

PIMCO INCOME STRATEGY FUND

Form N-CSRS

March 28, 2016

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT**

**INVESTMENT COMPANIES**

Investment Company Act file number: 811-21374

**PIMCO Income Strategy Fund**

**(Exact name of registrant as specified in charter)**

**1633 Broadway, New York, NY 10019**

**(Address of principal executive offices)**

**William G. Galipeau**

**Treasurer (Principal Financial & Accounting Officer)**

**650 Newport Center Drive**

**Newport Beach, CA 92660**

**(Name and address of agent for service)**

Copies to:

**David C. Sullivan**

**Ropes & Gray LLP**

**Prudential Tower**

**800 Boylston Street**

**Boston, MA 02199**

Registrant's telephone number, including area code: (844) 337-4626

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Date of fiscal year end: July 31

Date of reporting period: January 31, 2016

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ( OMB ) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Reports to Shareholders.**

The following is a copy of the report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940, as amended (the 1940 Act ) (17 CFR 270.30e-1).

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**PIMCO Closed-End Funds**

# Semiannual Report

*January 31, 2016*

PIMCO Corporate & Income Opportunity Fund

PIMCO Corporate & Income Strategy Fund

PIMCO High Income Fund

PIMCO Income Strategy Fund

PIMCO Income Strategy Fund II

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**Letter from the Chairman of the Board & President**

Dear Shareholder,

The financial markets experienced periods of volatility during the reporting period. Investor sentiment was challenged at times given mixed economic data, uncertainties surrounding future global monetary policy, falling commodity prices and geopolitical issues.

For the six-month reporting period ended January 31, 2016

The U.S. economy expanded during the reporting period, but the pace was uneven. Looking back, U.S. gross domestic product ( GDP ), which represents the value of goods and services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, expanded at a 3.9% annual pace during the second quarter of 2015. Economic activity then decelerated, as GDP grew at a 2.0% annual pace during the third quarter of 2015. Finally, the Commerce Department's initial reading showed that fourth quarter 2015 GDP grew at an annual pace of 0.7%.

After nearly a decade of highly accommodative monetary policy, the Federal Reserve ( Fed ) raised interest rates at its meeting in mid-December 2015. The Fed's action pushed rates from a range between 0% and 0.25% to a range between 0.25% and 0.50%. In its official statement following the meeting, the Fed said, "The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run."

Economic activity outside the U.S. was mixed during the reporting period. Anemic growth and concerns of deflation in the eurozone caused the European Central Bank ( ECB ) to announce that beginning in March 2015, it would start a €60 billion-a-month bond-buying program that was expected to run until at least September 2016. In December 2015, continued economic headwinds prompted the ECB to extend its monthly bond-buying program by six months, until at least March 2017.

Commodities and emerging markets dominated the news over the reporting period. Crude oil declined from \$47 to \$34 between July 2015 and January 2016, as OPEC continued pumping at close to full capacity even as U.S. production started to contract. In August 2015, China surprised the markets by allowing its currency to depreciate by nearly 2% against the U.S. dollar, and then spent over \$180 billion in foreign reserves over the course of the fourth quarter to support its currency. Meanwhile, Chinese equity markets sold off sharply, casting a shadow on global risk assets. Elsewhere in emerging markets, the Brazilian political and economic situation continued to deteriorate, culminating in Standard & Poor's and Fitch downgrading the Brazilian foreign currency debt rating to below investment grade in September 2015.

Outlook

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PIMCO's baseline view sees U.S. economic growth in the range of 2.0%-2.5% over the next four quarters in line with the average growth rate of the U.S. economy during the current expansion and headline CPI (Consumer Price Index) inflation in a range of 1.5%-2%. In PIMCO's view, given moderate global recovery and the strong U.S. dollar, there will be little if any boost to aggregate demand from international trade. On the positive side of the ledger, PIMCO believes that the recent budget agreement between Congress and President Obama will provide the U.S. economy a modest fiscal boost from the increase in federal spending. In the Federal Open Market Committee's recent announcement and minutes from January 26-27, 2016, the Committee appeared to continue signaling further tightening despite market volatility, although it has acknowledged a degree of softening in the economy. For example, the minutes pointed out that moderating oil companies and foreign countries investment have the potential to further restrain domestic economic activity. Therefore, low energy prices and disinflationary pressures from a stronger U.S. dollar may slow the pace of Fed hikes.

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Overseas, PIMCO's baseline view for the eurozone is economic growth of around 1.5% over the next four quarters, with inflation from roughly zero in 2015 to about 1% in 2016. PIMCO believes that ECB quantitative easing will have a positive impact on loan growth. However, while net exports should benefit from the cumulative weakening of the euro, it is PIMCO's belief that slower growth from the eurozone's major trading partners may limit the contribution to growth from net exports in 2016. PIMCO sees the prospects of a modest pickup in Japanese growth to about 1% in 2016, versus an estimated 0.6% in 2015. In PIMCO's view, headline inflation will remain positive in 2016, but at around 0.5-1%, it is well below the Bank of Japan's target of 2%.

In the following pages of this PIMCO Closed-End Funds Semiannual Report, please find specific details regarding investment performance and a discussion of factors that most affected the Funds' performance over the six months ended January 31, 2016.

Thank you for investing with us. We value your trust and will continue to work diligently to meet your investment needs. If you have questions regarding any of your PIMCO Closed-End Funds investments, please contact your financial advisor or call the Funds' shareholder servicing agent at (844) 33-PIMCO or (844) 337-4626. We also invite you to visit our website at [www.pimco.com](http://www.pimco.com) to learn more about our views.

Sincerely,

Hans W. Kertess  
Chairman of the Board of Trustees

Peter G. Strelow  
President

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**Important Information About the Funds**

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates trend upward, rising rates would negatively impact the performance of most bond funds, and fixed-income securities held by a Fund are likely to decrease in value. A number of factors can cause interest rates to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). Accordingly, changes in interest rates can be sudden, and there is no guarantee that Fund Management will anticipate such movement.

As of the date of this report, interest rates in the U.S. are at or near historically low levels. As such, bond funds may currently face an increased exposure to the risks associated with rising interest rates. This is especially true since the Federal Reserve Board has concluded its quantitative easing program and, at its meeting on December 16, 2015, raised interest rates for the first time since 2006 from a target range of 0% to 0.25% to a target range of 0.25% to 0.50%. Further, while the U.S. bond market has steadily grown over the past three decades, dealer inventories of corporate bonds have remained relatively stagnant. As a result, there has been a significant reduction in the ability of dealers to make markets in corporate bonds. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets, which could result in increased losses to a Fund. Bond funds and individual bonds with a longer duration (a measure of the sensitivity of a security's price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. In addition, in the current low interest rate environment, the market price of the Funds' common shares may be particularly sensitive to changes in interest rates or the perception that there will be a change in interest rates.

The use of derivatives may subject the Funds to greater volatility than investments in traditional securities. The Funds may use derivative instruments for hedging purposes or as part of an investment strategy. Use of these instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, call risk, credit risk, management risk and the risk that a Fund could not close out a position when it would be most advantageous to do so. Certain derivative transactions may have a leveraging effect on a Fund. For example, a small investment in a derivative instrument may have a significant impact on a Fund's exposure to interest rates, currency exchange rates or other investments. As a result, a relatively small price movement in a derivative instrument may cause an immediate and substantial loss or gain, which translates into heightened volatility in a Fund's net asset value (NAV). A Fund may engage in such transactions regardless of whether the Fund owns the asset, instrument or components of the index underlying a derivative instrument. A Fund

may invest a significant portion of its assets in these types of instruments. If it does, a Fund's investment exposure could far exceed the value of its portfolio securities and its investment performance could be primarily dependent upon securities it does not directly own. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact a Fund's ability to invest in derivatives, limit a Fund's ability to employ certain strategies that use derivatives and adversely affect the value or performance of derivatives and a Fund.

A Fund's use of leverage creates the opportunity for increased income for the Fund's common shareholders, but also creates special risks. Leverage is a speculative technique that may expose a Fund to greater risk and increased costs. If shorter-term interest rates rise relative to the rate of return on a Fund's portfolio, the interest and other costs of leverage to the Fund could exceed the rate of return on the debt obligations and other investments held by the Fund, thereby reducing return to the Fund's common shareholders. In addition, fees and expenses of any form of leverage used by a Fund will be borne entirely by its common shareholders (and not by preferred shareholders, if any) and will reduce the investment return of the Fund's common shares. There can be no assurance that a Fund's use of leverage will result in a higher yield on its common shares, and it may result in losses. Leverage creates several major types of risks for a Fund's common shareholders, including: (1) the likelihood of greater volatility of net asset value and market price of the Fund's common shares, and of the investment return to the Fund's common shareholders, than a comparable portfolio without leverage; (2) the possibility either that the Fund's common share dividends will fall if the interest and other costs of leverage rise, or that dividends paid on the Fund's common shares will fluctuate because such costs vary over time; and (3) the effects of leverage in a declining market or a rising interest rate environment, as leverage is likely to cause a greater decline in the net asset value of the Fund's common shares than if the Fund were not leveraged and may result in a greater decline in the market value of the Fund's common shares.

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A Fund's investments in and exposure to foreign securities involve special risks. For example, the value of these investments may decline in response to unfavorable political and legal developments, unreliable or untimely information or economic and financial instability. Foreign securities may experience more rapid and extreme changes in value than investments in securities of U.S. issuers. The securities markets of certain foreign countries are relatively small, with a limited number of companies representing a small number of industries. Issuers of foreign securities are usually not subject to the same degree of regulation as U.S. issuers. Reporting, accounting, auditing and custody standards of foreign countries differ, in some cases significantly, from U.S. standards. Also, nationalization, expropriation or other confiscation,

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currency blockage, political changes or diplomatic developments could adversely affect a Fund's investments in foreign securities. In the event of nationalization, expropriation or other confiscation, a Fund could lose its entire investment in foreign securities. Risks associated with investing in foreign securities may be increased when a Fund invests in emerging markets. For example, if a Fund invests in emerging market debt, it may face increased exposure to interest rate, liquidity, volatility, and redemption risk due to the specific economic, political, geographical, or legal background of the emerging market.

Investments in loans are generally subject to risks similar to those of investments in other types of debt obligations, including, among others, credit risk, interest rate risk, variable and floating rate securities risk, and, as applicable, risks associated with mortgage-related securities. In addition, in many cases loans are subject to the risks associated with below-investment grade securities. In the case of a loan participation or assignment, a Fund generally has no right to enforce compliance with the terms of the loan agreement with the borrower. As a result, a Fund may be subject to the credit risk of both the borrower and the lender that is selling the loan agreement. In the event of the insolvency of the lender selling a loan participation, a Fund may be treated as a general creditor of the lender and may not benefit from any set-off between the lender and the borrower. The Funds may be subject to heightened or additional risks and potential liabilities and costs by investing in mezzanine and other subordinated loans or acting as an originator of loans, including those arising under bankruptcy, fraudulent conveyance, equitable subordination, lender liability, environmental and other laws and regulations, and risks and costs associated with debt servicing and taking foreclosure actions associated with the loans. To the extent that a Fund originates a loan, it may be responsible for all or a substantial portion of the expenses associated with initiating the loan, irrespective of whether the loan transaction is ultimately consummated or closed. This may include significant legal and due diligence expenses, which will be indirectly borne by a Fund and its shareholders.

Mortgage-related and other asset-backed securities often involve risks that are different from or more acute than risks associated with other types of debt instruments. Generally, rising interest rates tend to extend the duration of fixed rate mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, if a Fund holds mortgage-related securities, it may experience additional volatility since individual mortgage holders are less likely to exercise prepayment options, thereby putting additional downward pressure on the value of these securities and potentially causing the Fund to lose money. This is known as extension risk. Mortgage-backed securities can be highly sensitive to rising interest rates, such that even small movements can cause an investing Fund to

lose value. Mortgage-backed securities, and in particular those not backed by a government guarantee, are subject to credit risk. In addition, adjustable and fixed rate mortgage-related securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the returns of the Funds because the Funds may have to reinvest that money at the lower prevailing interest rates. The Funds' investments in other asset-backed securities are subject to risks similar to those associated with mortgage-related securities, as well as additional risks associated with the nature of the assets and the servicing of those assets. Payment of principal and interest on asset-backed securities may be largely dependent upon the cash flows generated by the assets backing the securities, and asset-backed securities may not have the benefit of any security interest in the related assets.

High-yield bonds (commonly referred to as "junk bonds") typically have a lower credit rating than other bonds. Lower-rated bonds generally involve a greater risk to principal than higher-rated bonds. Further, markets for lower-rated bonds are typically less liquid than for higher-rated bonds, and public information is usually less abundant in such markets. Thus, high yield investments increase the chance that a Fund will lose money on its investment. The Funds may also invest in bonds and other instruments that are not rated, but which PIMCO considers to be equivalent to high-yield investments. The Funds may hold defaulted securities that may involve special considerations including bankruptcy proceedings, other regulatory and legal restrictions affecting the Funds' ability to trade, and the availability of prices from independent pricing services or dealer quotations. Defaulted securities are often illiquid and may not be actively traded. Sale of securities in bankrupt companies at an acceptable price may be difficult and differences compared to the value of the securities used by the Funds could be material.

Variable and floating rate securities generally are less sensitive to interest rate changes but may decline in value if their interest rates do not rise as much, or as quickly, as interest rates in general. Conversely floating rate securities will not generally increase in value if interest rates decline. Inverse floating rate securities may decrease in value if interest rates increase. Inverse floating rate securities may also exhibit greater price volatility than a fixed rate obligation with similar credit quality. When a Fund holds variable or floating rate securities, a decrease (or, in the case

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of inverse floating rate securities, an increase) in market interest rates will adversely affect the income received from such securities and the NAV of the Funds' shares.

The global economic crisis brought several small economies in Europe to the brink of bankruptcy and many other economies into recession and weakened the banking and financial sectors of many European

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**Important Information About the Funds (Cont.)**

countries. For example, the governments of Greece, Spain, Portugal, and the Republic of Ireland have all experienced large public budget deficits, the effects of which are still yet unknown and may slow the overall recovery of the European economies from the global economic crisis. In addition, due to large public deficits, some European countries may be dependent on assistance from other European governments and institutions or other central banks or supranational agencies such as the International Monetary Fund. Assistance may be dependent on a country's implementation of reforms or reaching a certain level of performance. Failure to reach those objectives or an insufficient level of assistance could result in a deep economic downturn which could significantly affect the value of a Fund's European investments. It is possible that one or more Economic and Monetary Union of the European Union ( EMU ) member countries could abandon the euro and return to a national currency and/or that the euro will cease to exist as a single currency in its current form. The exit of any country out of the euro may have an extremely destabilizing effect on other eurozone countries and their economies and a negative effect on the global economy as a whole. Such an exit by one country may also increase the possibility that additional countries may exit the euro should they face similar financial difficulties.

The Funds may invest in securities and instruments that are economically tied to Russia. Investments in Russia are subject to various risks such as political, economic, legal, market and currency risks. The risks include uncertain political and economic policies, short-term market volatility, poor accounting standards, corruption and crime, an inadequate regulatory system, and unpredictable taxation. Investments in Russia are particularly subject to the risk that economic sanctions may be imposed by the United States and/or other countries. Such sanctions which may impact companies in many sectors, including energy, financial services and defense, among others may negatively impact the Funds performance and/or ability to achieve their investment objectives. The Russian securities market is characterized by limited volume of trading, resulting in difficulty in obtaining accurate prices. The Russian securities market, as compared to U.S. markets, has significant price volatility, less liquidity, a smaller market capitalization and a smaller number of traded securities. There may be little publicly available information about issuers. Settlement, clearing and registration of securities transactions are subject to risks because of registration systems that may not be subject to effective government supervision. This may result in significant delays or problems in registering the transfer of securities. Russian securities laws may not recognize foreign nominee accounts held with a custodian bank, and therefore the custodian may be considered the ultimate owner of securities they hold for their clients. Ownership of securities issued by Russian companies is recorded by companies themselves and by registrars instead of through a central registration system. It is possible

that the ownership rights of the Funds could be lost through fraud or negligence. While applicable Russian regulations impose liability on registrars for losses resulting from their errors, it may be difficult for the Funds to enforce any rights it may have against the registrar or issuer of the securities in the event of loss of share registration. Adverse currency exchange rates are a risk and there may be a lack of available currency hedging instruments. Investments in Russia may be subject to the risk of nationalization or expropriation of assets. Oil, natural gas, metals, and timber account for a significant portion of Russia's exports, leaving the country vulnerable to swings in world prices.

The common shares of the Funds trade on the New York Stock Exchange. As with any stock, the price of a Fund's common shares will fluctuate with market conditions and other factors. If you sell your common shares of a Fund, the price received may be more or less than your original investment. Shares of closed-end management investment companies frequently trade at a discount from their net asset value. The common shares of a Fund may trade at a price that is less than the initial offering price and/or the net asset value of such shares. Further, if a Fund's shares trade at a price that is more than the initial offering price and/or the net asset value of such shares, including at a substantial premium and/or for an extended period of time, there is no assurance that any such premium will be sustained for any period of time and will not decrease, or that the shares will not trade at a discount to net asset value thereafter.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on each Fund's annual financial statements presented under U.S. GAAP.

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If a Fund estimates that a portion of one of its dividend distributions may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of record of the estimated composition of such distribution through a Section 19 Notice. To determine the sources of a Fund's distributions, the Fund references its accounting records at the time the distribution is paid. If, based on such accounting records, a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally will not be issued. It is important to note that differences exist between a Fund's accounting entries maintained on a day-to-day basis, the Fund's financial statements presented in accordance with U.S. GAAP, and accounting practices under income

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tax regulations. Examples of such differences may include the treatment of paydowns on mortgage-backed securities purchased at a discount and periodic payments under interest rate swap contracts. A Fund may not issue a Section 19 Notice in situations where the Fund's financial statements prepared later and in accordance with U.S. GAAP or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please visit [www.pimco.com](http://www.pimco.com) for the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Final determination of a distribution's tax character will be reported on Form 1099 DIV sent to shareholders each January.

The Funds may be subject to various risks in addition to those described above. Some of these risks may include, but are not limited to, the following: asset allocation risk, credit risk, stressed securities risk, distressed and defaulted securities risk, corporate bond risk, market risk, issuer risk, liquidity risk, equity securities and related market risk, mortgage-related and other asset-backed securities risk, extension risk, prepayment risk, privately issued mortgage-related securities risk, mortgage market/ subprime risk, foreign (non-U.S.) investment risk, emerging markets risk, currency risk, redenomination risk, non-diversification risk, management risk, municipal bond risk, inflation-indexed security risk, senior debt risk, loans, participations and assignments risk, reinvestment risk, real estate risk, U.S. Government securities risk, foreign (non-U.S.) government securities risk, valuation risk, segregation and cover risk, focused investment risk, credit default swaps risk, event-linked securities risk, counterparty risk, preferred securities risk, confidential information access risk, other investment companies risk, private placements risk, inflation/deflation risk, regulatory risk, tax risk, recent economic conditions risk, market disruptions and geopolitical risk, potential conflicts of interest involving allocation of investment opportunities, repurchase agreements risk, securities lending risk, zero-coupon bond and payment-in-kind securities risk, portfolio turnover risk, smaller company risk, short sale risk and convertible securities risk. A description of certain of these risks is available in the Notes to Financial Statements of this Report.

On each Fund Summary page in this Shareholder Report, the Average Annual Total Return table measures performance assuming that all dividend and capital gain distributions were reinvested. Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. Returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions. Total return for a period of more than one year represents the average annual total return. Performance at market price will differ from results at NAV. Although market price returns tend to reflect investment results over time, during shorter periods returns at market price can

also be influenced by factors such as changing views about a Fund, market conditions, supply and demand for the Fund's shares, or changes in the Fund's dividends. Performance shown is net of fees and expenses.

The following table discloses the commencement of operations and diversification status of each Fund:

<b>Fund Name</b>	<b>Commencement of Operations</b>	<b>Diversification Status</b>
PIMCO Corporate & Income Opportunity Fund	12/27/02	Diversified
PIMCO Corporate & Income Strategy Fund	12/21/01	Diversified
PIMCO High Income Fund	04/30/03	Diversified
PIMCO Income Strategy Fund	08/29/03	Diversified
PIMCO Income Strategy Fund II	10/29/04	Diversified

An investment in a Fund is not a deposit of a bank and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Funds.

The Trustees are responsible generally for overseeing the management of the Funds. The Trustees authorize the Funds to enter into service agreements with the Investment Manager and other service providers in order to provide, and in some cases authorize service providers to

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procure through other parties, necessary or desirable services on behalf of the Funds. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither a Fund's original or any subsequent prospectus or Statement of Additional Information (SAI), any press release or shareholder report, any contracts filed as exhibits to a Fund's registration statement, nor any other communications, disclosure documents or regulatory filings from or on behalf of a Fund creates a contract between or among any shareholder of a Fund, on the one hand, and the Fund, a service provider to the Fund, and/or the Trustees or officers of the Fund, on the other hand. The Trustees (or the Funds and their officers, service providers or other delegates acting under authority of the Trustees) may amend its most recent or use a new prospectus or SAI with respect to a Fund, adopt and disclose new or amended policies and other changes in press releases and shareholder reports and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which a Fund is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to any Fund, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement was specifically disclosed in a Fund's prospectus, SAI or shareholder report and is otherwise still in effect.

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**Important Information About the Funds (Cont.)**

PIMCO has adopted written proxy voting policies and procedures ( Proxy Policy ) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Funds as the policies and procedures that PIMCO will use when voting proxies on behalf of the Funds. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of each Fund, and information about how each Fund voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Funds at (844) 33-PIMCO (844-337-4626), on the Funds website at [www.pimco.com](http://www.pimco.com), and on the Securities and Exchange Commission's ( SEC ) website at <http://www.sec.gov>.

Each Fund files a complete schedule of its portfolio holdings with the SEC for the first and third quarters of its fiscal year on Form N-Q. A

copy of each Fund's Form N-Q is available on the SEC's website at <http://www.sec.gov> and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C., and is available without charge, upon request by calling the Funds at (844) 33-PIMCO (844-337-4626) and on the Funds website at [www.pimco.com](http://www.pimco.com).

Updated portfolio holdings information about a Fund will be available at [www.pimco.com](http://www.pimco.com) approximately 15 calendar days after such Fund's most recent fiscal quarter end, and will remain accessible until such Fund files a Form N-Q or a shareholder report for the period which includes the date of the information. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

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## Allocation Breakdown

Corporate Bonds & Notes	33.4%
Non-Agency Mortgage-Backed Securities	27.2%
Asset-Backed Securities	15.4%
Short-Term Instruments	8.1%
Municipal Bonds & Notes	7.3%
Other	8.6%

% of Investments, at value as of 01/31/16. Financial derivative instruments, if any, are excluded.

Fund Information (as of January 31, 2016)<sup>(1)</sup>

Market Price	\$13.10
NAV	\$12.75
Premium/(Discount) to NAV	2.75%
Market Price Distribution Yield <sup>(2)</sup>	11.91%
NAV Distribution Yield <sup>(2)</sup>	12.24%
Total Effective Leverage <sup>(3)</sup>	44%

Average Annual Total Return<sup>(1)</sup> for the period ended January 31, 2016

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (12/27/02)
Market Price	(2.76)%	(12.76)%	6.38%	10.78%	12.36%
NAV	(4.87)%	2.17%	10.84%	12.76%	13.46%

All Fund returns are net of fees and expenses.

\* Cumulative return

<sup>(1)</sup> Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit [www.pimco.com](http://www.pimco.com) or call (844) 33-PIMCO.

<sup>(2)</sup> Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of

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such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit [www.pimco.com](http://www.pimco.com) for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

### Investment Objective and Strategy Overview

- » PIMCO Corporate & Income Opportunity Fund's primary investment objective is to seek high current income, with capital preservation and capital appreciation as secondary objectives.

### Fund Insights

- » The Fund's exposure to high yield corporate bonds was the primary detractor from returns, as the sector struggled against a backdrop of commodity weakness and capital outflows. Within high yield, exposure to banking and specialty finance, manufacturing, utilities, entertainment, media and raw materials companies was the main headwind for returns.
- » The Fund's emerging market holdings were major detractors from returns, due to exposure to local and hard currency-denominated Brazilian debt. Brazil was negatively impacted by slowing economic growth, high inflation and a political crisis. However, gains from holdings of Russian hard currency-denominated debt helped offset some of the negative impact.
- » Additionally within corporate credit, the Fund's exposure to investment grade corporate bonds was a significant detractor from returns as spreads widened, given abundant new supply and commodity price volatility.
- » The Fund's allocation to securitized credit detracted significantly from performance, as prices were generally lower during the period.
- » Overall contribution from U.S. interest rate exposure was the primary positive factor for performance. This was due mainly to an emphasis on the intermediate portion of the curve, as it provided attractive carry, the rate of interest earned by holding the respective securities, and intermediate interest rates generally declined over the reporting period. Additionally, tactical exposure to U.K. rates contributed to performance.
- » The Fund's exposure to select taxable municipal bonds contributed modestly to returns, as these issues gained value during the period and were more insulated from underperformance experienced in corporate credit sectors.

**Table of Contents****PIMCO Corporate & Income Strategy Fund**Symbol on NYSE - **PCN**

## Allocation Breakdown

Corporate Bonds & Notes	38.0%
Non-Agency Mortgage-Backed Securities	30.6%
Asset-Backed Securities	15.2%
Municipal Bonds & Notes	4.3%
Short-Term Instruments	2.1%
Other	9.8%

% of Investments, at value as of 01/31/16. Financial derivative instruments, if any, are excluded.

Fund Information (as of January 31, 2016)<sup>(1)</sup>

Market Price	\$13.48
NAV	\$13.78
Premium/(Discount) to NAV	(2.18)%
Market Price Distribution Yield <sup>(2)</sup>	10.01%
NAV Distribution Yield <sup>(2)</sup>	9.80%
Total Effective Leverage <sup>(3)</sup>	21%

Average Annual Total Return<sup>(1)</sup> for the period ended January 31, 2016

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (12/21/01)
Market Price	3.44%	(3.53)%	7.11%	10.04%	10.62%
NAV	(1.91)%	2.98%	10.08%	11.72%	11.67%

All Fund returns are net of fees and expenses.

\* Cumulative return

(1) Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Total return, market price, NAV, market price distribution yield, and NAV distribution yield will fluctuate with changes in market conditions. For performance current to the most recent month-end, visit [www.pimco.com](http://www.pimco.com) or call (844) 33-PIMCO.

(2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit [www.pimco.com](http://www.pimco.com) for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character

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will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

### Investment Objective and Strategy Overview

- » PIMCO Corporate & Income Strategy Fund's primary investment objective is to seek high current income, with a secondary objective of capital preservation and appreciation.

### Fund Insights

- » The Fund's exposure to high yield corporate bonds was the primary detractor from returns, as the sector struggled amid a backdrop of commodity weakness and capital outflows. Within high yield, exposure to banking and specialty finance, manufacturing, utilities, entertainment, media and raw materials companies was the main headwind for returns.
- » The Fund's emerging market holdings were major detractors from returns, due to exposure to local and hard currency-denominated Brazilian debt. Brazil was negatively impacted by slowing economic growth, high inflation and a political crisis.
- » Additionally within corporate credit, the Fund's exposure to investment grade corporate bonds was a significant detractor from returns as spreads widened, given abundant new supply and commodity price volatility.
- » The Fund's allocation to securitized credit detracted significantly from performance, as prices were generally lower during the period.
- » Overall contribution from U.S. interest rate exposure was the primary positive factor for performance. This was due mainly to an emphasis on the intermediate portion of the curve, as it provided attractive carry, the rate of interest earned by holding the respective securities, and intermediate interest rates generally declined over the reporting period. Additionally, tactical exposure to U.K. rates contributed to performance.
- » The Fund's partial redemption of auction rate preferred shares had a major, one-time positive impact on returns, as the redemption was done below face value, which was accretive for common shareholders.
- » The Fund's exposure to select taxable municipal bonds contributed modestly to returns.

## 10 PIMCO CLOSED-END FUNDS

**Table of Contents**

**PIMCO High Income Fund**

Symbol on NYSE - **PHK**

Allocation Breakdown

Corporate Bonds & Notes	49.6%
Non-Agency Mortgage-Backed Securities	17.2%
Asset-Backed Securities	14.1%
Municipal Bonds & Notes	10.5%
Short-Term Instruments	2.3%
Other	6.3%

% of Investments, at value as of 01/31/16. Financial derivative instruments, if any, are excluded.

Fund Information (as of January 31, 2016)<sup>(1)</sup>

Market Price	\$7.84
NAV	\$6.53
Premium/(Discount) to NAV	20.06%
Market Price Distribution Yield <sup>(2)</sup>	15.84%
NAV Distribution Yield <sup>(2)</sup>	19.01%
Total Effective Leverage <sup>(3)</sup>	23%

Average Annual Total Return<sup>(1)</sup> for the period ended January 31, 2016

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (04/30/03)
Market Price	(12.59)%	(25.41)%	2.34%	7.93%	8.74%
NAV	(2.86)%	5.67%	11.17%	10.23%	10.83%

All Fund returns are net of fees and expenses.

\* Cumulative return

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<sup>(2)</sup> Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of

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such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit [www.pimco.com](http://www.pimco.com) for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

### Investment Objective and Strategy Overview

- » PIMCO High Income Fund's primary investment objective is to seek high current income, with capital appreciation as a secondary objective.

### Fund Insights

- » The Fund's exposure to high yield corporate bonds was the primary detractor from returns, as the sector struggled amid a backdrop of commodity weakness and capital outflows. Within high yield, exposure to banking and specialty finance, manufacturing, utilities, entertainment, media and energy companies was the main headwind for returns.
- » The Fund's emerging market holdings were major detractors from returns, due to exposure to hard currency-denominated Brazilian debt. Brazil was negatively impacted by slowing economic growth, high inflation and a political crisis.
- » The Fund's allocation to securitized credit also detracted significantly from performance due to negative security selection within non-agency residential mortgage-backed securities and exposure to structured credit vehicles (collateralized debt obligations/collateralized loan obligations).
- » Additionally within corporate credit, the Fund's exposure to investment grade corporate bonds detracted significantly from returns as spreads widened, given abundant new supply and commodity price volatility.
- » Overall contribution from U.S. interest rate exposure was the primary positive factor for performance. This was due mainly to an emphasis on the intermediate portion of the curve, as it provided attractive carry, the rate of interest earned by holding the respective securities, and intermediate interest rates generally declined over the reporting period. Additionally, tactical exposure to U.K. rates contributed to performance.
- » The Fund's partial redemption of auction rate preferred shares had a significant, one-time positive impact on returns, as the redemption was done below face value, which was accretive for common shareholders.
- » The Fund's exposure to select taxable municipal bonds contributed modestly to returns.

**Table of Contents****PIMCO Income Strategy Fund**Symbol on NYSE - **PFL**

## Allocation Breakdown

Corporate Bonds & Notes	44.2%
Asset-Backed Securities	21.6%
Non-Agency Mortgage-Backed Securities	16.4%
Municipal Bonds & Notes	5.2%
Short-Term Instruments	4.3%
Other	8.3%

% of Investments, at value as of 01/31/16. Financial derivative instruments, if any, are excluded.

Fund Information (as of January 31, 2016)<sup>(1)</sup>

Market Price	\$9.29
NAV	\$10.08
Premium/(Discount) to NAV	(7.84)%
Market Price Distribution Yield <sup>(2)</sup>	11.63%
NAV Distribution Yield <sup>(2)</sup>	10.71%
Total Effective Leverage <sup>(3)</sup>	23%

Average Annual Total Return<sup>(1)</sup> for the period ended January 31, 2016

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (08/29/03)
Market Price	(5.59)%	(12.40)%	4.63%	4.71%	4.43%
NAV	(7.55)%	(1.57)%	8.16%	5.41%	5.59%

All Fund returns are net of fees and expenses.

\* Cumulative return

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(2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the composition of distributions. Please visit [www.pimco.com](http://www.pimco.com) for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character



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will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

### Investment Objective and Strategy Overview

- » PIMCO Income Strategy Fund's primary investment objective is to seek high current income, consistent with the preservation of capital.

### Fund Insights

- » The Fund's exposure to high yield corporate bonds was the primary detractor from returns, as the sector struggled amid a backdrop of commodity weakness and capital outflows. Within high yield, exposure to banking and specialty finance, manufacturing, utilities, entertainment, media and raw materials companies was the main headwind for returns.
- » The Fund's emerging market holdings were major detractors from returns, due to exposure to local and hard currency-denominated Brazilian debt. Brazil was negatively impacted by slowing economic growth, high inflation and a political crisis.
- » Additionally within corporate credit, the Fund's exposure to investment grade corporate bonds detracted significantly from returns as spreads widened, given abundant new supply and commodity price volatility.
- » The Fund's allocation to securitized credit detracted significantly from performance, as prices were generally lower during the period.
- » Overall contribution from U.S. interest rate exposure was the primary positive factor for performance. This was due mainly to an emphasis on the intermediate portion of the curve, as it provided attractive carry, the rate of interest earned by holding the respective securities, and intermediate interest rates generally declined over the reporting period. Additionally, tactical exposure to U.K. rates contributed to performance.
- » The Fund's exposure to select taxable municipal bonds contributed modestly to returns.

## 12 PIMCO CLOSED-END FUNDS

**Table of Contents****PIMCO Income Strategy Fund II**Symbol on NYSE - **PFN**

## Allocation Breakdown

Corporate Bonds & Notes	41.3%
Non-Agency Mortgage-Backed Securities	23.1%
Asset-Backed Securities	15.8%
Municipal Bonds & Notes	7.3%
Short-Term Instruments	3.8%
Other	8.7%

% of Investments, at value as of 01/31/16. Financial derivative instruments, if any, are excluded.

Fund Information (as of January 31, 2016)<sup>(1)</sup>

Market Price	\$8.41
NAV	\$9.11
Premium/(Discount) to NAV	(7.68)%
Market Price Distribution Yield <sup>(2)</sup>	11.41%
NAV Distribution Yield <sup>(2)</sup>	10.54%
Total Effective Leverage <sup>(3)</sup>	23%

Average Annual Total Return<sup>(1)</sup> for the period ended January 31, 2016

	6 Month*	1 Year	5 Year	10 Year	Commencement of Operations (10/29/04)
Market Price	(4.97)%	(8.69)%	6.31%	3.76%	3.29%
NAV	(6.13)%	(0.10)%	8.58%	4.31%	4.43%

All Fund returns are net of fees and expenses.

\* Cumulative return

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(2) Distribution yields are not performance and are calculated by annualizing the most recent distribution per share and dividing by the NAV or Market Price, as applicable, as of the reported date. Distributions may be comprised of ordinary income, net capital gains, and/or a return of capital (ROC) of your investment in the Fund. Because the distribution rate may include a ROC, it should not be confused with yield or income. If the Fund estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income, the Fund will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. Please refer to the most recent Section 19 Notice, if applicable, for additional information regarding the

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composition of distributions. Please visit [www.pimco.com](http://www.pimco.com) for most recent Section 19 Notice, if applicable. Final determination of a distribution's tax character will be made on Form 1099 DIV sent to shareholders each January.

- (3) Represents total effective leverage outstanding, as a percentage of total managed assets. Total effective leverage consists of preferred shares, reverse repurchase agreements and other borrowings, credit default swap notional and floating rate notes issued in tender option bond transactions, as applicable (collectively "Total Effective Leverage"). The Fund may engage in other transactions not included in Total Effective Leverage disclosed above that may give rise to a form of leverage, including certain derivative transactions. For the purpose of calculating Total Effective Leverage outstanding as a percentage of total managed assets, total managed assets refer to total assets (including assets attributable to Total Effective Leverage that may be outstanding) minus accrued liabilities (other than liabilities representing Total Effective Leverage).

### Investment Objective and Strategy Overview

- » PIMCO Income Strategy Fund II's primary investment objective is to seek high current income, consistent with the preservation of capital.

### Fund Insights

- » The Fund's exposure to high yield corporate bonds was the primary detractor from returns, as the sector struggled amid a backdrop of commodity weakness and capital outflows. Within high yield, exposure to banking and specialty finance, manufacturing, utilities, entertainment, media and raw materials companies was the main headwind for returns.
- » The Fund's emerging market holdings were major detractors from returns, due to exposure to local and hard currency-denominated Brazilian debt. Brazil was negatively impacted by slowing economic growth, high inflation and a political crisis.
- » Additionally within corporate credit, the Fund's exposure to investment grade corporate bonds detracted significantly from returns as spreads widened, given abundant new supply and commodity price volatility.
- » The Fund's allocation to securitized credit also detracted significantly from performance, as prices were generally lower during the period.
- » Overall contribution from U.S. interest rate exposure was the primary positive factor for performance. This was due mainly to an emphasis on the intermediate portion of the curve, as it provided attractive carry, the rate of interest earned by holding the respective securities, and intermediate interest rates generally declined over the reporting period. Additionally, tactical exposure to U.K. rates contributed to performance.
- » The Fund's exposure to select taxable municipal bonds contributed modestly to returns.

**Table of Contents****Financial Highlights**

Year or Period	Investment Operations						Less Distributions to Common Shareholders				
	Net Asset Value Beginning of Year	Net Investment Income	Realized Gain (Loss)	Distributions on Preferred Shares from Net Investment Income	Distributions on Preferred Shares from Realized Gains	Total	From Net Investment Income	From Net Realized Capital Gain	Tax Basis Return of Capital	Total	
	(a)	(a)	(a)	(b)	(b)		(b)	(b)	(b)	(b)	
<b>PIMCO Corporate &amp; Income Opportunity Fund</b>											
08/01/2015 - 01/31/2016+	\$ 14.23	\$ 0.53	\$ (1.19)	\$ (0.01)	\$ 0.00	\$ (0.67)	\$ (0.81)	\$ 0.00	\$ 0.00	\$ (0.81)	
12/01/2014 - 07/31/2015 <sup>(f)</sup>	15.41	0.68	(0.33)	(0.00) <sup>^</sup>	0.00	0.35	(1.69)	0.00	0.00	(1.69) <sup>(i)</sup>	
11/30/2014	16.62	1.14	1.06	(0.00) <sup>^</sup>	(0.01)	2.19	(1.56)	(1.84)	0.00	(3.40)	
11/30/2013	17.58	1.43	0.19	(0.00) <sup>^</sup>	(0.00) <sup>^</sup>	1.62	(1.82)	(0.76)	0.00	(2.58)	
11/30/2012	14.22	1.68	3.87	(0.01)	0.00	5.54	(2.18)	0.00	0.00	(2.18)	
11/30/2011	16.29	1.88	(1.87)	(0.01)	0.00	0.00	(2.07)	0.00	0.00	(2.07)	
11/30/2010	13.63	1.80	2.83	(0.01)	0.00	4.62	(1.96)	0.00	0.00	(1.96)	
<b>PIMCO Corporate &amp; Income Strategy Fund</b>											
08/01/2015 - 01/31/2016+	\$ 14.75	\$ 0.50	\$ (1.28)	\$ (0.00) <sup>^</sup>	\$ 0.00	\$ (0.78)	\$ (0.70)	\$ 0.00	\$ 0.00	\$ (0.70)	
11/01/2014 - 07/31/2015 <sup>(g)</sup>	15.60	0.73	(0.21)	(0.00) <sup>^</sup>	0.00	0.52	(1.37)	0.00	0.00	(1.37) <sup>(i)</sup>	
10/31/2014	16.04	0.99	0.87	(0.00) <sup>^</sup>	(0.00) <sup>^</sup>	1.86	(1.35)	(0.95)	0.00	(2.30)	
10/31/2013	15.90	1.28	0.44	(0.01)	0.00	1.71	(1.57)	0.00	0.00	(1.57)	
10/31/2012	13.67	1.57	2.47	(0.01)	0.00	4.03	(1.80)	0.00	0.00	(1.80)	
10/31/2011	15.51	1.72	(1.87)	(0.01)	0.00	(0.16)	(1.68)	0.00	0.00	(1.68)	
10/31/2010	12.88	1.61	2.90	(0.01)	0.00	4.50	(1.87)	0.00	0.00	(1.87)	
<b>PIMCO High Income Fund</b>											
08/01/2015 - 01/31/2016+	\$ 7.37	\$ 0.31	\$ (0.77)	\$ (0.00) <sup>^</sup>	\$ 0.00	\$ (0.46)	\$ (0.64)	\$ 0.00	\$ 0.00	\$ (0.64)	
04/01/2015 - 07/31/2015 <sup>(h)</sup>	7.59	0.21	0.06	(0.00) <sup>^</sup>	0.00	0.27	(0.33)	0.00	(0.16)	(0.49) <sup>(i)</sup>	
03/31/2015	8.23	0.94	(0.12)	(0.00) <sup>^</sup>	0.00	0.82	(1.46)	0.00	0.00	(1.46)	
03/31/2014	8.65	0.84	0.20	(0.00) <sup>^</sup>	0.00	1.04	(1.35)	0.00	(0.11)	(1.46)	
03/31/2013	7.87	0.81	1.43	(0.00) <sup>^</sup>	0.00	2.24	(1.42)	0.00	(0.04)	(1.46)	
03/31/2012	9.42	0.96	(1.05)	(0.00) <sup>^</sup>	0.00	(0.09)	(1.39)	0.00	(0.07)	(1.46)	
03/31/2011	8.73	1.13	1.03	(0.01)	0.00	2.15	(1.46)	0.00	0.00	(1.46)	
<b>PIMCO Income Strategy Fund</b>											
08/01/2015 - 01/31/2016+	\$ 11.46	\$ 0.38	\$ (1.21)	\$ (0.01)	\$ 0.00	\$ (0.84)	\$ (0.54)	\$ 0.00	\$ 0.00	\$ (0.54)	
07/31/2015	12.15	0.79	(0.34)	(0.03)	0.00	0.42	(1.22)	0.00	0.00	(1.22)	
07/31/2014	11.70	0.79	0.78	(0.04)	0.00	1.53	(1.08)	0.00	0.00	(1.08)	
07/31/2013	11.35	0.92	0.87	(0.04)	0.00	1.75	(1.40)	0.00	0.00	(1.40)	
07/31/2012	11.39	1.16	(0.04)	(0.05)	0.00	1.07	(1.11)	0.00	0.00	(1.11)	
07/31/2011	10.62	1.24	0.79	(0.05)	0.00	1.98	(1.21)	0.00	0.00	(1.21)	
<b>PIMCO Income Strategy Fund II</b>											
08/01/2015 - 01/31/2016+	\$ 10.27	\$ 0.46	\$ (1.06)	\$ (0.01)	\$ 0.00	\$ (0.61)	\$ (0.55)	\$ 0.00	\$ 0.00	\$ (0.55)	
07/31/2015	10.88	0.70	(0.29)	(0.03)	0.00	0.38	(1.11)	0.00	0.00	(1.11)	
07/31/2014	10.29	0.72	0.87	(0.04)	0.00	1.55	(0.96)	0.00	0.00	(0.96)	
07/31/2013	10.23	0.88	0.68	(0.04)	0.00	1.52	(1.46)	0.00	0.00	(1.46)	
07/31/2012	10.04	1.03	0.03	(0.04)	0.00	1.02	(0.83)	0.00	0.00	(0.83)	
07/31/2011	9.29	1.03	0.73	(0.04)	0.00	1.72	(0.97)	0.00	0.00	(0.97)	

+ Unaudited

\* Annualized

<sup>^</sup> Reflects an amount rounding to less than one cent.

(a) Per share amounts based on average number of common shares outstanding during the year or period.

(b) Determined in accordance with federal income tax regulations, see Note 2(c) in the Notes to Financial Statements for more information.

(c) Total investment return is calculated assuming a purchase of a common share at the market price on the first day and a sale of a common share at the market price on the last day of each year or period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Funds' dividend reinvestment plan. Total investment return does not reflect brokerage commissions in connection

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with the purchase or sale of Fund shares.

- (d) Calculated on the basis of income and expenses applicable to both common and preferred shares relative to the average net assets of common shareholders.
- (e) Interest expense primarily relates to participation in borrowing and financing transactions, see Note 5 in the Notes to Financial Statements for more information.
- (f) Fiscal year end changed from November 30<sup>th</sup> to July 31<sup>st</sup>.
- (g) Fiscal year end changed from October 31<sup>st</sup> to July 31<sup>st</sup>.
- (h) Fiscal year end changed from March 31<sup>st</sup> to July 31<sup>st</sup>.
- (i) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.
- (j) See Note 12 in the Notes to Financial Statements.

### **14 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

**Table of Contents**

Preferred Share Transactions	Common Share			Ratios/Supplemental Data Ratios to Average Net Assets						
	Increase Resulting from Tender and Repurchase of Auction-Rate Preferred Shares (i)	Net Asset Value End of Year or Period	Market Price End of Year or Period	Total Investment Return (c)	Net Assets Applicable to Common Shareholders (000s)	Expenses (d)(e)	Expenses Excluding Interest Expense (d)	Net Investment Income (d)	Preferred Shares Asset Coverage Per Share	Portfolio Turnover Rate
\$ 0.00	\$ 12.75	\$ 13.10	(2.76)%	\$ 905,625	0.92%*	0.87%*	7.96%*	\$ 120,139	20%	
0.16	14.23	14.31	(13.61)	1,006,484	0.91*	0.90*	7.01*	130,743	34	
0.00	15.41	18.50	26.04	1,082,000	0.91	0.91	7.36	108,229	44	
0.00	16.62	17.75	(0.15)	1,149,779	0.91	0.91	8.49	113,443	118	
0.00	17.58	20.37	36.86	1,205,090	1.05	0.93	10.63	117,697	29	
0.00	14.22	16.78	9.24	967,195	1.09	0.94	11.76	99,399	53	
0.00	16.29	17.30	40.36	1,098,920	1.02	0.93	11.98	109,530	70	
\$ 0.51	\$ 13.78	\$ 13.48	3.44%	\$ 532,601	1.11%*	1.08%*	7.13%*	\$ 264,785	21%	
0.00	14.75	13.71	(7.12)	570,122	1.07*	1.07*	6.51*	109,336	40	
0.00	15.60	16.18	8.84	599,980	1.09	1.09	6.32	113,753	48	
0.00	16.04	17.15	3.48	612,225	1.10	1.09	7.91	115,565	108	
0.00	15.90	18.17	33.21	603,483	1.32	1.14	11.03	114,270	28	
0.00	13.67	15.27	4.78	515,041	1.30	1.16	11.56	101,188	32	
0.00	15.51	16.24	41.86	579,963	1.24	1.17	11.64	110,790	52	
\$ 0.26	\$ 6.53	\$ 7.84	(12.59)%	\$ 824,049	1.08%*	1.02%*	9.13%*	\$ 227,006	17%	
0.00	7.37	9.71	(18.40)	925,598	1.05*	1.03*	8.14*	104,245	8	
0.00	7.59	12.48	12.30	949,880	1.18	1.02	11.53	106,324	58	
0.00	8.23	12.56	15.51	1,021,120	1.14	1.03	10.14	112,424	159	
0.00	8.65	12.35	8.53	1,063,863	1.06	1.05	10.00	116,082	70	
0.00	7.87	12.84	3.28	960,496	1.16	1.07	11.76	107,233	24	
0.00	9.42	14.01	28.94	1,138,186	1.11	1.04	12.74	122,446	89	
\$ 0.00	\$ 10.08	\$ 9.29	(5.59)%	\$ 255,019	1.17%*	1.13%*	7.00%*	\$ 149,316	18%	
0.11	11.46	10.39	(2.62)	289,909	1.30	1.25	6.67	166,328	67	
0.00	12.15	11.87	9.95	306,475	1.19	1.18	6.71	122,004	113	
0.00	11.70	11.83	5.69	294,017	1.24	1.21	7.59	118,058	63	
0.00	11.35	11.52	12.02	283,285	1.85	1.65	10.93	114,654	23	
0.00	11.39	12.39	19.67	282,691	1.51	1.41	11.00	114,474	44	
\$ 0.00	\$ 9.11	\$ 8.41	(4.97)%	\$ 538,403	1.14%*	1.08%*	9.54%*	\$ 170,561	17%	
0.12	10.27	9.41	(0.12)	606,974	1.16	1.13	6.58	189,105	63	
0.00	10.88	10.50	12.39	642,119	1.14	1.14	6.79	124,695	119	
0.00	10.29	10.24	6.80	605,843	1.16	1.14	8.20	119,060	71	
0.00	10.23	10.96	16.33	597,683	1.48	1.37	10.87	117,792	17	
0.00	10.04	10.27	12.53	584,351	1.24	1.21	10.34	115,720	42	

**Table of Contents****Statements of Assets and Liabilities**

January 31, 2016 (Unaudited)

	<b>PIMCO Corporate &amp; Income Opportunity Fund</b>	<b>PIMCO Corporate &amp; Income Strategy Fund</b>	<b>PIMCO High Income Fund</b>	<b>PIMCO Income Strategy Fund</b>	<b>PIMCO Income Strategy Fund II</b>
(Amounts in thousands, except per share amounts)					
<b>Assets:</b>					
<i>Investments, at value</i>					
Investments in securities*	\$ 1,217,978	\$ 634,534	\$ 1,011,349	\$ 320,649	\$ 677,455
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	4,597	2,681	8,457	1,414	3,309
Over the counter	10,781	5,315	28,748	3,154	6,924
Cash	78	447	0	60	3,436
Deposits with counterparty	14,098	4,812	11,575	3,529	5,142
Foreign currency, at value	821	302	201	222	514
Receivable for investments sold	4,528	17,937	12,559	2,402	8,616
Interest and dividends receivable	12,393	5,840	12,942	3,272	6,604
Other assets	12	13	85	2	5
<b>Total Assets</b>	<b>1,265,286</b>	<b>671,881</b>	<b>1,085,916</b>	<b>334,704</b>	<b>712,005</b>
<b>Liabilities:</b>					
<i>Borrowings &amp; Other Financing Transactions</i>					
Payable for reverse repurchase agreements	\$ 20,020	\$ 51,083	\$ 97,483	\$ 9,754	\$ 38,036
<i>Financial Derivative Instruments</i>					
Exchange-traded or centrally cleared	4,703	2,287	8,255	1,314	3,139
Over the counter	76,183	5,780	9,198	3,494	7,328
Payable for investments purchased	8,540	15,381	6,199	8,324	20,931
Deposits from counterparty	2,161	4,381	24,916	2,889	6,118
Distributions payable to common shareholders	9,231	4,350	13,056	2,277	4,728
Distributions payable to preferred shareholders	24	4	8	9	21
Overdraft due to custodian	0	0	10	0	0
Accrued management fees	571	366	542	213	429
Other liabilities	278	123	225	136	422
<b>Total Liabilities</b>	<b>121,711</b>	<b>83,755</b>	<b>159,892</b>	<b>28,410</b>	<b>81,152</b>
<b>Preferred Shares (\$0.00001 par value and \$25,000 liquidation preference per share applicable to an aggregate of 9,518, 2,221, 4,079, 2,051, 3,698 shares issued and outstanding, respectively)</b>	<b>237,950</b>	<b>55,525</b>	<b>101,975</b>	<b>51,275</b>	<b>92,450</b>
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$ 905,625</b>	<b>\$ 532,601</b>	<b>\$ 824,049</b>	<b>\$ 255,019</b>	<b>\$ 538,403</b>
<b>Composition of Net Assets Applicable to Common Shareholders:</b>					
Common Shares:					
Par value (\$0.00001 per share)	\$ 1	\$ 0	\$ 1	\$ 0	\$ 1
Paid in capital in excess of par	1,029,485	569,619	1,693,567	419,477	950,671
(Overdistributed) net investment income	(28,528)	(12,037)	(80,891)	(6,504)	(8,523)
Accumulated undistributed net realized (loss)	(110,500)	(27,585)	(850,056)	(151,806)	(402,094)
Net unrealized appreciation (depreciation)	15,167	2,604	61,428	(6,148)	(1,652)
	\$ 905,625	\$ 532,601	\$ 824,049	\$ 255,019	\$ 538,403
<b>Common Shares Issued and Outstanding</b>	<b>71,005</b>	<b>38,665</b>	<b>126,194</b>	<b>25,300</b>	<b>59,103</b>
<b>Net Asset Value Per Common Share</b>	<b>\$ 12.75</b>	<b>\$ 13.78</b>	<b>\$ 6.53</b>	<b>\$ 10.08</b>	<b>\$ 9.11</b>
Cost of investments in securities	\$ 1,243,266	\$ 664,214	\$ 1,069,807	\$ 341,768	\$ 715,700
Cost of foreign currency held	\$ 822	\$ 304	\$ 215	\$ 225	\$ 517
Cost or premiums of financial derivative instruments, net	\$ (52,173)	\$ 755	\$ 8,429	\$ 279	\$ 481

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* Includes repurchase agreements of:	\$	35,311	\$	5,536	\$	11,451	\$	5,253	\$	16,400
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A zero balance may reflect actual amounts rounding to less than one thousand.

### 16 PIMCO CLOSED-END FUNDS

See Accompanying Notes



**Table of Contents****Statements of Operations**

Six Months Ended January 31, 2016 (Unaudited)

	<b>PIMCO Corporate &amp; Income Opportunity Fund</b>	<b>PIMCO Corporate &amp; Income Strategy Fund</b>	<b>PIMCO High Income Fund</b>	<b>PIMCO Income Strategy Fund</b>	<b>PIMCO Income Strategy Fund II</b>
(Amounts in thousands)					
<b>Investment Income:</b>					
Interest, net of foreign taxes*	\$ 40,527	\$ 21,414	\$ 43,333	\$ 10,535	\$ 29,293
Dividends	1,779	1,113	900	567	1,224
<b>Total Income</b>	<b>42,306</b>	<b>22,527</b>	<b>44,233</b>	<b>11,102</b>	<b>30,517</b>
<b>Expenses:</b>					
Management fees	3,863	2,723	4,123	1,456	2,941
Auction agent fees and commissions	243	131	227	59	120
Trustee fees and related expenses	51	63	77	13	43
Interest expense	230	69	244	49	159
Auction rate preferred shares related expenses	21	31	11	19	8
<b>Total Expenses</b>	<b>4,408</b>	<b>3,017</b>	<b>4,682</b>	<b>1,596</b>	<b>3,271</b>
<b>Net Investment Income</b>	<b>37,898</b>	<b>19,510</b>	<b>39,551</b>	<b>9,506</b>	<b>27,246</b>
<b>Net Realized Gain (Loss):</b>					
Investments in securities	(998)	2,150	(2,172)	(302)	607
Exchange-traded or centrally cleared financial derivative instruments	(29,234)	(12,966)	(44,622)	(6,006)	(15,157)
Over the counter financial derivative instruments	9,953	743	16,619	389	(264)
Foreign currency	116	(122)	7	(18)	(5,841)
<b>Net Realized (Loss)</b>	<b>(20,163)</b>	<b>(10,195)</b>	<b>(30,168)</b>	<b>(5,937)</b>	<b>(20,655)</b>
<b>Net Change in Unrealized Appreciation (Depreciation):</b>					
Investments in securities	(67,750)	(50,509)	(96,923)	(28,910)	(52,333)
Exchange-traded or centrally cleared financial derivative instruments	19,404	11,798	37,763	4,857	11,644
Over the counter financial derivative instruments	(15,748)	(923)	(8,736)	(321)	(1,266)
Foreign currency assets and liabilities	(104)	(69)	(153)	(49)	(27)
<b>Net Change in Unrealized (Depreciation)</b>	<b>(64,198)</b>	<b>(39,703)</b>	<b>(68,049)</b>	<b>(24,423)</b>	<b>(41,982)</b>
<b>Net (Decrease) in Net Assets Resulting from Operations</b>	<b>\$ (46,463)</b>	<b>\$ (30,388)</b>	<b>\$ (58,666)</b>	<b>\$ (20,854)</b>	<b>\$ (35,391)</b>
<b>Distributions on Preferred Shares from Net Investment Income</b>	<b>\$ (366)</b>	<b>\$ (119)</b>	<b>\$ (224)</b>	<b>\$ (374)</b>	<b>\$ (674)</b>
<b>Net (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations</b>	<b>\$ (46,829)</b>	<b>\$ (30,507)</b>	<b>\$ (58,890)</b>	<b>\$ (21,228)</b>	<b>\$ (36,065)</b>
* Foreign tax withholdings	\$ 0	\$ 2	\$ 6	\$ 0	\$ 0

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

**Table of Contents****Statements of Changes in Net Assets**

	PIMCO Corporate & Income Opportunity Fund			PIMCO Corporate & Income Strategy Fund		
	Six Months Ended January 31, 2015 (Unaudited)	Period from December 1, 2014 to July 31, 2015 <sup>(a)</sup>	Year Ended November 30, 2014	Six Months Ended January 31, 2015 (Unaudited)	Period from November 1, 2014 to July 31, 2015 <sup>(b)</sup>	Year Ended October 31, 2014
(Amounts in thousands)						
<b>(Decrease) in Net Assets from:</b>						
<b>Operations:</b>						
Net investment income	\$ 37,898	\$ 47,744	\$ 79,920	\$ 19,510	\$ 28,166	\$ 37,968
Net realized gain (loss)	(20,163)	(4,996)	28,093	(10,195)	3,953	17,611
Net change in unrealized appreciation (depreciation)	(64,198)	(18,369)	42,688	(39,703)	(12,132)	15,590
Net increase (decrease) in net assets resulting from operations	(46,463)	24,379	150,701	(30,388)	19,987	71,169
Distributions on preferred shares from net investment income <sup>(d)</sup>	(366)	(313)	(125)	(119)	(160)	(41)
Distributions on preferred shares from net realized gains <sup>(d)</sup>	0	0	(296)	0	0	(122)
<b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders Resulting from Operations</b>	<b>(46,829)</b>	<b>24,066</b>	<b>150,280</b>	<b>(30,507)</b>	<b>19,827</b>	<b>71,006</b>
<b>Distributions to Common Shareholders:</b>						
From net investment income <sup>(d)</sup>	(57,421)	(119,032) <sup>(e)</sup>	(109,083)	(26,872)	(52,644) <sup>(e)</sup>	(51,774)
From net realized capital gains <sup>(d)</sup>	0	0	(127,359)	0	0	(36,294)
Tax basis return of capital <sup>(d)</sup>	0	0	0	0	0	0
<b>Total Distributions to Common Shareholders</b>	<b>(57,421)</b>	<b>(119,032)</b>	<b>(236,442)</b>	<b>(26,872)</b>	<b>(52,644)</b>	<b>(88,068)</b>
<b>Preferred Share Transactions:</b>						
Net Increase resulting from tender and repurchase of Auction-Rate Preferred Shares***	0	11,317	0	19,858	0	0
<b>Common Share Transactions**:</b>						
Issued as reinvestment of distributions	3,391	8,133	18,383	0	2,959	4,817
<b>Total (Decrease) in Net Assets</b>	<b>(100,859)</b>	<b>(75,516)</b>	<b>(67,779)</b>	<b>(37,521)</b>	<b>(29,858)</b>	<b>(12,245)</b>
<b>Net Assets Applicable to Common Shareholders:</b>						
Beginning of year or period	1,006,484	1,082,000	1,149,779	570,122	599,980	612,225
End of year or period*	\$ 905,625	\$ 1,006,484	\$ 1,082,000	\$ 532,601	\$ 570,122	\$ 599,980
* Including undistributed (overdistributed) net investment income of:	\$ (28,528)	\$ (8,639)	\$ 36,794	\$ (12,037)	\$ (4,556)	\$ 11,115
<b>** Common Share Transactions:</b>						
Shares issued as reinvestment of distributions	249	530	1,058	0	197	303

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

(a) Fiscal Year end changed from November 30<sup>th</sup> to July 31<sup>st</sup>.

(b) Fiscal Year end changed from October 31<sup>st</sup> to July 31<sup>st</sup>.

(c) Fiscal year end changed from March 31<sup>st</sup> to July 31<sup>st</sup>.

(d) Determined in accordance with federal income tax regulations, see Note 2(c) in the Notes to Financial Statements for more information.

(e) Total distributions for the period ended July 31, 2015 may be lower than prior fiscal years due to fiscal year end changes resulting in a reduction of the amount of days in the period ended July 31, 2015.

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\*\*\* See Note 12 in the Notes to Financial Statements.

**18 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

**Table of Contents**

Six Months Ended January 31, 2016 (Unaudited)	PIMCO High Income Fund		PIMCO Income Strategy Fund		PIMCO Income Strategy Fund II	
	Period from April 1, 2015 to July 31, 2015 <sup>(c)</sup>	Year Ended March 31, 2015	Six Months Ended January 31, 2016 (Unaudited)	Year Ended July 31, 2015	Six Months Ended January 31, 2016 (Unaudited)	Year Ended July 31, 2015
\$ 39,551	\$ 26,276	\$ 117,468	\$ 9,506	\$ 19,896	\$ 27,246	\$ 41,101
(30,168)	(29,322)	(29,862)	(5,937)	(3,515)	(20,655)	(3,754)
(68,049)	35,957	10,866	(24,423)	(5,066)	(41,982)	(12,764)
(58,666)	32,911	98,472	(20,854)	11,315	(35,391)	24,583
(224)	(130)	(356)	(374)	(815)	(674)	(1,538)
0	0	0	0	0	0	0
(58,890)	32,781	98,116	(21,228)	10,500	(36,065)	23,045
(80,478)	(41,672) <sup>(e)</sup>	(182,280)	(13,662)	(30,835)	(32,506)	(65,838)
0	0	0	0	0	0	0
0	(19,452) <sup>(e)</sup>	0	0	0	0	0
(80,478)	(61,124)	(182,280)	(13,662)	(30,835)	(32,506)	(65,838)
32,304	0	0	0	2,770	0	6,855
5,515	4,061	12,924	0	999	0	793
(101,549)	(24,282)	(71,240)	(34,890)	(16,566)	(68,571)	(35,145)
925,598	949,880	1,021,120	289,909	306,475	606,974	642,119
\$ 824,049	\$ 925,598	\$ 949,880	\$ 255,019	\$ 289,909	\$ 538,403	\$ 606,974
\$ (80,891)	\$ (39,740)	\$ (32,887)	\$ (6,504)	\$ (1,974)	\$ (8,523)	\$ (2,589)
666	374	1,088	0	86	0	79

**Table of Contents****Schedule of Investments PIMCO Corporate & Income Opportunity Fund**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 134.5%</b>		
<b>BANK LOAN OBLIGATIONS 2.3%</b>		
<b>Fortescue Metals Group Ltd.</b>		
4.250% due 06/30/2019	\$ 3,768	\$ 2,633
<b>Hellenic Republic</b>		
3.930% due 03/30/2016	EUR 2,000	1,949
<b>iHeartCommunications, Inc.</b>		
7.178% due 01/30/2019	\$ 8,198	5,464
<b>Sequa Corp.</b>		
5.250% due 06/19/2017	8,793	5,913
<b>Westmoreland Coal Co.</b>		
7.500% due 12/16/2020	7,401	4,441
<b>Total Bank Loan Obligations (Cost \$28,090)</b>		<b>20,400</b>
<b>CORPORATE BONDS &amp; NOTES 44.9%</b>		
<b>BANKING &amp; FINANCE 23.6%</b>		
<b>AGFC Capital Trust</b>		
6.000% due 01/15/2067	1,800	1,233
<b>Banco do Brasil S.A.</b>		
6.250% due 04/15/2024 (f)	4,200	2,048
9.000% due 06/18/2024 (f)	9,298	5,625
<b>Banco Espirito Santo S.A.</b>		
2.625% due 05/08/2017 ^	EUR 500	192
4.000% due 01/21/2019 ^	5,000	1,923
4.750% due 01/15/2018 ^	1,000	385
<b>Banco Santander S.A.</b>		
6.250% due 09/11/2021 (f)	400	396
<b>Barclays Bank PLC</b>		
14.000% due 06/15/2019 (f)	GBP 12,550	22,738
<b>BGC Partners, Inc.</b>		
5.375% due 12/09/2019	\$ 10,780	11,134
<b>Blackstone CQP Holdco LP</b>		
9.296% due 03/19/2019	4,400	4,413
<b>BNP Paribas S.A.</b>		
7.375% due 08/19/2025 (f)	11,000	10,808
<b>Cantor Fitzgerald LP</b>		
6.500% due 06/17/2022	14,000	14,669
<b>Co-operative Group Holdings Ltd.</b>		
6.875% due 07/08/2020	GBP 400	612
7.500% due 07/08/2026	6,200	9,627
<b>Communications Sales &amp; Leasing, Inc.</b>		
8.250% due 10/15/2023	\$ 5,300	4,704
<b>Credit Agricole S.A.</b>		
7.500% due 06/23/2026 (f)	GBP 300	406
7.875% due 01/23/2024 (f)	\$ 12,300	12,006
<b>Credit Suisse Group AG</b>		
7.500% due 12/11/2023 (f)	2,936	3,021
<b>Fort Gordon Housing LLC</b>		
6.124% due 05/15/2051	12,825	13,915
<b>GSPA Monetization Trust</b>		
6.422% due 10/09/2029	9,240	10,500
<b>LBG Capital PLC</b>		
9.125% due 07/15/2020	GBP 3,400	4,917
12.750% due 08/10/2020	400	574
15.000% due 12/21/2019	2,000	3,849
15.000% due 12/21/2019	EUR 7,800	11,784

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		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Lloyds Bank PLC</b>			
12.000% due 12/16/2024 (f)	\$	6,000	8,454
<b>Lloyds Banking Group PLC</b>			
7.625% due 06/27/2023 (f)	GBP	2,100	3,011
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	2,550	2,704
<b>Nationwide Building Society</b>			
10.250% (f)	GBP	19	3,510
<b>Navient Corp.</b>			
5.500% due 01/15/2019	\$	5,850	\$ 5,499
5.625% due 08/01/2033		230	152
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	371	319
5.000% due 04/23/2019		152	131
5.000% due 05/14/2019		315	271
5.000% due 05/21/2019		73	62
5.000% due 05/23/2019		213	182
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (f)	\$	300	305
<b>Sberbank of Russia Via SB Capital S.A.</b>			
6.125% due 02/07/2022		500	510
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	8,599	10,104
6.052% due 10/13/2039		2,717	3,568
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		1,154	1,685
8.750% due 04/02/2020 (i)		6,539	8,082
<b>Vnesheconombank Via VEB Finance PLC</b>			
6.800% due 11/22/2025	\$	1,400	1,335
<b>Western Group Housing LP</b>			
6.750% due 03/15/2057		10,600	12,408
			213,771
<b>INDUSTRIALS 14.1%</b>			
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		2,447	1,508
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (c)(i)		8,810	5,055
<b>Caesars Entertainment Operating Co., Inc.</b>			
9.000% due 02/15/2020 ^		27,145	20,237
<b>Centene Escrow Corp.</b>			
5.625% due 02/15/2021 (b)		230	235
6.125% due 02/15/2024 (b)		230	235
<b>Chesapeake Energy Corp.</b>			
3.872% due 04/15/2019		830	222
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019		2,858	1,129
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097 (i)		31,901	36,440
<b>Hampton Roads PPV LLC</b>			
6.171% due 06/15/2053		1,800	1,919
<b>Harvest Operations Corp.</b>			
6.875% due 10/01/2017		7,420	5,231
<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022		2,000	1,310
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021		10,543	4,639
8.125% due 06/01/2023		439	183
<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019		12,290	9,586
<b>Numericable-SFR S.A.S.</b>			
6.250% due 05/15/2024		14,000	13,720
<b>Scientific Games International, Inc.</b>			
10.000% due 12/01/2022		5,600	3,920
<b>Sequa Corp.</b>			

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7.000% due 12/15/2017		13,090		3,436
<b>Tembec Industries, Inc.</b>				
9.000% due 12/15/2019		1,500		956
<b>UAL Pass-Through Trust</b>				
7.336% due 01/02/2021		1,979		2,081
<b>UCP, Inc.</b>				
8.500% due 10/21/2017		10,900		10,937
		<b>PRINCIPAL</b>		<b>MARKET</b>
		<b>AMOUNT</b>		<b>VALUE</b>
		<b>(000S)</b>		<b>(000S)</b>
<b>Unique Pub Finance Co. PLC</b>				
5.659% due 06/30/2027	GBP	3,243	\$	4,587
				127,566

**UTILITIES 7.2%**

<b>Frontier Communications Corp.</b>				
8.875% due 09/15/2020	\$	720		725
10.500% due 09/15/2022		1,190		1,168
11.000% due 09/15/2025		1,190		1,151
<b>Gazprom OAO Via Gaz Capital S.A.</b>				
9.250% due 04/23/2019		21,200		23,553
<b>Illinois Power Generating Co.</b>				
6.300% due 04/01/2020		4,570		2,034
7.000% due 04/15/2018 (i)		8,855		4,782
7.950% due 06/01/2032		1,175		511
<b>Mountain States Telephone &amp; Telegraph Co.</b>				
7.375% due 05/01/2030 (i)		15,730		17,572
<b>Odebrecht Drilling Norbe Ltd.</b>				
6.350% due 06/30/2022		550		203
<b>Odebrecht Offshore Drilling Finance Ltd.</b>				
6.625% due 10/01/2023		5,146		1,183
6.750% due 10/01/2023		4,820		1,084
<b>Petrobras Global Finance BV</b>				
2.750% due 01/15/2018	EUR	790		712
3.406% due 03/17/2020	\$	420		293
4.250% due 10/02/2023	EUR	1,200		850
4.875% due 03/17/2020	\$	760		575
5.750% due 01/20/2020		360		284
6.250% due 12/14/2026	GBP	6,100		5,501
6.625% due 01/16/2034		800		703
6.750% due 01/27/2041	\$	4,100		2,597
7.875% due 03/15/2019		100		87
				65,568

**Total Corporate Bonds & Notes**  
(Cost \$446,098) **406,905**

**MUNICIPAL BONDS & NOTES 9.7%**

**CALIFORNIA 6.1%**

<b>Los Angeles Community Redevelopment Agency, California Tax Allocation Bonds, (NPFGC Insured), Series 2006</b>				
6.020% due 09/01/2021		6,480		6,595
<b>Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010</b>				
7.500% due 10/01/2030		3,425		3,807
<b>San Diego Redevelopment Agency, California Tax Allocation Bonds, Series 2010</b>				
7.750% due 09/01/2040		21,545		24,421
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>				
7.942% due 10/01/2038		18,500		20,973
				55,796

**ILLINOIS 2.8%**

<b>Chicago, Illinois General Obligation Bonds, (BABs), Series 2010</b>				
7.517% due 01/01/2040		23,700		25,198

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**VIRGINIA 0.1%**

**Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007**

6.706% due 06/01/2046

1,400

1,131

**20 PIMCO CLOSED-END FUNDS**

See Accompanying Notes



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January 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>WEST VIRGINIA 0.7%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	\$ 6,865	\$ 6,024
<b>Total Municipal Bonds &amp; Notes (Cost \$80,899)</b>		<b>88,149</b>
<b>U.S. GOVERNMENT AGENCIES 4.9%</b>		
<b>Fannie Mae</b>		
3.000% due 01/25/2042 (a)	1,751	153
3.500% due 02/25/2033 (a)	3,943	515
5.674% due 07/25/2040 (a)	2,194	363
8.945% due 01/25/2042	2,151	2,187
<b>Freddie Mac</b>		
2.563% due 11/25/2055	14,849	8,361
6.675% due 02/15/2034 (a)	3,540	687
7.977% due 12/25/2027	5,900	5,339
8.336% due 07/15/2039	5,715	6,068
9.556% due 03/15/2044	2,308	2,895
9.777% due 04/25/2028	3,600	3,443
10.860% due 02/15/2036	7,552	8,341
10.865% due 04/15/2044	1,632	1,815
10.927% due 05/25/2028	965	941
11.177% due 03/25/2025	2,396	2,477
<b>Ginnie Mae</b>		
3.000% due 12/20/2042 (a)	256	17
3.500% due 09/16/2041 - 06/20/2042 (a)	2,718	290
6.324% due 01/20/2042 (a)	3,566	574
<b>Total U.S. Government Agencies (Cost \$44,768)</b>		<b>44,466</b>
<b>U.S. TREASURY OBLIGATIONS 1.3%</b>		
<b>U.S. Treasury Floating Rate Notes</b>		
0.473% due 10/31/2017 (k)(m)	12,086	12,085
<b>Total U.S. Treasury Obligations (Cost \$12,083)</b>		<b>12,085</b>
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 36.6%</b>		
<b>American Home Mortgage Assets Trust</b>		
6.250% due 06/25/2037	5,292	3,838
<b>Banc of America Alternative Loan Trust</b>		
6.000% due 01/25/2036 ^	316	269
6.000% due 04/25/2036 ^	4,999	4,287
<b>Banc of America Funding Trust</b>		
5.500% due 01/25/2036	654	687
6.000% due 03/25/2037 ^	6,812	5,876
6.000% due 07/25/2037 ^	896	712
<b>BCAP LLC Trust</b>		
4.323% due 07/26/2037	1,192	66
5.283% due 03/26/2037	2,787	808

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7.099% due 12/26/2036		8,635	7,679
9.742% due 10/26/2036		6,063	5,748
<b>Bear Stearns ALT-A Trust</b>			
2.692% due 11/25/2036 ^		1,090	762
2.749% due 08/25/2046		7,321	5,544
2.859% due 11/25/2034		615	535
2.942% due 09/25/2035 ^		2,144	1,759
3.007% due 08/25/2036 ^		4,737	3,547
3.054% due 09/25/2035 ^		3,197	2,403
<b>Bear Stearns Mortgage Funding Trust</b>			
7.000% due 08/25/2036		3,460	3,287
<b>Chase Mortgage Finance Trust</b>			
2.679% due 12/25/2035 ^		35	33
6.000% due 02/25/2037 ^		2,957	2,479
6.000% due 03/25/2037 ^		622	539
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
6.000% due 07/25/2037 ^	\$	2,315	\$ 1,933
<b>Citigroup Mortgage Loan Trust, Inc.</b>			
5.276% due 04/25/2037 ^		6,327	5,514
5.339% due 03/25/2037 ^		1,807	1,634
6.000% due 11/25/2036		14,579	11,861
6.000% due 02/25/2037		9,413	7,605
<b>CitiMortgage Alternative Loan Trust</b>			
5.750% due 04/25/2037 ^		2,882	2,485
<b>Countrywide Alternative Loan Resecuritization Trust</b>			
6.000% due 08/25/2037 ^		3,293	2,829
<b>Countrywide Alternative Loan Trust</b>			
0.636% due 03/20/2046		8,447	6,408
0.697% due 08/25/2035		124	82
4.374% due 06/25/2047		5,801	5,150
4.824% due 04/25/2037 ^(a)		34,524	5,133
5.250% due 05/25/2021 ^		32	31
5.500% due 03/25/2035		942	786
5.500% due 09/25/2035 ^		7,432	6,918
5.500% due 03/25/2036 ^		291	247
5.750% due 01/25/2035		1,109	1,122
5.750% due 02/25/2035		1,257	1,240
6.000% due 02/25/2035		1,084	1,126
6.000% due 04/25/2036		2,765	2,376
6.000% due 05/25/2036 ^		2,956	2,531
6.000% due 01/25/2037 ^		3,225	3,052
6.000% due 02/25/2037		3,642	3,159
6.000% due 02/25/2037 ^		967	755
6.000% due 04/25/2037 ^		10,367	8,100
6.000% due 08/25/2037 ^		26,751	22,238
6.250% due 10/25/2036 ^		4,062	3,751
6.250% due 12/25/2036 ^		5,040	4,083
6.500% due 08/25/2036 ^		1,296	980
6.500% due 09/25/2036 ^		702	614
20.070% due 02/25/2036		3,138	4,082
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>			
5.500% due 07/25/2037 ^		1,227	1,088
5.750% due 12/25/2035 ^		620	582
5.750% due 03/25/2037 ^		4,356	4,002
6.000% due 04/25/2036 ^		969	923
6.000% due 03/25/2037 ^		3,751	3,417
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>			
5.750% due 04/25/2036 ^		2,443	2,040
6.000% due 02/25/2037 ^		2,822	2,476
6.750% due 08/25/2036 ^		4,194	3,345
<b>Epic Drummond Ltd.</b>			
0.044% due 01/25/2022	EUR	5,060	4,942
<b>First Horizon Alternative Mortgage Securities Trust</b>			
6.000% due 08/25/2036 ^	\$	3,691	3,016
<b>GSR Mortgage Loan Trust</b>			
2.779% due 11/25/2035 ^		2,949	2,673
2.788% due 03/25/2037 ^		4,820	4,027
5.500% due 05/25/2036 ^		430	413

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6.000% due 07/25/2037 ^	570	520
<b>IndyMac Mortgage Loan Trust</b>		
2.717% due 08/25/2035 ^	4,930	4,055
6.500% due 07/25/2037 ^	7,698	4,911
<b>JPMorgan Alternative Loan Trust</b>		
2.529% due 03/25/2037	16,800	13,679
<b>JPMorgan Mortgage Trust</b>		
2.653% due 01/25/2037 ^	2,349	2,102
2.684% due 10/25/2035	89	87
2.744% due 02/25/2036 ^	3,974	3,477
4.652% due 06/25/2036 ^	1,700	1,473
5.000% due 03/25/2037 ^	3,645	3,087
6.000% due 08/25/2037 ^	713	629
<b>Lehman Mortgage Trust</b>		
6.000% due 07/25/2036 ^	2,441	1,806
6.000% due 07/25/2037 ^	548	500
	<b>PRINCIPAL</b>	<b>MARKET</b>
	<b>AMOUNT</b>	<b>VALUE</b>
	<b>(000S)</b>	<b>(000S)</b>
27.079% due 11/25/2035 ^	\$ 427	\$ 684
<b>Lehman XS Trust</b>		
0.647% due 06/25/2047	5,872	4,201
<b>MASTR Alternative Loan Trust</b>		
6.750% due 07/25/2036	5,169	3,799
<b>Merrill Lynch Mortgage Investors Trust</b>		
2.720% due 03/25/2036 ^	5,051	3,399
<b>RBSSP Resecuritization Trust</b>		
0.642% due 10/27/2036	3,606	318
0.662% due 08/27/2037	8,000	1,361
<b>Residential Accredited Loans, Inc. Trust</b>		
0.617% due 08/25/2036	790	619
0.657% due 05/25/2037 ^	667	166
6.000% due 08/25/2036 ^	1,156	953
6.000% due 03/25/2037 ^	4,501	3,894
6.000% due 05/25/2037 ^	3,733	3,164
<b>Residential Asset Securitization Trust</b>		
5.750% due 02/25/2036 ^	617	493
6.000% due 02/25/2037 ^	2,876	2,186
6.000% due 03/25/2037 ^	4,154	2,917
6.000% due 05/25/2037 ^	4,769	4,112
6.250% due 09/25/2037 ^	6,180	4,420
<b>Residential Funding Mortgage Securities, Inc. Trust</b>		
3.369% due 02/25/2037	5,019	4,040
<b>Structured Adjustable Rate Mortgage Loan Trust</b>		
2.676% due 11/25/2036 ^	7,992	6,263
2.724% due 01/25/2036 ^	10,646	8,146
2.744% due 07/25/2035 ^	4,162	3,572
4.148% due 07/25/2036 ^	2,007	1,678
4.688% due 03/25/2037 ^	1,640	1,158
<b>Structured Asset Mortgage Investments Trust</b>		
0.547% due 08/25/2036	282	214
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>		
2.771% due 04/25/2037 ^	1,412	1,201
2.818% due 02/25/2037 ^	1,160	1,018
6.004% due 02/25/2037 ^	11,923	9,967
<b>WaMu Mortgage Pass-Through Certificates Trust</b>		
2.188% due 12/25/2036 ^	740	661
2.200% due 06/25/2037 ^	3,473	3,022
2.225% due 07/25/2037 ^	1,333	1,141
2.409% due 09/25/2036 ^	886	804
4.275% due 02/25/2037 ^	1,843	1,705
4.412% due 07/25/2037 ^	3,310	3,058
6.009% due 10/25/2036 ^	2,613	2,177
<b>Washington Mutual Mortgage Pass-Through Certificates Trust</b>		
1.125% due 05/25/2047 ^	820	64
6.000% due 10/25/2035 ^	2,599	1,994
6.000% due 03/25/2036 ^	3,661	3,440
<b>Wells Fargo Mortgage-Backed Securities Trust</b>		
6.000% due 07/25/2037 ^	1,215	1,199

<b>Total Non-Agency Mortgage-Backed Securities (Cost \$317,219)</b>		<b>331,161</b>
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**ASSET-BACKED SECURITIES 20.8%**

<b>AMAC CDO Funding</b>		
1.727% due 11/23/2050	5,030	4,592
6.516% due 11/23/2050	1,537	1,537
<b>Ameriquest Mortgage Securities, Inc. Asset-Backed Pass-Through Certificates</b>		
1.777% due 03/25/2033	109	103
<b>Bear Stearns Asset-Backed Securities Trust</b>		
0.827% due 04/25/2037	25,086	16,383
<b>CIFC Funding Ltd.</b>		
0.000% due 05/24/2026 (e)	4,100	2,738
0.000% due 07/22/2026 (e)	3,000	1,628

See Accompanying Notes

SEMIANNUAL REPORT JANUARY 31, 2016 21

**Table of Contents****Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
0.822% due 11/25/2046	\$ 11,279	\$ 9,434
<b>Countrywide Asset-Backed Certificates</b>		
0.627% due 06/25/2047	24,950	18,082
0.737% due 09/25/2037 ^	17,870	8,880
5.040% due 10/25/2046 ^	17,979	17,130
<b>Credit-Based Asset Servicing and Securitization LLC</b>		
4.136% due 12/25/2035 ^	182	180
<b>First Franklin Mortgage Loan Trust</b>		
0.587% due 10/25/2036	6,381	4,178
<b>Greenpoint Manufactured Housing</b>		
8.140% due 03/20/2030	3,226	3,416
8.300% due 10/15/2026	8,300	8,734
8.450% due 06/20/2031	4,877	4,943
<b>IndyMac Home Equity Mortgage Loan Asset-Backed Trust</b>		
0.587% due 07/25/2037	3,979	2,445
<b>JPMorgan Mortgage Acquisition Trust</b>		
5.029% due 11/25/2036	10,400	10,519
5.830% due 07/25/2036 ^	163	95
<b>Lehman XS Trust</b>		
6.290% due 06/24/2046	5,309	4,416
<b>Mid-State Trust</b>		
6.340% due 10/15/2036	2,559	2,736
<b>Morgan Stanley ABS Capital, Inc. Trust</b>		
0.577% due 10/25/2036	8,544	5,085
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.250% due 07/25/2047 ^	1,723	1,243
<b>Renaissance Home Equity Loan Trust</b>		
5.612% due 04/25/2037	11,951	6,210
7.238% due 09/25/2037 ^	10,173	5,949
<b>Residential Asset Securities Corp. Trust</b>		
1.002% due 08/25/2034	12,488	9,558
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Taberna Preferred Funding Ltd.</b>		
0.694% due 12/05/2036	\$ 916	\$ 715
0.714% due 08/05/2036	960	701
0.714% due 08/05/2036 ^	18,595	13,574
0.734% due 02/05/2036	12,208	9,400
<b>Tropic CDO Ltd.</b>		
1.522% due 04/15/2034	25,000	13,375
<b>Total Asset-Backed Securities (Cost \$188,055)</b>		<b>187,979</b>
<b>SOVEREIGN ISSUES 0.6%</b>		
<b>Republic of Greece Government International Bond</b>		
3.800% due 08/08/2017	JPY 695,000	4,994
4.750% due 04/17/2019	EUR 600	542
<b>Total Sovereign Issues (Cost \$5,651)</b>		<b>5,536</b>

**SHARES**

COMMON STOCKS 0.1%

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**FINANCIALS 0.1%**

<b>TIG FinCo PLC (g)</b>	794,831	793
<b>Total Common Stocks (Cost \$1,179)</b>		<b>793</b>

**PREFERRED SECURITIES 2.4%**

**BANKING & FINANCE 2.4%**

<b>Farm Credit Bank of Texas</b>		
10.000% due 12/15/2020 (f)	12,300	15,398
<b>GMAC Capital Trust</b>		
8.125% due 02/15/2040	251,318	6,396
<b>Total Preferred Securities (Cost \$20,514)</b>		<b>21,794</b>

**MARKET  
VALUE  
(000S)**

**SHORT-TERM INSTRUMENTS 10.9%**

<b>REPURCHASE AGREEMENTS (h) 3.9%</b>		\$ 35,311
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**PRINCIPAL  
AMOUNT  
(000S)**

**SHORT-TERM NOTES 0.2%**

<b>Federal Home Loan Bank</b>		
0.385% due 02/01/2016	\$ 1,500	1,500

**U.S. TREASURY BILLS 6.8%**

0.210% due 02/04/2016 - 02/18/2016 (d)(m)	61,904	61,899
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**Total Short-Term Instruments**

<b>(Cost \$98,710)</b>		<b>98,710</b>
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**Total Investments in Securities**

<b>(Cost \$1,243,266)</b>		<b>1,217,978</b>
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**Total Investments 134.5%**

<b>(Cost \$1,243,266)</b>	\$	<b>1,217,978</b>
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**Financial Derivative**

<b>Instruments (j)(l) (7.2%)</b>		
<b>(Cost or Premiums, net \$(52,173))</b>		<b>(65,508)</b>
<b>Preferred Shares (26.3%)</b>		<b>(237,950)</b>
<b>Other Assets and Liabilities, net (1.0%)</b>		<b>(8,895)</b>

**Net Assets Applicable to Common Shareholders 100.0%**

\$	<b>905,625</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) When-issued security.
- (c) Payment in-kind bond security.
- (d) Coupon represents a weighted average yield to maturity.
- (e) Zero coupon bond.
- (f) Perpetual maturity; date shown, if applicable, represents next contractual call date.

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(g) RESTRICTED SECURITIES:

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC	04/02/2015	\$ 1,179	\$ 793	0.09%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(h) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received <sup>(1)</sup>
BCY	0.540%	01/29/2016	02/01/2016	\$ 600	U.S. Treasury Notes 1.625% due 06/30/2019	\$ (613)	\$ 600	\$ 600
BPG	0.550	01/29/2016	02/01/2016	24,900	U.S. Treasury Floating Rate Note 0.375% due 07/31/2016	(25,408)	24,900	24,901
DEU	0.550	01/29/2016	02/01/2016	3,200	U.S. Treasury Bonds 3.750% due 11/15/2043	(3,272)	3,200	3,200
SOG	0.320	01/29/2016	02/01/2016	4,100	U.S. Treasury Inflation Protected Securities 1.125% due 01/15/2021	(4,192)	4,100	4,100
SSB	0.010	01/29/2016	02/01/2016	2,511	U.S. Treasury Notes 2.250% due 07/31/2021	(2,563)	2,511	2,511
<b>Total Repurchase Agreements</b>						<b>\$ (36,048)</b>	<b>\$ 35,311</b>	<b>\$ 35,312</b>

(1) Includes accrued interest.

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See Accompanying Notes

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January 31, 2016 (Unaudited)

**REVERSE REPURCHASE AGREEMENTS:**

Counterparty	Borrowing Rate	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(1.250%)	01/21/2016	02/01/2016	\$ (2,641)	\$ (2,640)
	(1.000)	01/12/2016	02/01/2016	(1,177)	(1,176)
	(0.500)	01/29/2016	TBD <sup>(2)</sup>	(4,029)	(4,029)
RDR	(3.500)	08/04/2015	TBD <sup>(2)</sup>	(1,017)	(999)
	(1.000)	01/22/2016	TBD <sup>(2)</sup>	(462)	(462)
UBS	0.900	01/11/2016	04/11/2016	(8,157)	(8,161)
	1.050	01/18/2016	02/18/2016	GBP (1,791)	(2,553)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (20,020)</b>

<sup>(2)</sup> Open maturity reverse repurchase agreement.<sup>(3)</sup> The average amount of borrowings outstanding during the period ended January 31, 2016 was \$(63,578) at a weighted average interest rate of 0.590%.**BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY**

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of January 31, 2016:

(i) Securities with an aggregate market value of \$21,569 and cash of \$356 have been pledged as collateral under the terms of the following master agreements as of January 31, 2016.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure <sup>(4)</sup>
Global/Master Repurchase Agreement						
BCY	\$ 600	\$ (7,845)	\$ 0	\$ (7,245)	\$ 8,510	\$ 1,265
BPG	24,901	0	0	24,901	(25,408)	(507)
DEU	3,200	0	0	3,200	(3,272)	(72)
RDR	0	(1,461)	0	(1,461)	1,443	(18)
SOG	4,100	0	0	4,100	(4,192)	(92)
SSB	2,511	0	0	2,511	(2,563)	(52)
UBS	0	(10,714)	0	(10,714)	11,359	645



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<b>Total Borrowings and Other Financing Transactions</b>	<b>\$ 35,312</b>	<b>\$ (20,020)</b>	<b>\$ 0</b>
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(4) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

**CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS**

**Remaining Contractual Maturity of the Agreements**

	<b>Overnight and Continuous</b>	<b>Up to 30 days</b>	<b>31-90 days</b>	<b>Greater Than 90 days</b>	<b>Total</b>
<b>Reverse Repurchase Agreements</b>					
Corporate Bonds & Notes	\$ (3,816)	\$ (2,553)	\$ (8,161)	\$ (5,490)	\$ (20,020)
<b>Total Borrowings</b>	<b>\$ (3,816)</b>	<b>\$ (2,553)</b>	<b>\$ (8,161)</b>	<b>\$ (5,490)</b>	<b>\$ (20,020)</b>

Gross amount of recognized liabilities for reverse repurchase agreements \$ (20,020)

**(j) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED**

**SWAP AGREEMENTS:**

**CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION <sup>(1)</sup>**

<b>Index/Tranches</b>	<b>Fixed Receive Rate</b>	<b>Maturity Date</b>	<b>Notional Amount <sup>(2)</sup></b>	<b>Market Value <sup>(3)</sup></b>	<b>Unrealized (Depreciation)</b>	<b>Variation Margin</b>	
						<b>Asset</b>	<b>Liability</b>
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 15,543	\$ 469	\$ (728)	\$ 61	\$ 0
CDX.HY-25 5-Year Index	5.000	12/20/2020	27,400	87	(181)	107	0
CDX.IG-23 5-Year Index	1.000	12/20/2019	11,800	21	(170)	4	0
CDX.IG-24 5-Year Index	1.000	06/20/2020	17,600	25	(287)	10	0
CDX.IG-25 5-Year Index	1.000	12/20/2020	37,300	13	(224)	23	0
				\$ 615	\$ (1,590)	\$ 205	\$ 0

(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.

**Table of Contents****Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

- (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**

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin	
							Asset	Liability
Pay	3-Month USD-LIBOR	2.750%	06/17/2025	\$ 145,380	\$ 12,848	\$ 3,654	\$ 876	\$ 0
Pay	3-Month USD-LIBOR	3.500	06/19/2044	305,100	80,638	90,591	3,497	0
Receive	3-Month USD-LIBOR	2.500	06/15/2046	467,900	(15,510)	(39,132)	0	(4,703)
Pay	6-Month AUD-BBR-BBSW	3.500	06/17/2025	AUD 13,400	637	305	19	0
					\$ 78,613	\$ 55,418	\$ 4,392	\$ (4,703)
<b>Total Swap Agreements</b>					<b>\$ 79,228</b>	<b>\$ 53,828</b>	<b>\$ 4,597</b>	<b>\$ (4,703)</b>

**FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY**

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of January 31, 2016:

- (k) Securities with an aggregate market value of \$1,156 and cash of \$13,742 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of January 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

	Financial Derivative Assets				Financial Derivative Liabilities			
	Market Value		Variation Margin		Market Value		Variation Margin	
	Purchased		Asset Swap		Written		Liability Swap	
	Options	Futures	Agreements	Total	Options	Futures	Agreements	Total
<b>Total Exchange-Traded or Centrally Cleared</b>	\$ 0	\$ 0	\$ 4,597	\$ 4,597	\$ 0	\$ 0	\$ (4,703)	\$ (4,703)

**(l) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER**

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FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealized Appreciation/ (Depreciation)		
				Asset	Liability	
BOA	06/2016	EUR	1,430	\$ 1,958	\$ 403	\$ 0
	06/2016	\$	84	EUR 62	0	(16)
BPS	02/2016		1,110	1,032	8	0
BRC	06/2016	EUR	268	\$ 368	77	0
CBK	02/2016	GBP	60,437	89,694	3,577	0
	02/2016	\$	1,671	EUR 1,537	0	(6)
	03/2016	EUR	2,377	\$ 2,595	18	0
DUB	02/2016	BRL	23,865	5,903	0	(63)
	02/2016	\$	6,031	BRL 23,865	0	(64)
	03/2016	BRL	2,186	\$ 538	0	(4)
	06/2016	EUR	149	204	42	0
GLM	03/2016	MXN	9,514	555	32	0
HUS	02/2016	JPY	35,170	286	0	(5)
	02/2016	\$	84,746	GBP 59,659	263	0
	03/2016	GBP	59,659	\$ 84,747	0	(264)
	03/2016	\$	711	MXN 13,166	13	0
JPM	02/2016	AUD	442	\$ 310	0	(2)
	02/2016	BRL	46,900	11,242	0	(484)
	02/2016	EUR	1,909	2,068	1	(2)
	02/2016	JPY	40,976	333	0	(6)
	02/2016	\$	11,601	BRL 46,900	125	0
	02/2016		7,206	EUR 6,612	8	(52)
	03/2016		11,151	BRL 46,900	474	0
MSB	02/2016	BRL	23,035	\$ 5,698	0	(61)
	02/2016	JPY	595,545	4,921	2	0
	02/2016	\$	5,665	BRL 23,035	94	0
	06/2016	EUR	376	\$ 517	108	0

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January 31, 2016 (Unaudited)

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation)	
						Asset	Liability
NAB	06/2016	EUR	818	\$	1,123	\$ 233	\$ 0
SCX	02/2016	JPY	14,329		117	0	(1)
	02/2016	\$	5,030	JPY	595,544	0	(111)
	03/2016	JPY	595,544	\$	5,033	111	0
UAG	02/2016	EUR	25,438		27,806	249	0
	02/2016	\$	19,411	EUR	17,915	0	(4)
	02/2016		1,100	GBP	778	8	0
	03/2016	EUR	17,915	\$	19,425	4	0
<b>Total Forward Foreign Currency Contracts</b>						<b>\$ 5,850</b>	<b>\$ (1,145)</b>

**SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CORPORATE AND SOVEREIGN ISSUES - SELL PROTECTION <sup>(1)</sup>**

Counterparty	Reference Entity	Fixed Receive Rate	Maturity Date	Implied		Notional Amount <sup>(3)</sup>	Premiums Paid/(Received)	Unrealized Swap Agreements, at Value		
				Credit Spread at January 31, 2016 <sup>(2)</sup>				Appreciation/ (Depreciation)	Asset	Liability
BPS	Navient Corp.	5.000%	12/20/2020	7.104%		\$ 5,000	\$ (51)	\$ (324)	\$ 0	\$ (375)
	Novo Banco S.A.	5.000	09/20/2020	13.533		EUR 3,000	(115)	(609)	0	(724)
	Petrobras International Finance Co.	1.000	12/20/2024	10.555		\$ 1,800	(352)	(475)	0	(827)
BRC	Navient Corp.	5.000	12/20/2020	7.104		3,000	12	(237)	0	(225)
GST	Navient Corp.	5.000	12/20/2020	7.104		2,000	8	(158)	0	(150)
	Petrobras Global Finance BV	1.000	09/20/2020	11.018		20	(3)	(4)	0	(7)
	Petrobras International Finance Co.	1.000	12/20/2024	10.555		2,400	(476)	(627)	0	(1,103)
HUS	Petrobras Global Finance BV	1.000	09/20/2020	11.018		60	(8)	(12)	0	(20)
	Petrobras International Finance Co.	1.000	12/20/2019	11.002		500	(41)	(107)	0	(148)
	Petrobras International Finance Co.	1.000	12/20/2024	10.555		3,000	(623)	(756)	0	(1,379)
JPM	Navient Corp.	5.000	12/20/2020	7.104		5,000	31	(406)	0	(375)
	Novo Banco S.A.	5.000	09/20/2020	13.533		EUR 5,000	(206)	(1,000)	0	(1,206)
	Russia Government International Bond	1.000	06/20/2019	2.787		\$ 28,600	(1,957)	353	0	(1,604)
	Russia Government International Bond	1.000	12/20/2020	3.215		1,300	(149)	23	0	(126)

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MYC	Chesapeake Energy Corp.	5.000	09/20/2020	44.507		500	(51)	(288)	0	(339)			
	Novo Banco S.A.	5.000	09/20/2020	13.533	EUR	3,000	(28)	(696)	0	(724)			
	Petrobras International Finance Co.	1.000	12/20/2019	11.002	\$	14,500	(1,342)	(2,946)	0	(4,288)			
						\$	(5,351)	\$	(8,269)	\$	0	\$	(13,620)

CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION <sup>(1)</sup>

Counterparty	Index/Tranches	Fixed Receive Rate	Maturity Date	Notional Amount <sup>(3)</sup>	Premiums (Received)	Unrealized Appreciation/ (Depreciation)	Swap Agreements, at Value <sup>(4)</sup>	Asset	Liability				
BOA	ABX.HE.AAA.6-2 Index	0.110%	05/25/2046	\$ 68,758	\$ (13,044)	\$ (528)	\$ 0	\$ (13,572)					
BRC	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	85,647	(16,962)	56	0	(16,906)					
GST	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	6,016	(1,199)	11	0	(1,188)					
MEI	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	74,301	(14,057)	(610)	0	(14,667)					
MYC	ABX.HE.AAA.6-2 Index	0.110	05/25/2046	21,487	(4,060)	(181)	0	(4,241)					
						\$	(49,322)	\$	(1,252)	\$	0	\$	(50,574)

(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) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or sovereign issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(3) 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.

(4) 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.

See Accompanying Notes

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**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

**INTEREST RATE SWAPS**

Counterparty	Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Unrealized Swap Agreements, at Value			
						Premiums Paid/(Received)	Appreciation/ Depreciation	Asset	Liability
BOA	Pay	1-Year BRL-CDI	11.500%	01/04/2021	BRL 149,200	\$ 125	\$ (4,840)	\$ 0	\$ (4,715)
CBK	Pay	1-Year BRL-CDI	11.500	01/04/2021	80,300	(77)	(2,461)	0	(2,538)
	Pay	3-Month USD-LIBOR	2.900	02/18/2026	\$ 89,000	618	601	1,219	0
MYC	Pay	3-Month USD-LIBOR	2.350	02/18/2021	340,000	1,990	1,722	3,712	0
UAG	Pay	1-Year BRL-CDI	11.250	01/04/2021	BRL 105,000	(156)	(3,435)	0	(3,591)
						\$ 2,500	\$ (8,413)	\$ 4,931	\$ (10,844)
<b>Total Swap Agreements</b>						<b>\$ (52,173)</b>	<b>\$ (17,934)</b>	<b>\$ 4,931</b>	<b>\$ (75,038)</b>

**FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY**

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of January 31, 2016:

(m) Securities with an aggregate market value of \$68,835 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of January 31, 2016.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral (Received)/ Pledged	Net Exposure (5)
	Forward Foreign Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Contracts	Written Options	Swap Agreements	Total Over the Counter			
BOA	\$ 403	\$ 0	\$ 0	\$ 403	\$ (16)	\$ 0	\$ (18,287)	\$ (18,303)	\$ (17,900)	\$ 18,137	\$ 237
BPS	8	0	0	8	0	0	(1,926)	(1,926)	(1,918)	2,056	138
BRC	77	0	0	77	0	0	(17,131)	(17,131)	(17,054)	17,067	13
CBK	3,595	0	1,219	4,814	(6)	0	(2,538)	(2,544)	2,270	(860)	1,410
DUB	42	0	0	42	(131)	0	0	(131)	(89)	(210)	(299)
GLM	32	0	0	32	0	0	0	0	32	0	32
GST	0	0	0	0	0	0	(2,448)	(2,448)	(2,448)	2,498	50
HUS	276	0	0	276	(269)	0	(1,547)	(1,816)	(1,540)	1,495	(45)
JPM	608	0	0	608	(546)	0	(3,311)	(3,857)	(3,249)	3,493	244
MEI	0	0	0	0	0	0	(14,667)	(14,667)	(14,667)	14,528	(139)
MSB	204	0	0	204	(61)	0	0	(61)	143	0	143
MYC	0	0	3,712	3,712	0	0	(9,592)	(9,592)	(5,880)	5,788	(92)
NAB	233	0	0	233	0	0	0	0	233	(260)	(27)
SCX	111	0	0	111	(112)	0	0	(112)	(1)	0	(1)

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UAG	261	0	0	261	(4)	0	(3,591)	(3,595)	(3,334)	3,605	271
<b>Total Over the Counter</b>	<b>\$ 5,850</b>	<b>\$ 0</b>	<b>\$ 4,931</b>	<b>\$ 10,781</b>	<b>\$ (1,145)</b>	<b>\$ 0</b>	<b>\$ (75,038)</b>	<b>\$ (76,183)</b>			

(5) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

**FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS**

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure. See Note 7, Principal Risks, in the Notes to Financial Statements on risks of the Fund.

**Fair Values of Financial Derivative Instruments on the Statements of Assets and Liabilities as of January 31, 2016:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Financial Derivative Instruments - Assets</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 205	\$ 0	\$ 0	\$ 4,392	\$ 4,597
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 5,850	\$ 0	\$ 5,850
Swap Agreements	0	0	0	0	4,931	4,931
	\$ 0	\$ 0	\$ 0	\$ 5,850	\$ 4,931	\$ 10,781
	\$ 0	\$ 205	\$ 0	\$ 5,850	\$ 9,323	\$ 15,378

**26 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Financial Derivative Instruments - Liabilities</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,703	\$ 4,703
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 1,145	\$ 0	\$ 1,145
Swap Agreements	0	64,194	0	0	10,844	75,038
	\$ 0	\$ 64,194	\$ 0	\$ 1,145	\$ 10,844	\$ 76,183
	\$ 0	\$ 64,194	\$ 0	\$ 1,145	\$ 15,547	\$ 80,886

**The effect of Financial Derivative Instruments on the Statements of Operations for the period ended January 31, 2016:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Net Realized Gain (Loss) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (128)	\$ 0	\$ 0	\$ (29,106)	\$ (29,234)
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 6,429	\$ 0	\$ 6,429
Swap Agreements	0	(361)	0	0	3,885	3,524
	\$ 0	\$ (361)	\$ 0	\$ 6,429	\$ 3,885	\$ 9,953
	\$ 0	\$ (489)	\$ 0	\$ 6,429	\$ (25,221)	\$ (19,281)
<b>Net Change in Unrealized (Depreciation) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (969)	\$ 0	\$ 0	\$ 20,373	\$ 19,404
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 2,482	\$ 0	\$ 2,482
Swap Agreements	0	(8,973)	0	0	(9,257)	(18,230)
	\$ 0	\$ (8,973)	\$ 0	\$ 2,482	\$ (9,257)	\$ (15,748)
	\$ 0	\$ (9,942)	\$ 0	\$ 2,482	\$ 11,116	\$ 3,656



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FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of January 31, 2016 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 01/31/2016
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 0	\$ 14,010	\$ 6,390	\$ 20,400
<b>Corporate Bonds &amp; Notes</b>				
Banking & Finance	0	198,858	14,913	213,771
Industrials	0	116,629	10,937	127,566
Utilities	0	65,568	0	65,568
<b>Municipal Bonds &amp; Notes</b>				
California	0	55,796	0	55,796
Illinois	0	25,198	0	25,198
Virginia	0	1,131	0	1,131
West Virginia	0	6,024	0	6,024
U.S. Government Agencies	0	36,105	8,361	44,466
U.S. Treasury Obligations	0	12,085	0	12,085
Non-Agency Mortgage-Backed Securities	0	331,161	0	331,161
Asset-Backed Securities	0	187,979	0	187,979
Sovereign Issues	0	5,536	0	5,536
<b>Common Stocks</b>				
Financials	0	0	793	793
<b>Preferred Securities</b>				
Banking & Finance	6,396	15,398	0	21,794
<b>Financial Derivative Instruments - Assets</b>				
<b>Short-Term Instruments</b>				
Repurchase Agreements	\$ 0	\$ 35,311	\$ 0	\$ 35,311
Short-Term Notes	0	1,500	0	1,500
U.S. Treasury Bills	0	61,899	0	61,899
<b>Total Investments</b>	<b>\$ 6,396</b>	<b>\$ 1,170,188</b>	<b>\$ 41,394</b>	<b>\$ 1,217,978</b>
<b>Financial Derivative Instruments - Liabilities</b>				
<b>Exchange-traded or centrally cleared</b>				
Over the counter	0	4,597	0	4,597
<b>Over the counter</b>				
	0	10,781	0	10,781
	\$ 0	\$ 15,378	\$ 0	\$ 15,378
<b>Financial Derivative Instruments - Liabilities</b>				
<b>Exchange-traded or centrally cleared</b>				
Over the counter	0	(4,703)	0	(4,703)
<b>Over the counter</b>				
	0	(76,183)	0	(76,183)
	\$ 0	\$ (80,886)	\$ 0	\$ (80,886)
<b>Totals</b>	<b>\$ 6,396</b>	<b>\$ 1,104,680</b>	<b>\$ 41,394</b>	<b>\$ 1,152,470</b>

There were no significant transfers between Levels 1 and 2 during the period ended January 31, 2016.

See Accompanying Notes

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**Schedule of Investments PIMCO Corporate & Income Opportunity Fund (Cont.)**

January 31, 2016 (Unaudited)

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund during the period ended January 31, 2016:

Category and Subcategory	Beginning Balance at 07/31/2015	Net Purchases	Net Sales	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation) <sup>(1)</sup>	Transfers out of Level 3	Transfers into Level 3	Ending Balance at 01/31/2016	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 01/31/2016 <sup>(1)</sup>
<b>Investments in Securities, at Value</b>										
Bank Loan Obligations	\$ 8,897	\$ 130	\$ (37)	\$ 51	\$ 3	\$ (2,654)	\$ 0	\$ 0	\$ 6,390	\$ (2,600)
<b>Corporate Bonds &amp; Notes</b>										
Banking & Finance	10,454	4,378	(121)	3	1	198	0	0	14,913	214
Industrials	10,941	0	0	6	0	(10)	0	0	10,937	(10)
U.S. Government Agencies	0	8,796	(52)	12	21	(416)	0	0	8,361	(416)
<b>Non Agency</b>										
Mortgage-Backed Securities	8,290	0	(8,338)	0	47	1	0	0	0	0
<b>Common Stocks</b>										
Financials	832	0	0	0	0	(39)	0	0	793	(39)
Totals	\$ 39,414	\$ 13,304	\$ (8,548)	\$ 72	\$ 72	\$ (2,920)	\$ 0	\$ 0	\$ 41,394	\$ (2,851)

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

Category and Subcategory	Ending Balance at 01/31/2016	Valuation Technique	Unobservable Inputs	Input Value(s) (% Unless Noted Otherwise)
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 1,949	Proxy Pricing	Base Price	97.00
	4,441	Third Party Vendor	Broker Quote	60.00
<b>Corporate Bonds &amp; Notes</b>				
Banking & Finance	4,413	Other Valuation Techniques <sup>(2)</sup>		
	10,500	Proxy Pricing	Base Price	113.30
Industrials	10,937	Proxy Pricing	Base Price	100.09
U.S. Government Agencies	8,361	Proxy Pricing	Base Price	56.31
<b>Common Stocks</b>				
Financials	793	Other Valuation Techniques <sup>(2)</sup>		
Total	\$ 41,394			

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<sup>(1)</sup> Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at January 31, 2016 may be due to an investment no longer held or categorized as Level 3 at period end.

<sup>(2)</sup> Includes valuation techniques not defined in the Notes to Financial Statements as securities valued using such techniques are not considered significant to the Fund.

**28 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

**Table of Contents****Schedule of Investments PIMCO Corporate & Income Strategy Fund**

January 31, 2016 (Unaudited)

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 119.1%</b>			
<b>BANK LOAN OBLIGATIONS 1.5%</b>			
<b>Hellenic Republic</b>			
3.930% due 03/30/2016	EUR	1,000	\$ 975
<b>iHeartCommunications, Inc.</b>			
7.178% due 01/30/2019	\$	5,800	3,865
<b>Sequa Corp.</b>			
5.250% due 06/19/2017		4,938	3,321
<b>Total Bank Loan Obligations (Cost \$11,048)</b>			<b>8,161</b>
<b>CORPORATE BONDS &amp; NOTES 45.3%</b>			
<b>BANKING &amp; FINANCE 25.1%</b>			
<b>AGFC Capital Trust</b>			
6.000% due 01/15/2067		2,300	1,575
<b>AIG Life Holdings, Inc.</b>			
7.570% due 12/01/2045		3,400	4,445
<b>American International Group, Inc.</b>			
6.250% due 03/15/2087		1,826	1,981
8.175% due 05/15/2068		300	391
<b>Banco do Brasil S.A.</b>			
6.250% due 04/15/2024 (f)		4,460	2,174
9.000% due 06/18/2024 (f)		3,827	2,315
<b>Banco Espirito Santo S.A.</b>			
2.625% due 05/08/2017 ^	EUR	1,100	423
4.000% due 01/21/2019 ^		4,300	1,654
4.750% due 01/15/2018 ^		5,100	1,961
<b>Banco Santander S.A.</b>			
6.250% due 09/11/2021 (f)		1,300	1,288
<b>Barclays PLC</b>			
7.875% due 09/15/2022 (f)	GBP	3,757	5,138
8.000% due 12/15/2020 (f)	EUR	1,900	2,165
<b>BGC Partners, Inc.</b>			
5.375% due 12/09/2019 (h)	\$	5,960	6,156
<b>Blackstone CQP Holdco LP</b>			
2.324% due 03/19/2019		2,600	2,608
<b>BNP Paribas S.A.</b>			
7.375% due 08/19/2025 (f)		6,200	6,091
<b>Cantor Fitzgerald LP</b>			
6.500% due 06/17/2022 (i)		8,000	8,382
<b>Co-operative Group Holdings Ltd.</b>			
7.500% due 07/08/2026	GBP	6,000	9,317
<b>Communications Sales &amp; Leasing, Inc.</b>			
8.250% due 10/15/2023	\$	3,100	2,751
<b>Credit Agricole S.A.</b>			
7.875% due 01/23/2024 (f)		6,500	6,345
<b>Credit Suisse Group AG</b>			
7.500% due 12/11/2023 (f)		7,725	7,948
<b>GSPA Monetization Trust</b>			
6.422% due 10/09/2029		4,892	5,559
<b>LBG Capital PLC</b>			

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9.125% due 07/15/2020	GBP	3,100	4,483
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	1,050	1,114
<b>Nationwide Building Society</b>			
10.250% (f)	GBP	11	2,014
<b>Navient Corp.</b>			
5.500% due 01/15/2019 (i)	\$	8,750	8,225
5.625% due 08/01/2033		2,648	1,748
8.450% due 06/15/2018		2,300	2,386
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	298	256
5.000% due 04/23/2019		608	524
5.000% due 05/14/2019		402	346
5.000% due 05/21/2019		225	192
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
5.000% due 05/23/2019	EUR	224	\$ 192
<b>OneMain Financial Holdings, Inc.</b>			
7.250% due 12/15/2021	\$	2,796	2,775
<b>Preferred Term Securities Ltd.</b>			
0.892% due 09/23/2035		487	375
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (f)		200	203
<b>Sberbank of Russia Via SB Capital S.A.</b>			
5.717% due 06/16/2021 (i)		8,300	8,356
6.125% due 02/07/2022		2,500	2,552
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	7,786	9,148
6.052% due 10/13/2039		1,889	2,481
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		252	368
8.750% due 04/02/2020		2,089	2,582
<b>Vnesheconombank Via VEB Finance PLC</b>			
6.902% due 07/09/2020	\$	2,600	2,600
			133,587
<b>INDUSTRIALS 13.2%</b>			
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		1,380	850
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (c)(i)		4,650	2,668
<b>Caesars Entertainment Operating Co., Inc.</b>			
8.500% due 02/15/2020 ^		3,300	2,491
9.000% due 02/15/2020 ^		1,885	1,414
11.250% due 06/01/2017 ^		8,170	5,954
<b>Centene Escrow Corp.</b>			
5.625% due 02/15/2021 (b)		130	133
6.125% due 02/15/2024 (b)		130	133
<b>Chesapeake Energy Corp.</b>			
3.872% due 04/15/2019		440	118
<b>Continental Airlines Pass-Through Trust</b>			
9.798% due 10/01/2022		1,163	1,255
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019		308	122
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097 (i)		7,830	8,944
9.980% due 02/15/2047		1,500	2,130
<b>Harvest Operations Corp.</b>			
6.875% due 10/01/2017		5,592	3,942
<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022		1,200	786
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021 (i)		6,192	2,724
8.125% due 06/01/2023		251	105
<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019		7,070	5,515
<b>Pertamina Persero PT</b>			

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6.450% due 05/30/2044		5,033		4,349
<b>Russian Railways via RZD Capital PLC</b>				
7.487% due 03/25/2031	GBP	1,000		1,314
<b>Sequa Corp.</b>				
7.000% due 12/15/2017	\$	7,480		1,964
<b>Spanish Broadcasting System, Inc.</b>				
12.500% due 04/15/2017		2,100		2,055
<b>Tembec Industries, Inc.</b>				
9.000% due 12/15/2019		1,900		1,211
<b>Times Square Hotel Trust</b>				
8.528% due 08/01/2026		1,851		2,213
<b>UCP, Inc.</b>				
8.500% due 10/21/2017		6,000		6,020
		<b>PRINCIPAL</b>		<b>MARKET</b>
		<b>AMOUNT</b>		<b>VALUE</b>
		<b>(000S)</b>		<b>(000S)</b>
<b>Unique Pub Finance Co. PLC</b>				
5.659% due 06/30/2027	GBP	3,932	\$	5,561
6.542% due 03/30/2021		2,021		2,980
<b>Westmoreland Coal Co.</b>				
8.750% due 01/01/2022	\$	5,955		3,484
				70,435
<b>UTILITIES 7.0%</b>				
<b>AK Transneft OJSC Via TransCapitalInvest Ltd.</b>				
8.700% due 08/07/2018		500		549
<b>FPL Energy Wind Funding LLC</b>				
6.876% due 06/27/2017		333		328
<b>Gazprom Neft OAO Via GPN Capital S.A.</b>				
4.375% due 09/19/2022 (i)		8,800		7,744
4.375% due 09/19/2022		280		246
6.000% due 11/27/2023		4,900		4,596
<b>Gazprom OAO Via Gaz Capital S.A.</b>				
6.510% due 03/07/2022		1,050		1,064
9.250% due 04/23/2019		600		667
<b>Illinois Power Generating Co.</b>				
6.300% due 04/01/2020		6,400		2,848
7.000% due 04/15/2018		1,900		1,026
7.950% due 06/01/2032		700		304
<b>Mountain States Telephone &amp; Telegraph Co.</b>				
7.375% due 05/01/2030		8,200		9,160
<b>Odebrecht Drilling Norbe Ltd.</b>				
6.350% due 06/30/2022		314		116
<b>Odebrecht Offshore Drilling Finance Ltd.</b>				
6.625% due 10/01/2023		2,849		655
6.750% due 10/01/2023		3,035		683
<b>Petrobras Global Finance BV</b>				
2.750% due 01/15/2018	EUR	450		406
3.406% due 03/17/2020	\$	270		188
4.875% due 03/17/2020		420		318
5.750% due 01/20/2020		220		173
6.250% due 12/14/2026	GBP	4,800		4,329
6.625% due 01/16/2034		100		88
6.750% due 01/27/2041	\$	2,300		1,457
7.875% due 03/15/2019		100		87
				37,032
<b>Total Corporate Bonds &amp; Notes</b>				<b>241,054</b>
<b>(Cost \$274,544)</b>				
<b>MUNICIPAL BONDS &amp; NOTES 5.1%</b>				
<b>CALIFORNIA 1.8%</b>				
<b>Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010</b>				
7.750% due 10/01/2037		1,220		1,340
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>				
7.942% due 10/01/2038		7,400		8,389

		9,729
<b>ILLINOIS 2.6%</b>		
<b>Chicago, Illinois General Obligation Bonds, (BABs), Series 2010</b>		
7.517% due 01/01/2040	12,700	13,503
<b>VIRGINIA 0.1%</b>		
<b>Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007</b>		
6.706% due 06/01/2046	785	635

See Accompanying Notes

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	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>WEST VIRGINIA 0.6%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	\$ 3,730	\$ 3,273
<b>Total Municipal Bonds &amp; Notes (Cost \$25,347)</b>		<b>27,140</b>
<b>U.S. GOVERNMENT AGENCIES 4.9%</b>		
<b>Fannie Mae</b>		
3.000% due 02/25/2043 (a)	73,523	14,092
<b>Freddie Mac</b>		
2.563% due 11/25/2055	8,371	4,714
7.977% due 12/25/2027	4,500	4,072
9.777% due 04/25/2028	2,000	1,912
10.927% due 05/25/2028	570	556
11.177% due 03/25/2025	749	775
<b>Total U.S. Government Agencies (Cost \$25,702)</b>		<b>26,121</b>
<b>U.S. TREASURY OBLIGATIONS 0.3%</b>		
<b>U.S. Treasury Floating Rate Notes</b>		
0.473% due 10/31/2017 (I)	1,500	1,500
<b>Total U.S. Treasury Obligations (Cost \$1,499)</b>		<b>1,500</b>
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 36.4%</b>		
<b>Banc of America Alternative Loan Trust</b>		
5.500% due 10/25/2035 ^	6,703	5,958
6.000% due 01/25/2036 ^	170	145
<b>Banc of America Funding Trust</b>		
6.000% due 03/25/2037 ^	3,522	3,038
6.000% due 07/25/2037 ^	464	368
<b>Banc of America Mortgage Trust</b>		
2.663% due 03/25/2035	152	141
5.500% due 11/25/2035 ^	3,100	2,928
6.000% due 03/25/2037 ^	627	574
6.500% due 09/25/2033	269	270
<b>BCAP LLC Trust</b>		
2.932% due 08/28/2037	6,455	4,825
5.283% due 03/26/2037	1,458	423
10.662% due 07/26/2036	1,764	1,814
<b>Bear Stearns Adjustable Rate Mortgage Trust</b>		
2.764% due 08/25/2035 ^	8,194	7,383
<b>Bear Stearns ALT-A Trust</b>		
0.927% due 01/25/2036 ^	1,940	1,560
2.623% due 11/25/2035 ^	9,884	7,958
2.692% due 11/25/2036 ^	5,565	3,893
2.942% due 09/25/2035 ^	1,109	910
3.007% due 08/25/2036 ^	1,329	995
<b>Bear Stearns Mortgage Funding Trust</b>		
7.000% due 08/25/2036	1,863	1,770
<b>Chase Mortgage Finance Trust</b>		
2.679% due 12/25/2035 ^	18	16
6.000% due 07/25/2037 ^	1,191	995
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
5.061% due 09/25/2037 ^	4,281	3,886



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5.276% due 04/25/2037 ^	466	406
<b>Countrywide Alternative Loan Resecuritization Trust</b>		
6.000% due 08/25/2037 ^	1,671	1,436
<b>Countrywide Alternative Loan Trust</b>		
5.500% due 03/25/2035	485	405
5.500% due 03/25/2036 ^	233	198
5.500% due 05/25/2036 ^	2,882	2,201
5.750% due 01/25/2035	604	611
5.750% due 02/25/2035	681	672
	<b>PRINCIPAL</b>	<b>MARKET</b>
	<b>AMOUNT</b>	<b>VALUE</b>
	<b>(000S)</b>	<b>(000S)</b>
5.750% due 03/25/2037 ^	\$ 1,164	\$ 1,029
6.000% due 02/25/2035	1,522	1,581
6.000% due 04/25/2036	7,584	6,887
6.000% due 02/25/2037 ^	7,741	6,046
6.000% due 04/25/2037 ^	1,807	1,416
6.000% due 07/25/2037 ^	534	558
6.250% due 12/25/2036 ^	2,172	1,760
6.500% due 08/25/2036 ^	726	549
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>		
2.569% due 09/20/2036 ^	450	389
5.750% due 03/25/2037 ^	1,130	1,039
6.000% due 03/25/2037 ^	682	643
6.000% due 07/25/2037	6,538	5,482
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>		
6.000% due 02/25/2037 ^	733	643
6.750% due 08/25/2036 ^	2,218	1,769
<b>Epic Drummond Ltd.</b>		
0.044% due 01/25/2022	EUR 2,956	2,887
<b>First Horizon Alternative Mortgage Securities Trust</b>		
6.000% due 08/25/2036 ^	\$ 7,292	5,958
<b>GSR Mortgage Loan Trust</b>		
2.765% due 08/25/2034	784	734
5.500% due 05/25/2036 ^	645	619
6.000% due 02/25/2036 ^	4,671	3,934
<b>HarborView Mortgage Loan Trust</b>		
0.666% due 01/19/2036 ^	6,699	4,538
3.338% due 06/19/2036 ^	9,440	5,925
<b>IndyMac Mortgage Loan Trust</b>		
6.500% due 07/25/2037 ^	3,959	2,526
<b>Jefferies Resecuritization Trust</b>		
6.000% due 05/26/2036	17,068	14,010
<b>JPMorgan Alternative Loan Trust</b>		
2.620% due 03/25/2037 ^	2,762	2,107
6.000% due 12/25/2035 ^	2,622	2,438
<b>JPMorgan Mortgage Trust</b>		
2.653% due 01/25/2037 ^	1,221	1,093
2.705% due 04/25/2037	15	14
2.744% due 02/25/2036 ^	4,797	4,197
5.000% due 03/25/2037 ^	1,886	1,597
6.000% due 08/25/2037 ^	344	304
<b>Lehman Mortgage Trust</b>		
6.000% due 07/25/2036 ^	1,331	985
6.000% due 07/25/2037 ^	376	344
<b>Lehman XS Trust</b>		
0.647% due 06/25/2047	3,456	2,473
<b>MASTR Alternative Loan Trust</b>		
6.750% due 07/25/2036	2,657	1,953
<b>Merrill Lynch Mortgage Investors Trust</b>		
2.720% due 03/25/2036 ^	1,043	702
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.000% due 02/25/2036 ^	2,815	2,727
<b>Residential Accredited Loans, Inc. Trust</b>		
0.657% due 05/25/2037 ^	330	82
3.713% due 12/26/2034 ^	3,038	2,511
6.000% due 08/25/2036 ^	555	457
<b>Residential Asset Mortgage Products Trust</b>		
6.500% due 12/25/2031	894	928
<b>Residential Asset Securitization Trust</b>		

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6.000% due 11/25/2036 ^	3,426	2,303
6.000% due 03/25/2037 ^	2,089	1,467
6.000% due 05/25/2037 ^	2,449	2,112
6.250% due 09/25/2037 ^	3,196	2,286
6.250% due 06/25/2046	1,925	1,602
<b>Residential Funding Mortgage Securities, Inc. Trust</b>		
3.369% due 02/25/2037	2,658	2,139
6.500% due 03/25/2032	273	285
	<b>PRINCIPAL</b>	<b>MARKET</b>
	<b>AMOUNT</b>	<b>VALUE</b>
	<b>(000S)</b>	<b>(000S)</b>
<b>Sequoia Mortgage Trust</b>		
2.716% due 02/20/2047	\$ 576	\$ 497
4.826% due 07/20/2037 ^	1,184	1,063
<b>Structured Adjustable Rate Mortgage Loan Trust</b>		
2.676% due 11/25/2036 ^	4,178	3,274
2.724% due 01/25/2036 ^	3,351	2,564
2.744% due 07/25/2035 ^	1,437	1,233
4.148% due 07/25/2036 ^	1,060	885
4.576% due 07/25/2036 ^	9,065	5,912
4.688% due 03/25/2037 ^	4,861	3,431
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>		
2.771% due 04/25/2037 ^	1,076	915
2.818% due 02/25/2037 ^	605	531
<b>WaMu Mortgage Pass-Through Certificates Trust</b>		
2.225% due 07/25/2037 ^	698	597
2.409% due 09/25/2036 ^	473	430
4.275% due 02/25/2037 ^	922	852
4.412% due 07/25/2037 ^	1,756	1,623
6.009% due 10/25/2036 ^	3,483	2,902
<b>Washington Mutual Mortgage Pass-Through Certificates Trust</b>		
1.125% due 05/25/2047 ^	405	32
6.000% due 10/25/2035 ^	2,736	2,099
<b>Wells Fargo Mortgage-Backed Securities Trust</b>		
2.671% due 07/25/2036 ^	694	655
2.734% due 05/25/2036 ^	137	130
6.000% due 07/25/2037 ^	643	635
<b>Total Non-Agency</b>		
<b>Mortgage-Backed Securities</b>		<b>194,067</b>
<b>(Cost \$187,816)</b>		
<b>ASSET-BACKED SECURITIES 18.2%</b>		
<b>ACE Securities Corp. Home Equity Loan Trust</b>		
0.817% due 02/25/2036	23,100	8,414
<b>Argent Securities Trust</b>		
0.617% due 03/25/2036	3,211	1,539
<b>Bear Stearns Asset-Backed Securities Trust</b>		
0.567% due 10/25/2036 ^	7,093	5,614
6.500% due 10/25/2036 ^	400	306
<b>CIFC Funding Ltd.</b>		
0.000% due 05/24/2026 (e)	2,300	1,536
0.000% due 07/22/2026 (e)	1,500	814
<b>Countrywide Asset-Backed Certificates</b>		
1.147% due 01/25/2036	4,000	2,974
5.040% due 10/25/2046 ^	10,086	9,610
<b>First Franklin Mortgage Loan Trust</b>		
1.057% due 09/25/2035	3,949	1,583
1.077% due 05/25/2036	8,631	3,329
<b>Fremont Home Loan Trust</b>		
1.357% due 06/25/2035 ^	6,000	4,283
<b>Greenpoint Manufactured Housing</b>		
8.140% due 03/20/2030	1,712	1,812
<b>IndyMac Home Equity Mortgage Loan Asset-Backed Trust</b>		
0.587% due 07/25/2037	12,270	7,538
<b>JPMorgan Mortgage Acquisition Corp.</b>		
0.717% due 01/25/2036	862	732
<b>JPMorgan Mortgage Acquisition Trust</b>		

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0.582% due 11/25/2036	5,758	4,096
4.617% due 01/25/2037 ^	7,527	5,052
<b>Lehman XS Trust</b>		
5.170% due 08/25/2035 ^	644	613
<b>Long Beach Mortgage Loan Trust</b>		
0.727% due 01/25/2036	5,000	2,827
<b>Mid-State Trust</b>		
6.340% due 10/15/2036	1,303	1,393

**30 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>Morgan Stanley ABS Capital, Inc. Trust</b>		
0.577% due 06/25/2036	\$ 2,636	\$ 2,334
<b>Morgan Stanley Mortgage Loan Trust</b>		
6.250% due 07/25/2047 ^	919	663
<b>Park Place Securities, Inc. Asset-Backed Pass-Through Certificates</b>		
0.947% due 08/25/2035	5,000	3,242
<b>Residential Asset Mortgage Products Trust</b>		
1.517% due 12/25/2033	251	232
1.627% due 01/25/2035 ^	3,082	1,995
<b>Soundview Home Loan Trust</b>		
0.677% due 08/25/2037	2,000	1,381
<b>Taberna Preferred Funding Ltd.</b>		
0.714% due 08/05/2036	569	415
0.714% due 08/05/2036 ^	10,524	7,683
1.083% due 07/05/2035	10,668	8,001
<b>Tropic CDO Ltd.</b>		
0.942% due 07/15/2036	10,089	6,709
<b>Total Asset-Backed Securities (Cost \$98,126)</b>		<b>96,720</b>

**SOVEREIGN ISSUES 0.5%**

<b>Athens Urban Transportation Organisation</b>			
4.851% due 09/19/2016	EUR	200	197
<b>Republic of Greece Government International Bond</b>			
3.000% due 02/24/2023		142	103
3.000% due 02/24/2024		142	101
3.000% due 02/24/2025		142	99
3.000% due 02/24/2026		142	97
3.000% due 02/24/2027		142	94
3.000% due 02/24/2028		142	92
3.000% due 02/24/2029		142	89
3.000% due 02/24/2030		142	88
3.000% due 02/24/2031		142	87
		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.000% due 02/24/2032	\$	142	\$ 85
3.000% due 02/24/2033		142	84
3.000% due 02/24/2034		142	82
3.000% due 02/24/2035		142	81
3.000% due 02/24/2036		142	81
3.000% due 02/24/2037		142	80
3.000% due 02/24/2038		142	80
3.000% due 02/24/2039		142	80
3.000% due 02/24/2040		142	80
3.000% due 02/24/2041		142	80
3.000% due 02/24/2042		142	80
3.800% due 08/08/2017	JPY	47,000	338
4.750% due 04/17/2019	EUR	400	361

**Total Sovereign Issues (Cost \$2,560)****2,639**

SHARES

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<b>COMMON STOCKS 0.0%</b>		
<b>FINANCIALS 0.0%</b>		
TIG FinCo PLC (g)	182,606	182
<b>Total Common Stocks (Cost \$271)</b>		<b>182</b>
<b>PREFERRED SECURITIES 4.4%</b>		
<b>BANKING &amp; FINANCE 4.4%</b>		
<b>Citigroup Capital</b>		
6.983% due 10/30/2040	120,000	3,069
<b>Farm Credit Bank of Texas</b>		
10.000% due 12/15/2020 (f)	13,500	16,900
<b>GMAC Capital Trust</b>		
8.125% due 02/15/2040	144,400	3,675
<b>Total Preferred Securities (Cost \$23,995)</b>		<b>23,644</b>
		<b>MARKET VALUE (000S)</b>
<b>SHORT-TERM INSTRUMENTS 2.5%</b>		
<b>REPURCHASE AGREEMENTS (h) 1.0%</b>		
	\$	5,536
	<b>PRINCIPAL AMOUNT (000S)</b>	
<b>SHORT-TERM NOTES 0.9%</b>		
<b>Federal Home Loan Bank</b>		
0.279% due 02/17/2016	\$	1,000
0.294% due 02/19/2016		900
0.299% due 03/02/2016		2,700
		4,599
<b>U.S. TREASURY BILLS 0.6%</b>		
0.243% due 02/18/2016 (d)(l)	3,171	3,171
<b>Total Short-Term Instruments (Cost \$13,306)</b>		<b>13,306</b>
<b>Total Investments in Securities (Cost \$664,214)</b>		<b>634,534</b>
<b>Total Investments 119.1% (Cost \$664,214)</b>	\$	<b>634,534</b>
<b>Financial Derivative Instruments (j)(k) 0.0%</b>		
(Cost or Premiums, net \$755)		(71)
<b>Preferred Shares (10.4%)</b>		<b>(55,525)</b>
<b>Other Assets and Liabilities, net (8.7%)</b>		<b>(46,337)</b>
<b>Net Assets Applicable to Common Shareholders 100.0%</b>	\$	<b>532,601</b>

**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) When-issued security.

(c) Payment in-kind bond security.

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

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(e) Zero coupon bond.

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

(g) RESTRICTED SECURITIES:

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC	04/02/2015	\$ 271	\$ 182	0.03%

BORROWINGS AND OTHER FINANCING TRANSACTIONS

(h) REPURCHASE AGREEMENTS:

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received <sup>(1)</sup>
SAL	0.550%	01/29/2016	02/01/2016	\$ 5,100	U.S. Treasury Notes 1.625% due 07/31/2020	\$ (5,177)	\$ 5,100	\$ 5,100
SSB	0.010	01/29/2016	02/01/2016	436	U.S. Treasury Notes 2.250% due 07/31/2021	(447)	436	436
<b>Total Repurchase Agreements</b>						<b>\$ (5,624)</b>	<b>\$ 5,536</b>	<b>\$ 5,536</b>

<sup>(1)</sup> Includes accrued interest.

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO Corporate & Income Strategy Fund (Cont.)****REVERSE REPURCHASE AGREEMENTS:**

Counterparty	Borrowing Rate	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(1.250%)	01/21/2016	02/01/2016	\$ (1,768)	\$ (1,767)
	(0.500)	01/29/2016	TBD <sup>(2)</sup>	(1,850)	(1,850)
DEU	1.150	12/04/2015	03/04/2016	(1,017)	(1,019)
JML	1.250	01/19/2016	02/25/2016	(6,516)	(6,519)
	1.550	12/15/2015	02/12/2016	(5,924)	(5,936)
MSC	1.000	02/01/2016	05/02/2016	(12,752)	(12,752)
RBC	0.930	12/14/2015	02/23/2016	(7,066)	(7,075)
RDR	0.760	11/17/2015	02/17/2016	(14,142)	(14,165)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (51,083)</b>

(2) Open maturity reverse repurchase agreement.

(3) The average amount of borrowings outstanding during the period ended January 31, 2016 was \$(13,759) at a weighted average interest rate of 0.933%.

**BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY**

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of January 31, 2016:

(i) Securities with an aggregate market value of \$58,588 have been pledged as collateral under the terms of the following master agreements as of January 31, 2016.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure <sup>(4)</sup>
Global/Master Repurchase Agreement						
BCY	\$ 0	\$ (3,617)	\$ 0	\$ (3,617)	\$ 4,188	\$ 571
DEU	0	(1,019)	0	(1,019)	1,297	278
JML	0	(12,455)	0	(12,455)	16,100	3,645
MSC	0	(12,752)	0	(12,752)	14,130	1,378
RBC	0	(7,075)	0	(7,075)	7,961	886
RDR	0	(14,165)	0	(14,165)	14,911	746
SAL	5,100	0	0	5,100	(5,177)	(77)
SSB	436	0	0	436	(447)	(11)

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<b>Total Borrowings and Other Financing Transactions</b>	<b>\$ 5,536</b>	<b>\$ (51,083)</b>	<b>\$ 0</b>
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(4) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

### CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

#### Remaining Contractual Maturity of the Agreements

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
<b>Reverse Repurchase Agreements</b>					
Corporate Bonds & Notes	\$ (1,767)	\$ (33,695)	\$ (1,019)	\$ (1,850)	\$ (38,331)
<b>Total Borrowings</b>	<b>\$ (1,767)</b>	<b>\$ (33,695)</b>	<b>\$ (1,019)</b>	<b>\$ (1,850)</b>	<b>\$ (38,331)</b>
<b>Gross amount of recognized liabilities for reverse repurchase agreements<sup>(5)</sup></b>					<b>\$ (38,331)</b>

(5) Unsettled reverse repurchase agreements liability of \$(12,752) is outstanding at period end.

### (j) 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 (2)	Market Value (3)	Unrealized (Depreciation)	Variation Margin Asset	Variation Margin Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 8,415	\$ 255	\$ (394)	\$ 33	\$ 0
CDX.HY-25 5-Year Index	5.000	12/20/2020	14,500	46	(77)	57	0
				\$ 301	\$ (471)	\$ 90	\$ 0

(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.





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January 31, 2016 (Unaudited)

- (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**

Pay/Receive	Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin	
								Asset	Liability
Pay		3-Month USD-LIBOR	2.000%	12/16/2020	\$ 59,300	\$ 2,122	\$ 576	\$ 183	\$ 0
Pay		3-Month USD-LIBOR	2.750	06/17/2025	75,590	6,680	2,017	455	0
Pay		3-Month USD-LIBOR	3.500	06/19/2044	169,400	44,772	50,299	1,942	0
Receive		3-Month USD-LIBOR	2.500	06/15/2046	227,500	(7,531)	(19,027)	0	(2,287)
Pay		6-Month AUD-BBR-BBSW	3.500	06/17/2025	AUD 7,600	362	173	11	0
						\$ 46,405	\$ 34,038	\$ 2,591	\$ (2,287)
<b>Total Swap Agreements</b>						<b>\$ 46,706</b>	<b>\$ 33,567</b>	<b>\$ 2,681</b>	<b>\$ (2,287)</b>

**FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY**

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of January 31, 2016:

Cash of \$4,812 has been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of January 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

	Financial Derivative Assets				Financial Derivative Liabilities			
	Variation Margin				Variation Margin			
	Market Value		Asset		Market Value		Liability	
	Purchased	Futures	Swap	Total	Written	Futures	Swap	Total
<b>Total Exchange-Traded or Centrally Cleared</b>	\$ 0	\$ 0	\$ 2,681	\$ 2,681	\$ 0	\$ 0	\$ (2,287)	\$ (2,287)

**(k) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER**

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**FORWARD FOREIGN CURRENCY CONTRACTS:**

Counterparty	Settlement Month	Currency to be Delivered		Currency to be Received		Unrealized Appreciation/ (Depreciation)	
						Asset	Liability
BOA	02/2016	\$	51,522	GBP	36,143	\$ 0	\$ (22)
	03/2016		GBP 36,143	\$	51,523	21	0
	06/2016		EUR 93		127	26	0
	06/2016	\$	5	EUR	4	0	(1)
BRC	03/2016		MXN 170	\$	10	0	0
	06/2016		EUR 17		23	5	0
CBK	02/2016		GBP 36,526		54,208	2,162	0
	02/2016	\$	601	EUR	553	0	(2)
	03/2016		EUR 956	\$	1,044	7	0
DUB	02/2016		BRL 11,930		2,951	0	(32)
	02/2016	\$	3,015	BRL	11,930	0	(32)
	06/2016		EUR 10	\$	14	3	0
JPM	02/2016		BRL 11,930		2,913	0	(70)
	02/2016		EUR 1,548		1,677	1	(1)
	02/2016		JPY 7,060		57	0	(1)
	02/2016	\$	2,951	BRL	11,930	32	0
	02/2016		8,884	EUR	8,255	58	0
	02/2016		568	GBP	383	0	(22)
MSB	02/2016		JPY 33,100	\$	273	0	0
	06/2016		EUR 24		33	7	0
NAB	06/2016		53		73	15	0
SCX	02/2016	\$	280	JPY	33,100	0	(6)
	03/2016		JPY 33,100	\$	280	6	0
UAG	02/2016		EUR 21,782		23,809	213	0
	02/2016	\$	15,574	EUR	14,373	0	(3)
	03/2016		EUR 14,374	\$	15,585	3	0
<b>Total Forward Foreign Currency Contracts</b>						<b>\$ 2,600</b>	<b>\$ (192)</b>

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO Corporate & Income Strategy Fund (Cont.)****SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CORPORATE AND SOVEREIGN ISSUES - SELL PROTECTION <sup>(1)</sup>**

Counterparty	Reference Entity	Fixed Receive Rate	Maturity Date	Implied Credit Spread at January 31, 2016 <sup>(2)</sup>	Notional Amount <sup>(3)</sup>	Premiums (Received)	Unrealized Swap Agreements, at Value		
							Appreciation/Depreciation	Asset	Liability
BPS	Petrobras International Finance Co.	1.000%	12/20/2019	11.002%	\$ 2,400	\$ (247)	\$ (463)	\$ 0	\$ (710)
GST	Petrobras Global Finance BV	1.000	09/20/2020	11.018	10	(2)	(1)	0	(3)
	Petrobras International Finance Co.	1.000	12/20/2019	11.002	8,900	(912)	(1,720)	0	(2,632)
	Russia Government International Bond	1.000	06/20/2020	3.082	200	(27)	10	0	(17)
HUS	Petrobras Global Finance BV	1.000	09/20/2020	11.018	40	(6)	(7)	0	(13)
MYC	Chesapeake Energy Corp.	5.000	09/20/2020	44.507	300	(30)	(174)	0	(204)
						\$ (1,224)	\$ (2,355)	\$ 0	\$ (3,579)

<sup>(1)</sup> 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.

<sup>(2)</sup> Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate or sovereign issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

<sup>(3)</sup> 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.

**INTEREST RATE SWAPS**

Counterparty	Pay/Receive	Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Premiums Paid/(Received)	Unrealized Swap Agreements, at Value		
								Appreciation/Depreciation	Asset	Liability
BPS	Receive	1-Year BRL-CDI	11.250%		01/04/2021	BRL 28,850	\$ 1,091	\$ (104)	\$ 987	\$ 0
CBK	Pay	3-Month USD-LIBOR	2.350		02/18/2021	\$ 96,300	561	490	1,051	0
DUB	Receive	1-Year BRL-CDI	15.900		01/04/2021	BRL 28,800	89	(125)	0	(36)
	Pay	3-Month USD-LIBOR	2.900		02/18/2026	\$ 49,400	324	353	677	0

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UAG	Pay	1-Year BRL-CDI	11,250	01/04/2021	BRL	57,700	(86)	(1,887)	0	(1,973)
							\$ 1,979	\$ (1,273)	\$ 2,715	\$ (2,009)
<b>Total Swap Agreements</b>							<b>\$ 755</b>	<b>\$ (3,628)</b>	<b>\$ 2,715</b>	<b>\$ (5,588)</b>

**FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY**

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of January 31, 2016:

(I) Securities with an aggregate market value of \$4,671 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of January 31, 2016.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral (Received)/ Pledged	Net Exposure <sup>(4)</sup>
	Forward Foreign Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Contracts	Written Options	Swap Agreements	Total Over the Counter			
BOA	\$ 47	\$ 0	\$ 0	\$ 47	\$ (23)	\$ 0	\$ 0	\$ (23)	\$ 24	\$ 0	\$ 24
BPS	0	0	987	987	0	0	(710)	(710)	277	(450)	(173)
BRC	5	0	0	5	0	0	0	0	5	0	5
CBK	2,169	0	1,051	3,220	(2)	0	0	(2)	3,218	(2,710)	508
DUB	3	0	677	680	(64)	0	(36)	(100)	580	(740)	(160)
GST	0	0	0	0	0	0	(2,652)	(2,652)	(2,652)	2,559	(93)
HUS	0	0	0	0	0	0	(13)	(13)	(13)	0	(13)
JPM	132	0	0	132	(94)	0	0	(94)	38	0	38
MSB	7	0	0	7	0	0	0	0	7	(10)	(3)
MYC	0	0	0	0	0	0	(204)	(204)	(204)	196	(8)
NAB	15	0	0	15	0	0	0	0	15	0	15
SCX	6	0	0	6	(6)	0	0	(6)	0	0	0
UAG	216	0	0	216	(3)	0	(1,973)	(1,976)	(1,760)	1,916	156
<b>Total Over the Counter</b>	<b>\$ 2,600</b>	<b>\$ 0</b>	<b>\$ 2,715</b>	<b>\$ 5,315</b>	<b>\$(192)</b>	<b>\$ 0</b>	<b>\$(5,588)</b>	<b>\$(5,780)</b>			

<sup>(4)</sup> Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

**34 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

**FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS**

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure. See Note 7, Principal Risks, in the Notes to Financial Statements on risks of the Fund.

**Fair Values of Financial Derivative Instruments on the Statements of Assets and Liabilities as of January 31, 2016:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Financial Derivative Instruments - Assets</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 90	\$ 0	\$ 0	\$ 2,591	\$ 2,681
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 2,600	\$ 0	\$ 2,600
Swap Agreements	0	0	0	0	2,715	2,715
	\$ 0	\$ 0	\$ 0	\$ 2,600	\$ 2,715	\$ 5,315
	\$ 0	\$ 90	\$ 0	\$ 2,600	\$ 5,306	\$ 7,996
<b>Financial Derivative Instruments - Liabilities</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,287	\$ 2,287
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 192	\$ 0	\$ 192
Swap Agreements	0	3,579	0	0	2,009	5,588
	\$ 0	\$ 3,579	\$ 0	\$ 192	\$ 2,009	\$ 5,780
	\$ 0	\$ 3,579	\$ 0	\$ 192	\$ 4,296	\$ 8,067

**The effect of Financial Derivative Instruments on the Statements of Operations for the period ended January 31, 2016:**

Derivatives not accounted for as hedging instruments

Total

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	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Net Realized Gain (Loss) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (267)	\$ 0	\$ 0	\$ (12,699)	\$ (12,966)
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 3,251	\$ 0	\$ 3,251
Swap Agreements	0	182	0	0	(2,690)	(2,508)
	\$ 0	\$ 182	\$ 0	\$ 3,251	\$ (2,690)	\$ 743
	\$ 0	\$ (85)	\$ 0	\$ 3,251	\$ (15,389)	\$ (12,223)
<b>Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (246)	\$ 0	\$ 0	\$ 12,044	\$ 11,798
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 2,000	\$ 0	\$ 2,000
Swap Agreements	0	(1,985)	0	0	(938)	(2,923)
	\$ 0	\$ (1,985)	\$ 0	\$ 2,000	\$ (938)	\$ (923)
	\$ 0	\$ (2,231)	\$ 0	\$ 2,000	\$ 11,106	\$ 10,875

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO Corporate & Income Strategy Fund (Cont.)**

January 31, 2016 (Unaudited)

**FAIR VALUE MEASUREMENTS**

The following is a summary of the fair valuations according to the inputs used as of January 31, 2016 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 01/31/2016
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 0	\$ 7,186	\$ 975	\$ 8,161
Corporate Bonds & Notes				
Banking & Finance	0	125,420	8,167	133,587
Industrials	0	64,415	6,020	70,435
Utilities	0	37,032	0	37,032
Municipal Bonds & Notes				
California	0	9,729	0	9,729
Illinois	0	13,503	0	13,503
Virginia	0	635	0	635
West Virginia	0	3,273	0	3,273
U.S. Government Agencies	0	21,407	4,714	26,121
U.S. Treasury Obligations	0	1,500	0	1,500
Non-Agency Mortgage-Backed Securities	0	194,067	0	194,067
Asset-Backed Securities	0	96,720	0	96,720
Sovereign Issues	0	2,639	0	2,639
Common Stocks				
Financials	0	0	182	182
Preferred Securities				
Banking & Finance	6,744	16,900	0	23,644
				<b>Fair Value at 01/31/2016</b>
<b>Category and Subcategory</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>01/31/2016</b>
Short-Term Instruments				
Repurchase Agreements	\$ 0	\$ 5,536	\$ 0	\$ 5,536
Short-Term Notes	0	4,599	0	4,599
U.S. Treasury Bills	0	3,171	0	3,171
<b>Total Investments</b>	<b>\$ 6,744</b>	<b>\$ 607,732</b>	<b>\$ 20,058</b>	<b>\$ 634,534</b>
<b>Financial Derivative Instruments - Assets</b>				
Exchange-traded or centrally cleared	0	2,681	0	2,681
Over the counter	0	5,315	0	5,315
	\$ 0	\$ 7,996	\$ 0	\$ 7,996
<b>Financial Derivative Instruments - Liabilities</b>				
Exchange-traded or centrally cleared	0	(2,287)	0	(2,287)
Over the counter	0	(5,780)	0	(5,780)
	\$ 0	\$ (8,067)	\$ 0	\$ (8,067)



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Totals \$ 6,744 \$ 607,661 \$ 20,058 \$ 634,463

There were no significant transfers between Levels 1 and 2 during the period ended January 31, 2016.

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund during the period ended January 31, 2016:

Category and Subcategory	Beginning Balance at 07/31/2015	Net Purchases	Net Sales	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation) (1)	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 01/31/2016	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 01/31/2016 (1)
<b>Investments in Securities, at Value</b>										
Bank Loan Obligations	\$ 0	\$ 1,039	\$ 0	\$ 2	\$ 0	\$ (66)	\$ 0	\$ 0	\$ 975	\$ (67)
<b>Corporate Bonds &amp; Notes</b>										
Banking & Finance	5,535	2,587	(64)	1	1	107	0	0	8,167	116
Industrials	6,022	0	0	4	0	(6)	0	0	6,020	(6)
U.S. Government Agencies	0	4,959	(29)	7	12	(235)	0	0	4,714	(234)
<b>Common Stocks</b>										
Financials	191	0	0	0	0	(9)	0	0	182	(9)
<b>Totals</b>	<b>\$ 11,748</b>	<b>\$ 8,585</b>	<b>\$ (93)</b>	<b>\$ 14</b>	<b>\$ 13</b>	<b>\$ (209)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 20,058</b>	<b>\$ (200)</b>

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

Category and Subcategory	Ending Balance at 01/31/2016	Valuation Technique	Unobservable Inputs	Input Value(s) (% Unless Noted Otherwise)
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 975	Proxy Pricing	Base Price	97.00
<b>Corporate Bonds &amp; Notes Banking &amp; Finance</b>				
	2,608	Other Valuation Techniques (2)		
	5,559	Proxy Pricing	Base Price	113.30
Industrials	6,020	Proxy Pricing	Base Price	100.09
U.S. Government Agencies	4,714	Proxy Pricing	Base Price	56.31
<b>Common Stocks</b>				
Financials	182	Other Valuation Techniques (2)		
<b>Total</b>	<b>\$ 20,058</b>			

(1) Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at January 31, 2016 may be due to an investment no longer held or categorized as Level 3 at period end.

(2) Includes valuation techniques not defined in the Notes to Financial Statements as securities valued using such techniques are not considered significant to the Fund.



**Table of Contents****Schedule of Investments PIMCO High Income Fund**

January 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 122.7%</b>		
<b>BANK LOAN OBLIGATIONS 1.0%</b>		
<b>iHeartCommunications, Inc.</b>		
7.178% due 01/30/2019	\$ 10,450	\$ 6,965
<b>Sequa Corp.</b>		
5.250% due 06/19/2017	2,586	1,739
<b>Total Bank Loan Obligations (Cost \$12,266)</b>		<b>8,704</b>
<b>CORPORATE BONDS &amp; NOTES 60.9%</b>		
<b>BANKING &amp; FINANCE 32.9%</b>		
<b>AGFC Capital Trust</b>		
6.000% due 01/15/2067	27,410	18,776
<b>American International Group, Inc.</b>		
6.250% due 03/15/2087	1,839	1,995
<b>Atlantic Marine Corps Communities LLC</b>		
5.383% due 02/15/2048	4,664	4,602
<b>Banco do Brasil S.A.</b>		
6.250% due 04/15/2024 (e)	7,350	3,583
9.000% due 06/18/2024 (e)	9,239	5,590
<b>Banco Espirito Santo S.A.</b>		
2.625% due 05/08/2017 ^	EUR 1,900	731
4.000% due 01/21/2019 ^	5,800	2,230
4.750% due 01/15/2018 ^	6,400	2,461
<b>Banco Santander S.A.</b>		
6.250% due 09/11/2021 (e)	2,300	2,278
<b>Barclays PLC</b>		
7.875% due 09/15/2022 (e)	GBP 3,010	4,117
8.000% due 12/15/2020 (e)	EUR 7,140	8,136
<b>BGC Partners, Inc.</b>		
5.375% due 12/09/2019 (h)	\$ 10,160	10,494
<b>Blackstone CQP Holdco LP</b>		
2.324% due 03/19/2019	4,100	4,112
<b>BNP Paribas S.A.</b>		
7.375% due 08/19/2025 (e)	10,000	9,825
<b>Cantor Fitzgerald LP</b>		
6.500% due 06/17/2022 (h)	13,100	13,726
<b>Co-operative Group Holdings Ltd.</b>		
7.500% due 07/08/2026	GBP 3,000	4,658
<b>Communications Sales &amp; Leasing, Inc.</b>		
8.250% due 10/15/2023	\$ 5,000	4,437
<b>Credit Agricole S.A.</b>		
7.500% due 06/23/2026 (e)	GBP 400	541
7.875% due 01/23/2024 (e)	\$ 5,950	5,808
7.875% due 01/23/2024 (e)(h)	3,600	3,514
<b>Credit Suisse Group AG</b>		
7.500% due 12/11/2023 (e)	2,736	2,815
<b>Doctors Co.</b>		
6.500% due 10/15/2023	10,000	10,977
<b>GSPA Monetization Trust</b>		
6.422% due 10/09/2029	8,153	9,265
<b>International Lease Finance Corp.</b>		

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6.980% due 10/15/2018		18,000	18,544
<b>LBG Capital PLC</b>			
9.000% due 12/15/2019	GBP	284	409
9.125% due 07/15/2020		1,900	2,748
<b>Lloyds Bank PLC</b>			
12.000% due 12/16/2024 (e)	\$	27,700	39,031
<b>Midwest Family Housing LLC</b>			
6.631% due 01/01/2051		4,931	4,040
<b>Nationwide Building Society</b>			
10.250% (e)	GBP	17	3,141
<b>Navient Corp.</b>			
5.625% due 08/01/2033 (h)	\$	29,295	19,335
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	439	377
		<b>PRINCIPAL</b>	<b>MARKET</b>
		<b>AMOUNT</b>	<b>VALUE</b>
		<b>(000S)</b>	<b>(000S)</b>
5.000% due 04/23/2019	EUR	1,045	\$ 900
5.000% due 05/14/2019		792	682
5.000% due 05/21/2019		387	330
5.000% due 05/23/2019		384	329
<b>Preferred Term Securities Ltd.</b>			
0.892% due 09/23/2035	\$	786	605
<b>Rio Oil Finance Trust</b>			
9.250% due 07/06/2024		28,300	16,449
<b>Royal Bank of Scotland Group PLC</b>			
7.500% due 08/10/2020 (e)		300	305
<b>Sberbank of Russia Via SB Capital S.A.</b>			
5.717% due 06/16/2021 (h)		10,100	10,168
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	4,463	5,244
6.052% due 10/13/2039		4,748	6,235
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		937	1,369
8.750% due 04/02/2020		4,815	5,952
			270,864
<b>INDUSTRIALS 19.5%</b>			
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021	\$	2,250	1,387
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (c)(h)		8,709	4,997
<b>Caesars Entertainment Operating Co., Inc.</b>			
9.000% due 02/15/2020 ^		19,100	14,325
11.250% due			
06/01/2017 ^		10,700	7,798
<b>Centene Escrow Corp.</b>			
5.625% due 02/15/2021 (b)		210	214
6.125% due 02/15/2024 (b)		210	215
<b>Chesapeake Energy Corp.</b>			
3.872% due 04/15/2019		750	201
<b>Enterprise Inns PLC</b>			
6.875% due 05/09/2025	GBP	5,000	7,231
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019 (h)	\$	1,977	781
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097		16,610	18,973
<b>General Shopping Finance Ltd.</b>			
10.000% due 02/29/2016 (e)		5,300	2,760
<b>General Shopping Investments Ltd.</b>			
12.000% due 03/20/2017 ^(e)		2,500	650
<b>Hampton Roads PPV LLC</b>			
6.621% due 06/15/2053		20,529	19,311
<b>Harvest Operations Corp.</b>			
6.875% due 10/01/2017		28,618	20,176
<b>Hellenic Railways Organization S.A.</b>			
4.028% due 03/17/2017	EUR	300	294
4.500% due 12/06/2016	JPY	10,000	73

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<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022	\$	5,500	3,602
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021		4,815	2,119
8.125% due 06/01/2023		4,354	1,818
<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019		11,650	9,087
<b>Russian Railways via RZD Capital PLC</b>			
7.487% due 03/25/2031	GBP	19,600	25,764
<b>Sequa Corp.</b>			
7.000% due 12/15/2017	\$	17,343	4,553
<b>Spanish Broadcasting System, Inc.</b>			
12.500% due 04/15/2017		3,320	3,249
<b>Tembec Industries, Inc.</b>			
9.000% due 12/15/2019 (h)		1,500	956
		<b>PRINCIPAL</b>	<b>MARKET</b>
		<b>AMOUNT</b>	<b>VALUE</b>
		<b>(000S)</b>	<b>(000S)</b>
<b>UCP, Inc.</b>			
8.500% due 10/21/2017	\$	10,300	\$ 10,335
<b>Warren Resources, Inc.</b>			
9.000% due 08/01/2022		3,000	202
			161,071
<b>UTILITIES 8.5%</b>			
<b>AK Transneft OJSC Via TransCapitalInvest Ltd.</b>			
8.700% due 08/07/2018		4,400	4,830
<b>CenturyLink, Inc.</b>			
7.200% due 12/01/2025		1,122	1,046
<b>Frontier Communications Corp.</b>			
8.875% due 09/15/2020		650	654
10.500% due 09/15/2022		1,070	1,050
11.000% due 09/15/2025		1,070	1,035
<b>Gazprom Neft OAO Via GPN Capital S.A.</b>			
4.375% due 09/19/2022 (h)		10,100	8,888
6.000% due 11/27/2023 (h)		8,500	7,973
6.000% due 11/27/2023		1,400	1,313
<b>Gazprom OAO Via Gaz Capital S.A.</b>			
5.999% due 01/23/2021		360	360
<b>Illinois Power Generating Co.</b>			
7.000% due 04/15/2018 (h)		16,800	9,072
7.950% due 06/01/2032		900	391
<b>Mountain States Telephone &amp; Telegraph Co.</b>			
7.375% due 05/01/2030 (h)		15,200	16,980
<b>NRG REMA LLC</b>			
9.237% due 07/02/2017		175	174
<b>Odebrecht Drilling Norbe Ltd.</b>			
6.350% due 06/30/2022		5,024	1,859
<b>Odebrecht Offshore Drilling Finance Ltd.</b>			
6.625% due 10/01/2023		5,376	1,237
6.750% due 10/01/2023		11,497	2,587
<b>Petrobras Global Finance BV</b>			
3.406% due 03/17/2020		2,520	1,758
6.250% due 12/14/2026	GBP	8,600	7,755
6.625% due 01/16/2034		200	176
7.875% due 03/15/2019	\$	700	609
			69,747
<b>Total Corporate Bonds &amp; Notes</b>			<b>501,682</b>
<b>(Cost \$566,431)</b>			
<b>MUNICIPAL BONDS &amp; NOTES 12.8%</b>			
<b>CALIFORNIA 2.5%</b>			
<b>Anaheim Redevelopment Agency, California Tax Allocation Bonds, (AGM Insured), Series 2007</b>			
6.506% due 02/01/2031		2,000	2,371
<b>Sacramento County, California Revenue Bonds, Series 2013</b>			

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7.250% due 08/01/2025	1,500	1,750
<b>San Diego Redevelopment Agency, California Tax Allocation Bonds, Series 2010</b>		
7.625% due 09/01/2030	7,500	8,882
7.750% due 09/01/2040	6,500	7,368
<b>San Diego Tobacco Settlement Funding Corp., California Revenue Bonds, Series 2006</b>		
7.125% due 06/01/2032	290	333
		20,704
<b>DISTRICT OF COLUMBIA 1.4%</b>		
<b>District of Columbia Revenue Bonds, Series 2011</b>		
7.625% due 10/01/2035	9,740	11,073

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO High Income Fund (Cont.)**

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>ILLINOIS 2.5%</b>		
<b>Chicago, Illinois General Obligation Bonds, (BABs), Series 2010</b>		
6.257% due 01/01/2040	\$ 11,000	\$ 10,355
7.517% due 01/01/2040	9,805	10,425
		20,780
<b>NEW YORK 0.4%</b>		
<b>Erie Tobacco Asset Securitization Corp., New York Revenue Bonds, Series 2005</b>		
6.000% due 06/01/2028	3,595	3,595
<b>PENNSYLVANIA 4.2%</b>		
<b>School District of Philadelphia, Pennsylvania General Obligation Bonds, (BABs), Series 2010</b>		
6.615% due 06/01/2030	7,000	7,397
6.765% due 06/01/2040	24,760	26,714
		34,111
<b>TEXAS 1.0%</b>		
<b>El Paso Downtown Development Corp., Texas Revenue Bonds, Series 2013</b>		
7.250% due 08/15/2043	7,535	8,557
<b>VIRGINIA 0.1%</b>		
<b>Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007</b>		
6.706% due 06/01/2046	1,375	1,112
<b>WEST VIRGINIA 0.7%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	6,660	5,844
<b>Total Municipal Bonds &amp; Notes (Cost \$98,074)</b>		<b>105,776</b>
<b>U.S. GOVERNMENT AGENCIES 3.6%</b>		
<b>Fannie Mae</b>		
3.500% due 09/25/2027 (a)	715	86
4.000% due 05/25/2020 (a)	436	5
6.244% due 10/25/2017 (a)(h)	76,724	2,368
9.147% due 10/25/2041 (h)	1,279	1,385
10.000% due 01/25/2034	220	268
14.294% due 05/25/2043 (h)	2,533	2,768
<b>Freddie Mac</b>		
2.563% due 11/25/2055	14,450	8,137
4.000% due 08/15/2020 (a)	805	47
4.500% due 10/15/2037 (a)	1,395	116
5.000% due 06/15/2033 (a)	2,462	369
5.675% due 07/15/2035 (a)	1,801	296
5.775% due 02/15/2042 (a)	3,003	485
6.715% due 08/15/2036 (a)	1,033	242
9.627% due 10/25/2027	4,349	4,759
9.777% due 04/25/2028	3,100	2,964
10.860% due 12/15/2043 (h)	1,527	1,652
10.860% due 03/15/2044	103	103
10.927% due 05/25/2028	900	877

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12.149% due 05/15/2033	73	90
<b>Ginnie Mae</b>		
3.500% due 06/20/2042 - 03/20/2043 (a)(g)	5,553	512
4.500% due 07/20/2042 (a)	364	58
5.000% due 09/20/2042 (a)	641	122
	<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
5.824% due 02/20/2042 (a)(h)	\$ 19,327	\$ 1,902
<b>Total U.S. Government Agencies (Cost \$37,096)</b>		<b>29,611</b>
<b>U.S. TREASURY OBLIGATIONS 0.4%</b>		
<b>U.S. Treasury Floating Rate Notes</b>		
0.473% due 10/31/2017 (j)(l)	3,261	3,261
<b>Total U.S. Treasury Obligations (Cost \$3,260)</b>		<b>3,261</b>
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 21.2%</b>		
<b>American Home Mortgage Assets Trust</b>		
6.250% due 06/25/2037	1,117	810
<b>Banc of America Alternative Loan Trust</b>		
5.174% due 06/25/2046 ^(a)	11,132	1,921
6.000% due 03/25/2036 ^	4,998	4,297
6.000% due 06/25/2046 ^	88	75
<b>Banc of America Funding Trust</b>		
6.000% due 07/25/2037 ^	804	638
6.250% due 10/26/2036	13,524	10,499
<b>Banc of America Mortgage Trust</b>		
2.735% due 02/25/2036 ^	36	32
<b>BCAP LLC Trust</b>		
5.283% due 03/26/2037	2,741	795
8.729% due 10/26/2036	7,982	6,900
9.512% due 09/26/2036	7,878	7,101
21.468% due 06/26/2036	1,432	413
<b>Bear Stearns Adjustable Rate Mortgage Trust</b>		
2.796% due 05/25/2047 ^	529	476
2.896% due 11/25/2034	159	153
<b>Bellemeade Re Ltd.</b>		
6.727% due 07/25/2025	1,250	1,236
<b>Chase Mortgage Finance Trust</b>		
2.679% due 12/25/2035 ^	36	34
5.433% due 09/25/2036 ^	195	173
5.500% due 05/25/2036 ^	10	9
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
0.772% due 07/25/2036	20	20
2.621% due 07/25/2046 ^	126	110
2.774% due 07/25/2037 ^	229	215
2.802% due 08/25/2037 ^	1,186	1,031
6.500% due 09/25/2036	4,731	3,537
<b>Countrywide Alternative Loan Trust</b>		
0.597% due 07/25/2046	17,851	18,584
0.677% due 12/25/2046	2,945	1,830
2.873% due 02/25/2037 ^	480	433
3.167% due 07/25/2046 ^	1,221	998
4.574% due 04/25/2035 (a)	6,954	894
4.614% due 07/25/2021 ^	491	488
5.500% due 03/25/2036 ^	422	358
6.000% due 11/25/2036 ^	315	278
6.000% due 02/25/2037 ^	8,087	6,319
6.000% due 05/25/2037 ^	3,990	3,435
6.250% due 12/25/2036 ^	4,558	3,692
6.250% due 08/25/2037 ^	387	321
6.500% due 06/25/2036 ^	1,298	1,057
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>		



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2.569% due 09/20/2036 ^		795	686
2.729% due 09/25/2047 ^		87	79
4.924% due 12/25/2036 (a)		5,452	928
<b>Credit Suisse First Boston Mortgage Securities Corp.</b>			
6.000% due 01/25/2036		3,051	2,365
<b>Epic Drummond Ltd.</b>			
0.044% due 01/25/2022	EUR	4,710	4,600
<b>First Horizon Alternative Mortgage Securities Trust</b>			
6.000% due 05/25/2036 ^	\$	2,702	2,246
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>Grifonas Finance PLC</b>			
0.319% due 08/28/2039	EUR	6,265	\$ 4,729
<b>HarborView Mortgage Loan Trust</b>			
2.671% due 08/19/2036 ^	\$	671	499
4.288% due 08/19/2036 ^		45	41
<b>IndyMac Mortgage Loan Trust</b>			
2.962% due 05/25/2037 ^		3,363	2,578
<b>JPMorgan Alternative Loan Trust</b>			
2.620% due 03/25/2037 ^		10,846	8,277
<b>JPMorgan Mortgage Trust</b>			
6.194% due 01/25/2037 ^ (a)		27,084	6,648
<b>Lehman XS Trust</b>			
0.647% due 06/25/2047		5,338	3,819
<b>Nomura Asset Acceptance Corp. Alternative Loan Trust</b>			
3.110% due 04/25/2036 ^		6,593	4,712
<b>RBSSP Resecuritization Trust</b>			
9.362% due 06/26/2037		5,975	3,613
<b>Residential Asset Securitization Trust</b>			
6.250% due 10/25/2036 ^		764	641
6.250% due 09/25/2037 ^		6,031	4,313
6.500% due 08/25/2036 ^		1,026	666
<b>Structured Adjustable Rate Mortgage Loan Trust</b>			
2.703% due 04/25/2047		1,074	841
2.724% due 01/25/2036 ^		267	204
<b>Structured Asset Mortgage Investments Trust</b>			
0.617% due 07/25/2046 ^		18,241	12,317
<b>WaMu Mortgage Pass-Through Certificates Trust</b>			
1.973% due 01/25/2037 ^		168	143
1.978% due 04/25/2037 ^		149	126
2.155% due 05/25/2037 ^		232	184
2.175% due 11/25/2036 ^		1,361	1,186
2.188% due 12/25/2036 ^		108	96
2.319% due 02/25/2037 ^		281	246
2.362% due 02/25/2037 ^		324	291
<b>Washington Mutual Mortgage Pass-Through Certificates Trust</b>			
6.000% due 07/25/2036 ^		7,235	5,817
6.000% due 06/25/2037 ^		11,251	10,059
6.254% due 04/25/2037 (a)		16,160	5,559
6.500% due 03/25/2036 ^		9,497	6,838
<b>Total Non-Agency Mortgage-Backed Securities (Cost \$161,153)</b>			<b>174,509</b>
<b>ASSET-BACKED SECURITIES 17.3%</b>			
<b>Apidos CLO</b>			
0.000% due 07/22/2026 (d)		3,000	1,386
<b>Argent Securities Trust</b>			
0.617% due 03/25/2036		4,941	2,368
<b>Argent Securities, Inc. Asset-Backed Pass-Through Certificates</b>			
0.657% due 01/25/2036		12,686	9,571
<b>CIFC Funding Ltd.</b>			
0.000% due 05/24/2026 (d)		4,000	2,671
0.000% due 07/22/2026 (d)		3,000	1,628
<b>Citigroup Mortgage Loan Trust, Inc.</b>			
0.527% due 12/25/2036		14,872	8,821

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**Countrywide Asset-Backed Certificates**

4.945% due 07/25/2036	13,700	11,075
5.040% due 10/25/2046 ^	16,262	15,495

**GSAA Trust**

5.917% due 03/25/2037 ^	3,201	1,395
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**JPMorgan Mortgage Acquisition Trust**

4.617% due 01/25/2037 ^	3,498	2,348
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**Morgan Stanley Mortgage Loan Trust**

5.750% due 11/25/2036 ^	953	472
5.965% due 09/25/2046 ^	10,156	6,623

**38 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>NovaStar Mortgage Funding Trust</b>		
0.587% due 10/25/2036	\$ 40,391	\$ 19,849
<b>People's Financial Realty Mortgage Securities Trust</b>		
0.587% due 09/25/2036	23,726	6,858
<b>Renaissance Home Equity Loan Trust</b>		
5.812% due 11/25/2036	9,825	5,221
6.998% due 09/25/2037 ^	8,530	4,991
7.238% due 09/25/2037 ^	7,193	4,207
<b>Sherwood Funding CDO Ltd.</b>		
0.783% due 11/06/2039	36,352	10,331
<b>Taberna Preferred Funding Ltd.</b>		
0.714% due 08/05/2036	853	623
0.714% due 08/05/2036 ^	16,711	12,199
<b>Trainer Wortham First Republic CBO Ltd</b>		
1.820% due 11/06/2038	3,386	3,301
<b>Tropic CDO Ltd.</b>		
0.942% due 07/15/2036	16,001	10,641
<b>Washington Mutual Asset-Backed Certificates Trust</b>		
0.577% due 05/25/2036	323	224
<b>Total Asset-Backed Securities</b>		<b>142,298</b>
<b>(Cost \$146,868)</b>		
<b>SOVEREIGN ISSUES 0.5%</b>		
<b>Athens Urban Transportation Organisation</b>		
4.851% due 09/19/2016	EUR 800	789
<b>Republic of Greece Government International Bond</b>		
3.000% due 02/24/2023	25	18
3.000% due 02/24/2024	25	18
3.000% due 02/24/2025	25	17
3.000% due 02/24/2026	25	17
3.000% due 02/24/2027	25	17
3.000% due 02/24/2028	25	16
3.000% due 02/24/2029	25	16
3.000% due 02/24/2030	25	16
	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
3.000% due 02/24/2031	EUR 25	\$ 15
3.000% due 02/24/2032	25	15
3.000% due 02/24/2033	25	15
3.000% due 02/24/2034	25	15
3.000% due 02/24/2035	25	14
3.000% due 02/24/2036	25	14
3.000% due 02/24/2037	25	14
3.000% due 02/24/2038	25	14
3.000% due 02/24/2039	25	14
3.000% due 02/24/2040	25	14
3.000% due 02/24/2041	25	14
3.000% due 02/24/2042	25	14
4.500% due 11/08/2016	JPY 50,000	388
4.750% due 04/17/2019	EUR 3,000	2,710
<b>Total Sovereign Issues (Cost \$3,954)</b>		<b>4,194</b>

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		SHARES	
<b>COMMON STOCKS 0.1%</b>			
<b>FINANCIALS 0.1%</b>			
TIG FinCo PLC (f)		828,934	827
<b>Total Common Stocks (Cost \$1,229)</b>			<b>827</b>
<b>PREFERRED SECURITIES 2.1%</b>			
<b>BANKING &amp; FINANCE 2.1%</b>			
<b>Farm Credit Bank of Texas</b>			
10.000% due			
12/15/2020 (e)		13,600	17,025
<b>Total Preferred Securities (Cost \$16,014)</b>			<b>17,025</b>
<b>SHORT-TERM INSTRUMENTS 2.8%</b>			
<b>REPURCHASE AGREEMENTS (f) 1.4%</b>			
			11,451
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>SHORT-TERM NOTES 1.0%</b>			
<b>Federal Home Loan Bank</b>			
0.264% due 02/10/2016	\$	1,200	\$ 1,200
0.269% due 02/18/2016		1,100	1,100
0.274% due 02/19/2016		3,700	3,699
0.279% due 02/17/2016		2,200	2,200
			8,199
<b>U.S. TREASURY BILLS 0.4%</b>			
0.259% due 02/18/2016 (l)		3,812	3,812
<b>Total Short-Term Instruments (Cost \$23,462)</b>			<b>23,462</b>
<b>Total Investments in Securities (Cost \$1,069,807)</b>			<b>1,011,349</b>
<b>Total Investments 122.7% (Cost \$1,069,807)</b>			<b>\$ 1,011,349</b>
<b>Financial Derivative Instruments (i)(k) 2.4%</b>			
<b>(Cost or Premiums, net \$8,429)</b>			<b>19,752</b>
<b>Preferred Shares (12.4%)</b>			<b>(101,975)</b>
<b>Other Assets and Liabilities, net (12.7%)</b>			<b>(105,077)</b>
<b>Net Assets Applicable to Common Shareholders 100.0%</b>		<b>\$</b>	<b>824,049</b>

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) When-issued security.

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- (c) Payment in-kind bond security.
- (d) Zero coupon bond.
- (e) Perpetual maturity; date shown, if applicable, represents next contractual call date.

**(f) RESTRICTED SECURITIES:**

Issuer Description	Acquisition Date	Cost	Market Value	Market Value as Percentage of Net Assets
TIG FinCo PLC		\$ 1,229	\$ 827	0.10%

**BORROWINGS AND OTHER FINANCING TRANSACTIONS**

**(g) REPURCHASE AGREEMENTS:**

Counterparty	Lending Rate	Settlement Date	Maturity Date	Principal Amount	Collateralized By	Collateral (Received)	Repurchase Agreements, at Value	Repurchase Agreement Proceeds to be Received <sup>(1)</sup>
SAL	0.550%	01/29/2016	02/01/2016	\$ 5,500	U.S. Treasury Notes 1.625% due 07/31/2020	\$ (5,583)	\$ 5,500	\$ 5,500
SSB	0.010	01/29/2016	02/01/2016	5,951	U.S. Treasury Notes 2.250% due 07/31/2021	(6,072)	5,951	5,951
<b>Total Repurchase Agreements</b>						<b>\$ (11,655)</b>	<b>\$ 11,451</b>	<b>\$ 11,451</b>

<sup>(1)</sup> Includes accrued interest.

See Accompanying Notes

**Table of Contents****Schedule of Investments PIMCO High Income Fund (Cont.)****REVERSE REPURCHASE AGREEMENTS:**

Counterparty	Borrowing Rate	Borrowing Date	Maturity Date	Amount Borrowed <sup>(3)</sup>	Payable for Reverse Repurchase Agreements
BCY	(1.500%)	11/24/2015	TBD <sup>(2)</sup>	\$ (4,285)	\$ (4,273)
	(1.500)	12/03/2015	TBD <sup>(2)</sup>	(1,714)	(1,710)
	(1.500)	12/08/2015	TBD <sup>(2)</sup>	(1,531)	(1,527)
	(1.000)	12/11/2015	02/01/2016	(1,460)	(1,458)
	(1.000)	12/31/2015	02/01/2016	(527)	(527)
	(1.000)	01/12/2016	02/01/2016	(1,177)	(1,176)
	(0.500)	01/29/2016	01/29/2018	(3,054)	(3,054)
	1.172	12/02/2015	03/02/2016	(2,626)	(2,631)
	1.269	01/26/2016	04/26/2016	(6,753)	(6,754)
	1.360	02/01/2016	04/11/2016	(3,117)	(3,117)
FOB	(3.750)	12/21/2015	TBD <sup>(2)</sup>	(4,085)	(4,067)
JML	1.250	01/19/2016	02/25/2016	(21,261)	(21,271)
MSC	0.750	11/23/2015	02/23/2016	(10,190)	(10,205)
	1.000	01/08/2016	04/08/2016	(5,255)	(5,258)
RBC	1.170	01/08/2016	04/08/2016	(6,347)	(6,352)
RDR	(1.000)	01/22/2016	TBD <sup>(2)</sup>	(905)	(905)
	0.820	01/08/2016	02/10/2016	(23,185)	(23,198)
<b>Total Reverse Repurchase Agreements</b>					<b>\$ (97,483)</b>

<sup>(2)</sup> Open maturity reverse repurchase agreement.

<sup>(3)</sup> The average amount of borrowings outstanding during the period ended January 31, 2016 was \$(64,065) at a weighted average interest rate of 0.189%.

**BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY**

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral (received)/pledged as of January 31, 2016:

(h) Securities with an aggregate market value of \$106,367 and cash of \$1,581 have been pledged as collateral under the terms of the following master agreements as of January 31, 2016.

Counterparty	Repurchase Agreement Proceeds to be Received	Payable for Reverse Repurchase Agreements	Payable for Sale-Buyback Transactions	Total Borrowings and Other Financing Transactions	Collateral (Received)/Pledged	Net Exposure <sup>(4)</sup>
Global/Master Repurchase Agreement						
BCY	\$ 0	\$ (16,356)	\$ 0	\$ (16,356)	\$ 16,099	\$ (257)

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BPG	0	(9,871)	0	(9,871)	11,733	1,862
FOB	0	(4,067)	0	(4,067)	4,008	(59)
JML	0	(21,271)	0	(21,271)	26,569	5,298
MSC	0	(15,463)	0	(15,463)	16,690	1,227
RBC	0	(6,352)	0	(6,352)	6,912	560
RDR	0	(24,103)	0	(24,103)	25,187	1,084
SAL	5,500	0	0	5,500	(5,583)	(83)
SSB	5,951	0	0	5,951	(6,072)	(121)
<b>Total Borrowings and Other Financing Transactions</b>	<b>\$ 11,451</b>	<b>\$ (97,483)</b>	<b>\$ 0</b>			

(4) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

**CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS**

**Remaining Contractual Maturity of the Agreements**

	Overnight and Continuous	Up to 30 days	31-90 days	Greater Than 90 days	Total
<b>Reverse Repurchase Agreements</b>					
Corporate Bonds & Notes	\$ 0	\$ (48,796)	\$ (9,630)	\$ (15,536)	\$ (73,962)
U.S. Treasury Obligations	0	(9,038)	(11,366)	0	(20,404)
<b>Total Borrowings</b>	<b>\$ 0</b>	<b>\$ (57,834)</b>	<b>\$ (20,996)</b>	<b>\$ (15,536)</b>	<b>\$ (94,366)</b>
<b>Gross amount of recognized liabilities for reverse repurchase agreements <sup>(5)</sup></b>					<b>\$ (94,366)</b>

(5) Unsettled reverse repurchase agreements liability of \$(3,117) is outstanding at period end.

**40 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

**(i) 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 (2)	Market Value (3)	Unrealized (Depreciation)	Variation Margin	
						Asset	Liability
CDX.HY-24 5-Year Index	5.000%	06/20/2020	\$ 7,029	\$ 213	\$ (329)	\$ 28	\$ 0
CDX.HY-25 5-Year Index	5.000	12/20/2020	14,100	44	(84)	55	0
				\$ 257	\$ (413)	\$ 83	\$ 0

(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**

Pay/Receive Floating Rate	Floating Rate Index	Fixed Rate	Maturity Date	Notional Amount	Market Value	Unrealized Appreciation/ (Depreciation)	Variation Margin	
							Asset	Liability
Pay	3-Month USD-LIBOR	2.750%	06/17/2025	\$ 214,710	\$ 18,974	\$ 5,327	\$ 1,293	\$ 0
Pay	3-Month USD-LIBOR	3.500	06/19/2044	617,800	163,284	172,693	7,081	0
Receive	3-Month USD-LIBOR	2.500	06/15/2046	821,300	(27,126)	(68,688)	0	(8,255)
					\$ 155,132	\$ 109,332	\$ 8,374	\$ (8,255)
<b>Total Swap Agreements</b>					<b>\$ 155,389</b>	<b>\$ 108,919</b>	<b>\$ 8,457</b>	<b>\$ (8,255)</b>



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FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of January 31, 2016:

(j) Securities with an aggregate market value of \$2,143 and cash of \$9,994 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of January 31, 2016. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

	Financial Derivative Assets Variation Margin				Financial Derivative Liabilities Variation Margin			
	Market Value Purchased		Asset Swap		Market Value Written		Liability Swap	
	Options	Futures	Agreements	Total	Options	Futures	Agreements	Total
<b>Total Exchange-Traded or Centrally Cleared</b>	\$ 0	\$ 0	\$ 8,457	\$ 8,457	\$ 0	\$ 0	\$ (8,255)	\$ (8,255)

(k) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

FORWARD FOREIGN CURRENCY CONTRACTS:

Counterparty	Settlement Month	Currency to be Delivered	Currency to be Received	Unrealized Appreciation/ (Depreciation)			
				Asset	Liability		
BOA	06/2016	EUR	3,698	\$ 5,063	\$ 1,041	\$ 0	
	06/2016	\$	216	EUR	160	0	(42)
BPS	02/2016		424	394	3	0	
BRC	06/2016	EUR	692	\$ 952	199	0	
CBK	02/2016	GBP	55,676	82,628	3,295	0	
	02/2016	\$	7,995	EUR	7,323	0	(62)
DUB	02/2016	EUR	6,750	\$ 9,083	1,771	0	
	03/2016	BRL	662	163	0	(1)	
	06/2016	EUR	386	528	109	0	
HUS	02/2016	\$	76,556	GBP	53,894	237	0
	03/2016	GBP	53,894	\$ 76,558	0	(238)	

See Accompanying Notes

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Counterparty	Settlement Month	Currency to be Delivered	Amount	Currency to be Received	Amount	Unrealized Appreciation/ (Depreciation)			
						Asset	Liability		
JPM	02/2016	EUR	2,854	\$	3,095	\$	5	\$	(2)
	02/2016	JPY	13,043		106		0		(2)
	02/2016	\$	12,762	EUR	11,685		4		(107)
	03/2016	EUR	6,750	\$	7,372		55		0
MSB	02/2016	JPY	41,400		342		0		0
	02/2016	\$	258	GBP	177		0		(6)
	06/2016	EUR	971	\$	1,335		279		0
NAB	06/2016		2,113		2,901		603		0
	07/2016		268		364		72		0
SCX	02/2016	GBP	58		83		0		0
	02/2016	\$	350	JPY	41,400		0		(8)
	03/2016	JPY	41,400	\$	350		8		0
UAG	02/2016	EUR	31,049		33,939		303		0
	02/2016	\$	15,383	EUR	14,197		0		(3)
	02/2016		2,352	GBP	1,663		18		0
	03/2016	EUR	14,197	\$	15,394		3		0
<b>Total Forward Foreign Currency Contracts</b>						<b>\$</b>	<b>8,005</b>	<b>\$</b>	<b>(471)</b>

**SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION <sup>(1)</sup>**

Counterparty	Reference Entity	Fixed Receive Rate	Maturity Date	Implied Credit Spread at January 31, 2016 <sup>(2)</sup>	Notional Amount <sup>(3)</sup>	Premiums Paid/(Received)	Unrealized (Depreciation)	Swap Agreements, at Value					
								Asset	Liability				
BPS	Novo Banco S.A.	5.000%	09/20/2020	13.533%	EUR 5,000	\$ 0	\$ (1,206)	\$ 0	\$ (1,206)				
	Petrobras International Finance Co.	1.000	12/20/2024	10.555	\$ 1,700	(332)	(449)	0	(781)				
GST	Petrobras International Finance Co.	1.000	12/20/2024	10.555	2,200	(437)	(574)	0	(1,011)				
HUS	Petrobras International Finance Co.	1.000	12/20/2019	11.002	400	(33)	(85)	0	(118)				
	Petrobras International Finance Co.	1.000	12/20/2024	10.555	2,800	(581)	(706)	0	(1,287)				
MYC	Chesapeake Energy Corp.	5.000	09/20/2020	44.507	400	(40)	(232)	0	(272)				
	Petrobras International Finance Co.	1.000	12/20/2019	11.002	13,700	(1,268)	(2,784)	0	(4,052)				
						<b>\$</b>	<b>(2,691)</b>	<b>\$</b>	<b>(6,036)</b>	<b>\$</b>	<b>0</b>	<b>\$</b>	<b>(8,727)</b>

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- (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) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.
- (3) 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.

### INTEREST RATE SWAPS

Counterparty	Pay/Receive		Fixed Rate	Maturity Date	Notional Amount	Premiums Paid	Unrealized Appreciation	Swap Agreements, at Value	
	Floating Rate	Floating Rate Index						Asset	Liability
MYC	Pay	3-Month USD-LIBOR	2.350%	02/18/2021	\$ 1,900,000	\$ 11,120	\$ 9,623	\$ 20,743	\$ 0
<b>Total Swap Agreements</b>						<b>\$ 8,429</b>	<b>\$ 3,587</b>	<b>\$ 20,743</b>	<b>\$ (8,727)</b>

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See Accompanying Notes

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January 31, 2016 (Unaudited)

**FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY**

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral (received)/pledged as of January 31, 2016:

(1) Securities with an aggregate market value of \$4,199 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of January 31, 2016.

Counterparty	Financial Derivative Assets				Financial Derivative Liabilities				Net Market Value of OTC Derivatives	Collateral (Received)/ Pledged	Net Exposure <sup>(4)</sup>
	Forward Foreign Currency Contracts	Purchased Options	Swap Agreements	Total Over the Counter	Forward Foreign Currency Contracts	Written Options	Swap Agreements	Total Over the Counter			
BOA	\$ 1,041	\$ 0	\$ 0	\$ 1,041	\$ (42)	\$ 0	\$ 0	\$ (42)	\$ 999	\$ (950)	\$ 49
BPS	3	0	0	3	0	0	(1,987)	(1,987)	(1,984)	1,869	(115)
BRC	199	0	0	199	0	0	0	0	199	(280)	(81)
CBK	3,295	0	0	3,295	(62)	0	0	(62)	3,233	(2,540)	693
DUB	1,880	0	0	1,880	(1)	0	0	(1)	1,879	(2,140)	(261)
GST	0	0	0	0	0	0	(1,011)	(1,011)	(1,011)	966	(45)
HUS	237	0	0	237	(238)	0	(1,405)	(1,643)	(1,406)	1,364	(42)
JPM	64	0	0	64	(111)	0	0	(111)	(47)	0	(47)
MSB	279	0	0	279	(6)	0	0	(6)	273	(310)	(37)
MYC	0	0	20,743	20,743	0	0	(4,324)	(4,324)	16,419	(16,450)	(31)
NAB	675	0	0	675	0	0	0	0	675	(530)	145
SCX	8	0	0	8	(8)	0	0	(8)	0	0	0
UAG	324	0	0	324	(3)	0	0	(3)	321	(20)	301
<b>Total Over the Counter</b>	<b>\$ 8,005</b>	<b>\$ 0</b>	<b>\$ 20,743</b>	<b>\$ 28,748</b>	<b>\$ (471)</b>	<b>\$ 0</b>	<b>\$ (8,727)</b>	<b>\$ (9,198)</b>			

(4) Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 7, Principal Risks, in the Notes to Financial Statements for more information regarding master netting arrangements.

**FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS**

The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure. See Note 7, Principal Risks, in the Notes to Financial Statements on risks of the Fund.

Fair Values of Financial Derivative Instruments on the Statements of Assets and Liabilities as of January 31, 2016:

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	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Financial Derivative Instruments - Assets</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 83	\$ 0	\$ 0	\$ 8,374	\$ 8,457
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 8,005	\$ 0	\$ 8,005
Swap Agreements	0	0	0	0	20,743	20,743
	\$ 0	\$ 0	\$ 0	\$ 8,005	\$ 20,743	\$ 28,748
	\$ 0	\$ 83	\$ 0	\$ 8,005	\$ 29,117	\$ 37,205
<b>Financial Derivative Instruments - Liabilities</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,255	\$ 8,255
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 471	\$ 0	\$ 471
Swap Agreements	0	8,727	0	0	0	8,727
	\$ 0	\$ 8,727	\$ 0	\$ 471	\$ 0	\$ 9,198
	\$ 0	\$ 8,727	\$ 0	\$ 471	\$ 8,255	\$ 17,453

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO High Income Fund (Cont.)****The Effect of Financial Derivative Instruments on the Statements of Operations for the period ended January 31, 2016:**

	Derivatives not accounted for as hedging instruments					Total
	Commodity Contracts	Credit Contracts	Equity Contracts	Foreign Exchange Contracts	Interest Rate Contracts	
<b>Net Realized Gain (Loss) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (44)	\$ 0	\$ 0	\$ (44,578)	\$ (44,622)
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 5,329	\$ 0	\$ 5,329
Purchased Options	0	0	0	0	(3,171)	(3,171)
Swap Agreements	0	185	0	0	14,276	14,461
	\$ 0	\$ 185	\$ 0	\$ 5,329	\$ 11,105	\$ 16,619
	\$ 0	\$ 141	\$ 0	\$ 5,329	\$ (33,473)	\$ (28,003)
<b>Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments</b>						
Exchange-traded or centrally cleared						
Swap Agreements	\$ 0	\$ (220)	\$ 0	\$ 0	\$ 37,983	\$ 37,763
Over the counter						
Forward Foreign Currency Contracts	\$ 0	\$ 0	\$ 0	\$ 2,601	\$ 0	\$ 2,601
Swap Agreements	0	(4,777)	0	0	(6,560)	(11,337)
	\$ 0	\$ (4,777)	\$ 0	\$ 2,601	\$ (6,560)	\$ (8,736)
	\$ 0	\$ (4,997)	\$ 0	\$ 2,601	\$ 31,423	\$ 29,027

**FAIR VALUE MEASUREMENTS**

The following is a summary of the fair valuations according to the inputs used as of January 31, 2016 in valuing the Fund's assets and liabilities:

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 01/31/2016
<b>Investments in Securities, at Value</b>				
Bank Loan Obligations	\$ 0	\$ 8,704	\$ 0	\$ 8,704
Corporate Bonds & Notes				
Banking & Finance	0	252,885	17,979	270,864

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Industrials	0	150,736	10,335	161,071
Utilities	0	69,747	0	69,747
<b>Municipal Bonds &amp; Notes</b>				
California	0	20,704	0	20,704
District of Columbia	0	11,073	0	11,073
Illinois	0	20,780	0	20,780
New York	0	3,595	0	3,595
Pennsylvania	0	34,111	0	34,111
Texas	0	8,557	0	8,557
Virginia	0	1,112	0	1,112
West Virginia	0	5,844	0	5,844
U.S. Government Agencies	0	19,106	10,505	29,611
U.S. Treasury Obligations	0	3,261	0	3,261
Non-Agency Mortgage-Backed Securities	0	173,273	1,236	174,509
Asset-Backed Securities	0	142,298	0	142,298
Sovereign Issues	0	4,194	0	4,194
<b>Common Stocks</b>				
Financials	0	0	827	827

Category and Subcategory	Level 1	Level 2	Level 3	Fair Value at 01/31/2016
<b>Preferred Securities</b>				
Banking & Finance	\$ 0	\$ 17,025	\$ 0	\$ 17,025
<b>Short-Term Instruments</b>				
Repurchase Agreements	0	11,451	0	11,451
Short-Term Notes	0	8,199	0	8,199
U.S. Treasury Bills	0	3,812	0	3,812
<b>Total Investments</b>	<b>\$ 0</b>	<b>\$ 970,467</b>	<b>\$ 40,882</b>	<b>\$ 1,011,349</b>

**Financial Derivative Instruments - Assets**

Exchange-traded or centrally cleared	0	8,457	0	8,457
Over the counter	0	28,748	0	28,748
	\$ 0	\$ 37,205	\$ 0	\$ 37,205

**Financial Derivative Instruments - Liabilities**

Exchange-traded or centrally cleared	0	(8,255)	0	(8,255)
Over the counter	0	(9,198)	0	(9,198)
	\$ 0	\$ (17,453)	\$ 0	\$ (17,453)

<b>Totals</b>	<b>\$ 0</b>	<b>\$ 990,219</b>	<b>\$ 40,882</b>	<b>\$ 1,031,101</b>
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There were no significant transfers between Levels 1 and 2 during the period ended January 31, 2016.

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January 31, 2016 (Unaudited)

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund during the period ended January 31, 2016:

Category and Subcategory	Beginning Balance at 07/31/2015	Net Purchases	Net Sales	Accrued Discounts/ (Premiums)	Realized Gain/(Loss)	Net Change in Unrealized Appreciation/ (Depreciation) <sup>(1)</sup>	Transfers into Level 3	Transfers out of Level 3	Ending Balance at 01/31/2016	Net Change in Unrealized Appreciation/ (Depreciation) on Investments Held at 01/31/2016 <sup>(1)</sup>
<b>Investments in Securities, at Value</b>										
Corporate Bonds & Notes										
Banking & Finance	\$ 9,224	\$ 8,033	\$ (107)	\$ 3	\$ 2	\$ 824	\$ 0	\$ 0	\$ 17,979	\$ 838
Industrials	10,339	0	0	6	0	(10)	0	0	10,335	(10)
U.S. Government Agencies	5,491	8,560	(49)	(2,924)	20	(593)	0	0	10,505	(593)
Non-Agency Mortgage-Backed Securities										
Common Stocks	3,427	0	(2,124)	0	55	(122)	0	0	1,236	(14)
Financials	867	0	0	0	0	(40)	0	0	827	(41)
Totals	\$ 29,348	\$ 16,593	\$ (2,280)	\$ (2,915)	\$ 77	\$ 59	\$ 0	\$ 0	\$ 40,882	\$ 180

The following is a summary of significant unobservable inputs used in the fair valuations of assets and liabilities categorized within Level 3 of the fair value hierarchy:

Category and Subcategory	Ending Balance at 01/31/2016	Valuation Technique	Unobservable Inputs	Input Value(s) (% Unless Noted Otherwise)
<b>Investments in Securities, at Value</b>				
Corporate Bonds & Notes				
Banking & Finance	\$ 4,113	Other Valuation Techniques <sup>(2)</sup>		
	13,866	Proxy Pricing	Base Price	96.47-113.30
Industrials	10,335	Proxy Pricing	Base Price	100.09
U.S. Government Agencies	8,137	Proxy Pricing	Base Price	56.31
	2,368	Third Party Vendor	Broker Quote	3.09
Non-Agency Mortgage-Backed Securities	1,236	Proxy Pricing	Base Price	98.91
Common Stocks				
Financials	827	Other Valuation Techniques <sup>(2)</sup>		
Total	\$ 40,882			



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- (1) Any difference between Net Change in Unrealized Appreciation/(Depreciation) and Net Change in Unrealized Appreciation/(Depreciation) on Investments Held at January 31, 2016 may be due to an investment no longer held or categorized as Level 3 at period end.
- (2) Includes valuation techniques not defined in the Notes to Financial Statements as securities valued using such techniques are not considered significant to the Fund.

See Accompanying Notes

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**Table of Contents****Schedule of Investments PIMCO Income Strategy Fund**

		PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>INVESTMENTS IN SECURITIES 125.7%</b>			
<b>BANK LOAN OBLIGATIONS 1.9%</b>			
<b>Hellenic Republic</b>			
3.930% due 03/30/2016	EUR	1,000	\$ 975
<b>iHeartCommunications, Inc.</b>			
7.178% due 01/30/2019	\$	3,100	2,066
<b>Sequa Corp.</b>			
5.250% due 06/19/2017		2,534	1,704
<b>Total Bank Loan Obligations (Cost \$6,298)</b>			<b>4,745</b>
<b>CORPORATE BONDS &amp; NOTES 55.5%</b>			
<b>BANKING &amp; FINANCE 31.4%</b>			
<b>American International Group, Inc.</b>			
6.250% due 03/15/2087		5,476	5,941
8.175% due 05/15/2068		693	904
<b>Banco do Brasil S.A.</b>			
6.250% due 04/15/2024 (f)		1,700	829
9.000% due 06/18/2024 (f)		2,219	1,343
<b>Banco Espirito Santo S.A.</b>			
2.625% due 05/08/2017 ^	EUR	1,400	538
4.000% due 01/21/2019 ^		3,800	1,461
4.750% due 01/15/2018 ^		1,200	461
<b>Banco Santander S.A.</b>			
6.250% due 09/11/2021 (f)		500	495
<b>Barclays Bank PLC</b>			
14.000% due 06/15/2019 (f)	GBP	3,700	6,704
<b>BGC Partners, Inc.</b>			
5.375% due 12/09/2019	\$	3,040	3,140
<b>Blackstone CQP Holdco LP</b>			
2.324% due 03/19/2019		1,300	1,304
<b>BNP Paribas S.A.</b>			
7.375% due 08/19/2025 (f)		3,100	3,046
<b>Cantor Fitzgerald LP</b>			
6.500% due 06/17/2022		4,000	4,191
<b>Co-operative Group Holdings Ltd.</b>			
7.500% due 07/08/2026	GBP	3,050	4,736
<b>Communications Sales &amp; Leasing, Inc.</b>			
8.250% due 10/15/2023	\$	1,500	1,331
<b>Credit Agricole S.A.</b>			
7.500% due 06/23/2026 (f)	GBP	1,700	2,298
7.875% due 01/23/2024 (f)	\$	800	781
<b>Credit Suisse Group AG</b>			
7.500% due 12/11/2023 (f)		3,740	3,848
<b>GSPA Monetization Trust</b>			
6.422% due 10/09/2029		2,355	2,676
<b>Jefferies Finance LLC</b>			
6.875% due 04/15/2022		3,200	2,536
<b>LBG Capital PLC</b>			
9.125% due 07/15/2020	GBP	1,134	1,640
<b>Lloyds Bank PLC</b>			
12.000% due 12/16/2024 (f)	\$	400	564
<b>Lloyds Banking Group PLC</b>			
7.625% due 06/27/2023 (f)	GBP	3,300	4,732
<b>National Bank of Greece S.A.</b>			
3.875% due 10/07/2016	EUR	500	530
<b>Nationwide Building Society</b>			

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10.250% (f)	GBP	5	924
<b>Navient Corp.</b>			
5.500% due 01/15/2019	\$	4,759	4,473
5.625% due 08/01/2033		100	66
8.450% due 06/15/2018		1,500	1,556
<b>Novo Banco S.A.</b>			
5.000% due 04/04/2019	EUR	101	87
5.000% due 04/23/2019		311	268
5.000% due 05/14/2019		206	177
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
5.000% due 05/21/2019	EUR	115	\$ 98
5.000% due 05/23/2019		115	98
<b>OneMain Financial Holdings, Inc.</b>			
7.250% due 12/15/2021	\$	1,512	1,501
<b>Rabobank Group</b>			
8.400% due 06/29/2017 (f)		300	320
<b>Rio Oil Finance Trust</b>			
9.250% due 07/06/2024		8,200	4,766
<b>Sberbank of Russia Via SB Capital S.A.</b>			
5.717% due 06/16/2021		3,000	3,020
<b>Tesco Property Finance PLC</b>			
5.411% due 07/13/2044	GBP	2,162	2,541
6.052% due 10/13/2039		1,278	1,678
<b>TIG FinCo PLC</b>			
8.500% due 03/02/2020		111	163
8.750% due 04/02/2020		932	1,153
<b>Vnesheconombank Via VEB Finance PLC</b>			
6.902% due 07/09/2020	\$	1,200	1,200
			80,118
<b>INDUSTRIALS 15.0%</b>			
<b>BMC Software Finance, Inc.</b>			
8.125% due 07/15/2021		710	438
<b>Boxer Parent Co., Inc. (9.000% Cash or 9.750% PIK)</b>			
9.000% due 10/15/2019 (c)(i)		2,360	1,354
<b>Caesars Entertainment Operating Co., Inc.</b>			
8.500% due 02/15/2020 ^		600	453
9.000% due 02/15/2020 ^		3,855	2,891
11.250% due 06/01/2017 ^		1,989	1,449
<b>Centene Escrow Corp.</b>			
5.625% due 02/15/2021 (b)		60	61
6.125% due 02/15/2024 (b)		60	61
<b>Chesapeake Energy Corp.</b>			
3.872% due 04/15/2019		230	62
<b>Continental Airlines Pass-Through Trust</b>			
9.798% due 10/01/2022		930	1,004
<b>Forbes Energy Services Ltd.</b>			
9.000% due 06/15/2019		612	242
<b>Ford Motor Co.</b>			
7.700% due 05/15/2097 (i)		9,030	10,315
<b>Harvest Operations Corp.</b>			
6.875% due 10/01/2017		2,364	1,667
<b>iHeartCommunications, Inc.</b>			
9.000% due 09/15/2022		600	393
<b>Intelsat Luxembourg S.A.</b>			
7.750% due 06/01/2021		3,029	1,333
8.125% due 06/01/2023		124	52
<b>Intrepid Aviation Group Holdings LLC</b>			
6.875% due 02/15/2019		3,430	2,675
<b>Pertamina Persero PT</b>			
6.450% due 05/30/2044		4,149	3,585
<b>Russian Railways via RZD Capital PLC</b>			
7.487% due 03/25/2031	GBP	700	920
<b>Scientific Games International, Inc.</b>			
10.000% due 12/01/2022	\$	1,600	1,120
<b>Sequa Corp.</b>			

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7.000% due 12/15/2017		3,804	999
<b>Spanish Broadcasting System, Inc.</b>			
12.500% due 04/15/2017		1,000	979
<b>Tembec Industries, Inc.</b>			
9.000% due 12/15/2019		1,000	637
<b>Unique Pub Finance Co. PLC</b>			
5.659% due 06/30/2027	GBP	2,018	2,854
6.542% due 03/30/2021		674	993
		<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>Westmoreland Coal Co.</b>			
8.750% due 01/01/2022	\$	3,026	\$ 1,770
			38,307
<b>UTILITIES 9.1%</b>			
<b>Frontier Communications Corp.</b>			
8.875% due 09/15/2020		210	211
10.500% due 09/15/2022		340	334
11.000% due 09/15/2025		340	329
<b>Gazprom Neft OAO Via GPN Capital S.A.</b>			
6.000% due 11/27/2023		7,400	6,941
<b>Gazprom OAO Via Gaz Capital S.A.</b>			
5.999% due 01/23/2021		200	200
<b>Illinois Power Generating Co.</b>			
6.300% due 04/01/2020		1,420	632
7.000% due 04/15/2018		2,600	1,404
7.950% due 06/01/2032		300	131
<b>Northwestern Bell Telephone</b>			
7.750% due 05/01/2030 (i)		7,000	7,960
<b>Odebrecht Drilling Norbe Ltd.</b>			
6.350% due 06/30/2022		236	87
<b>Odebrecht Offshore Drilling Finance Ltd.</b>			
6.625% due 10/01/2023		1,378	317
6.750% due 10/01/2023		2,008	452
<b>Petrobras Global Finance BV</b>			
2.750% due 01/15/2018	EUR	230	207
3.406% due 03/17/2020	\$	130	91
4.875% due 03/17/2020		210	159
5.750% due 01/20/2020		70	55
6.625% due 01/16/2034	GBP	100	88
6.750% due 01/27/2041	\$	1,200	760
7.875% due 03/15/2019		3,200	2,784
			23,142
<b>Total Corporate Bonds &amp; Notes (Cost \$165,217)</b>			<b>141,567</b>

**MUNICIPAL BONDS & NOTES 6.6%**

**CALIFORNIA 1.9%**

**Riverside County, California Redevelopment Successor Agency Tax Allocation Bonds, Series 2010**

7.500% due 10/01/2030		600	667
<b>Stockton Public Financing Authority, California Revenue Bonds, (BABs), Series 2009</b>			
7.942% due 10/01/2038		3,600	4,081
			4,748

**ILLINOIS 2.5%**

**Chicago, Illinois General Obligation Bonds, (BABs), Series 2010**

7.517% due 01/01/2040		6,000	6,379
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**VIRGINIA 0.1%**

**Tobacco Settlement Financing Corp., Virginia Revenue Bonds, Series 2007**

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6.706% due 06/01/2046	395	320
<b>WEST VIRGINIA 2.1%</b>		
<b>Tobacco Settlement Finance Authority, West Virginia Revenue Bonds, Series 2007</b>		
7.467% due 06/01/2047	6,130	5,379
<b>Total Municipal Bonds &amp; Notes (Cost \$15,942)</b>		<b>16,826</b>

**46 PIMCO CLOSED-END FUNDS**

See Accompanying Notes

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January 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
<b>U.S. GOVERNMENT AGENCIES 2.7%</b>		
<b>Fannie Mae</b>		
3.500% due 12/25/2032 (a)	\$ 911	\$ 115
4.000% due 11/25/2042 (a)	3,235	467
13.718% due 12/25/2040	132	209
<b>Freddie Mac</b>		
2.563% due 11/25/2055	4,186	2,357
7.977% due 12/25/2027	2,000	1,810
9.145% due 11/15/2040	339	378
9.777% due 04/25/2028	1,100	1,052
10.927% due 05/25/2028	275	268
11.177% due 03/25/2025	300	310
<b>Total U.S. Government Agencies (Cost \$7,287)</b>		<b>6,966</b>
<b>U.S. TREASURY OBLIGATIONS 0.4%</b>		
<b>U.S. Treasury Floating Rate Notes</b>		
0.473% due 10/31/2017 (l)	1,165	1,165
<b>Total U.S. Treasury Obligations (Cost \$1,165)</b>		<b>1,165</b>
<b>NON-AGENCY MORTGAGE-BACKED SECURITIES 20.6%</b>		
<b>Banc of America Alternative Loan Trust</b>		
6.000% due 01/25/2036 ^	73	62
<b>Banc of America Funding Trust</b>		
6.000% due 08/25/2036 ^	2,720	2,678
6.000% due 03/25/2037 ^	1,437	1,239
<b>BCAP LLC Trust</b>		
5.283% due 03/26/2037	700	203
21.468% due 06/26/2036	126	36
<b>Bear Stearns ALT-A Trust</b>		
0.747% due 06/25/2046 ^	3,046	2,226
2.692% due 11/25/2036 ^	311	218
2.942% due 09/25/2035 ^	542	445
<b>Bear Stearns Mortgage Funding Trust</b>		
7.000% due 08/25/2036	894	849
<b>Chase Mortgage Finance Trust</b>		
2.679% due 12/25/2035 ^	8	7
6.000% due 02/25/2037 ^	739	620
6.000% due 07/25/2037 ^	463	387
6.250% due 10/25/2036 ^	1,495	1,295
<b>Citicorp Mortgage Securities Trust</b>		
5.500% due 04/25/2037	95	95
<b>Citigroup Mortgage Loan Trust, Inc.</b>		
0.577% due 12/25/2036	4,773	2,544
<b>Countrywide Alternative Loan Resecuritization Trust</b>		
6.000% due 05/25/2036 ^	1,947	1,686
6.000% due 08/25/2037 ^	836	718
<b>Countrywide Alternative Loan Trust</b>		
5.274% due 04/25/2036 ^	867	667
5.500% due 03/25/2035	243	202
5.500% due 12/25/2035 ^	2,693	2,364

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5.500% due 03/25/2036 ^		117	99
5.750% due 01/25/2035		291	294
6.000% due 02/25/2035		275	285
6.000% due 08/25/2036 ^		140	130
6.000% due 04/25/2037 ^		904	708
6.250% due 11/25/2036 ^		583	550
6.250% due 12/25/2036 ^		1,320	1,070
6.500% due 08/25/2036 ^		363	274
<b>Countrywide Home Loan Mortgage Pass-Through Trust</b>			
2.725% due 02/20/2035		48	48
5.500% due 10/25/2035 ^		619	581
5.750% due 03/25/2037 ^		455	418
6.250% due 09/25/2036 ^		496	455
		<b>PRINCIPAL</b>	<b>MARKET</b>
		<b>AMOUNT</b>	<b>VALUE</b>
		<b>(000S)</b>	<b>(000S)</b>
<b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b>			
6.000% due 02/25/2037 ^	\$	293	\$ 257
6.750% due 08/25/2036 ^		1,094	872
<b>Deutsche Mortgage Securities, Inc. Mortgage Loan Trust</b>			
1.727% due 06/25/2034		2,030	1,469
<b>Epic Drummond Ltd.</b>			
0.044% due 01/25/2022	EUR	1,453	1,419
<b>GSR Mortgage Loan Trust</b>			
5.500% due 05/25/2036 ^	\$	90	87
6.000% due 02/25/2036 ^		3,725	3,138
<b>HarborView Mortgage Loan Trust</b>			
1.146% due 01/19/2035		308	276
2.683% due 07/19/2035		48	42
<b>IndyMac Mortgage Loan Trust</b>			
6.500% due 07/25/2037 ^		1,935	1,235
<b>JPMorgan Alternative Loan Trust</b>			
2.620% due 03/25/2037 ^		1,381	1,054
2.870% due 03/25/2036 ^		1,524	1,202
<b>JPMorgan Mortgage Trust</b>			
2.653% due 01/25/2037 ^		470	420
2.744% due 02/25/2036 ^		426	373
5.000% due 03/25/2037 ^		754	639
6.000% due 08/25/2037 ^		197	174
<b>Lehman XS Trust</b>			
0.647% due 06/25/2047		1,653	1,182
<b>Merrill Lynch Mortgage Investors Trust</b>			
2.720% due 03/25/2036 ^		1,367	920
<b>Residential Asset Securitization Trust</b>			
5.750% due 02/25/2036 ^		784	626
6.000% due 03/25/2037 ^		605	425
6.000% due 05/25/2037 ^		1,205	1,039
6.000% due 07/25/2037 ^		920	657
6.250% due 09/25/2037 ^		1,547	1,106
<b>Residential Funding Mortgage Securities, Inc. Trust</b>			
3.774% due 08/25/2036 ^		1,567	1,385
6.000% due 09/25/2036 ^		189	173
6.000% due 06/25/2037 ^		2,509	2,218
<b>Structured Adjustable Rate Mortgage Loan Trust</b>			
2.676% due 11/25/2036 ^		1,424	1,116
2.724% due 01/25/2036 ^		1,147	878
4.148% due 07/25/2036 ^		520	435
4.688% due 03/25/2037 ^		486	343
<b>Suntrust Adjustable Rate Mortgage Loan Trust</b>			
2.771% due 04/25/2037 ^		1,524	1,296
2.818% due 02/25/2037 ^		252	221
<b>WaMu Mortgage Pass-Through Certificates Trust</b>			
2.149% due 12/25/2046		402	370
2.409% due 09/25/2036 ^		184	167
4.275% due 02/25/2037 ^		461	426
6.009% due 10/25/2036 ^		666	555
<b>Wells Fargo Mortgage-Backed Securities Trust</b>			
2.671% due 07/25/2036 ^		273	257
5.750% due 03/25/2037 ^		275	269
6.000% due 06/25/2037 ^		157	158

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6.000% due 07/25/2037 ^	250	247
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<b>Total Non-Agency Mortgage-Backed Securities</b> (Cost \$49,422)		<b>52,579</b>
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**ASSET-BACKED SECURITIES 27.2%**

	<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>Argent Securities Trust</b>		
0.617% due 03/25/2036	7,936	3,804
<b>Asset-Backed Funding Certificates Trust</b>		
0.577% due 10/25/2036	7,584	6,429
<b>Bear Stearns Asset-Backed Securities Trust</b>		
6.500% due 10/25/2036 ^	250	191
	<b>PRINCIPAL AMOUNT (000S)</b>	<b>MARKET VALUE (000S)</b>
<b>CIFC Funding Ltd.</b>		
0.000% due 05/24/2026 (e)	\$ 1,200	\$ 801
0.000% due 07/22/2026 (e)	1,000	543
<b>Countrywide Asset-Backed Certificates</b>		
0.627% due 06/25/2047	7,178	5,202
0.682% due 09/25/2046 ^	2,924	1,901
0.987% due 12/25/2035	5,550	5,267
<b>Countrywide Asset-Backed Certificates Trust</b>		
5.104% due 08/25/2035	3,000	2,957
<b>GSAMP Trust</b>		
0.687% due 02/25/2046	5,099	3,775
1.402% due 03/25/2035 ^	8,403	5,347
<b>JPMorgan Mortgage Acquisition Corp.</b>		
0.717% due 01/25/2036	431	366
<b>JPMorgan Mortgage Acquisition Trust</b>		
0.742% due 04/25/2036	6,000	4,045
<b>Lehman XS Trust</b>		
6.290% due 06/24/2046	2,973	2,473
<b>MASTR Asset-Backed Securities Trust</b>		
5.233% due 11/25/2035	196	197
<b>Mid-State Trust</b>		
6.340% due 10/15/2036	641	685
<b>Morgan Stanley ABS Capital, Inc. Trust</b>		
1.417% due 06/25/2035	500	449
<b>Morgan Stanley Capital, Inc. Trust</b>		
0.717% due 01/25/2036	4,077	3,677
<b>Morgan Stanley Mortgage Loan Trust</b>		
0.547% due 04/25/2037	2,388	1,150
6.250% due 07/25/2047 ^	459	331
<b>Residential Asset Mortgage Products Trust</b>		