

SAIC, Inc.
Form 10-Q
June 04, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended April 30, 2009

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 001-33072

SAIC, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-3562868
(I.R.S. Employer
Identification No.)

10260 Campus Point Drive, San Diego, California
(Address of principal executive offices)

92121
(Zip Code)

(858) 826-6000

(Registrant's telephone number, including area code)

N/A

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(Former name, former address and

former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 15, 2009, the registrant had 203,872,037 shares of common stock, \$.0001 par value per share, issued and outstanding, and 193,118,028 shares of Class A preferred stock, \$.0001 par value per share, issued and outstanding.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.**SAIC, INC.****CONDENSED CONSOLIDATED STATEMENTS OF INCOME****(UNAUDITED)**

	Three Months Ended April 30	
	2009	2008
	(in millions, except per share amounts)	
Revenues	\$ 2,649	\$ 2,367
Costs and expenses:		
Cost of revenues	2,295	2,052
Selling, general and administrative expenses	150	141
Operating income	204	174
Non-operating income (expense):		
Interest income	1	8
Interest expense	(19)	(19)
Other income, net	3	8
Income from continuing operations before income taxes	189	171
Provision for income taxes	(72)	(66)
Income from continuing operations	117	105
Discontinued operations (Note 1):		
Loss from discontinued operations before income taxes	(1)	(3)
Benefit for income taxes		1
Loss from discontinued operations	(1)	(2)
Net income	\$ 116	\$ 103
Earnings per share (Note 2):		
Basic:		
Income from continuing operations	\$.29	\$.25
Loss from discontinued operations	\$.29	\$.25
Diluted:		
Income from continuing operations	\$.29	\$.25
Loss from discontinued operations	(.01)	(.01)
	\$.28	\$.24

See accompanying notes to condensed consolidated financial statements.

SAIC, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

	April 30, 2009	January 31, 2009
	(in millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 898	\$ 936
Receivables, net	2,016	1,889
Inventory, prepaid expenses and other current assets	346	385
Assets of discontinued operations		7
Total current assets	3,260	3,217
Property, plant and equipment (less accumulated depreciation and amortization of \$340 million and \$329 million at April 30, 2009 and January 31, 2009, respectively)	357	357
Intangible assets, net	79	88
Goodwill	1,252	1,249
Deferred income taxes	84	86
Other assets	50	51
	\$ 5,082	\$ 5,048
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,238	\$ 1,178
Accrued payroll and employee benefits	509	487
Income taxes payable	18	
Notes payable and long-term debt, current portion	2	17
Liabilities of discontinued operations		1
Total current liabilities	1,767	1,683
Notes payable and long-term debt, net of current portion	1,102	1,099
Other long-term liabilities	187	182
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Preferred stock, \$.0001 par value, 1.5 billion shares authorized, 194 million and 196 million shares issued and outstanding at April 30, 2009 and January 31, 2009, respectively		
Common stock, \$.0001 par value, 2 billion shares authorized, 205 million and 210 million shares issued and outstanding at April 30, 2009 and January 31, 2009, respectively		
Additional paid-in capital	1,984	1,950
Retained earnings	85	183
Accumulated other comprehensive loss	(43)	(49)
Total stockholders' equity	2,026	2,084
	\$ 5,082	\$ 5,048

See accompanying notes to condensed consolidated financial statements.

SAIC, INC.

CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY

AND COMPREHENSIVE INCOME

(UNAUDITED)

	Shares		Additional paid-in capital	Accumulated other		Total	Comprehensive income	
	Common stock	Preferred stock		Retained earnings (in millions)	comprehensive loss			
Balance at January 31, 2009	210	196	\$ 1,950	\$ 183	\$ (49)	\$ 2,084		
Net income				116		116	\$	116
Other comprehensive income, net of tax					6	6		6
Issuances of stock		9	76			76		
Repurchases of stock	(12)	(4)	(80)	(214)		(294)		
Conversion of preferred stock to common stock	7	(7)						
Income tax benefit from employee stock transactions			13			13		
Stock-based compensation			25			25		
Balance at April 30, 2009	205	194	\$ 1,984	\$ 85	\$ (43)	\$ 2,026	\$	122

See accompanying notes to condensed consolidated financial statements.

SAIC, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Three Months Ended April 30	
	2009	2008
	(in millions)	
Cash flows from operations:		
Net income	\$ 116	\$ 103
Loss from discontinued operations	1	2
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	22	22
Stock-based compensation	25	19
Excess tax benefits from stock-based compensation	(13)	(27)
Other items	(1)	(6)
Increase (decrease) in cash and cash equivalents, excluding effects of acquisitions and divestitures, resulting from changes in:		
Receivables	(124)	(38)
Inventory, prepaid expenses and other current assets	40	(33)
Deferred income taxes		(1)
Other assets	1	(4)
Accounts payable and accrued liabilities	36	19
Accrued payroll and employee benefits	24	(94)
Income taxes payable	33	47
Other long-term liabilities	3	5
Total cash flows provided by operations	163	14
Cash flows from investing activities:		
Expenditures for property, plant and equipment	(12)	(12)
Acquisitions of businesses, net of cash acquired of \$1 million in 2008		(135)
Payments for businesses acquired in previous years		(2)
Other	11	8
Total cash flows used in investing activities	(1)	(141)
Cash flows from financing activities:		
Payments on notes payable and long-term debt	(15)	(102)
Sales of stock and exercise of stock options	20	28
Repurchases of stock	(223)	(259)
Excess tax benefits from stock-based compensation	13	27
Total cash flows used in financing activities	(205)	(306)
Decrease in cash and cash equivalents from continuing operations	(43)	(433)
Cash flows of discontinued operations:		
Cash provided by (used in) operating activities of discontinued operations	(1)	1
Cash provided by (used in) investing activities of discontinued operations	5	(2)
Increase (decrease) in cash and cash equivalents from discontinued operations	4	(1)
Effect of foreign exchange rate changes on cash and cash equivalents	1	
Total decrease in cash and cash equivalents	(38)	(434)
Cash and cash equivalents at beginning of period	936	1,096
Cash and cash equivalents at end of period	\$ 898	\$ 662

See accompanying notes to condensed consolidated financial statements.

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Note 1 Summary of Significant Accounting Policies:***Nature of Operations and Basis of Presentation***

SAIC, Inc. is a provider of scientific, engineering, systems integration and technical services and solutions to all branches of the U.S. military, agencies of the U.S. Department of Defense, the intelligence community, the U.S. Department of Homeland Security and other U.S. Government civil agencies, state and local government agencies, foreign governments and customers in select commercial markets.

The condensed consolidated financial statements include the accounts of SAIC, Inc. and all majority-owned and 100%-owned subsidiaries, including Science Applications International Corporation (collectively referred to as the Company). All intercompany transactions and accounts have been eliminated in consolidation. The Company recognized revenues of \$5 million on sales to unconsolidated affiliates during each of the three months ended April 30, 2009 and 2008.

The accompanying financial information has been prepared by the Company pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (SEC). Certain disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) have been condensed or omitted pursuant to such rules and regulations. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 2009. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods. Estimates have been prepared by management on the basis of the most current and best available information and actual results could differ from those estimates.

In the opinion of management, the financial information as of April 30, 2009 and for the three months ended April 30, 2009 and 2008 reflects all adjustments, which include normal recurring adjustments, necessary for a fair presentation thereof. Operating results for the three months ended April 30, 2009 are not necessarily indicative of the results that may be expected for the fiscal year ending January 31, 2010, or any future period.

Unless otherwise noted, references to years are for fiscal years ended January 31. For example, the fiscal year ended January 31, 2010 is referred to as "fiscal 2010" in these notes to condensed consolidated financial statements.

Discontinued Operations

In October 2008, management committed to a plan to sell or dispose of a non-strategic component of a business within the Government segment and classified its operating results as a discontinued operation for all periods presented. The Company completed the sale in March 2009.

The operating results of this discontinued operation prior to sale for the periods noted were as follows:

	Three Months Ended April 30	
	2009	2008
	(in millions)	
Revenues	\$ 1	\$ 2
Costs and expenses:		

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Cost of revenues	1	1
Selling, general and administrative expenses		2
Loss before income taxes	\$	\$ (1)

In addition to the operating results presented above, the Company's results of discontinued operations included pre-tax losses of \$1 million and \$2 million for the three months ended April 30, 2009 and 2008, respectively, for certain tax and litigation matters related primarily to Telcordia Technologies, Inc. (Note 8).

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Supplementary Cash Flow Information

The supplementary cash flow information, including non-cash investing and financing activities, for the periods noted were as follows:

	Three Months Ended April 30	
	2009	2008
	(in millions)	
Stock exchanged upon exercise of stock options	\$ 53	\$ 68
Stock issued for settlement of accrued employee benefits	\$ 3	\$ 3
Increase in accrued stock repurchases	\$ 18	\$ 10
Fair value of assets acquired in acquisitions	\$	\$ 138
Cash paid in acquisitions, net of cash acquired of \$1 million in 2008		(135)
Accrued acquisition payments, net		(2)
Liabilities assumed in acquisitions	\$	\$ 1
Cash paid for interest	\$	\$ 5
Cash paid for income taxes	\$ 7	\$ 16

Recently Adopted Accounting Pronouncements

In December 2007, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard (SFAS) No. 141(R) Business Combinations. SFAS No. 141(R) changes the requirements for an acquirer's recognition and measurement of the assets acquired and liabilities assumed in a business combination. SFAS No. 141(R) also requires the expensing of acquisition-related costs as incurred. In April 2009, the FASB issued FASB Staff Position (FSP) FAS 141(R)-1 which amends SFAS No. 141(R) by establishing a model to account for certain pre-acquisition contingencies. SFAS No. 141(R) and FSP FAS 141(R)-1 are effective for the Company with respect to all business combinations for which the acquisition date is after January 31, 2009. The Company adopted SFAS No. 141(R) on February 1, 2009. The adoption of SFAS No. 141(R) did not materially impact the Company's consolidated financial position or results of operations directly when it became effective. However, the resolution of uncertain tax positions related to business combinations completed prior to February 1, 2009 at values that differ from recorded amounts will be adjusted through the statement of income, rather than through goodwill.

In December 2007, the FASB issued SFAS No. 160 Noncontrolling Interests in Consolidated Financial Statements (an amendment of ARB No. 51). SFAS No. 160 requires that noncontrolling (minority) interests be reported as a component of equity, that net income attributable to the parent and to the noncontrolling interests be separately identified in the income statement, that changes in a parent's ownership interest while the parent retains its controlling interest be accounted for as equity transactions, and that any retained noncontrolling equity investment upon the deconsolidation of a subsidiary be initially measured at fair value. The Company adopted SFAS No. 160 on February 1, 2009, which shall be applied prospectively except for the presentation and disclosure requirements which will be applied retrospectively for all periods presented. The adoption of SFAS No. 160 did not have an impact on the Company's consolidated financial position and results of operations.

In March 2008, the FASB issued SFAS No. 161 Disclosures about Derivative Instruments and Hedging Activities (an amendment of FASB Statement No. 133). SFAS No. 161 requires enhanced disclosures about derivative instruments and hedging activities and their effects on an entity's financial position, financial performance and cash flows. The Company adopted SFAS No. 161 on February 1, 2009. Since this statement only pertains to disclosures in the notes to consolidated financial statements, its adoption did not impact the Company's consolidated financial position and results of operations.

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

In June 2008, the FASB issued FSP No. EITF 03-6-1 Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities. This statement designates unvested share-based payment awards that contain nonforfeitable rights to dividends or dividend equivalents as participating securities, which require an allocation of earnings in calculating earnings per share (EPS) as specified in SFAS No. 128 Earnings per Share. The Company's unvested stock awards are participating securities in accordance with FSP No. EITF 03-6-1. The Company adopted FSP No. EITF 03-6-1 on February 1, 2009, which was applied retrospectively to adjust previously reported basic and diluted EPS for all prior periods presented. The adoption of this statement reduced previously reported EPS for the three months ended April 30, 2008 as follows:

Basic EPS continuing operations	\$ (.01)
Basic EPS	\$ (.01)
Diluted EPS continuing operations	\$
Diluted EPS	\$ (.01)

Recently Issued Accounting Pronouncements

In December 2008, the FASB issued FSP No. FAS 132(R)-1 Employers Disclosures about Postretirement Benefit Plan Assets. This statement amends SFAS No. 132(R) Employers Disclosures about Pensions and Other Postretirement Benefits to require additional disclosure in the sponsor's financial statements about pension plan assets, obligations, benefit payments, contributions and net benefit cost and other postretirement benefits. The disclosure requirements of this statement are effective for the Company's annual financial statements for the fiscal year ending January 31, 2010. Since this statement only pertains to disclosures in the notes to consolidated financial statements, it will not impact the Company's consolidated financial position and results of operations.

In May 2009, the FASB issued SFAS No. 165 Subsequent Events. This statement establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or available to be issued. This statement is effective for the Company's consolidated financial statements for the three and six months ended July 31, 2009 and is not expected to impact the Company's consolidated financial position and results of operations.

Note 2 Stockholders Equity and EPS:

The Company has shares of Class A preferred stock and common stock issued and outstanding. Shares of common stock contain the same economic rights as shares of Class A preferred stock; however, holders of Class A preferred stock are entitled to 10 votes per share while holders of common stock are entitled to one vote per share. The Company has unvested stock awards containing nonforfeitable rights to dividends or dividend equivalents. Under FSP EITF 03-6-1, the Company is required to allocate a portion of its earnings to these unvested stock awards in calculating EPS.

Basic EPS is computed by dividing income less earnings allocable to unvested stock awards by the basic weighted average number of shares outstanding. Diluted EPS is computed similar to basic EPS, except the weighted average number of shares outstanding is increased to include the dilutive effect of outstanding stock options and other awards.

A reconciliation of the income used to compute basic and diluted EPS for the periods noted was as follows:

Three Months Ended

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	April 30	
	2009	2008
	(in millions)	
Income from continuing operations, as reported	\$ 117	\$ 105
Less: allocation of undistributed earnings to unvested stock awards	(3)	(3)
Income from continuing operations, for computing EPS	\$ 114	\$ 102
Net income, as reported	\$ 116	\$ 103
Less: allocation of undistributed earnings to unvested stock awards	(3)	(3)
Net income, for computing EPS	\$ 113	\$ 100

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

A reconciliation of the weighted average number of shares outstanding used to compute basic and diluted EPS is provided below. These amounts exclude the weighted average number of unvested stock awards outstanding of 12 million and 11 million during the three months ended April 30, 2009 and 2008, respectively.

	Three Months Ended	
	April 30	
	2009	2008
	(in millions)	
Basic weighted average number of shares outstanding	392	402
Dilutive common share equivalents stock options	5	8
Diluted weighted average number of shares outstanding	397	410
Antidilutive stock options excluded from the calculation of diluted weighted average number of shares outstanding	12	12

Basic and diluted EPS for the periods noted was as follows:

	Three Months Ended	
	April 30	
	2009	2008
Basic:		
Income from continuing operations	\$.29	\$.25
Loss from discontinued operations		
	\$.29	\$.25
Diluted:		
Income from continuing operations	\$.29	\$.25
Loss from discontinued operations	(.01)	(.01)
	\$.28	\$.24

Note 3 Stock-Based Compensation:

Total Stock-Based Compensation. Total stock-based compensation expense for the periods noted was as follows:

	Three Months Ended	
	April 30	
	2009	2008
	(in millions)	
Stock options	\$ 8	\$ 6
Vesting stock awards	17	13
Total stock-based compensation expense	\$ 25	\$ 19

Stock Options. Stock options granted during the three months ended April 30, 2009 and 2008 have a term of five years and vesting period of four years, except for stock options granted to the Company's outside directors subsequent to January 31, 2008, which

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have a vesting period of one year. The fair value of options granted during the periods noted was determined using the following weighted average assumptions:

	Three Months Ended	
	April 30	
	2009	2008
Expected term (in years)	3.9	3.9
Expected volatility	30.6%	26.1%
Risk-free interest rate	1.5%	2.3%
Dividend yield	0%	0%

The weighted average grant-date fair value of stock options granted during the three months ended April 30, 2009 and 2008 using the Black-Scholes option-pricing model was \$4.78 and \$4.49, respectively.

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Stock option activity for the three months ended April 30, 2009 was as follows:

	Shares of stock under options (in millions)	Weighted average exercise price	Weighted average remaining contractual term (in years)	Aggregate intrinsic value (in millions)
Outstanding at January 31, 2009	39.9	\$ 15.08	2.1	\$ 186
Options granted	5.1	18.46		
Options forfeited or expired	(1.1)	13.14		
Options exercised	(5.0)	12.57		29
Outstanding at April 30, 2009	38.9	15.90	2.5	86
Exercisable at April 30, 2009	20.3	14.63	1.6	71

Stock Awards. Vesting stock award activity for the three months ended April 30, 2009 was as follows:

	Shares of stock under stock awards (in millions)	Weighted average grant- date fair value
Unvested at January 31, 2009	11.4	\$ 18.74
Awards granted	4.2	18.46
Awards forfeited	(0.2)	18.72
Awards vested	(2.2)	19.04
Unvested at April 30, 2009	13.2	18.60

The aggregate fair value of vesting stock awards that vested during the three months ended April 30, 2009 and 2008 was \$40 million and \$32 million, respectively.

Performance-Based Stock Awards. During the three months ended April 30, 2009, the Company granted performance-based stock awards to certain officers and key employees of the Company under the 2006 Equity Incentive Plan. These awards vest at the end of a three-year performance period based upon the achievement of specific pre-established levels of performance. The number of shares that will ultimately be awarded can range from zero to 150% of the target awards, which total 600,000 shares, and will be based on the achievement of cumulative growth in diluted EPS from continuing operations and operating margin, weighted equally, as compared to targeted amounts for a three fiscal year period ending January 31, 2012. Compensation expense for performance-based stock awards will be adjusted based on the expected achievement of the performance goals and generally recognized over the three year performance period.

Performance-based stock award activity related to expected awards for the three months ended April 30, 2009 was as follows:

Expected number	Weighted average grant-
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	of shares of stock to be issued under performance-based stock awards (in millions)	date fair value
Outstanding at January 31, 2009		\$ 0.00
Awards granted	0.6	18.46
Outstanding at April 30, 2009	0.6	18.46

Increases or decreases in the expected number of shares to be issued may occur due to changes in the expected achievement of the performance goals over the life of the award.

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Note 4 Other Income, Net:

The components of other income, net for the periods noted were as follows:

	Three Months Ended	
	April 30 2009	2008
	(in millions)	
Net gain on sale of investments	\$ 1	\$ 3
Equity interest in earnings and impairment losses on investments in unconsolidated affiliates, net		3
Other	2	2
Total other income, net	\$ 3	\$ 8

The Company recognized less than \$1 million of impairment losses on investments during the three months ended April 30, 2009 and 2008. The carrying value of the Company's investments as of April 30, 2009 was \$13 million.

Note 5 Goodwill and Intangible Assets:

Intangible assets, including those arising from preliminary purchase price allocations relating to acquisitions, consisted of the following:

	April 30, 2009			January 31, 2009		
	Gross		Net	Gross		Net
	carrying	Accumulated	carrying	carrying	Accumulated	carrying
	value	amortization	value	value	amortization	value
	(in millions)					
Amortizable intangible assets:						
Customer relationships	\$ 119	\$ 60	\$ 59	\$ 121	\$ 55	\$ 66
Software and technology	42	27	15	42	25	17
Other	3	2	1	3	2	1
Total amortizable intangible assets	164	89	75	166	82	84
Non-amortizable intangible assets:						
Trade names	4		4	4		4
Total intangible assets	\$ 168	\$ 89	\$ 79	\$ 170	\$ 82	\$ 88

Amortization expense related to amortizable intangible assets was \$7 million and \$6 million for the three months ended April 30, 2009 and 2008, respectively. There were no goodwill or intangible asset impairment losses during the three months ended April 30, 2009 and 2008. Intangible assets arising from an acquisition made prior to February 1, 2009 decreased \$2 million during the three months ended April 30, 2009 due to the finalization of the purchase price allocation.

The estimated annual amortization expense related to amortizable intangible assets as of April 30, 2009 is as follows (in millions):

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Fiscal Year Ending January 31	
2010 (remainder of the fiscal year)	\$ 16
2011	18
2012	14
2013	10
2014	7
2015 and thereafter	10
	\$ 75

Actual amortization expense in future periods could differ from these estimates as a result of acquisitions, divestitures, impairments, adjustments to preliminary valuations of intangible assets and other factors.

SAIC, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

Note 6 Comprehensive Income and Accumulated Other Comprehensive Loss:

Comprehensive income consists of net income and other comprehensive income (loss). Other comprehensive income (loss) represents certain components of revenues, expenses, gains and losses that are included in comprehensive income, but are excluded from net income. Other comprehensive income (loss) amounts are recorded directly as an adjustment to stockholders equity, net of tax, and were as follows:

	Three Months Ended	
	April 30	
	2009	2008
	(in millions)	
Net income	\$ 116	\$ 103
Other comprehensive income:		
Foreign currency translation adjustments	8	
Deferred taxes	(2)	
Foreign currency translation adjustments, net of tax	6	
Total other comprehensive income, net of tax	6	
Comprehensive income	\$ 122	\$ 103

The components of accumulated other comprehensive loss were as follows:

	April 30,	January 31,
	2009	
	(in millions)	
Foreign currency translation adjustments, net of taxes of \$4 million and \$6 million as of April 30, 2009 and January 31, 2009, respectively	\$ (7)	\$ (13)
Unrealized net loss on settled derivative instruments associated with outstanding debt, net of taxes of \$4 million as of April 30, 2009 and January 31, 2009	(6)	(6)
Unrealized loss on defined benefit plan, net of taxes of \$12 million as of April 30, 2009 and January 31, 2009	(30)	(30)
Total accumulated other comprehensive loss, net of taxes of \$20 million and \$22 million as of April 30, 2009 and January 31, 2009, respectively	\$ (43)	\$ (49)

As of April 30, 2009, less than \$1 million of the unrealized net loss on settled derivative instruments will be amortized and recognized as interest expense during the next 12 months.

Note 7 Business Segment Information:

As of February 1, 2009, certain operations were transferred between the Company's Government and Commercial segments. The following summarizes interim business segment information with prior year amounts adjusted for discontinued operations and for consistency with the current year's presentation:

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Three Months Ended

	April 30	
	2009	2008
	(in millions)	
Revenues:		
Government segment	\$ 2,536	\$ 2,249
Commercial segment	114	118
Intersegment elimination		
		\$ 20,717,486

Ecological Services and Equipment 0.4%

ADS Waste Holdings, Inc.

Term Loan, 3.75%, Maturing October 9, 2019	5,301	\$ 5,283,074
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EnergySolutions, LLC

Term Loan, 6.75%, Maturing May 29, 2020	1,150	1,167,250
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Viking Consortium Borrower Limited

Term Loan - Second Lien, 6.64%, (3.14% Cash, 3.50% PIK), Maturing March 31, 2016	GBP 561	357,462
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\$ 6,807,786

Electronics/Electrical 5.9%

Aeroflex Incorporated

Term Loan, 4.50%, Maturing November 11, 2019	1,386	\$ 1,392,758
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Allflex Holdings III, Inc.

Term Loan, 4.25%, Maturing July 17, 2020	769	771,110
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Answers Corporation

Term Loan, 6.50%, Maturing December 20, 2018	1,048	1,057,296
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Term Loan - Second Lien, 11.00%, Maturing June 19, 2020	950	965,437
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Attachmate Corporation

Term Loan, 7.25%, Maturing November 22, 2017	5,840	5,898,709
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Term Loan - Second Lien, 11.00%, Maturing November 22, 2018	1,000	1,014,167
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Avago Technologies Cayman Ltd.

Term Loan, 3.75%, Maturing May 6, 2021	11,175	11,226,841
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Blue Coat Systems, Inc.

Term Loan, 4.00%, Maturing May 31, 2019	496	497,078
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Term Loan - Second Lien, 9.50%, Maturing June 28, 2020	3,975	4,052,016
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Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Campaign Monitor Finance Pty Limited		
Term Loan, 6.25%, Maturing March 18, 2021	948	\$ 931,042
Cinedigm Digital Funding I, LLC		
Term Loan, 3.75%, Maturing February 28, 2018	490	491,171
CommScope, Inc.		
Term Loan, 3.25%, Maturing January 26, 2018	1,538	1,544,144
CompuCom Systems, Inc.		
Term Loan, 4.25%, Maturing May 11, 2020	2,314	2,291,359
Dealer Computer Services, Inc.		
Term Loan, 2.15%, Maturing April 21, 2016	965	967,800
Dealertrack Technologies, Inc.		
Term Loan, 3.50%, Maturing February 28, 2021	673	673,519
Dell Inc.		
Term Loan, 3.75%, Maturing October 29, 2018	1,387	1,388,368
Term Loan, 4.50%, Maturing April 29, 2020	12,016	12,089,179
Eagle Parent, Inc.		
Term Loan, 4.00%, Maturing May 16, 2018	2,681	2,689,598
Entegris, Inc.		
Term Loan, 3.50%, Maturing April 30, 2021	650	647,291
Excelitas Technologies Corp.		
Term Loan, 6.00%, Maturing October 30, 2020	2,038	2,054,574
Eze Castle Software Inc.		
Term Loan, 4.00%, Maturing April 6, 2020	744	745,747
FIDJI Luxembourg (BC4) S.a.r.l.		
Term Loan, 6.25%, Maturing December 24, 2020	1,062	1,072,178
Freescale Semiconductor, Inc.		
Term Loan, 4.25%, Maturing February 28, 2020	2,984	2,990,408
Go Daddy Operating Company, LLC		
Term Loan, 4.75%, Maturing May 13, 2021	5,108	5,090,948
Hyland Software, Inc.		
Term Loan, 4.75%, Maturing February 19, 2021	520	523,738
Infor (US), Inc.		
Term Loan, 3.75%, Maturing June 3, 2020	8,864	8,826,679
M/A-COM Technology Solutions Holdings, Inc.		
Term Loan, 4.50%, Maturing May 7, 2021	675	680,906
Magic Newco LLC		
Term Loan, 5.00%, Maturing December 12, 2018	2,907	2,933,984
Micro Holding, L.P.		
Term Loan, 7.25%, Maturing March 18, 2019	1,136	1,138,464
Microsemi Corporation		
Term Loan, 3.25%, Maturing March 18, 2021	1,333	1,328,715
NXP B.V.		
Term Loan, 3.25%, Maturing January 11, 2020	2,581	2,571,226
Open Text Corporation		
Term Loan, 3.25%, Maturing January 16, 2021	1,269	1,270,079
Renaissance Learning, Inc.		
Term Loan, 4.50%, Maturing April 9, 2021	923	924,994
Term Loan - Second Lien, 8.00%, Maturing April 1, 2022	300	300,250
Rocket Software, Inc.		
Term Loan, 5.75%, Maturing February 8, 2018	431	433,494
Term Loan - Second Lien, 10.25%, Maturing February 8, 2019	1,500	1,522,500
Rovi Solutions Corporation		
Term Loan, 3.50%, Maturing March 29, 2019	703	698,501

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
RP Crown Parent, LLC		
Term Loan, 6.00%, Maturing December 21, 2018	4,203	\$ 4,207,996
Term Loan - Second Lien, 11.25%, Maturing December 20, 2019	1,675	1,691,750
Sensata Technologies Finance Company, LLC		
Term Loan, 3.25%, Maturing May 12, 2019	1,621	1,629,823
Shield Finance Co. S.a.r.l.		
Term Loan, 5.00%, Maturing January 29, 2021	923	928,070
Sirius Computer Solutions, Inc.		
Term Loan, 7.00%, Maturing November 30, 2018	545	552,640
SkillSoft Corp.		
Term Loan, 4.50%, Maturing April 28, 2021	1,950	1,953,251
Smart Technologies ULC		
Term Loan, 10.50%, Maturing January 31, 2018	708	734,355
Sophia, L.P.		
Term Loan, 4.00%, Maturing July 19, 2018	1,816	1,818,776
SS&C Technologies Holdings Europe S.a.r.l.		
Term Loan, 3.25%, Maturing June 7, 2019	91	90,940
SS&C Technologies Inc.		
Term Loan, 3.25%, Maturing June 7, 2019	877	878,672
SumTotal Systems LLC		
Term Loan, 6.25%, Maturing November 16, 2018	1,327	1,296,749
SunEdison Semiconductor B.V.		
Term Loan, 6.50%, Maturing May 22, 2019	1,150	1,150,719
SurveyMonkey.com, LLC		
Term Loan, 5.50%, Maturing February 5, 2019	1,533	1,544,292
Sybil Software LLC		
Term Loan, 5.00%, Maturing March 20, 2020	2,222	2,227,430
Vantiv, LLC		
Term Loan, 3.75%, Maturing May 12, 2021	1,200	1,205,063
Vertafore, Inc.		
Term Loan, 4.25%, Maturing October 3, 2019	1,984	1,989,774
Wall Street Systems Delaware, Inc.		
Term Loan, 4.50%, Maturing April 30, 2021	2,075	2,078,459
Web.com Group, Inc.		
Term Loan, 4.50%, Maturing October 27, 2017	1,672	1,676,952
Websense, Inc.		
Term Loan, 4.50%, Maturing June 25, 2020	943	948,474
		\$ 114,300,453
Equipment Leasing 0.4%		
Delos Finance S.a.r.l.		
Term Loan, 3.50%, Maturing March 6, 2021	3,275	\$ 3,277,047
Flying Fortress Inc.		
Term Loan, 3.50%, Maturing June 30, 2017	4,712	4,714,611
		\$ 7,991,658
Financial Intermediaries 2.6%		
American Capital Holdings, Inc.		
Term Loan, 3.50%, Maturing August 22, 2017	656	\$ 657,070
Armor Holding II LLC		
Term Loan, 5.75%, Maturing June 26, 2020	775	773,247

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Term Loan - Second Lien, 10.25%, Maturing December 11, 2020

1,000

1,000,000

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Citco Funding LLC		
Term Loan, 4.25%, Maturing June 29, 2018	3,236	\$ 3,246,867
Clipper Acquisitions Corp.		
Term Loan, 3.00%, Maturing February 6, 2020	1,625	1,613,630
First Data Corporation		
Term Loan, 3.65%, Maturing March 24, 2017	1,000	1,000,804
Term Loan, 4.15%, Maturing March 24, 2018	3,000	3,009,954
Term Loan, 4.15%, Maturing September 24, 2018	4,650	4,666,470
Grosvenor Capital Management Holdings, LLP		
Term Loan, 3.75%, Maturing January 4, 2021	1,617	1,608,791
Guggenheim Partners, LLC		
Term Loan, 4.25%, Maturing July 22, 2020	2,978	2,991,146
Hamilton Lane Advisors, LLC		
Term Loan, 4.00%, Maturing February 28, 2018	558	560,336
Harbourvest Partners, LLC		
Term Loan, 3.25%, Maturing February 4, 2021	1,079	1,073,890
Home Loan Servicing Solutions, Ltd.		
Term Loan, 4.50%, Maturing June 19, 2020	1,238	1,244,848
LPL Holdings, Inc.		
Term Loan, 2.65%, Maturing March 29, 2017	516	516,753
Term Loan, 3.25%, Maturing March 29, 2019	3,969	3,968,516
MIP Delaware, LLC		
Term Loan, 4.00%, Maturing March 9, 2020	659	660,999
Moneygram International, Inc.		
Term Loan, 4.25%, Maturing March 27, 2020	1,533	1,514,128
Nuveen Investments, Inc.		
Term Loan, 4.15%, Maturing May 15, 2017	8,245	8,268,714
NXT Capital, Inc.		
Term Loan, 6.25%, Maturing September 4, 2018	175	176,306
Term Loan, 6.25%, Maturing September 4, 2018	918	927,243
Ocwen Financial Corporation		
Term Loan, 5.00%, Maturing February 15, 2018	3,432	3,451,122
Oz Management LP		
Term Loan, 1.65%, Maturing November 15, 2016	1,344	1,294,440
Sesac Holdco II, LLC		
Term Loan, 5.00%, Maturing February 8, 2019	1,980	1,991,055
Starwood Property Trust, Inc.		
Term Loan, 3.50%, Maturing April 17, 2020	1,289	1,283,354
Transfirst Holdings, Inc.		
Term Loan, 4.00%, Maturing December 27, 2017	963	965,425
Walker & Dunlop, Inc.		
Term Loan, 5.50%, Maturing December 11, 2020	871	885,861
Walter Investment Management Corp.		
Term Loan, 4.75%, Maturing December 11, 2020	2,075	2,054,880
		\$ 51,405,849
Food Products 2.3%		
AdvancePierre Foods, Inc.		
Term Loan, 5.75%, Maturing July 10, 2017	3,852	\$ 3,862,010
Big Heart Pet Brands		
Term Loan, 3.50%, Maturing March 8, 2020	3,814	3,795,087
Blue Buffalo Company, Ltd.		
Term Loan, 4.00%, Maturing August 8, 2019	1,376	1,382,509

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Clearwater Seafoods Limited Partnership		
Term Loan, 4.75%, Maturing June 24, 2019	1,040	\$ 1,046,213
CSM Bakery Supplies LLC		
Term Loan, 4.75%, Maturing July 3, 2020	1,191	1,199,337
Del Monte Foods, Inc.		
Term Loan, 4.25%, Maturing February 18, 2021	973	970,496
Diamond Foods, Inc.		
Term Loan, 4.25%, Maturing August 20, 2018	249	249,737
Dole Food Company Inc.		
Term Loan, 4.50%, Maturing November 1, 2018	2,174	2,179,215
H.J. Heinz Company		
Term Loan, 3.50%, Maturing June 5, 2020	12,796	12,905,282
High Liner Foods Incorporated		
Term Loan, 4.25%, Maturing April 24, 2021	1,122	1,122,187
JBS USA Holdings Inc.		
Term Loan, 3.75%, Maturing May 25, 2018	2,667	2,676,537
Term Loan, 3.75%, Maturing September 18, 2020	1,985	1,981,691
NBTY, Inc.		
Term Loan, 3.50%, Maturing October 1, 2017	9,496	9,523,952
Pinnacle Foods Finance LLC		
Term Loan, 3.25%, Maturing April 29, 2020	844	840,762
Post Holdings Inc.		
Term Loan, 3.75%, Maturing June 2, 2021	750	756,973
		\$ 44,491,988
Food Service 1.7%		
Aramark Corporation		
Term Loan, 3.73%, Maturing July 26, 2016	137	\$ 136,948
Term Loan, 3.73%, Maturing July 26, 2016	246	245,023
ARG IH Corporation		
Term Loan, 5.00%, Maturing November 15, 2020	348	350,859
Buffets, Inc.		
Term Loan, 0.11%, Maturing April 22, 2015 ⁽³⁾	121	120,529
Burger King Corporation		
Term Loan, 3.75%, Maturing September 28, 2019	2,604	2,616,456
CEC Entertainment Concepts, L.P.		
Term Loan, 4.25%, Maturing February 14, 2021	973	968,308
Centerplate, Inc.		
Term Loan, 4.75%, Maturing November 26, 2019	1,163	1,168,900
Darling International Inc.		
Term Loan, 3.50%, Maturing January 6, 2021	EUR 1,297	1,781,745
DineEquity, Inc.		
Term Loan, 3.75%, Maturing October 19, 2017	1,644	1,653,343
Dunkin Brands, Inc.		
Term Loan, 3.25%, Maturing February 7, 2021	3,258	3,233,390
Landry s, Inc.		
Term Loan, 4.00%, Maturing April 24, 2018	2,706	2,716,089
NPC International, Inc.		
Term Loan, 4.00%, Maturing December 28, 2018	684	685,533
OSI Restaurant Partners, LLC		
Term Loan, 3.50%, Maturing October 25, 2019	658	659,477
P.F. Chang s China Bistro Inc.		
Term Loan, 4.25%, Maturing July 2, 2019	913	900,606

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Seminole Hard Rock Entertainment, Inc.		
Term Loan, 3.50%, Maturing May 14, 2020	322	\$ 321,281
US Foods, Inc.		
Term Loan, 4.50%, Maturing March 29, 2019	7,747	7,766,117
Weight Watchers International, Inc.		
Term Loan, 4.00%, Maturing April 2, 2020	7,604	6,035,477
Wendy's International, Inc.		
Term Loan, 3.25%, Maturing May 15, 2019	2,065	2,071,018
		\$ 33,431,099
Food/Drug Retailers 1.9%		
Albertson's, LLC		
Term Loan, 4.75%, Maturing March 21, 2019	1,364	\$ 1,372,411
Alliance Boots Holdings Limited		
Term Loan, 3.56%, Maturing July 10, 2017	EUR 1,000	1,373,008
Term Loan, 3.98%, Maturing July 10, 2017	GBP 8,450	14,477,149
General Nutrition Centers, Inc.		
Term Loan, 3.25%, Maturing March 4, 2019	6,376	6,339,194
New Albertson's, Inc.		
Term Loan, Maturing June 25, 2021 ⁽⁶⁾	1,400	1,406,416
Pantry, Inc. (The)		
Term Loan, 4.75%, Maturing August 2, 2019	467	469,890
Rite Aid Corporation		
Term Loan, 3.50%, Maturing February 21, 2020	5,772	5,774,829
Term Loan - Second Lien, 5.75%, Maturing August 21, 2020	550	562,925
Supervalu Inc.		
Term Loan, 4.50%, Maturing March 21, 2019	4,245	4,248,512
		\$ 36,024,334
Forest Products 0.0%		
Expera Specialty Solutions, LLC		
Term Loan, 7.50%, Maturing December 21, 2018	619	\$ 626,484
		\$ 626,484
Health Care 6.3%		
Akorn, Inc.		
Term Loan, 4.50%, Maturing April 16, 2021	900	\$ 905,250
Term Loan, Maturing April 16, 2021 ⁽⁶⁾	500	502,916
Alere, Inc.		
Term Loan, 4.25%, Maturing June 30, 2017	4,262	4,279,035
Alliance Healthcare Services, Inc.		
Term Loan, 4.25%, Maturing June 3, 2019	1,411	1,412,341
Anneal Pharmaceuticals LLC		
Term Loan, 5.75%, Maturing November 1, 2019	720	724,810
Ardent Medical Services, Inc.		
Term Loan, 6.75%, Maturing July 2, 2018	5,295	5,329,637
ATI Holdings, Inc.		
Term Loan, 5.00%, Maturing December 20, 2019	517	523,158
Biomet Inc.		
Term Loan, 3.66%, Maturing July 25, 2017	5,818	5,833,396

BSN Medical Inc.

Term Loan, 4.00%, Maturing August 28, 2019

618

619,118

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
CeramTec Acquisition Corporation		
Term Loan, 4.25%, Maturing August 28, 2020	178	\$ 178,823
CHG Buyer Corporation		
Term Loan, 4.25%, Maturing November 19, 2019	2,215	2,228,664
Community Health Systems, Inc.		
Term Loan, 3.48%, Maturing January 25, 2017	1,929	1,935,451
Term Loan, 4.25%, Maturing January 27, 2021	8,424	8,486,181
Convatec Inc.		
Term Loan, 4.00%, Maturing December 22, 2016	1,390	1,392,527
DaVita HealthCare Partners, Inc.		
Term Loan, 3.50%, Maturing June 24, 2021	4,250	4,275,423
DJO Finance LLC		
Term Loan, 4.25%, Maturing September 15, 2017	1,436	1,444,145
Envision Healthcare Corporation		
Term Loan, 4.00%, Maturing May 25, 2018	4,256	4,268,450
Faenza Acquisition GmbH		
Term Loan, 4.25%, Maturing August 28, 2020	545	546,970
Term Loan, 4.25%, Maturing August 31, 2020	1,797	1,804,390
Gentiva Health Services, Inc.		
Term Loan, 6.50%, Maturing October 18, 2019	1,791	1,794,358
Grifols Worldwide Operations USA, Inc.		
Term Loan, 3.15%, Maturing February 27, 2021	6,284	6,284,646
HCA, Inc.		
Term Loan, 2.90%, Maturing March 31, 2017	7,604	7,630,064
Term Loan, 2.98%, Maturing May 1, 2018	2,136	2,140,876
Hologic Inc.		
Term Loan, 3.25%, Maturing August 1, 2019	1,614	1,615,439
Iasis Healthcare LLC		
Term Loan, 4.50%, Maturing May 3, 2018	3,270	3,286,858
inVentiv Health, Inc.		
Term Loan, 7.50%, Maturing August 4, 2016	3,116	3,135,184
Term Loan, 7.75%, Maturing May 15, 2018	1,259	1,261,660
JLL/Delta Dutch Newco B.V.		
Term Loan, 4.25%, Maturing March 11, 2021	1,175	1,167,656
Term Loan, 4.50%, Maturing March 11, 2021	EUR 400	549,774
Kindred Healthcare, Inc.		
Term Loan, 4.00%, Maturing April 9, 2021	1,975	1,981,172
Kinetic Concepts, Inc.		
Term Loan, 4.00%, Maturing May 4, 2018	6,808	6,825,991
LHP Hospital Group, Inc.		
Term Loan, 9.00%, Maturing July 3, 2018	959	917,976
Mallinckrodt International Finance S.A.		
Term Loan, 3.50%, Maturing March 19, 2021	2,020	2,021,901
MedAssets, Inc.		
Term Loan, 4.00%, Maturing December 13, 2019	421	421,518
Millennium Laboratories, Inc.		
Term Loan, 5.25%, Maturing April 16, 2021	2,775	2,803,882
MMM Holdings, Inc.		
Term Loan, 9.75%, Maturing December 12, 2017	1,433	1,445,636
MSO of Puerto Rico, Inc.		
Term Loan, 9.75%, Maturing December 12, 2017	1,042	1,051,016
National Mentor Holdings, Inc.		
Term Loan, 4.75%, Maturing January 31, 2021	698	702,905

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Onex Carestream Finance LP		
Term Loan, 5.00%, Maturing June 7, 2019	4,054	\$ 4,069,226
Opal Acquisition, Inc.		
Term Loan, 5.00%, Maturing November 27, 2020	2,164	2,171,429
Ortho-Clinical Diagnostics, Inc.		
Term Loan, 4.75%, Maturing June 30, 2021	4,200	4,233,823
Pharmaceutical Product Development LLC		
Term Loan, 4.00%, Maturing December 5, 2018	3,497	3,510,226
PharMedium Healthcare Corporation		
Term Loan, 4.25%, Maturing January 28, 2021	365	365,713
PRA Holdings, Inc.		
Term Loan, 4.50%, Maturing September 23, 2020	2,109	2,099,835
Radnet Management, Inc.		
Term Loan, 4.27%, Maturing October 10, 2018	1,953	1,961,333
RegionalCare Hospital Partners, Inc.		
Term Loan, 6.00%, Maturing April 19, 2019	575	576,437
Sage Products Holdings III, LLC		
Term Loan, 4.25%, Maturing December 13, 2019	507	508,096
Salix Pharmaceuticals, Ltd.		
Term Loan, 4.25%, Maturing January 2, 2020	926	934,768
Select Medical Corporation		
Term Loan, 2.99%, Maturing December 20, 2016	225	224,573
Term Loan, 3.75%, Maturing June 1, 2018	1,225	1,224,234
Sheridan Holdings, Inc.		
Term Loan, 4.50%, Maturing June 29, 2018	686	689,002
Steward Health Care System LLC		
Term Loan, 6.75%, Maturing April 12, 2020	1,411	1,394,879
TriZetto Group, Inc. (The)		
Term Loan, 4.75%, Maturing May 2, 2018	1,481	1,486,504
Truven Health Analytics Inc.		
Term Loan, 4.50%, Maturing June 6, 2019	1,793	1,778,585
U.S. Renal Care, Inc.		
Term Loan, 4.25%, Maturing July 3, 2019	2,210	2,220,040
Universal Health Services, Inc.		
Term Loan, 2.40%, Maturing November 15, 2016	374	375,687
		\$ 123,553,587
Home Furnishings 0.3%		
Interline Brands, Inc.		
Term Loan, 4.00%, Maturing March 17, 2021	324	\$ 323,512
Serta/Simmons Holdings, LLC		
Term Loan, 4.25%, Maturing October 1, 2019	3,660	3,674,238
Tempur-Pedic International Inc.		
Term Loan, 3.50%, Maturing March 18, 2020	2,671	2,665,886
		\$ 6,663,636
Industrial Equipment 1.3%		
Alliance Laundry Systems LLC		
Term Loan, 4.26%, Maturing December 10, 2018	381	\$ 383,931
Apex Tool Group, LLC		
Term Loan, 4.50%, Maturing January 31, 2020	1,333	1,320,350

Doosan Infracore International, Inc.

Term Loan, 4.50%, Maturing May 28, 2021

1,475

1,482,977

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Filtration Group Corporation		
Term Loan - Second Lien, 8.25%, Maturing November 21, 2021	1,000	\$ 1,020,000
Gardner Denver, Inc.		
Term Loan, 4.25%, Maturing July 30, 2020	2,153	2,154,975
Term Loan, 4.75%, Maturing July 30, 2020	EUR 471	651,087
Generac Power Systems, Inc.		
Term Loan, 3.25%, Maturing May 31, 2020	2,014	2,004,296
Grede Holdings, LLC		
Term Loan, 4.75%, Maturing June 2, 2021	1,125	1,130,391
Milacron LLC		
Term Loan, 4.00%, Maturing March 30, 2020	1,908	1,907,303
Paladin Brands Holding, Inc.		
Term Loan, 6.75%, Maturing August 16, 2019	867	879,050
Rexnord LLC		
Term Loan, 4.00%, Maturing August 21, 2020	6,575	6,579,422
Signode Industrial Group US Inc.		
Term Loan, 4.00%, Maturing May 1, 2021	1,900	1,896,042
Spansion LLC		
Term Loan, 3.75%, Maturing December 19, 2019	1,207	1,213,438
STS Operating, Inc.		
Term Loan, 4.75%, Maturing February 19, 2021	399	401,369
Tank Holding Corp.		
Term Loan, 4.25%, Maturing July 9, 2019	901	902,310
Unifrax Corporation		
Term Loan, 4.25%, Maturing November 28, 2018	636	637,420
Virtuoso US LLC		
Term Loan, 4.75%, Maturing February 11, 2021	574	578,581
		\$ 25,142,942
Insurance 2.0%		
Alliant Holdings I, Inc.		
Term Loan, 4.25%, Maturing December 20, 2019	3,218	\$ 3,230,403
AmWINS Group, LLC		
Term Loan, 5.00%, Maturing September 6, 2019	5,055	5,077,861
Applied Systems, Inc.		
Term Loan, 4.25%, Maturing January 25, 2021	1,144	1,149,766
Asurion LLC		
Term Loan, 5.00%, Maturing May 24, 2019	10,314	10,388,017
Term Loan, 4.25%, Maturing July 8, 2020	1,139	1,140,024
Term Loan - Second Lien, 8.50%, Maturing March 3, 2021	1,375	1,429,141
CNO Financial Group, Inc.		
Term Loan, 3.75%, Maturing September 20, 2018	4,769	4,777,644
Cooper Gay Swett & Crawford Ltd.		
Term Loan, 5.00%, Maturing April 16, 2020	1,586	1,551,447
Cunningham Lindsey U.S. Inc.		
Term Loan, 5.00%, Maturing December 10, 2019	2,410	2,402,046
Term Loan - Second Lien, 9.25%, Maturing June 10, 2020	572	572,319
Hub International Limited		
Term Loan, 4.25%, Maturing October 2, 2020	3,548	3,561,169
USI, Inc.		
Term Loan, 4.25%, Maturing December 27, 2019	3,902	3,912,082
		\$ 39,191,919

Borrower/Tranche Description	Principal	
	Amount*	Value
	(000 s omitted)	
Leisure Goods/Activities/Movies 2.6%		
Activision Blizzard, Inc.		
Term Loan, 3.25%, Maturing October 12, 2020	3,665	\$ 3,680,165
Bally Technologies, Inc.		
Term Loan, 4.25%, Maturing November 25, 2020	2,430	2,442,431
Bombardier Recreational Products, Inc.		
Term Loan, 4.00%, Maturing January 30, 2019	4,582	4,591,285
Bright Horizons Family Solutions, Inc.		
Term Loan, 3.75%, Maturing January 30, 2020	222	221,833
Cedar Fair, L.P.		
Term Loan, 3.25%, Maturing March 6, 2020	1,473	1,481,917
ClubCorp Club Operations, Inc.		
Term Loan, 4.00%, Maturing July 24, 2020	1,892	1,887,958
Delta 2 (LUX) S.a.r.l.		
Term Loan, 4.50%, Maturing April 30, 2019	3,164	3,185,096
Emerald Expositions Holding, Inc.		
Term Loan, 5.50%, Maturing June 17, 2020	1,237	1,250,047
Equinox Holdings, Inc.		
Term Loan, 4.25%, Maturing January 31, 2020	2,133	2,143,791
Fender Musical Instruments Corporation		
Term Loan, 5.75%, Maturing April 3, 2019	534	537,337
Kasima, LLC		
Term Loan, 3.25%, Maturing May 17, 2021	1,125	1,123,243
Live Nation Entertainment, Inc.		
Term Loan, 3.50%, Maturing August 17, 2020	7,026	7,036,477
Nord Anglia Education Limited		
Term Loan, 4.50%, Maturing March 19, 2021	1,125	1,128,868
Regal Cinemas, Inc.		
Term Loan, 2.68%, Maturing August 23, 2017	875	879,360
Sabre, Inc.		
Term Loan, 4.25%, Maturing February 19, 2019	1,428	1,433,754
SeaWorld Parks & Entertainment, Inc.		
Term Loan, 3.00%, Maturing May 14, 2020	2,379	2,348,599
Six Flags Theme Parks, Inc.		
Term Loan, 3.50%, Maturing December 20, 2018	3,134	3,145,260
SONIFI Solutions, Inc.		
Term Loan, 6.75%, Maturing March 31, 2018	539	229,230
SRAM, LLC		
Term Loan, 4.01%, Maturing April 10, 2020	2,296	2,276,647
Town Sports International Inc.		
Term Loan, 4.50%, Maturing November 16, 2020	1,617	1,509,757
US Finco LLC		
Term Loan, 4.00%, Maturing May 29, 2020	1,658	1,657,733
Term Loan - Second Lien, 8.25%, Maturing November 30, 2020	2,000	2,050,000
WMG Acquisition Corp.		
Term Loan, 3.75%, Maturing July 1, 2020	1,166	1,149,861
Zuffa LLC		
Term Loan, 3.75%, Maturing February 25, 2020	3,472	3,485,156
		\$ 50,875,805
Lodging and Casinos 2.0%		
Affinity Gaming, LLC		
Term Loan, 4.25%, Maturing November 9, 2017	1,553	\$ 1,557,216

Borrower/Tranche Description	Principal	
	Amount*	Value
	(000 s omitted)	
Boyd Gaming Corporation		
Term Loan, 4.00%, Maturing August 14, 2020	581	\$ 582,687
Caesars Entertainment Operating Company		
Term Loan, 5.53%, Maturing January 26, 2018	1,686	1,576,962
CityCenter Holdings, LLC		
Term Loan, 5.00%, Maturing October 16, 2020	1,023	1,032,193
Four Seasons Holdings Inc.		
Term Loan - Second Lien, 6.25%, Maturing December 28, 2020	3,100	3,158,125
Gala Group Ltd.		
Term Loan, 5.49%, Maturing May 28, 2018	GBP 2,775	4,790,148
Golden Nugget, Inc.		
Term Loan, 5.50%, Maturing November 21, 2019	179	183,130
Term Loan, 5.50%, Maturing November 21, 2019	418	427,303
Hilton Worldwide Finance, LLC		
Term Loan, 3.50%, Maturing October 26, 2020	8,708	8,703,163
La Quinta Intermediate Holdings LLC		
Term Loan, 4.00%, Maturing April 14, 2021	1,491	1,495,844
Las Vegas Sands LLC		
Term Loan, 3.25%, Maturing December 19, 2020	2,562	2,563,608
MGM Resorts International		
Term Loan, 3.50%, Maturing December 20, 2019	6,427	6,416,992
Pinnacle Entertainment, Inc.		
Term Loan, 3.75%, Maturing August 13, 2020	1,023	1,025,737
Playa Resorts Holding B.V.		
Term Loan, 4.00%, Maturing August 6, 2019	596	596,989
RHP Hotel Properties, LP		
Term Loan, 3.75%, Maturing January 15, 2021	875	880,287
Scientific Games International, Inc.		
Term Loan, 4.25%, Maturing October 18, 2020	4,179	4,143,086
Tropicana Entertainment Inc.		
Term Loan, 4.00%, Maturing November 27, 2020	496	498,111
		\$ 39,631,581
Nonferrous Metals/Minerals 0.9%		
Alpha Natural Resources, LLC		
Term Loan, 3.50%, Maturing May 22, 2020	913	\$ 884,703
Arch Coal Inc.		
Term Loan, 6.25%, Maturing May 16, 2018	3,039	2,989,325
Fairmount Minerals Ltd.		
Term Loan, 3.75%, Maturing March 15, 2017	496	499,145
Term Loan, 4.50%, Maturing September 5, 2019	2,506	2,533,865
Murray Energy Corporation		
Term Loan, 5.25%, Maturing December 5, 2019	1,820	1,845,468
Noranda Aluminum Acquisition Corporation		
Term Loan, 5.75%, Maturing February 28, 2019	1,026	990,452
Novelis, Inc.		
Term Loan, 3.75%, Maturing March 10, 2017	3,249	3,257,372
Oxbow Carbon LLC		
Term Loan, 4.25%, Maturing July 19, 2019	523	524,024
Term Loan - Second Lien, 8.00%, Maturing January 17, 2020	925	949,281
United Central Industrial Supply Company, LLC		
Term Loan - Second Lien, 12.50%, Maturing April 9, 2019	500	493,750

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Walter Energy, Inc.		
Term Loan, 7.25%, Maturing April 2, 2018	3,138	\$ 3,041,552
		\$ 18,008,937
Oil and Gas 2.3%		
Ameriforge Group, Inc.		
Term Loan, 5.00%, Maturing December 19, 2019	2,726	\$ 2,746,513
Term Loan - Second Lien, 8.75%, Maturing December 19, 2020	3,150	3,228,750
Bronco Midstream Funding LLC		
Term Loan, 5.00%, Maturing August 17, 2020	2,055	2,068,230
Citgo Petroleum Corporation		
Term Loan, 8.00%, Maturing June 24, 2015	343	346,714
Term Loan, 9.00%, Maturing June 23, 2017	419	426,623
Crestwood Holdings LLC		
Term Loan, 7.00%, Maturing June 19, 2019	1,036	1,054,771
Energy Transfer Equity, L.P.		
Term Loan, 3.25%, Maturing December 2, 2019	2,200	2,180,624
Fieldwood Energy LLC		
Term Loan, 3.88%, Maturing September 28, 2018	1,316	1,321,672
Term Loan - Second Lien, 8.38%, Maturing September 30, 2020	875	904,841
Floatel International, Ltd.		
Term Loan, Maturing June 27, 2020 ⁽⁶⁾	1,425	1,437,469
MEG Energy Corp.		
Term Loan, 3.75%, Maturing March 31, 2020	8,702	8,726,665
Obsidian Holdings LLC		
Term Loan, 6.75%, Maturing November 2, 2015	840	850,985
Obsidian Natural Gas Trust		
Term Loan, 7.00%, Maturing November 2, 2015	1,065	1,078,171
Ruby Western Pipeline Holdings, LLC		
Term Loan, 3.50%, Maturing March 27, 2020	512	512,605
Samson Investment Company		
Term Loan - Second Lien, 5.00%, Maturing September 25, 2018	1,900	1,903,903
Seadrill Partners Finco LLC		
Term Loan, 4.00%, Maturing February 21, 2021	4,906	4,880,355
Seventy Seven Operating LLC		
Term Loan, 3.75%, Maturing June 25, 2021	700	704,157
Sheridan Investment Partners II, L.P.		
Term Loan, 4.25%, Maturing December 16, 2020	48	47,766
Term Loan, 4.25%, Maturing December 16, 2020	128	128,077
Term Loan, 4.25%, Maturing December 16, 2020	919	920,709
Sheridan Production Partners I, LLC		
Term Loan, 4.25%, Maturing September 25, 2019	262	262,730
Term Loan, 4.25%, Maturing September 25, 2019	429	430,136
Term Loan, 4.25%, Maturing October 1, 2019	3,236	3,246,109
Tallgrass Operations, LLC		
Term Loan, 4.25%, Maturing November 13, 2018	1,771	1,783,468
Tervita Corporation		
Term Loan, 6.25%, Maturing May 15, 2018	2,967	2,982,300
		\$ 44,174,343
Publishing 1.7%		

Advanstar Communications Inc.

Term Loan, 5.50%, Maturing April 29, 2019	889	\$	895,415
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Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
American Greetings Corporation		
Term Loan, 4.00%, Maturing August 9, 2019	1,244	\$ 1,248,952
Ascend Learning, Inc.		
Term Loan, 6.00%, Maturing July 31, 2019	1,692	1,715,463
Flint Group SA		
Term Loan, 5.58%, Maturing December 30, 2016	24	24,132
Term Loan, 5.65%, Maturing December 31, 2016	EUR 100	137,570
Term Loan, 5.65%, Maturing December 31, 2016	EUR 476	651,638
Getty Images, Inc.		
Term Loan, 4.75%, Maturing October 18, 2019	9,087	8,790,274
Interactive Data Corporation		
Term Loan, 4.75%, Maturing May 2, 2021	2,100	2,120,672
Laureate Education, Inc.		
Term Loan, 5.00%, Maturing June 15, 2018	8,633	8,455,196
McGraw-Hill Global Education Holdings, LLC		
Term Loan, 5.75%, Maturing March 22, 2019	845	860,096
Media General Inc.		
Term Loan, 4.25%, Maturing July 31, 2020	1,229	1,236,471
Merrill Communications, LLC		
Term Loan, 5.75%, Maturing March 8, 2018	795	809,864
Multi Packaging Solutions, Inc.		
Term Loan, 4.25%, Maturing September 30, 2020	424	424,997
Nelson Education Ltd.		
Term Loan, 4.75%, Maturing July 7, 2015	582	483,465
Penton Media, Inc.		
Term Loan, 5.50%, Maturing October 1, 2019	769	777,520
Rentpath, Inc.		
Term Loan, 6.25%, Maturing May 29, 2020	1,188	1,199,880
Springer Science+Business Media Deutschland GmbH		
Term Loan, 5.00%, Maturing August 14, 2020	2,308	2,316,576
		\$ 32,148,181
Radio and Television 1.2%		
Clear Channel Communications, Inc.		
Term Loan, 3.80%, Maturing January 29, 2016	10	\$ 9,807
Term Loan, 6.90%, Maturing January 30, 2019	566	564,930
Term Loan, 7.65%, Maturing July 30, 2019	182	182,897
Cumulus Media Holdings Inc.		
Term Loan, 4.25%, Maturing December 23, 2020	5,735	5,763,428
Entercom Radio, LLC		
Term Loan, 4.03%, Maturing November 23, 2018	435	437,158
Entravision Communications Corporation		
Term Loan, 3.50%, Maturing May 29, 2020	1,932	1,914,765
Gray Television, Inc.		
Term Loan, Maturing June 10, 2021 ⁽⁶⁾	375	377,422
LIN Television Corp.		
Term Loan, 4.00%, Maturing December 21, 2018	585	586,845
Mission Broadcasting, Inc.		
Term Loan, 3.75%, Maturing October 1, 2020	939	940,947
Nexstar Broadcasting, Inc.		
Term Loan, 3.75%, Maturing October 1, 2020	1,065	1,067,049
Raycom TV Broadcasting, Inc.		
Term Loan, 4.25%, Maturing May 31, 2017	897	899,774

Borrower/Tranche Description	Principal	
	(000 s omitted)	Value
Sinclair Television Group Inc.		
Term Loan, 3.00%, Maturing April 9, 2020	518	\$ 513,801
TWCC Holding Corp.		
Term Loan, 3.50%, Maturing February 13, 2017	1,211	1,201,549
Term Loan - Second Lien, 7.00%, Maturing June 26, 2020	825	818,297
Tyrol Acquisitions 2 SAS		
Term Loan, 4.10%, (3.10% Cash, 1.00% PIK), Maturing January 29, 2016	EUR 709	940,087
Term Loan, 4.10%, (3.10% Cash, 1.00% PIK), Maturing January 29, 2016	EUR 709	940,087
Univision Communications Inc.		
Term Loan, 4.00%, Maturing March 1, 2020	6,641	6,644,553
		\$ 23,803,396
Retailers (Except Food and Drug) 2.9%		
99 Cents Only Stores		
Term Loan, 4.50%, Maturing January 11, 2019	2,902	\$ 2,924,647
B&M Retail, Ltd.		
Term Loan, 3.81%, Maturing May 21, 2019	GBP 475	811,899
Term Loan, 4.31%, Maturing April 28, 2020	GBP 375	641,775
Bass Pro Group, LLC		
Term Loan, 3.75%, Maturing November 20, 2019	3,176	3,185,818
CDW LLC		
Term Loan, 3.25%, Maturing April 29, 2020	4,647	4,601,977
David s Bridal, Inc.		
Term Loan, 5.00%, Maturing October 11, 2019	669	648,957
Evergreen Acqco 1 LP		
Term Loan, 5.00%, Maturing July 9, 2019	712	713,008
Harbor Freight Tools USA, Inc.		
Term Loan, 4.75%, Maturing July 26, 2019	1,315	1,327,227
Hudson s Bay Company		
Term Loan, 4.75%, Maturing November 4, 2020	4,648	4,708,797
J. Crew Group, Inc.		
Term Loan, 4.00%, Maturing March 5, 2021	3,850	3,805,182
Jo-Ann Stores, Inc.		
Term Loan, 4.00%, Maturing March 16, 2018	4,044	4,029,246
Men s Wearhouse, Inc. (The)		
Term Loan, 4.50%, Maturing June 18, 2021	1,900	1,909,253
Michaels Stores, Inc.		
Term Loan, 3.75%, Maturing January 28, 2020	3,985	3,983,327
Term Loan, Maturing January 28, 2020 ⁽⁶⁾	1,325	1,326,932
Neiman Marcus Group, Inc. (The)		
Term Loan, 4.25%, Maturing October 25, 2020	5,448	5,444,254
Party City Holdings Inc.		
Term Loan, 4.00%, Maturing July 27, 2019	2,635	2,623,246
Pep Boys-Manny, Moe & Jack (The)		
Term Loan, 4.25%, Maturing October 11, 2018	493	495,117
Petco Animal Supplies, Inc.		
Term Loan, 4.00%, Maturing November 24, 2017	2,403	2,412,225
PFS Holding Corporation		
Term Loan, 4.50%, Maturing January 31, 2021	299	294,387
Pier 1 Imports (U.S.), Inc.		
Term Loan, 4.50%, Maturing April 30, 2021	675	678,375
Pilot Travel Centers LLC		
Term Loan, 3.75%, Maturing March 30, 2018	1,646	1,651,413

Term Loan, 4.25%, Maturing August 7, 2019	565	566,820
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Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
Rent-A-Center, Inc.		
Term Loan, 3.75%, Maturing March 19, 2021	673	\$ 669,946
Spin Holdco Inc.		
Term Loan, 4.25%, Maturing November 14, 2019	1,987	1,992,851
Toys R Us Property Company I, LLC		
Term Loan, 6.00%, Maturing August 21, 2019	2,463	2,381,563
Visant Corporation		
Term Loan, 5.25%, Maturing December 22, 2016	1,258	1,253,268
Vivarte SA		
Term Loan, 0.00%, Maturing March 9, 2015 ⁽²⁾	EUR 31	17,311
Term Loan, 0.00%, Maturing March 9, 2015 ⁽²⁾	EUR 122	67,321
Term Loan, 0.00%, Maturing March 9, 2015 ⁽²⁾	EUR 781	432,391
Term Loan, 0.00%, Maturing March 8, 2016 ⁽²⁾	EUR 31	17,311
Term Loan, 0.00%, Maturing March 8, 2016 ⁽²⁾	EUR 122	67,321
Term Loan, 0.00%, Maturing March 8, 2016 ⁽²⁾	EUR 781	432,391
Term Loan, 0.00%, Maturing March 30, 2018 ⁽²⁾	EUR 1,000	553,540
Wilton Brands LLC		
Term Loan, 7.50%, Maturing August 30, 2018	608	585,507
		\$ 57,254,603
Steel 0.9%		
Essar Steel Algoma, Inc.		
Term Loan, 9.25%, Maturing September 20, 2014	1,810	\$ 1,819,195
FMG Resources (August 2006) Pty Ltd.		
Term Loan, 3.75%, Maturing June 30, 2019	8,583	8,600,484
JFB Firth Rixson Inc.		
Term Loan, 4.25%, Maturing June 30, 2017	369	370,144
JMC Steel Group, Inc.		
Term Loan, 4.75%, Maturing April 3, 2017	1,350	1,360,369
Neenah Foundry Company		
Term Loan, 6.75%, Maturing April 26, 2017	2,286	2,286,173
Patriot Coal Corporation		
Term Loan, 9.00%, Maturing December 15, 2018	647	639,744
Waupaca Foundry, Inc.		
Term Loan, 4.00%, Maturing June 29, 2017	2,033	2,038,685
		\$ 17,114,794
Surface Transport 0.6%		
Hertz Corporation (The)		
Term Loan, 3.75%, Maturing March 9, 2018	1,000	\$ 993,750
Term Loan, 3.00%, Maturing March 11, 2018	3,242	3,224,307
Term Loan, 3.75%, Maturing March 12, 2018	2,930	2,933,352
Stena International S.a.r.l.		
Term Loan, 4.00%, Maturing March 3, 2021	2,100	2,105,907
Swift Transportation Co., LLC		
Term Loan, 3.75%, Maturing June 9, 2021	1,571	1,576,464
		\$ 10,833,780
Telecommunications 1.8%		
Arris Group, Inc.		
Term Loan, 3.50%, Maturing April 17, 2020	1,039	\$ 1,036,574

Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
Cellular South, Inc.		
Term Loan, 3.25%, Maturing May 22, 2020	444	\$ 443,542
Crown Castle Operating Company		
Term Loan, 3.00%, Maturing January 31, 2021	3,263	3,266,339
Intelsat Jackson Holdings S.A.		
Term Loan, 3.75%, Maturing June 30, 2019	10,100	10,129,987
IPC Systems, Inc.		
Term Loan, 6.00%, Maturing October 29, 2020	1,400	1,407,875
Mitel US Holdings, Inc.		
Term Loan, 5.25%, Maturing January 31, 2020	393	396,875
SBA Senior Finance II LLC		
Term Loan, 3.25%, Maturing March 24, 2021	2,400	2,391,250
Syniverse Holdings, Inc.		
Term Loan, 4.00%, Maturing April 23, 2019	2,400	2,402,939
Term Loan, 4.00%, Maturing April 23, 2019	2,841	2,844,734
Telesat Canada		
Term Loan, 3.50%, Maturing March 28, 2019	5,841	5,840,678
Windstream Corporation		
Term Loan, 3.50%, Maturing August 8, 2019	983	982,096
Term Loan, 3.50%, Maturing January 23, 2020	3,546	3,542,099
		\$ 34,684,988
Utilities 1.2%		
Calpine Construction Finance Company, L.P.		
Term Loan, 3.00%, Maturing May 3, 2020	1,238	\$ 1,217,612
Term Loan, 3.25%, Maturing January 31, 2022	1,241	1,230,822
Calpine Corporation		
Term Loan, 4.00%, Maturing April 1, 2018	994	999,221
Term Loan, 4.00%, Maturing April 1, 2018	2,564	2,576,338
Term Loan, 4.00%, Maturing October 9, 2019	4,814	4,834,643
Term Loan, 4.00%, Maturing October 30, 2020	473	474,660
Dynegy Holdings Inc.		
Term Loan, 4.00%, Maturing April 23, 2020	2,165	2,174,916
EFS Cogen Holdings I LLC		
Term Loan, 3.75%, Maturing December 17, 2020	735	737,960
Electrical Components International, Inc.		
Term Loan, 5.75%, Maturing May 28, 2021	475	479,750
Energy Future Intermediate Holding Co., LLC		
DIP Loan, 4.25%, Maturing June 19, 2016	3,122	3,127,689
Equipower Resources Holdings LLC		
Term Loan, 4.25%, Maturing December 31, 2019	1,514	1,521,553
La Frontera Generation, LLC		
Term Loan, 4.50%, Maturing September 30, 2020	743	746,557
PowerTeam Services, LLC		
Term Loan, 4.25%, Maturing May 6, 2020	41	40,294
Term Loan, 4.25%, Maturing May 6, 2020	770	760,375
Raven Power Finance, LLC		
Term Loan, 6.50%, Maturing December 19, 2020	1,753	1,758,216
Texas Competitive Electric Holdings Company, LLC		
DIP Loan, 0.00%, Maturing May 5, 2016 ⁽⁵⁾	447	448,488
DIP Loan, 3.75%, Maturing May 5, 2016	578	581,900

Borrower/Tranche Description	Principal Amount* (000 s omitted)	Value
WTG Holdings III Corp.		
Term Loan, 4.75%, Maturing January 15, 2021	522	\$ 524,334
		\$ 24,235,328

Total Senior Floating-Rate Interests
(identified cost \$1,182,577,745) **\$ 1,181,737,325**

Corporate Bonds & Notes 56.1%

Security	Principal Amount* (000 s omitted)	Value
Aerospace and Defense 0.7%		
Alliant Techsystems, Inc.		
5.25%, 10/1/21 ⁽⁷⁾	1,515	\$ 1,571,813
CBC Ammo, LLC/CBC FinCo, Inc.		
7.25%, 11/15/21 ⁽⁷⁾	2,415	2,505,562
GenCorp, Inc.		
7.125%, 3/15/21	1,395	1,531,013
Huntington Ingalls Industries, Inc.		
7.125%, 3/15/21	2,025	2,222,438
TransDigm, Inc.		
7.50%, 7/15/21	460	511,750
6.00%, 7/15/22 ⁽⁷⁾	2,850	2,931,937
6.50%, 7/15/24 ⁽⁷⁾	2,275	2,371,687
		\$ 13,646,200

Agriculture 0.0%		
Lorillard Tobacco Co.		
7.00%, 8/4/41	450	\$ 551,742
		\$ 551,742

Automotive 1.6%		
American Axle & Manufacturing, Inc.		
5.125%, 2/15/19	660	\$ 696,300
Chrysler Group, LLC		
8.00%, 6/15/19	2,095	2,286,169
8.25%, 6/15/21	12,345	14,011,575
Ford Motor Co.		
6.625%, 10/1/28	1,000	1,239,799
General Motors Financial Co., Inc.		
2.75%, 5/15/16	3,070	3,121,806
4.75%, 8/15/17	1,615	1,721,994
4.25%, 5/15/23	960	961,200
Navistar International Corp.		
8.25%, 11/1/21	3,190	3,341,525
Schaeffler Finance Holding BV		
6.875%, 8/15/18 ⁽⁷⁾⁽⁸⁾	2,785	2,948,618
Tomkins, LLC/Tomkins, Inc.		
9.00%, 10/1/18	595	634,300

\$ 30,963,286

Security	Principal Amount* (000 s omitted)	Value
Banks and Thrifts 0.8%		
Banco do Brasil SA		
6.25% to 4/15/24, 10/29/49 ⁽⁷⁾⁽⁹⁾	\$ 750	\$ 606,563
Bank One Michigan		
8.25%, 11/1/24	275	373,394
Barclays Bank PLC		
10.179%, 6/12/21 ⁽⁷⁾	1,000	1,388,685
Citigroup, Inc.		
6.625%, 6/15/32	1,000	1,205,140
Countrywide Financial Corp.		
6.25%, 5/15/16	2,800	3,056,564
Credit Agricole SA		
7.875% to 1/23/24, 1/29/49 ⁽⁷⁾⁽⁹⁾	1,227	1,342,031
Credit Suisse Group AG		
6.25% to 12/18/2024, 12/31/49 ⁽⁷⁾⁽⁹⁾	1,532	1,544,639
First Niagara Financial Group, Inc.		
7.25%, 12/15/21	945	1,090,264
Regions Financial Corp.		
7.375%, 12/10/37	730	923,110
Royal Bank of Scotland PLC		
6.10%, 6/10/23	1,200	1,315,140
Standard Chartered PLC		
5.20%, 1/26/24 ⁽⁷⁾	862	920,569
Turkiye Garanti Bankasi AS		
4.75%, 10/17/19 ⁽⁷⁾	930	941,625
Zions Bancorporation		
6.00%, 9/15/15	67	70,805
		\$ 14,778,529

Security	Principal Amount (000 s omitted)	Value
Beverage and Tobacco 0.4%		
Constellation Brands, Inc.		
6.00%, 5/1/22	1,530	\$ 1,725,075
4.25%, 5/1/23	2,815	2,825,556
Cott Beverages, Inc.		
5.375%, 7/1/22 ⁽⁷⁾	2,450	2,459,188
		\$ 7,009,819

Brokers, Dealers and Investment Houses 0.5%		
Alliance Data Systems Corp.		
6.375%, 4/1/20 ⁽⁷⁾	1,210	\$ 1,294,700
BP Capital Markets PLC		
3.561%, 11/1/21	800	837,451
E*TRADE Financial Corp.		
6.375%, 11/15/19	1,015	1,103,813
Neuberger Berman Group, LLC/Neuberger Berman Finance Corp.		
5.625%, 3/15/20 ⁽⁷⁾	4,335	4,605,937
Nielsen Co. Luxembourg S.a.r.l. (The)		
5.50%, 10/1/21 ⁽⁷⁾	1,250	1,296,875

\$ 9,138,776

Building and Development 1.4%

Brookfield Residential Properties, Inc.

6.50%, 12/15/20⁽⁷⁾

1,555 \$ 1,652,187

	Principal Amount* (000 s omitted)	Value
Security		
Builders FirstSource, Inc.		
7.625%, 6/1/21 ⁽⁷⁾	705	\$ 756,113
CB Richard Ellis Service, Inc.		
6.625%, 10/15/20	3,270	3,486,637
HD Supply, Inc.		
8.125%, 4/15/19	825	911,625
7.50%, 7/15/20	2,180	2,392,550
Interface, Inc.		
7.625%, 12/1/18	774	816,570
Interline Brands, Inc.		
10.00%, 11/15/18 ⁽⁸⁾	5,775	6,208,125
MDC Holdings, Inc.		
5.625%, 2/1/20	555	604,950
6.00%, 1/15/43	230	218,730
Nortek, Inc.		
10.00%, 12/1/18	1,905	2,062,162
8.50%, 4/15/21	2,225	2,469,750
Rexel SA		
6.125%, 12/15/19 ⁽⁷⁾	500	531,250
5.25%, 6/15/20 ⁽⁷⁾	2,710	2,831,950
Toll Brothers Finance Corp.		
4.375%, 4/15/23	915	903,563
USG Corp.		
5.875%, 11/1/21 ⁽⁷⁾	870	923,288
		\$ 26,769,450
Business Equipment and Services 2.5%		
ADT Corp. (The)		
6.25%, 10/15/21	1,865	\$ 1,981,563
Algeco Scotsman Global Finance PLC		
10.75%, 10/15/19 ⁽⁷⁾	2,135	2,209,725
Avis Budget Car Rental, LLC/Avis Budget Finance, Inc.		
9.75%, 3/15/20	4,410	5,016,375
Carlson Wagonlit BV		
6.875%, 6/15/19 ⁽⁷⁾	3,970	4,287,600
Ceridian, LLC/Comdata, Inc.		
8.125%, 11/15/17 ⁽⁷⁾	1,670	1,690,875
FTI Consulting, Inc.		
6.00%, 11/15/22	3,974	4,108,122
Iron Mountain, Inc.		
6.00%, 8/15/23	2,800	3,041,500
Modular Space Corp.		
10.25%, 1/31/19 ⁽⁷⁾	525	553,875
National CineMedia, LLC		
7.875%, 7/15/21	3,090	3,368,100
6.00%, 4/15/22	3,625	3,797,187
RSC Equipment Rental, Inc./RSC Holdings III, LLC		
8.25%, 2/1/21	440	491,700
ServiceMaster Co. (The)		
8.00%, 2/15/20	2,337	2,529,803
7.00%, 8/15/20	803	858,206
TransUnion Holding Co., Inc.		
9.625%, 6/15/18	3,925	4,142,837

Security	Principal Amount* (000 s omitted)	Value
United Rentals North America, Inc.		
7.375%, 5/15/20	4,375	\$ 4,856,250
8.375%, 9/15/20	525	578,813
7.625%, 4/15/22	3,065	3,455,788
6.125%, 6/15/23	1,060	1,142,150
		\$ 48,110,469
Cable and Satellite Television 3.3%		
AMC Networks, Inc.		
7.75%, 7/15/21	2,720	\$ 3,056,600
4.75%, 12/15/22	915	919,575
Cablevision Systems Corp.		
7.75%, 4/15/18	1,055	1,197,425
CCO Holdings, LLC/CCO Holdings Capital Corp.		
7.25%, 10/30/17	2,105	2,226,038
8.125%, 4/30/20	365	396,025
5.25%, 9/30/22	4,295	4,380,900
5.75%, 1/15/24	1,980	2,029,500
CSC Holdings, LLC		
6.75%, 11/15/21	2,780	3,068,425
5.25%, 6/1/24 ⁽⁷⁾	1,130	1,114,463
DISH DBS Corp.		
6.75%, 6/1/21	6,195	7,077,787
5.875%, 7/15/22	3,495	3,800,812
IAC/InterActiveCorp		
4.875%, 11/30/18	1,825	1,911,688
Mediacom, LLC/Mediacom Capital Corp.		
9.125%, 8/15/19	785	826,213
Numericable Group SA		
4.875%, 5/15/19 ⁽⁷⁾	3,235	3,323,962
6.00%, 5/15/22 ⁽⁷⁾	3,490	3,633,962
6.25%, 5/15/24 ⁽⁷⁾	1,225	1,280,125
Unitymedia Hessen GmbH & Co. KG/Unitymedia NRW GmbH		
5.50%, 1/15/23 ⁽⁷⁾	4,295	4,466,800
UPCB Finance V, Ltd.		
7.25%, 11/15/21 ⁽⁷⁾	3,055	3,375,775
UPCB Finance VI, Ltd.		
6.875%, 1/15/22 ⁽⁷⁾	2,025	2,222,438
Virgin Media Finance PLC		
6.375%, 4/15/23 ⁽⁷⁾	10,705	11,668,450
VTR Finance BV		
6.875%, 1/15/24 ⁽⁷⁾	1,575	1,694,432
		\$ 63,671,395
Chemicals and Plastics 1.0%		
Axalta Coating Systems US Holdings, Inc./Axalta Coating Systems Dutch Holding B BV		
7.375%, 5/1/21 ⁽⁷⁾	2,810	\$ 3,076,950
Celanese US Holdings, LLC		
6.625%, 10/15/18	880	922,812
5.875%, 6/15/21	940	1,041,050
Chemtura Corp.		
5.75%, 7/15/21	755	787,088
Ineos Finance PLC		

7.25%, 2/15/19⁽⁷⁾⁽¹⁰⁾

EUR

1,000

1,436,738

Security	Principal Amount* (000 s omitted)	Value
8.375%, 2/15/19 ⁽⁷⁾	3,700	\$ 4,056,125
7.50%, 5/1/20 ⁽⁷⁾	850	928,625
Kraton Polymers, LLC		
6.75%, 3/1/19	940	993,462
Milacron, LLC/Mcron Finance Corp.		
7.75%, 2/15/21 ⁽⁷⁾	525	577,500
Polymer Group, Inc.		
7.75%, 2/1/19	288	307,440
Tronox Finance, LLC		
6.375%, 8/15/20	4,170	4,326,375
Tyco Electronics Group SA		
4.875%, 1/15/21	750	825,933
Westlake Chemical Corp.		
3.60%, 7/15/22	955	956,433
		\$ 20,236,531
Clothing/Textiles 0.4%		
Levi Strauss & Co.		
6.875%, 5/1/22	2,125	\$ 2,353,438
Phillips-Van Heusen Corp.		
7.75%, 11/15/23	3,740	4,621,525
Quiksilver, Inc./QS Wholesale, Inc.		
10.00%, 8/1/20	280	282,800
		\$ 7,257,763
Commercial Services 0.1%		
Cielo SA/Cielo USA, Inc.		
3.75%, 11/16/22 ⁽⁷⁾	960	\$ 915,600
Verisk Analytics, Inc.		
4.125%, 9/12/22	960	981,185
		\$ 1,896,785
Conglomerates 0.5%		
Harbinger Group, Inc.		
7.875%, 7/15/19	1,915	\$ 2,104,106
Spectrum Brands, Inc.		
6.75%, 3/15/20	1,645	1,768,375
6.375%, 11/15/20	1,100	1,190,750
6.625%, 11/15/22	1,600	1,740,000
TMS International Corp.		
7.625%, 10/15/21 ⁽⁷⁾	2,220	2,386,500
		\$ 9,189,731
Containers and Glass Products 1.2%		
Ardagh Finance Holdings SA		
8.625%, 6/15/19 ⁽⁷⁾⁽⁸⁾	645	\$ 667,575
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA, Inc.		
6.25%, 1/31/19 ⁽⁷⁾	765	786,038
3.211%, 12/15/19 ⁽⁷⁾⁽¹⁰⁾	1,020	1,022,550
7.00%, 11/15/20 ⁽⁷⁾	784	815,788
6.00%, 6/30/21 ⁽⁷⁾	615	617,306

Security	Principal Amount* (000 s omitted)	Value
Beverage Packaging Holdings Luxembourg II SA/Beverage Packaging Holding II Issuer, Inc.		
5.625%, 12/15/16 ⁽⁷⁾	775	\$ 796,313
6.00%, 6/15/17 ⁽⁷⁾	1,065	1,094,288
BOE Merger Corp.		
9.50%, 11/1/17 ⁽⁷⁾⁽⁸⁾	545	575,656
BWAY Holding Co.		
10.00%, 6/15/18	620	654,100
KKR Group Finance Co. III LLC		
5.125%, 6/1/44 ⁽⁷⁾	460	467,644
Reynolds Group Holdings, Inc.		
7.125%, 4/15/19	2,665	2,798,250
7.875%, 8/15/19	1,225	1,339,844
9.875%, 8/15/19	4,370	4,867,087
Sealed Air Corp.		
8.375%, 9/15/21 ⁽⁷⁾	5,630	6,474,500
		\$ 22,976,939
Cosmetics/Toiletries 0.3%		
Alphabet Holding Co., Inc.		
7.75%, 11/1/17 ⁽⁸⁾	2,810	\$ 2,904,838
Party City Holdings, Inc.		
8.875%, 8/1/20	2,735	3,042,687
		\$ 5,947,525
Diversified Financial Services 1.3%		
BPCE SA		
5.70%, 10/22/23 ⁽⁷⁾	1,000	\$ 1,104,350
Discover Financial Services		
3.85%, 11/21/22	270	275,245
General Electric Capital Corp.		
5.30%, 2/11/21	2,185	2,487,102
Goldman Sachs Group, Inc. (The)		
5.95%, 1/15/27	1,300	1,483,314
Icahn Enterprises LP/Icahn Enterprises Finance Corp.		
3.50%, 3/15/17	1,500	1,520,625
6.00%, 8/1/20	1,600	1,724,000
JPMorgan Chase & Co.		
6.75% to 2/1/24, 1/29/49 ⁽⁹⁾	2,640	2,854,500
Navient Corp.		
5.50%, 1/15/19	5,390	5,740,350
8.00%, 3/25/20	3,150	3,650,063
7.25%, 1/25/22	430	476,763
6.125%, 3/25/24	1,565	1,590,431
Odebrecht Oil & Gas Finance, Ltd.		
7.00% to 6/17/24, 12/29/49 ⁽⁷⁾⁽⁹⁾	1,430	1,483,625
Turkiye Is Bankasi		
5.50%, 4/21/19 ⁽⁷⁾	1,000	1,040,000
		\$ 25,430,368
Diversified Manufacturing Operations 0.1%		
Carlson Travel Holdings, Inc.		

7.50%, 8/15/19 ⁽⁷⁾	1,835	\$	1,876,288
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	Principal Amount* (000 s omitted)	Value
Security		
Hutchison Whampoa International, Ltd.		
7.45%, 11/24/33 ⁽⁷⁾	400	\$ 562,397
		\$ 2,438,685
Diversified Media 0.0% ⁹⁾		
Interpublic Group of Cos., Inc. (The)		
3.75%, 2/15/23	720	\$ 723,237
		\$ 723,237
Drugs 0.9%		
ConvaTec Finance International SA		
8.25%, 1/15/19 ⁽⁷⁾⁽⁸⁾	4,815	\$ 4,935,375
Pharmaceutical Product Development, Inc.		
9.50%, 12/1/19 ⁽⁷⁾	5,050	5,542,375
Valeant Pharmaceuticals International, Inc.		
6.375%, 10/15/20 ⁽⁷⁾	555	591,769
7.50%, 7/15/21 ⁽⁷⁾	1,615	1,794,668
Warner Chilcott Co., LLC		
7.75%, 9/15/18	3,720	3,920,099
		\$ 16,784,286
Ecological Services and Equipment 0.3%		
Clean Harbors, Inc.		
5.25%, 8/1/20	1,095	\$ 1,134,694
5.125%, 6/1/21	900	924,187
Covanta Holding Corp.		
6.375%, 10/1/22	2,085	2,272,650
5.875%, 3/1/24	1,505	1,563,319
		\$ 5,894,850
Electronics/Electrical 1.5%		
Agilent Technologies, Inc.		
6.50%, 11/1/17	1,300	\$ 1,487,292
3.875%, 7/15/23	700	710,275
Alcatel-Lucent USA, Inc.		
4.625%, 7/1/17 ⁽⁷⁾	1,090	1,130,875
8.875%, 1/1/20 ⁽⁷⁾	6,085	6,921,687
6.75%, 11/15/20 ⁽⁷⁾	2,240	2,396,800
BMC Software Finance, Inc.		
8.125%, 7/15/21 ⁽⁷⁾	2,755	2,847,981
Comision Federal de Electricidad		
4.875%, 5/26/21 ⁽⁷⁾	1,100	1,188,550
CommScope Holding Co., Inc.		
6.625%, 6/1/20 ⁽⁷⁾⁽⁸⁾	1,615	1,732,088
Entergy Corp.		
3.625%, 9/15/15	2,390	2,466,592
Exelon Corp.		
5.625%, 6/15/35	900	1,013,275
Freescale Semiconductor, Inc.		
6.00%, 1/15/22 ⁽⁷⁾	1,670	1,782,725
Infor US, Inc.		

9.375%, 4/1/19

1,965

2,195,888

Security	Principal Amount* (000 s omitted)	Value
Midamerican Funding, LLC		
6.927%, 3/1/29	345	\$ 451,958
NCR Corp.		
5.875%, 12/15/21 ⁽⁷⁾	285	302,100
6.375%, 12/15/23 ⁽⁷⁾	715	779,350
NeuStar, Inc.		
4.50%, 1/15/23	695	604,650
Nuance Communications, Inc.		
5.375%, 8/15/20 ⁽⁷⁾	885	920,400
NXP BV/NXP Funding, LLC		
5.75%, 2/15/21 ⁽⁷⁾	1,105	1,167,156
		\$ 30,099,642
Equipment Leasing 0.9%		
AWAS Aviation Capital, Ltd.		
7.00%, 10/17/16 ⁽⁷⁾	3,632	\$ 3,759,203
International Lease Finance Corp.		
8.625%, 9/15/15	2,645	2,869,825
8.75%, 3/15/17	1,525	1,775,672
6.25%, 5/15/19	1,025	1,150,563
8.25%, 12/15/20	3,275	4,052,812
8.625%, 1/15/22	2,615	3,291,631
		\$ 16,899,706
Financial Intermediaries 2.1%		
Ally Financial, Inc.		
5.50%, 2/15/17	5,000	\$ 5,428,125
6.25%, 12/1/17	3,295	3,690,400
8.00%, 11/1/31	2,450	3,142,125
CIT Group, Inc.		
5.25%, 3/15/18	8,780	9,449,475
5.00%, 8/15/22	405	420,694
First Data Corp.		
7.375%, 6/15/19 ⁽⁷⁾	2,470	2,658,337
6.75%, 11/1/20 ⁽⁷⁾	3,932	4,266,220
11.25%, 1/15/21	1,801	2,107,170
10.625%, 6/15/21	1,251	1,463,670
11.75%, 8/15/21	2,186	2,130,695
Ford Motor Credit Co., LLC		
12.00%, 5/15/15	3,380	3,714,948
General Motors Financial Co., Inc.		
6.75%, 6/1/18	1,365	1,556,953
Janus Capital Group, Inc.		
6.70%, 6/15/17	1,582	1,791,686
		\$ 41,820,498
Financial Services 0.1%		
Morgan Stanley		
5.00%, 11/24/25	1,470	\$ 1,572,355
Svensk Exportkredit AB		
2.875% to 11/14/18, 11/14/23 ⁽⁷⁾⁽⁹⁾	900	894,354

Security	Principal Amount* (000 s omitted)	Value
Food Products 0.5%		
ASG Consolidated, LLC/ASG Finance, Inc. 15.00%, 5/15/17 ⁽⁷⁾⁽⁸⁾	3,122	\$ 2,874,659
BRF SA 4.75%, 5/22/24 ⁽⁷⁾	960	948,000
Bunge, Ltd. Finance Corp. 8.50%, 6/15/19	1,000	1,257,766
ConAgra Foods, Inc. 6.625%, 8/15/39	213	266,965
Corn Products International, Inc. 6.625%, 4/15/37	325	400,586
HJ Heinz Co. 4.25%, 10/15/20	2,625	2,644,688
Post Holdings, Inc. 6.75%, 12/1/21 ⁽⁷⁾	995	1,058,431
7.375%, 2/15/22 ⁽⁷⁾	425	461,125
		\$ 9,912,220
Food Service 0.4%		
Darling Ingredients, Inc. 5.375%, 1/15/22 ⁽⁷⁾	1,245	\$ 1,296,356
NPC International, Inc. 10.50%, 1/15/20	4,405	4,988,662
Pinnacle Operating Corp. 9.00%, 11/15/20 ⁽⁷⁾	1,345	1,462,688
		\$ 7,747,706
Food/Beverages/Tobacco 0.0%		
Anadolu Efes Biracilik Ve Malt Sanayii AS 3.375%, 11/1/22 ⁽⁷⁾	1,000	\$ 897,500
		\$ 897,500
Food/Drug Retailers 0.1%		
Pantry, Inc. (The) 8.375%, 8/1/20	1,635	\$ 1,773,975
		\$ 1,773,975
Forest Products 0.2%		
Domtar Corp. 10.75%, 6/1/17	2,995	\$ 3,730,296
		\$ 3,730,296
Health Care 4.4%		
Air Medical Group Holdings, Inc. 9.25%, 11/1/18	1,588	\$ 1,699,160
Alere, Inc. 8.625%, 10/1/18	1,310	1,385,325
6.50%, 6/15/20	1,055	1,113,025
Amsurg Corp. 5.625%, 11/30/20	1,865	1,892,975

Biomet, Inc.
6.50%, 8/1/20

1,245

1,347,713

Security	Principal Amount* (000 s omitted)	Value
Capsugel SA		
7.00%, 5/15/19 ⁽⁷⁾⁽⁸⁾	780	\$ 804,863
CHS/Community Health Systems, Inc.		
5.125%, 8/15/18	4,830	5,077,537
7.125%, 7/15/20	2,785	3,028,687
6.875%, 2/1/22 ⁽⁷⁾	3,455	3,679,575
ConvaTec Healthcare E SA		
10.50%, 12/15/18 ⁽⁷⁾	2,235	2,422,181
Fresenius Medical Care US Finance II, Inc.		
5.625%, 7/31/19 ⁽⁷⁾	1,640	1,795,800
5.875%, 1/31/22 ⁽⁷⁾	1,365	1,515,150
Fresenius US Finance II, Inc.		
9.00%, 7/15/15 ⁽⁷⁾	1,400	1,515,500
Grifols Worldwide Operations, Ltd.		
5.25%, 4/1/22 ⁽⁷⁾	1,235	1,284,400
HCA Holdings, Inc.		
6.25%, 2/15/21	1,710	1,840,388
HCA, Inc.		
6.50%, 2/15/20	3,215	3,624,912
7.50%, 2/15/22	2,930	3,387,812
4.75%, 5/1/23	1,125	1,126,406
Hologic, Inc.		
6.25%, 8/1/20	5,990	6,349,400
Hospira, Inc.		
6.05%, 3/30/17	1,000	1,103,768
5.60%, 9/15/40	500	531,670
INC Research, LLC		
11.50%, 7/15/19 ⁽⁷⁾	1,270	1,447,800
Kinetic Concepts, Inc./KCI USA, Inc.		
10.50%, 11/1/18	3,115	3,527,737
MPH Acquisition Holdings, LLC		
6.625%, 4/1/22 ⁽⁷⁾	7,525	7,901,250
Mylan Inc.		
3.125%, 1/15/23 ⁽⁷⁾	1,000	962,633
Opal Acquisition, Inc.		
8.875%, 12/15/21 ⁽⁷⁾	2,205	2,329,031
Physio-Control International, Inc.		
9.875%, 1/15/19 ⁽⁷⁾	1,496	1,660,560
ResCare, Inc.		
10.75%, 1/15/19	1,740	1,909,650
Salix Pharmaceuticals, Ltd.		
6.00%, 1/15/21 ⁽⁷⁾	1,825	1,961,875
STHI Holding Corp.		
8.00%, 3/15/18 ⁽⁷⁾	1,375	1,459,219
Teleflex, Inc.		
6.875%, 6/1/19	540	573,750
5.25%, 6/15/24 ⁽⁷⁾	790	799,875
Tenet Healthcare Corp.		
5.00%, 3/1/19 ⁽⁷⁾	840	853,650
6.00%, 10/1/20	1,795	1,952,063
8.125%, 4/1/22	4,185	4,854,600
United Surgical Partners International, Inc.		
9.00%, 4/1/20	1,880	2,084,450

	Principal Amount* (000 s omitted)	Value
Security		
VWR Funding, Inc.		
7.25%, 9/15/17	1,580	\$ 1,676,775
WellCare Health Plans, Inc.		
5.75%, 11/15/20	3,060	3,274,200
		\$ 85,755,365
Home Furnishings 0.2%		
D.R. Horton, Inc.		
4.75%, 2/15/23	374	\$ 374,468
Tempur Sealy International, Inc.		
6.875%, 12/15/20	3,125	3,437,500
		\$ 3,811,968
Homebuilders/Real Estate 0.2%		
Weyerhaeuser Real Estate Co.		
4.375%, 6/15/19 ⁽⁷⁾	1,725	\$ 1,735,781
5.875%, 6/15/24 ⁽⁷⁾	1,810	1,868,825
		\$ 3,604,606
Industrial Equipment 0.5%		
Accudyne Industries Borrower/Accudyne Industries, LLC		
7.75%, 12/15/20 ⁽⁷⁾	1,945	\$ 2,090,875
BlueLine Rental Finance Corp.		
7.00%, 2/1/19 ⁽⁷⁾	840	898,800
CNH Industrial Capital, LLC		
3.875%, 11/1/15	1,070	1,096,750
6.25%, 11/1/16	2,055	2,239,950
3.625%, 4/15/18	2,500	2,565,625
Erikson Air-Crane, Inc., Promissory Note		
6.00%, 11/2/20 ⁽³⁾⁽¹¹⁾	85	65,559
Kennametal, Inc.		
3.875%, 2/15/22	970	972,305
Vander Intermediate Holding II Corp.		
9.75%, 2/1/19 ⁽⁷⁾⁽⁸⁾	320	341,600
		\$ 10,271,464
Insurance 0.5%		
A-S Co-Issuer Subsidiary, Inc./A-S Merger Sub, LLC		
7.875%, 12/15/20 ⁽⁷⁾	1,625	\$ 1,722,500
American International Group, Inc.		
6.25%, 5/1/36	500	631,694
Assured Guaranty US Holdings, Inc.		
5.00%, 7/1/24	470	467,848
Genworth Financial, Inc.		
7.625%, 9/24/21	990	1,241,603
PartnerRe Finance B, LLC		
5.50%, 6/1/20	800	910,970
Principal Financial Group, Inc.		
6.05%, 10/15/36	340	413,585
USI, Inc.		
7.75%, 1/15/21 ⁽⁷⁾	3,115	3,200,662

Voya Financial, Inc.
5.70%, 7/15/43

200

234,836

Security	Principal Amount* (000 s omitted)	Value
XL Group PLC, 6.50% to 4/15/17,12/29/49 ⁽⁹⁾	710	\$ 702,900
		\$ 9,526,598
Internet Software & Services 0.2%		
Seagate HDD Cayman 4.75%, 6/1/23	1,000	\$ 1,012,500
Tencent Holdings, Ltd. 3.375%, 5/2/19 ⁽⁷⁾	2,000	2,046,946
VeriSign, Inc. 4.625%, 5/1/23	550	546,095
		\$ 3,605,541
Leisure Goods/Activities/Movies 0.9%		
Activision Blizzard, Inc. 6.125%, 9/15/23 ⁽⁷⁾	1,190	\$ 1,311,975
Bombardier, Inc. 4.75%, 4/15/19 ⁽⁷⁾	1,025	1,044,219
Cinemark USA, Inc. 7.375%, 6/15/21	685	758,638
MISA Investments, Ltd. 8.625%, 8/15/18 ⁽⁷⁾⁽⁸⁾	2,195	2,252,619
NCL Corp., Ltd. 5.00%, 2/15/18 ⁽⁷⁾	1,445	1,499,187
Regal Entertainment Group 5.75%, 3/15/22	1,030	1,071,200
Royal Caribbean Cruises 11.875%, 7/15/15	530	589,625
7.25%, 6/15/16	660	730,950
7.25%, 3/15/18	1,680	1,944,600
Seven Seas Cruises, S. de R.L. 9.125%, 5/15/19	3,285	3,601,181
Viking Cruises, Ltd. 8.50%, 10/15/22 ⁽⁷⁾	435	482,850
WMG Acquisition Corp. 5.625%, 4/15/22 ⁽⁷⁾	2,060	2,078,025
		\$ 17,365,069
Lodging and Casinos 2.1%		
Buffalo Thunder Development Authority 9.375%, 12/15/14 ⁽²⁾⁽⁷⁾	4,300	\$ 1,763,000
Caesars Entertainment Operating Co., Inc. 8.50%, 2/15/20	5,545	4,713,250
GLP Capital, LP/GLP Financing II, Inc. 4.875%, 11/1/20 ⁽⁷⁾	3,730	3,851,225
Hilton Worldwide Finance, LLC/Hilton Worldwide Finance Corp. 5.625%, 10/15/21 ⁽⁷⁾	3,645	3,879,647
Inn of the Mountain Gods Resort & Casino 9.25%, 11/30/20 ⁽⁷⁾	615	612,171
MGM Resorts International 6.625%, 12/15/21	3,290	3,664,237
7.75%, 3/15/22	3,970	4,664,750

Security	Principal Amount* (000 s omitted)	Value
Penn National Gaming, Inc. 5.875%, 11/1/21 ⁽⁷⁾	1,445	\$ 1,369,138
Playa Resorts Holding B.V. 8.00%, 8/15/20 ⁽⁷⁾	1,220	1,320,650
Station Casinos, LLC 7.50%, 3/1/21	2,535	2,782,162
Studio City Finance, Ltd. 8.50%, 12/1/20 ⁽⁷⁾	6,740	7,498,250
SugarHouse HSP Gaming Property, LP/SugarHouse HSP Gaming Finance Corp. 6.375%, 6/1/21 ⁽⁷⁾	530	522,050
Tunica-Biloxi Gaming Authority 9.00%, 11/15/15 ⁽⁷⁾	3,565	2,156,825
Waterford Gaming, LLC 8.625%, 9/15/14 ⁽³⁾⁽⁷⁾	2,436	750,710
Wynn Las Vegas, LLC/Wynn Las Vegas Capital Corp. 7.75%, 8/15/20	1,945	2,129,775
		\$ 41,677,840
Metals/Mining 0.3%		
Alcoa, Inc. 5.95%, 2/1/37	750	\$ 758,257
First Quantum Minerals, Ltd. 6.75%, 2/15/20 ⁽⁷⁾	1,354	1,401,390
FMG Resources August 2006 Pty, Ltd. 7.00%, 2/15/21 ⁽⁷⁾	1,354	1,399,697
Glencore Finance Canada, Ltd. 6.875%, 4/1/22 ⁽⁷⁾	800	861,000
Newcrest Finance Pty, Ltd. 6.00%, 11/15/41 ⁽⁷⁾	400	442,281
Nucor Corp. 5.75%, 11/15/41 ⁽⁷⁾	600	540,907
Southern Copper Corp. 5.20%, 8/1/43	120	128,079
Southern Copper Corp. 5.25%, 11/8/42	1,000	923,680
		\$ 6,455,291
Mining, Steel, Iron and Nonprecious Metals 0.5%		
ArcelorMittal 6.75%, 2/25/22	4,000	\$ 4,500,000
Eldorado Gold Corp. 6.125%, 12/15/20 ⁽⁷⁾	3,315	3,364,725
Imperial Metals Corp. 7.00%, 3/15/19 ⁽⁷⁾	995	1,024,850
Signode Industrial Group Lux SA/Signode Industrial Group US, Inc. 6.375%, 5/1/22 ⁽⁷⁾	1,240	1,258,600
		\$ 10,148,175
Nonferrous Metals/Minerals 0.9%		
Alpha Natural Resources, Inc. 7.50%, 8/1/20 ⁽⁷⁾	560	\$ 543,200
Barrick International Barbados Corp. 6.35%, 10/15/36 ⁽⁷⁾	550	579,281

	Principal Amount*		Value
Security	(000 s omitted)		
CONSOL Energy, Inc.			
5.875%, 4/15/22 ⁽⁷⁾	3,065	\$	3,218,250
KGHM International, Ltd.			
7.75%, 6/15/19 ⁽⁷⁾	3,730		4,023,737
New Gold, Inc.			
7.00%, 4/15/20 ⁽⁷⁾	950		1,018,875
6.25%, 11/15/22 ⁽⁷⁾	1,535		1,604,075
Novelis, Inc.			
8.375%, 12/15/17	1,565		1,670,246
SunCoke Energy Partners, LP/SunCoke Energy Partners Finance Corp.			
7.375%, 2/1/20 ⁽⁷⁾	1,615		1,732,088
SunCoke Energy, Inc.			
7.625%, 8/1/19	495		525,690
Teck Resources, Ltd.			
4.75%, 1/15/22	1,000		1,050,465
Vale, Inc.			
6.875%, 11/21/36	700		777,511
		\$	16,743,418
Oil and Gas 8.1%			
AmeriGas Finance LLC/AmeriGas Finance Corp.			
6.75%, 5/20/20	1,245	\$	1,357,050
7.00%, 5/20/22	4,620		5,139,750
AmeriGas Partners LP/AmeriGas Finance Corp.			
6.25%, 8/20/19	1,570		1,683,825
Anadarko Finance Co.			
7.50%, 5/1/31	465		633,988
Antero Resources Finance Corp.			
6.00%, 12/1/20	473		509,658
5.375%, 11/1/21	2,875		2,993,594
Athlon Holdings, LP/Athlon Finance Corp.			
6.00%, 5/1/22 ⁽⁷⁾	1,135		1,177,562
Atlas Pipeline Partners, LP/Atlas Pipeline Finance Corp.			
4.75%, 11/15/21	540		531,900
Berry Petroleum Co.			
6.375%, 9/15/22	1,715		1,835,050
Bonanza Creek Energy, Inc.			
6.75%, 4/15/21	2,010		2,160,750
Bristow Group, Inc.			
6.25%, 10/15/22	1,000		1,078,750
Calfrac Holdings, LP			
7.50%, 12/1/20 ⁽⁷⁾	955		1,031,400
Chesapeake Energy Corp.			
7.25%, 12/15/18	4,415		5,231,775
3.479%, 4/15/19 ⁽¹⁰⁾	2,045		2,069,284
6.125%, 2/15/21	1,825		2,053,125
Chesapeake Oilfield Operating, LLC/Chesapeake Oilfield Finance, Inc.			
6.625%, 11/15/19	1,100		1,188,000
CNOOC Nexen Finance 2014 ULC			
4.25%, 4/30/24	1,430		1,468,318

	Principal Amount*	
Security	(000 s omitted)	Value
Concho Resources, Inc.		
7.00%, 1/15/21	1,800	\$ 1,984,500
6.50%, 1/15/22	685	758,638
5.50%, 4/1/23	5,200	5,616,000
CrownRock, LP/CrownRock Finance, Inc.		
7.125%, 4/15/21 ⁽⁷⁾	2,045	2,167,700
CVR Refining, LLC/Coffeyville Finance, Inc.		
6.50%, 11/1/22	5,535	5,867,100
Denbury Resources, Inc.		
5.50%, 5/1/22	910	931,613
Ecopetrol SA		
5.875%, 5/28/45	290	301,890
Endeavor Energy Resources LP/EER Finance, Inc.		
7.00%, 8/15/21 ⁽⁷⁾	2,265	2,429,212
Ensc0 PLC		
4.70%, 3/15/21	900	981,462
EP Energy, LLC/EP Energy Finance, Inc.		
9.375%, 5/1/20	3,055	3,513,250
EP Energy, LLC/Everest Acquisition Finance, Inc.		
6.875%, 5/1/19	4,180	4,467,375
7.75%, 9/1/22	815	922,988
Halcon Resources Corp.		
9.75%, 7/15/20	1,055	1,156,544
Harvest Operations Corp.		
6.875%, 10/1/17	920	1,002,800
Holly Energy Partners, LP/Holly Energy Finance Corp.		
6.50%, 3/1/20	615	665,738
Kinder Morgan, Inc.		
5.00%, 2/15/21 ⁽⁷⁾	3,095	3,226,537
Kodiak Oil & Gas Corp.		
8.125%, 12/1/19	8,630	9,600,875
5.50%, 1/15/21	375	392,813
Laredo Petroleum, Inc.		
7.375%, 5/1/22	5,880	6,600,300
MEG Energy Corp.		
6.375%, 1/30/23 ⁽⁷⁾	2,210	2,359,175
Memorial Resource Development Corp.		
5.875%, 7/1/22 ⁽⁷⁾	785	794,813
Murphy Oil USA, Inc.		
6.00%, 8/15/23	4,165	4,404,487
Oasis Petroleum, Inc.		
6.50%, 11/1/21	955	1,031,400
6.875%, 3/15/22 ⁽⁷⁾	2,805	3,071,475
6.875%, 1/15/23	3,030	3,317,850
Parsley Energy LLC/Parsley Finance Corp.		
7.50%, 2/15/22 ⁽⁷⁾	1,050	1,126,125
PBF Holding Co., LLC/PBF Finance Corp.		
8.25%, 2/15/20	1,770	1,938,150
Petrobras International Finance Co.		
6.875%, 1/20/40	900	951,750
Plains Exploration & Production Co.		
6.125%, 6/15/19	650	721,500
6.875%, 2/15/23	488	573,400
Precision Drilling Corp.		

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6.625%, 11/15/20	1,150	1,236,250
6.50%, 12/15/21	2,390	2,611,075

	Principal Amount*	Value
Security	(000 s omitted)	
Range Resources Corp.		
6.75%, 8/1/20	1,815	\$ 1,960,200
Reliance Holding USA, Inc.		
5.40%, 2/14/22 ⁽⁷⁾	1,430	1,545,780
Rice Energy, Inc.		
6.25%, 5/1/22 ⁽⁷⁾	2,780	2,852,975
Rockies Express Pipeline, LLC		
3.90%, 4/15/15 ⁽⁷⁾	600	607,500
Rosetta Resources, Inc.		
5.625%, 5/1/21	1,715	1,772,881
5.875%, 6/1/22	2,695	2,819,644
Rowan Cos., Inc.		
7.875%, 8/1/19	1,000	1,222,408
Sabine Pass Liquefaction, LLC		
5.625%, 2/1/21	3,640	3,867,500
5.625%, 4/15/23 ⁽⁷⁾	2,255	2,356,475
5.625%, 4/15/23	2,585	2,701,325
5.75%, 5/15/24 ⁽⁷⁾	4,480	4,676,000
Samson Investment Co.		
10.75%, 2/15/20 ⁽⁷⁾	2,260	2,392,775
SandRidge Energy, Inc.		
7.50%, 3/15/21	1,000	1,088,750
8.125%, 10/15/22	100	110,625
SESI, LLC		
6.375%, 5/1/19	3,365	3,608,962
Seven Generations Energy, Ltd.		
8.25%, 5/15/20 ⁽⁷⁾	4,000	4,420,000
Seventy Seven Energy, Inc.		
6.50%, 7/15/22 ⁽⁷⁾	670	687,588
SM Energy Co.		
6.50%, 1/1/23	1,745	1,897,687
Southwestern Energy Co.		
7.50%, 2/1/18	4,200	5,009,046
Tesoro Corp.		
4.25%, 10/1/17	1,000	1,050,000
Total Capital International SA		
2.70%, 1/25/23	960	928,621
Ultra Petroleum Corp.		
5.75%, 12/15/18 ⁽⁷⁾	520	547,300
WPX Energy, Inc.		
5.25%, 1/15/17	770	823,900
6.00%, 1/15/22	720	772,200
		\$ 158,588,706
Oil, Gas & Consumable Fuels 0.1%		
Concho Resources, Inc.		
5.50%, 10/1/22	1,250	\$ 1,351,562
Hess Corp.		
5.60%, 2/15/41	500	579,153
Valero Energy Corp.		
6.625%, 6/15/37	450	560,133
		\$ 2,490,848

	Principal Amount*	Value
Security	(000 s omitted)	
Pharmaceuticals 0.1%		
Endo Finance, LLC & Endo Finco, Inc.		
7.00%, 7/15/19 ⁽⁷⁾	1,260	\$ 1,351,350
7.00%, 12/15/20 ⁽⁷⁾	1,145	1,229,444
7.25%, 1/15/22 ⁽⁷⁾	185	200,725
		\$ 2,781,519
Publishing 1.3%		
Gannett Co., Inc.		
5.125%, 7/15/20 ⁽⁷⁾	3,290	\$ 3,392,813
Laureate Education, Inc.		
9.25%, 9/1/19 ⁽⁷⁾	16,640	17,222,400
McGraw-Hill Global Education Holdings, LLC/ McGraw-Hill Global Education Finance		
9.75%, 4/1/21	3,640	4,199,650
Nielsen Finance LLC		
5.00%, 4/15/22 ⁽⁷⁾	600	607,500
RR Donnelley & Sons Co.		
6.00%, 4/1/24	530	536,625
		\$ 25,958,988
Radio and Television 0.7%		
Clear Channel Communications, Inc.		
9.00%, 12/15/19	226	\$ 241,820
11.25%, 3/1/21	1,505	1,711,937
Clear Channel Worldwide Holdings, Inc.		
Series A, 7.625%, 3/15/20	470	505,250
Series A, 6.50%, 11/15/22	1,100	1,179,750
Series B, 6.50%, 11/15/22	2,130	2,305,725
Crown Media Holdings, Inc.		
10.50%, 7/15/19	1,325	1,498,906
Sirius XM Radio, Inc.		
5.875%, 10/1/20 ⁽⁷⁾	745	789,700
6.00%, 7/15/24 ⁽⁷⁾	2,830	2,950,275
Starz, LLC/Starz Finance Corp.		
5.00%, 9/15/19	1,470	1,537,988
		\$ 12,721,351
Real Estate Investment Trusts (REITs) 0.1%		
CubeSmart LP		
4.80%, 7/15/22	711	\$ 766,076
Digital Realty Trust, LP		
5.875%, 2/1/20	681	757,657
Host Hotels & Resorts LP		
4.75%, 3/1/23	500	533,616
Vornado Realty, LP		
5.00%, 1/15/22	500	548,304
		\$ 2,605,653

Retailers (Except Food and Drug)	4.0%			
Academy, Ltd./Academy Finance Corp.				
9.25%, 8/1/19 ⁽⁷⁾		3,000	\$	3,232,500

	Principal Amount*	Value
Security	(000 s omitted)	
Best Buy Co., Inc.		
5.00%, 8/1/18	1,865	\$ 1,965,244
Burlington Holdings, LLC/Burlington Holding Finance, Inc.		
9.00%, 2/15/18 ⁽⁷⁾⁽⁸⁾	1,954	2,007,774
Claire s Stores, Inc.		
9.00%, 3/15/19 ⁽⁷⁾	3,595	3,770,256
Express, LLC/Express Finance Corp.		
8.75%, 3/1/18	10,414	10,960,735
Hillman Group, Inc. (The)		
6.375%, 7/15/22 ⁽⁷⁾	2,665	2,678,325
Hot Topic, Inc.		
9.25%, 6/15/21 ⁽⁷⁾	4,550	5,073,250
L Brands, Inc.		
8.50%, 6/15/19	3,325	4,098,062
6.625%, 4/1/21	6,135	7,001,568
5.625%, 2/15/22	790	859,125
Macy s Retail Holdings, Inc.		
6.90%, 4/1/29	650	814,467
Men s Wearhouse, Inc. (The)		
7.00%, 7/1/22 ⁽⁷⁾	3,475	3,614,000
Michaels FinCo Holdings, LLC/Michaels FinCo, Inc.		
7.50%, 8/1/18 ⁽⁷⁾⁽⁸⁾	5,095	5,228,744
Michaels Stores, Inc.		
7.75%, 11/1/18	835	885,100
5.875%, 12/15/20 ⁽⁷⁾	2,415	2,470,545
Neiman Marcus Group, Ltd.		
8.00%, 10/15/21 ⁽⁷⁾	1,760	1,905,200
8.75%, 10/15/21 ⁽⁷⁾⁽⁸⁾	2,230	2,441,850
New Academy Finance Co., LLC/New Academy Finance Corp.		
8.00%, 6/15/18 ⁽⁷⁾⁽⁸⁾	6,365	6,516,169
Petco Animal Supplies, Inc.		
9.25%, 12/1/18 ⁽⁷⁾	4,475	4,816,219
Petco Holdings, Inc.		
8.50%, 10/15/17 ⁽⁷⁾⁽⁸⁾	2,400	2,466,000
Sally Holdings, LLC/Sally Capital, Inc.		
5.75%, 6/1/22	4,070	4,354,900
Wal-Mart Stores, Inc.		
4.25%, 4/15/21	200	221,250
		\$ 77,381,283
Software and Services 0.3%		
Audatex North America, Inc.		
6.00%, 6/15/21 ⁽⁷⁾	1,730	\$ 1,855,425
Infor Software Parent, LLC/Infor Software Parent, Inc.		
7.125%, 5/1/21 ⁽⁷⁾⁽⁸⁾	2,620	2,692,050
SunGard Availability Services Capital, Inc.		
8.75%, 4/1/22 ⁽⁷⁾	2,350	2,197,250
		\$ 6,744,725
Steel 0.1%		
AK Steel Corp.		

8.75%, 12/1/18

910 \$ 1,022,613

	Principal Amount*	Value
	(000 s omitted)	
Security		
Steel Dynamics, Inc.		
6.375%, 8/15/22	500	\$ 546,250
		\$ 1,568,863
Super Retail 0.1%		
AutoNation, Inc.		
5.50%, 2/1/20	1,080	\$ 1,194,750
		\$ 1,194,750
Surface Transport 0.1%		
Florida East Coast Holdings Corp.		
6.75%, 5/1/19 ⁽⁷⁾	800	\$ 847,000
Hertz Corp. (The)		
7.50%, 10/15/18	25	26,250
Watco Cos., LLC/Watco Finance Corp.		
6.375%, 4/1/23 ⁽⁷⁾	1,045	1,071,125
		\$ 1,944,375
Technology 0.0%		
Western Union Co. (The)		
6.20%, 11/17/36	700	\$ 727,084
		\$ 727,084
Telecommunications 6.5%		
Altice SA		
7.75%, 5/15/22 ⁽⁷⁾	4,625	\$ 4,948,750
AT&T, Inc.		
5.80%, 2/15/19	1,350	1,572,143
Avaya, Inc.		
9.00%, 4/1/19 ⁽⁷⁾	2,515	2,625,031
10.50%, 3/1/21 ⁽⁷⁾	4,690	4,350,378
Axtel SAB de CV		
8.00%, 1/31/20 ⁽⁷⁾	945	970,988
Bharti Airtel International Netherlands BV		
5.125%, 3/11/23 ⁽⁷⁾	268	275,893
CenturyLink, Inc.		
6.75%, 12/1/23	3,155	3,462,612
Cogeco Cable, Inc.		
4.875%, 5/1/20 ⁽⁷⁾	715	726,619
Colombia Telecomunicaciones SA ESP		
5.375%, 9/27/22 ⁽⁷⁾	1,250	1,253,125
Columbus International, Inc.		
7.375%, 3/30/21 ⁽⁷⁾	820	886,625
Digicel Group, Ltd.		
7.125%, 4/1/22 ⁽⁷⁾	1,155	1,206,975
Digicel, Ltd.		
8.25%, 9/1/17 ⁽⁷⁾	5,905	6,104,589
6.00%, 4/15/21 ⁽⁷⁾	2,310	2,390,850
Equinix, Inc.		

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7.00%, 7/15/21	1,340	1,485,725
Frontier Communications Corp.		
7.625%, 4/15/24	285	308,156

	Principal Amount*	
Security	(000 s omitted)	Value
Hughes Satellite Systems Corp.		
6.50%, 6/15/19	3,235	\$ 3,615,112
Intelsat Jackson Holdings SA		
7.25%, 10/15/20	2,350	2,538,000
Intelsat Luxembourg SA		
7.75%, 6/1/21	4,625	4,914,062
8.125%, 6/1/23	3,540	3,840,900
Koninklijke KPN NV		
7.00% to 3/28/23, 3/28/73 ⁽⁷⁾⁽⁹⁾	500	530,500
NII International Telecom SCA		
7.875%, 8/15/19 ⁽⁷⁾	2,090	1,823,525
Nokia OYJ		
5.375%, 5/15/19	1,000	1,082,500
SBA Telecommunications, Inc.		
8.25%, 8/15/19	640	671,680
5.75%, 7/15/20	1,985	2,116,506
Sprint Capital Corp.		
8.75%, 3/15/32	1,365	1,583,400
Sprint Communications, Inc.		
9.125%, 3/1/17	1,225	1,437,844
9.00%, 11/15/18 ⁽⁷⁾	13,520	16,426,800
7.00%, 8/15/20	4,810	5,345,112
Sprint Corp.		
7.25%, 9/15/21 ⁽⁷⁾	2,060	2,278,875
7.875%, 9/15/23 ⁽⁷⁾	8,550	9,533,250
T-Mobile USA, Inc.		
5.25%, 9/1/18	4,725	4,978,969
6.25%, 4/1/21	1,100	1,172,875
6.633%, 4/28/21	1,735	1,884,644
6.731%, 4/28/22	1,160	1,255,700
6.625%, 4/1/23	2,170	2,365,300
6.836%, 4/28/23	580	633,650
Telecom Italia Capital SA		
7.721%, 6/4/38	600	694,500
Telefonica Emisiones SAU		
7.045%, 6/20/36	400	511,064
Turk Telekomunikasyon AS		
3.75%, 6/19/19 ⁽⁷⁾	2,000	1,983,050
Verizon Communications, Inc.		
4.50%, 9/15/20	2,499	2,752,136
Virgin Media Secured Finance PLC		
5.50%, 1/15/25 ⁽⁷⁾	725	752,188
Wind Acquisition Finance SA		
5.595%, 4/30/19 ⁽⁷⁾⁽¹⁰⁾	EUR 600	833,575
4.203%, 7/15/20 ⁽⁷⁾⁽¹⁰⁾	625	855,813
4.75%, 7/15/20 ⁽⁷⁾	5,285	5,337,850
7.375%, 4/23/21 ⁽⁷⁾	4,625	4,948,750
Windstream Corp.		
8.125%, 9/1/18	2,490	2,619,480
7.75%, 10/1/21	1,455	1,596,863
7.50%, 6/1/22	1,870	2,042,975
6.375%, 8/1/23	180	183,150
		\$ 127,709,057

	Principal Amount*	
Security	(000 s omitted)	Value
Utilities 0.8%		
AES Corp.		
5.50%, 3/15/24	1,025	\$ 1,053,187
AES Gener SA		
5.25%, 8/15/21 ⁽⁷⁾	725	776,163
Duquesne Light Holdings, Inc.		
5.90%, 12/1/21 ⁽⁷⁾	850	1,004,128
Enel SpA		
8.75% to 9/24/23, 9/24/73 ⁽⁷⁾⁽⁹⁾	1,200	1,416,000
Iberdrola Finance Ireland, Ltd.		
5.00%, 9/11/19 ⁽⁷⁾	600	675,765
ITC Holdings Corp.		
5.30%, 7/1/43	750	827,698
NRG Energy, Inc.		
8.25%, 9/1/20	3,910	4,291,225
7.875%, 5/15/21	2,015	2,244,206
PPL Capital Funding, Inc.		
Series A, 6.70%, to 3/30/17, 3/30/67 ⁽⁹⁾	1,500	1,530,949
Southwestern Electric Power Co.		
6.20%, 3/15/40	565	708,776
		\$ 14,528,097

Total Corporate Bonds & Notes
(identified cost \$1,039,028,711) **\$ 1,094,675,252**

Foreign Government Securities 0.1%

	Principal Amount	
Security	(000 s omitted)	Value
Government of Bermuda 5.603%, 7/20/20 ⁽⁷⁾	\$ 1,960	\$ 2,195,200

Total Foreign Government Securities
(identified cost \$2,119,615) **\$ 2,195,200**

Mortgage Pass-Throughs 17.5%

	Principal Amount	
Security	(000 s omitted)	Value
Federal Home Loan Mortgage Corp.:		
5.00%, with various maturities to 2023 ⁽¹²⁾	\$ 9,376	\$ 9,975,527
5.50%, with various maturities to 2032 ⁽¹³⁾	3,443	3,759,433
6.00%, with various maturities to 2031	2,377	2,562,426

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6.50%, with various maturities to 2032 ⁽¹²⁾	19,901	22,474,560
7.00%, with various maturities to 2036	14,343	16,444,687
7.13%, with maturity at 2023	240	271,330
7.50%, with various maturities to 2029	9,208	10,803,837
7.65%, with maturity at 2022	311	355,915
8.00%, with various maturities to 2030	5,860	6,807,250
8.25%, with maturity at 2020	133	148,605
8.30%, with maturity at 2020	571	647,052
8.50%, with various maturities to 2031	4,991	5,891,153
9.00%, with various maturities to 2031	1,110	1,239,883
9.50%, with various maturities to 2025	985	1,111,964

	Principal Amount	
Security	(000 s omitted)	Value
10.00%, with maturity at 2020	\$ 119	\$ 133,011
10.50%, with maturity at 2020	112	129,217
12.00%, with maturity at 2020	18	18,159
13.00%, with maturity at 2015	2	1,656
		\$ 82,775,665

Federal National Mortgage Association:

2.394%, with maturity at 2022 ⁽¹⁴⁾	\$ 1,037	\$ 1,059,721
2.585%, with maturity at 2036 ⁽¹⁴⁾	2,471	2,548,789
4.50%, with maturity at 2042 ⁽¹²⁾	16,912	18,307,473
5.00%, with various maturities to 2040 ⁽¹²⁾	28,525	31,458,649
5.463%, with maturity at 2037 ⁽¹⁴⁾	4,373	4,597,723
5.50%, with various maturities to 2033	5,048	5,634,765
6.00%, with various maturities to 2033	8,950	9,984,047
6.321%, with maturity at 2032 ⁽¹⁴⁾	7,482	8,305,490
6.50%, with various maturities to 2036 ⁽¹²⁾	51,102	58,405,192
6.75%, with maturity at 2023	161	176,464
7.00%, with various maturities to 2036 ⁽¹²⁾	25,325	29,319,904
7.50%, with various maturities to 2035	10,183	12,047,946
8.00%, with various maturities to 2031	3,669	4,316,381
8.12%, with maturity at 2027 ⁽¹⁵⁾	924	1,078,590
8.25%, with maturity at 2018	6	6,047
8.315%, with maturity at 2029 ⁽¹⁵⁾	298	351,517
8.398%, with maturity at 2028 ⁽¹⁵⁾	324	374,245
8.431%, with maturity at 2024 ⁽¹⁵⁾	44	51,471
8.50%, with various maturities to 2030	4,526	5,308,214
8.608%, with maturity at 2027 ⁽¹⁵⁾	327	386,870
8.96%, with maturity at 2018 ⁽¹⁵⁾	102	109,561
9.00%, with various maturities to 2027	5,752	6,803,772
9.50%, with various maturities to 2030	1,515	1,752,488
9.555%, with maturity at 2025 ⁽¹⁵⁾	228	256,160
9.795%, with maturity at 2019 ⁽¹⁵⁾	123	134,621
10.00%, with various maturities to 2020	357	400,367
10.50%, with maturity at 2021	327	374,989
11.50%, with maturity at 2016	18	19,337
		\$ 203,570,793

Government National Mortgage Association:

6.00%, with maturity at 2024	\$ 1,299	\$ 1,429,895
6.50%, with various maturities to 2032	10,031	11,405,302
7.00%, with various maturities to 2033	6,808	7,938,151
7.50%, with various maturities to 2032	14,436	17,008,949
8.00%, with various maturities to 2034	8,854	10,492,250
8.30%, with maturity at 2020	286	321,006
8.50%, with various maturities to 2022	506	588,794
9.00%, with various maturities to 2026	2,316	2,703,894
9.50%, with various maturities to 2026	3,387	3,979,837
10.00%, with maturity at 2019	178	201,663
		\$ 56,069,741

Total Mortgage Pass-Throughs
(identified cost \$322,779,581)

\$ 342,416,199

Collateralized Mortgage Obligations 10.2%

Security	Principal Amount	Value
	(000 s omitted)	
Federal Home Loan Mortgage Corp.:		
Series 24, Class J, 6.25%, 11/25/23	\$ 738	\$ 815,920
Series 1497, Class K, 7.00%, 4/15/23	709	794,106
Series 1529, Class Z, 7.00%, 6/15/23	1,083	1,211,917
Series 1620, Class Z, 6.00%, 11/15/23	900	996,836
Series 1677, Class Z, 7.50%, 7/15/23	624	709,711
Series 1702, Class PZ, 6.50%, 3/15/24	7,588	8,557,457
Series 2113, Class QG, 6.00%, 1/15/29	1,479	1,659,924
Series 2122, Class K, 6.00%, 2/15/29	281	316,487
Series 2130, Class K, 6.00%, 3/15/29	191	214,424
Series 2167, Class BZ, 7.00%, 6/15/29	187	211,167
Series 2182, Class ZB, 8.00%, 9/15/29	1,824	2,175,334
Series 2198, Class ZA, 8.50%, 11/15/29	2,266	2,686,776
Series 2245, Class A, 8.00%, 8/15/27	5,692	6,781,893
Series 2458, Class ZB, 7.00%, 6/15/32	1,892	2,204,573
Series 3762, Class SH, 9.698%, 11/15/40 ⁽¹⁶⁾	2,112	2,222,581
Series 3780, (Interest Only), Class PS, 6.298%, 8/15/35 ⁽¹⁶⁾⁽¹⁷⁾	14,597	1,241,100
Series 3973, (Interest Only), Class SG, 6.498%, 4/15/30 ⁽¹⁶⁾⁽¹⁷⁾	11,709	1,715,881
Series 4070, (Interest Only), Class S, 5.948%, 6/15/32 ⁽¹⁶⁾⁽¹⁷⁾	18,261	3,401,541
Series 4109, (Interest Only), Class ES, 5.998%, 12/15/41 ⁽¹⁶⁾⁽¹⁷⁾	15,000	1,083,631
Series 4109, (Interest Only), Class KS, 5.948%, 5/15/32 ⁽¹⁶⁾⁽¹⁷⁾	17,519	1,995,265
Series 4110, (Interest Only), Class SA, 5.498%, 9/15/42 ⁽¹⁶⁾⁽¹⁷⁾	13,604	1,723,572
Series 4149, (Interest Only), Class S, 6.098%, 1/15/33 ⁽¹⁶⁾⁽¹⁷⁾	8,666	1,741,791
Series 4186, (Interest Only), Class IQ, 4.00%, 12/15/28 ⁽¹⁷⁾	18,145	1,486,513
Series 4188, (Interest Only), Class AI, 3.50%, 4/15/28 ⁽¹⁷⁾	8,190	1,016,868
Series 4203, (Interest Only), Class QS, 6.098%, 5/15/43 ⁽¹⁶⁾⁽¹⁷⁾	6,560	1,331,722
Series 4233, (Interest Only), Class GI, 3.50%, 3/15/25 ⁽¹⁷⁾	12,609	851,609
Series 4273, Class PU, 4.00%, 11/15/43	17,166	17,360,848
Series 4273, Class SP, 11.597%, 11/15/43 ⁽¹⁶⁾	3,815	4,118,022
		\$ 70,627,469
Federal National Mortgage Association:		
Series G92-44, Class Z, 8.00%, 7/25/22	\$ 118	\$ 126,009
Series G92-44, Class ZQ, 8.00%, 7/25/22	192	205,037
Series G92-46, Class Z, 7.00%, 8/25/22	441	490,107
Series G92-60, Class Z, 7.00%, 10/25/22	691	762,680
Series G93-35, Class ZQ, 6.50%, 11/25/23	9,219	10,303,790
Series G93-40, Class H, 6.40%, 12/25/23	1,981	2,208,419
Series 1988-14, Class I, 9.20%, 6/25/18	106	115,899
Series 1989-1, Class D, 10.30%, 1/25/19	64	67,667
Series 1989-34, Class Y, 9.85%, 7/25/19	214	241,369
Series 1990-17, Class G, 9.00%, 2/25/20	136	154,362
Series 1990-27, Class Z, 9.00%, 3/25/20	84	96,144
Series 1990-29, Class J, 9.00%, 3/25/20	70	79,780
Series 1990-43, Class Z, 9.50%, 4/25/20	281	320,159
Series 1991-98, Class J, 8.00%, 8/25/21	140	158,674
Series 1992-77, Class ZA, 8.00%, 5/25/22	953	1,088,367
Series 1992-103, Class Z, 7.50%, 6/25/22	60	68,270
Series 1992-113, Class Z, 7.50%, 7/25/22	113	127,716
Series 1992-185, Class ZB, 7.00%, 10/25/22	229	256,547
Series 1993-16, Class Z, 7.50%, 2/25/23	582	659,922
Series 1993-22, Class PM, 7.40%, 2/25/23	462	524,033

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Series 1993-25, Class J, 7.50%, 3/25/23	638	724,175
Series 1993-30, Class PZ, 7.50%, 3/25/23	1,150	1,304,417
Series 1993-42, Class ZQ, 6.75%, 4/25/23	1,610	1,794,179
Series 1993-56, Class PZ, 7.00%, 5/25/23	243	275,582
Series 1993-156, Class ZB, 7.00%, 9/25/23	274	308,260
Series 1994-45, Class Z, 6.50%, 2/25/24	2,076	2,309,160

	Principal Amount	
Security	(000 s omitted)	Value
Series 1994-89, Class ZQ, 8.00%, 7/25/24	\$ 1,318	\$ 1,524,877
Series 1996-57, Class Z, 7.00%, 12/25/26	1,264	1,432,954
Series 1997-77, Class Z, 7.00%, 11/18/27	516	586,924
Series 1998-44, Class ZA, 6.50%, 7/20/28	550	627,307
Series 1999-45, Class ZG, 6.50%, 9/25/29	184	206,299
Series 2000-22, Class PN, 6.00%, 7/25/30	1,673	1,883,483
Series 2001-37, Class GA, 8.00%, 7/25/16	115	119,752
Series 2002-1, Class G, 7.00%, 7/25/23	359	402,569
Series 2002-21, Class PE, 6.50%, 4/25/32	1,403	1,556,177
Series 2005-75, Class CS, 23.592%, 9/25/35 ⁽¹⁶⁾	948	1,776,347
Series 2007-74, Class AC, 5.00%, 8/25/37 ⁽¹²⁾	16,598	18,251,804
Series 2010-99, (Interest Only), Class NS, 6.448%, 3/25/39 ⁽¹⁶⁾⁽¹⁷⁾	11,635	1,428,050
Series 2010-119, (Interest Only), Class SK, 5.848%, 4/25/40 ⁽¹⁶⁾⁽¹⁷⁾	10,427	825,984
Series 2010-124, (Interest Only), Class SJ, 5.898%, 11/25/38 ⁽¹⁶⁾⁽¹⁷⁾	8,649	1,241,069
Series 2010-151, (Interest Only), Class PI, 4.00%, 5/25/28 ⁽¹⁷⁾	33,726	1,867,988
Series 2011-45, (Interest Only), Class SA, 6.498%, 1/25/29 ⁽¹⁶⁾⁽¹⁷⁾	10,003	1,126,996
Series 2011-49, Class NT, 6.00%, 6/25/41 ⁽¹⁶⁾	2,613	2,856,412
Series 2011-101, (Interest Only), Class IC, 3.50%, 10/25/26 ⁽¹⁷⁾	16,783	2,065,575
Series 2011-101, (Interest Only), Class IE, 3.50%, 10/25/26 ⁽¹⁷⁾	9,244	1,142,521
Series 2012-24, (Interest Only), Class S, 5.348%, 5/25/30 ⁽¹⁶⁾⁽¹⁷⁾	7,621	923,256
Series 2012-33, (Interest Only), Class CI, 3.50%, 3/25/27 ⁽¹⁷⁾	16,206	1,987,711
Series 2012-56, (Interest Only), Class SU, 6.598%, 8/25/26 ⁽¹⁶⁾⁽¹⁷⁾	10,052	1,151,879
Series 2012-124, (Interest Only), Class IO, 1.504%, 11/25/42 ⁽¹⁷⁾	20,017	1,133,728
Series 2012-129, (Interest Only), Class IO, 5.00%, 12/25/42 ⁽¹⁷⁾	7,971	1,810,415
Series 2012-150, (Interest Only), Class SK, 5.998%, 1/25/43 ⁽¹⁶⁾⁽¹⁷⁾	10,973	2,196,132
Series 2013-6, (Interest Only), Class TI, 4.50%, 2/25/43 ⁽¹⁷⁾	27,390	4,839,430
Series 2013-6, Class TA, 1.50%, 1/25/43	20,541	19,352,441
Series 2013-12, (Interest Only), Class SP, 5.498%, 11/25/41 ⁽¹⁶⁾⁽¹⁷⁾	6,366	1,057,633
Series 2013-15, (Interest Only), Class DS, 6.048%, 3/25/33 ⁽¹⁶⁾⁽¹⁷⁾	22,579	4,735,328
Series 2013-16, (Interest Only), Class SY, 5.998%, 3/25/43 ⁽¹⁶⁾⁽¹⁷⁾	5,001	1,070,609
Series 2013-54, (Interest Only), Class HS, 6.148%, 10/25/41 ⁽¹⁶⁾⁽¹⁷⁾	9,120	1,638,631
Series 2013-64, (Interest Only), Class PS, 6.098%, 4/25/43 ⁽¹⁶⁾⁽¹⁷⁾	9,298	1,879,463
Series 2013-75, (Interest Only), Class SC, 6.098%, 7/25/42 ⁽¹⁶⁾⁽¹⁷⁾	21,220	3,946,738
Series 2013-123, Class VS, 11.595%, 9/25/41 ⁽¹⁶⁾	2,166	2,227,012
Series 2014-32, (Interest Only), Class EI, 4.00%, 6/25/44 ⁽¹⁷⁾	7,912	1,649,165
Series 2014-36, (Interest Only), Class ID, 4.00%, 6/25/44 ⁽¹⁷⁾	8,902	1,865,653
		\$ 119,159,036
Government National Mortgage Association:		
Series 2002-45, Class PG, 6.00%, 3/17/32	\$ 1,751	\$ 1,852,349
Series 2005-72, Class E, 12.00%, 11/16/15	16	16,066
Series 2012-50, (Principal Only), Class CO, 0.00%, 8/20/40 ⁽¹⁸⁾	778	715,097
Series 2013-24, Class KS, 5.576%, 2/20/43 ⁽¹⁶⁾	3,275	3,271,785
Series 2013-124, Class LS, 11.992%, 5/20/41 ⁽¹⁶⁾	1,798	1,872,631
Series 2013-168, Class US, 11.592%, 11/20/43 ⁽¹⁶⁾	1,521	1,597,303
		\$ 9,325,231
Total Collateralized Mortgage Obligations (identified cost \$194,452,168)		\$ 199,111,736

Commercial Mortgage-Backed Securities 9.5%

Security	Principal Amount	
	(000 s omitted)	Value
A10 Securitization, LLC, Series 2013-1, Class A, 2.40%, 11/15/25 ⁽⁷⁾	\$ 1,953	\$ 1,963,737
ACRE, Series 2010-ARTA, Class D, 7.443%, 1/14/29 ⁽⁷⁾	3,000	3,469,539
BACM, Series 2004-6, Class A5, 4.811%, 12/10/42	677	679,514
BACM, Series 2006-3, Class A4, 5.889%, 7/10/44 ⁽¹⁵⁾	2,107	2,274,320
BACM, Series 2006-5, Class AM, 5.448%, 9/10/47	3,000	3,229,230
BAMLL, Series 2013-DSNY, Class E, 2.752%, 9/15/26 ⁽⁷⁾⁽¹⁵⁾	1,500	1,508,879
BSCMS, Series 2002-TOP8, Class C, 5.22%, 8/15/38 ⁽¹⁵⁾	2,000	2,035,221
BSCMS, Series 2005-PW10, Class A4, 5.405%, 12/11/40 ⁽¹⁵⁾	3,352	3,488,815
BSCMS, Series 2005-PWR7, Class A3, 5.116%, 2/11/41 ⁽¹⁵⁾	2,361	2,399,131
BSCMS, Series 2006-PW14, Class A4, 5.201%, 12/11/38	1,395	1,516,027
CDCMT, Series 2005-CD1, Class AJ, 5.401%, 7/15/44 ⁽¹⁵⁾	3,650	3,825,811
CDCMT, Series 2006-CD2, Class A4, 5.48%, 1/15/46 ⁽¹⁵⁾	1,472	1,554,410
CDCMT, Series 2006-CD3, Class A5, 5.617%, 10/15/48	4,007	4,306,870
CGCMT, Series 2012-GC8, Class A2, 1.813%, 9/10/45	3,113	3,141,462
COMM, Series 2006-C7, Class AM, 5.97%, 6/10/46 ⁽¹⁵⁾	4,620	4,972,118
COMM, Series 2006-C8, Class A4, 5.306%, 12/10/46	635	684,798
COMM, Series 2012-CR2, Class AM, 3.791%, 8/15/45	395	409,833
COMM, Series 2012-CR2, Class D, 5.02%, 8/15/45 ⁽⁷⁾⁽¹⁵⁾	1,440	1,511,754
COMM, Series 2012-LC4, Class AM, 4.063%, 12/10/44	750	795,428
COMM, Series 2012-LC4, Class C, 5.823%, 12/10/44 ⁽¹⁵⁾	600	677,914
COMM, Series 2013-CR9, Class D, 4.402%, 7/10/45 ⁽⁷⁾⁽¹⁵⁾	3,000	2,789,087
COMM, Series 2013-CR10, Class D, 4.956%, 8/10/46 ⁽⁷⁾⁽¹⁵⁾	3,500	3,398,860
COMM, Series 2013-CR11, Class D, 5.34%, 10/10/46 ⁽⁷⁾⁽¹⁵⁾	1,125	1,120,331
COMM, Series 2014-KYO, Class D, 2.504%, 6/11/27 ⁽⁷⁾⁽¹⁵⁾	3,250	3,251,904
COMM, Series 2014-UBS2, Class A2, 2.82%, 3/10/47	2,200	2,272,298
CSFB, Series 2003-C5, Class D, 5.116%, 12/15/36 ⁽¹⁵⁾	979	980,423
CSMC, Series 2006-C3, Class A3, 5.982%, 6/15/38 ⁽¹⁵⁾	1,926	2,069,877
CSMC, Series 2006-C4, Class A3, 5.467%, 9/15/39	627	676,445
DBUBS, Series 2011-LC1A, Class A1, 3.742%, 11/10/46 ⁽⁷⁾	1,002	1,044,192
DDR, Series 2009-DDR1, Class C, 6.223%, 10/14/22 ⁽⁷⁾	1,250	1,262,504
ESA, Series 2013-ESH5, Class D5, 4.316%, 12/5/31 ⁽⁷⁾⁽¹⁵⁾	500	510,150
ESA, Series 2013-ESH7, Class D7, 5.521%, 12/5/31 ⁽⁷⁾⁽¹⁵⁾	4,000	4,215,360
GECMC, Series 2005-C1, Class A3, 4.578%, 6/10/48	251	251,555
GMACC, Series 2004-C3, Class A5, 4.864%, 12/10/41	1,850	1,867,928
GSMS, Series 2013-KYO, Class B, 1.601%, 11/8/29 ⁽⁷⁾⁽¹⁵⁾	2,500	2,523,364
HILT, Series 2013-HLT, Class DFX, 4.407%, 11/5/30 ⁽⁷⁾	2,400	2,492,215
JPMBB, Series 2013-C17, Class D, 5.05%, 1/15/47 ⁽⁷⁾⁽¹⁵⁾	3,000	2,902,186
JPMBB, Series 2014-C19, Class A2, 3.046%, 4/15/47	2,448	2,553,708
JPMBB, Series 2014-C19, Class D, 4.836%, 4/15/47 ⁽⁷⁾⁽¹⁵⁾	1,425	1,341,618
JPMCC, Series 2004-CBX, Class A5, 4.654%, 1/12/37	116	116,400
JPMCC, Series 2005-LDP4, Class A4, 4.918%, 10/15/42 ⁽¹⁵⁾	2,808	2,915,511
JPMCC, Series 2005-LDP5, Class A4, 5.405%, 12/15/44 ⁽¹⁵⁾	2,500	2,615,699
JPMCC, Series 2005-LDP5, Class AJ, 5.526%, 12/15/44 ⁽¹⁵⁾	1,000	1,060,591
JPMCC, Series 2006-CB14, Class A4, 5.481%, 12/12/44 ⁽¹⁵⁾	3,392	3,566,150
JPMCC, Series 2006-CB16, Class A4, 5.552%, 5/12/45	1,727	1,857,398
JPMCC, Series 2006-LDP7, Class A4, 6.057%, 4/15/45 ⁽¹⁵⁾	3,990	4,294,607
JPMCC, Series 2006-LDP8, Class A4, 5.399%, 5/15/45	2,410	2,597,327
JPMCC, Series 2006-LDP9, Class A3, 5.336%, 5/15/47	1,750	1,900,147
JPMCC, Series 2006-LDP9, Class AM, 5.372%, 5/15/47	3,000	3,171,277
JPMCC, Series 2010-C2, Class D, 5.692%, 11/15/43 ⁽⁷⁾⁽¹⁵⁾	3,247	3,607,780
JPMCC, Series 2010-CNTR, Class A2, 4.311%, 8/5/32 ⁽⁷⁾	3,750	4,104,645
JPMCC, Series 2011-C3, Class A2, 3.673%, 2/15/46 ⁽⁷⁾	1,433	1,499,858
JPMCC, Series 2012-CBX, Class A2, 1.81%, 6/15/45	4,500	4,577,656

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JPMCC, Series 2012-CBX, Class AS, 4.271%, 6/15/45	1,000	1,075,006
JPMCC, Series 2013-LC11, Class AS, 3.216%, 4/15/46	1,110	1,099,159
JPMCC, Series 2014-FBLU, Class D, 2.752%, 12/15/28 ⁽⁷⁾⁽¹⁵⁾	1,500	1,505,599
LB-UBS, Series 2006-C1, Class A4, 5.156%, 2/15/31	2,000	2,104,769

Security	Principal Amount (000 s omitted)	Value
LB-UBS, Series 2006-C7, Class AM, 5.378%, 11/15/38	\$ 1,750	\$ 1,898,699
MLCFC, Series 2006-4, Class A3, 5.172%, 12/12/49	5,000	5,384,390
MLMT, Series 2004-BPC1, Class A5, 4.855%, 10/12/41 ⁽¹⁵⁾	1,393	1,398,620
Motel 6, Series 2012-MTL6, Class D, 3.781%, 10/5/25 ⁽⁷⁾	3,045	3,098,606
MSBAM, Series 2014-C15, Class D, 5.062%, 4/15/47 ⁽⁷⁾⁽¹⁵⁾	1,000	963,462
MSC, Series 2003-T11, Class B, 5.553%, 6/13/41 ⁽¹⁵⁾	536	539,312
MSC, Series 2005-HQ5, Class A4, 5.168%, 1/14/42	1,051	1,065,582
MSC, Series 2005-T17, Class A5, 4.78%, 12/13/41	1,397	1,410,742
MSC, Series 2006-HQ8, Class A4, 5.598%, 3/12/44 ⁽¹⁵⁾	4,968	5,227,244
MSC, Series 2006-IQ12, Class A4, 5.332%, 12/15/43	3,879	4,182,671
MSC, Series 2007-IQ15, Class A4, 6.105%, 6/11/49 ⁽¹⁵⁾	3,919	4,342,703
WBCMT, Series 2004-C11, Class A5, 5.215%, 1/15/41 ⁽¹⁵⁾	360	360,271
WBCMT, Series 2006-C23, Class A4, 5.418%, 1/15/45 ⁽¹⁵⁾	2,689	2,826,772
WBCMT, Series 2006-C24, Class A3, 5.558%, 3/15/45 ⁽¹⁵⁾	2,500	2,656,211
WBCMT, Series 2006-C27, Class A3, 5.765%, 7/15/45 ⁽¹⁵⁾	2,896	3,088,250
WBCMT, Series 2006-C28, Class A4, 5.572%, 10/15/48	3,718	4,012,765
WBCMT, Series 2006-C28, Class AM, 5.603%, 10/15/48 ⁽¹⁵⁾	3,000	3,243,069
WBCMT, Series 2006-C29, Class A4, 5.308%, 11/15/48	3,938	4,271,373
WFCM, Series 2013-LC12, Class D, 4.439%, 7/15/46 ⁽⁷⁾⁽¹⁵⁾	3,000	2,783,870
WF-RBS, Series 2012-C9, Class D, 4.963%, 11/15/45 ⁽⁷⁾⁽¹⁵⁾	2,750	2,741,005
WF-RBS, Series 2013-C13, Class AS, 3.345%, 5/15/45	660	660,003
WF-RBS, Series 2014-LC14, Class D, 4.586%, 3/15/47 ⁽⁷⁾⁽¹⁵⁾	3,000	2,807,838
Total Commercial Mortgage-Backed Securities (identified cost \$181,399,370)		\$ 184,601,853

Asset-Backed Securities 1.7%

Security	Principal Amount (000 s omitted)	Value
AESOP, Series 2014-1A, Class B, 2.96%, 7/20/20 ⁽⁷⁾	\$ 1,335	\$ 1,341,549
AH4R, Series 2014-SFR1, Class C, 2.00%, 6/17/31 ⁽⁷⁾⁽¹⁰⁾	400	400,003
AH4R, Series 2014-SFR1, Class D, 2.35%, 6/17/31 ⁽⁷⁾⁽¹⁰⁾	1,475	1,472,394
Apidos CDO XVII, Series 2014-17A, Class B, 3.06%, 4/17/26 ⁽⁷⁾⁽¹⁰⁾	750	733,295
Apidos CDO XVII, Series 2014-17A, Class C, 3.51%, 4/17/26 ⁽⁷⁾⁽¹⁰⁾	1,000	941,933
Apidos CDO XVII, Series 2014-17A, Class D, 4.96%, 4/17/26 ⁽⁷⁾⁽¹⁰⁾	1,000	909,138
Babson Ltd., Series 2005-1A, Class C1, 2.177%, 4/15/19 ⁽⁷⁾⁽¹⁰⁾	753	747,394
CAH, Series 2014-1A, Class C, 2.10%, 5/17/31 ⁽⁷⁾⁽¹⁰⁾	1,740	1,746,689
CAH, Series 2014-1A, Class D, 2.40%, 5/17/31 ⁽⁷⁾⁽¹⁰⁾	500	498,013
Centurion CDO IX Ltd., Series 2005-9A, Class D1, 4.976%, 7/17/19 ⁽⁷⁾⁽¹⁰⁾	500	485,574
CIFC Funding, Ltd., Series 2013-2A, Class A3L, 2.878%, 4/21/25 ⁽⁷⁾⁽¹⁰⁾	3,100	2,995,828
Comstock Funding Ltd., Series 2006-1A, Class D, 4.478%, 5/30/20 ⁽⁷⁾⁽¹⁰⁾	1,844	1,839,975
DROT, Series 2013-2, Class A, 2.27%, 5/20/26 ⁽⁷⁾	3,016	3,035,801
FORDR, Series 2014-1, Class A, 2.26%, 11/15/25 ⁽⁷⁾	1,000	1,009,988
FORDR, Series 2014-1, Class B, 2.41%, 11/15/25 ⁽⁷⁾	1,600	1,611,757
HGVT, Series 2014-AA, Class A, 1.77%, 11/25/26 ⁽⁷⁾	800	800,852
Invitation Homes Trust, Series 2013-SFR1, Class C, 2.10%, 12/17/30 ⁽⁷⁾⁽¹⁰⁾	650	650,747
Invitation Homes Trust, Series 2013-SFR1, Class D, 2.40%, 12/17/30 ⁽⁷⁾⁽¹⁰⁾	1,000	999,798
Invitation Homes Trust, Series 2014-SFR1, Class D, 2.752%, 6/17/31 ⁽⁷⁾⁽¹⁰⁾	2,461	2,486,551
MVW Owner Trust, Series 2013-1A, Class A, 2.15%, 4/22/30 ⁽⁷⁾	1,026	1,035,299
Octagon Investment Partners XVI Ltd., Series 2013-1A, Class C1, 2.976%, 7/17/25 ⁽⁷⁾⁽¹⁰⁾	1,075	1,042,393

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Octagon Investment Partners XVI Ltd., Series 2013-1A, Class D, 3.576%, 7/17/25 ⁽⁷⁾⁽¹⁰⁾	1,075	1,028,916
Octagon Investment Partners XVI Ltd., Series 2013-1A, Class E, 4.726%, 7/17/25 ⁽⁷⁾⁽¹⁰⁾	1,300	1,166,073
OMFIT, Series 2014-1A, Class A, 2.43%, 6/18/24 ⁽⁷⁾	1,040	1,039,979
OMFIT, Series 2014-1A, Class B, 3.24%, 6/18/24 ⁽⁷⁾	1,200	1,209,000
SRFC, Series 2014-1A, Class B, 2.42%, 3/20/30 ⁽⁷⁾	2,088	2,085,349
Total Asset-Backed Securities (identified cost \$33,043,383)		\$ 33,314,288

U.S. Government Agency Obligations 1.2%

Security	Principal Amount	Value
	(000 s omitted)	
Federal Home Loan Bank:		
4.125%, 12/13/19 ⁽¹²⁾	\$ 3,975	\$ 4,432,232
5.25%, 12/9/22	9,000	10,768,698
5.375%, 5/15/19 ⁽¹²⁾	6,585	7,728,729
Total U.S. Government Agency Obligations (identified cost \$21,743,001)		\$ 22,929,659

U.S. Treasury Obligations 1.7%

Security	Principal Amount	Value
	(000 s omitted)	
U.S. Treasury Bond, 8.875%, 2/15/19	\$ 25,000	\$ 33,325,200
Total U.S. Treasury Obligations (identified cost \$34,128,778)		\$ 33,325,200

Common Stocks 0.4%

Security	Shares	Value
Automotive 0.1%		
Dayco Products, LLC ⁽¹¹⁾	25,372	\$ 1,176,627
		\$ 1,176,627
Building and Development 0.2%		
Panolam Holdings Co. ⁽³⁾⁽¹⁹⁾⁽²⁰⁾	3,677	\$ 3,345,960
		\$ 3,345,960
Food Service 0.0%		
Buffets Restaurants Holdings, Inc. ⁽³⁾⁽¹¹⁾⁽²⁰⁾	55,884	\$ 335,304
		\$ 335,304
Home Furnishings 0.0%		
Sanitec Europe Oy B Units ⁽³⁾⁽¹¹⁾	27,040	\$ 64,650
Sanitec Europe Oy E1 Units ⁽³⁾⁽¹¹⁾⁽²⁰⁾	7,686	18,377
Sanitec Europe Oy E Units ⁽³⁾⁽¹¹⁾⁽²⁰⁾	25,787	0
		\$ 83,027
Lodging and Casinos 0.0%		
Affinity Gaming, LLC ⁽³⁾⁽¹¹⁾⁽²⁰⁾	46,819	\$ 491,602
Tropicana Entertainment, Inc. ⁽¹¹⁾⁽²⁰⁾	17,051	300,950

		\$	792,552
Nonferrous Metals/Minerals 0.0% ⁽³⁾			
Euramax International, Inc. ⁽¹¹⁾⁽²⁰⁾	1,636	\$	499,010
		\$	499,010
Publishing 0.1%			
ION Media Networks, Inc. ⁽³⁾⁽¹¹⁾	5,187	\$	1,576,329
MediaNews Group, Inc. ⁽¹¹⁾⁽²⁰⁾	14,016		427,480
		\$	2,003,809
Utilities 0.0% ⁽³⁾			
NRG Energy, Inc.	3,616	\$	134,515
		\$	134,515
Total Common Stocks (identified cost \$3,823,056)			\$ 8,370,804

Convertible Bonds 0.0%

Security	Principal Amount (000 s omitted)	Value
Business Equipment and Services 0.0%		
Mood Media Corp., 10.00%, 10/31/15 ⁽³⁾⁽¹⁹⁾	\$ 75	\$ 60,750
Total Convertible Bonds (identified cost \$0)		\$ 60,750

Preferred Stocks 0.6%

Security	Shares	Value
Banks and Thrifts 0.3%		
Banco Santander SA, 5.95% to 1/30/19 ⁽⁷⁾⁽⁹⁾	1,765	\$ 1,913,796
Farm Credit Bank of Texas, 6.75% to 9/15/23 ⁽⁷⁾⁽⁹⁾	8,833	926,637
Fifth Third Bancorp, 5.10% to 6/30/23 ⁽⁹⁾	1,500	1,445,088
PNC Financial Services Group, Inc. (The), 4.85% to 6/1/23 ⁽⁹⁾	1,300	1,258,994
State Street Corp., Series D, 5.90% to 3/15/24 ⁽⁹⁾⁽²⁰⁾	40,000	1,050,500
		\$ 6,595,015

Electronics/Electrical 0.1%

Electricite de France SA, 5.25% to 1/29/23 ⁽⁷⁾⁽⁹⁾	1,000	\$ 1,044,797
Entergy Arkansas, Inc., 4.75%	35,000	801,937
		\$ 1,846,734

Oil, Gas & Consumable Fuels 0.0%

Chesapeake Energy Corp., 4.50%, Convertible	6,331	\$ 617,273
		\$ 617,273

Real Estate Investment Trusts (REITs) 0.1%

Ventas Realty LP/Ventas Capital Corp., 5.45%	49,997	\$ 1,195,428
		\$ 1,195,428

Utilities 0.1%

AES Gener SA, 8.375% to 6/18/19 ⁽⁷⁾⁽⁹⁾	700	\$ 791,367
		\$ 791,367

**Total Preferred Stocks
(identified cost \$10,702,890)****\$ 11,045,817****Closed-End Funds 1.0%**

Security	Shares	Value
BlackRock Corporate High Yield Fund, Inc.	1,666,175	\$ 20,477,291

Total Closed-End Funds (identified cost \$20,758,731)	\$ 20,477,291
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Warrants 0.0%

Security	Shares	Value
Chemicals and Plastics 0.0%		
Foamex, Series B, Expires 12/31/15 ⁽³⁾⁽¹¹⁾⁽²⁰⁾	663	\$ 0
		\$ 0
Food Products 0.0%		
ASG Consolidated, LLC/ASG Finance, Inc., Expires 5/15/18 ⁽²⁰⁾	1,745	\$ 218,125
		\$ 218,125
Total Warrants (identified cost \$0)		\$ 218,125

Miscellaneous 0.0%

Security	Shares	Value
Cable and Satellite Television 0.0%		
Adelphia, Inc., Escrow Certificate ⁽²⁰⁾	300,000	\$ 2,475
Adelphia, Inc., Escrow Certificate ⁽²⁰⁾	2,500,000	20,625
		\$ 23,100
Oil and Gas 0.0%		
SemGroup Corp., Escrow Certificate ⁽²⁰⁾	6,135,000	\$ 122,700
		\$ 122,700
Utilities 0.0%		
EME Reorganization Trust ⁽²⁰⁾	1,099,749	\$ 174,970
		\$ 174,970
Total Miscellaneous (identified cost \$203,413)		\$ 320,770

Interest Rate Swaptions Purchased 0.0%

Description	Counterparty	Expiration Date	Notional Amount (000 s omitted)	Value
Options to receive 3-month USD-LIBOR-BBA Rate and pay 5.25%	Credit Suisse International	2/28/17	\$ 52,500	\$ 665,070
				\$ 665,070

Total Interest Rate Swaptions Purchased
(identified cost \$2,535,750)

Short-Term Investments 1.5%

Security	Interest (000 s omitted)	Value
Eaton Vance Cash Reserves Fund, LLC, 0.12% ⁽²¹⁾	\$ 28,525	\$ 28,525,413

Total Short-Term Investments
(identified cost \$28,525,413) **\$ 28,525,413**

Total Investments 162.0%
(identified cost \$3,077,821,605) **\$ 3,163,990,752**

Less Unfunded Loan Commitments (0.2)% **\$ (2,755,691)**

Net Investments 161.8%
(identified cost \$3,075,065,914) **\$ 3,161,235,061**

Interest Rate Swaptions Written (0.0)%⁽²⁾

Description	Counterparty	Expiration Date	Notional Amount (000 s omitted)	Value
Options to receive 3-month USD-LIBOR-BBA Rate and pay 5.25%	Citibank NA	2/28/17	\$ 52,500	\$ (665,070)

Total Interest Rate Swaptions Written
(premiums received \$2,031,750) **\$ (665,070)**

Other Assets, Less Liabilities (48.2)% **\$ (940,504,439)**

**Auction Preferred Shares Plus Cumulative Unpaid
Dividends (13.6)%** **\$ (266,628,040)**

Net Assets Applicable to Common Shares 100.0% **\$ 1,953,437,512**

The percentage shown for each investment category in the Portfolio of Investments is based on net assets applicable to common shares.

- ACRE - Americold LLC Trust
- AESOP - Avis Budget Rental Car Funding LLC
- AH4R - American Homes 4 Rent
- BACM - Banc of America Commercial Mortgage Trust

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BAMLL - Banc of America Merrill Lynch Large Loan, Inc.
BSCMS - Bear Stearns Commercial Mortgage Securities Trust
CAH - Colony American Homes
CDCMT - CD Commercial Mortgage Trust
CGCMT - Citigroup Commercial Mortgage Trust
COMM - Commercial Mortgage Pass-Through Certificates
CSFB - Credit Suisse First Boston Mortgage Securities Trust
CSMC - Credit Suisse Commercial Mortgage Trust
DBUBS - DBUBS Mortgage Trust

DDR	- Developers Diversified Realty Corp.
DIP	- Debtor In Possession
DROT	- Diamond Resorts Owner Trust
ESA	- Extended Stay America Trust
FORDR	- Ford Credit Auto Owner Trust
GECCM	- General Electric Commercial Mortgage Corp.
GMACC	- GMAC Commercial Mortgage Securities, Inc. Trust
GSMS	- Goldman Sachs Mortgage Securities Corp. II
HGVT	- Hilton Grand Vacations Trust
HILT	- Hilton USA Trust
JPMBB	- JPMBB Commercial Mortgage Securities Trust
JPMCC	- JPMorgan Chase Commercial Mortgage Securities Trust
LB-UBS	- LB-UBS Commercial Mortgage Trust
MLCFC	- ML-CFC Commercial Mortgage Trust
MLMT	- Merrill Lynch Mortgage Trust
MSBAM	- Morgan Stanley Bank of America Merrill Lynch Trust
MSC	- Morgan Stanley Capital I Trust
OMFIT	- OneMain Financial Issuance Trust
PIK	- Payment In Kind
SRFC	- Sierra Receivables Funding Co., LLC
WBCMT	- Wachovia Bank Commercial Mortgage Trust
WFCM	- Wells Fargo Commercial Mortgage Trust
WF-RBS	- WF-RBS Commercial Mortgage Trust
CAD	- Canadian Dollar
EUR	- Euro
GBP	- British Pound Sterling

* In U.S. dollars unless otherwise indicated.

- (1) Senior floating-rate interests (Senior Loans) often require prepayments from excess cash flows or permit the borrowers to repay at their election. The degree to which borrowers repay, whether as a contractual requirement or at their election, cannot be predicted with accuracy. As a result, the actual remaining maturity may be substantially less than the stated maturities shown. However, Senior Loans will have an expected average life of approximately two to four years. The stated interest rate represents the weighted average interest rate of all contracts within the senior loan facility and includes commitment fees on unfunded loan commitments, if any. Senior Loans typically have rates of interest which are redetermined either daily, monthly, quarterly or semi-annually by reference to a base lending rate, plus a premium. These base lending rates are primarily the London Interbank Offered Rate (LIBOR) and secondarily, the prime rate offered by one or more major United States banks (the Prime Rate) and the certificate of deposit (CD) rate or other base lending rates used by commercial lenders.
- (2) Currently the issuer is in default with respect to interest payments. For a variable rate security, interest rate has been adjusted to reflect non-accrual status.
- (3) For fair value measurement disclosure purposes, security is categorized as Level 3.

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- (4) Amount is less than 0.05% or (0.05)%, as applicable.
- (5) Unfunded or partially unfunded loan commitments. The Fund may enter into certain credit agreements all or a portion of which may be unfunded. The Fund is obligated to fund these commitments at the borrower's discretion.
- (6) This Senior Loan will settle after June 30, 2014, at which time the interest rate will be determined.

- (7) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. These securities may be sold in certain transactions (normally to qualified institutional buyers) and remain exempt from registration. At June 30, 2014, the aggregate value of these securities is \$560,514,765 or 28.7% of the Fund's net assets applicable to common shares.
- (8) Represents a payment-in-kind security which may pay interest in additional principal at the issuer's discretion. The interest rate paid in additional principal is generally higher than the indicated cash rate.
- (9) Security converts to floating rate after the indicated fixed-rate coupon period.
- (10) Variable rate security. The stated interest rate represents the rate in effect at June 30, 2014.
- (11) Security was acquired in connection with a restructuring of a Senior Loan and may be subject to restrictions on resale.
- (12) Security (or a portion thereof) has been pledged for the benefit of the counterparty for reverse repurchase agreements.
- (13) Security (or a portion thereof) has been pledged to cover margin requirements on open financial futures contracts.
- (14) Adjustable rate mortgage security. Rate shown is the rate at June 30, 2014.
- (15) Weighted average fixed-rate coupon that changes/updates monthly. Rate shown is the rate at June 30, 2014.
- (16) Inverse floating-rate security whose coupon varies inversely with changes in the interest rate index. The stated interest rate represents the coupon rate in effect at June 30, 2014.
- (17) Interest only security that entitles the holder to receive only interest payments on the underlying mortgages. Principal amount shown is the notional amount of the underlying mortgages on which coupon interest is calculated.
- (18) Principal only security that entitles the holder to receive only principal payments on the underlying mortgages.
- (19) Restricted security.
- (20) Non-income producing security.
- (21) Affiliated investment company, available to Eaton Vance portfolios and funds, which invests in high quality, U.S. dollar denominated money market instruments. The rate shown is the annualized seven-day yield as of June 30, 2014. Net income allocated from the investment in Eaton Vance Cash Reserves Fund, LLC for the fiscal year to date ended June 30, 2014 was \$8,350.

A summary of open financial instruments at June 30, 2014 is as follows:

Forward Foreign Currency Exchange Contracts

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Settlement Date	Deliver	In Exchange For	Counterparty	Unrealized Appreciation	Unrealized (Depreciation)	Net Unrealized (Depreciation)
7/31/14	British Pound Sterling 7,007,440	United States Dollar 11,769,101	HSBC Bank USA	\$	\$ (220,721)	\$ (220,721)
8/29/14	British Pound Sterling 5,144,772	United States Dollar 8,590,252	Goldman Sachs International		(210,472)	(210,472)
8/29/14	Canadian Dollar 3,664,655	United States Dollar 3,376,784	JPMorgan Chase Bank		(52,729)	(52,729)
8/29/14	Euro 21,836,354	United States Dollar 29,686,087	Goldman Sachs International		(220,975)	(220,975)
8/29/14	Euro 625,000	United States Dollar 852,501	State Street Bank and Trust Co.		(3,499)	(3,499)
9/30/14	British Pound Sterling 1,973,138	United States Dollar 3,356,120	HSBC Bank USA		(18,185)	(18,185)
9/30/14	Euro 6,144,275	United States Dollar 8,363,741	HSBC Bank USA		(52,443)	(52,443)
				\$	\$ (779,024)	\$ (779,024)

Futures Contracts

Expiration Month/Year	Contracts	Position	Aggregate Cost	Value	Net Unrealized Appreciation (Depreciation)
9/14	125 U.S. 2-Year Treasury Note	Short	\$ (27,462,891)	\$ (27,449,219)	\$ 13,672
9/14	175 U.S. 5-Year Treasury Note	Short	(20,930,273)	(20,905,664)	24,609
9/14	235 U.S. 10-Year Treasury Note	Short	(29,375,000)	(29,415,391)	(40,391)
9/14	30 U.S. Long Treasury Bond	Short	(4,084,922)	(4,115,625)	(30,703)
					\$ (32,813)

There was no written swaptions activity for the period ended June 30, 2014.

At June 30, 2014, the Fund had sufficient cash and/or securities to cover commitments under these contracts.

In the normal course of pursuing its investment objective, the Fund is subject to the following risks:

Foreign Exchange Risk: The Fund holds foreign currency denominated investments. The value of these investments and related receivables and payables may change due to future changes in foreign currency exchange rates. To hedge against this risk, the Fund enters into forward foreign currency exchange contracts.

Interest Rate Risk: The Fund utilizes various interest rate derivatives including futures contracts and interest rate swaptions to manage the duration of its portfolio and to hedge against fluctuations in securities prices due to interest rates.

The fair value of open derivative instruments (not considered to be hedging instruments for accounting disclosure purposes) by risk exposure at June 30, 2014 was as follows:

Risk	Derivative	Fair Value	
		Asset Derivative	Liability Derivative
Foreign Exchange	Forward foreign currency exchange contracts	\$	\$ (779,024)
Interest Rate	Financial futures contracts*	38,281	(71,094)
Interest Rate	Interest rate swaptions purchased	665,070	
Interest Rate	Interest rate swaptions written		(665,070)
Total		\$ 703,351	\$ (1,515,188)

* Amount represents cumulative unrealized appreciation or (depreciation) on futures contracts in the Futures Contracts table above.

Reverse Repurchase Agreements

Reverse repurchase agreements outstanding as of June 30, 2014 were as follows:

Counterparty	Trade Date	Maturity Date	Interest Rate	Principal Amount	Principal Amount Including Accrued
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						Interest
Bank of America	6/24/14	7/24/14	0.33%	\$	66,874,000	\$ 66,878,291
KGS Alpha Capital	6/20/14	7/21/14	0.23		46,347,000	46,350,257
KGS Alpha Capital	6/20/14	7/21/14	0.38		16,734,000	16,735,943

At June 30, 2014, the market value of securities pledged for the benefit of the counterparty for reverse repurchase agreements was \$136,181,530. Based on the short-term nature of the borrowings under the reverse repurchase agreements, the carrying value of the payable for reverse repurchase agreements approximated its fair value at June 30, 2014. If measured at fair value, borrowings under the reverse repurchase agreements would have been considered as Level 2 in the fair value hierarchy at June 30, 2014.

The cost and unrealized appreciation (depreciation) of investments of the Fund at June 30, 2014, as determined on a federal income tax basis, were as follows:

Aggregate cost	\$ 3,094,368,863
Gross unrealized appreciation	\$ 98,888,828
Gross unrealized depreciation	(32,022,630)
Net unrealized appreciation	\$ 66,866,198

Restricted Securities

At June 30, 2014, the Fund owned the following securities (representing 0.2% of net assets applicable to common shares) which were restricted as to public resale and not registered under the Securities Act of 1933 (excluding Rule 144A securities). The Fund has various registration rights (exercisable under a variety of circumstances) with respect to these securities. The value of these securities is determined based on valuations provided by brokers when available, or if not available, they are valued at fair value using methods determined in good faith by or at the direction of the Trustees.

Description	Date of Acquisition	Principal Amount/		Value
		Shares	Cost	
Convertible Bonds				
Mood Media Corp.	7/30/12	75,000	\$ 0	\$ 60,750
Total Convertible Bonds			\$ 0	\$ 60,750
Common Stocks				
Panolam Holdings Co.	12/30/09	3,677	\$ 2,020,511	\$ 3,345,960
Total Common Stocks			\$ 2,020,511	\$ 3,345,960
Total Restricted Securities			\$ 2,020,511	\$ 3,406,710

Under generally accepted accounting principles for fair value measurements, a three-tier hierarchy to prioritize the assumptions, referred to as inputs, is used in valuation techniques to measure fair value. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including a fund's own assumptions in determining the fair value of investments)

In cases where the inputs used to measure fair value fall in different levels of the fair value hierarchy, the level disclosed is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

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At June 30, 2014, the hierarchy of inputs used in valuing the Fund's investments and open derivative instruments, which are carried at value, were as follows:

Asset Description	Level 1	Level 2	Level 3*	Total
Senior Floating-Rate Interests (Less Unfunded Loan Commitments)	\$	\$ 1,178,577,898	\$ 403,736	\$ 1,178,981,634
Corporate Bonds & Notes		1,093,858,983	816,269	1,094,675,252
Foreign Government Securities		2,195,200		2,195,200
Mortgage Pass-Throughs		342,416,199		342,416,199
Collateralized Mortgage Obligations		199,111,736		199,111,736
Commercial Mortgage-Backed Securities		184,601,853		184,601,853
Asset-Backed Securities		33,314,288		33,314,288
U.S. Government Agency Obligations		22,929,659		22,929,659
U.S. Treasury Obligations		33,325,200		33,325,200
Common Stocks	435,465	1,604,107	6,331,232	8,370,804
Convertible Bonds			60,750	60,750
Preferred Stocks	1,812,700	9,233,117		11,045,817
Closed-End Funds	20,477,291			20,477,291
Warrants		218,125	0	218,125
Miscellaneous	174,970	145,800		320,770
Interest Rate Swaptions Purchased		665,070		665,070
Short-Term Investments		28,525,413		28,525,413
Total Investments	\$ 22,900,426	\$ 3,130,722,648	\$ 7,611,987	\$ 3,161,235,061
Futures Contracts	\$ 38,281	\$	\$	\$ 38,281
Total	\$ 22,938,707	\$ 3,130,722,648	\$ 7,611,987	\$ 3,161,273,342
Liability Description				
Interest Rate Swaptions Written	\$	\$ (665,070)	\$	\$ (665,070)
Forward Foreign Currency Exchange Contracts		(779,024)		(779,024)
Futures Contracts	(71,094)			(71,094)
Total	\$ (71,094)	\$ (1,444,094)	\$	\$ (1,515,188)

* None of the unobservable inputs for Level 3 assets, individually or collectively, had a material impact on the Fund. Level 3 investments at the beginning and/or end of the period in relation to net assets were not significant and accordingly, a reconciliation of Level 3 assets for the fiscal year to date ended June 30, 2014 is not presented.

At June 30, 2014, there were no investments transferred between Level 1 and Level 2 during the fiscal year to date then ended.

For information on the Fund's policy regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements included in its semiannual or annual report to shareholders.

Item 2. Controls and Procedures

(a) It is the conclusion of the registrant's principal executive officer and principal financial officer that the effectiveness of the registrant's current disclosure controls and procedures (such disclosure controls and procedures having been evaluated within 90 days of the date of this filing) provide reasonable assurance that the information required to be disclosed by the registrant on this Form N-Q has been recorded, processed, summarized and reported within the time period specified in the Commission's rules and forms and that the information required to be disclosed by the registrant on this Form N-Q has been accumulated and communicated to the registrant's principal executive officer and principal financial officer in order to allow timely decisions regarding required disclosure.

(b) There have been no changes in the registrant's internal controls over financial reporting during the fiscal quarter for which the report is being filed that have materially affected, or are reasonably likely to materially affect the registrant's internal control over financial reporting.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Eaton Vance Limited Duration Income Fund

By: /s/ Payson F. Swaffield
Payson F. Swaffield
President

Date: August 25, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Payson F. Swaffield
Payson F. Swaffield
President

Date: August 25, 2014

By: /s/ James F. Kirchner
James F. Kirchner
Treasurer

Date: August 25, 2014