

PIMCO Income Strategy Fund II  
Form N-Q  
June 28, 2016

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

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

<b>Investment Company Act File Number:</b>	<b>811-21601</b>
<b>Registrant Name:</b>	<b>PIMCO Income Strategy Fund II</b>
Address of Principal Executive Offices:	1633 Broadway New York, NY 10019
Name and Address of Agent for Service:	William G. Galipeau 650 Newport Center Drive Newport Beach, CA 92660
Registrant's telephone number, including area code:	(844) 337-4626
Date of Fiscal Year End:	July 31
Date of Reporting Period:	April 30, 2016

**Item 1. Schedule of Investments**

## Schedule of Investments

## PIMCO Income Strategy Fund II

April 30, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 124.3%</b>		
<b>BANK LOAN OBLIGATIONS 1.7%</b>		
<b>iHeartCommunications, Inc.</b>		
7.185% due 01/30/2019	\$ 6,800	\$ 5,090
<b>Sequa Corp.</b>		
5.250% due 06/19/2017	5,263	4,057
Total Bank Loan Obligations (Cost \$11,368)		9,147
<b>CORPORATE BONDS &amp; NOTES 51.4%</b>		
<b>BANKING &amp; FINANCE 28.6%</b>		
<b>AGFC Capital Trust</b>		
6.000% due 01/15/2067	1,800	1,017
<b>Aircastle Ltd.</b>		
5.000% due 04/01/2023	1,200	1,225
<b>Altice Financing S.A.</b>		
7.500% due 05/15/2026 (c)	2,000	2,007
<b>Banco Bilbao Vizcaya Argentaria S.A.</b>		
6.750% due 02/18/2020 (h)	EUR 1,000	1,058
<b>Banco do Brasil S.A.</b>		
6.250% due 04/15/2024 (h)	\$ 3,700	2,130
9.000% due 06/18/2024 (h)	4,509	3,258
<b>Banco Espirito Santo S.A.</b>		
2.625% due 05/08/2017 ^	EUR 3,000	902
4.000% due 01/21/2019 ^	8,100	2,435
4.750% due 01/15/2018 ^	2,300	691
<b>Banco Santander S.A.</b>		
6.250% due 09/11/2021 (h)	1,600	1,598
<b>Barclays Bank PLC</b>		
7.625% due 11/21/2022	\$ 4,400	4,804
<b>Barclays PLC</b>		
6.500% due 09/15/2019 (h)	EUR 1,500	1,595
7.875% due 09/15/2022 (h)	GBP 415	555
8.000% due 12/15/2020 (h)	EUR 3,900	4,472
<b>BGC Partners, Inc.</b>		
5.375% due 12/09/2019 (k)	\$ 5,490	5,686
<b>Blackstone CQP Holdco LP</b>		

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9.296% due 03/19/2019		5,053	4,990
<b>BNP Paribas S.A.</b>			
7.375% due 08/19/2025 (h)		6,600	6,526
<b>Cantor Fitzgerald LP</b>			
6.500% due 06/17/2022 (k)		8,500	8,817
<b>Co-operative Group Holdings Ltd.</b>			
7.500% due 07/08/2026	GBP	6,150	9,734
<b>Communications Sales &amp; Leasing, Inc.</b>			
8.250% due 10/15/2023	\$	3,200	3,048
<b>Cooperatieve Rabobank UA</b>			
8.400% due 06/29/2017 (h)		700	739
<b>Credit Agricole S.A.</b>			
7.500% due 06/23/2026 (h)	GBP	3,600	4,855
7.875% due 01/23/2024 (h)	\$	2,800	2,701
<b>Credit Suisse Group AG</b>			
7.500% due 12/11/2023 (h)		7,863	7,836
<b>GSPA Monetization Trust</b>			
6.422% due 10/09/2029 (k)		4,857	5,500
<b>HSBC Holdings PLC</b>			
6.000% due 09/29/2023 (h)	EUR	3,930	4,343
<b>Jefferies Finance LLC</b>			
6.875% due 04/15/2022	\$	6,850	6,028
<b>Lloyds Banking Group PLC</b>			
7.625% due 06/27/2023 (h)	GBP	6,100	8,875
7.875% due 06/27/2029 (h)		1,200	1,755
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	1,750	1,978
<b>Nationwide Building Society</b>			
10.250% due 06/29/2049 (h)	GBP	13	2,322
<b>Navient Corp.</b>			
5.500% due 01/15/2019 (k)	\$	8,300	8,248
5.625% due 08/01/2033		150	107
8.450% due 06/15/2018 (k)		3,200	3,436
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	311	232
5.000% due 04/23/2019		653	484
5.000% due 05/14/2019		431	321
5.000% due 05/21/2019		241	179
5.000% due 05/23/2019		240	179

<b>OneMain Financial Holdings LLC</b>			
7.250% due 12/15/2021	\$	2,316	2,420
<b>Rio Oil Finance Trust</b>			
9.250% due 07/06/2024		545	376
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (h)		3,200	2,992
8.000% due 08/10/2025 (h)		3,400	3,267
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	4,453	5,773
6.052% due 10/13/2039		2,661	3,796
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		687	1,023
8.750% due 04/02/2020		4,304	5,126
<b>Vnesheconombank Via VEB Finance PLC</b>			
6.902% due 07/09/2020	\$	600	632
<b>Western Group Housing LP</b>			
6.750% due 03/15/2057		2,800	3,293
			155,364
<b>INDUSTRIALS 14.5%</b>			
<b>Ardagh Packaging Finance PLC</b>			
6.750% due 05/15/2024 (c)	EUR	1,000	1,145
7.250% due 05/15/2024 (c)	\$	1,200	1,200
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		1,800	1,341
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (d)(k)		4,650	3,441
<b>Caesars Entertainment Operating Co., Inc.</b>			
8.500% due 02/15/2020 ^		1,500	1,361
9.000% due 02/15/2020 ^		2,300	2,087
11.250% due 06/01/2017 ^		9,820	8,887
<b>Chesapeake Energy Corp.</b>			
3.878% due 04/15/2019		480	312
8.000% due 12/15/2022		100	69
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019		1,164	541
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097 (k)		10,460	12,648
<b>Harvest Operations Corp.</b>			
6.875% due 10/01/2017		4,353	3,738
<b>Hellenic Railways Organization S.A.</b>			
4.028% due 03/17/2017	EUR	1,400	1,481
<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022	\$	1,200	848
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021		6,888	2,342
8.125% due 06/01/2023		1,135	377

<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019		7,420	6,789
<b>Numericable SFR S.A.</b>			
7.375% due 05/01/2026		900	915
<b>Prime Security Services Borrower LLC</b>			
9.250% due 05/15/2023 (c)		4,200	4,378
<b>Russian Railways via RZD Capital PLC</b>			
7.487% due 03/25/2031	GBP	1,300	1,987
<b>Scientific Games International, Inc.</b>			
10.000% due 12/01/2022	\$	3,300	2,744
<b>Sequa Corp.</b>			
7.000% due 12/15/2017		7,918	1,188
<b>Spanish Broadcasting System, Inc.</b>			
12.500% due 04/15/2017		2,100	2,058
<b>Spirit Issuer PLC</b>			
6.582% due 12/28/2027	GBP	1,000	1,514
<b>Tembec Industries, Inc.</b>			
9.000% due 12/15/2019	\$	2,100	1,522
<b>UCP, Inc.</b>			
8.500% due 10/21/2017		2,000	2,010
<b>Unique Pub Finance Co. PLC</b>			
5.659% due 06/30/2027	GBP	4,085	5,837
6.542% due 03/30/2021		1,509	2,256
<b>Westmoreland Coal Co.</b>			
8.750% due 01/01/2022	\$	6,335	3,801
			78,817
<b>UTILITIES 8.3%</b>			
<b>CenturyLink, Inc.</b>			
7.500% due 04/01/2024		880	884
<b>Frontier Communications Corp.</b>			
10.500% due 09/15/2022		720	745
11.000% due 09/15/2025		720	730
<b>Gazprom Neft OAO Via GPN Capital S.A.</b>			
6.000% due 11/27/2023		13,900	14,265
<b>Gazprom OAO Via Gaz Capital S.A.</b>			
5.999% due 01/23/2021		300	318

<b>Illinois Power Generating Co.</b>		
6.300% due 04/01/2020	3,035	1,313
7.000% due 04/15/2018	5,400	2,430
7.950% due 06/01/2032	700	303
<b>Northwestern Bell Telephone</b>		
7.750% due 05/01/2030	12,625	13,712
<b>Odebrecht Drilling Norbe Ltd.</b>		
6.350% due 06/30/2022	393	85
<b>Odebrecht Offshore Drilling Finance Ltd.</b>		
6.625% due 10/01/2023	4,151	575
6.750% due 10/01/2023	4,489	629
<b>Petrobras Global Finance BV</b>		
2.750% due 01/15/2018	EUR 470	501
3.522% due 03/17/2020	\$ 270	222
4.875% due 03/17/2020	450	400
5.750% due 01/20/2020	220	202
6.625% due 01/16/2034	GBP 100	103
6.750% due 01/27/2041	\$ 2,400	1,889
7.875% due 03/15/2019	5,900	5,893
		45,199
Total Corporate Bonds & Notes (Cost \$315,655)		279,380
<b>MUNICIPAL BONDS &amp; NOTES 8.5%</b>		
<b>CALIFORNIA 2.0%</b>		
<b>La Quinta Financing Authority, California Tax Allocation Bonds, Series 2011</b>		
8.070% due 09/01/2036	3,000	3,390
<b>Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010</b>		
7.500% due 10/01/2030	1,200	1,331
<b>San Francisco, California City &amp; County Redevelopment Agency Tax Allocation Bonds, Series 2009</b>		
8.406% due 08/01/2039	1,650	2,135
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>		
7.942% due 10/01/2038	3,500	3,974
		10,830
<b>ILLINOIS 0.1%</b>		
<b>Chicago, Illinois General Obligation Bonds, Series 2015</b>		
7.375% due 01/01/2033	180	183
7.750% due 01/01/2042	330	329
		512

**OHIO 4.1%****Ohio State University Revenue Bonds, Series 2011**

4.800% due 06/01/2111	21,000	22,248
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**VIRGINIA 0.1%****Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007**

6.706% due 06/01/2046	835	685
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**WEST VIRGINIA 2.2%****Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007**

7.467% due 06/01/2047	12,755	11,801
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Total Municipal Bonds & Notes (Cost \$39,702)		46,076
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**U.S. GOVERNMENT AGENCIES 2.3%****Fannie Mae**

3.500% due 02/25/2042 (a)	1,385	175
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4.500% due 11/25/2042 (a)	3,641	646
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5.739% due 10/25/2028	600	620
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5.811% due 01/25/2040 (a)	528	103
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**Freddie Mac**

3.000% due 02/15/2033 (a)	2,982	352
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3.500% due 12/15/2032 (a)	5,509	849
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6.136% due 11/25/2055	8,853	4,594
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7.989% due 12/25/2027	2,900	2,794
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10.843% due 09/15/2035	1,281	1,518
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11.189% due 03/25/2025	746	780
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**Ginnie Mae**

3.500% due 06/20/2042 - 10/20/2042 (a)	1,203	142
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4.000% due 10/16/2042 - 10/20/2042 (a)	664	97
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Total U.S. Government Agencies (Cost \$13,174)		12,670
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**U.S. TREASURY OBLIGATIONS 0.9%****U.S. Treasury Floating Rate Notes**

0.522% due 01/31/2018 (m)(o)	4,868	4,879
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Total U.S. Treasury Obligations (Cost \$4,871)		4,879
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**NON-AGENCY MORTGAGE-BACKED SECURITIES****28.6%****Banc of America Alternative Loan Trust**

6.000% due 01/25/2036 ^ 160 135

**Banc of America Funding Corp.**

6.000% due 01/25/2037 9,467 6,977

**Banc of America Funding Trust**

3.031% due 01/20/2047 ^ 50 42

**BCAP LLC Trust**

2.961% due 08/28/2037 6,620 4,994

3.034% due 05/26/2036 199 4

3.034% due 08/26/2037 14,307 8,597

4.360% due 07/26/2037 15,234 13,417

5.233% due 03/26/2037 1,392 401

5.933% due 12/26/2035 5,192 4,190

6.250% due 11/26/2036 5,762 5,268

10.296% due 09/26/2036 5,613 4,694

10.782% due 05/26/2037 1,273 536

26.897% due 06/26/2036 209 57

**Bear Stearns ALT-A Trust**

0.939% due 01/25/2036 ^ 1,910 1,534

2.670% due 11/25/2035 9,451 7,375

2.742% due 11/25/2036 ^ 606 417

2.894% due 09/25/2047 ^ 8,336 5,317

2.969% due 09/25/2035 ^ 1,026 834

**Chase Mortgage Finance Trust**

2.672% due 12/25/2035 ^ 15 14

5.500% due 05/25/2036 ^ 60 51

**Citicorp Mortgage Securities Trust**

5.500% due 04/25/2037 188 187

6.000% due 09/25/2037 2,030 2,109

**Countrywide Alternative Loan Resecuritization Trust**

6.000% due 05/25/2036 ^ 3,909 3,368

6.000% due 08/25/2037 ^ 1,661 1,396

**Countrywide Alternative Loan Trust**

2.915% due 04/25/2036 ^ 1,773 1,360

5.500% due 03/25/2035 487 389

5.500% due 01/25/2036 1,119 1,019

5.500% due 03/25/2036 ^ 179 146

5.750% due 01/25/2035 587 594

5.750% due 02/25/2035 660 643

5.750% due 12/25/2036 ^ 1,092 834

6.000% due 02/25/2035 548 561

6.000% due 04/25/2036 785 663

6.000% due 04/25/2037 ^ 2,616 1,964

6.250% due 11/25/2036 ^ 1,187 1,107

6.250% due 12/25/2036 ^ 795 629

6.500% due 08/25/2036 ^ 695 512

<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>			
1.019% due 03/25/2035 ^		6,916	5,682
5.750% due 03/25/2037 ^		897	816
6.000% due 07/25/2037		2,693	2,291
6.250% due 09/25/2036 ^		995	905
<b>Credit Suisse First Boston Mortgage Securities Corp.</b>			
6.000% due 11/25/2035 ^		657	506
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>			
5.750% due 04/25/2036 ^		238	184
6.750% due 08/25/2036 ^		2,094	1,650
<b>Epic Drummond Ltd.</b>			
0.044% due 01/25/2022	EUR	3,006	3,101
<b>First Horizon Alternative Mortgage Securities Trust</b>			
6.000% due 05/25/2036 ^	\$	1,141	923
6.000% due 08/25/2036 ^		1,901	1,606
<b>First Horizon Mortgage Pass-Through Trust</b>			
2.750% due 11/25/2035 ^		1,232	1,001
3.058% due 05/25/2037 ^		606	484
<b>IndyMac Mortgage Loan Trust</b>			
6.500% due 07/25/2037 ^		4,061	2,456
<b>JPMorgan Alternative Loan Trust</b>			
2.647% due 03/25/2037 ^		1,838	1,395
2.872% due 05/25/2036 ^		2,862	2,198
2.888% due 03/25/2036 ^		3,127	2,436
<b>JPMorgan Mortgage Trust</b>			
2.769% due 02/25/2036 ^		702	616
2.819% due 10/25/2035		448	436
6.500% due 09/25/2035		137	138
<b>LB-UBS Commercial Mortgage Trust</b>			
5.407% due 11/15/2038		1,712	1,338
5.562% due 02/15/2040		1,891	1,428
<b>Lehman Mortgage Trust</b>			
6.000% due 07/25/2036 ^		1,310	976
6.000% due 07/25/2037 ^		1,747	1,561
6.500% due 09/25/2037 ^		4,195	3,145

<b>Lehman XS Trust</b>		
0.659% due 06/25/2047	3,397	2,381
<b>MASTR Asset Securitization Trust</b>		
6.500% due 11/25/2037 ^	720	582
<b>Merrill Lynch Mortgage Investors Trust</b>		
2.793% due 03/25/2036 ^	2,553	1,695
<b>Nomura Asset Acceptance Corp. Alternative Loan Trust</b>		
4.976% due 05/25/2035 ^	17	12
<b>RBSSP Resecuritization Trust</b>		
0.593% due 02/26/2047	7,387	6,860
<b>Residential Accredit Loans, Inc. Trust</b>		
3.779% due 12/26/2034 ^	1,715	1,396
6.000% due 08/25/2036 ^	532	437
<b>Residential Asset Securitization Trust</b>		
5.750% due 02/25/2036 ^	1,551	1,202
6.000% due 07/25/2037 ^	1,919	1,339
6.250% due 09/25/2037 ^	3,257	2,262
<b>Residential Funding Mortgage Securities, Inc. Trust</b>		
3.244% due 09/25/2035	2,562	2,230
3.855% due 08/25/2036 ^	2,513	2,216
<b>Structured Adjustable Rate Mortgage Loan Trust</b>		
2.694% due 11/25/2036 ^	3,988	3,018
2.706% due 01/25/2036 ^	3,296	2,487
4.081% due 07/25/2036 ^	1,013	820
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>		
2.863% due 02/25/2037 ^	493	433
<b>WaMu Mortgage Pass-Through Certificates Trust</b>		
4.209% due 02/25/2037 ^	900	817
4.359% due 05/25/2037 ^	2,164	1,905
4.397% due 07/25/2037 ^	1,666	1,537
6.003% due 10/25/2036 ^	1,289	1,013
<b>Wells Fargo Mortgage-Backed Securities Trust</b>		
2.910% due 07/25/2036 ^	548	515
5.750% due 03/25/2037 ^	513	500
<b>Total Non-Agency Mortgage-Backed Securities</b>		155,264
(Cost \$149,434)		
<b>ASSET-BACKED SECURITIES 22.1%</b>		
<b>Apidos CLO</b>		
0.000% due 07/22/2026	1,500	702
<b>Argent Securities Trust</b>		
0.629% due 03/25/2036	4,306	2,181
<b>Bear Stearns Asset-Backed Securities Trust</b>		
0.579% due 10/25/2036 ^	7,327	5,868
6.500% due 10/25/2036 ^	400	307
<b>CIFC Funding Ltd.</b>		
0.000% due 05/24/2026	2,400	1,553

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0.000% due 07/22/2026 (f)	1,500	772
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
0.589% due 12/25/2036	19,790	11,293
<b>Countrywide Asset-Backed Certificates</b>		
0.579% due 12/25/2046	22,208	16,901
0.579% due 06/25/2047 ^	2,285	1,875
0.609% due 03/25/2037	4,592	4,766
0.639% due 06/25/2047	13,352	9,978
0.639% due 09/25/2047	6,059	4,999
<b>Countrywide Asset-Backed Certificates Trust</b>		
1.189% due 11/25/2035	4,008	2,822
<b>Fremont Home Loan Trust</b>		
0.589% due 01/25/2037	16,858	8,572
<b>Greenpoint Manufactured Housing</b>		
8.140% due 03/20/2030	1,602	1,695
<b>HSI Asset Securitization Corp. Trust</b>		
0.000% due 10/25/2036 (b)(f)	3,787	1,529
<b>IndyMac Home Equity Mortgage Loan Asset-Backed Trust</b>		
0.599% due 07/25/2037	3,694	2,294
<b>JPMorgan Mortgage Acquisition Corp.</b>		
0.729% due 01/25/2036	869	746
<b>Lehman XS Trust</b>		
6.290% due 06/24/2046	4,747	3,906
<b>Long Beach Mortgage Loan Trust</b>		
0.739% due 01/25/2036	5,000	3,016
<b>MASTR Asset-Backed Securities Trust</b>		
5.233% due 11/25/2035	342	344
<b>Merrill Lynch Mortgage Investors Trust</b>		
0.599% due 04/25/2037	600	322
<b>Mid-State Trust</b>		
6.340% due 10/15/2036	1,315	1,405
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.250% due 07/25/2047 ^	893	615
<b>South Coast Funding Ltd.</b>		
1.221% due 08/10/2038	13,239	2,780
<b>Specialty Underwriting &amp; Residential Finance Trust</b>		
0.939% due 09/25/2036	14,080	9,670
<b>Taberna Preferred Funding Ltd.</b>		
0.981% due 12/05/2036	8,890	6,668

1.001% due 08/05/2036	529	371
1.001% due 08/05/2036 ^	10,457	7,320
1.099% due 07/05/2035	6,928	5,127

Total Asset-Backed Securities 120,397  
(Cost \$121,063)

**SOVEREIGN ISSUES 1.5%****Argentine Republic Government International Bond**

6.875% due 04/22/2021	220	227
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**Autonomous Community of Catalonia**

4.300% due 11/15/2016	EUR	2,850	3,271
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**Autonomous Community of Valencia**

2.115% due 09/03/2017	2,500	2,884
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**Republic of Greece Government International Bond**

3.800% due 08/08/2017	JPY	204,000	1,711
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4.750% due 04/17/2019	EUR	300	307
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Total Sovereign Issues 8,400  
(Cost \$8,384)

## SHARES

**COMMON STOCKS 0.1%****FINANCIALS 0.1%**

<b>TIG FinCo PLC (i)</b>	496,900	349
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Total Common Stocks 349  
(Cost \$737)

**PREFERRED SECURITIES 3.8%****BANKING & FINANCE 3.8%****Citigroup Capital**

7.008% due 10/30/2040	163,750	4,282
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**Farm Credit Bank of Texas**

10.000% due 12/15/2020 (h)	13,280	16,351
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Total Preferred Securities 20,633  
(Cost \$19,621)

**SHORT-TERM INSTRUMENTS 3.4%**

<b>REPURCHASE AGREEMENTS (j) 1.0%</b>	5,201
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PRINCIPAL  
AMOUNT  
(000S)

**SHORT-TERM NOTES 1.8%**

**Federal Home Loan Bank (f)(g)**

0.250% due 05/25/2016	\$	2,800	2,799
0.255% due 05/20/2016		2,400	2,400
0.280% due 05/27/2016		2,100	2,100
0.295% due 06/03/2016		2,700	2,699
			9,998

**U.S. TREASURY BILLS 0.6%**

0.188% due 05/05/2016 - 07/21/2016 (e)(f)(o)		3,421	3,421
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Total Short-Term Instruments (Cost \$18,620)			18,620
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Total Investments in Securities (Cost \$702,629)			675,815
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<b>Total Investments 124.3%</b> (Cost \$702,629)	\$		<b>675,815</b>
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<b>Financial Derivative Instruments (l)(n) (0.8%)</b> (Cost or Premiums, net \$(1,663))			<b>(4,552)</b>
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<b>Preferred Shares (17.0%)</b>			<b>(92,450)</b>
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<b>Other Assets and Liabilities, net (6.5%)</b>			<b>(35,163)</b>
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<b>Net Assets Applicable to Common Shareholders 100.0%</b>	\$		<b>543,650</b>
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**Notes to Schedule of Investments (amounts in thousands\*):**

\* A zero balance may reflect actual amounts rounding to less than one thousand.

^ Security is in default.

(a) Interest only security.

(b) Principal only security.

(c) When-issued security.

(d) Payment in-kind bond security.

(e) Coupon represents a weighted average yield to maturity.

(f) Zero coupon bond.

(g) Coupon represents a yield to maturity.

(h) Perpetual maturity; date shown, if applicable, represents next contractual call date.

(i) Restricted Securities:

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC	04/02/2015	\$ 737	\$ 349	0.06%

**Borrowings and Other Financing Transactions**

(j) Repurchase Agreements:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	at Value	Repurchase Agreements, to	Receivable
	0.420%	04/29/2016	05/02/2016	\$ 1,500	U.S. Treasury Notes 1.750% due 12/31/2020	\$ (1,532)	\$ 1,500		\$ 1,500
	0.010	04/29/2016	05/02/2016	3,701	U.S. Treasury Notes 1.625% due 06/30/2019	(3,778)	3,701		3,701
<b>Repurchase Agreements</b>						<b>\$ (5,310)</b>	<b>\$ 5,201</b>		<b>\$ 5,201</b>

(1) Includes accrued interest.

#### Reverse Repurchase Agreements:

Counterparty	Borrowing Rate <sup>(3)</sup>	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(0.250)%	02/18/2016	TBD <sup>(2)</sup>	\$ (430)	\$ (430)
MSC	1.000	02/01/2016	05/02/2016	(4,980)	(4,993)
	1.000	05/02/2016	08/02/2016	(4,940)	(4,940)
RBC	1.550	05/02/2016	11/02/2016	(3,112)	(3,112)
RDR	(1.000)	01/22/2016	TBD <sup>(2)</sup>	(187)	(186)
	1.020	02/23/2016	05/23/2016	(8,529)	(8,546)
	1.020	04/25/2016	05/04/2016	(5,439)	(5,440)
	1.050	05/04/2016	08/04/2016	(5,502)	(5,502)
UBS	0.900	04/11/2016	07/11/2016	(8,022)	(8,026)
	1.430	04/04/2016	07/06/2016	(7,298)	(7,306)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (48,481)</b>

(2) Open maturity reverse repurchase agreement.

(3) The average amount of borrowings outstanding during the period ended April 30, 2016 was \$(41,450) at a weighted average interest rate of 0.784%.

(k) Securities with an aggregate market value of \$46,649 have been pledged as collateral under the terms of master agreements as of April 30, 2016.

#### (l) Financial Derivative Instruments: Exchange-Traded or Centrally Cleared Swap Agreements:

Credit Default Swaps on Credit Indices - Sell Protection <sup>(1)</sup>



Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount <sup>(2)</sup>	Variation Margin			
				Market Value <sup>(3)</sup>	Unrealized Appreciation/ (Depreciation)	Asset	Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 9,009	\$ 500	\$ (196)	\$ 0	\$ (12)
CDX.HY-25 5-Year Index	5.000	12/20/2020	12,300	423	326	0	(20)
				\$ 923	\$ 130	\$ 0	\$ (32)

- (1) *If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.*
- (2) *The maximum potential amount the Fund could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.*
- (3) *The prices and resulting values for credit default swap agreements on credit indices serve as an indicator of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.*

**Interest Rate Swaps**

<b>Pay/Receive</b>			<b>Variation</b>
<b>Floating Rate</b>	<b>Floating Rate Index</b>	<b>Fixed Rate</b>	<b>Margin</b>