

Western Asset Income Fund
Form N-Q
May 30, 2013

**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 811-02351

Western Asset Income Fund
(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY
(Address of principal executive offices)

10018
(Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-888-777-0102

Date of fiscal year end: December 31

Date of reporting period: March 31, 2013

ITEM 1. SCHEDULE OF INVESTMENTS

WESTERN ASSET INCOME FUND

FORM N-Q

MARCH 31, 2013

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WESTERN ASSET INCOME FUND

Schedule of investments (unaudited)

March 31, 2013

	RATE	MATURITY DATE	FACE AMOUNT	VALUE
SECURITY				
CORPORATE BONDS & NOTES	94.9%			
CONSUMER DISCRETIONARY	7.8%			
Automobiles 1.2%				
Escrow GCB General Motors			\$ 2,710,000	\$ 0*(a)(b)(c)
Ford Motor Co., Senior Notes	4.750%	1/15/43	330,000	307,132
Ford Motor Credit Co., LLC, Senior Notes	7.000%	4/15/15	610,000	673,099
Ford Motor Credit Co., LLC, Senior Notes	8.125%	1/15/20	410,000	517,671
Ford Motor Credit Co., LLC, Senior Notes	4.250%	9/20/22	220,000	227,469
<i>Total Automobiles</i>				1,725,371
Household Durables 0.0%				
NVR Inc., Senior Notes	3.950%	9/15/22	10,000	10,265
Internet & Catalog Retail 0.3%				
QVC Inc., Senior Secured Notes	5.125%	7/2/22	400,000	423,712
Media 5.1%				
Comcast Corp., Bonds	6.400%	5/15/38	950,000	1,194,772
Comcast Corp., Notes	6.450%	3/15/37	220,000	279,076
Comcast Corp., Senior Notes	6.950%	8/15/37	160,000	212,739
Lynx I Corp., Senior Secured Notes	5.375%	4/15/21	270,000	280,800(d)
News America Inc., Senior Notes	6.550%	3/15/33	545,000	643,194
News America Inc., Senior Notes	7.750%	12/1/45	130,000	178,420
TCI Communications Inc.	8.750%	8/1/15	160,000	188,963
Time Warner Cable Inc., Senior Notes	8.750%	2/14/19	520,000	687,706
Time Warner Entertainment Co., LP, Senior Notes	8.375%	7/15/33	530,000	732,651
Time Warner Inc., Senior Debentures	7.700%	5/1/32	595,000	810,836
Time Warner Inc., Senior Notes	4.900%	6/15/42	150,000	150,687
UBM PLC, Notes	5.750%	11/3/20	640,000	677,862(d)
WPP Finance 2010, Senior Notes	4.750%	11/21/21	840,000	907,283
WPP Finance UK, Senior Notes	8.000%	9/15/14	180,000	197,607
<i>Total Media</i>				7,142,596
Multiline Retail 0.5%				
Macy's Retail Holdings Inc., Notes	5.750%	7/15/14	400,000	424,288
Target Corp., Senior Notes	4.000%	7/1/42	270,000	262,717
<i>Total Multiline Retail</i>				687,005
Specialty Retail 0.7%				
American Greetings Corp., Senior Notes	7.375%	12/1/21	160,000	161,600
Gap Inc., Senior Notes	5.950%	4/12/21	730,000	834,477
<i>Total Specialty Retail</i>				996,077
TOTAL CONSUMER DISCRETIONARY				
CONSUMER STAPLES 3.9%				
Beverages 1.3%				
Anheuser-Busch InBev Worldwide Inc., Senior Notes	5.375%	1/15/20	260,000	313,583
Heineken NV, Senior Notes	4.000%	10/1/42	140,000	132,793(d)
Pernod-Ricard SA, Senior Bonds	5.750%	4/7/21	530,000	629,825(d)
Pernod-Ricard SA, Senior Notes	5.500%	1/15/42	670,000	746,083(d)
<i>Total Beverages</i>				1,822,284
				10,985,026

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Food & Staples Retailing 0.3%

Safeway Inc., Senior Notes	6.350%	8/15/17	370,000	431,821
Safeway Inc., Senior Notes	4.750%	12/1/21	40,000	43,059
<i>Total Food & Staples Retailing</i>				<i>474,880</i>

Food Products 0.2%

Kraft Foods Group Inc., Senior Notes	5.000%	6/4/42	200,000	214,443
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Tobacco 2.1%

Altria Group Inc., Senior Notes	9.700%	11/10/18	160,000	222,667
Altria Group Inc., Senior Notes	9.250%	8/6/19	40,000	55,755
Altria Group Inc., Senior Notes	4.750%	5/5/21	70,000	79,227

See Notes to Schedule of Investments.

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WESTERN ASSET INCOME FUND

Schedule of investments (unaudited) (cont d)

March 31, 2013

SECURITY	RATE	MATURITY DATE	FACE AMOUNT	VALUE
Tobacco continued				
Lorillard Tobacco Co., Senior Notes	8.125%	6/23/19	\$ 300,000	\$ 381,670
Lorillard Tobacco Co., Senior Notes	8.125%	5/1/40	270,000	351,602
Lorillard Tobacco Co., Senior Notes	7.000%	8/4/41	320,000	379,122
Philip Morris International Inc., Senior Notes	6.875%	3/17/14	490,000	520,590
Philip Morris International Inc., Senior Notes	4.500%	3/20/42	260,000	267,252
Reynolds American Inc., Senior Notes	4.750%	11/1/42	720,000	702,099
<i>Total Tobacco</i>				2,959,984
TOTAL CONSUMER STAPLES				
				5,471,591
ENERGY 14.2%				
Energy Equipment & Services 0.5%				
Baker Hughes Inc., Senior Notes	7.500%	11/15/18	370,000	485,528
Baker Hughes Inc., Senior Notes	5.125%	9/15/40	240,000	278,990
<i>Total Energy Equipment & Services</i>				764,518
Oil, Gas & Consumable Fuels 13.7%				
Anadarko Finance Co., Senior Notes	7.500%	5/1/31	465,000	616,249
Anadarko Petroleum Corp., Senior Notes	6.375%	9/15/17	35,000	41,776
Apache Corp.	6.900%	9/15/18	100,000	125,740
Apache Corp., Senior Notes	6.000%	1/15/37	190,000	228,205
Apache Corp., Senior Notes	5.100%	9/1/40	80,000	86,062
Apache Corp., Senior Notes	5.250%	2/1/42	90,000	99,130
Arch Coal Inc., Senior Notes	7.000%	6/15/19	260,000	234,650
ConocoPhillips, Notes	6.500%	2/1/39	810,000	1,083,152
ConocoPhillips, Senior Notes	6.000%	1/15/20	310,000	387,856
Devon Energy Corp., Senior Notes	5.600%	7/15/41	320,000	349,655
Devon Financing Corp. LLC, Debentures	7.875%	9/30/31	380,000	515,323
El Paso Corp., Medium-Term Notes	7.800%	8/1/31	2,000,000	2,223,166
Enbridge Energy Partners LP	9.875%	3/1/19	120,000	163,714
Energy Transfer Partners LP, Senior Notes	9.700%	3/15/19	170,000	229,157
Enterprise Products Operating LLC, Senior Notes	3.350%	3/15/23	420,000	427,721
Enterprise Products Operating LLC, Senior Notes	6.125%	10/15/39	320,000	376,254
EOG Resources Inc., Senior Notes	5.875%	9/15/17	540,000	647,643
Hess Corp., Notes	7.875%	10/1/29	1,180,000	1,522,095
Hess Corp., Senior Bonds	6.000%	1/15/40	300,000	335,391
Kerr-McGee Corp., Notes	6.950%	7/1/24	1,080,000	1,352,873
LUKOIL International Finance BV, Bonds	6.356%	6/7/17	310,000	352,904(d)
Noble Energy Inc., Senior Notes	6.000%	3/1/41	390,000	465,610
Pacific Rubiales Energy Corp., Senior Notes	5.125%	3/28/23	100,000	100,900(d)
Pemex Project Funding Master Trust, Senior Bonds	6.625%	6/15/35	2,635,000	3,155,412
Petrobras International Finance Co., Global Notes	5.875%	3/1/18	879,000	986,960
Petrobras International Finance Co., Senior Notes	6.750%	1/27/41	780,000	881,629
Phillips 66, Senior Notes	5.875%	5/1/42	160,000	187,928
Shell International Finance BV, Senior Notes	6.375%	12/15/38	250,000	345,279
Transcontinental Gas Pipe Line Co. LLC, Senior Notes	5.400%	8/15/41	310,000	352,810
Transcontinental Gas Pipe Line Co. LLC, Senior Notes	4.450%	8/1/42	450,000	445,607

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Williams Cos. Inc., Debentures	7.500%	1/15/31	47,000	57,695
Williams Cos. Inc., Senior Notes	7.750%	6/15/31	37,000	46,099
Williams Cos. Inc., Senior Notes	8.750%	3/15/32	610,000	821,253
<i>Total Oil, Gas & Consumable Fuels</i>				19,245,898
TOTAL ENERGY				20,010,416
FINANCIALS	39.0%			
Capital Markets	6.4%			
Goldman Sachs Capital I, Capital Securities	6.345%	2/15/34	555,000	578,242
Goldman Sachs Capital II, Junior Subordinated Bonds	4.000%	6/1/43	880,000	740,300(e)
Goldman Sachs Group Inc., Senior Notes	6.000%	5/1/14	40,000	42,162
Goldman Sachs Group Inc., Senior Notes	5.375%	3/15/20	270,000	307,611
Goldman Sachs Group Inc., Senior Notes	5.250%	7/27/21	510,000	577,865

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Goldman Sachs Group Inc., Senior Notes	6.250%	2/1/41	\$ 570,000	\$ 677,362
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	640,000	717,177
Merrill Lynch & Co. Inc., Senior Notes	6.400%	8/28/17	300,000	352,108
Merrill Lynch & Co. Inc., Subordinated Notes	5.700%	5/2/17	1,000,000	1,116,179
Merrill Lynch & Co. Inc., Subordinated Notes	6.110%	1/29/37	320,000	360,432
Merrill Lynch & Co. Inc., Subordinated Notes	7.750%	5/14/38	740,000	986,259
Morgan Stanley, Medium-Term Notes	6.625%	4/1/18	100,000	119,540
Morgan Stanley, Senior Notes	6.000%	5/13/14	860,000	906,437
Morgan Stanley, Senior Notes	5.500%	7/24/20	100,000	115,166
Morgan Stanley, Senior Notes	6.375%	7/24/42	90,000	108,131
State Street Corp., Junior Subordinated Notes	4.956%	3/15/18	480,000	545,290
UBS AG Stamford CT, Subordinated Notes	7.625%	8/17/22	340,000	379,937
Vesey Street Investment Trust I, Senior Notes	4.404%	9/1/16	310,000	336,974
<i>Total Capital Markets</i>				8,967,172
Commercial Banks 11.5%				
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	240,000	321,449(d)
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	320,000	315,600
BBVA US Senior SAU, Senior Notes	3.250%	5/16/14	340,000	342,057
BBVA US Senior SAU, Senior Notes	4.664%	10/9/15	1,150,000	1,179,294
BNP Paribas SA, Senior Notes	3.250%	3/3/23	410,000	398,481
CIT Group Inc., Secured Notes	5.250%	4/1/14	370,000	384,337(d)
Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, Senior Notes	5.250%	5/24/41	570,000	644,730
Cooperatieve Centrale Raiffeisen-Boerenleenbank BA, Subordinated Notes	3.950%	11/9/22	470,000	473,215
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	560,000	612,500(d)(e)(f)
HSBC Finance Capital Trust IX, Junior Subordinated Notes	5.911%	11/30/35	1,350,000	1,360,125(e)
Intesa Sanpaolo SpA, Senior Notes	3.625%	8/12/15	1,240,000	1,239,120(d)
Intesa Sanpaolo SpA, Senior Notes	3.875%	1/16/18	610,000	589,839
M&T Bank Corp., Junior Subordinated Notes	6.875%	6/15/16	1,100,000	1,176,188(d)(f)
Mizuho Financial Group Cayman Ltd.	5.790%	4/15/14	550,000	574,545(d)
Nordea Bank AB, Subordinated Notes	4.875%	5/13/21	510,000	552,050(d)
Rabobank Nederland NV, Junior Subordinated Notes	11.000%	6/30/19	708,000	946,950(d)(e)(f)
Royal Bank of Scotland Group PLC, Junior Subordinated Bonds	7.648%	9/30/31	1,140,000	1,185,600(e)(f)
Royal Bank of Scotland Group PLC, Subordinated Notes	5.000%	10/1/14	580,000	597,400
Royal Bank of Scotland Group PLC, Subordinated Notes	5.050%	1/8/15	170,000	176,215
Royal Bank of Scotland Group PLC, Subordinated Notes	6.125%	12/15/22	740,000	765,381
Royal Bank of Scotland NV, Subordinated Notes	7.750%	5/15/23	480,000	540,289
Standard Chartered PLC, Subordinated Notes	3.950%	1/11/23	260,000	258,944(d)
Wachovia Capital Trust III, Junior Subordinated Bonds	5.570%	5/24/13	1,190,000	1,194,165(e)(f)
Wells Fargo & Co., Subordinated Notes	3.450%	2/13/23	210,000	211,411
Wells Fargo Capital X, Capital Securities	5.950%	12/15/36	160,000	160,713
<i>Total Commercial Banks</i>				16,200,598

Consumer Finance 3.5%