

MFS MULTIMARKET INCOME TRUST

Form N-CSRS

June 27, 2014

[Table of Contents](#)

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF**  
**REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-04975

**MFS MULTIMARKET INCOME TRUST**

(Exact name of registrant as specified in charter)

**111 Huntington Avenue, Boston, Massachusetts 02199**

(Address of principal executive offices) (Zip code)

**Susan S. Newton**

**Massachusetts Financial Services Company**

**111 Huntington Avenue**

**Boston, Massachusetts 02199**

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: October 31

Date of reporting period: April 30, 2014

**Table of Contents**

**ITEM 1. REPORTS TO STOCKHOLDERS.**

**Table of Contents**

**SEMIANNUAL REPORT**

April 30, 2014

**MFS® MULTIMARKET  
INCOME TRUST**

MMT-SEM

**Table of Contents**

**MFS® MULTIMARKET INCOME TRUST**

New York Stock Exchange Symbol: **MMT**

|  |    |
|--|----|
| <u>Letter from the Chairman and CEO</u>                        | 1  |
| <u>Portfolio composition</u>                                   | 2  |
| <u>Portfolio managers profiles</u>                             | 4  |
| <u>Other notes</u>   | 4  |
| <u>Portfolio of investments</u>                                | 6  |
| <u>Statement of assets and liabilities</u>                     | 36 |
| <u>Statement of operations</u>                                 | 37 |
| <u>Statements of changes in net assets</u>                     | 38 |
| <u>Statement of cash flows</u>                                 | 39 |
| <u>Financial highlights</u>                                    | 40 |
| <u>Notes to financial statements</u>                           | 42 |
| <u>Report of independent registered public accounting firm</u> | 54 |
| <u>Board review of investment advisory agreement</u>           | 55 |
| <u>Proxy voting policies and information</u>                   | 55 |
| <u>Quarterly portfolio disclosure</u>                          | 55 |
| <u>Further information</u>                                     | 55 |
| <u>Contact information</u> back cover                          |    |

NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

**Table of Contents**

**LETTER FROM THE CHAIRMAN AND CEO**

Dear Shareholders:

After gaining momentum late last year, the U.S. economy slipped this winter, as severe weather curtailed activity. More recently, however, labor market data, consumer

confidence, retail sales and industrial output have indicated that the U.S. economy could be regaining traction.

Europe emerged from its recession midway through 2013. However, its pace of growth has been slow, high unemployment persists and the risk of deflation exists. Asia remains vulnerable. China's economic growth has slowed, and Japan's early progress toward an economic turnaround continues to face obstacles. Emerging markets have also displayed much higher volatility, affected by the early transition from aggressive central bank monetary easing.

With so much uncertainty, global financial markets began 2014 with much greater volatility than last year's broad-based rally. For equity investors, attention to company fundamentals has taken on more importance. Bond investors have been attuned to heightened risks from possible interest rate increases.

As always at MFS®, active risk management is an integral part of how we manage your investments. We use a collaborative process, sharing insights across asset classes, regions and economic sectors. Our global team of investment professionals uses a multidisciplined, long-term, diversified investment approach.

We understand that these are challenging economic times. We believe that we can serve you best by applying proven principles, such as asset allocation and diversification, over the long term. We are confident that this approach can serve you well as you work with your financial advisors to reach your goals in the years ahead.

Respectfully,

**Robert J. Manning**

Chairman and Chief Executive Officer

MFS Investment Management

June 13, 2014

The opinions expressed in this letter are subject to change, may not be relied upon for investment advice, and no forecasts can be guaranteed.

**Table of Contents****PORTFOLIO COMPOSITION****Portfolio structure (i)****Fixed income sectors (i)**

|                                       |        |
|---------------------------------------|--------|
| High Yield Corporates                 | 60.7%  |
| Emerging Markets Bonds                | 19.6%  |
| High Grade Corporates                 | 18.7%  |
| Commercial Mortgage-Backed Securities | 4.2%   |
| Non-U.S. Government Bonds             | 3.0%   |
| Floating Rate Loans                   | 1.4%   |
| Mortgage-Backed Securities            | 0.6%   |
| Asset-Backed Securities               | 0.3%   |
| Collateralized Debt Obligations       | 0.2%   |
| Municipal Bonds                       | 0.1%   |
| U.S. Treasury Securities              | (7.4)% |

**Composition including fixed income credit quality (a)(i)**

|                  |         |
|------------------|---------|
| AAA              | 1.8%    |
| AA               | 0.7%    |
| A                | 8.4%    |
| BBB              | 26.8%   |
| BB               | 29.0%   |
| B                | 32.4%   |
| CCC              | 8.6%    |
| CC (o)           | 0.0%    |
| C                | 0.3%    |
| D                | 0.2%    |
| U.S. Government  | 3.0%    |
| Federal Agencies | 0.6%    |
| Not Rated        | (10.4)% |
| Non-Fixed Income | 0.4%    |
| Cash & Other     | (1.8)%  |

**Portfolio facts (i)**

|                                |          |
|--------------------------------|----------|
| Average Duration (d)           | 5.1      |
| Average Effective Maturity (m) | 7.7 yrs. |

**Issuer country weightings (i)(x)**

|                 |       |
|-----------------|-------|
| United States   | 57.3% |
| Mexico          | 4.2%  |
| United Kingdom  | 3.8%  |
| Canada          | 3.4%  |
| France          | 2.8%  |
| Brazil          | 2.3%  |
| Israel          | 2.0%  |
| Luxembourg      | 1.9%  |
| China           | 1.9%  |
| Other Countries | 20.4% |



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**Table of Contents**

*Portfolio Composition continued*

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. U.S. Government includes securities issued by the U.S. Department of the Treasury. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency mortgage-backed securities, and collateralized mortgage obligations of U.S. Agency mortgage-backed securities. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. Non-Fixed Income includes equity securities (including convertible bonds and equity derivatives) and commodities. The fund may not hold all of these instruments. The fund is not rated by these agencies.
- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.
- (i) For purposes of this presentation, the components include the market value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than market value. The bond component will include any accrued interest amounts.
- (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.
- (o) Less than 0.1%.
- (x) Represents the portfolio's exposure to issuer countries as a percentage of a portfolio's net assets. For purposes of this presentation, United States includes Cash & Other.

From time to time Cash & Other may be negative due to borrowings for leverage transactions, timing of cash receipts, and/or equivalent exposure from any derivative holdings.

Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

Cash & Other includes cash, other assets less liabilities, offsets to derivative positions, and short-term securities.

Percentages are based on net assets as of 4/30/14.

The portfolio is actively managed and current holdings may be different.



**Table of Contents****PORTFOLIO MANAGERS PROFILES**

| <b>Portfolio Manager</b> | <b>Primary Role</b>                                       | <b>Since</b> | <b>Title and Five Year History</b>  |
|--------------------------|---|--------------|---|
| Richard Hawkins          | Lead Portfolio Manager                                    | 2006         | Investment Officer of MFS; employed in the investment management area of MFS since 1988.  |
| William Adams            | Lower Quality Debt Instruments                            | 2011         | Investment Officer of MFS; employed in the investment management area of MFS since 2009.  |
| Ward Brown               | Portfolio Manager<br>Emerging Markets<br>Debt Instruments | 2012         | Investment Officer of MFS; employed in the investment management area of MFS since 2005.  |
| David Cole               | Portfolio Manager<br>Lower Quality<br>Debt Instruments    | 2006         | Investment Officer of MFS; employed in the investment management area of MFS since 2004.  |
| Pilar Gomez-Bravo        | Portfolio Manager<br>Investment Grade<br>Debt Instruments | 2013         | Investment Officer of MFS; employed in the investment management area of MFS since 2013; Imperial Capital from May 2012 to March 2013; Negentropy Capital from June 2011 to April 2012; Marengo Asset Management from June 2010 to April 2011; Neuberger Berman from June 2006 to May 2010. |
| Robert Persons           | Portfolio Manager<br>Investment Grade<br>Debt Instruments | 2013         | Investment Officer of MFS; employed in the investment management area of MFS since 2000.  |
| Matthew Ryan             | Portfolio Manager<br>Emerging Markets<br>Debt Instruments | 2004         | Investment Officer of MFS; employed in the investment management area of MFS since 1997.  |
|                          | Portfolio Manager   |              |   |

**OTHER NOTES**

The fund's shares may trade at a discount or premium to net asset value. Shareholders do not have the right to cause the fund to repurchase their shares at net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation. As a result, the total return that is calculated based on the net asset value and New York Stock Exchange price can be different.

**Table of Contents**

*Other Notes continued*

The fund's monthly distributions may include a return of capital to shareholders to the extent that distributions are in excess of the fund's net investment income and net capital gains, determined in accordance with federal income tax regulations. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

**Table of Contents****PORTFOLIO OF INVESTMENTS**

4/30/14 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

| <b>Bonds - 108.9%</b>  |                   |                   |
|--|-------------------|-------------------|
| <b>Issuer</b>  | <b>Shares/Par</b> | <b>Value (\$)</b> |
| <b>Aerospace - 1.7%</b>  |                   |                   |
| Alliant Techsystems, Inc., 5.25%, 10/01/21 (n)                                   | \$ 395,000        | \$ 409,813        |
| BE Aerospace, Inc., 5.25%, 4/01/22   | 500,000           | 517,500           |
| Bombardier, Inc., 7.5%, 3/15/18 (n)  | 760,000           | 866,400           |
| Bombardier, Inc., 7.75%, 3/15/20 (n)   | 930,000           | 1,060,200         |
| Bombardier, Inc., 6.125%, 1/15/23 (n)  | 980,000           | 1,002,050         |
| CPI International, Inc., 8.75%, 2/15/18  | 985,000           | 1,031,788         |
| Gencorp, Inc., 7.125%, 3/15/21   | 905,000           | 981,859           |
| Huntington Ingalls Industries, Inc., 7.125%, 3/15/21                             | 1,755,000         | 1,934,888         |
| Kratos Defense & Security Solutions, Inc., 10%, 6/01/17                          | 2,005,000         | 2,110,263         |
|  |                   | \$ 9,914,761      |
| <b>Apparel Manufacturers - 0.4%</b>  |                   |                   |
| Hanesbrands, Inc., 6.375%, 12/15/20  | \$ 845,000        | \$ 921,050        |
| PVH Corp., 4.5%, 12/15/22  | 1,220,000         | 1,200,175         |
|  |                   | \$ 2,121,225      |
| <b>Asset-Backed &amp; Securitized - 4.7%</b>                                     |                   |                   |
| Banc of America Commercial Mortgage, Inc., FRN, 5.948%, 2/10/51                  | \$ 1,585,301      | \$ 1,761,345      |
| Bayview Financial Acquisition Trust, FRN, 5.483%, 2/28/41                        | 315,705           | 323,452           |
| Bayview Financial Revolving Mortgage Loan Trust, FRN, 1.751%, 12/28/40 (z)       | 2,404,493         | 1,591,138         |
| Citigroup Commercial Mortgage Trust, FRN, 5.892%, 12/10/49                       | 390,311           | 54,956            |
| Citigroup/Deutsche Bank Commercial Mortgage Trust, FRN, 5.366%, 12/11/49         | 1,400,000         | 1,472,100         |
| Credit Suisse Commercial Mortgage Trust, AM, FRN, 5.865%, 6/15/39                | 1,781,000         | 1,894,532         |
| Crest Ltd., CDO, 7%, 1/28/40 (a)(p)  | 2,639,859         | 131,993           |
| Falcon Franchise Loan LLC, FRN, 14.915%, 1/05/25 (i)(z)                          | 426,706           | 136,546           |
| First Union National Bank Commercial Mortgage Trust, FRN, 1.901%, 1/12/43 (i)(z) | 686,603           | 913               |
| First Union-Lehman Brothers Bank of America, FRN, 0.706%, 11/18/35 (i)           | 6,105,297         | 114,603           |
| G-Force LLC, CDO, A2, 4.83%, 8/22/36 (z)   | 57,711            | 59,061            |
| GMAC LLC, FRN, 8.34%, 4/15/34 (d)(n)(q)  | 1,177,015         | 953,430           |
| Goldman Sachs Mortgage Securities Corp., FRN, 5.997%, 8/10/45                    | 1,905,985         | 2,116,525         |
| Greenwich Capital Commercial Funding Corp., 5.475%, 3/10/39                      | 1,745,342         | 1,880,423         |
| JPMorgan Chase Commercial Mortgage Securities Corp., 5.552%, 5/12/45             | 1,547,137         | 1,668,024         |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>   |              |               |
| <b>Asset-Backed &amp; Securitized - continued</b>                              |              |               |
| JPMorgan Chase Commercial Mortgage Securities Corp., A4 , FRN, 5.989%, 6/15/49 | \$ 2,000,000 | \$ 2,209,226  |
| JPMorgan Chase Commercial Mortgage Securities Corp., C , FRN, 6.206%, 2/15/51  | 270,000      | 152,847       |
| JPMorgan Chase Commercial Mortgage Securities Corp., FRN, 5.475%, 4/15/43      | 1,526,838    | 1,634,013     |
| JPMorgan Chase Commercial Mortgage Securities Corp., FRN, 6.025%, 4/15/45      | 1,590,000    | 1,727,071     |
| JPMorgan Chase Commercial Mortgage Trust, 2007-LD11, AM , FRN, 5.989%, 6/15/49 | 2,243,253    | 2,354,592     |
| Lehman Brothers Commercial Conduit Mortgage Trust, FRN, 1.248%, 2/18/30 (i)    | 821,809      | 20,964        |
| Morgan Stanley Capital I Trust, AM , FRN, 5.869%, 4/15/49                      | 1,674,000    | 1,766,343     |
| Morgan Stanley Capital I, Inc., FRN, 1.412%, 4/28/39 (i)(z)                    | 3,383,666    | 21,182        |
| Multi Security Asset Trust, A3 , CDO, 5%, 11/28/35 (n)                         | 726,974      | 731,423       |
| Wachovia Bank Commercial Mortgage Trust, A4 , FRN, 6.132%, 2/15/51             | 1,000,000    | 1,098,133     |
| Wachovia Bank Commercial Mortgage Trust, FRN, 5.118%, 7/15/42                  | 1,275,270    | 1,327,862     |
|  |              | \$ 27,202,697 |
| <b>Automotive - 2.5%</b>   |              |               |
| Accuride Corp., 9.5%, 8/01/18  | \$ 1,365,000 | \$ 1,419,600  |
| Allison Transmission, Inc., 7.125%, 5/15/19 (n)                                | 1,630,000    | 1,760,400     |
| Delphi Automotive PLC, 4.15%, 3/15/24  | 392,000      | 401,119       |
| Delphi Corp., 5%, 2/15/23  | 41,000       | 43,460        |
| FCE Bank PLC, 1.875%, 5/12/16  | EUR 300,000  | 423,299       |
| Ford Motor Credit Co. LLC, 1.7%, 5/09/16                                       | \$ 1,000,000 | 1,012,136     |
| Goodyear Tire & Rubber Co., 6.5%, 3/01/21                                      | 1,225,000    | 1,326,063     |
| Goodyear Tire & Rubber Co., 7%, 5/15/22  | 420,000      | 463,050       |
| Harley-Davidson Financial Services, Inc., 2.7%, 3/15/17 (n)                    | 600,000      | 620,879       |
| Hyundai Capital America, 4%, 6/08/17 (n)                                       | 256,000      | 273,310       |
| Jaguar Land Rover PLC, 8.125%, 5/15/21 (n)                                     | 2,020,000    | 2,285,125     |
| Jaguar Land Rover PLC, 5.625%, 2/01/23 (n)                                     | 470,000      | 490,563       |
| Lear Corp., 8.125%, 3/15/20  | 424,000      | 462,160       |
| Lear Corp., 4.75%, 1/15/23 (n)   | 290,000      | 284,925       |
| Lear Corp., 5.375%, 3/15/24  | 140,000      | 143,500       |
| RCI Banque S.A., 4.375%, 1/27/15   | EUR 400,000  | 568,876       |
| Renault S.A., 3.625%, 9/19/18  | EUR 475,000  | 698,681       |
| Schaeffler Finance B.V., 6.875%, 8/15/18 (n)(p)                                | \$ 655,000   | 695,119       |
| TRW Automotive, Inc., 4.5%, 3/01/21 (n)  | 500,000      | 520,000       |
| Volkswagen International Finance N.V., 3.875% to 9/04/18, FRN to 9/29/49       | EUR 400,000  | 580,580       |
|  |              | \$ 14,472,845 |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>                                   |              |               |
| Biotechnology - 0.1%                                       |              |               |
| Life Technologies Corp., 6%, 3/01/20                       | \$ 700,000   | \$ 812,171    |
| Broadcasting - 3.6%  |              |               |
| AMC Networks, Inc., 7.75%, 7/15/21                         | \$ 1,259,000 | \$ 1,410,080  |
| Clear Channel Communications, Inc., 9%, 3/01/21            | 1,001,000    | 1,063,563     |
| Clear Channel Worldwide Holdings, Inc., 6.5%, 11/15/22     | 245,000      | 260,925       |
| Clear Channel Worldwide Holdings, Inc., 6.5%, 11/15/22     | 945,000      | 1,011,150     |
| Clear Channel Worldwide Holdings, Inc., A, 7.625%, 3/15/20 | 55,000       | 58,850        |
| Clear Channel Worldwide Holdings, Inc., B, 7.625%, 3/15/20 | 1,270,000    | 1,368,425     |
| GrafTech International Co., 6.375%, 11/15/20               | 750,000      | 766,875       |
| IAC/InterActive Corp., 4.875%, 11/30/18                    | 185,000      | 193,325       |
| IAC/InterActive Corp., 4.75%, 12/15/22                     | 735,000      | 722,138       |
| Inmarsat Finance PLC, 7.375%, 12/01/17 (n)                 | 835,000      | 868,400       |
| Intelsat Jackson Holdings S.A., 6.625%, 12/15/22 (n)       | 860,000      | 883,650       |
| Intelsat Jackson Holdings S.A., 6.625%, 12/15/22           | 1,545,000    | 1,587,488     |
| Intelsat Jackson Holdings S.A., 5.5%, 8/01/23 (n)          | 325,000      | 318,094       |
| Intelsat Luxembourg S.A., 8.125%, 6/01/23                  | 1,215,000    | 1,275,750     |
| Liberty Media Corp., 8.5%, 7/15/29                         | 1,280,000    | 1,427,200     |
| Liberty Media Corp., 8.25%, 2/01/30                        | 50,000       | 54,750        |
| Myriad International Holdings B.V., 6%, 7/18/20 (n)        | 1,265,000    | 1,382,013     |
| Netflix, Inc., 5.375%, 2/01/21                             | 945,000      | 982,800       |
| Nexstar Broadcasting, Inc., 6.875%, 11/15/20               | 880,000      | 941,600       |
| SES S.A., 3.6%, 4/04/23 (n)                                | 226,000      | 220,393       |
| SIRIUS XM Radio, Inc., 4.25%, 5/15/20 (n)                  | 290,000      | 278,400       |
| SIRIUS XM Radio, Inc., 5.875%, 10/01/20 (n)                | 130,000      | 135,688       |
| SIRIUS XM Radio, Inc., 5.75%, 8/01/21 (n)                  | 195,000      | 199,875       |
| SIRIUS XM Radio, Inc., 4.625%, 5/15/23 (z)                 | 120,000      | 111,000       |
| Univision Communications, Inc., 6.875%, 5/15/19 (n)        | 1,035,000    | 1,106,156     |
| Univision Communications, Inc., 7.875%, 11/01/20 (n)       | 940,000      | 1,032,825     |
| Univision Communications, Inc., 8.5%, 5/15/21 (n)          | 685,000      | 753,500       |
| Vivendi S.A., 4%, 3/31/17                                  | EUR 400,000  | 604,312       |
|  |              | \$ 21,019,225 |
| Brokerage & Asset Managers - 0.4%                          |              |               |
| E*TRADE Financial Corp., 6.375%, 11/15/19                  | \$ 2,295,000 | \$ 2,492,944  |
| Building - 3.3%  |              |               |
| Allegion U.S. Holding Co., Inc., 5.75%, 10/01/21 (n)       | \$ 1,485,000 | \$ 1,574,100  |
| Boise Cascade Co., 6.375%, 11/01/20                        | 640,000      | 688,000       |
| Building Materials Holding Corp., 6.875%, 8/15/18 (n)      | 885,000      | 923,719       |
| Building Materials Holding Corp., 7%, 2/15/20 (n)          | 470,000      | 499,375       |
| Building Materials Holding Corp., 6.75%, 5/01/21 (n)       | 715,000      | 773,988       |
| CEMEX Espana S.A., 9.25%, 5/12/20 (n)                      | 785,000      | 853,688       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par  | Value (\$)    |
|---|-------------|---------------|
| <b>Bonds - continued</b>  |             |               |
| <b>Building - continued</b>   |             |               |
| CEMEX Finance LLC, 9.375%, 10/12/22                                     | \$ 335,000  | \$ 386,088    |
| CEMEX Finance LLC, 6%, 4/01/24 (z)                                      | 488,000     | 488,610       |
| CEMEX S.A.B. de C.V., 5.875%, 3/25/19 (n)                               | 202,000     | 207,555       |
| CEMEX S.A.B. de C.V., 6.5%, 12/10/19 (n)                                | 405,000     | 425,250       |
| CEMEX S.A.B. de C.V., 9.25%, 5/12/20                                    | 335,000     | 364,313       |
| CEMEX S.A.B. de C.V., 7.25%, 1/15/21 (n)                                | 746,000     | 801,950       |
| CEMEX S.A.B. de C.V., FRN, 5.233%, 9/30/15 (n)                          | 552,000     | 567,870       |
| CRH Finance Ltd., 3.125%, 4/03/23                                       | EUR 300,000 | 440,178       |
| Gibraltar Industries, Inc., 6.25%, 2/01/21                              | \$ 365,000  | 386,900       |
| HD Supply, Inc., 8.125%, 4/15/19  | 560,000     | 620,200       |
| HD Supply, Inc., 7.5%, 7/15/20  | 1,580,000   | 1,710,350     |
| Headwaters, Inc., 7.25%, 1/15/19 (n)                                    | 335,000     | 352,588       |
| Headwaters, Inc., 7.625%, 4/01/19                                       | 265,000     | 284,875       |
| Holcim Finance Luxembourg S.A., 3%, 1/22/24                             | EUR 300,000 | 430,400       |
| Holcim GB Finance Ltd., 8.75%, 4/24/17                                  | GBP 200,000 | 399,968       |
| Lafarge S.A., 6.625%, 11/29/18  | EUR 450,000 | 721,075       |
| Mohawk Industries, Inc., 3.85%, 2/01/23                                 | \$ 653,000  | 648,103       |
| Nortek, Inc., 8.5%, 4/15/21   | 1,170,000   | 1,289,925     |
| Odebrecht Finance Ltd., 7.125%, 6/26/42 (n)                             | 419,000     | 426,333       |
| Owens Corning, Inc., 4.2%, 12/15/22                                     | 364,000     | 363,004       |
| Roofing Supply Group LLC/Roofing Supply Finance, Inc., 10%, 6/01/20 (n) | 908,000     | 1,001,070     |
| USG Corp., 6.3%, 11/15/16   | 550,000     | 594,000       |
| USG Corp., 7.875%, 3/30/20 (n)  | 525,000     | 585,375       |
| USG Corp., 5.875%, 11/01/21 (n)   | 245,000     | 260,313       |
|   |             | \$ 19,069,163 |
| <b>Business Services - 1.3%</b>   |             |               |
| Equinix, Inc., 4.875%, 4/01/20  | \$ 855,000  | \$ 872,100    |
| Equinix, Inc., 5.375%, 4/01/23  | 530,000     | 539,275       |
| Fidelity National Information Services, Inc., 5%, 3/15/22               | 870,000     | 910,790       |
| First Data Corp., 10.625%, 6/15/21                                      | 690,000     | 782,288       |
| iGate Corp., 4.75%, 4/15/19 (n)   | 435,000     | 439,894       |
| Iron Mountain, Inc., 8.375%, 8/15/21                                    | 611,000     | 644,605       |
| Iron Mountain, Inc., 6%, 8/15/23  | 780,000     | 828,750       |
| Lender Processing Services, Inc., 5.75%, 4/15/23                        | 330,000     | 353,100       |
| NeuStar, Inc., 4.5%, 1/15/23  | 775,000     | 674,250       |
| Tencent Holdings Ltd., 3.375%, 3/05/18 (n)                              | 664,000     | 677,268       |
| Tencent Holdings Ltd., 3.375%, 5/02/19 (z)                              | 965,000     | 970,039       |
|   |             | \$ 7,692,359  |
| <b>Cable TV - 2.8%</b>  |             |               |
| CCO Holdings LLC, 7.375%, 6/01/20                                       | \$ 390,000  | \$ 428,513    |
| CCO Holdings LLC/CCO Holdings Capital Corp., 8.125%, 4/30/20            | 1,600,000   | 1,754,000     |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par  | Value (\$)    |
|---|-------------|---------------|
| <b>Bonds - continued</b>  |             |               |
| Cable TV - continued  |             |               |
| CCO Holdings LLC/CCO Holdings Capital Corp., 6.5%, 4/30/21            | \$ 705,000  | \$ 752,588    |
| CCO Holdings LLC/CCO Holdings Capital Corp., 5.75%, 1/15/24           | 675,000     | 680,906       |
| Cequel Communications Holdings, 6.375%, 9/15/20 (n)                   | 970,000     | 1,016,075     |
| Columbus International, Inc., 7.375%, 3/30/21 (n)                     | 200,000     | 209,000       |
| Comcast Corp., 4.65%, 7/15/42   | 700,000     | 717,691       |
| Comcast Corp., 4.75%, 3/01/44   | 292,000     | 304,357       |
| DISH DBS Corp., 6.75%, 6/01/21  | 890,000     | 1,005,700     |
| DISH DBS Corp., 5%, 3/15/23   | 755,000     | 770,100       |
| Lynx I Corp., 5.375%, 4/15/21 (n)                                     | 520,000     | 533,000       |
| Lynx II Corp., 6.375%, 4/15/23 (n)                                    | 340,000     | 357,000       |
| Nara Cable Funding Ltd., 8.875%, 12/01/18                             | EUR 300,000 | 449,584       |
| Nara Cable Funding Ltd., 8.875%, 12/01/18 (n)                         | \$ 235,000  | 253,800       |
| Numericable Group S.A., 6%, 5/15/22 (z)                               | 1,290,000   | 1,320,638     |
| Shaw Communications, Inc., 5.65%, 10/01/19                            | CAD 475,000 | 489,765       |
| Telenet Finance Luxembourg, 6.375%, 11/15/20 (n)                      | EUR 450,000 | 669,460       |
| Time Warner Cable, Inc., 5.75%, 6/02/31                               | GBP 250,000 | 472,638       |
| Unitymedia Hessen, 5.5%, 1/15/23 (n)                                  | \$ 670,000  | 676,700       |
| UPCB Finance III Ltd., 6.625%, 7/01/20 (n)                            | 1,294,000   | 1,381,345     |
| Videotron Ltd., 5.375%, 6/15/24 (z)                                   | 155,000     | 156,163       |
| Virgin Media Finance PLC, 8.375%, 10/15/19                            | 194,000     | 207,338       |
| Virgin Media Finance PLC, 5.5%, 1/15/21                               | GBP 300,000 | 525,443       |
| VTR Finance B.V., 6.875%, 1/15/24 (n)                                 | \$ 207,000  | 215,713       |
| Ziggo Bond Co. B.V., 8%, 5/15/18 (n)                                  | EUR 680,000 | 1,014,152     |
|   |             | \$ 16,361,669 |
| <b>Chemicals - 2.7%</b>   |             |               |
| Celanese U.S. Holdings LLC, 5.875%, 6/15/21                           | \$ 995,000  | \$ 1,089,525  |
| Celanese U.S. Holdings LLC, 4.625%, 11/15/22                          | 405,000     | 407,025       |
| CF Industries, Inc., 3.45%, 6/01/23                                   | 577,000     | 563,880       |
| Dow Chemical Co., 8.55%, 5/15/19                                      | 800,000     | 1,025,558     |
| Flash Dutch 2 B.V./U.S. Coatings Acquisition, 7.375%, 5/01/21 (n)     | 810,000     | 888,975       |
| FMC Corp., 4.1%, 2/01/24  | 426,000     | 439,949       |
| Hexion U.S. Finance Corp., 6.625%, 4/15/20                            | 500,000     | 519,375       |
| Hexion U.S. Finance Corp./Hexion Nova Scotia Finance, 8.875%, 2/01/18 | 1,015,000   | 1,056,869     |
| Huntsman International LLC, 8.625%, 3/15/21                           | 1,740,000   | 1,940,100     |
| INEOS Finance PLC, 8.375%, 2/15/19 (n)                                | 1,390,000   | 1,530,738     |
| INEOS Group Holdings S.A., 6.125%, 8/15/18 (n)                        | 920,000     | 953,350       |
| INEOS Group Holdings S.A., 5.875%, 2/15/19 (n)                        | 200,000     | 204,000       |
| LYB International Finance B.V., 4%, 7/15/23                           | 270,000     | 279,713       |
| LyondellBasell Industries N.V., 5.75%, 4/15/24                        | 487,000     | 567,758       |
| NOVA Chemicals Corp., 5.25%, 8/01/23 (n)                              | 372,000     | 398,040       |
| Polypore International, Inc., 7.5%, 11/15/17                          | 460,000     | 486,174       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>                                      |              |               |
| <b>Chemicals - continued</b>                                  |              |               |
| Sociedad Quimica y Minera de Chile S.A., 5.5%, 4/21/20 (n)    | \$ 568,000   | \$ 614,952    |
| Tamino Global Chemical Corp., 9.75%, 3/31/20 (n)              | 1,200,000    | 1,351,500     |
| Tronox Finance LLC, 6.375%, 8/15/20                           | 1,165,000    | 1,188,300     |
|   |              | \$ 15,505,781 |
| <b>Computer Software - 0.4%</b>                               |              |               |
| Syniverse Holdings, Inc., 9.125%, 1/15/19                     | \$ 1,465,000 | \$ 1,589,525  |
| VeriSign, Inc., 4.625%, 5/01/23                               | 1,005,000    | 962,288       |
|   |              | \$ 2,551,813  |
| <b>Computer Software - Systems - 0.4%</b>                     |              |               |
| Audatex North America, Inc., 6%, 6/15/21 (n)                  | \$ 820,000   | \$ 879,450    |
| Audatex North America, Inc., 6.125%, 11/01/23 (n)             | 220,000      | 235,125       |
| CDW LLC/CDW Finance Corp., 12.535%, 10/12/17                  | 44,000       | 45,980        |
| CDW LLC/CDW Finance Corp., 8.5%, 4/01/19                      | 1,145,000    | 1,252,344     |
|   |              | \$ 2,412,899  |
| <b>Conglomerates - 1.5%</b>                                   |              |               |
| Alfa S.A.B de C.V., 5.25%, 3/25/24 (n)                        | \$ 217,000   | \$ 220,526    |
| Amsted Industries Co., 5%, 3/15/22 (n)                        | 1,005,000    | 1,002,488     |
| BC Mountain LLC, 7%, 2/01/21 (n)                              | 980,000      | 953,050       |
| Dynacast International LLC, 9.25%, 7/15/19                    | 755,000      | 838,050       |
| Entegris, Inc., 6%, 4/01/22 (n)                               | 855,000      | 865,688       |
| Metalloinvest Finance Ltd., 5.625%, 4/17/20 (n)               | 708,000      | 631,890       |
| Renaissance Acquisition, 6.875%, 8/15/21 (n)                  | 1,300,000    | 1,334,125     |
| Rexel S.A., 6.125%, 12/15/19 (n)                              | 1,085,000    | 1,150,100     |
| Siemens Financierings N.V., 5.25% to 9/14/16, FRN to 9/14/66  | EUR 300,000  | 449,326       |
| Siemens Financierings N.V., 6.125% to 9/14/16, FRN to 9/14/66 | GBP 150,000  | 272,888       |
| Silver II Borrower, 7.75%, 12/15/20 (n)                       | \$ 940,000   | 1,019,900     |
|   |              | \$ 8,738,031  |
| <b>Construction - 0.1%</b>                                    |              |               |
| Empresas ICA S.A.B. de C.V., 8.9%, 2/04/21                    | \$ 590,000   | \$ 601,800    |
| <b>Consumer Products - 0.8%</b>                               |              |               |
| Elizabeth Arden, Inc., 7.375%, 3/15/21                        | \$ 950,000   | \$ 1,042,625  |
| Henkel AG & Co. KGaA, 5.375% to 11/25/15, FRN to 11/25/04     | EUR 300,000  | 440,775       |
| Mattel, Inc., 1.7%, 3/15/18                                   | \$ 192,000   | 190,217       |
| Prestige Brands, Inc., 8.125%, 2/01/20                        | 373,000      | 417,760       |
| Prestige Brands, Inc., 5.375%, 12/15/21 (n)                   | 545,000      | 558,625       |
| Prosegur Compania de Seguridad S.A., 2.75%, 4/02/18           | EUR 400,000  | 579,030       |
| Reckitt Benckiser Treasury Services PLC, 3.625%, 9/21/23 (n)  | \$ 500,000   | 501,855       |
| Spectrum Brands, Inc., 6.375%, 11/15/20                       | 750,000      | 813,750       |
|   |              | \$ 4,544,637  |



**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>                           |              |               |
| Consumer Services - 1.3%                           |              |               |
| ADT Corp., 6.25%, 10/15/21 (n)                     | \$ 1,525,000 | \$ 1,589,813  |
| ADT Corp., 4.125%, 6/15/23                         | 370,000      | 333,000       |
| Garda World Security Corp., 7.25%, 11/15/21 (z)    | 755,000      | 795,581       |
| Grupo Posadas S.A.B. de C.V., 7.875%, 11/30/17     | 475,000      | 480,938       |
| Monitronics International, Inc., 9.125%, 4/01/20   | 1,495,000    | 1,590,306     |
| QVC, Inc., 7.375%, 10/15/20 (n)                    | 620,000      | 667,625       |
| Service Corp. International, 7%, 6/15/17           | 1,345,000    | 1,513,125     |
| Service Corp. International, 5.375%, 5/15/24 (z)   | 265,000      | 266,988       |
|  |              | \$ 7,237,376  |
| Containers - 2.1%                                  |              |               |
| Ardagh Packaging Finance PLC, 7.375%, 10/15/17 (n) | \$ 770,000   | \$ 815,238    |
| Ardagh Packaging Finance PLC, 9.125%, 10/15/20 (n) | 1,450,000    | 1,605,875     |
| Ardagh Packaging Finance PLC, 9.125%, 10/15/20 (n) | 750,000      | 834,375       |
| Ball Corp., 5%, 3/15/22                            | 1,338,000    | 1,368,105     |
| Ball Corp., 4%, 11/15/23                           | 85,000       | 78,838        |
| Berry Plastics Group, Inc., 9.75%, 1/15/21         | 460,000      | 533,600       |
| Beverage Packaging Holdings Group, 6%, 6/15/17 (n) | 145,000      | 149,350       |
| Crown American LLC, 4.5%, 1/15/23                  | 1,635,000    | 1,561,425     |
| Greif, Inc., 6.75%, 2/01/17                        | 580,000      | 643,800       |
| Reynolds Group, 7.125%, 4/15/19                    | 910,000      | 960,050       |
| Reynolds Group, 9.875%, 8/15/19                    | 375,000      | 416,250       |
| Reynolds Group, 5.75%, 10/15/20                    | 600,000      | 624,000       |
| Reynolds Group, 8.25%, 2/15/21                     | 1,735,000    | 1,875,969     |
| Signode Industrial Group, 6.375%, 5/01/22 (z)      | 880,000      | 888,800       |
|  |              | \$ 12,355,675 |
| Defense Electronics - 0.4%                         |              |               |
| BAE Systems PLC, 4.125%, 6/08/22                   | GBP 350,000  | \$ 607,621    |
| Ducommun, Inc., 9.75%, 7/15/18                     | \$ 1,417,000 | 1,579,955     |
|  |              | \$ 2,187,576  |
| Electrical Equipment - 0.1%                        |              |               |
| Avaya, Inc., 9.75%, 11/01/15                       | \$ 355,000   | \$ 355,852    |
| Avaya, Inc., 7%, 4/01/19 (n)                       | 245,000      | 243,775       |
|  |              | \$ 599,627    |
| Electronics - 0.8%                                 |              |               |
| Advanced Micro Devices, Inc., 6.75%, 3/01/19 (n)   | \$ 950,000   | \$ 985,625    |
| Micron Technology, Inc., 5.875%, 2/15/22 (n)       | 325,000      | 342,875       |
| Nokia Corp., 5.375%, 5/15/19                       | 325,000      | 347,750       |
| Nokia Corp., 6.625%, 5/15/39                       | 250,000      | 268,438       |
| NXP B.V., 5.75%, 2/15/21 (n)                       | 480,000      | 507,600       |
| NXP B.V., 5.75%, 3/15/23 (n)                       | 400,000      | 423,000       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)   |
|---|--------------|--------------|
| <b>Bonds - continued</b>                                      |              |              |
| <b>Electronics - continued</b>                                |              |              |
| Sensata Technologies B.V., 6.5%, 5/15/19 (n)                  | \$ 1,045,000 | \$ 1,115,538 |
| Tyco Electronics Group S.A., 6.55%, 10/01/17                  | 700,000      | 810,857      |
|   |              | \$ 4,801,683 |
| <b>Emerging Market Quasi-Sovereign - 5.2%</b>                 |              |              |
| Banco de Reservas de la Republica Dominicana, 7%, 2/01/23 (n) | \$ 946,000   | \$ 909,343   |
| Banco do Estado Rio Grande do Sul S.A., 7.375%, 2/02/22 (n)   | 412,000      | 426,317      |
| CNOOC Finance (2013) Ltd., 3%, 5/09/23                        | 389,000      | 356,818      |
| CNPC (HK) Overseas Capital Ltd., 4.5%, 4/28/21 (n)            | 1,242,000    | 1,302,803    |
| CNPC General Capital Ltd., 3.4%, 4/16/23 (n)                  | 391,000      | 369,326      |
| Comision Federal de Electricidad, 4.875%, 1/15/24 (n)         | 211,000      | 216,539      |
| Comision Federal de Electricidad, 5.75%, 2/14/42 (n)          | 915,000      | 909,281      |
| Corporacion Nacional del Cobre de Chile, 4.25%, 7/17/42 (n)   | 206,000      | 181,049      |
| Dolphin Energy Ltd., 5.5%, 12/15/21 (n)                       | 241,000      | 269,619      |
| Ecopetrol S.A., 7.375%, 9/18/43                               | 474,000      | 564,653      |
| Gaz Capital S.A., 4.95%, 2/06/28 (n)                          | 820,000      | 670,350      |
| Gazprom Neft, 4.375%, 9/19/22 (n)                             | 383,000      | 315,975      |
| Gazprom Neft, 6%, 11/27/23 (n)                                | 471,000      | 425,078      |
| KazAgro National Management Holding, 4.625%, 5/24/23 (n)      | 382,000      | 355,260      |
| Kazakhstan Temir Zholy Co., 6.95%, 7/10/42 (n)                | 316,000      | 322,671      |
| KazMunayGas National Co., 4.4%, 4/30/23 (n)                   | 285,000      | 268,969      |
| Magyar Export-Import Bank, 5.5%, 2/12/18 (n)                  | 238,000      | 252,704      |
| Majapahit Holding B.V., 7.25%, 6/28/17 (n)                    | 1,469,000    | 1,658,134    |
| Majapahit Holding B.V., 8%, 8/07/19 (n)                       | 1,197,000    | 1,388,520    |
| Majapahit Holding B.V., 7.75%, 1/20/20 (n)                    | 1,045,000    | 1,199,138    |
| Office Cherifien des Phosphates, 6.875%, 4/25/44 (z)          | 373,000      | 373,037      |
| Oleoducto Central S.A., 4%, 5/07/21 (z)                       | 205,000      | 203,702      |
| Pemex Project Funding Master Trust, 5.75%, 3/01/18            | 1,341,000    | 1,490,186    |
| Pertamina PT, 5.25%, 5/23/21 (n)                              | 511,000      | 512,916      |
| Pertamina PT, 4.875%, 5/03/22 (n)                             | 540,000      | 519,075      |
| Pertamina PT, 4.3%, 5/20/23 (n)                               | 323,000      | 293,526      |
| Pertamina PT, 5.625%, 5/20/43 (n)                             | 371,000      | 314,886      |
| Petroleos Mexicanos, 8%, 5/03/19                              | 1,382,000    | 1,687,768    |
| Petroleos Mexicanos, 6%, 3/05/20                              | 805,000      | 906,631      |
| Petroleos Mexicanos, 5.5%, 1/21/21                            | 1,360,000    | 1,489,200    |
| Petroleos Mexicanos, 4.875%, 1/24/22                          | 1,048,000    | 1,100,138    |
| Petroleos Mexicanos, 4.875%, 1/18/24                          | 354,000      | 366,302      |
| Petroleos Mexicanos, 4.875%, 1/18/24 (n)                      | 286,000      | 295,939      |
| Petroleum Co. of Trinidad & Tobago Ltd., 9.75%, 8/14/19 (n)   | 476,000      | 602,140      |
| Petroleum Co. of Trinidad & Tobago Ltd., 6%, 5/08/22          | 462,542      | 498,389      |
| PT Perusahaan Listrik Negara, 5.5%, 11/22/21 (n)              | 752,000      | 764,220      |
| Qtel International Finance Ltd., 3.875%, 1/31/28 (n)          | 205,000      | 187,063      |
| Ras Laffan Liquefied Natural Gas Co. Ltd., 6.75%, 9/30/19 (n) | 1,230,000    | 1,456,013    |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par     | Value (\$)    |
|---|----------------|---------------|
| <b>Bonds - continued</b>  |                |               |
| Emerging Market Quasi-Sovereign - continued                         |                |               |
| Sinopec Capital (2013) Ltd., 3.125%, 4/24/23 (n)                    | \$ 666,000     | \$ 616,828    |
| Sinopec Capital (2013) Ltd., 4.25%, 4/24/43 (n)                     | 548,000        | 489,241       |
| Sinopec Group Overseas Development (2012) Ltd., 3.9%, 5/17/22 (n)   | 544,000        | 539,633       |
| Sinopec Group Overseas Development (2014) Ltd., 4.375%, 4/10/24 (z) | 177,000        | 178,662       |
| State Grid Overseas Investment (2014) Ltd., 4.125%, 5/07/24 (z)     | 2,562,000      | 2,558,772     |
|   |                | \$ 29,806,814 |
| Emerging Market Sovereign - 7.1%                                    |                |               |
| Dominican Republic, 7.5%, 5/06/21 (n)                               | \$ 879,000     | \$ 975,690    |
| Dominican Republic, 6.6%, 1/28/24 (n)                               | 188,000        | 194,110       |
| Dominican Republic, 5.875%, 4/18/24 (n)                             | 206,000        | 204,970       |
| Federative Republic of Brazil, 4.25%, 1/07/25                       | 372,000        | 369,210       |
| Notas do Tesouro Nacional, 10%, 1/01/23                             | BRL 18,599,000 | 7,305,325     |
| Oriental Republic of Uruguay, 4.5%, 8/14/24                         | \$ 567,000     | 584,719       |
| Republic of Colombia, 8.125%, 5/21/24                               | 679,000        | 896,280       |
| Republic of Colombia, 6.125%, 1/18/41                               | 658,000        | 750,120       |
| Republic of Croatia, 5.5%, 4/04/23 (n)                              | 412,000        | 416,120       |
| Republic of Guatemala, 5.75%, 6/06/22 (n)                           | 387,000        | 417,476       |
| Republic of Hungary, 5.375%, 2/21/23                                | 674,000        | 703,488       |
| Republic of Indonesia, 6.875%, 1/17/18                              | 838,000        | 953,225       |
| Republic of Indonesia, 11.625%, 3/04/19                             | 733,000        | 987,718       |
| Republic of Indonesia, 4.875%, 5/05/21 (n)                          | 671,000        | 691,969       |
| Republic of Indonesia, 3.375%, 4/15/23 (n)                          | 517,000        | 468,531       |
| Republic of Indonesia, 5.875%, 1/15/24 (n)                          | 225,000        | 243,563       |
| Republic of Lithuania, 6.125%, 3/09/21 (n)                          | 499,000        | 573,601       |
| Republic of Lithuania, 6.625%, 2/01/22 (n)                          | 1,425,000      | 1,695,750     |
| Republic of Panama, 8.875%, 9/30/27                                 | 1,273,000      | 1,788,565     |
| Republic of Panama, 9.375%, 4/01/29                                 | 873,000        | 1,259,303     |
| Republic of Paraguay, 4.625%, 1/25/23 (n)                           | 212,000        | 209,615       |
| Republic of Peru, 7.35%, 7/21/25                                    | 544,000        | 712,640       |
| Republic of Peru, 8.75%, 11/21/33                                   | 629,000        | 945,073       |
| Republic of Philippines, 5.5%, 3/30/26                              | 802,000        | 910,270       |
| Republic of Poland, 5%, 3/23/22                                     | 609,000        | 663,049       |
| Republic of Romania, 6.75%, 2/07/22 (n)                             | 1,074,000      | 1,271,348     |
| Republic of Romania, 4.375%, 8/22/23 (n)                            | 486,000        | 492,075       |
| Republic of Romania, 4.875%, 1/22/24 (n)                            | 328,000        | 344,400       |
| Republic of Serbia, 5.25%, 11/21/17 (n)                             | 207,000        | 212,693       |
| Republic of Slovakia, 4.375%, 5/21/22 (n)                           | 1,562,000      | 1,647,082     |
| Republic of Trinidad & Tobago, 4.375%, 1/16/24 (n)                  | 213,000        | 227,165       |
| Republic of Turkey, 7%, 3/11/19                                     | 790,000        | 902,575       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par     | Value (\$)    |
|--|----------------|---------------|
| <b>Bonds - continued</b>                                 |                |               |
| Emerging Market Sovereign - continued                    |                |               |
| Republic of Turkey, 5.625%, 3/30/21                      | \$ 670,000     | \$ 720,250    |
| Republic of Turkey, 6.25%, 9/26/22                       | 646,000        | 718,029       |
| Republic of Venezuela, 7.65%, 4/21/25                    | 673,000        | 498,020       |
| Republic of Vietnam, 6.75%, 1/29/20                      | 537,000        | 605,468       |
| Russian Federation, 4.875%, 9/16/23 (n)                  | 1,200,000      | 1,138,500     |
| Russian Federation, 7.5%, 3/31/30                        | 400,040        | 446,045       |
| Russian Federation, 5.625%, 4/04/42 (n)                  | 600,000        | 552,000       |
| United Mexican States, 3.625%, 3/15/22                   | 1,710,000      | 1,733,085     |
| United Mexican States, 4%, 10/02/23                      | 1,364,000      | 1,398,100     |
| United Mexican States, 8.5%, 5/31/29                     | MXN 29,290,000 | 2,598,684     |
| United Mexican States, 5.75%, 10/12/10                   | \$ 408,000     | 409,020       |
|  |                | \$ 40,834,919 |
| <b>Energy - Independent - 5.9%</b>                       |                |               |
| Afren PLC, 11.5%, 2/01/16 (n)                            | \$ 335,000     | \$ 378,550    |
| Afren PLC, 10.25%, 4/08/19 (n)                           | 219,000        | 248,018       |
| Antero Resources Finance Corp., 6%, 12/01/20             | 625,000        | 668,750       |
| Antero Resources Finance Corp., 5.375%, 11/01/21 (n)     | 1,020,000      | 1,042,950     |
| Athlon Holdings LP/Athlon Finance Corp., 6%, 5/01/22 (z) | 685,000        | 692,706       |
| Bill Barrett Corp., 7%, 10/15/22                         | 1,020,000      | 1,071,000     |
| BreitBurn Energy Partners LP, 8.625%, 10/15/20           | 435,000        | 474,150       |
| BreitBurn Energy Partners LP, 7.875%, 4/15/22            | 1,405,000      | 1,520,913     |
| Carrizo Oil & Gas, Inc., 7.5%, 9/15/20                   | 480,000        | 525,600       |
| Chaparral Energy, Inc., 7.625%, 11/15/22                 | 975,000        | 1,038,375     |
| Cimarex Energy Co., 5.875%, 5/01/22                      | 270,000        | 293,625       |
| Concho Resources, Inc., 6.5%, 1/15/22                    | 1,125,000      | 1,231,875     |
| Concho Resources, Inc., 5.5%, 4/01/23                    | 925,000        | 963,156       |
| Continental Resources, Inc., 4.5%, 4/15/23               | 315,000        | 331,018       |
| Denbury Resources, Inc., 4.625%, 7/15/23                 | 895,000        | 851,369       |
| Energy XXI Gulf Coast, Inc., 9.25%, 12/15/17             | 629,000        | 683,251       |
| EP Energy LLC, 6.875%, 5/01/19                           | 330,000        | 354,338       |
| EP Energy LLC, 9.375%, 5/01/20                           | 1,280,000      | 1,475,200     |
| EP Energy LLC, 7.75%, 9/01/22                            | 2,590,000      | 2,884,613     |
| EPL Oil & Gas, Inc., 8.25%, 2/15/18                      | 1,040,000      | 1,123,200     |
| Halcon Resources Corp., 8.875%, 5/15/21                  | 1,835,000      | 1,901,519     |
| Harvest Operations Corp., 6.875%, 10/01/17               | 1,590,000      | 1,723,163     |
| Hilcorp Energy I/Hilcorp Finance Co., 8%, 2/15/20 (n)    | 350,000        | 377,563       |
| Laredo Petroleum, Inc., 9.5%, 2/15/19                    | 270,000        | 297,000       |
| Laredo Petroleum, Inc., 5.625%, 1/15/22 (n)              | 345,000        | 351,900       |
| Laredo Petroleum, Inc., 7.375%, 5/01/22                  | 255,000        | 281,138       |
| LINN Energy LLC, 8.625%, 4/15/20                         | 45,000         | 48,544        |
| LINN Energy LLC, 7.75%, 2/01/21                          | 1,512,000      | 1,617,840     |
| MEG Energy Corp., 6.5%, 3/15/21 (n)                      | 1,030,000      | 1,084,075     |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>                               |              |               |
| Energy - Independent - continued                       |              |               |
| MEG Energy Corp., 7%, 3/31/24 (n)                      | \$ 480,000   | \$ 508,800    |
| Northern Blizzard Resources, Inc., 7.25%, 2/01/22 (n)  | 1,030,000    | 1,058,325     |
| Nostrum Oil & Gas Finance B.V., 6.375%, 2/14/19 (n)    | 293,000      | 293,000       |
| Oasis Petroleum, Inc., 6.875%, 3/15/22 (n)             | 1,020,000    | 1,106,700     |
| Pioneer Natural Resources Co., 6.65%, 3/15/17          | 700,000      | 794,378       |
| Range Resources Corp., 5%, 8/15/22                     | 1,180,000    | 1,212,450     |
| Rice Energy, Inc., 6.25%, 5/01/22 (z)                  | 375,000      | 375,469       |
| SandRidge Energy, Inc., 8.125%, 10/15/22               | 1,805,000    | 1,953,913     |
| SM Energy Co., 6.5%, 11/15/21                          | 1,080,000    | 1,161,000     |
|  |              | \$ 33,999,434 |
| Energy - Integrated - 0.9%                             |              |               |
| BG Energy Capital PLC, FRN, 6.5%, 11/30/72             | EUR 350,000  | \$ 545,055    |
| Eni S.p.A., 4%, 6/29/20                                | EUR 300,000  | 471,868       |
| Listrindo Capital B.V., 6.95%, 2/21/19 (n)             | \$ 239,000   | 253,340       |
| LUKOIL International Finance B.V., 4.563%, 4/24/23 (n) | 1,029,000    | 900,375       |
| Murphy Oil Corp., 2.5%, 12/01/17                       | 700,000      | 716,300       |
| Pacific Rubiales Energy Corp., 7.25%, 12/12/21 (n)     | 1,145,000    | 1,250,913     |
| Pacific Rubiales Energy Corp., 5.125%, 3/28/23 (n)     | 419,000      | 404,859       |
| Repsol International Finance B.V., 3.625%, 10/07/21    | EUR 400,000  | 608,076       |
|  |              | \$ 5,150,786  |
| Engineering - Construction - 0.0%                      |              |               |
| BakerCorp International, Inc., 8.25%, 6/01/19          | \$ 170,000   | \$ 175,100    |
| Entertainment - 1.0%                                   |              |               |
| Activision Blizzard, Inc., 6.125%, 9/15/23 (n)         | \$ 1,045,000 | \$ 1,136,438  |
| Cedar Fair LP, 9.125%, 8/01/18                         | 575,000      | 610,938       |
| Cedar Fair LP, 5.25%, 3/15/21                          | 1,130,000    | 1,146,950     |
| Cinemark USA, Inc., 5.125%, 12/15/22                   | 1,045,000    | 1,045,000     |
| Cinemark USA, Inc., 4.875%, 6/01/23                    | 780,000      | 756,600       |
| Six Flags Entertainment Corp., 5.25%, 1/15/21 (n)      | 1,325,000    | 1,338,250     |
|  |              | \$ 6,034,176  |
| Financial Institutions - 4.2%                          |              |               |
| Aircastle Ltd., 4.625%, 12/15/18                       | \$ 790,000   | \$ 808,763    |
| Aviation Capital Group, 4.625%, 1/31/18 (n)            | 685,000      | 717,331       |
| Aviation Capital Group, 6.75%, 4/06/21 (n)             | 745,000      | 833,158       |
| CIT Group, Inc., 5.25%, 3/15/18                        | 1,615,000    | 1,732,088     |
| CIT Group, Inc., 6.625%, 4/01/18 (n)                   | 1,447,000    | 1,615,214     |
| CIT Group, Inc., 5.5%, 2/15/19 (n)                     | 1,024,000    | 1,103,360     |
| CIT Group, Inc., 3.875%, 2/19/19                       | 1,255,000    | 1,269,119     |
| CIT Group, Inc., 5%, 8/15/22                           | 875,000      | 894,688       |
| General Electric Capital Corp., 3.1%, 1/09/23          | 1,488,000    | 1,472,562     |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par  | Value (\$)    |
|---|-------------|---------------|
| <b>Bonds - continued</b>  |             |               |
| <b>Financial Institutions - continued</b>                           |             |               |
| General Electric Capital Corp., 6.375% to 11/15/17, FRN to 11/15/67 | \$ 300,000  | \$ 333,750    |
| Icahn Enterprises LP, 6%, 8/01/20                                   | 420,000     | 446,250       |
| Icahn Enterprises LP, 6%, 8/01/20 (n)                               | 535,000     | 564,425       |
| Icahn Enterprises LP, 5.875%, 2/01/22 (n)                           | 1,405,000   | 1,426,075     |
| International Lease Finance Corp., 7.125%, 9/01/18 (n)              | 1,437,000   | 1,666,920     |
| Nationstar Mortgage LLC/Capital Corp., 10.875%, 4/01/15             | 535,000     | 538,344       |
| Nationstar Mortgage LLC/Capital Corp., 6.5%, 8/01/18                | 640,000     | 644,800       |
| Nationstar Mortgage LLC/Capital Corp., 7.875%, 10/01/20             | 1,560,000   | 1,595,100     |
| Nationstar Mortgage LLC/Capital Corp., 6.5%, 7/01/21                | 335,000     | 319,506       |
| PHH Corp., 7.375%, 9/01/19  | 655,000     | 723,775       |
| PHH Corp., 6.375%, 8/15/21  | 330,000     | 341,550       |
| SLM Corp., 8.45%, 6/15/18   | 1,325,000   | 1,561,844     |
| SLM Corp., 4.875%, 6/17/19  | 276,000     | 283,936       |
| SLM Corp., 8%, 3/25/20  | 2,125,000   | 2,454,375     |
| SLM Corp., 7.25%, 1/25/22   | 935,000     | 1,029,669     |
|   |             | \$ 24,376,602 |
| <b>Food &amp; Beverages - 1.7%</b>                                  |             |               |
| Ajecorp B.V., 6.5%, 5/14/22 (n)                                     | \$ 413,000  | \$ 388,220    |
| B&G Foods, Inc., 4.625%, 6/01/21                                    | 460,000     | 457,700       |
| BRF S.A., 5.875%, 6/06/22 (n)                                       | 216,000     | 230,040       |
| BRF S.A., 3.95%, 5/22/23 (n)  | 205,000     | 188,088       |
| Coca-Cola HBC Finance B.V., 4.25%, 11/16/16                         | EUR 348,000 | 520,964       |
| Constellation Brands, Inc., 3.75%, 5/01/21                          | \$ 150,000  | 146,625       |
| Constellation Brands, Inc., 4.25%, 5/01/23                          | 1,460,000   | 1,434,450     |
| Cosan Luxembourg S.A., 5%, 3/14/23 (n)                              | 205,000     | 194,750       |
| Darling Escrow Corp., 5.375%, 1/15/22 (n)                           | 990,000     | 1,017,225     |
| Embotelladora Andina S.A., 5%, 10/01/23 (n)                         | 418,000     | 443,823       |
| Grupo Bimbo S.A.B. de C.V., 4.5%, 1/25/22 (n)                       | 417,000     | 432,179       |
| Hawk Acquisition Sub, Inc., 4.25%, 10/15/20 (n)                     | 790,000     | 778,545       |
| JBS Investments GmbH, 7.75%, 10/28/20 (n)                           | 402,000     | 427,628       |
| Kraft Foods Group, Inc., 2.25%, 6/05/17                             | 700,000     | 717,602       |
| Minerva Luxembourg S.A., 8.75% to 4/03/19, FRN to 12/29/49 (n)      | 319,000     | 316,687       |
| Sun Merger Sub, Inc., 5.875%, 8/01/21 (n)                           | 1,170,000   | 1,229,963     |
| Tyson Foods, Inc., 6.6%, 4/01/16                                    | 820,000     | 902,043       |
| Wm. Wrigley Jr. Co., 2.9%, 10/21/19 (n)                             | 239,000     | 242,811       |
|   |             | \$ 10,069,343 |
| <b>Forest &amp; Paper Products - 0.6%</b>                           |             |               |
| Appvion, Inc., 9%, 6/01/20 (n)                                      | \$ 795,000  | \$ 806,925    |
| International Paper Co., 6%, 11/15/41                               | 700,000     | 820,434       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>  |              |               |
| Forest & Paper Products - continued                                   |              |               |
| Smurfit Kappa Group PLC, 7.75%, 11/15/19 (n)                          | EUR 600,000  | \$ 888,597    |
| Tembec Industries, Inc., 11.25%, 12/15/18                             | \$ 680,000   | 741,200       |
|   |              | \$ 3,257,156  |
| Furniture & Appliances - 0.0%   |              |               |
| Arcelik A.S., 5%, 4/03/23 (n)   | \$ 215,000   | \$ 201,993    |
| Gaming & Lodging - 2.1%   |              |               |
| Caesars Entertainment Operating Co., Inc., 8.5%, 2/15/20              | \$ 400,000   | \$ 345,000    |
| Carnival Corp., 1.2%, 2/05/16   | 500,000      | 502,960       |
| CCM Merger, Inc., 9.125%, 5/01/19 (n)                                 | 890,000      | 954,525       |
| Chester Downs & Marina LLC, 9.25%, 2/01/20 (n)                        | 425,000      | 420,750       |
| Greektown Holdings LLC, 8.875%, 3/15/19 (n)                           | 825,000      | 849,750       |
| Hilton Worldwide Finance Co., 5.625%, 10/15/21 (n)                    | 925,000      | 964,313       |
| Isle of Capri Casinos, Inc., 8.875%, 6/15/20                          | 630,000      | 663,075       |
| Isle of Capri Casinos, Inc., 5.875%, 3/15/21                          | 165,000      | 164,588       |
| MGM Resorts International, 11.375%, 3/01/18                           | 490,000      | 635,775       |
| MGM Resorts International, 6.625%, 12/15/21                           | 820,000      | 902,246       |
| Pinnacle Entertainment, Inc., 8.75%, 5/15/20                          | 610,000      | 666,730       |
| Playa Resorts Holdings B.V., 8%, 8/15/20 (n)                          | 164,000      | 177,120       |
| PNK Finance Corp., 6.375%, 8/01/21 (n)                                | 565,000      | 593,250       |
| Ryman Hospitality Properties, Inc., REIT, 5%, 4/15/21                 | 830,000      | 827,925       |
| Seven Seas Cruises S. DE R.L., 9.125%, 5/15/19                        | 1,150,000    | 1,265,000     |
| Wyndham Worldwide Corp., 2.5%, 3/01/18                                | 650,000      | 655,777       |
| Wyndham Worldwide Corp., 5.625%, 3/01/21                              | 132,000      | 144,707       |
| Wynn Las Vegas LLC, 7.75%, 8/15/20                                    | 1,250,000    | 1,381,375     |
|   |              | \$ 12,114,866 |
| Health Maintenance Organizations - 0.1%                               |              |               |
| Wellcare Health Plans, Inc., 5.75%, 11/15/20                          | \$ 380,000   | \$ 405,650    |
| Industrial - 0.8%   |              |               |
| Dematic S.A., 7.75%, 12/15/20 (n)                                     | \$ 1,395,000 | \$ 1,487,419  |
| Howard Hughes Corp., 6.875%, 10/01/21 (n)                             | 1,060,000    | 1,139,500     |
| Hyva Global B.V., 8.625%, 3/24/16 (n)                                 | 702,000      | 706,388       |
| Mueller Water Products, Inc., 8.75%, 9/01/20                          | 613,000      | 683,495       |
| SPL Logistics Escrow LLC, 8.875%, 8/01/20 (n)                         | 795,000      | 884,438       |
|   |              | \$ 4,901,240  |
| Insurance - 1.0%  |              |               |
| AIG SunAmerica Global Financing X, 6.9%, 3/15/32 (n)                  | \$ 484,000   | \$ 634,660    |
| American International Group, Inc., 4.875% to 3/15/17, FRN to 3/15/67 | EUR 600,000  | 855,301       |
| Assicurazioni Generali S.p.A., 7.75% to 2022, FRN to 12/12/42         | EUR 200,000  | 347,184       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  |     | Shares/Par  | Value (\$)   |
|---|-----|-------------|--------------|
| <b>Bonds - continued</b>  |     |             |              |
| <b>Insurance - continued</b>                                    |     |             |              |
| Aviva PLC, 5.7% to 9/29/15, FRN to 9/29/49                      | EUR | 400,000     | \$ 576,100   |
| CNP Assurances S.A., 6% to 9/14/20, FRN to 9/14/40              | EUR | 400,000     | 628,404      |
| Delta Lloyd N.V., FRN, 9%, 8/29/42                              | EUR | 450,000     | 830,892      |
| Five Corners Funding Trust, 4.419%, 11/15/23 (n)                | \$  | 470,000     | 490,862      |
| Unum Group, 7.125%, 9/30/16                                     |     | 829,000     | 943,741      |
| Unum Group, 4%, 3/15/24   |     | 259,000     | 263,052      |
|   |     |             | \$ 5,570,196 |
| <b>Insurance - Property &amp; Casualty - 1.1%</b>               |     |             |              |
| Amlin PLC, 6.5% to 12/19/16, FRN to 12/19/26                    | GBP | 200,000     | \$ 354,564   |
| Clerical Medical Finance PLC, 4.25% to 6/24/15, FRN to 6/29/49  | EUR | 500,000     | 701,694      |
| CNA Financial Corp., 5.875%, 8/15/20                            | \$  | 700,000     | 813,878      |
| Mapfre S.A., 5.125%, 11/16/15                                   | EUR | 300,000     | 442,084      |
| Marsh & McLennan Cos., Inc., 2.55%, 10/15/18                    | \$  | 330,000     | 335,321      |
| QBE Capital Funding III Ltd., 7.5% to 5/24/21, FRN to 5/24/41   | GBP | 300,000     | 562,523      |
| XL Group PLC, 6.5% to 4/15/17, FRN to 12/29/49                  | \$  | 1,825,000   | 1,797,625    |
| ZFS Finance USA Trust II, 6.45% to 6/15/16, FRN to 12/15/65 (n) |     | 1,310,000   | 1,408,250    |
|   |     |             | \$ 6,415,939 |
| <b>International Market Quasi-Sovereign - 1.6%</b>              |     |             |              |
| Caisse d Amortissement de la Dette Sociale, 1%, 5/25/18         | EUR | 350,000     | \$ 490,829   |
| Eksportfinans A.S.A., 5.5%, 5/25/16                             | \$  | 315,000     | 333,900      |
| Eksportfinans A.S.A., 5.5%, 6/26/17                             |     | 580,000     | 620,600      |
| Electricite de France, 5.25% to 1/29/13, FRN to 12/29/49 (n)    |     | 1,413,000   | 1,441,967    |
| ESB Finance Ltd., 4.375%, 11/21/19                              | EUR | 400,000     | 632,126      |
| Israel Electric Corp. Ltd., 6.7%, 2/10/17 (n)                   | \$  | 843,000     | 917,816      |
| Israel Electric Corp. Ltd., 5.625%, 6/21/18 (n)                 |     | 2,268,000   | 2,398,410    |
| Israel Electric Corp. Ltd., 6.875%, 6/21/23 (n)                 |     | 2,155,000   | 2,381,275    |
|   |     |             | \$ 9,216,923 |
| <b>International Market Sovereign - 1.2%</b>                    |     |             |              |
| Commonwealth of Australia, 5.75%, 5/15/21                       | AUD | 924,000     | \$ 970,348   |
| Government of Japan, 1.1%, 6/20/20                              | JPY | 308,000,000 | 3,163,288    |
| Government of Japan, 2.1%, 9/20/24                              | JPY | 35,750,000  | 400,023      |
| Republic of Iceland, 4.875%, 6/16/16 (n)                        | \$  | 1,716,000   | 1,801,800    |
| Republic of Iceland, 5.875%, 5/11/22 (n)                        |     | 631,000     | 687,001      |
|   |     |             | \$ 7,022,460 |
| <b>Internet - 0.4%</b>  |     |             |              |
| Baidu, Inc., 3.25%, 8/06/18                                     | \$  | 1,846,000   | \$ 1,885,689 |
| Baidu, Inc., 3.5%, 11/28/22                                     |     | 475,000     | 453,003      |
|   |     |             | \$ 2,338,692 |



**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>   |              |               |
| Machinery & Tools - 1.0%   |              |               |
| CNH America LLC, 7.25%, 1/15/16                                      | \$ 1,065,000 | \$ 1,163,513  |
| Ferreycorp S.A.A., 4.875%, 4/26/20 (n)                               | 866,000      | 840,020       |
| H&E Equipment Services Co., 7%, 9/01/22                              | 1,005,000    | 1,105,500     |
| Jurassic Holdings III, Inc., 6.875%, 2/15/21 (n)                     | 735,000      | 760,725       |
| RSC Equipment Rental, Inc., 8.25%, 2/01/21                           | 910,000      | 1,018,063     |
| United Rentals North America, Inc., 5.75%, 11/15/24                  | 135,000      | 140,063       |
| United Rentals North America, Inc., 7.625%, 4/15/22                  | 789,000      | 887,625       |
|  |              | \$ 5,915,509  |
| <b>Major Banks - 4.1%</b>  |              |               |
| ABN AMRO North America Finance, Inc., 7.125%, 7/06/22                | EUR 250,000  | \$ 436,398    |
| Banco Santander U.S. Debt S.A.U., 3.781%, 10/07/15 (n)               | \$ 1,500,000 | 1,557,095     |
| Bank of America Corp., 4.125%, 1/22/24                               | 475,000      | 481,716       |
| Bank of America Corp., 4.875%, 4/01/44                               | 212,000      | 215,495       |
| Bank of America Corp., FRN, 5.2%, 12/31/49                           | 2,609,000    | 2,452,460     |
| Barclays Bank PLC, 6%, 1/14/21                                       | EUR 300,000  | 493,665       |
| Barclays Bank PLC, 7.625%, 11/21/22                                  | \$ 1,315,000 | 1,493,347     |
| Barclays Bank PLC, 6.75% to 1/16/18, FRN to 1/16/23                  | GBP 200,000  | 372,350       |
| BBVA Senior Finance S.A., 3.25%, 3/21/16                             | EUR 300,000  | 433,407       |
| BNP Paribas, FRN, 2.984%, 12/20/14                                   | \$ 1,532,000 | 1,557,195     |
| Credit Agricole S.A., 7.375%, 12/18/23                               | GBP 200,000  | 411,281       |
| Credit Agricole S.A., 7.875% to 10/26/19, FRN to 10/29/49            | EUR 350,000  | 574,189       |
| DBS Bank Ltd., 3.625% to 9/21/17, FRN to 9/21/22 (n)                 | \$ 1,055,000 | 1,079,839     |
| Goldman Sachs Group, Inc., 7.5%, 2/15/19                             | 1,200,000    | 1,457,058     |
| HBOS PLC, 4.375%, 10/30/19   | EUR 300,000  | 418,452       |
| ING Bank N.V., 4.875%, 1/18/21                                       | EUR 250,000  | 415,808       |
| JPMorgan Chase & Co., 3.25%, 9/23/22                                 | \$ 765,000   | 755,870       |
| JPMorgan Chase & Co., 6.75% to 2/01/24, FRN to 8/29/49               | 486,000      | 515,160       |
| JPMorgan Chase & Co., 6% to 8/01/23, FRN to 12/29/49                 | 1,655,000    | 1,646,725     |
| Morgan Stanley, 6.625%, 4/01/18                                      | 2,000,000    | 2,333,452     |
| PNC Bank N.A., 3.8%, 7/25/23   | 600,000      | 610,304       |
| Regions Financial Corp., 2%, 5/15/18                                 | 421,000      | 416,156       |
| Royal Bank of Scotland Group PLC, 6.934%, 4/09/18                    | EUR 400,000  | 636,269       |
| Royal Bank of Scotland Group PLC, 5.5%, 3/23/20                      | EUR 300,000  | 497,938       |
| Royal Bank of Scotland Group PLC, 7.648% to 9/30/31, FRN to 8/29/49  | \$ 765,000   | 841,500       |
| Royal Bank of Scotland Group PLC, 6.99% to 2017, FRN to 10/29/49 (n) | 435,000      | 478,500       |
| Societe Generale, 4.25%, 7/13/22                                     | EUR 200,000  | 325,825       |
| Wells Fargo & Co., 5.375%, 11/02/43                                  | \$ 169,000   | 181,987       |
| Wells Fargo & Co., 5.90% to 6/15/24, FRN to 12/29/49                 | 509,000      | 521,267       |
|  |              | \$ 23,610,708 |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>                                      |              |               |
| Medical & Health Technology & Services - 3.5%                 |              |               |
| CHS/Community Health Systems, Inc., 5.125%, 8/01/21 (z)       | \$ 225,000   | \$ 229,500    |
| CHS/Community Health Systems, Inc., 6.875%, 2/01/22 (z)       | 1,570,000    | 1,626,913     |
| Davita, Inc., 6.375%, 11/01/18                                | 1,600,000    | 1,682,000     |
| Davita, Inc., 6.625%, 11/01/20                                | 1,696,000    | 1,808,360     |
| Fresenius Medical Care Capital Trust III, 5.625%, 7/31/19 (n) | 800,000      | 870,000       |
| Fresenius Medical Care Capital Trust III, 5.875%, 1/31/22 (n) | 430,000      | 457,950       |
| Fresenius US Finance II, Inc., 4.25%, 2/01/21 (n)             | 84,000       | 84,420        |
| HCA, Inc., 7.25%, 9/15/20                                     | 355,000      | 382,956       |
| HCA, Inc., 7.5%, 2/15/22                                      | 980,000      | 1,117,690     |
| HCA, Inc., 5.875%, 3/15/22                                    | 835,000      | 895,538       |
| HCA, Inc., 5%, 3/15/24  | 380,000      | 377,150       |
| HealthSouth Corp., 8.125%, 2/15/20                            | 1,510,000    | 1,638,350     |
| IASIS Healthcare LLC/IASIS Capital Corp., 8.375%, 5/15/19     | 1,110,000    | 1,179,375     |
| Lifepoint Hospitals, Inc., 5.5%, 12/01/21 (n)                 | 1,240,000    | 1,289,600     |
| Owens & Minor, Inc., 6.35%, 4/15/16                           | 1,420,000    | 1,539,529     |
| Tenet Healthcare Corp., 5%, 3/01/19 (z)                       | 230,000      | 230,575       |
| Tenet Healthcare Corp., 8%, 8/01/20                           | 1,920,000    | 2,088,000     |
| Tenet Healthcare Corp., 4.5%, 4/01/21                         | 960,000      | 931,680       |
| Universal Health Services, Inc., 7%, 10/01/18                 | 650,000      | 685,750       |
| Universal Health Services, Inc., 7.625%, 8/15/20              | 1,010,000    | 1,080,700     |
|   |              | \$ 20,196,036 |
| Medical Equipment - 0.4%                                      |              |               |
| Biomet, Inc., 6.5%, 8/01/20                                   | \$ 517,000   | \$ 565,469    |
| Physio-Control International, Inc., 9.875%, 1/15/19 (n)       | 603,000      | 670,838       |
| Teleflex, Inc., 6.875%, 6/01/19                               | 800,000      | 854,000       |
|   |              | \$ 2,090,307  |
| Metals & Mining - 3.2%  |              |               |
| ArcelorMittal S.A., 6.75%, 2/25/22                            | \$ 260,000   | \$ 287,950    |
| ArcelorMittal S.A., 7.25%, 3/01/41                            | 505,000      | 513,838       |
| Arch Coal, Inc., 8%, 1/15/19 (n)                              | 470,000      | 468,825       |
| Arch Coal, Inc., 7.25%, 10/01/20                              | 595,000      | 450,713       |
| Barrick North America Finance LLC, 5.75%, 5/01/43             | 500,000      | 506,321       |
| Cameco Corp., 5.67%, 9/02/19                                  | CAD 475,000  | 488,040       |
| Century Aluminum Co., 7.5%, 6/01/21 (n)                       | \$ 1,405,000 | 1,447,150     |
| Commercial Metals Co., 4.875%, 5/15/23                        | 743,000      | 713,280       |
| Consol Energy, Inc., 8.25%, 4/01/20                           | 1,435,000    | 1,562,356     |
| Consol Energy, Inc., 6.375%, 3/01/21                          | 340,000      | 358,275       |
| Consol Energy, Inc., 5.875%, 4/15/22 (n)                      | 674,000      | 694,220       |
| Constellation N.V., 5.75%, 5/15/24 (z)                        | 260,000      | 260,000       |
| First Quantum Minerals Ltd., 7.25%, 10/15/19 (n)              | 1,496,000    | 1,537,140     |
| FMG Resources, 6.875%, 4/01/22 (n)                            | 235,000      | 251,450       |
| Fortescue Metals Group Ltd., 8.25%, 11/01/19 (n)              | 820,000      | 906,100       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>  |              |               |
| <b>Metals &amp; Mining - continued</b>  |              |               |
| Glencore Finance (Europe) S.A., 6.5%, 2/27/19   | GBP 150,000  | \$ 289,040    |
| Kinross Gold Corp., 5.95%, 3/15/24 (n)  | \$ 156,000   | 157,953       |
| Peabody Energy Corp., 6%, 11/15/18  | 485,000      | 515,313       |
| Peabody Energy Corp., 6.25%, 11/15/21   | 485,000      | 492,275       |
| Plains Exploration & Production Co., 6.875%, 2/15/23                                  | 1,000,000    | 1,120,000     |
| Rio Tinto Finance (USA) Ltd., 3.75%, 9/20/21  | 242,000      | 251,358       |
| Rio Tinto Finance (USA) PLC, 3.5%, 3/22/22  | 139,000      | 140,356       |
| Rio Tinto Finance PLC, 2%, 5/11/20  | EUR 250,000  | 354,842       |
| Southern Copper Corp., 5.25%, 11/08/42  | \$ 700,000   | 626,907       |
| Suncoke Energy Partners LP/Suncoke Energy Partners Finance Corp., 7.375%, 2/01/20 (z) | 375,000      | 397,500       |
| Suncoke Energy, Inc., 7.625%, 8/01/19   | 700,000      | 749,000       |
| TMS International Corp., 7.625%, 10/15/21 (n)   | 680,000      | 725,900       |
| Vale Overseas Ltd., 4.625%, 9/15/20   | 681,000      | 718,335       |
| Walter Energy, Inc., 9.5%, 10/15/19 (n)   | 440,000      | 447,700       |
| Walter Energy, Inc., 8.5%, 4/15/21  | 870,000      | 517,650       |
| Xstrata Finance (Canada) Ltd., 5.25%, 6/13/17   | EUR 300,000  | 464,751       |
|   |              | \$ 18,414,538 |
| <b>Mortgage-Backed - 0.6%</b>   |              |               |
| Fannie Mae, 5.5%, 1/01/37 - 8/01/37   | \$ 3,096,030 | \$ 3,435,897  |
|   |              | \$ 3,435,897  |
| <b>Municipals - 0.1%</b>  |              |               |
| New Jersey Tobacco Settlement Financing Corp., 1-A, 4.5%, 6/01/23                     | \$ 465,000   | \$ 450,501    |
| <b>Natural Gas - Distribution - 0.8%</b>  |              |               |
| AmeriGas Finance LLC, 6.75%, 5/20/20  | \$ 1,315,000 | \$ 1,430,063  |
| Ferrellgas LP/Ferrellgas Finance Corp., 6.5%, 5/01/21                                 | 845,000      | 887,250       |
| Ferrellgas LP/Ferrellgas Finance Corp., 6.75%, 1/15/22 (n)                            | 915,000      | 963,038       |
| Gas Natural Fenosa Finance B.V., 3.875%, 1/17/23                                      | EUR 400,000  | 622,447       |
| GDF Suez, 5%, 10/01/60  | GBP 300,000  | 545,684       |
| ONEOK, Inc., 4.25%, 2/01/22   | \$ 424,000   | 411,776       |
|   |              | \$ 4,860,258  |
| <b>Natural Gas - Pipeline - 2.7%</b>  |              |               |
| Access Midstream Partner LP, 4.875%, 3/15/24  | \$ 240,000   | \$ 238,800    |
| Access Midstream Partners Co., 5.875%, 4/15/21  | 320,000      | 340,800       |
| Access Midstream Partners Co., 4.875%, 5/15/23  | 1,660,000    | 1,680,750     |
| Atlas Pipeline Partners LP/Atlas Pipeline, 4.75%, 11/15/21                            | 305,000      | 289,750       |
| Atlas Pipeline Partners LP/Atlas Pipeline, 5.875%, 8/01/23                            | 930,000      | 918,375       |
| Crestwood Midstream Partners LP, 6%, 12/15/20   | 860,000      | 903,000       |
| Crestwood Midstream Partners LP, 6.125%, 3/01/22 (n)                                  | 565,000      | 590,425       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>  |              |               |
| Natural Gas - Pipeline - continued                                |              |               |
| El Paso Corp., 7.75%, 1/15/32                                     | \$ 2,214,000 | \$ 2,392,260  |
| Enbridge, Inc., 3.19%, 12/05/22                                   | CAD 500,000  | 448,953       |
| Energy Transfer Equity LP, 7.5%, 10/15/20                         | \$ 1,165,000 | 1,342,663     |
| Energy Transfer Partners LP, 3.6%, 2/01/23                        | 591,000      | 574,631       |
| Enterprise Products Operating LLC, 3.9%, 2/15/24                  | 287,000      | 290,240       |
| MarkWest Energy Partners LP, 5.5%, 2/15/23                        | 255,000      | 264,563       |
| MarkWest Energy Partners LP, 4.5%, 7/15/23                        | 626,000      | 610,350       |
| Sabine Pass Liquefaction LLC, 5.625%, 2/01/21                     | 860,000      | 887,950       |
| Sabine Pass Liquefaction LLC, 5.625%, 4/15/23                     | 1,285,000    | 1,297,850     |
| Spectra Energy Partners LP, 4.75%, 3/15/24                        | 306,000      | 327,498       |
| Summit Mid Holdings LLC, 7.5%, 7/01/21                            | 580,000      | 623,500       |
| Sunoco Logistics Partners LP, 5.3%, 4/01/44                       | 319,000      | 331,100       |
| TransCanada PipeLines Ltd., 5.1%, 1/11/17                         | CAD 425,000  | 421,359       |
| Williams Cos., Inc., 3.7%, 1/15/23                                | \$ 600,000   | 553,997       |
| Williams Partners LP, 5.4%, 3/04/44                               | 330,000      | 347,644       |
|   |              | \$ 15,676,458 |
| Network & Telecom - 1.7%  |              |               |
| British Telecom PLC, 5.75%, 12/07/28                              | GBP 300,000  | \$ 581,020    |
| Centurylink, Inc., 6.45%, 6/15/21                                 | \$ 475,000   | 511,813       |
| Centurylink, Inc., 7.65%, 3/15/42                                 | 890,000      | 865,525       |
| Citizens Communications Co., 9%, 8/15/31                          | 920,000      | 952,200       |
| Deutsche Telekom International Finance B.V., 4.875%, 4/22/25      | EUR 250,000  | 420,030       |
| Empresa Nacional de Telecomunicaciones S.A., 4.875%, 10/30/24 (n) | \$ 776,000   | 814,123       |
| Frontier Communications Corp., 8.125%, 10/01/18                   | 245,000      | 285,119       |
| Telecom Italia S.p.A, 5.625%, 12/29/15                            | GBP 150,000  | 267,127       |
| Telecom Italia S.p.A., 5.375%, 1/29/19                            | EUR 400,000  | 618,258       |
| Telefonica Emisiones S.A.U., 3.987%, 1/23/23                      | EUR 500,000  | 772,841       |
| TW Telecom Holdings, Inc., 5.375%, 10/01/22                       | \$ 565,000   | 573,475       |
| TW Telecom Holdings, Inc., 5.375%, 10/01/22                       | 295,000      | 299,425       |
| Verizon Communications, Inc., 6.4%, 9/15/33                       | 1,000,000    | 1,205,791     |
| Verizon Communications, Inc., 6.55%, 9/15/43                      | 478,000      | 589,610       |
| Windstream Corp., 7.75%, 10/15/20                                 | 710,000      | 766,800       |
| Windstream Corp., 7.75%, 10/01/21                                 | 125,000      | 135,313       |
|   |              | \$ 9,658,470  |
| Oil Services - 1.3%   |              |               |
| Bristow Group, Inc., 6.25%, 10/15/22                              | \$ 1,075,000 | \$ 1,152,938  |
| Dresser-Rand Group, Inc., 6.5%, 5/01/21                           | 405,000      | 431,325       |
| Edgen Murray Corp., 8.75%, 11/01/20 (n)                           | 413,000      | 477,015       |
| Odebrecht Offshore Drilling Finance Ltd., 6.75%, 10/01/22 (n)     | 1,506,049    | 1,575,704     |
| Pacific Drilling S.A., 5.375%, 6/01/20 (n)                        | 880,000      | 855,800       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par  | Value (\$)    |
|--|-------------|---------------|
| <b>Bonds - continued</b>   |             |               |
| Oil Services - continued   |             |               |
| QGOG Constellation S.A., 6.25%, 11/09/19 (n)                     | \$ 438,000  | \$ 441,285    |
| Shale-Inland Holdings LLC/Finance Co., 8.75%, 11/15/19 (n)       | 710,000     | 731,300       |
| Unit Corp., 6.625%, 5/15/21                                      | 1,505,000   | 1,595,300     |
|  |             | \$ 7,260,667  |
| Other Banks & Diversified Financials - 2.8%                      |             |               |
| Banco de Credito del Peru, 6.125% to 4/24/22, FRN to 4/24/27 (n) | \$ 509,000  | \$ 532,923    |
| Banco GNB Sudameris S.A., 3.875%, 5/02/18 (n)                    | 431,000     | 423,458       |
| Banco Santander S.A., 4.125%, 11/09/22 (n)                       | 248,000     | 246,760       |
| Banco Santander S.A., FRN, 5.95%, 1/30/24 (n)                    | 200,000     | 207,750       |
| Bancolombia S.A., 5.95%, 6/03/21                                 | 1,094,000   | 1,184,255     |
| Banque Federative du Credit Mutuel, 2%, 9/19/19                  | EUR 300,000 | 426,974       |
| BBVA Banco Continental S.A., 5%, 8/26/22 (n)                     | \$ 325,000  | 334,750       |
| BBVA Bancomer S.A. de C.V., 6.5%, 3/10/21 (n)                    | 1,207,000   | 1,327,700     |
| BBVA Bancomer S.A. de C.V., 6.75%, 9/30/22 (n)                   | 350,000     | 390,250       |
| BBVA Continental, 5.75%, 1/18/17 (n)                             | 518,000     | 562,030       |
| Capital One Financial Corp., 1%, 11/06/15                        | 800,000     | 801,809       |
| Citigroup, Inc., 1.25%, 1/15/16                                  | 1,000,000   | 1,005,562     |
| Citigroup, Inc., 6.125%, 5/15/18                                 | 463,000     | 533,244       |
| Discover Bank, 7%, 4/15/20                                       | 249,000     | 297,900       |
| Discover Bank, 4.25%, 3/13/26                                    | 312,000     | 319,955       |
| Groupe BPCE S.A., 12.5% to 9/30/19, FRN to 8/29/49 (n)           | 2,583,000   | 3,435,390     |
| Industrial Senior Trust, 5.5%, 11/01/22 (n)                      | 220,000     | 212,025       |
| Intesa Sanpaolo S.p.A., 4.125%, 9/19/16                          | EUR 300,000 | 444,436       |
| Intesa Sanpaolo S.p.A., 5.25%, 1/28/22                           | GBP 250,000 | 449,798       |
| KBC Internationale Financieringsmaatschappij N.V., 4.5%, 3/27/17 | EUR 300,000 | 457,742       |
| LBG Capital No. 2 PLC, 6.385%, 5/12/20                           | EUR 450,000 | 668,009       |
| Macquarie Group Ltd., 3%, 12/03/18 (n)                           | \$ 404,000  | 410,100       |
| Rabobank Nederland N.V., 4%, 9/19/22                             | GBP 200,000 | 353,750       |
| Santander Issuances S.A., 4.5% to 9/30/14, FRN to 9/30/19        | EUR 300,000 | 409,962       |
| UBS AG, 7.625%, 8/17/22  | \$ 435,000  | 516,897       |
|  |             | \$ 15,953,429 |
| Pharmaceuticals - 1.9%   |             |               |
| AbbVie, Inc., 1.2%, 11/06/15                                     | \$ 800,000  | \$ 806,590    |
| Capsugel FinanceCo. SCA, 9.875%, 8/01/19 (n)                     | EUR 670,000 | 1,014,529     |
| Celgene Corp., 1.9%, 8/15/17                                     | \$ 526,000  | 533,487       |
| Endo Health Solutions, Inc., 7.25%, 1/15/22                      | 605,000     | 660,963       |
| Forest Laboratories, Inc., 4.375%, 2/01/19 (n)                   | 1,041,000   | 1,107,364     |
| Gilead Sciences, Inc., 3.7%, 4/01/24                             | 545,000     | 553,057       |
| Grifols Worldwide Operations Ltd., 5.25%, 4/01/22 (z)            | 480,000     | 487,200       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>  |              |               |
| <b>Pharmaceuticals - continued</b>                              |              |               |
| Hospira, Inc., 5.2%, 8/12/20                                    | \$ 72,000    | \$ 77,945     |
| Mylan, Inc., 2.6%, 6/24/18                                      | 1,000,000    | 1,011,732     |
| Salix Pharmaceuticals Ltd., 6%, 1/15/21 (n)                     | 485,000      | 520,163       |
| Teva Pharmaceutical Finance B.V., 2.95%, 12/18/22               | 500,000      | 476,169       |
| Valeant Pharmaceuticals International, Inc., 7%, 10/01/20 (n)   | 1,560,000    | 1,669,200     |
| Valeant Pharmaceuticals International, Inc., 7.25%, 7/15/22 (n) | 815,000      | 888,350       |
| Vantage Point Imaging, 7.5%, 7/15/21 (n)                        | 525,000      | 585,375       |
| Watson Pharmaceuticals, Inc., 1.875%, 10/01/17                  | 700,000      | 706,038       |
|   |              | \$ 11,098,162 |
| <b>Precious Metals &amp; Minerals - 0.4%</b>                    |              |               |
| Eldorado Gold Corp., 6.125%, 12/15/20 (n)                       | \$ 1,340,000 | \$ 1,343,350  |
| IAMGOLD Corp., 6.75%, 10/01/20 (n)                              | 1,156,000    | 1,028,840     |
|   |              | \$ 2,372,190  |
| <b>Printing &amp; Publishing - 0.6%</b>                         |              |               |
| American Media, Inc., 13.5%, 6/15/18 (z)                        | \$ 32,653    | \$ 35,184     |
| Gannett Co., Inc., 6.375%, 10/15/23 (n)                         | 840,000      | 890,400       |
| Gannett Co., Inc., 5.125%, 10/15/19 (n)                         | 570,000      | 593,513       |
| Gannett Co., Inc., 5.125%, 7/15/20 (n)                          | 460,000      | 476,100       |
| Lamar Media Corp., 5%, 5/01/23                                  | 755,000      | 758,775       |
| Wolters Kluwer N.V., 6.375%, 4/10/18                            | EUR 300,000  | 495,941       |
|   |              | \$ 3,249,913  |
| <b>Railroad &amp; Shipping - 0.1%</b>                           |              |               |
| Watco Cos. LLC, 6.375%, 4/01/23 (n)                             | \$ 675,000   | \$ 683,438    |
| <b>Real Estate - 1.6%</b>                                       |              |               |
| Aviv Healthcare Properties LP/Aviv Healthcare, 6%, 10/15/21     | \$ 790,000   | \$ 829,500    |
| CNL Lifestyle Properties, Inc., REIT, 7.25%, 4/15/19            | 705,000      | 740,250       |
| DuPont Fabros Technology LP, REIT, 5.875%, 9/15/21              | 1,575,000    | 1,641,938     |
| ERP Properties, REIT, 7.75%, 7/15/20                            | 990,000      | 1,172,110     |
| ERP Properties, REIT, 5.75%, 8/15/22                            | 250,000      | 269,151       |
| Felcor Lodging LP, REIT, 5.625%, 3/01/23                        | 460,000      | 465,750       |
| Hammerson PLC, REIT, 2.75%, 9/26/19                             | EUR 300,000  | 437,411       |
| Hammerson PLC, REIT, 6%, 2/23/26                                | GBP 250,000  | 494,975       |
| MPT Operating Partnership LP, REIT, 6.875%, 5/01/21             | \$ 760,000   | 826,500       |
| MPT Operating Partnership LP, REIT, 6.375%, 2/15/22             | 1,255,000    | 1,345,988     |
| Simon Property Group, Inc., REIT, 10.35%, 4/01/19               | 900,000      | 1,220,977     |
|   |              | \$ 9,444,550  |
| <b>Retailers - 1.6%</b>   |              |               |
| Academy Ltd., 9.25%, 8/01/19 (n)                                | \$ 317,000   | \$ 345,134    |
| Best Buy Co., Inc., 5.5%, 3/15/21                               | 850,000      | 871,250       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)   |
|---|--------------|--------------|
| <b>Bonds - continued</b>                              |              |              |
| <b>Retailers - continued</b>                          |              |              |
| Bon Ton Stores, Inc., 8%, 6/15/21                     | \$ 520,000   | \$ 495,300   |
| Burlington Coat Factory Warehouse Corp., 10%, 2/15/19 | 895,000      | 988,975      |
| Dollar General Corp., 4.125%, 7/15/17                 | 831,000      | 887,932      |
| Gap, Inc., 5.95%, 4/12/21                             | 1,000,000    | 1,137,971    |
| Home Depot, Inc., 4.875%, 2/15/44                     | 378,000      | 410,610      |
| Jo-Ann Stores Holdings, Inc., 9.75%, 10/15/19 (n)(p)  | 705,000      | 734,963      |
| Limited Brands, Inc., 7%, 5/01/20                     | 415,000      | 473,100      |
| Limited Brands, Inc., 6.95%, 3/01/33                  | 360,000      | 369,900      |
| Marks & Spencer Group PLC, 4.75%, 6/12/25             | GBP 300,000  | 515,465      |
| Rite Aid Corp., 9.25%, 3/15/20                        | \$ 1,140,000 | 1,299,600    |
| Sally Beauty Holdings, Inc., 6.875%, 11/15/19         | 590,000      | 645,313      |
| Wesfarmers Ltd., 1.874%, 3/20/18 (n)                  | 156,000      | 154,724      |
|   |              | \$ 9,330,237 |
| <b>Specialty Chemicals - 0.4%</b>                     |              |              |
| Chemtura Corp., 5.75%, 7/15/21                        | \$ 1,215,000 | \$ 1,260,563 |
| Ecolab, Inc., 4.35%, 12/08/21                         | 500,000      | 544,176      |
| SIBUR Securities Ltd., 3.914%, 1/31/18 (n)            | 294,000      | 257,985      |
|   |              | \$ 2,062,724 |
| <b>Specialty Stores - 0.3%</b>                        |              |              |
| Advance Auto Parts, Inc., 4.5%, 12/01/23              | \$ 344,000   | \$ 360,343   |
| Canadian Tire Corp. Ltd., 4.95%, 6/01/15              | CAD 450,000  | 425,029      |
| Michaels Stores, Inc., 7.75%, 11/01/18                | \$ 475,000   | 502,906      |
| Michaels Stores, Inc., 5.875%, 12/15/20 (n)           | 230,000      | 233,450      |
|   |              | \$ 1,521,728 |
| <b>Supermarkets - 0.1%</b>                            |              |              |
| Delhaize Group, 3.125%, 2/27/20                       | EUR 300,000  | \$ 444,648   |
| William Morrison Supermarkets PLC, 3.5%, 7/27/26      | GBP 150,000  | 233,468      |
|   |              | \$ 678,116   |
| <b>Supranational - 0.2%</b>                           |              |              |
| European Investment Bank, 5.125%, 5/30/17             | \$ 500,000   | \$ 561,605   |
| European Investment Bank, 4.25%, 4/15/19              | EUR 350,000  | 565,026      |
|   |              | \$ 1,126,631 |
| <b>Telecommunications - Wireless - 4.3%</b>           |              |              |
| Altice Financing S.A., 6.5%, 1/15/22 (n)              | \$ 2,026,000 | \$ 2,122,235 |
| Altice Finco S.A., 8.125%, 1/15/24 (n)                | 919,000      | 992,520      |
| America Movil S.A.B. de C.V., 4.75%, 6/28/22          | EUR 525,000  | 864,270      |
| American Tower Corp., REIT, 3.5%, 1/31/23             | \$ 743,000   | 714,331      |
| Crown Castle International Corp., 7.125%, 11/01/19    | 370,000      | 394,975      |
| Crown Castle International Corp., 4.875%, 4/15/22     | 375,000      | 380,625      |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par   | Value (\$)    |
|--|--------------|---------------|
| <b>Bonds - continued</b>                                   |              |               |
| <b>Telecommunications - Wireless - continued</b>           |              |               |
| Crown Castle International Corp., 5.25%, 1/15/23           | \$ 735,000   | \$ 755,213    |
| Crown Castle Towers LLC, 6.113%, 1/15/20 (n)               | 420,000      | 486,115       |
| Digicel Group Ltd., 8.25%, 9/01/17 (n)                     | 1,140,000    | 1,182,807     |
| Digicel Group Ltd., 8.25%, 9/30/20 (n)                     | 615,000      | 654,975       |
| Digicel Group Ltd., 6%, 4/15/21 (n)                        | 1,614,000    | 1,634,175     |
| Digicel Group Ltd., 7.125%, 4/01/22 (n)                    | 731,000      | 734,655       |
| Eileme 2 AB, 11.625%, 1/31/20 (n)                          | 925,000      | 1,105,375     |
| Millicom International Cellular S.A., 4.75%, 5/22/20 (n)   | 446,000      | 430,390       |
| Millicom International Cellular S.A., 6.625%, 10/15/21 (n) | 412,000      | 429,510       |
| MTS International Funding Ltd., 5%, 5/30/23 (n)            | 201,000      | 178,890       |
| Rogers Communications, Inc., 5%, 3/15/44                   | 278,000      | 284,492       |
| Sprint Capital Corp., 6.875%, 11/15/28                     | 1,210,000    | 1,194,875     |
| Sprint Corp., 7.875%, 9/15/23 (n)                          | 1,410,000    | 1,554,525     |
| Sprint Corp., 7.125%, 6/15/24 (n)                          | 610,000      | 640,500       |
| Sprint Nextel Corp., 9%, 11/15/18 (n)                      | 470,000      | 572,813       |
| Sprint Nextel Corp., 6%, 11/15/22                          | 1,050,000    | 1,057,875     |
| T-Mobile USA, Inc., 6.125%, 1/15/22                        | 145,000      | 152,431       |
| T-Mobile USA, Inc., 6.5%, 1/15/24                          | 405,000      | 424,744       |
| T-Mobile USA, Inc., 6.464%, 4/28/19                        | 395,000      | 418,700       |
| T-Mobile USA, Inc., 6.25%, 4/01/21                         | 1,675,000    | 1,783,875     |
| T-Mobile USA, Inc., 6.633%, 4/28/21                        | 220,000      | 237,600       |
| VimpelCom Ltd., 5.95%, 2/13/23 (n)                         | 255,000      | 228,225       |
| Wind Acquisition Finance S.A., 7.25%, 2/15/18 (n)          | 1,150,000    | 1,210,375     |
| Wind Acquisition Finance S.A., 7.375%, 4/23/21 (z)         | 1,765,000    | 1,813,538     |
|  |              | \$ 24,635,629 |
| <b>Telephone Services - 0.7%</b>                           |              |               |
| B Communications Ltd., 7.375%, 2/15/21 (n)                 | \$ 1,872,000 | \$ 1,979,640  |
| Cogent Communications Group, Inc., 8.375%, 2/15/18 (n)     | 460,000      | 496,800       |
| Level 3 Financing, Inc., 9.375%, 4/01/19                   | 790,000      | 872,950       |
| Level 3 Financing, Inc., 8.625%, 7/15/20                   | 425,000      | 476,000       |
| TELUS Corp., 5.05%, 7/23/20                                | CAD 475,000  | 481,856       |
|  |              | \$ 4,307,246  |
| <b>Tobacco - 0.5%</b>                                      |              |               |
| Altria Group, Inc., 4%, 1/31/24                            | \$ 164,000   | \$ 167,059    |
| Imperial Tobacco Group PLC, 5.5%, 9/28/26                  | GBP 350,000  | 657,495       |
| Lorillard Tobacco Co., 8.125%, 6/23/19                     | \$ 700,000   | 870,195       |
| Reynolds American, Inc., 6.75%, 6/15/17                    | 816,000      | 940,780       |
|  |              | \$ 2,635,529  |
| <b>Transportation - Services - 1.8%</b>                    |              |               |
| Aguila American Resources Ltd., 7.875%, 1/31/18 (n)        | \$ 1,090,000 | \$ 1,154,038  |
| Avis Budget Car Rental LLC, 8.25%, 1/15/19                 | 365,000      | 388,725       |



**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)    |
|---|--------------|---------------|
| <b>Bonds - continued</b>  |              |               |
| Transportation - Services - continued   |              |               |
| Avis Budget Car Rental LLC, 9.75%, 3/15/20  | \$ 420,000   | \$ 478,800    |
| Ceva Group PLC, 7%, 3/01/21 (z)   | 520,000      | 534,950       |
| ERAC USA Finance Co., 7%, 10/15/37 (n)  | 878,000      | 1,136,121     |
| HIT Finance B.V., 4.875%, 10/27/21  | EUR 300,000  | 495,165       |
| Jack Cooper Holdings Corp., 9.25%, 6/01/20 (n)  | \$ 1,240,000 | 1,370,200     |
| Navios Maritime Acquisition Corp., 8.125%, 11/15/21 (n)   | 1,290,000    | 1,344,825     |
| Navios Maritime Holding, Inc., 7.375%, 1/15/22 (n)  | 1,325,000    | 1,338,250     |
| Navios South American Logistics, Inc./Navios Logistics Finance (U.S.), Inc., 7.25%, 5/01/22 (z) | 149,000      | 149,373       |
| Stena AB, 7%, 2/01/24 (n)   | 875,000      | 885,938       |
| Syncreon Group BV/Syncre, 8.625%, 11/01/21 (n)  | 585,000      | 606,206       |
| Topaz Marine S.A., 8.625%, 11/01/18 (n)   | 208,000      | 218,400       |
| Ultrapetrol (Bahamas) Ltd., 8.875%, 6/15/21   | 491,000      | 535,190       |
|   |              | \$ 10,636,181 |
| U.S. Treasury Obligations - 3.0%  |              |               |
| U.S. Treasury Bonds, 6.875%, 8/15/25  | \$ 4,160,000 | \$ 5,840,898  |
| U.S. Treasury Bonds, 3.125%, 11/15/41 (f)   | 12,069,000   | 11,424,057    |
|   |              | \$ 17,264,955 |
| Utilities - Electric Power - 2.7%   |              |               |
| AES Corp., 7.375%, 7/01/21  | \$ 560,000   | \$ 641,200    |
| AES Corp., 5.5%, 3/15/24  | 225,000      | 225,000       |
| Calpine Corp., 7.875%, 7/31/20 (n)  | 920,000      | 1,008,550     |
| Calpine Corp., 6%, 1/15/22 (n)  | 145,000      | 154,063       |
| CMS Energy Corp., 5.05%, 3/15/22  | 500,000      | 562,797       |
| CMS Energy Corp., 3.875%, 3/01/24   | 200,000      | 204,379       |
| Covanta Holding Corp., 7.25%, 12/01/20  | 1,815,000    | 1,989,694     |
| E.ON International Finance B.V., 6.375%, 6/07/32  | GBP 200,000  | 411,693       |
| Empresa de Energia de Bogota S.A., 6.125%, 11/10/21 (n)   | \$ 303,000   | 323,831       |
| Empresa Nacional de Electricidad S.A., 4.25%, 4/15/24   | 301,000      | 301,533       |
| Enel S.p.A., 6.25%, 6/20/19   | GBP 250,000  | 484,290       |
| Enel S.p.A., 5.25%, 5/20/24   | EUR 300,000  | 507,961       |
| Enel S.p.A., 8.75% to 2013, FRN to 9/24/73 (n)  | \$ 500,000   | 576,250       |
| Energy Future Holdings Corp., 10%, 12/01/20   | 608,000      | 643,720       |
| Energy Future Holdings Corp., 10.25%, 12/01/20 (n)  | 655,000      | 693,481       |
| InterGen N.V., 7%, 6/30/23 (n)  | 560,000      | 588,000       |
| NGG Finance PLC, FRN, 5.625%, 6/18/73   | GBP 250,000  | 435,649       |
| NRG Energy, Inc., 8.25%, 9/01/20  | \$ 1,860,000 | 2,052,975     |
| NRG Energy, Inc., 6.25%, 7/15/22 (n)  | 385,000      | 397,994       |
| NRG Energy, Inc., 6.625%, 3/15/23   | 1,230,000    | 1,285,350     |
| PPL Capital Funding, Inc., 5%, 3/15/44  | 270,000      | 282,880       |
| PPL WEM Holdings PLC, 5.375%, 5/01/21 (n)   | 183,000      | 201,752       |
| Red Electrica de Espana, 3.5%, 10/07/16   | EUR 300,000  | 442,078       |
| Red Electrica de Espana, 4.75%, 2/16/18   | EUR 200,000  | 313,688       |

**Table of Contents***Portfolio of Investments (unaudited) continued*

| Issuer   | Shares/Par  | Value (\$)            |
|--|-------------|-----------------------|
| <b>Bonds - continued</b>   |             |                       |
| Utilities - Electric Power - continued                                     |             |                       |
| Southern Electric Power Co. Ltd., 4.625%, 2/20/37                          | GBP 200,000 | \$ 345,430            |
| Waterford 3 Funding Corp., 8.09%, 1/02/17                                  | \$ 813,046  | 812,284               |
|  |             | \$ 15,886,522         |
| Utilities - Gas - 0.1%   |             |                       |
| Transport de Gas Peru, 4.25%, 4/30/28 (n)                                  | \$ 387,000  | \$ 355,073            |
| Utilities - Water - 0.1%   |             |                       |
| Veolia Environnement S.A., 4.45% to 4/16/18, FRN to 1/29/49                | EUR 400,000 | \$ 567,426            |
| <b>Total Bonds (Identified Cost, \$606,114,749)</b>                        |             | <b>\$ 629,967,274</b> |
| <b>Convertible Bonds - 0.1%</b>  |             |                       |
| Network & Telecom - 0.1%   |             |                       |
| Nortel Networks Corp., 2.125%, 4/15/14 (a)(d) (Identified Cost, \$594,944) | \$ 605,000  | \$ 617,100            |
| <b>Floating Rate Loans (g)(r) - 1.4%</b>                                   |             |                       |
| Aerospace - 0.1%   |             |                       |
| TransDigm, Inc., Term Loan C, 3.75%, 2/28/20                               | \$ 439,015  | \$ 436,477            |
| Conglomerates - 0.2%   |             |                       |
| Entegris, Inc., Term Loan B, 2/04/21 (o)                                   | \$ 822,278  | \$ 812,513            |
| Silver II U.S. Holdings LLC, Term Loan, 4%, 12/13/19                       | 469,561     | 467,311               |
|  |             | \$ 1,279,824          |
| Consumer Services - 0.0%   |             |                       |
| Realogy Corp., Term Loan B, 3.75%, 3/05/20                                 | \$ 286,275  | \$ 285,023            |
| Electronics - 0.1%   |             |                       |
| Avago Technologies Ltd., Term Loan B, 12/16/20 (o)                         | \$ 719,170  | \$ 720,744            |
| Energy - Independent - 0.1%  |             |                       |
| MEG Energy Corp., Term Loan, 3.75%, 3/31/20                                | \$ 530,517  | \$ 528,339            |
| Entertainment - 0.1%   |             |                       |
| Cedar Fair LP, Term Loan B, 3.25%, 3/06/20                                 | \$ 368,283  | \$ 368,376            |
| Food & Beverages - 0.0%  |             |                       |
| H.J. Heinz Co., Term Loan B2, 3.5%, 6/05/20                                | \$ 272,547  | \$ 272,786            |
| Gaming & Lodging - 0.1%  |             |                       |
| Hilton Worldwide Finance LLC, Term Loan B2, 3.5%, 10/26/20                 | \$ 375,087  | \$ 373,524            |

29

**Table of Contents**

*Portfolio of Investments (unaudited) continued*

| Issuer  | Shares/Par   | Value (\$)            |
|---|--------------|-----------------------|
| <b>Floating Rate Loans (g)(r) - continued</b>                                       |              |                       |
| Medical & Health Technology & Services - 0.0%                                       |              |                       |
| Community Health Systems, Inc., Term Loan D, 4.25%, 1/22/21                         | \$ 181,138   | \$ 181,621            |
| Metals & Mining - 0.1%  |              |                       |
| FMG Resources Ltd., Term Loan B, 4.25%, 6/30/19                                     | \$ 482,270   | \$ 481,592            |
| Retailers - 0.2%  |              |                       |
| Rite Aid Corp., Term Loan, 4.87%, 6/21/21   | \$ 328,597   | \$ 331,883            |
| Toys R Us Property Co. I LLC, Term Loan B, 6%, 8/21/19                              | 627,795      | 598,288               |
|   |              | \$ 930,171            |
| Specialty Stores - 0.0%   |              |                       |
| The Men s Warehouse, Inc., Term Loan B, 3/11/21 (o)                                 | \$ 97,535    | \$ 97,194             |
| Transportation - Services - 0.2%  |              |                       |
| Commercial Barge Line Co., Term Loan, 7.5%, 9/22/19                                 | \$ 1,387,884 | \$ 1,389,619          |
| Utilities - Electric Power - 0.2%   |              |                       |
| Calpine Construction Finance Co. LP, Term Loan B1, 3%, 5/03/20                      | \$ 931,700   | \$ 906,370            |
| <b>Total Floating Rate Loans (Identified Cost, \$8,288,028)</b>                     |              | <b>\$ 8,251,660</b>   |
| <b>Common Stocks - 0.0%</b>   |              |                       |
| Automotive - 0.0%   |              |                       |
| Accuride Corp. (a)  | 20,680       | \$ 116,635            |
| Printing & Publishing - 0.0%  |              |                       |
| American Media Operations, Inc. (a)   | 8,368        | \$ 47,028             |
| <b>Total Common Stocks (Identified Cost, \$399,733)</b>                             |              | <b>\$ 163,663</b>     |
| <b>Preferred Stocks - 0.2%</b>  |              |                       |
| Other Banks & Diversified Financials - 0.2%   |              |                       |
| Ally Financial, Inc., 7% (z)  | 480          | \$ 475,380            |
| GMAC Capital Trust I, 8.125%  | 28,250       | 776,593               |
| <b>Total Preferred Stocks (Identified Cost, \$1,165,111)</b>                        |              | <b>\$ 1,251,973</b>   |
| <b>Money Market Funds - 6.4%</b>  |              |                       |
| MFS Institutional Money Market Portfolio, 0.09%,<br>at Cost and Net Asset Value (v) | 37,023,318   | \$ 37,023,318         |
| <b>Total Investments (Identified Cost, \$653,585,883)</b>                           |              | <b>\$ 677,274,988</b> |
| <b>Other Assets, Less Liabilities - (17.0)%</b>                                     |              | <b>(98,446,167)</b>   |
| <b>Net Assets - 100.0%</b>  |              | <b>\$ 578,828,821</b> |

**Table of Contents**

*Portfolio of Investments (unaudited) continued*

- (a) Non-income producing security.
- (d) In default. Interest and/or scheduled principal payment(s) have been missed.
- (f) All or a portion of the security has been segregated as collateral for open futures contracts.
- (g) The rate shown represents a weighted average coupon rate on settled positions at period end, unless otherwise indicated.
- (i) Interest only security for which the fund receives interest on notional principal (Par amount). Par amount shown is the notional principal and does not reflect the cost of the security.
- (n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was \$208,972,625, representing 36.1% of net assets.
- (o) All or a portion of this position has not settled. Upon settlement date, interest rates for unsettled amounts will be determined. The rate shown, if any, represents the weighted average coupon rate for settled amounts.
- (p) Payment-in-kind security for which interest income may be received in additional securities and/or cash. During the period, the following amount of interest income was received in additional securities and/or cash:

| <b>Payment-in-kind Securities</b>             | <b>Cash</b>     | <b>Additional Securities</b> |
|---|-----------------|------------------------------|
| Crest Ltd., CDO, 7.00%, 1/28/40               | \$              | \$90,025                     |
| Jo-Ann Stores Holdings, Inc., 9.75%, 10/15/19 | 34,369          |                              |
| Schaeffler Finance B.V., 6.875%, 8/15/18      | 4,503           |                              |
| <b>Total</b>                                  | <b>\$38,872</b> | <b>\$90,025</b>              |

- (q) Interest received was less than stated coupon rate.
- (r) Remaining maturities of floating rate loans may be less than stated maturities shown as a result of contractual or optional prepayments by the borrower. Such prepayments cannot be predicted with certainty. These loans may be subject to restrictions on resale. Floating rate loans generally have rates of interest which are determined periodically by reference to a base lending rate plus a premium.
- (v) Underlying affiliated fund that is available only to investment companies managed by MFS. The rate quoted for the MFS Institutional Money Market Portfolio is the annualized seven-day yield of the fund at period end.
- (z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

| <b>Restricted Securities</b>   | <b>Acquisition</b> |             |              |
|--|--------------------|-------------|--------------|
|  | <b>Date</b>        | <b>Cost</b> | <b>Value</b> |
| Ally Financial, Inc., 7% (Preferred Stock)                             | 4/13/11-4/14/11    | \$450,000   | \$475,380    |
| American Media, Inc., 13.5%, 6/15/18                                   | 12/22/10           | 33,000      | 35,184       |
| Athlon Holdings LP/Athlon Finance Corp., 6%, 5/01/22                   | 4/16/14-4/17/14    | 690,038     | 692,706      |
| Bayview Financial Revolving Mortgage Loan Trust, FRN, 1.752%, 12/28/40 | 3/01/06            | 2,404,493   | 1,591,138    |
| CEMEX Finance LLC, 6%, 4/01/24   | 4/25/14            | 488,000     | 488,610      |
| CHS/Community Health Systems, Inc., 5.125%, 8/01/21                    | 1/15/14            | 225,000     | 229,500      |

**Table of Contents***Portfolio of Investments (unaudited) continued***Acquisition**

| <b>Restricted Securities continued</b>  | <b>Date</b>     | <b>Cost</b> | <b>Value</b>        |
|---|-----------------|-------------|---------------------|
| CHS/Community Health Systems, Inc., 6.875%, 2/01/22   | 1/15/14-4/24/14 | \$1,616,502 | \$1,626,913         |
| Ceva Group PLC, 7%, 3/01/21   | 3/13/14-4/07/14 | 529,366     | 534,950             |
| Constellium N.V., 5.75%, 5/15/24  | 4/30/14         | 260,000     | 260,000             |
| Falcon Franchise Loan LLC, FRN, 14.915%, 1/05/25  | 1/29/03         | 33,284      | 136,546             |
| First Union National Bank Commercial Mortgage Trust, FRN, 1.902%, 1/12/43                   | 12/11/03        | 1,609       | 913                 |
| G-Force LLC, CDO, A2, 4.83%, 8/22/36  | 1/20/11         | 56,134      | 59,061              |
| Garda World Security Corp., 7.25%, 11/15/21   | 4/24/14         | 794,614     | 795,581             |
| Grifols Worldwide Operations Ltd., 5.25%, 4/01/22   | 3/05/14-3/18/14 | 486,357     | 487,200             |
| Morgan Stanley Capital I, Inc., FRN, 1.412%, 4/28/39  | 7/20/04         | 31,849      | 21,182              |
| Navios South American Logistics, Inc./Navios Logistics Finance (U.S.), Inc., 7.25%, 5/01/22 | 4/08/14         | 149,000     | 149,373             |
| Numericable Group S.A., 6%, 5/15/22   | 4/23/14         | 1,297,700   | 1,320,638           |
| Office Cherifien des Phosphates, 6.875%, 4/25/44  | 4/16/14         | 350,594     | 373,037             |
| Oleoducto Central S.A., 4%, 5/07/21   | 4/30/14         | 203,702     | 203,702             |
| Rice Energy, Inc., 6.25%, 5/01/22   | 4/16/14         | 375,000     | 375,469             |
| SIRIUS XM Radio, Inc., 4.625%, 5/15/23  | 4/24/14         | 111,154     | 111,000             |
| Service Corp. International, 5.375%, 5/15/24  | 4/28/14         | 265,000     | 266,988             |
| Signode Industrial Group, 6.375%, 5/01/22   | 4/07/14-4/25/14 | 887,498     | 888,800             |
| Sinopec Group Overseas Development (2014) Ltd., 4.375%, 4/10/24                             | 4/02/14         | 176,590     | 178,662             |
| State Grid Overseas Investment (2014) Ltd., 4.125%, 5/07/24                                 | 4/28/14         | 2,534,074   | 2,558,772           |
| Suncoke Energy Partners LP/Suncoke Energy Partners Finance Corp., 7.375%, 2/01/20           | 4/29/14         | 394,688     | 397,500             |
| Tencent Holdings Ltd., 3.375%, 5/02/19  | 4/22/14         | 963,988     | 970,039             |
| Tenet Healthcare Corp., 5%, 3/01/19   | 3/05/14         | 230,000     | 230,575             |
| Videotron Ltd., 5.375%, 6/15/24   | 3/26/14         | 155,000     | 156,163             |
| Wind Acquisition Finance S.A., 7.375%, 4/23/21  | 4/08/14         | 1,765,000   | 1,813,538           |
| <b>Total Restricted Securities</b>  |                 |             | <b>\$17,429,120</b> |
| % of Net assets   |                 |             | 3.0%                |

The following abbreviations are used in this report and are defined:

|      |   |
|------|---|
| CDO  | Collateralized Debt Obligation  |
| FRN  | Floating Rate Note. Interest rate resets periodically and may not be the rate reported at period end. |
| PLC  | Public Limited Company  |
| REIT | Real Estate Investment Trust  |

**Table of Contents**

*Portfolio of Investments (unaudited) continued*

Abbreviations indicate amounts shown in currencies other than the U.S. dollar. All amounts are stated in U.S. dollars unless otherwise indicated. A list of abbreviations is shown below:

|     |                    |
|-----|--------------------|
| AUD | Australian Dollar  |
| BRL | Brazilian Real     |
| CAD | Canadian Dollar    |
| CHF | Swiss Franc        |
| DKK | Danish Krone       |
| EUR | Euro               |
| GBP | British Pound      |
| INR | Indian Rupee       |
| JPY | Japanese Yen       |
| KRW | Korean Won         |
| MXN | Mexican Peso       |
| NOK | Norwegian Krone    |
| NZD | New Zealand Dollar |
| PHP | Phillipine Peso    |
| PLN | Polish Zloty       |
| SEK | Swedish Krona      |
| SGD | Singapore Dollar   |
| ZAR | South African Rand |

**Derivative Contracts at 4/30/14**

**Forward Foreign Currency Exchange Contracts at 4/30/14**

| Type                     | Currency | Counter-party                    | Contracts to Deliver/Receive | Settlement Date Range | In Exchange for | Contracts at Value | Net Unrealized Appreciation (Depreciation) |
|--------------------------|----------|----------------------------------|------------------------------|-----------------------|-----------------|--------------------|--|
| <b>Asset Derivatives</b> |          |                                  |                              |                       |                 |                    |  |
| SELL                     | BRL      | Deutsche Bank AG                 | 775,000                      | 6/03/14               | \$344,521       | \$344,415          | \$106                                      |
| BUY                      | CAD      | Merrill Lynch International Bank | 3,283,466                    | 7/11/14               | 2,980,796       | 2,990,714          | 9,918                                      |
| BUY                      | DKK      | Barclays Bank PLC                | 5,527                        | 7/11/14               | 1,022           | 1,028              | 6  |
| BUY                      | DKK      | UBS AG                           | 5,527                        | 7/11/14               | 1,022           | 1,027              | 5  |
| BUY                      | EUR      | Brown Brothers Harriman          | 151,000                      | 7/11/14               | 208,663         | 209,455            | 792  |
| BUY                      | EUR      | Credit Suisse Group              | 415,780                      | 7/11/14               | 574,979         | 576,738            | 1,759                                      |
| BUY                      | EUR      | Goldman Sachs International      | 37,000                       | 7/11/14               | 51,129          | 51,324             | 195  |
| SELL                     | EUR      | Barclays Bank PLC                | 9,002,755                    | 6/18/14               | 12,536,534      | 12,488,628         | 47,906                                     |
| BUY                      | GBP      | Goldman Sachs International      | 20,000                       | 7/11/14               | 33,575          | 33,749             | 174  |
| BUY                      | INR      | Barclays Bank PLC                | 691,241,000                  | 5/07/14-5/12/14       | 11,399,976      | 11,449,291         | 49,315                                     |
| SELL                     | JPY      | Deutsche Bank AG                 | 182,915,342                  | 7/11/14               | 1,795,410       | 1,789,902          | 5,508                                      |

**Table of Contents***Portfolio of Investments (unaudited) continued***Forward Foreign Currency Exchange Contracts at 4/30/14 - continued**

| Type                                 | Currency | Counter-party               | Contracts to Deliver/Receive | Settlement Date Range | In Exchange for | Contracts at Value | Net Unrealized Appreciation (Depreciation) |
|--------------------------------------|----------|-----------------------------|------------------------------|-----------------------|-----------------|--------------------|--|
| <b>Asset Derivatives - continued</b> |          |                             |                              |                       |                 |                    |  |
| SELL                                 | JPY      | Goldman Sachs International | 182,915,346                  | 7/11/14               | \$1,795,594     | \$1,789,903        | \$5,691                                    |
| BUY                                  | KRW      | JPMorgan Chase Bank N.A.    | 112,535,000                  | 5/21/14               | 105,055         | 108,826            | 3,771                                      |
| BUY                                  | NOK      | Goldman Sachs International | 18,188,290                   | 7/11/14               | 3,022,512       | 3,051,536          | 29,024                                     |
| BUY                                  | NOK      | JPMorgan Chase Bank N.A.    | 16,556,000                   | 7/11/14               | 2,751,006       | 2,777,679          | 26,673                                     |
| SELL                                 | PHP      | Barclays Bank PLC           | 259,312,000                  | 6/02/14               | 5,827,891       | 5,814,040          | 13,851                                     |
| BUY                                  | SEK      | Goldman Sachs International | 760,272                      | 7/11/14               | 116,111         | 116,792            | 681  |
|                                      |          |                             |                              |                       |                 |                    | \$195,375                                  |

**Liability Derivatives**

|      |     |                                  |            |         |            |            |           |
|------|-----|----------------------------------|------------|---------|------------|------------|-----------|
| SELL | AUD | Westpac Banking Corp.            | 1,054,578  | 7/11/14 | \$970,686  | \$975,015  | \$(4,329) |
| SELL | BRL | UBS AG                           | 16,109,681 | 6/03/14 | 6,993,567  | 7,159,253  | (165,686) |
| SELL | CAD | Goldman Sachs International      | 6,318,000  | 7/11/14 | 5,742,170  | 5,754,691  | (12,521)  |
| SELL | CHF | Credit Suisse Group              | 2,649,459  | 7/11/14 | 2,999,314  | 3,012,016  | (12,702)  |
| SELL | CHF | Deutsche Bank AG                 | 2,649,459  | 7/11/14 | 2,999,586  | 3,012,017  | (12,431)  |
| SELL | EUR | Citibank N.A.                    | 5,038,910  | 7/11/14 | 6,932,569  | 6,989,592  | (57,023)  |
| SELL | EUR | Credit Suisse Group              | 8,603,946  | 7/11/14 | 11,876,758 | 11,934,738 | (57,980)  |
| SELL | EUR | Deutsche Bank AG                 | 5,553,000  | 7/11/14 | 7,612,330  | 7,702,698  | (90,368)  |
| SELL | EUR | Goldman Sachs International      | 313,943    | 7/11/14 | 433,769    | 435,478    | (1,709)   |
| SELL | GBP | Credit Suisse Group              | 3,190,320  | 7/11/14 | 5,340,354  | 5,383,607  | (43,253)  |
| SELL | GBP | Merrill Lynch International Bank | 2,919,320  | 7/11/14 | 4,883,613  | 4,926,299  | (42,686)  |
| BUY  | MXN | Deutsche Bank AG                 | 40,949,000 | 5/21/14 | 3,130,155  | 3,125,942  | (4,213)   |
| SELL | MXN | Barclays Bank PLC                | 73,848,000 | 5/21/14 | 5,518,045  | 5,637,368  | (119,323) |
| BUY  | NZD | Barclays Bank PLC                | 1,000      | 7/11/14 | 858        | 857        | (1)       |

**Table of Contents**

Portfolio of Investments (unaudited) continued

**Forward Foreign Currency Exchange Contracts at 4/30/14 - continued**

| Type                                     | Currency | Counter-party            | Contracts to Deliver/Receive | Settlement Date Range | In Exchange for | Contracts at Value | Net Unrealized Appreciation (Depreciation) |
|--|----------|--------------------------|------------------------------|-----------------------|-----------------|--------------------|--|
| <b>Liability Derivatives - continued</b> |          |                          |                              |                       |                 |                    |  |
| BUY                                      | PHP      | Barclays Bank PLC        | 259,312,000                  | 5/05/14               | \$5,831,167     | \$5,816,514        | \$(14,653)                                 |
| SELL                                     | PHP      | Barclays Bank PLC        | 259,312,000                  | 5/05/14               | 5,742,073       | 5,816,514          | (74,441)                                   |
| BUY                                      | PLN      | JPMorgan Chase Bank N.A. | 7,000                        | 5/12/14               | 2,316           | 2,311              | (5)  |
| BUY                                      | SGD      | Citibank N.A.            | 102,000                      | 7/11/14               | 81,424          | 81,360             | (64)                                       |
| BUY                                      | ZAR      | JPMorgan Chase Bank N.A. | 921,000                      | 6/10/14               | 87,502          | 87,046             | (456)                                      |
|  |          |                          |                              |                       |                 |                    | \$(713,844)                                |

**Futures Contracts at 4/30/14**

| Description                            | Currency | Contracts | Value        | Expiration Date | Unrealized Appreciation (Depreciation) |
|--|----------|-----------|--------------|-----------------|--|
| <b>Liability Derivatives</b>           |          |           |              |                 |  |
| <b>Interest Rate Futures Contracts</b> |          |           |              |                 |  |
| U.S. Treasury Note 10 yr (Short)       | USD      | 477       | \$59,349,234 | June - 2014     | \$(9,796)                              |
| U.S. Treasury Bond 30 yr (Short)       | USD      | 8         | 1,079,500    | June - 2014     | (20,842)                               |
|  |          |           |              |                 | \$(30,638)                             |

At April 30, 2014, the fund had liquid securities with an aggregate value of \$792,271 to cover any commitments for certain derivative contracts.

See Notes to Financial Statements



**Table of Contents***Financial Statements***STATEMENT OF ASSETS AND LIABILITIES**

At 4/30/14 (unaudited)

This statement represents your fund's balance sheet, which details the assets and liabilities comprising the total value of the fund.

|  |               |
|--|---------------|
| <b>Assets</b>  |               |
| Investments-   |               |
| Non-affiliated issuers, at value (identified cost, \$616,562,565)  | \$640,251,670 |
| Underlying affiliated funds, at cost and value   | 37,023,318    |
| Total investments, at value (identified cost, \$653,585,883)   | \$677,274,988 |
| Cash   | 2,201,092     |
| Receivables for  |               |
| Forward foreign currency exchange contracts  | 195,375       |
| Investments sold   | 366,025       |
| Interest and dividends   | 9,602,006     |
| Other assets   | 99,247        |
| Total assets   | \$689,738,733 |
| <b>Liabilities</b>   |               |
| Notes payable  | \$100,000,000 |
| Payables for   |               |
| Distributions  | 179,213       |
| Forward foreign currency exchange contracts  | 713,844       |
| Daily variation margin on open futures contracts   | 205,734       |
| Investments purchased  | 9,077,189     |
| Payable to affiliates  |               |
| Investment adviser   | 26,235        |
| Transfer agent and dividend disbursing costs   | 4,681         |
| Payable for independent Trustees' compensation   | 187,337       |
| Accrued interest expense   | 142,369       |
| Deferred country tax expense payable   | 235,124       |
| Accrued expenses and other liabilities   | 138,186       |
| Total liabilities  | \$110,909,912 |
| Net assets   | \$578,828,821 |
| <b>Net assets consist of</b>   |               |
| Paid-in capital  | \$556,825,786 |
| Unrealized appreciation (depreciation) on investments and translation of assets and liabilities in foreign currencies (net of \$87,305 deferred country tax) | 23,085,210    |
| Accumulated net realized gain (loss) on investments and foreign currency   | 1,142,253     |
| Accumulated distributions in excess of net investment income   | (2,224,428)   |
| Net assets   | \$578,828,821 |
| Shares of beneficial interest outstanding  | 77,852,495    |
| Net asset value per share (net assets of \$578,828,821 / 77,852,495 shares of beneficial interest outstanding)   | \$7.43        |

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENT OF OPERATIONS**

Six months ended 4/30/14 (unaudited)

This statement describes how much your fund earned in investment income and accrued in expenses. It also describes any gains and/or losses generated by fund operations.

|  |              |
|--|--------------|
| <b>Net investment income</b>   |              |
| Income   |              |
| Interest   | \$18,628,688 |
| Dividends  | 45,492       |
| Dividends from underlying affiliated funds                                     | 15,662       |
| Total investment income  | \$18,689,842 |
| Expenses   |              |
| Management fee   | \$2,043,894  |
| Transfer agent and dividend disbursing costs                                   | 66,042       |
| Administrative services fee  | 38,820       |
| Independent Trustees compensation  | 38,896       |
| Stock exchange fee   | 34,327       |
| Custodian fee  | 40,939       |
| Interest expense   | 424,828      |
| Shareholder communications   | 85,102       |
| Audit and tax fees   | 37,600       |
| Legal fees   | 4,786        |
| Miscellaneous  | 18,557       |
| Total expenses   | \$2,833,791  |
| Fees paid indirectly   | (82)         |
| Reduction of expenses by investment adviser                                    | (412)        |
| Net expenses   | \$2,833,297  |
| Net investment income  | \$15,856,545 |
| <b>Realized and unrealized gain (loss) on investments and foreign currency</b> |              |
| Realized gain (loss) (identified cost basis)                                   |              |
| Investments (net of \$130,112 country tax)                                     | \$5,666,257  |
| Futures contracts  | (1,281,078)  |
| Foreign currency   | (1,617,433)  |
| Net realized gain (loss) on investments and foreign currency                   | \$2,767,746  |
| Change in unrealized appreciation (depreciation)                               |              |
| Investments (net of \$34,889 decrease in deferred country tax)                 | \$2,409,376  |
| Futures contracts  | 1,301,884    |
| Translation of assets and liabilities in foreign currencies                    | (197,803)    |
| Net unrealized gain (loss) on investments and foreign currency translation     | \$3,513,457  |
| Net realized and unrealized gain (loss) on investments and foreign currency    | \$6,281,203  |
| Change in net assets from operations   | \$22,137,748 |

**See Notes to Financial Statements**

37

**Table of Contents***Financial Statements***STATEMENTS OF CHANGES IN NET ASSETS**

These statements describe the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

|  | Six months ended<br>4/30/14<br>(unaudited) | Year ended<br>10/31/13 |
|--|--|------------------------|
| <b>Change in net assets</b>  |  |                        |
| <b>From operations</b>   |  |                        |
| Net investment income  | \$15,856,545                               | \$34,125,056           |
| Net realized gain (loss) on investments and foreign currency   | 2,767,746                                  | 20,848,699             |
| Net unrealized gain (loss) on investments and foreign currency translation   | 3,513,457                                  | (31,209,800)           |
| Change in net assets from operations   | \$22,137,748                               | \$23,763,955           |
| <b>Distributions declared to shareholders</b>  |  |                        |
| From net investment income   | \$(17,208,700)                             | \$(36,124,929)         |
| From net realized gain on investments  | (10,287,949)                               |                        |
| Total distributions declared to shareholders   | \$(27,496,649)                             | \$(36,124,929)         |
| Change in net assets from fund share transactions  | \$(2,108,656)                              | \$(1,314,939)          |
| Total change in net assets   | \$(7,467,557)                              | \$(13,675,913)         |
| <b>Net assets</b>  |  |                        |
| At beginning of period   | 586,296,378                                | 599,972,291            |
| At end of period (including accumulated distributions in excess of net investment income of \$2,224,428 and \$872,273, respectively) | \$578,828,821                              | \$586,296,378          |
| <b>See Notes to Financial Statements</b>   |  |                        |

**Table of Contents***Financial Statements***STATEMENT OF CASH FLOWS**

Six months ended 4/30/14 (unaudited)

This statement provides a summary of cash flows from investment activity for the fund.

|  |                |
|--|----------------|
| <b>Cash flows from operating activities:</b>   |                |
| Change in net assets from operations   | \$22,137,748   |
| <b>Adjustments to reconcile change in net assets from operations to net cash provided by operating activities:</b> |                |
| Purchase of investment securities  | (173,999,629)  |
| Proceeds from disposition of investment securities   | 200,691,713    |
| Payments for futures contracts   | (1,281,078)    |
| Purchases of short-term investments, net   | (12,581,874)   |
| Realized gain/loss on investments  | (5,796,369)    |
| Realized gain/loss on futures contracts  | 1,281,078      |
| Unrealized appreciation/depreciation on investments  | (2,374,487)    |
| Unrealized appreciation/depreciation on foreign currency contracts   | 206,842        |
| Net amortization/accretion of income   | 925,407        |
| Decrease in interest and dividends receivable  | 496,851        |
| Increase in accrued expenses and other liabilities   | 35,311         |
| Decrease in receivable for daily variation margin on open futures contracts  | 75,781         |
| Increase in payable for daily variation margin on open futures contracts   | 205,734        |
| Decrease in restricted cash  | 677,700        |
| Increase in other assets   | (36,070)       |
| Increase in interest payable   | 68,603         |
| Net cash provided by operating activities  | \$30,733,261   |
| <b>Cash flows from financing activities:</b>   |                |
| Distributions paid in cash   | (27,498,495)   |
| Repurchase of shares of beneficial interest  | (2,108,656)    |
| Net cash used by financing activities  | \$(29,607,151) |
| Net increase in cash   | \$1,126,110    |
| <b>Cash:</b>   |                |
| Beginning of period  | \$1,074,982    |
| End of period  | \$2,201,092    |
| Supplemental disclosure of cash flow information:  |                |

Cash paid during the six months ended April 30, 2014 for interest was \$356,225.

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***FINANCIAL HIGHLIGHTS**

The financial highlights table is intended to help you understand the fund's financial performance for the semiannual period and the past 5 fiscal years. Certain information reflects financial results for a single fund share. The total returns in the table represent the rate by which an investor would have earned (or lost) on an investment in the fund share class (assuming reinvestment of all distributions) held for the entire period.

|   | <b>Six months<br/>ended<br/>4/30/14</b> | <b>2013</b> | <b>Years ended 10/31</b> |             | <b>2010</b> | <b>2009</b> |
|---|---|-------------|--------------------------|-------------|-------------|-------------|
|   | <b>(unaudited)</b>                      |             | <b>2012</b>              | <b>2011</b> |             |             |
| Net asset value, beginning of period  | \$7.50                                  | \$7.65      | \$7.20                   | \$7.44      | \$6.83      | \$5.48      |
| <b>Income (loss) from investment operations</b>   |   |             |                          |             |             |             |
| Net investment income (d)   | \$0.20                                  | \$0.44      | \$0.47                   | \$0.50      | \$0.52      | \$0.47      |
| Net realized and unrealized gain (loss) on investments and foreign currency                         | 0.08                                    | (0.13)      | 0.49                     | (0.20)      | 0.63        | 1.38        |
| Total from investment operations  | \$0.28                                  | \$0.31      | \$0.96                   | \$0.30      | \$1.15      | \$1.85      |
| <b>Less distributions declared to shareholders</b>  |   |             |                          |             |             |             |
| From net investment income  | \$(0.22)                                | \$(0.46)    | \$(0.51)                 | \$(0.54)    | \$(0.54)    | \$(0.51)    |
| From net realized gain on investments   | (0.13)                                  |             |                          |             |             |             |
| Total distributions declared to shareholders  | \$(0.35)                                | \$(0.46)    | \$(0.51)                 | \$(0.54)    | \$(0.54)    | \$(0.51)    |
| Net increase from repurchase of capital shares  | \$0.00(w)                               | \$0.00(w)   | \$                       | \$          | \$          | \$0.01      |
| Net asset value, end of period (x)  | \$7.43                                  | \$7.50      | \$7.65                   | \$7.20      | \$7.44      | \$6.83      |
| Market value, end of period   | \$6.62                                  | \$6.59      | \$7.31                   | \$6.68      | \$7.11      | \$6.06      |
| Total return at market value (%)  | 5.96(n)                                 | (3.73)      | 17.56                    | 1.67        | 27.18       | 41.15       |
| Total return at net asset value (%) (j)(r)(s)(x)  | 4.50(n)                                 | 4.69        | 14.15                    | 4.73        | 18.08       | 36.73       |
| <b>Ratios (%) (to average net assets) and Supplemental data:</b>                                    |   |             |                          |             |             |             |
| Expenses before expense reductions (f)  | 0.99(a)                                 | 1.02        | 1.10                     | 1.12        | 1.25        | 1.07        |
| Expenses after expense reductions (f)   | 0.99(a)                                 | 1.02        | 1.10                     | 1.12        | 1.25        | 1.06        |
| Net investment income   | 5.54(a)                                 | 5.75        | 6.39                     | 6.80        | 7.39        | 7.76        |
| Portfolio turnover  | 23(n)                                   | 65          | 48                       | 49          | 65          | 67          |
| Net assets at end of period (000 omitted)   | \$578,829                               | \$586,296   | \$599,972                | \$564,446   | \$583,317   | \$535,450   |
| <b>Supplemental Ratios (%):</b>   |   |             |                          |             |             |             |
| Ratio of expenses to average net assets after expense reductions and excluding interest expense (f) | 0.84(a)                                 | 0.86        | 0.91                     | 0.91        | 0.97        | 1.02        |
| <b>Senior Securities:</b>   |   |             |                          |             |             |             |
| Total notes payable outstanding (000 omitted)   | \$100,000                               | \$100,000   | \$100,000                | \$100,000   | \$100,000   | \$100,000   |
| Asset coverage per \$1,000 of indebtedness (k)  | \$6,788                                 | \$6,863     | \$7,000                  | \$6,644     | \$6,833     | \$6,354     |

**Table of Contents**

*Financial Highlights continued*

- (a) Annualized.
- (d) Per share data is based on average shares outstanding.
- (f) Ratios do not reflect reductions from fees paid indirectly, if applicable.
- (j) Total return at net asset value is calculated using the net asset value of the fund, not the publicly traded price and therefore may be different than the total return at market value.
- (k) Calculated by subtracting the fund's total liabilities (not including notes payable) from the fund's total assets and dividing this number by the notes payable outstanding and then multiplying by 1,000.
- (n) Not annualized.
- (r) Certain expenses have been reduced without which performance would have been lower.
- (s) From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.
- (w) Per share amount was less than \$0.01.
- (x) The net asset values per share and total returns at net asset value per share have been calculated on net assets which include adjustments made in accordance with U.S. generally accepted accounting principles required at period end for financial reporting purposes.

**See Notes to Financial Statements**

**Table of Contents**

**NOTES TO FINANCIAL STATEMENTS**

(unaudited)

**(1) Business and Organization**

MFS Multimarket Income Trust (the fund) is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a diversified closed-end management investment company.

The fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services – Investment Companies.

**(2) Significant Accounting Policies**

**General** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. In the preparation of these financial statements, management has evaluated subsequent events occurring after the date of the fund’s Statement of Assets and Liabilities through the date that the financial statements were issued. The fund invests in high-yield securities rated below investment grade. Investments in high-yield securities involve greater degrees of credit and market risk than investments in higher-rated securities and tend to be more sensitive to economic conditions. The fund invests in foreign securities, including securities of emerging market issuers. Investments in foreign securities are vulnerable to the effects of changes in the relative values of the local currency and the U.S. dollar and to the effects of changes in each country’s legal, political, and economic environment. The markets of emerging markets countries are generally more volatile than the markets of developed countries with more mature economies. All of the risks of investing in foreign securities previously described are heightened when investing in emerging markets countries.

In this reporting period, the fund adopted the disclosure provisions of FASB Accounting Standards Update 2011-11 ( ASU 2011-11 ), Balance Sheet (Topic 210) – Disclosures about Offsetting Assets and Liabilities along with the related scope clarification provisions of FASB Accounting Standards Update 2013-01 ( ASU 2013-01 ) entitled Balance Sheet (Topic 210) – Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities. ASU 2011-11 is intended to enhance disclosures on the offsetting of financial assets and liabilities by requiring entities to disclose both gross and net information about financial instruments and transactions that are either offset in the statement of financial position or subject to an enforceable Master Netting Agreement or similar arrangement. ASU 2013-01 limits the scope of ASU 2011-11’s disclosure requirements on offsetting to financial assets and financial liabilities related to derivatives, repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions. The disclosures required by ASU 2011-11, to the extent applicable to the fund, have been included in the fund’s Significant Accounting Policies note under the captions for each of the fund’s in-scope financial instruments and transactions.

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**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

The fund's accounting policy with respect to balance sheet offsetting is that, absent an event of default by the counterparty or a termination of the agreement, the ISDA Master Agreement does not result in an offset of reported amounts of financial assets and financial liabilities in the Statement of Assets and Liabilities across transactions between the fund and the applicable counterparty. The fund's right to setoff may be restricted or prohibited by the bankruptcy or insolvency laws of the particular jurisdiction to which a specific master netting agreement counterparty is subject. Balance sheet offsetting disclosures, to the extent applicable to the fund, have been included in the fund's Significant Accounting Policies note under the captions for each of the fund's in-scope financial instruments and transactions.

**Investment Valuations** Equity securities, including restricted equity securities, are generally valued at the last sale or official closing price as provided by a third-party pricing service on the market or exchange on which they are primarily traded. Equity securities, for which there were no sales reported that day, are generally valued at the last quoted daily bid quotation as provided by a third-party pricing service on the market or exchange on which such securities are primarily traded. Debt instruments and floating rate loans (other than short-term instruments), including restricted debt instruments, are generally valued at an evaluated or composite bid as provided by a third-party pricing service. Short-term instruments with a maturity at issuance of 60 days or less generally are valued at amortized cost, which approximates market value. Futures contracts are generally valued at last posted settlement price as provided by a third-party pricing service on the market on which they are primarily traded. Futures contracts for which there were no trades that day for a particular position are generally valued at the closing bid quotation as provided by a third-party pricing service on the market on which such futures contracts are primarily traded. Forward foreign currency exchange contracts are generally valued at the mean of bid and asked prices for the time period interpolated from rates provided by a third-party pricing service for proximate time periods. Open-end investment companies are generally valued at net asset value per share. Securities and other assets generally valued on the basis of information from a third-party pricing service may also be valued at a broker/dealer bid quotation. Values obtained from third-party pricing services can utilize both transaction data and market information such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data. The values of foreign securities and other assets and liabilities expressed in foreign currencies are converted to U.S. dollars using the mean of bid and asked prices for rates provided by a third-party pricing service.

The Board of Trustees has delegated primary responsibility for determining or causing to be determined the value of the fund's investments (including any fair valuation) to the adviser pursuant to valuation policies and procedures approved by the Board. If the adviser determines that reliable market quotations are not readily available, investments are valued at fair value as determined in good faith by the adviser in accordance with such procedures under the oversight of the Board of Trustees. Under the fund's valuation policies and procedures, market quotations are not considered to be readily available for most types of debt instruments and floating rate loans and many types of derivatives. These investments are generally valued at fair value based on information from third-party pricing services. In addition, investments may be valued at fair value if



**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

the adviser determines that an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (such as foreign exchange or market) and prior to the determination of the fund's net asset value, or after the halting of trading of a specific security where trading does not resume prior to the close of the exchange or market on which the security is principally traded. The adviser generally relies on third-party pricing services or other information (such as the correlation with price movements of similar securities in the same or other markets; the type, cost and investment characteristics of the security; the business and financial condition of the issuer; and trading and other market data) to assist in determining whether to fair value and at what value to fair value an investment. The value of an investment for purposes of calculating the fund's net asset value can differ depending on the source and method used to determine value. When fair valuation is used, the value of an investment used to determine the fund's net asset value may differ from quoted or published prices for the same investment. There can be no assurance that the fund could obtain the fair value assigned to an investment if it were to sell the investment at the same time at which the fund determines its net asset value per share.

Various inputs are used in determining the value of the fund's assets or liabilities. These inputs are categorized into three broad levels. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fund's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speed, and credit risk). Level 3 includes unobservable inputs, which may include the adviser's own assumptions in determining the fair value of investments. Other financial instruments are derivative instruments not reflected in total investments, such as futures contracts and forward foreign currency exchange contracts.

**Table of Contents**

Notes to Financial Statements (unaudited) continued

The following is a summary of the levels used as of April 30, 2014 in valuing the fund's assets or liabilities:

| <b>Investments at Value</b>                                | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>  |
|--|----------------|----------------|----------------|---------------|
| Equity Securities  | \$893,228      | \$475,380      | \$47,028       | \$1,415,636   |
| U.S. Treasury Bonds & U.S. Government Agency & Equivalents |                | 17,264,955     |                | 17,264,955    |
| Non-U.S. Sovereign Debt                                    |                | 88,007,747     |                | 88,007,747    |
| Municipal Bonds  |                | 450,501        |                | 450,501       |
| U.S. Corporate Bonds                                       |                | 340,791,212    |                | 340,791,212   |
| Residential Mortgage-Backed Securities                     |                | 3,759,349      |                | 3,759,349     |
| Commercial Mortgage-Backed Securities                      |                | 24,365,630     |                | 24,365,630    |
| Asset-Backed Securities (including CDOs)                   |                | 2,513,615      |                | 2,513,615     |
| Foreign Bonds  |                | 153,431,365    |                | 153,431,365   |
| Floating Rate Loans  |                | 8,251,660      |                | 8,251,660     |
| Mutual Funds   | 37,023,318     |                |                | 37,023,318    |
| Total Investments  | \$37,916,546   | \$639,311,414  | \$47,028       | \$677,274,988 |

**Other Financial Instruments**

|   |            |           |    |            |
|---|------------|-----------|----|------------|
| Futures Contracts                           | \$(30,638) | \$        | \$ | \$(30,638) |
| Forward Foreign Currency Exchange Contracts |            | (518,469) |    | (518,469)  |

For further information regarding security characteristics, see the Portfolio of Investments.

The following is a reconciliation of level 3 assets for which significant unobservable inputs were used to determine fair value. The fund's policy is to recognize transfers between the levels as of the end of the period. The table presents the activity of level 3 securities held at the beginning and the end of the period.

|  | <b>Equity</b> | <b>Securities</b> |
|--|---------------|-------------------|
| Balance as of 10/31/13                           |               | \$41,673          |
| Change in unrealized appreciation (depreciation) |               | 5,355             |
| Balance as of 4/30/14                            |               | \$47,028          |

The net change in unrealized appreciation (depreciation) from investments still held as level 3 at April 30, 2014 is \$5,355.

**Foreign Currency Translation** Purchases and sales of foreign investments, income, and expenses are converted into U.S. dollars based upon currency exchange rates prevailing on the respective dates of such transactions or on the reporting date for foreign denominated receivables and payables. Gains and losses attributable to foreign currency exchange rates on sales of securities are recorded for financial statement purposes as net realized gains and losses on investments. Gains and losses attributable to foreign exchange rate movements on receivables, payables, income and expenses are recorded for financial statement purposes as foreign currency transaction gains and losses. That portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed.

**Table of Contents**

Notes to Financial Statements (unaudited) continued

**Derivatives** The fund uses derivatives for different purposes, primarily to increase or decrease exposure to a particular market or segment of the market, or security, to increase or decrease interest rate or currency exposure, or as alternatives to direct investments. Derivatives are used for hedging or non-hedging purposes. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. When the fund uses derivatives as an investment to increase market exposure, or for hedging purposes, gains and losses from derivative instruments may be substantially greater than the derivative's original cost.

The derivative instruments used by the fund were futures contracts and forward foreign currency exchange contracts. The fund's period end derivatives, as presented in the Portfolio of Investments and the associated Derivative Contract tables, generally are indicative of the volume of its derivative activity during the period.

The following table presents, by major type of derivative contract, the fair value, on a gross basis, of the asset and liability components of derivatives held by the fund at April 30, 2014 as reported in the Statement of Assets and Liabilities:

| Risk             | Derivative Contracts              | Fair Value (a)    |                       |
|------------------|-----------------------------------|-------------------|-----------------------|
|                  |                                   | Asset Derivatives | Liability Derivatives |
| Interest Rate    | Interest Rate Futures             | \$                | \$(30,638)            |
| Foreign Exchange | Forward Foreign Currency Exchange | 195,375           | (713,844)             |
| Total            |                                   | \$195,375         | \$ (744,482)          |

(a) The value of futures contracts outstanding includes cumulative appreciation (depreciation) as reported in the fund's Portfolio of Investments. Only the current day variation margin for futures contracts is separately reported within the fund's Statement of Assets and Liabilities.

The following table presents, by major type of derivative contract, the realized gain (loss) on derivatives held by the fund for the six months ended April 30, 2014 as reported in the Statement of Operations:

| Risk             | Futures Contracts | Foreign Currency |
|------------------|-------------------|------------------|
| Interest Rate    | \$(1,281,078)     | \$               |
| Foreign Exchange |                   | (1,582,210)      |
| Total            | \$(1,281,078)     | \$(1,582,210)    |

The following table presents, by major type of derivative contract, the change in unrealized appreciation (depreciation) on derivatives held by the fund for the six months ended April 30, 2014 as reported in the Statement of Operations:

| Risk             | Futures Contracts | Translation                                     |
|------------------|-------------------|---|
|                  |                   | of Assets and Liabilities in Foreign Currencies |
| Interest Rate    | \$1,301,884       | \$  |
| Foreign Exchange |                   | (206,842)                                       |
| Total            | \$1,301,884       | \$(206,842)                                     |

**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

Derivative counterparty credit risk is managed through formal evaluation of the creditworthiness of all potential counterparties. On certain, but not all, over-the-counter derivatives, the fund attempts to reduce its exposure to counterparty credit risk whenever possible by entering into an International Swaps and Derivatives Association (ISDA) Master Agreement on a bilateral basis with each of the counterparties with whom it undertakes a significant volume of transactions. The ISDA Master Agreement gives each party to the agreement the right to terminate all transactions traded under such agreement if there is a certain deterioration in the credit quality of the other party. Upon an event of default or a termination of the ISDA Master Agreement, the non-defaulting party has the right to close out all transactions traded under such agreement and to net amounts owed under each transaction to one net amount payable by one party to the other. This right to close out and net payments across all transactions traded under the ISDA Master Agreement could result in a reduction of the fund's credit risk to such counterparty equal to any amounts payable by the fund under the applicable transactions, if any. The fund's right to setoff may be restricted or prohibited by the bankruptcy or insolvency laws of the particular jurisdiction to which a specific ISDA counterparty is subject.

Collateral and margin requirements differ by type of derivative. Margin requirements are set by the broker or clearing house for cleared derivatives (i.e., futures contracts, cleared swaps, and exchange-traded options) while collateral terms are contract specific for over-the-counter traded derivatives (i.e., forward foreign currency exchange contracts, uncleared swap agreements, and over-the-counter options). For derivatives traded under an ISDA Master Agreement, the collateral requirements are netted across all transactions traded under such agreement and one amount is posted from one party to the other to collateralize such obligations. Cash that has been segregated to cover the fund's collateral or margin obligations under derivative contracts, if any, will be reported separately in the Statement of Assets and Liabilities as Restricted cash or Deposits with brokers. Securities pledged as collateral or margin for the same purpose, if any, are noted in the Portfolio of Investments.

**Futures Contracts** The fund entered into futures contracts which may be used to hedge against or obtain broad market exposure, interest rate exposure, currency exposure, or to manage duration. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the fund is required to deposit with the broker, either in cash or securities, an initial margin in an amount equal to a certain percentage of the notional amount of the contract. Subsequent payments (variation margin) are made or received by the fund each day, depending on the daily fluctuations in the value of the contract, and are recorded for financial statement purposes as unrealized gain or loss by the fund until the contract is closed or expires at which point the gain or loss on futures contracts is realized.

The fund bears the risk of interest rates, exchange rates or securities prices moving unexpectedly, in which case, the fund may not achieve the anticipated benefits of the futures contracts and may realize a loss. While futures contracts may present less counterparty risk to the fund since the contracts are exchange traded and the exchange's clearinghouse guarantees payments to the broker, there is still counterparty

**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

credit risk due to the insolvency of the broker. The fund's maximum risk of loss due to counterparty credit risk is equal to the margin posted by the fund to the broker plus any gains or minus any losses on the outstanding futures contracts.

**Forward Foreign Currency Exchange Contracts** The fund entered into forward foreign currency exchange contracts for the purchase or sale of a specific foreign currency at a fixed price on a future date. These contracts may be used to hedge the fund's currency risk or for non-hedging purposes. For hedging purposes, the fund may enter into contracts to deliver or receive foreign currency that the fund will receive from or use in its normal investment activities. The fund may also use contracts to hedge against declines in the value of foreign currency denominated securities due to unfavorable exchange rate movements. For non-hedging purposes, the fund may enter into contracts with the intent of changing the relative exposure of the fund's portfolio of securities to different currencies to take advantage of anticipated exchange rate changes.

Forward foreign currency exchange contracts are adjusted by the daily exchange rate of the underlying currency and any unrealized gains or losses are recorded as a receivable or payable for forward foreign currency exchange contracts until the contract settlement date. On contract settlement date, any gain or loss on the contract is recorded as realized gains or losses on foreign currency.

Risks may arise upon entering into these contracts from unanticipated movements in the value of the contract and from the potential inability of counterparties to meet the terms of their contracts. Generally, the fund's maximum risk due to counterparty credit risk is the unrealized gain on the contract due to the use of Continuous Linked Settlement, an industry accepted settlement system. This risk is mitigated in cases where there is an ISDA Master Agreement between the fund and the counterparty providing for netting as described above and for posting of collateral by the counterparty to the fund to cover the fund's exposure to the counterparty under such ISDA Master Agreement.

**Loans and Other Direct Debt Instruments** The fund invests in loans and loan participations or other receivables. These investments may include standby financing commitments, including revolving credit facilities, which obligate the fund to supply additional cash to the borrower on demand. Loan participations involve a risk of insolvency of the lending bank or other financial intermediary.

**Statement of Cash Flows** Information on financial transactions which have been settled through the receipt or disbursement of cash is presented in the Statement of Cash Flows. The cash amount shown in the Statement of Cash Flows is the amount included within the fund's Statement of Assets and Liabilities and includes cash on hand at its custodian bank and does not include any short term investments.

**Indemnifications** Under the fund's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the fund. Additionally, in the normal course of business, the fund enters into agreements with service providers that may contain indemnification clauses. The fund's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the fund that have not yet occurred.

**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

**Investment Transactions and Income** Investment transactions are recorded on the trade date. Interest income is recorded on the accrual basis. All premium and discount is amortized or accreted for financial statement purposes in accordance with U.S. generally accepted accounting principles. The fund earns certain fees in connection with its floating rate loan purchasing activities. These fees are in addition to interest payments earned and may include amendment fees, commitment fees, facility fees, consent fees, and prepayment fees. Commitment fees are recorded on an accrual basis as income in the accompanying financial statements. Dividends received in cash are recorded on the ex-dividend date. Certain dividends from foreign securities will be recorded when the fund is informed of the dividend if such information is obtained subsequent to the ex-dividend date. Dividend and interest payments received in additional securities are recorded on the ex-dividend or ex-interest date in an amount equal to the value of the security on such date. Debt obligations may be placed on non-accrual status or set to accrue at a rate of interest less than the contractual coupon when the collection of all or a portion of interest has become doubtful. Interest income for those debt obligations may be further reduced by the write-off of the related interest receivables when deemed uncollectible.

The fund may receive proceeds from litigation settlements. Any proceeds received from litigation involving portfolio holdings are reflected in the Statement of Operations in realized gain/loss if the security has been disposed of by the fund or in unrealized gain/loss if the security is still held by the fund. Any other proceeds from litigation not related to portfolio holdings are reflected as other income in the Statement of Operations.

**Fees Paid Indirectly** The fund's custody fee may be reduced according to an arrangement that measures the value of cash deposited with the custodian by the fund. This amount, for the six months ended April 30, 2014, is shown as a reduction of total expenses in the Statement of Operations.

**Tax Matters and Distributions** The fund intends to qualify as a regulated investment company, as defined under Subchapter M of the Internal Revenue Code, and to distribute all of its taxable income, including realized capital gains. As a result, no provision for federal income tax is required. The fund's federal tax returns, when filed, will remain subject to examination by the Internal Revenue Service for a three year period. Management has analyzed the fund's tax positions taken on federal and state tax returns for all open tax years and does not believe that there are any uncertain tax positions that require recognition of a tax liability. Foreign taxes, if any, have been accrued by the fund in the accompanying financial statements in accordance with the applicable foreign tax law. Foreign income taxes may be withheld by certain countries in which the fund invests. Additionally, capital gains realized by the fund on securities issued in or by certain foreign countries may be subject to capital gains tax imposed by those countries.

Distributions to shareholders are recorded on the ex-dividend date. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. generally accepted accounting principles. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences which arise from recognizing certain items

**Table of Contents***Notes to Financial Statements (unaudited) continued*

of income, expense, gain or loss in different periods for financial statement and tax purposes will reverse at some time in the future. Distributions in excess of net investment income or net realized gains are temporary overdistributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes.

Book/tax differences primarily relate to amortization and accretion of debt securities, straddle loss deferrals, and derivative transactions.

The tax character of distributions made during the current period will be determined at fiscal year end. The tax character of distributions declared to shareholders for the last fiscal year is as follows:

|  | <b>10/31/13</b> |
|--|-----------------|
| Ordinary income (including any short-term capital gains) | \$36,124,929    |

The federal tax cost and the tax basis components of distributable earnings were as follows:

| <b>As of 4/30/14</b>                       |               |
|--|---------------|
| Cost of investments                        | \$656,428,235 |
| Gross appreciation                         | 29,583,946    |
| Gross depreciation                         | (8,737,193)   |
| Net unrealized appreciation (depreciation) | \$20,846,753  |
| <b>As of 10/31/13</b>                      |               |
| Undistributed ordinary income              | 95,095        |
| Undistributed long-term capital gain       | 10,287,741    |
| Other temporary differences                | (1,768,145)   |
| Net unrealized appreciation (depreciation) | 18,747,245    |

The aggregate cost above includes prior fiscal year end tax adjustments, if applicable.

**(3) Transactions with Affiliates**

**Investment Adviser** The fund has an investment advisory agreement with MFS to provide overall investment management and related administrative services and facilities to the fund. The management fee is computed daily and paid monthly at an annual rate of 0.34% of the fund's average daily net assets and 5.40% of gross income. Gross income is calculated based on tax elections that generally include the accretion of discount and exclude the amortization of premium, which may differ from investment income reported in the Statement of Operations. The management fee, from net assets and gross income, incurred for the six months ended April 30, 2014 was equivalent to an annual effective rate of 0.71% of the fund's average daily net assets.

**Transfer Agent** The fund engages Computershare Trust Company, N.A. ( Computershare ) as the sole transfer agent for the fund. MFS Service Center, Inc. (MFSC) monitors and supervises the activities of Computershare for an agreed upon fee approved by the Board of Trustees. For the six months ended April 30, 2014, these fees paid to MFSC amounted to \$15,309.

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**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

**Administrator** MFS provides certain financial, legal, shareholder communications, compliance, and other administrative services to the fund. Under an administrative services agreement, the fund partially reimburses MFS the costs incurred to provide these services. The fund is charged an annual fixed amount of \$17,500 plus a fee based on average daily net assets. The administrative services fee incurred for the six months ended April 30, 2014 was equivalent to an annual effective rate of 0.0136% of the fund's average daily net assets.

**Trustees and Officers Compensation** The fund pays compensation to independent Trustees in the form of a retainer, attendance fees, and additional compensation to Board and Committee chairpersons. The fund does not pay compensation directly to Trustees or officers of the fund who are also officers of the investment adviser, all of whom receive remuneration for their services to the fund from MFS. Certain officers and Trustees of the fund are officers or directors of MFS and MFSC.

Prior to December 31, 2001, the fund had an unfunded defined benefit plan ( DB plan ) for independent Trustees. As of December 31, 2001, the Board took action to terminate the DB plan with respect to then-current and any future independent Trustees, such that the DB plan covers only certain of those former independent Trustees who retired on or before December 31, 2001. Effective January 1, 2002, accrued benefits under the DB plan for then-current independent Trustees who continued were credited to an unfunded retirement deferral plan (the Retirement Deferral plan ), which was established for and exists solely with respect to these credited amounts, and is not available for other deferrals by these or other independent Trustees. Although the Retirement Deferral plan is unfunded, amounts deferred under the plan are periodically adjusted for investment experience as if they had been invested in shares of the fund. The DB plan resulted in a pension expense of \$2,221 and the Retirement Deferral plan resulted in an expense of \$6,070. Both amounts are included in independent Trustees' compensation for the six months ended April 30, 2014. The liability for deferred retirement benefits payable to certain independent Trustees under both plans amounted to \$132,989 at April 30, 2014, and is included in Payable for independent Trustees' compensation in the Statement of Assets and Liabilities.

**Deferred Trustee Compensation** Under a Deferred Compensation Plan (the Plan ), independent Trustees previously were allowed to elect to defer receipt of all or a portion of their annual compensation. Effective January 1, 2005, the Board elected to no longer allow Trustees to defer receipt of future compensation under the Plan. Amounts deferred under the Plan are invested in shares of certain MFS Funds selected by the independent Trustees as notional investments. Deferred amounts represent an unsecured obligation of the fund until distributed in accordance with the Plan. Included in Other assets and Payable for independent Trustees' compensation in the Statement of Assets and Liabilities is \$46,367 of deferred Trustees' compensation. There is no current year expense associated with the Plan.

**Other** This fund and certain other funds managed by MFS (the funds) have entered into services agreements (the Agreements) which provide for payment of fees by the funds to Tarantino LLC and Griffin Compliance LLC in return for the provision of services of an Independent Chief Compliance Officer (ICCO) and Assistant ICCO,



**Table of Contents**

*Notes to Financial Statements (unaudited) continued*

respectively, for the funds. The ICCO and Assistant ICCO are officers of the funds and the sole members of Tarantino LLC and Griffin Compliance LLC, respectively. The funds can terminate the Agreements with Tarantino LLC and Griffin Compliance LLC at any time under the terms of the Agreements. For the six months ended April 30, 2014, the aggregate fees paid by the fund to Tarantino LLC and Griffin Compliance LLC were \$1,822 and are included in Miscellaneous expense in the Statement of Operations. MFS has agreed to reimburse the fund for a portion of the payments made by the fund in the amount of \$412, which is included in the reduction of total expenses in the Statement of Operations. Additionally, MFS has agreed to bear all expenses associated with office space, other administrative support, and supplies provided to the ICCO and Assistant ICCO.

The fund invests in the MFS Institutional Money Market Portfolio which is managed by MFS and seeks current income consistent with preservation of capital and liquidity. Income earned on this investment is included in Dividends from underlying affiliated funds in the Statement of Operations. This money market fund does not pay a management fee to MFS.

**(4) Portfolio Securities**

Purchases and sales of investments, other than short-term obligations, were as follows:

|  | Purchases     | Sales         |
|--|---------------|---------------|
| U.S. Government securities                   | \$            | \$538,273     |
| Investments (non-U.S. Government securities) | \$144,388,441 | \$160,267,518 |

**(5) Shares of Beneficial Interest**

The fund's Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest. The Trustees have authorized the repurchase by the fund of up to 10% annually of its own shares of beneficial interest. The fund repurchased and retired 323,409 shares of beneficial interest during the six months ended April 30, 2014 at an average price per share of \$6.52 and a weighted average discount of 11.32% per share. The fund repurchased and retired 202,200 shares of beneficial interest during the year ended October 31, 2013 at an average price per share of \$6.50 and a weighted average discount of 11.84% per share. Transactions in fund shares were as follows:

|                           | Six months ended<br>4/30/14 |               | Year ended<br>10/31/13 |               |
|---------------------------|-----------------------------|---------------|------------------------|---------------|
|                           | Shares                      | Amount        | Shares                 | Amount        |
| Capital shares reacquired | (323,409)                   | \$(2,108,656) | (202,200)              | \$(1,314,939) |

**(6) Loan Agreement**

The fund has a credit agreement with a bank for a revolving secured line of credit that can be drawn upon up to \$100,000,000. At April 30, 2014, the fund had outstanding borrowings under this agreement in the amount of \$100,000,000, which are secured by a lien on the fund's assets. The loan's carrying value in the fund's Statement of Assets and Liabilities approximates its fair value. The loan value as of the reporting date is considered level 2 under the fair value hierarchy. The credit agreement matures on August 22, 2014. Borrowing under the agreement can be made for liquidity or leverage purposes. Interest is charged at a rate per annum equal to LIBOR plus an agreed upon spread or an alternate rate, at the option of the borrower, stated as the

**Table of Contents***Notes to Financial Statements (unaudited) continued*

greater of Overnight LIBOR or the Federal Funds Rate each plus an agreed upon spread. The fund incurred interest expense of \$424,828 during the period. The fund may also be charged a commitment fee based on the average daily unused portion of the line of credit. The fund did not incur a commitment fee during the period. For the six months ended April 30, 2014, the average loan balance was \$100,000,000 at a weighted average annual interest rate of 0.84%. The fund is subject to certain covenants including, but not limited to, requirements with respect to asset coverage, portfolio diversification and liquidity.

**(7) Transactions in Underlying Affiliated Funds-Affiliated Issuers**

An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common control. For the purposes of this report, the fund assumes the following to be an affiliated issuer:

| <b>Underlying Affiliated Fund</b>        | <b>Beginning<br/>Shares/Par<br/>Amount</b> | <b>Acquisitions<br/>Shares/Par<br/>Amount</b> | <b>Dispositions<br/>Shares/Par<br/>Amount</b> | <b>Ending<br/>Shares/Par<br/>Amount</b> |
|--|--|---|---|---|
| MFS Institutional Money Market Portfolio | 24,441,444                                 | 100,144,399                                   | (87,562,525)                                  | 37,023,318                              |

  

| <b>Underlying Affiliated Fund</b>        | <b>Realized<br/>Gain (Loss)</b> | <b>Capital Gain<br/>Distributions</b> | <b>Dividend<br/>Income</b> | <b>Ending<br/>Value</b> |
|--|---------------------------------|---------------------------------------|----------------------------|-------------------------|
| MFS Institutional Money Market Portfolio | \$                              | \$                                    | \$15,662                   | \$37,023,318            |

53

**Table of Contents**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Trustees and Shareholders of MFS Multimarket Income Trust:

We have reviewed the accompanying statement of assets and liabilities of MFS Multimarket Income Trust (the Fund), including the portfolio of investments, as of April 30, 2014, and the related statements of operations, changes in net assets, cash flows, and financial highlights for the six-month period ended April 30, 2014. These interim financial statements and financial highlights are the responsibility of the Fund's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements and financial highlights for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of changes in net assets for the year ended October 31, 2013, and financial highlights for each of the five years in the period ended October 31, 2013, and in our report dated December 16, 2013, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

Boston, Massachusetts

June 13, 2014

## **Table of Contents**

### **BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT**

A discussion regarding the Board's most recent review and renewal of the fund's Investment Advisory Agreement with MFS is available by clicking on the fund's name under "Closed-End Funds" in the "Products" section of the MFS Web site (*mfs.com*).

### **PROXY VOTING POLICIES AND INFORMATION**

MFS votes proxies on behalf of the fund pursuant to proxy voting policies and procedures that are available without charge, upon request, by calling 1-800-225-2606, by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

Information regarding how the fund voted proxies relating to portfolio securities during the twelve-month period ended June 30, 2013 is available without charge by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

### **QUARTERLY PORTFOLIO DISCLOSURE**

The fund will file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the Commission) for the first and third quarters of each fiscal year on Form N-Q. A shareholder can obtain the quarterly portfolio holdings report at *mfs.com*. The fund's Form N-Q is also available on the EDGAR database on the Commission's Internet Web site at <http://www.sec.gov>, and may be reviewed and copied at the:

Public Reference Room

Securities and Exchange Commission

100 F Street, NE, Room 1580

Washington, D.C. 20549

Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-800-SEC-0330. Copies of the fund's Form N-Q also may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section at the above address.

### **FURTHER INFORMATION**

From time to time, MFS may post important information about the fund or the MFS funds on the MFS web site (*mfs.com*). This information is available by visiting the "Commentary & Announcements" and "Market Outlooks" sections of *mfs.com* or by clicking on the fund's name under "Closed-End Funds" in the "Products" section of *mfs.com*.

**Table of Contents**

**CONTACT US**

**TRANSFER AGENT, REGISTRAR, AND**

**DIVIDEND DISBURSING AGENT**

**CALL**

1-800-637-2304

9 a.m. to 5 p.m. Eastern time

**WRITE**

Computershare Trust Company, N.A.

P.O. Box 43078

Providence, RI 02940-3078

New York Stock Exchange Symbol: **MMT**

**Table of Contents**

**ITEM 2. CODE OF ETHICS.**

During the period covered by this report, the Registrant has not amended any provision in its Code of Ethics (the Code ) that relates to an element of the Code s definitions enumerated in paragraph (b) of Item 2 of this Form N-CSR. During the period covered by this report, the Registrant did not grant a waiver, including an implicit waiver, from any provision of the Code.

**ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.**

Not applicable for semi-annual reports.

**ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.**

Not applicable for semi-annual reports.

**ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.**

Not applicable for semi-annual reports.

**ITEM 6. SCHEDULE OF INVESTMENTS**

A schedule of investments for each series of the Registrant is included as part of the report to shareholders of such series under Item 1 of this Form N-CSR.

**ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**

Not applicable for semi-annual reports.

**Table of Contents****ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.**

There were no changes during this period.

**ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.****MFS Multimarket Income Trust**

| <b>Period</b>     | <b>(a) Total number<br/>of Shares<br/>Purchased</b> | <b>(b)<br/>Average<br/>Price<br/>Paid per<br/>Share</b> | <b>(c) Total<br/>Number of<br/>Shares<br/>Purchased as<br/>Part of<br/>Publicly<br/>Announced<br/>Plans or<br/>Programs</b> | <b>(d) Maximum<br/>Number (or<br/>Approximate<br/>Dollar Value)<br/>of<br/>Shares that May<br/>Yet Be Purchased<br/>under the Plans<br/>or Programs</b> |
|-------------------|---|---|---|---|
| 11/01/13-11/30/13 | 0   | N/A   | 0   | 7,635,610   |
| 12/01/13-12/31/13 | 159,360   | 6.52  | 159,360   | 7,476,250   |
| 1/01/14-1/31/14   | 0   | N/A   | 0   | 7,476,250   |
| 2/01/14-2/28/14   | 0   | N/A   | 0   | 7,476,250   |
| 3/01/14-3/31/14   | 164,049   | 6.52  | 164,049   | 7,637,605   |
| 4/01/14-4/30/14   | 0   | N/A   | 0   | 7,637,605   |
| <b>Total</b>      | <b>323,409</b>                                      | <b>6.52</b>   | <b>323,409</b>  |   |

Note: The Board of Trustees approves procedures to repurchase shares annually. The notification to shareholders of the program is part of the semi-annual and annual reports sent to shareholders. These annual programs begin on March 1<sup>st</sup> of each year. The programs conform to the conditions of Rule 10b-18 of the securities Exchange Act of 1934 and limit the aggregate number of shares that may be purchased in each annual period (March 1 through the following February 28) to 10% of the Registrant's outstanding shares as of the first day of the plan year (March 1). The aggregate number of shares available for purchase for the March 1, 2014 plan year is 7,801,654.

**ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.**

There were no material changes to the procedures by which shareholders may send recommendations to the Board for nominees to the Registrant's Board since the Registrant last provided disclosure as to such procedures in response to the requirements of Item 407 (c)(2)(iv) of Regulation S-K or this Item.

**Table of Contents**

**ITEM 11. CONTROLS AND PROCEDURES.**

- (a) Based upon their evaluation of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as conducted within 90 days of the filing date of this Form N-CSR, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
  
- (b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter covered by the report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**ITEM 12. EXHIBITS.**

- (a) File the exhibits listed below as part of this form. Letter or number the exhibits in the sequence indicated.
  - (1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit.
  
  - (2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2): Attached hereto.
  
- (b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the Act (17 CFR 270.30a-2(b)), Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed "filed" for the purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: Attached hereto.



**Table of Contents**

**Notice**

A copy of the Amended and Restated Declaration of Trust of the Registrant is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this instrument is executed on behalf of the Registrant by an officer of the Registrant as an officer and not individually and the obligations of or arising out of this instrument are not binding upon any of the Trustees or shareholders individually, but are binding only upon the assets and property of the respective constituent series of the Registrant.

**Table of Contents**

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.

Registrant MFS MULTIMARKET INCOME TRUST

By (Signature and Title)\* JOHN M. CORCORAN  
John M. Corcoran, President

Date: June 13, 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 (Signature and Title)\* JOHN M. CORCORAN  
John M. Corcoran, President  
(Principal Executive Officer)

Date: June 13, 2014

By (Signature and Title)\* DAVID L. DILORENZO  
David L. DiLorenzo, Treasurer  
(Principal Financial Officer  
and Accounting Officer)

Date: June 13, 2014

\* Print name and title of each signing officer under his or her signature.