

PIMCO MUNICIPAL INCOME FUND
Form N-Q
September 29, 2014

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: | 811-10377 |
| Registrant Name: | PIMCO Municipal Income Fund |
| Address of Principal Executive Offices: | 1633 Broadway New York, NY 10019 |
| Name and Address of Agent for Service: | William G. Galipeau 1633 Broadway New York, NY 10019 |
| Registrant's telephone number, including area code: | 888-877-4626 |
| Date of Fiscal Year End: | April 30, 2015 |
| Date of Reporting Period: | July 31, 2014 |

Item 1. Schedule of Investments**PIMCO Municipal Income Fund**

July 31, 2014 (unaudited)

| Principal Amount (000s) | | Value* |
|--|--|------------|
| MUNICIPAL BONDS & NOTES 94.6% | | |
| Alabama - 1.9% | | |
| | Huntsville-Redstone Village Special Care Facs. Financing Auth. Rev., Redstone Village Project, | |
| \$ 250 | 5.50%, 1/1/28 | \$ 251,157 |
| 885 | 5.50%, 1/1/43 | 842,290 |
| 15,000 | Jefferson Cnty. Sewer Rev., zero coupon, 10/1/50, Ser. F (j) | 8,799,900 |
| | | 9,893,347 |
| Alaska - 0.8% | | |
| 3,280 | Borough of Matanuska-Susitna Rev., Goose Creek Correctional Center, 6.00%, 9/1/32 (AGC) | 3,876,763 |
| 900 | Industrial Dev. & Export Auth. Rev., Boys & Girls Home, 6.00%, 12/1/36 (b)(e) | 405,000 |
| | | 4,281,763 |
| Arizona - 2.4% | | |
| | Health Facs. Auth. Rev., | |
| 2,050 | Banner Health, 5.50%, 1/1/38, Ser. D | 2,183,188 |
| 2,750 | Beatitudes Campus Project, 5.20%, 10/1/37 | 2,527,882 |
| 1,500 | Maricopa Cnty. Pollution Control Corp. Rev., Southern California Edison Co., 5.00%, 6/1/35, Ser. A | 1,597,185 |
| 750 | Pima Cnty. Industrial Dev. Auth. Rev., Tucson Electric Power Co., 5.25%, 10/1/40, Ser. A | 800,663 |
| 5,000 | Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (i) | 5,531,500 |
| | | 12,640,418 |
| Arkansas - 0.4% | | |
| 5,500 | Dev. Finance Auth. Rev., Arkansas Cancer Research Center Project, zero coupon, 7/1/36 (AMBAC) | 1,918,070 |
| California - 16.6% | | |
| | Bay Area Toll Auth. Rev., San Francisco Bay Area, | |
| 2,875 | 5.00%, 10/1/34 | 3,113,481 |
| 3,255 | 5.00%, 10/1/42 | 3,463,743 |
| 10,000 | 5.25%, 4/1/53, Ser. S-4 | 10,769,900 |
| 3,000 | Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B | 3,422,010 |
| 7,500 | Golden State Tobacco Securitization Corp. Rev., 5.75%, 6/1/47, Ser. A-1 | 5,988,450 |
| | Health Facs. Financing Auth. Rev., | |
| 2,000 | Catholic Healthcare West, 6.00%, 7/1/39, Ser. A | 2,229,240 |
| 3,000 | Sutter Health, 5.00%, 8/15/52, Ser. A | 3,213,660 |
| 1,500 | Sutter Health, 6.00%, 8/15/42, Ser. B | 1,781,910 |
| 5,300 | Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC) | 5,836,943 |
| 2,000 | Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC) (Pre-refunded @ \$100, 7/1/15) (c) | 2,088,500 |

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| | | |
|-------|--|------------|
| 2,000 | M-S-R Energy Auth. Rev., 6.125%, 11/1/29, Ser. C | 2,518,060 |
| 4,175 | Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM) | 4,548,996 |
| 1,390 | Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B | 1,627,176 |
| 5,000 | Orange Cnty. Airport Rev., 5.25%, 7/1/39, Ser. A | 5,490,350 |
| 1,600 | San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A | 1,738,352 |
| | State, GO, | |
| 700 | 5.00%, 11/1/32 | 770,441 |
| 1,200 | 5.00%, 6/1/37 | 1,287,744 |
| 2,300 | 5.125%, 8/1/36 | 2,547,112 |
| 1,250 | 5.25%, 3/1/38 | 1,371,688 |
| 1,900 | 5.25%, 11/1/40 | 2,150,743 |
| 500 | 5.50%, 3/1/40 | 566,435 |
| 3,200 | 6.00%, 4/1/38 | 3,761,536 |
| | Statewide Communities Dev. Auth. Rev., | |
| 625 | California Baptist Univ., 6.50%, 11/1/21 | 735,638 |
| 845 | Catholic Healthcare West, 5.50%, 7/1/31, Ser. E | 923,551 |
| 2,310 | Methodist Hospital Project, 6.625%, 8/1/29 (FHA) | 2,728,156 |
| 8,485 | Methodist Hospital Project, 6.75%, 2/1/38 (FHA) | 10,005,088 |
| 1,000 | Trinity Health, 5.00%, 12/1/41 | 1,087,350 |
| 2,000 | Whittier Union High School Dist., GO, zero coupon, 8/1/25 | 1,243,460 |
| | | 87,009,713 |

Colorado - 0.6%

| | | |
|-------|---|-----------|
| 450 | Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40 | 487,850 |
| 500 | Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38 | 654,740 |
| 400 | Regional Transportation Dist., CP, 5.375%, 6/1/31, Ser. A | 437,412 |
| 1,500 | Univ. of Colorado Rev., 5.375%, 6/1/38, Ser. A | 1,703,475 |
| | | 3,283,477 |

Connecticut - 1.5%

| | | |
|-------|---|-----------|
| | State Health & Educational Fac. Auth. Rev., | |
| 5,000 | Hartford Healthcare, 5.00%, 7/1/41, Ser. A | 5,330,000 |
| 2,500 | Stamford Hospital, 5.00%, 7/1/42, Ser. J | 2,636,700 |
| | | 7,966,700 |

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PIMCO Municipal Income Fund Schedule of Investments

July 31, 2014 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|------------------------------------|---|--------------|
| District of Columbia - 0.8% | | |
| \$ 2,500 | Dist. of Columbia Rev., Brookings Institution, 5.75%, 10/1/39 | \$ 2,722,775 |
| 1,595 | Tobacco Settlement Financing Corp. Rev., 6.25%, 5/15/24 | 1,606,261 |
| | | 4,329,036 |
| Florida - 2.1% | | |
| 4,000 | Broward Cnty. Water & Sewer Utility Rev., 5.25%, 10/1/34, Ser. A (i) | 4,468,360 |
| 300 | Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A | 319,749 |
| 500 | Lee Cnty. Industrial Dev. Auth. Rev., Lee Community Charter Foundation, 5.375%, 6/15/37, Ser. A | 500,815 |
| 1,250 | Miami-Dade Cnty. School Board Foundation, Inc., CP, 5.375%, 2/1/34, Ser. A (AGC) | 1,349,813 |
| 3,900 | State Board of Education, GO, 5.00%, 6/1/38, Ser. D (i) | 4,314,258 |
| | | 10,952,995 |
| Georgia - 0.4% | | |
| 2,300 | Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37 | 2,309,085 |
| Illinois - 1.5% | | |
| | Finance Auth. Rev., | |
| 400 | OSF Healthcare System, 7.125%, 11/15/37, Ser. A | 472,716 |
| 5,000 | Univ. of Chicago, 5.50%, 7/1/37, Ser. B (i) | 5,618,150 |
| 1,900 | Springfield Electric Rev., 5.00%, 3/1/36 | 1,925,954 |
| | | 8,016,820 |
| Indiana - 1.6% | | |
| | Finance Auth. Rev., | |
| 1,500 | Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B | 1,661,610 |
| 3,000 | Ohio Valley Electric Corp., 5.00%, 6/1/32, Ser. A | 3,083,850 |
| 1,000 | Municipal Power Agcy. Rev., 6.00%, 1/1/39, Ser. B | 1,125,550 |
| 1,900 | Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., 7.50%, 9/1/22 | 2,307,341 |
| | | 8,178,351 |
| Iowa - 1.2% | | |
| | Finance Auth. Rev., | |
| 532 | Deerfield Retirement Community, Inc., zero coupon, 5/15/56, Ser. B, PIK | 5,320 |
| 3,500 | Edgewater LLC Project, 6.75%, 11/15/37 | 3,645,145 |
| 1,500 | Edgewater LLC Project, 6.75%, 11/15/42 | 1,558,110 |
| 1,000 | Fertilizer Company Project, 5.25%, 12/1/25 | 1,054,190 |
| | | 6,262,765 |
| Kansas - 0.4% | | |
| 1,000 | Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38 | 1,108,020 |

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|-----------------------------|--|-----------|
| 871 | Lenexa City, Tax Allocation, Center East Project, 6.00%, 4/1/27 (e) | 261,405 |
| 650 | Manhattan Rev., Meadowlark Hills Retirement, 5.125%, 5/15/42, Ser. B | 626,191 |
| | | 1,995,616 |
| Kentucky - 0.2% | | |
| 1,000 | Economic Dev. Finance Auth. Rev., Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A | 1,122,200 |
| Louisiana - 1.1% | | |
| | Local Gov t Environmental Facs. & Community Dev. Auth Rev., | |
| 1,680 | Capital Projects & Equipment Acquisition, 6.55%, 9/1/25 (ACA) (b) | 1,858,718 |
| 400 | Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2 | 460,416 |
| 750 | Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A | 850,500 |
| 2,000 | Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, 6.50%, 5/15/37 | 2,330,240 |
| | | 5,499,874 |
| Maryland - 0.4% | | |
| 1,500 | Economic Dev. Corp. Rev., 5.75%, 6/1/35, Ser. B | 1,572,375 |
| 650 | Health & Higher Educational Facs. Auth. Rev., Charlestown Community, 6.25%, 1/1/41 | 711,152 |
| | | 2,283,527 |
| Massachusetts - 0.5% | | |
| | Dev. Finance Agcy. Rev., | |
| 750 | Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A | 841,335 |
| 103 | Linden Ponds, Inc. Fac., zero coupon, 11/15/56, Ser. B (b) | 783 |
| 388 | Linden Ponds, Inc. Fac., 6.25%, 11/15/39, Ser. A-1 | 331,647 |
| 1,500 | State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A | 1,681,335 |
| | | 2,855,100 |

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PIMCO Municipal Income Fund Schedule of Investments

July 31, 2014 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|----------------------------|---|--------------|
| Michigan - 0.6% | | |
| \$ 1,500 | Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%, 9/1/39, Ser. V (Pre-refunded @ \$100, 9/1/18) (c) | \$ 1,935,660 |
| 1,500 | Tobacco Settlement Finance Auth. Rev., 6.00%, 6/1/48, Ser. A | 1,182,585 |
| | | 3,118,245 |
| Minnesota - 0.4% | | |
| 95 | Agricultural & Economic Dev. Board Rev., Health Care Systems, 6.375%, 11/15/29, Ser. A | 95,365 |
| 1,500 | St. Louis Park Rev., Nicollet Health Services, 5.75%, 7/1/39 | 1,648,035 |
| 500 | Washington Cnty. Housing & Redev. Auth. Rev., Birchwood & Woodbury Projects, 5.625%, 6/1/37, Ser. A | 503,125 |
| | | 2,246,525 |
| Missouri - 0.3% | | |
| 1,000 | Joplin Industrial Dev. Auth. Rev., Christian Homes, Inc., 5.75%, 5/15/26, Ser. F | 1,054,120 |
| 370 | Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23 | 386,968 |
| | | 1,441,088 |
| Nevada - 4.0% | | |
| | Clark Cnty., GO, | |
| 5,000 | 4.75%, 6/1/30 (AGM) | 5,191,750 |
| 5,230 | 4.75%, 11/1/35 (FGIC-NPFGC) (i) | 5,460,695 |
| 9,755 | Washoe Cnty., Water & Sewer, GO, 5.00%, 1/1/35 (NPFGC) | 10,239,141 |
| | | 20,891,586 |
| New Jersey - 7.2% | | |
| 16,550 | Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 4/1/31 Economic Dev. Auth. Rev., Ser. Z, | 18,177,527 |
| 710 | 5.50%, 12/15/34 (AGC) | 803,741 |
| 1,290 | 5.50%, 12/15/34 (AGC) (Pre-refunded @ \$100, 12/15/18) (c) | 1,538,932 |
| | Health Care Facs. Financing Auth. Rev., | |
| 500 | AHS Hospital Corp., 6.00%, 7/1/37 | 576,735 |
| 2,000 | Robert Wood Johnson Univ. Hospital, 5.50%, 7/1/43, Ser. A | 2,200,800 |
| 2,000 | State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E | 2,182,640 |
| 6,600 | Tobacco Settlement Financing Corp. Rev., 4.75%, 6/1/34, Ser. 1-A | 4,917,462 |
| 7,000 | Transportation Trust Fund Auth. Rev., 5.00%, 6/15/42, Ser. B | 7,364,560 |
| | | 37,762,397 |
| New Mexico - 1.5% | | |
| 1,000 | Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D | 1,103,210 |
| 6,400 | Hospital Equipment Loan Council Rev., Presbyterian Healthcare, 5.00%, 8/1/39 | 6,817,856 |

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| | | 7,921,066 |
| New York - 12.3% | | |
| 15,500 | Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A | 16,891,125 |
| 3,000 | Metropolitan Transportation Auth. Rev., 5.00%, 11/15/36, Ser. D | 3,276,690 |
| 4,200 | Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A | 3,024,000 |
| 3,000 | New York City Water & Sewer System Rev., Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1 | 3,310,830 |
| New York Liberty Dev. Corp. Rev., | | |
| 10,000 | 1 World Trade Center Project, 5.00%, 12/15/41 | 10,870,900 |
| 10,000 | 4 World Trade Center Project, 5.00%, 11/15/44 | 10,716,800 |
| 7,500 | Goldman Sachs Headquarters, 5.25%, 10/1/35 | 8,711,775 |
| 3,000 | Goldman Sachs Headquarters, 5.50%, 10/1/37 | 3,573,720 |
| 3,500 | State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40 | 3,815,840 |
| | | 64,191,680 |
| Ohio - 3.0% | | |
| 10,000 | Buckeye Tobacco Settlement Financing Auth. Rev., 6.50%, 6/1/47, Ser. A-2 | 8,396,000 |
| 1,000 | Hamilton Cnty. Healthcare Rev., Christ Hospital Project, 5.00%, 6/1/42 | 1,047,380 |
| 500 | Higher Educational Fac. Commission Rev., Univ. Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A (Pre-refunded @ \$100, 1/15/15) (c) | 514,655 |
| 500 | Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A (Pre-refunded @ \$100, 11/15/14) (c) | 508,465 |
| 5,000 | State Turnpike Commission Rev., 5.00%, 2/15/48, Ser. A-1 | 5,388,200 |
| | | 15,854,700 |
| Oregon - 0.6% | | |
| 2,000 | Oregon Health & Science Univ. Rev., 5.75%, 7/1/39, Ser. A | 2,235,540 |
| 600 | State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A | 643,014 |
| | | 2,878,554 |
| Pennsylvania - 5.0% | | |
| 5,000 | Geisinger Auth. Rev., 5.25%, 6/1/39, Ser. A | 5,487,250 |
| 2,000 | Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B (e) Higher Educational Facs. Auth. Rev., | 924,520 |
| 500 | Edinboro Univ. Foundation, 6.00%, 7/1/43 | 526,310 |

PIMCO Municipal Income Fund Schedule of Investments

July 31, 2014 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|------------------------------|--|------------|
| \$ 350 | Thomas Jefferson Univ., 5.00%, 3/1/40 | \$ 368,924 |
| | Lancaster Cnty. Hospital Auth. Rev., Brethren Village Project, Ser. A, | |
| 750 | 6.25%, 7/1/26 | 790,560 |
| 85 | 6.375%, 7/1/30 | 89,008 |
| 1,100 | Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39 | 1,210,979 |
| 7,000 | Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM) | 7,781,270 |
| | Philadelphia Hospitals & Higher Education Facs. Auth. Rev., Temple Univ. Health System, Ser. A, | |
| 5,000 | 5.625%, 7/1/36 | 5,113,300 |
| 1,000 | 5.625%, 7/1/42 | 1,016,840 |
| 500 | Philadelphia Water & Wastewater Rev., 5.25%, 1/1/36, Ser. A | 536,685 |
| 2,000 | Turnpike Commission Rev., 5.125%, 12/1/40, Ser. D | 2,140,420 |
| | | 25,986,066 |
| Rhode Island - 4.5% | | |
| 23,800 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A | 23,803,094 |
| South Carolina - 3.7% | | |
| 450 | Jobs-Economic Dev. Auth. Rev., Lutheran Homes, 5.50%, 5/1/28 | 456,115 |
| 2,200 | State Ports Auth. Rev., 5.25%, 7/1/40 | 2,380,554 |
| | State Public Service Auth. Rev., | |
| 5,000 | 5.50%, 12/1/53, Ser. E | 5,513,050 |
| 5,000 | 5.50%, 12/1/54, Ser. A | 5,526,900 |
| 5,000 | Sanatee Cooper, 5.125%, 12/1/43, Ser. B | 5,503,350 |
| | | 19,379,969 |
| Tennessee - 2.2% | | |
| 940 | Memphis Health Educational & Housing Fac. Board Rev., Wesley Housing Corp. Project, 6.95%, 1/1/20 (a)(b)(d)(e)(k) (acquisition cost - \$932,489; purchased 6/29/01) | 234,345 |
| | Tennessee Energy Acquisition Corp. Rev., | |
| 5,000 | 5.00%, 2/1/27, Ser. C | 5,602,800 |
| 5,000 | 5.25%, 9/1/24, Ser. A | 5,714,400 |
| | | 11,551,545 |
| Texas - 9.8% | | |
| 1,200 | Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC) | 1,287,456 |
| 5,500 | Grand Parkway Transportation Corp. Rev., 5.00%, 4/1/53, Ser. B | 5,870,095 |
| | North Harris Cnty. Regional Water Auth. Rev., | |
| 4,200 | 5.25%, 12/15/33 | 4,592,448 |
| 4,200 | 5.50%, 12/15/38 | 4,698,960 |
| | North Texas Tollway Auth. Rev., | |
| 2,750 | 5.00%, 1/1/38 | 2,931,142 |
| 3,000 | 5.25%, 1/1/44, Ser. C | 3,141,330 |
| 600 | 5.50%, 9/1/41, Ser. A | 680,214 |
| 6,050 | 5.625%, 1/1/33, Ser. A | 6,734,618 |

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| 600 | 5.75%, 1/1/33, Ser. F | 667,416 |
| 250 | San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A | 293,728 |
| | State Public Finance Auth. Charter School Finance Corp. Rev., Ser. A, | |
| 400 | 5.875%, 12/1/36 | 433,976 |
| 2,000 | Cosmos Foundation, 5.375%, 2/15/37 (Pre-refunded @ \$100, 2/15/15) (c) | 2,054,560 |
| 4,000 | Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29 | 4,613,560 |
| | Texas Municipal Gas Acquisition & Supply Corp. I Rev., | |
| 3,500 | 5.25%, 12/15/23, Ser. A | 4,012,260 |
| 6,500 | 6.25%, 12/15/26, Ser. D | 7,900,750 |
| 1,000 | Uptown Dev. Auth., Tax Allocation, Infrastructure Improvement Facs., 5.50%, 9/1/29 | 1,088,790 |
| 500 | Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34 | 587,635 |
| | | 51,588,938 |

Utah - 1.5%

| | | |
|-------|--|-----------|
| 7,000 | Salt Lake Cnty. Rev., IHC Health Services, 5.125%, 2/15/33 (AMBAC) | 7,731,710 |
|-------|--|-----------|

Virginia - 2.0%

| | | |
|-------|---|------------|
| | Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, | |
| 6,490 | 5.00%, 5/15/40 | 7,037,107 |
| 1,000 | 5.50%, 5/15/35, Ser. A | 1,131,860 |
| 1,985 | Peninsula Town Center Community Dev. Auth. Rev., 6.45%, 9/1/37 | 2,140,882 |
| | | 10,309,849 |

Washington - 1.3%

| | | |
|-------|---|-----------|
| | Health Care Facs. Auth. Rev., | |
| 700 | Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC) | 816,872 |
| 250 | Seattle Cancer Care Alliance, 7.375%, 3/1/38 | 299,710 |
| 2,000 | Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A | 2,122,960 |
| | State Housing Finance Commission Rev., Skyline at First Hill Project, Ser. A, | |
| 230 | 5.25%, 1/1/17 | 231,277 |
| 3,600 | 5.625%, 1/1/38 | 3,383,856 |
| | | 6,854,675 |

PIMCO Municipal Income Fund Schedule of Investments

July 31, 2014 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|--|---|--------------|
| West Virginia - 0.2% | | |
| \$ 1,000 | Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41 | \$ 1,054,250 |
| Wisconsin - 0.1% | | |
| 500 | Health & Educational Facs. Auth. Rev., Prohealth Care, Inc., 6.625%, 2/15/39 | 583,110 |
| Total Municipal Bonds & Notes (cost-\$446,523,363) | | 495,947,904 |
| VARIABLE RATE NOTES (g)- 2.5% | | |
| Iowa - 0.4% | | |
| 2,836 | Finance Auth. Rev., Deerfield Retirement Community, Inc., 2.70%, 11/15/46, Ser. A | 1,845,289 |
| Texas - 0.4% | | |
| 1,000 | JPMorgan Chase Putters/Drivers Trust, GO, 8.031%, 2/1/17, Ser. 3480 (a)(d)(f) | 1,240,200 |
| 600 | JPMorgan Chase Putters/Drivers Trust Rev., 8.551%, 10/1/31, Ser. 3227 (a)(d)(f) | 788,232 |
| | | 2,028,432 |
| Washington - 1.7% | | |
| 6,670 | JPMorgan Chase Putters/Drivers Trust, GO, 11.734%, 8/1/28, Ser. 3388 (a)(d)(f) | 8,959,544 |
| Total Variable Rate Notes (cost-\$12,392,945) | | 12,833,265 |
| SHORT-TERM INVESTMENTS - 2.9% | | |
| Repurchase Agreements - 1.7% | | |
| 9,100 | Citigroup Global Markets, Inc., dated 7/31/14, 0.13%, due 8/1/14, proceeds \$9,100,033; collateralized by U.S. Treasury Notes, 1.25%, due 10/31/18, valued at \$9,297,329 including accrued interest (cost-\$9,100,000) | 9,100,000 |
| U.S. Government Agency Securities (l)- 0.6% | | |
| 2,002 | Federal Home Loan Bank Discount Notes, 0.079%, 10/8/14-10/29/14 | 2,001,693 |
| 1,100 | Freddie Mac Discount Notes, 0.076%, 10/24/14 | 1,099,807 |
| Total U.S. Government Agency Securities (cost-\$3,101,500) | | 3,101,500 |
| U.S. Treasury Obligations - 0.4% | | |
| 1,900 | U.S. Treasury Notes, 0.50%, 8/15/14 (cost-\$1,900,265) | 1,900,371 |
| Variable Rate Demand Note - 0.2% | | |
| South Carolina - 0.2% | | |
| 1,290 | Educational Facs. Auth. Rev., Furman Univ., 0.05%, 8/1/14 (final maturity 10/1/39), Ser. B (g)(h) (cost-\$1,290,000) | 1,290,000 |
| Total Short-Term Investments (cost-\$15,391,765) | | 15,391,871 |

| | |
|--|-----------------------|
| Total Investments (cost-\$474,308,073) (m)-100.0% | \$ 524,173,040 |
|--|-----------------------|

PIMCO Municipal Income Fund Schedule of Investments

July 31, 2014 (unaudited) (continued)

Industry classification of portfolio holdings as a percentage of total investments was as follows:

| | | |
|---|-------|--------|
| Revenue Bonds: | | |
| Health, Hospital & Nursing Home Revenue | 22.4% | |
| Miscellaneous Revenue | 15.0 | |
| Highway Revenue Tolls | 7.3 | |
| Natural Gas Revenue | 5.7 | |
| Tobacco Settlement Funded | 4.6 | |
| College & University Revenue | 4.0 | |
| Port, Airport & Marina Revenue | 3.9 | |
| Water Revenue | 3.7 | |
| Industrial Revenue | 3.3 | |
| Miscellaneous Taxes | 3.2 | |
| Electric Power & Light Revenue | 2.9 | |
| Sewer Revenue | 1.7 | |
| Lease (Appropriation) | 0.7 | |
| Transit Revenue | 0.6 | |
| Ad Valorem Property Tax | 0.4 | |
| Local or Guaranteed Housing | 0.0 | |
| Total Revenue Bonds | | 79.4% |
| General Obligation | | 13.6 |
| Special Assessment | | 3.5 |
| Repurchase Agreements | | 1.7 |
| U.S. Government Agency Securities | | 0.6 |
| Certificates of Participation | | 0.5 |
| U.S. Treasury Obligations | | 0.4 |
| Tax Allocation | | 0.3 |
| Total Investments | | 100.0% |

Notes to Schedule of Investments:

* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics.

The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial instruments in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to Allianz Global Investors Fund Management LLC (the Investment Manager) and Pacific Investment Management Company LLC (the Sub-Adviser). The Fund's Valuation Committee was established by the Board to oversee the implementation of the Fund's valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Sub-Adviser monitors the continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Sub-Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing premium or discount based on their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Fund to value investments may differ from the value that would be realized if the investments were sold, and these differences could be material. Fund's net asset value (NAV) is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$11,222,321, representing 2.1% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date).
- (d) 144A 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 buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) In default.
- (f) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on July 31, 2014.
- (g) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on July 31, 2014.

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- (h) Date shown is date of next put.
- (i) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (j) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (k) Restricted. The aggregate acquisition cost of such security is \$932,489. The aggregate value is \$234,345, representing less than 0.05% of total investments.
- (l) Rates reflect the effective yields at purchase date.
- (m) At July 31, 2014, the cost basis of portfolio securities for federal income tax purposes was \$474,308,073. Gross unrealized appreciation was \$57,247,925; gross unrealized depreciation was \$7,382,958; and net unrealized appreciation was \$49,864,967. The difference between book and tax cost was attributable to the differing treatment of Inverse Floater transactions.

Glossary:

ACA insured by American Capital Access Holding Ltd.

AGC insured by Assured Guaranty Corp.

AGM insured by Assured Guaranty Municipal Corp.

AMBAC insured by American Municipal Bond Assurance Corp.

CP Certificates of Participation

FGIC insured by Financial Guaranty Insurance Co.

FHA insured by Federal Housing Administration

GO General Obligation Bond

NPFGC insured by National Public Finance Guarantee Corp.

PIK Payment-in-Kind

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access

Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and securities whose price was determined by using a single broker's quote)

The valuation techniques used by the Fund to measure fair value during the three months ended July 31, 2014 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Fund's policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to the fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used. Investments categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities within Level 2 and Level 3, in accordance with Generally Accepted Accounting Principles.

U.S. Treasury Obligations U.S. Treasury obligations are valued by independent pricing services based on pricing models that evaluate the mean between the most recently quoted bid and ask price. The models also take into consideration data received from active market makers and broker-dealers, yield curves, and the spread over comparable U.S. Treasury issues. The spreads change daily in response to market conditions and are generally obtained from the new issue market and broker-dealer sources. To the extent that these inputs are observable, the values of U.S. Treasury obligations are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Government Sponsored Enterprise and Mortgage-Backed Securities Government sponsored enterprise and mortgage-backed securities are valued by independent pricing services using pricing models based on inputs that include issuer type, coupon, cash flows, mortgage prepayment projection tables and Adjustable Rate Mortgage evaluations that incorporate index data, periodic life caps and the next coupon reset date. To the extent that these inputs are observable, the values of government sponsored enterprise and mortgage-backed securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Municipal Bonds & Notes and Variable Rate Notes Municipal bonds & notes and variable rate notes are valued by independent pricing services based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-want lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond or note insurance. To the extent that these inputs are observable, the values of municipal bonds & notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

A summary of the inputs used at July 31, 2014 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments for more detailed information on Investments in Securities):

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| | Level 1 - Quoted Prices | Level 2 - Other Significant Observable Inputs | Level 3 - Significant Unobservable Inputs | Value at 7/31/14 |
|---|----------------------------|--|--|-----------------------|
| Investments in Securities - Assets | | | | |
| Municipal Bonds & Notes: | | | | |
| Alaska | \$ | \$ 4,281,763 | \$ | \$ 4,281,763 |
| Iowa | | 6,262,765 | | 6,262,765 |
| Tennessee | | 11,317,200 | 234,345 | 11,551,545 |
| All Other | | 473,851,831 | | 473,851,831 |
| Variable Rate Notes | | 12,833,265 | | 12,833,265 |
| Short-Term Investments | | 15,391,871 | | 15,391,871 |
| Totals | \$ | \$ 523,938,695 | \$ 234,345 | \$ 524,173,040 |

At July 31, 2014, there were no transfers between Levels 1 and 2.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the three months ended July 31, 2014, was as follows:

| | Beginning Balance 4/30/14 | Purchases | Sales | Accrued Discount (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3 | Transfers out of Level 3 | Ending Balance 7/31/14 |
|---|---------------------------------|-----------|-----------|-----------------------------------|--------------------------------|---|---------------------------------|--------------------------------|------------------------------|
| Investments in Securities - Assets | | | | | | | | | |
| Municipal Bonds & Notes: | | | | | | | | | |
| Alaska | \$ 405,000 | \$ | \$ | \$ | \$ | \$ | \$ | \$ 405,000 | |
| Iowa | 5,320 | | | | | | | 5,320 | |
| Tennessee | 234,684 | | | | | (339) | | | 234,345 |
| Totals | \$ 645,004 | \$ | \$ | \$ | \$ | \$ (339) | \$ | \$ 410,320 | \$ 234,345 |

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 at July 31, 2014:

| | Ending Balance at 7/31/14 | Valuation Technique Used | Unobservable Inputs | Input Values |
|---|---------------------------------|-----------------------------|------------------------|-----------------|
| Investments in Securities - Assets | | | | |
| Municipal Bonds & Notes | \$ 234,345 | Benchmark Pricing | Base Price | \$ 24.94 |

The net change in unrealized appreciation/depreciation of Level 3 investments held at July 31, 2014 was \$(339).

Item 2. Controls and Procedures

(a) The registrant's President, Principal Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))), 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 control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

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.

PIMCO Municipal Income Fund

By: /s/ Peter G. Strelow
Peter G. Strelow,

President, Principal Executive Officer

Date: September 26, 2014

By: /s/ William G. Galipeau
William G. Galipeau, Treasurer,

Principal Financial & Accounting Officer

Date: September 26, 2014

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.

By: /s/ Peter G. Strelow
Peter G. Strelow,

President, Principal Executive Officer

Date: September 26, 2014

By: /s/ William G. Galipeau
William G. Galipeau, Treasurer,

Principal Financial & Accounting Officer

Date: September 26, 2014