,000 | 2,928,750 | |
| <i>Ardagh Packaging Finance plc 144A</i> | 7.25 | 5-15-2024 | 1,300,000 | 1,355,250 | |
| <i>OI European Group BV 144A</i> | 4.00 | 3-15-2023 | 1,075,000 | 1,015,875 | |
| | | | | 6,160,938 | |
| Metals & Mining : 0.08% | | | | | |
| <i>ArcelorMittal SA</i> | 6.13 | 6-1-2025 | 450,000 | 487,440 | |
| Telecommunication Services : 0.40% | | | | | |
| Diversified Telecommunication Services : 0.40% | | | | | |
| <i>Intelsat Luxembourg SA</i> | 7.75 | 6-1-2021 | 1,925,000 | 1,828,716 | |
| <i>Virgin Media Finance plc 144A</i> | 6.38 | 4-15-2023 | 605,000 | 621,638 | |
| | | | | 2,450,354 | |
| Total Yankee Corporate Bonds and Notes (Cost \$71,011,734) | | | | 69,930,380 | |
| | Yield | | Shares | | |
| Short-Term Investments : 5.43% | | | | | |
| Investment Companies : 5.43% | | | | | |
| <i>Wells Fargo Government Money Market Fund</i> | | | | | |
| <i>Select Class (l)(u)</i> | 1.83 | | 33,619,480 | 33,619,480 | |
| Total Short-Term Investments (Cost \$33,619,480) | | | | 33,619,480 | |
| Total investments in securities (Cost \$846,198,479) | | | | | |
| | 135.86% | | | 841,249,959 | |
| <i>Other assets and liabilities, net</i> | (35.86) | | | (222,027,527) | |
| Total net assets | | | | \$ 619,222,432 | |

144A The security may be resold in transactions exempt from registration, normally to qualified institutional buyers, pursuant to Rule 144A under the Securities Act of 1933.

¥ A payment-in-kind (PIK) security is a security in which the issuer may make interest or dividend payments in cash or additional securities. These additional securities generally have the same terms as the original holdings.

(a) The security is fair valued in accordance with procedures approved by the Board of Trustees.

± Variable rate investment. The rate shown is the rate in effect at period end.

Security is valued using significant unobservable inputs.

Non-income-earning security

(l) The issuer of the security is an affiliated person of the Fund as defined in the Investment Company Act of 1940.

(u) *The rate represents the 7-day annualized yield at period end.*

Abbreviations:

LIBOR *London Interbank Offered Rate*

REIT *Real estate investment trust*

Investments in Affiliates

An affiliated investment is an investment in which the Fund owns at least 5% of the outstanding voting shares of the issuer or as a result of other relationships, such as the Fund and the issuer having the same investment manager. Transactions with issuers that were either affiliated persons of the Fund at the beginning of the period or the end of the period were as follows:

| | Shares, beginning of period | Shares purchased | Shares sold | Shares, end of period | Value, end of period | % of net assets |
|--|--|-----------------------------|------------------------|--------------------------------------|-------------------------------------|--------------------------------|
| Short-Term Investments | | | | | | |
| Investment Companies | | | | | | |
| Wells Fargo Government Money Market Fund Select Class | 44,347,095 | 28,665,253 | 39,392,868 | 33,619,480 | \$ 33,619,480 | 5.43% |

Wells Fargo Income Opportunities Fund (the Fund)

Notes to Portfolio of investments July 31, 2018 (unaudited)

Securities valuation

All investments are valued each business day as of the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern Time), although the Fund may deviate from this calculation under unusual or unexpected circumstances.

Debt securities are valued at the evaluated bid price provided by an independent pricing service or, if a reliable price is not available, the quoted bid price from an independent broker-dealer.

Equity securities that are listed on a foreign or domestic exchange or market are valued at the official closing price or, if none, the last sales price. If no sale occurs on the principal exchange or market that day, a fair value price will be determined in accordance with the Fund's Valuation Procedures.

Investments in registered open-end investment companies are valued at net asset value.

Investments which are not valued using any of the methods discussed above are valued at their fair value, as determined in good faith by the Board of Trustees of the Fund. The Board of Trustees has established a Valuation Committee comprised of the Trustees and has delegated to it the authority to take any actions regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of portfolio securities, unless the determination has been delegated to the Wells Fargo Asset Management Pricing Committee at Wells Fargo Funds Management, LLC. The Board of Trustees retains the authority to make or ratify any valuation decisions or approve any changes to the Valuation Procedures as it deems appropriate. On a quarterly basis, the Board of Trustees receives reports on any valuation actions taken by the Valuation Committee or the Wells Fargo Asset Management Pricing Committee which may include items for ratification.

Valuations of fair valued securities are compared to the next actual sales price when available, or other appropriate market values, to assess the continued appropriateness of the fair valuation methodologies used. These securities are fair valued on a day-to-day basis, taking into consideration changes to appropriate market information and any significant changes to the inputs considered in the valuation process until there is a readily available price provided on an exchange or by an independent pricing service. Valuations received from an independent pricing service or independent broker-dealer quotes are periodically validated by comparisons to most recent trades and valuations provided by other independent pricing services in addition to the review of prices by the manager and/or subadvisor. Unobservable inputs used in determining fair valuations are identified based on the type of security, taking into consideration factors utilized by market participants in valuing the investment, knowledge about the issuer and the current market environment.

Loans

The Fund may invest in direct debt instruments which are interests in amounts owed to lenders by corporate or other borrowers. The loans pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. Investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. When the Fund purchases participations, it generally has no rights to enforce compliance with terms of the loan agreement with the borrower. As a result, the Fund assumes the credit risk of both the borrower and the lender that is selling the participation. When the Fund purchases assignments from lenders, it acquires direct rights against

the borrower on the loan and may enforce compliance by the borrower with the terms of the loan agreement. Loans may include fully funded term loans or unfunded loan commitments, which are contractual obligations for future funding.

Fair valuation measurements

Fair value measurements of investments are determined within a framework that has established a fair value hierarchy based upon the various data inputs utilized in determining the value of the Fund's investments. The three-level hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Fund's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs are summarized into three broad levels as follows:

- Level 1 quoted prices in active markets for identical securities
- Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodologies used for valuing investments in securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities as of July 31, 2018:

| | Quoted prices (Level 1) | Other significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
|---|-------------------------------|---|--|-----------------------|
| Assets | | | | |
| Investments in : | | | | |
| Common stocks | | | | |
| Materials | \$ 776 | \$ 0 | \$ 0 | \$ 776 |
| Corporate bonds and notes | 0 | 706,402,404 | 0 | 706,402,404 |
| Loans | 0 | 26,667,997 | 3,525,946 | 30,193,943 |
| Rights | | | | |
| Utilities | 0 | 341,387 | 0 | 341,387 |
| Yankee corporate bonds and notes | 0 | 70,691,969 | 0 | 70,691,969 |
| Short-term investments | | | | |
| Investment companies | 33,619,480 | 0 | 0 | 33,619,480 |
| Total assets | \$ 33,620,256 | \$ 804,103,757 | \$ 3,525,946 | \$ 841,249,959 |

The Fund recognizes transfers between levels within the fair value hierarchy at the end of the reporting period. At July 31, 2018, the Fund did not have any transfers into/out of Level 1. Bank loans with a market value of \$9,185,693 were transferred from Level 3 to Level 2 due to an increase in the number of market contributors.

ITEM 2. CONTROLS AND PROCEDURES

(a) The President and Treasurer have concluded that the Wells Fargo Income Opportunities Fund (the Fund) disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) provide reasonable assurances that material information relating to the Fund is made known to them by the appropriate persons based on their evaluation of these controls and procedures as of a date within 90 days of the filing of this report.

(b) There were no significant changes in the Fund s internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant s internal control over financial reporting.

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.

Wells Fargo Income Opportunities Fund

By: /s/ Andrew Owen
Andrew Owen
President

Date: September 24, 2018

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 dates indicated.

Wells Fargo Income Opportunities Fund

By: /s/ Andrew Owen
Andrew Owen
President

Date: September 24, 2018

By: /s/ Jeremy DePalma
Jeremy DePalma
Treasurer

Date: September 24, 2018