

WELLS FARGO MULTI-SECTOR INCOME FUND  
Form N-Q  
March 27, 2017

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS**  
**OF REGISTERED MANAGEMENT INVESTMENT COMPANY**

**Investment Company Act file number: 811-21507**

**Wells Fargo Multi-Sector Income Fund**  
**(Exact name of registrant as specified in charter)**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**  
**(Address of principal executive offices) (Zip code)**

**C. David Messman**

**Wells Fargo Funds Management, LLC**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**

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

**Registrant's telephone number, including area code: 800-222-8222**

**Date of fiscal year end: October 31**

**Registrant is making a filing for Wells Fargo Multi-Sector Income Fund.**

**Date of reporting period: January 31, 2017**

ITEM 1. INVESTMENTS

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name                               | Interest rate | Maturity date | Principal    | Value        |
|---|---------------|---------------|--------------|--------------|
| <b>Agency Securities : 2.22%</b>            |               |               |              |              |
| <i>FHLMC ±</i>                              | 3.77%         | 9-1-2032      | \$ 1,115,602 | \$ 1,154,568 |
| <i>FHLMC</i>                                | 8.50          | 7-1-2028      | 45,947       | 55,215       |
| <i>FHLMC</i>                                | 8.50          | 3-1-2030      | 17,343       | 17,554       |
| <i>FHLMC Series 1383 ±</i>                  | 2.69          | 2-1-2037      | 322,499      | 341,984      |
| <i>FHLMC Series 196 Class A ±</i>           | 1.57          | 12-15-2021    | 18,135       | 18,314       |
| <i>FHLMC Series 2011-K16 Class B 144A±</i>  | 4.60          | 11-25-2046    | 1,000,000    | 1,069,029    |
| <i>FHLMC Series 2011-K701 Class B 144A±</i> | 4.29          | 7-25-2048     | 165,000      | 167,639      |
| <i>FHLMC Series 2011-K702 Class B 144A±</i> | 4.77          | 4-25-2044     | 740,000      | 760,349      |
| <i>FHLMC Series 2012-K17 Class B 144A±</i>  | 4.34          | 12-25-2044    | 675,000      | 717,452      |
| <i>FHLMC Series 2012-K18 Class B 144A±</i>  | 4.25          | 1-25-2045     | 810,000      | 856,019      |
| <i>FHLMC Series 2012-K705 Class B 144A±</i> | 4.16          | 9-25-2044     | 1,000,000    | 1,030,017    |
| <i>FHLMC Series 2012-K706 Class B 144A±</i> | 4.17          | 11-25-2044    | 500,000      | 514,641      |
| <i>FHLMC Series 2012-K706 Class C 144A±</i> | 4.17          | 11-25-2044    | 805,000      | 819,255      |
| <i>FHLMC Series 2012-K707 Class B 144A±</i> | 3.88          | 1-25-2047     | 930,000      | 954,236      |
| <i>FHLMC Series 2012-K709 Class B 144A±</i> | 3.74          | 4-25-2045     | 1,000,000    | 1,024,433    |
| <i>FHLMC Series 2012-K711 Class B 144A±</i> | 3.56          | 8-25-2045     | 264,000      | 270,706      |
| <i>FHLMC Series 2013-K30 Class B 144A±</i>  | 3.56          | 6-25-2045     | 700,000      | 713,823      |
| <i>FHLMC Series 2013-K713 Class B 144A±</i> | 3.17          | 4-25-2046     | 1,000,000    | 1,014,827    |
| <i>FHLMC Series 2390 Class FD ±</i>         | 1.22          | 12-15-2031    | 21,657       | 21,668       |
| <i>FHLMC Series 2567 Class FH ±</i>         | 1.17          | 2-15-2033     | 66,654       | 66,700       |
| <i>FHLMC Series K007 Class XI ±(c)</i>      | 1.12          | 4-25-2020     | 834,826      | 22,660       |
| <i>FHLMC Series K016 Class XI ±(c)</i>      | 1.54          | 10-25-2021    | 371,108      | 22,069       |
| <i>FHLMC Series K020 Class XI ±(c)</i>      | 1.44          | 5-25-2022     | 6,585,635    | 408,267      |
| <i>FNMA ±</i>                               | 2.66          | 9-1-2037      | 488,424      | 514,670      |
| <i>FNMA</i>                                 | 6.00          | 4-1-2033      | 63,457       | 66,087       |
| <i>FNMA</i>                                 | 7.50          | 10-1-2028     | 136          | 136          |
| <i>FNMA</i>                                 | 7.50          | 2-1-2030      | 28,109       | 28,366       |
| <i>FNMA</i>                                 | 7.50          | 9-1-2030      | 35,935       | 36,370       |
| <i>FNMA</i>                                 | 8.00          | 6-1-2030      | 212          | 211          |
| <i>FNMA Series 1996-46 Class FA ±</i>       | 1.27          | 8-25-2021     | 11,042       | 11,101       |
| <i>FNMA Series 1997-20 Class IO ±(c)</i>    | 1.84          | 3-25-2027     | 881,045      | 27,067       |
| <i>FNMA Series 2001-25 Class Z</i>          | 6.00          | 6-25-2031     | 131,110      | 145,560      |
| <i>FNMA Series 2001-35 Class F ±</i>        | 1.37          | 7-25-2031     | 5,940        | 6,033        |
| <i>FNMA Series 2001-57 Class F ±</i>        | 1.27          | 6-25-2031     | 5,980        | 6,007        |
| <i>FNMA Series 2002-77 Class FH ±</i>       | 1.17          | 12-18-2032    | 43,459       | 43,485       |
| <i>FNMA Series 2002-97 Class FR ±</i>       | 1.32          | 1-25-2033     | 10,322       | 10,460       |
| <i>FNMA Series G91-16 Class F ±</i>         | 1.22          | 6-25-2021     | 9,753        | 9,805        |
| <i>FNMA Series G92-17 Class F ±</i>         | 1.82          | 3-25-2022     | 41,887       | 42,526       |
| <i>GNMA</i>                                 | 6.50          | 6-15-2028     | 27,828       | 31,682       |
| <i>GNMA</i>                                 | 7.25          | 8-15-2017     | 686          | 687          |
| <i>GNMA</i>                                 | 7.25          | 8-15-2017     | 1,353        | 1,355        |
| <i>GNMA</i>                                 | 7.25          | 9-15-2017     | 3,590        | 3,611        |
| <i>GNMA</i>                                 | 7.25          | 10-15-2017    | 5,357        | 5,383        |

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|  |      |            |       |            |
|--|------|------------|-------|------------|
| <i>GNMA</i>  | 7.25 | 10-15-2017 | 1,118 | 1,120      |
| <i>GNMA</i>  | 7.25 | 11-15-2017 | 732   | 733        |
| <i>GNMA</i>  | 7.25 | 1-15-2018  | 2,671 | 2,678      |
| <i>GNMA</i>  | 7.25 | 2-15-2018  | 4,600 | 4,631      |
| <i>GNMA</i>  | 7.25 | 5-15-2018  | 3,351 | 3,360      |
| <b>Total Agency Securities (Cost \$12,374,077)</b> |      |            |       | 13,044,549 |

**Asset-Backed Securities : 0.22%**

|   |      |            |         |         |
|---|------|------------|---------|---------|
| <i>CVS Pass-Through Trust Series T</i>  | 6.04 | 12-10-2028 | 521,091 | 587,509 |
| <i>Montana Higher Education Student Assistance Corporation Series 2012-1 Class A2</i> | 1.74 | 5-20-2030  | 703,838 | 705,353 |

|   |  |  |  |           |
|---|--|--|--|-----------|
| <b>Total Asset-Backed Securities (Cost \$1,288,883)</b> |  |  |  | 1,292,862 |
|---|--|--|--|-----------|

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name                                  | Shares  | Value      |
|--|---------|------------|
| <b>Common Stocks : 0.99%</b>                   |         |            |
| <b>Energy : 0.09%</b>                          |         |            |
| <b>Oil, Gas &amp; Consumable Fuels : 0.09%</b> |         |            |
| <i>Swift Energy Company (i)</i>                | 16,549  | \$ 513,019 |
| <b>Materials : 0.00%</b>                       |         |            |
| <b>Chemicals : 0.00%</b>                       |         |            |
| <i>LyondellBasell Industries NV Class A</i>    | 9       | 839        |
| <b>Utilities : 0.90%</b>                       |         |            |
| <b>Electric Utilities : 0.90%</b>              |         |            |
| <i>Vistra Energy Corporation</i>               | 327,375 | 5,306,749  |
| <b>Total Common Stocks (Cost \$23,912,154)</b> |         | 5,820,607  |

|   | Interest rate | Maturity date | Principal    |           |
|---|---------------|---------------|--------------|-----------|
| <b>Corporate Bonds and Notes : 70.36%</b>     |               |               |              |           |
| <b>Consumer Discretionary : 13.09%</b>        |               |               |              |           |
| <b>Auto Components : 1.09%</b>                |               |               |              |           |
| <i>Allison Transmission Incorporated 144A</i> | 5.00%         | 10-1-2024     | \$ 2,950,000 | 2,972,125 |
| <i>Cooper Tire &amp; Rubber Company (i)</i>   | 7.63          | 3-15-2027     | 1,680,000    | 1,839,600 |
| <i>Cooper Tire &amp; Rubber Company (i)</i>   | 8.00          | 12-15-2019    | 550,000      | 618,805   |
| <i>Goodyear Tire &amp; Rubber Company</i>     | 7.00          | 5-15-2022     | 400,000      | 418,680   |
| <i>Goodyear Tire &amp; Rubber Company</i>     | 8.75          | 8-15-2020     | 468,000      | 555,750   |
|   |               |               |              | 6,404,960 |

|                             |      |           |         |         |
|-----------------------------|------|-----------|---------|---------|
| <b>Distributors : 0.15%</b> |      |           |         |         |
| <i>LKQ Corporation</i>      | 4.75 | 5-15-2023 | 900,000 | 901,350 |

|  |      |            |           |           |
|--|------|------------|-----------|-----------|
| <b>Diversified Consumer Services : 0.82%</b> |      |            |           |           |
| <i>Service Corporation International</i>     | 7.50 | 4-1-2027   | 2,993,000 | 3,519,259 |
| <i>Service Corporation International</i>     | 7.63 | 10-1-2018  | 680,000   | 734,400   |
| <i>Service Corporation International</i>     | 8.00 | 11-15-2021 | 475,000   | 554,563   |
|  |      |            |           | 4,808,222 |

|  |      |            |           |            |
|--|------|------------|-----------|------------|
| <b>Hotels, Restaurants &amp; Leisure : 2.42%</b> |      |            |           |            |
| <i>Brinker International Incorporated 144A</i>   | 5.00 | 10-1-2024  | 875,000   | 850,938    |
| <i>CCM Merger Incorporated 144A</i>              | 9.13 | 5-1-2019   | 4,560,000 | 4,720,421  |
| <i>Greentown Holdings LLC 144A</i>               | 8.88 | 3-15-2019  | 7,625,000 | 7,987,188  |
| <i>Hilton Worldwide Finance LLC</i>              | 5.63 | 10-15-2021 | 195,000   | 200,816    |
| <i>Speedway Motorsports Incorporated</i>         | 5.13 | 2-1-2023   | 425,000   | 428,239    |
|  |      |            |           | 14,187,602 |

Household Durables : 0.00%

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|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>American Greetings Corporation</i>                 | 7.38 | 12-1-2021 | 20,000    | 20,725    |
| <b>Internet &amp; Direct Marketing Retail : 0.14%</b> |      |           |           |           |
| <i>Expedia Incorporated</i>                           | 5.95 | 8-15-2020 | 750,000   | 824,569   |
| <b>Leisure Products : 0.11%</b>                       |      |           |           |           |
| <i>Vista Outdoor Incorporated</i>                     | 5.88 | 10-1-2023 | 600,000   | 624,750   |
| <b>Media : 6.75%</b>                                  |      |           |           |           |
| <i>Altice US Finance I Corporation 144A</i>           | 5.38 | 7-15-2023 | 1,395,000 | 1,452,544 |
| <i>Altice US Finance I Corporation 144A</i>           | 5.50 | 5-15-2026 | 1,275,000 | 1,306,875 |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name  | Interest rate | Maturity date | Principal  | Value      |
|--|---------------|---------------|------------|------------|
| <b>Media (continued)</b>   |               |               |            |            |
| <i>AMC Entertainment Holdings Incorporated 144A</i>              | 5.88%         | 11-15-2026    | \$ 925,000 | \$ 943,500 |
| <i>Cablevision Systems Corporation</i>                           | 8.63          | 9-15-2017     | 1,310,000  | 1,358,313  |
| <i>CBS Radio Incorporated 144A</i>                               | 7.25          | 11-1-2024     | 45,000     | 46,884     |
| <i>CCO Holdings LLC</i>  | 5.13          | 2-15-2023     | 300,000    | 311,250    |
| <i>CCO Holdings LLC 144A</i>                                     | 5.13          | 5-1-2023      | 1,780,000  | 1,846,750  |
| <i>CCO Holdings LLC</i>  | 5.25          | 9-30-2022     | 1,250,000  | 1,294,025  |
| <i>CCO Holdings LLC 144A</i>                                     | 5.38          | 5-1-2025      | 4,150,000  | 4,321,188  |
| <i>CCO Holdings LLC 144A</i>                                     | 5.50          | 5-1-2026      | 215,000    | 225,213    |
| <i>CCO Holdings LLC 144A</i>                                     | 5.75          | 2-15-2026     | 3,375,000  | 3,576,447  |
| <i>CCO Holdings LLC 144A</i>                                     | 5.88          | 4-1-2024      | 1,250,000  | 1,337,113  |
| <i>CCO Holdings LLC</i>  | 6.63          | 1-31-2022     | 775,000    | 802,125    |
| <i>Cequel Communications Holdings I LLC 144A</i>                 | 7.75          | 7-15-2025     | 2,030,000  | 2,245,688  |
| <i>Cinemark USA Incorporated</i>                                 | 4.88          | 6-1-2023      | 325,000    | 327,405    |
| <i>CSC Holdings LLC</i>  | 7.88          | 2-15-2018     | 1,000,000  | 1,055,000  |
| <i>CSC Holdings LLC</i>  | 8.63          | 2-15-2019     | 383,000    | 425,130    |
| <i>EMI Music Publishing 144A</i>                                 | 7.63          | 6-15-2024     | 525,000    | 573,563    |
| <i>Gray Television Incorporated 144A</i>                         | 5.13          | 10-15-2024    | 1,450,000  | 1,424,625  |
| <i>Gray Television Incorporated 144A</i>                         | 5.88          | 7-15-2026     | 3,875,000  | 3,850,781  |
| <i>Interpublic Group of Companies</i>                            | 4.00          | 3-15-2022     | 750,000    | 778,303    |
| <i>Lamar Media Corporation</i>                                   | 5.88          | 2-1-2022      | 690,000    | 711,563    |
| <i>Live Nation Entertainment Incorporated 144A</i>               | 4.88          | 11-1-2024     | 1,400,000  | 1,400,000  |
| <i>National CineMedia LLC</i>                                    | 5.75          | 8-15-2026     | 925,000    | 941,188    |
| <i>National CineMedia LLC</i>                                    | 6.00          | 4-15-2022     | 1,725,000  | 1,781,063  |
| <i>Nexstar Broadcasting Group Incorporated 144A</i>              | 5.63          | 8-1-2024      | 850,000    | 848,938    |
| <i>Nexstar Broadcasting Group Incorporated 144A</i>              | 6.13          | 2-15-2022     | 950,000    | 985,150    |
| <i>Nexstar Broadcasting Group Incorporated</i>                   | 6.88          | 11-15-2020    | 1,750,000  | 1,814,925  |
| <i>Outfront Media Capital Corporation</i>                        | 5.63          | 2-15-2024     | 20,000     | 20,875     |
| <i>Outfront Media Capital Corporation</i>                        | 5.88          | 3-15-2025     | 775,000    | 809,875    |
| <i>Time Warner Cable Incorporated</i>                            | 4.00          | 1-15-2022     | 750,000    | 779,258    |
|  |               |               |            | 39,595,557 |
| <b>Multiline Retail : 0.10%</b>                                  |               |               |            |            |
| <i>Macy's Retail Holdings Incorporated</i>                       | 3.88          | 1-15-2022     | 600,000    | 604,317    |
| <b>Specialty Retail : 1.43%</b>                                  |               |               |            |            |
| <i>Advance Auto Parts Incorporated</i>                           | 4.50          | 1-15-2022     | 600,000    | 635,454    |
| <i>Asbury Automotive Group Incorporated</i>                      | 6.00          | 12-15-2024    | 1,175,000  | 1,201,438  |
| <i>Century Intermediate Holding Company (PIK at 10.50%) 144A</i> | 9.75          | 2-15-2019     | 300,000    | 304,125    |
| <i>L Brands Incorporated</i>                                     | 6.63          | 4-1-2021      | 750,000    | 823,125    |
| <i>Penske Auto Group Incorporated</i>                            | 5.38          | 12-1-2024     | 2,150,000  | 2,160,750  |
| <i>Penske Auto Group Incorporated</i>                            | 5.75          | 10-1-2022     | 1,155,000  | 1,189,650  |
| <i>Sonic Automotive Incorporated</i>                             | 5.00          | 5-15-2023     | 1,224,000  | 1,181,160  |



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|                                      |      |           |         |           |
|--------------------------------------|------|-----------|---------|-----------|
| <i>Sonic Automotive Incorporated</i> | 7.00 | 7-15-2022 | 825,000 | 862,125   |
|                                      |      |           |         | 8,357,827 |

**Textiles, Apparel & Luxury Goods : 0.08%**

|  |      |          |         |         |
|--|------|----------|---------|---------|
| <i>Wolverine World Wide Company 144A</i> | 5.00 | 9-1-2026 | 500,000 | 475,000 |
|--|------|----------|---------|---------|

**Consumer Staples : 1.49%**

**Beverages : 0.25%**

|                                    |      |           |         |           |
|------------------------------------|------|-----------|---------|-----------|
| <i>Anheuser-Busch InBev SA</i>     | 3.75 | 1-15-2022 | 600,000 | 628,333   |
| <i>Cott Beverages Incorporated</i> | 6.75 | 1-1-2020  | 790,000 | 818,835   |
|                                    |      |           |         | 1,447,168 |

**Food Products : 1.07%**

|   |      |           |         |         |
|---|------|-----------|---------|---------|
| <i>B&amp;G Foods Incorporated</i>       | 4.63 | 6-1-2021  | 300,000 | 306,750 |
| <i>Darling Ingredients Incorporated</i> | 5.38 | 1-15-2022 | 180,000 | 186,885 |
| <i>Kraft Foods Group Incorporated</i>   | 3.50 | 6-6-2022  | 750,000 | 764,396 |

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name                                   | Interest rate | Maturity date | Principal | Value      |
|---|---------------|---------------|-----------|------------|
| <b>Food Products (continued)</b>                |               |               |           |            |
| <i>Lamb Weston Holdings Incorporated 144A</i>   | 4.63%         | 11-1-2024     | \$ 50,000 | \$ 50,125  |
| <i>Lamb Weston Holdings Incorporated 144A</i>   | 4.88          | 11-1-2026     | 50,000    | 50,063     |
| <i>Pilgrim s Pride Corporation 144A</i>         | 5.75          | 3-15-2025     | 1,130,000 | 1,137,774  |
| <i>Pinnacle Foods Incorporated 144A</i>         | 5.63          | 5-1-2024      | 325,000   | 329,690    |
| <i>Pinnacle Foods Incorporated</i>              | 5.88          | 1-15-2024     | 75,000    | 79,298     |
| <i>Post Holdings Incorporated 144A</i>          | 5.00          | 8-15-2026     | 700,000   | 676,809    |
| <i>Post Holdings Incorporated 144A</i>          | 8.00          | 7-15-2025     | 900,000   | 1,012,500  |
| <i>Prestige Brands Incorporated 144A</i>        | 6.38          | 3-1-2024      | 130,000   | 135,525    |
| <i>Simmons Foods Incorporated 144A</i>          | 7.88          | 10-1-2021     | 1,100,000 | 1,152,250  |
| <i>US Foods Incorporated 144A</i>               | 5.88          | 6-15-2024     | 410,000   | 428,450    |
|   |               |               |           | 6,310,515  |
| <b>Household Products : 0.04%</b>               |               |               |           |            |
| <i>Central Garden &amp; Pet Company</i>         | 6.13          | 11-15-2023    | 250,000   | 267,500    |
| <b>Tobacco : 0.13%</b>                          |               |               |           |            |
| <i>Reynolds American Incorporated</i>           | 6.88          | 5-1-2020      | 650,000   | 738,079    |
| <b>Energy : 17.94%</b>                          |               |               |           |            |
| <b>Energy Equipment &amp; Services : 5.69%</b>  |               |               |           |            |
| <i>Bristow Group Incorporated</i>               | 6.25          | 10-15-2022    | 4,480,000 | 4,004,000  |
| <i>Cleaver Brooks Incorporated 144A</i>         | 8.75          | 12-15-2019    | 95,000    | 99,394     |
| <i>Era Group Incorporated</i>                   | 7.75          | 12-15-2022    | 2,350,000 | 2,209,000  |
| <i>Hilcorp Energy Company 144A</i>              | 5.00          | 12-1-2024     | 1,450,000 | 1,428,250  |
| <i>Hilcorp Energy Company 144A</i>              | 5.75          | 10-1-2025     | 1,375,000 | 1,387,031  |
| <i>Hornbeck Offshore Services Incorporated</i>  | 1.50          | 9-1-2019      | 2,825,000 | 2,019,875  |
| <i>Hornbeck Offshore Services Incorporated</i>  | 5.00          | 3-1-2021      | 4,025,000 | 2,807,438  |
| <i>Hornbeck Offshore Services Incorporated</i>  | 5.88          | 4-1-2020      | 1,860,000 | 1,385,700  |
| <i>NGPL PipeCo LLC 144A</i>                     | 7.12          | 12-15-2017    | 2,060,000 | 2,121,800  |
| <i>NGPL PipeCo LLC 144A</i>                     | 7.77          | 12-15-2037    | 9,060,000 | 10,011,300 |
| <i>NGPL PipeCo LLC 144A</i>                     | 9.63          | 6-1-2019      | 435,000   | 454,575    |
| <i>PHI Incorporated</i>                         | 5.25          | 3-15-2019     | 5,675,000 | 5,462,188  |
|   |               |               |           | 33,390,551 |
| <b>Oil, Gas &amp; Consumable Fuels : 12.25%</b> |               |               |           |            |
| <i>Continental Resources Incorporated</i>       | 5.00          | 9-15-2022     | 825,000   | 843,563    |
| <i>Crestwood Midstream Partners LP</i>          | 6.13          | 3-1-2022      | 225,000   | 232,313    |
| <i>Crestwood Midstream Partners LP</i>          | 6.25          | 4-1-2023      | 1,350,000 | 1,393,875  |
| <i>Denbury Resources Incorporated</i>           | 4.63          | 7-15-2023     | 4,725,000 | 3,774,094  |
| <i>Denbury Resources Incorporated</i>           | 5.50          | 5-1-2022      | 425,000   | 364,438    |
| <i>Denbury Resources Incorporated</i>           | 6.38          | 8-15-2021     | 1,460,000 | 1,335,900  |
| <i>El Paso LLC</i>                              | 6.50          | 4-1-2020      | 750,000   | 837,184    |
| <i>Enable Midstream Partner LP</i>              | 2.40          | 5-15-2019     | 2,350,000 | 2,326,061  |

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|  |      |            |           |           |
|--|------|------------|-----------|-----------|
| <i>Enable Midstream Partner LP</i>                 | 3.90 | 5-15-2024  | 1,750,000 | 1,685,268 |
| <i>Enable Midstream Partner LP</i>                 | 5.00 | 5-15-2044  | 275,000   | 249,483   |
| <i>Enable Oklahoma Intrastate Transmission LLC</i> |      |            |           |           |
| <i>144A</i>  | 6.25 | 3-15-2020  | 250,000   | 266,180   |
| <i>Energy Transfer Partners LP</i>                 | 5.20 | 2-1-2022   | 750,000   | 809,276   |
| <i>EnLink Midstream LLC</i>                        | 4.15 | 6-1-2025   | 2,950,000 | 2,898,732 |
| <i>EnLink Midstream LLC</i>                        | 4.40 | 4-1-2024   | 3,200,000 | 3,210,355 |
| <i>Exterran Partners LP</i>                        | 6.00 | 4-1-2021   | 2,225,000 | 2,202,750 |
| <i>Gulfport Energy Corporation 144A</i>            | 6.00 | 10-15-2024 | 1,000,000 | 1,018,750 |
| <i>Gulfport Energy Corporation 144A</i>            | 6.38 | 5-15-2025  | 800,000   | 820,000   |
| <i>Gulfport Energy Corporation</i>                 | 6.63 | 5-1-2023   | 2,200,000 | 2,299,000 |
| <i>Kinder Morgan Energy Partners LP</i>            | 3.95 | 9-1-2022   | 750,000   | 772,177   |
| <i>Kinder Morgan Incorporated</i>                  | 6.50 | 9-15-2020  | 285,000   | 319,344   |
| <i>Kinder Morgan Incorporated (i)</i>              | 7.42 | 2-15-2037  | 800,000   | 897,037   |
| <i>Matador Resources Company 144A</i>              | 6.88 | 4-15-2023  | 300,000   | 316,500   |
| <i>Murphy Oil Corporation</i>                      | 4.70 | 12-1-2022  | 850,000   | 834,594   |
| <i>Murphy Oil Corporation</i>                      | 6.88 | 8-15-2024  | 850,000   | 911,625   |
| <i>Nabors Industries Incorporated</i>              | 4.63 | 9-15-2021  | 750,000   | 765,000   |
| <i>Nabors Industries Incorporated 144A</i>         | 5.50 | 1-15-2023  | 250,000   | 261,250   |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name                                      | Interest rate | Maturity date | Principal    | Value        |
|--|---------------|---------------|--------------|--------------|
| <b>Oil, Gas &amp; Consumable Fuels (continued)</b> |               |               |              |              |
| <i>Overseas Shipholding Group Incorporated</i>     | 8.13%         | 3-30-2018     | \$ 2,275,000 | \$ 2,348,938 |
| <i>PDC Energy Incorporated 144A</i>                | 6.13          | 9-15-2024     | 575,000      | 600,875      |
| <i>Phillips 66</i>                                 | 4.30          | 4-1-2022      | 625,000      | 670,921      |
| <i>Pioneer Natural Resources Company</i>           | 3.95          | 7-15-2022     | 750,000      | 778,582      |
| <i>Rockies Express Pipeline LLC 144A</i>           | 5.63          | 4-15-2020     | 4,450,000    | 4,717,000    |
| <i>Rockies Express Pipeline LLC 144A</i>           | 6.88          | 4-15-2040     | 3,524,000    | 3,612,805    |
| <i>Rockies Express Pipeline LLC 144A</i>           | 7.50          | 7-15-2038     | 1,465,000    | 1,567,550    |
| <i>Rose Rock Midstream LP</i>                      | 5.63          | 7-15-2022     | 1,200,000    | 1,194,000    |
| <i>Rose Rock Midstream LP</i>                      | 5.63          | 11-15-2023    | 825,000      | 815,719      |
| <i>Sabine Oil &amp; Gas Corporation (i)(s)</i>     | 7.25          | 6-15-2019     | 520,000      | 5,148        |
| <i>Sabine Oil &amp; Gas Corporation (i)(s)</i>     | 7.50          | 9-15-2020     | 3,500,000    | 34,650       |
| <i>Sabine Pass Liquefaction LLC</i>                | 5.63          | 2-1-2021      | 1,375,000    | 1,488,438    |
| <i>Sabine Pass Liquefaction LLC</i>                | 5.63          | 4-15-2023     | 1,710,000    | 1,855,350    |
| <i>Sabine Pass Liquefaction LLC</i>                | 5.63          | 3-1-2025      | 460,000      | 499,675      |
| <i>Sabine Pass Liquefaction LLC</i>                | 5.75          | 5-15-2024     | 1,625,000    | 1,769,219    |
| <i>Sabine Pass Liquefaction LLC 144A</i>           | 5.88          | 6-30-2026     | 625,000      | 694,531      |
| <i>Sabine Pass Liquefaction LLC</i>                | 6.25          | 3-15-2022     | 3,550,000    | 3,958,250    |
| <i>SemGroup Corporation</i>                        | 7.50          | 6-15-2021     | 4,250,000    | 4,420,000    |
| <i>Southern Star Central Corporation 144A</i>      | 5.13          | 7-15-2022     | 50,000       | 51,000       |
| <i>Southwestern Energy Company</i>                 | 4.10          | 3-15-2022     | 425,000      | 394,188      |
| <i>Southwestern Energy Company</i>                 | 6.70          | 1-23-2025     | 650,000      | 653,250      |
| <i>Tallgrass Energy Partners LP 144A</i>           | 5.50          | 9-15-2024     | 5,600,000    | 5,684,000    |
| <i>Tesoro Logistics LP</i>                         | 6.13          | 10-15-2021    | 225,000      | 235,406      |
| <i>Tesoro Logistics LP</i>                         | 6.38          | 5-1-2024      | 450,000      | 488,813      |
| <i>Western Gas Partners LP</i>                     | 4.00          | 7-1-2022      | 175,000      | 179,821      |
| <i>Western Gas Partners LP</i>                     | 5.38          | 6-1-2021      | 728,000      | 787,985      |
| <i>Williams Partners LP</i>                        | 3.35          | 8-15-2022     | 750,000      | 750,679      |
|  |               |               |              | 71,901,542   |

**Financials : 7.87%****Banks : 0.89%**

|                                     |      |           |           |           |
|-------------------------------------|------|-----------|-----------|-----------|
| <i>Bank of America Corporation</i>  | 5.70 | 1-24-2022 | 250,000   | 279,734   |
| <i>CIT Group Incorporated</i>       | 5.25 | 3-15-2018 | 100,000   | 103,350   |
| <i>CIT Group Incorporated 144A</i>  | 5.50 | 2-15-2019 | 1,275,000 | 1,341,402 |
| <i>CIT Group Incorporated 144A</i>  | 6.63 | 4-1-2018  | 550,000   | 577,775   |
| <i>Citigroup Incorporated</i>       | 4.50 | 1-14-2022 | 250,000   | 265,875   |
| <i>Citigroup Incorporated</i>       | 6.00 | 8-15-2017 | 650,000   | 665,450   |
| <i>City National Bank</i>           | 5.38 | 7-15-2022 | 500,000   | 554,142   |
| <i>HSBC Bank USA</i>                | 6.00 | 8-9-2017  | 650,000   | 664,958   |
| <i>JPMorgan Chase &amp; Company</i> | 3.38 | 5-1-2023  | 750,000   | 749,692   |
|                                     |      |           |           | 5,202,378 |

**Capital Markets : 0.68%**

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|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>ACE Securities Corporation ±</i>                 | 3.40 | 6-25-2033 | 332,808   | 329,028   |
| <i>Blackstone Holdings Finance Company LLC 144A</i> | 5.88 | 3-15-2021 | 750,000   | 838,995   |
| <i>Goldman Sachs Group Incorporated</i>             | 5.75 | 1-24-2022 | 750,000   | 840,699   |
| <i>Jefferies Finance LLC 144A</i>                   | 6.88 | 4-15-2022 | 1,360,000 | 1,319,200 |
| <i>Neuberger Berman Group LLC 144A</i>              | 5.88 | 3-15-2022 | 650,000   | 671,128   |
|   |      |           |           | 3,999,050 |

**Consumer Finance : 3.28%**

|   |      |            |           |           |
|---|------|------------|-----------|-----------|
| <i>Ally Financial Incorporated</i>      | 8.00 | 12-31-2018 | 780,000   | 852,150   |
| <i>Ally Financial Incorporated</i>      | 8.00 | 3-15-2020  | 755,000   | 858,578   |
| <i>Discover Financial Services</i>      | 5.20 | 4-27-2022  | 750,000   | 810,058   |
| <i>Ford Motor Credit Company LLC</i>    | 5.00 | 5-15-2018  | 650,000   | 674,240   |
| <i>General Motors Financial Company</i> | 3.70 | 5-9-2023   | 750,000   | 743,841   |
| <i>Navient Corporation</i>              | 8.00 | 3-25-2020  | 1,930,000 | 2,072,338 |
| <i>Navient Corporation</i>              | 8.45 | 6-15-2018  | 1,675,000 | 1,783,205 |

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name   | Interest rate | Maturity date | Principal    | Value        |
|---|---------------|---------------|--------------|--------------|
| <b>Consumer Finance (continued)</b>                   |               |               |              |              |
| <i>Springleaf Finance Corporation</i>                 | 6.00%         | 6-1-2020      | \$ 1,285,000 | \$ 1,285,000 |
| <i>Springleaf Finance Corporation</i>                 | 6.50          | 9-15-2017     | 200,000      | 204,000      |
| <i>Springleaf Finance Corporation</i>                 | 6.90          | 12-15-2017    | 4,550,000    | 4,686,500    |
| <i>Springleaf Finance Corporation</i>                 | 7.75          | 10-1-2021     | 475,000      | 495,188      |
| <i>Springleaf Finance Corporation</i>                 | 8.25          | 12-15-2020    | 75,000       | 80,531       |
| <i>Springleaf Finance Corporation</i>                 | 8.25          | 10-1-2023     | 1,160,000    | 1,206,400    |
| <i>OneMain Financial Group LLC 144A</i>               | 7.25          | 12-15-2021    | 3,450,000    | 3,523,313    |
|   |               |               |              | 19,275,342   |
| <b>Diversified Financial Services : 1.10%</b>         |               |               |              |              |
| <i>General Electric Capital Corporation</i>           | 4.65          | 10-17-2021    | 187,000      | 205,573      |
| <i>Infinity Acquisition LLC 144A(i)</i>               | 7.25          | 8-1-2022      | 1,735,000    | 1,522,463    |
| <i>ING US Incorporated</i>                            | 5.50          | 7-15-2022     | 750,000      | 827,544      |
| <i>Moody s Corporation</i>                            | 5.50          | 9-1-2020      | 1,302,000    | 1,428,118    |
| <i>NewStar Financial Incorporated</i>                 | 7.25          | 5-1-2020      | 2,450,000    | 2,468,375    |
|   |               |               |              | 6,452,073    |
| <b>Insurance : 1.92%</b>                              |               |               |              |              |
| <i>American International Group Incorporated</i>      | 4.88          | 6-1-2022      | 750,000      | 817,594      |
| <i>Endurance Specialty Holdings Limited</i>           | 7.00          | 7-15-2034     | 575,000      | 703,918      |
| <i>Hartford Financial Services Group Incorporated</i> | 5.13          | 4-15-2022     | 650,000      | 719,893      |
| <i>Hub Holdings LLC (PIK at 8.88%) 144A</i>           | 8.13          | 7-15-2019     | 1,950,000    | 1,959,750    |
| <i>Hub International Limited 144A</i>                 | 7.88          | 10-1-2021     | 3,950,000    | 4,137,625    |
| <i>Liberty Mutual Group Incorporated 144A</i>         | 4.95          | 5-1-2022      | 750,000      | 814,835      |
| <i>ProAssurance Corporation</i>                       | 5.30          | 11-15-2023    | 750,000      | 819,176      |
| <i>Progressive Corporation ±</i>                      | 6.70          | 6-15-2067     | 600,000      | 594,000      |
| <i>W.R. Berkley Corporation</i>                       | 4.63          | 3-15-2022     | 650,000      | 697,016      |
|   |               |               |              | 11,263,807   |
| <b>Health Care : 6.25%</b>                            |               |               |              |              |
| <b>Biotechnology : 0.13%</b>                          |               |               |              |              |
| <i>Amgen Incorporated</i>                             | 3.63          | 5-15-2022     | 750,000      | 775,072      |
| <b>Health Care Equipment &amp; Supplies : 0.75%</b>   |               |               |              |              |
| <i>Hill-Rom Holdings Incorporated 144A</i>            | 5.75          | 9-1-2023      | 200,000      | 207,500      |
| <i>Hologic Incorporated 144A</i>                      | 5.25          | 7-15-2022     | 670,000      | 698,475      |
| <i>Kinetics Concepts Incorporated 144A</i>            | 7.88          | 2-15-2021     | 1,425,000    | 1,539,000    |
| <i>Surgery Center Holdings Company 144A</i>           | 8.88          | 4-15-2021     | 1,800,000    | 1,948,500    |
|   |               |               |              | 4,393,475    |
| <b>Health Care Providers &amp; Services : 4.03%</b>   |               |               |              |              |
| <i>Acadia Healthcare Company Incorporated</i>         | 6.50          | 3-1-2024      | 190,000      | 197,363      |
| <i>Coventry Health Care Incorporated</i>              | 5.45          | 6-15-2021     | 750,000      | 831,449      |

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|  |      |            |           |           |
|--|------|------------|-----------|-----------|
| <i>DaVita HealthCare Partners Incorporated</i> | 5.00 | 5-1-2025   | 445,000   | 434,707   |
| <i>DaVita HealthCare Partners Incorporated</i> | 5.75 | 8-15-2022  | 525,000   | 545,344   |
| <i>Express Scripts Holding Company</i>         | 3.90 | 2-15-2022  | 665,000   | 689,495   |
| <i>HCA Incorporated</i>                        | 6.50 | 2-15-2020  | 1,875,000 | 2,048,438 |
| <i>HealthSouth Corporation</i>                 | 5.75 | 9-15-2025  | 575,000   | 576,438   |
| <i>Humana Incorporated</i>                     | 7.20 | 6-15-2018  | 750,000   | 803,434   |
| <i>Mednax Incorporated 144A</i>                | 5.25 | 12-1-2023  | 475,000   | 490,438   |
| <i>MPH Acquisition Holdings LLC 144A</i>       | 7.13 | 6-1-2024   | 1,475,000 | 1,565,344 |
| <i>MPT Operating Partnership LP</i>            | 5.25 | 8-1-2026   | 1,250,000 | 1,228,125 |
| <i>MPT Operating Partnership LP</i>            | 6.38 | 2-15-2022  | 1,075,000 | 1,112,625 |
| <i>MPT Operating Partnership LP</i>            | 6.38 | 3-1-2024   | 110,000   | 116,188   |
| <i>Select Medical Corporation</i>              | 6.38 | 6-1-2021   | 4,065,000 | 4,024,350 |
| <i>TeamHealth Incorporated 144A%%</i>          | 6.38 | 2-1-2025   | 475,000   | 464,313   |
| <i>TeamHealth Incorporated 144A</i>            | 7.25 | 12-15-2023 | 570,000   | 652,650   |
| <i>Tenet Healthcare Corporation ±</i>          | 4.46 | 6-15-2020  | 2,250,000 | 2,278,125 |
| <i>Tenet Healthcare Corporation</i>            | 6.00 | 10-1-2020  | 1,475,000 | 1,556,125 |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments  
(unaudited) January 31, 2017

| Security name  | Interest rate | Maturity date | Principal    | Value        |
|--|---------------|---------------|--------------|--------------|
| <b>Health Care Providers &amp; Services (continued)</b>        |               |               |              |              |
| <i>Vizient Incorporated 144A</i>                               | 10.38%        | 3-1-2024      | \$ 3,550,000 | \$ 4,038,125 |
|  |               |               |              | 23,653,076   |
| <b>Health Care Technology : 0.90%</b>                          |               |               |              |              |
| <i>Change Healthcare Holdings Incorporated 144A</i>            | 6.00          | 2-15-2021     | 500,000      | 528,750      |
| <i>Change Healthcare Holdings Incorporated</i>                 | 11.00         | 12-31-2019    | 4,400,000    | 4,532,000    |
| <i>QuintilesIMS Holdings Incorporated 144A</i>                 | 5.00          | 10-15-2026    | 225,000      | 226,499      |
|  |               |               |              | 5,287,249    |
| <b>Life Sciences Tools &amp; Services : 0.14%</b>              |               |               |              |              |
| <i>Life Technologies Corporation</i>                           | 6.00          | 3-1-2020      | 750,000      | 819,221      |
| <b>Pharmaceuticals : 0.30%</b>                                 |               |               |              |              |
| <i>Endo Finance LLC 144A</i>                                   | 5.38          | 1-15-2023     | 375,000      | 314,063      |
| <i>Endo Finance LLC 144A</i>                                   | 5.75          | 1-15-2022     | 715,000      | 622,944      |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 7.25          | 7-15-2022     | 75,000       | 63,009       |
| <i>Watson Pharmaceuticals Incorporated</i>                     | 3.25          | 10-1-2022     | 750,000      | 749,497      |
|  |               |               |              | 1,749,513    |
| <b>Industrials : 3.18%</b>                                     |               |               |              |              |
| <b>Aerospace &amp; Defense : 0.17%</b>                         |               |               |              |              |
| <i>BAE Systems Holdings Incorporated 144A</i>                  | 3.80          | 10-7-2024     | 1,000,000    | 1,026,498    |
| <b>Airlines : 0.35%</b>  |               |               |              |              |
| <i>Aviation Capital Group Corporation 144A</i>                 | 6.75          | 4-6-2021      | 1,320,000    | 1,516,350    |
| <i>Delta Air Lines Incorporated</i>                            | 4.75          | 11-7-2021     | 505,677      | 532,857      |
|  |               |               |              | 2,049,207    |
| <b>Commercial Services &amp; Supplies : 1.55%</b>              |               |               |              |              |
| <i>Advanced Disposal Services Incorporated 144A</i>            | 5.63          | 11-15-2024    | 650,000      | 661,375      |
| <i>Aramark Services Incorporated</i>                           | 5.13          | 1-15-2024     | 120,000      | 125,400      |
| <i>Aramark Services Incorporated 144A</i>                      | 5.13          | 1-15-2024     | 475,000      | 496,375      |
| <i>Covanta Holding Corporation</i>                             | 5.88          | 3-1-2024      | 2,260,000    | 2,248,700    |
| <i>Covanta Holding Corporation</i>                             | 6.38          | 10-1-2022     | 1,500,000    | 1,546,875    |
| <i>Covanta Holding Corporation</i>                             | 7.25          | 12-1-2020     | 1,480,000    | 1,523,660    |
| <i>Penske Truck Leasing Company 144A</i>                       | 3.75          | 5-11-2017     | 750,000      | 754,853      |
| <i>Republic Services Incorporated</i>                          | 3.55          | 6-1-2022      | 750,000      | 779,675      |
| <i>The ServiceMaster Company LLC 144A</i>                      | 5.13          | 11-15-2024    | 925,000      | 936,563      |
|  |               |               |              | 9,073,476    |
| <b>Construction &amp; Engineering : 0.52%</b>                  |               |               |              |              |



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|              |      |            |           |           |
|--------------|------|------------|-----------|-----------|
| <i>AECOM</i> | 5.75 | 10-15-2022 | 215,000   | 226,556   |
| <i>AECOM</i> | 5.88 | 10-15-2024 | 2,610,000 | 2,812,275 |
|              |      |            |           | 3,038,831 |

**Professional Services : 0.15%**

|  |      |           |         |         |
|--|------|-----------|---------|---------|
| <i>Ascent Capital Group Incorporated</i> | 4.00 | 7-15-2020 | 375,000 | 285,000 |
| <i>Verisk Analytics Incorporated</i>     | 5.80 | 5-1-2021  | 530,000 | 589,544 |
|  |      |           |         | 874,544 |

**Road & Rail : 0.11%**

|                         |      |           |         |         |
|-------------------------|------|-----------|---------|---------|
| <i>TTX Company 144A</i> | 2.60 | 6-15-2020 | 650,000 | 648,489 |
|-------------------------|------|-----------|---------|---------|

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name   | Interest rate | Maturity date | Principal    | Value        |
|---|---------------|---------------|--------------|--------------|
| <b>Trading Companies &amp; Distributors : 0.33%</b>               |               |               |              |              |
| <i>Ashtead Capital Incorporated 144A</i>                          | 6.50%         | 7-15-2022     | \$ 1,775,000 | \$ 1,857,094 |
| <i>International Lease Finance Corporation 144A</i>               | 7.13          | 9-1-2018      | 75,000       | 80,678       |
|   |               |               |              | 1,937,772    |
| <b>Information Technology : 5.91%</b>                             |               |               |              |              |
| <b>Communications Equipment : 0.33%</b>                           |               |               |              |              |
| <i>CommScope Technologies Finance LLC 144A</i>                    | 6.00          | 6-15-2025     | 1,100,000    | 1,172,188    |
| <i>Motorola Solutions Incorporated</i>                            | 3.75          | 5-15-2022     | 750,000      | 761,568      |
|   |               |               |              | 1,933,756    |
| <b>Electronic Equipment, Instruments &amp; Components : 1.36%</b> |               |               |              |              |
| <i>Jabil Circuit Incorporated</i>                                 | 8.25          | 3-15-2018     | 5,275,000    | 5,621,884    |
| <i>L-3 Communications Corporation</i>                             | 4.95          | 2-15-2021     | 750,000      | 808,052      |
| <i>Zebra Technologies Corporation</i>                             | 7.25          | 10-15-2022    | 1,450,000    | 1,562,375    |
|   |               |               |              | 7,992,311    |
| <b>Internet Software &amp; Services : 0.25%</b>                   |               |               |              |              |
| <i>Infor Software Parent LLC</i>                                  | 6.50          | 5-15-2022     | 550,000      | 564,438      |
| <i>Infor Software Parent LLC (PIK at 7.88%) 144A</i>              | 7.13          | 5-1-2021      | 550,000      | 565,125      |
| <i>Zayo Group LLC 144A</i>  | 5.75          | 1-15-2027     | 75,000       | 76,688       |
| <i>Zayo Group LLC</i>   | 6.00          | 4-1-2023      | 75,000       | 78,281       |
| <i>Zayo Group LLC</i>   | 6.38          | 5-15-2025     | 175,000      | 184,734      |
|   |               |               |              | 1,469,266    |
| <b>IT Services : 0.26%</b>  |               |               |              |              |
| <i>First Data Corporation 144A</i>                                | 5.00          | 1-15-2024     | 750,000      | 757,500      |
| <i>First Data Corporation 144A</i>                                | 5.38          | 8-15-2023     | 275,000      | 283,250      |
| <i>First Data Corporation 144A</i>                                | 5.75          | 1-15-2024     | 320,000      | 329,600      |
| <i>First Data Corporation 144A</i>                                | 6.75          | 11-1-2020     | 166,000      | 171,603      |
|   |               |               |              | 1,541,953    |
| <b>Semiconductors &amp; Semiconductor Equipment : 0.68%</b>       |               |               |              |              |
| <i>Micron Technology Incorporated 144A</i>                        | 5.25          | 8-1-2023      | 375,000      | 375,938      |
| <i>Micron Technology Incorporated 144A</i>                        | 5.25          | 1-15-2024     | 700,000      | 702,800      |
| <i>Micron Technology Incorporated</i>                             | 5.50          | 2-1-2025      | 1,100,000    | 1,105,500    |
| <i>Micron Technology Incorporated 144A</i>                        | 5.63          | 1-15-2026     | 900,000      | 901,350      |
| <i>Micron Technology Incorporated</i>                             | 5.88          | 2-15-2022     | 850,000      | 883,465      |
|   |               |               |              | 3,969,053    |
| <b>Software : 0.41%</b>   |               |               |              |              |
| <i>Boxer Parent Company Incorporated (PIK at 9.75%) 144A</i>      | 9.00          | 10-15-2019    | 1,460,000    | 1,416,200    |
| <i>CA Incorporated</i>  | 5.38          | 12-1-2019     | 750,000      | 815,938      |
| <i>SS&amp;C Technologies Incorporated</i>                         | 5.88          | 7-15-2023     | 200,000      | 208,000      |

2,440,138

**Technology Hardware, Storage & Peripherals : 2.62%**

|   |      |            |           |            |
|---|------|------------|-----------|------------|
| <i>Diamond 1 Finance Corporation/Diamond 2 Finance Corporation 144A</i> | 5.88 | 6-15-2021  | 2,825,000 | 2,979,861  |
| <i>Diamond 1 Finance Corporation/Diamond 2 Finance Corporation 144A</i> | 7.13 | 6-15-2024  | 5,400,000 | 5,912,228  |
| <i>Hewlett-Packard Company</i>  | 4.05 | 9-15-2022  | 750,000   | 778,409    |
| <i>NCR Corporation</i>  | 5.88 | 12-15-2021 | 230,000   | 240,638    |
| <i>NCR Corporation</i>  | 6.38 | 12-15-2023 | 5,125,000 | 5,445,313  |
|   |      |            |           | 15,356,449 |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name   | Interest rate | Maturity date | Principal  | Value      |
|---|---------------|---------------|------------|------------|
| <b>Materials : 1.58%</b>                                |               |               |            |            |
| <b>Chemicals : 0.20%</b>                                |               |               |            |            |
| <i>Dow Chemical Company</i>                             | 4.13%         | 11-15-2021    | \$ 750,000 | \$ 793,222 |
| <i>Valvoline Incorporated 144A</i>                      | 5.50          | 7-15-2024     | 375,000    | 393,750    |
|   |               |               |            | 1,186,972  |
| <b>Containers &amp; Packaging : 1.38%</b>               |               |               |            |            |
| <i>Ball Corporation</i>                                 | 5.25          | 7-1-2025      | 190,000    | 199,557    |
| <i>Berry Plastics Corporation</i>                       | 5.13          | 7-15-2023     | 350,000    | 358,120    |
| <i>Berry Plastics Corporation</i>                       | 6.00          | 10-15-2022    | 215,000    | 227,631    |
| <i>Crown Cork &amp; Seal Company Incorporated</i>       | 7.38          | 12-15-2026    | 35,000     | 39,550     |
| <i>Crown Cork &amp; Seal Company Incorporated (i)</i>   | 7.50          | 12-15-2096    | 600,000    | 611,250    |
| <i>Owens-Brockway Glass Container Incorporated 144A</i> | 5.88          | 8-15-2023     | 425,000    | 447,313    |
| <i>Owens-Illinois Incorporated 144A</i>                 | 5.38          | 1-15-2025     | 575,000    | 577,875    |
| <i>Owens-Illinois Incorporated 144A</i>                 | 6.38          | 8-15-2025     | 2,950,000  | 3,138,063  |
| <i>Owens-Illinois Incorporated</i>                      | 7.80          | 5-15-2018     | 1,295,000  | 1,375,938  |
| <i>Sealed Air Corporation 144A</i>                      | 5.13          | 12-1-2024     | 1,100,000  | 1,138,500  |
|   |               |               |            | 8,113,797  |
| <b>Metals &amp; Mining : 0.00%</b>                      |               |               |            |            |
| <i>Indalex Holdings Corporation (a)(i)(s)</i>           | 11.50         | 2-1-2020      | 3,170,000  | 0          |
| <b>Real Estate : 4.92%</b>                              |               |               |            |            |
| <b>Equity REITs : 4.33%</b>                             |               |               |            |            |
| <i>Alexandria Real Estate Company</i>                   | 4.60          | 4-1-2022      | 650,000    | 687,863    |
| <i>American Tower Corporation</i>                       | 5.90          | 11-1-2021     | 650,000    | 726,341    |
| <i>Crown Castle International Corporation</i>           | 4.88          | 4-15-2022     | 460,000    | 494,541    |
| <i>Crown Castle International Corporation</i>           | 5.25          | 1-15-2023     | 95,000     | 103,199    |
| <i>DuPont Fabros Technology Incorporated LP</i>         | 5.63          | 6-15-2023     | 2,975,000  | 3,094,000  |
| <i>DuPont Fabros Technology Incorporated LP</i>         | 5.88          | 9-15-2021     | 4,655,000  | 4,864,475  |
| <i>Equinix Incorporated</i>                             | 5.88          | 1-15-2026     | 425,000    | 450,968    |
| <i>ESH Hospitality Incorporated 144A</i>                | 5.25          | 5-1-2025      | 1,825,000  | 1,831,388  |
| <i>Essex Portfolio LP</i>                               | 3.63          | 8-15-2022     | 750,000    | 769,173    |
| <i>Health Care REIT Incorporated</i>                    | 5.25          | 1-15-2022     | 650,000    | 715,376    |
| <i>Iron Mountain Incorporated 144A</i>                  | 4.38          | 6-1-2021      | 1,175,000  | 1,210,250  |
| <i>Iron Mountain Incorporated 144A</i>                  | 5.38          | 6-1-2026      | 950,000    | 914,375    |
| <i>Iron Mountain Incorporated 144A</i>                  | 6.00          | 10-1-2020     | 230,000    | 240,925    |
| <i>Iron Mountain Incorporated</i>                       | 6.00          | 8-15-2023     | 2,960,000  | 3,137,600  |
| <i>Sabra Health Care Incorporated</i>                   | 5.38          | 6-1-2023      | 900,000    | 900,000    |
| <i>Sabra Health Care Incorporated</i>                   | 5.50          | 2-1-2021      | 1,100,000  | 1,138,500  |
| <i>The Geo Group Incorporated</i>                       | 5.13          | 4-1-2023      | 800,000    | 786,000    |
| <i>The Geo Group Incorporated</i>                       | 5.88          | 1-15-2022     | 1,565,000  | 1,602,169  |
| <i>The Geo Group Incorporated</i>                       | 5.88          | 10-15-2024    | 840,000    | 847,350    |

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|                                   |      |           |         |            |
|-----------------------------------|------|-----------|---------|------------|
| <i>The Geo Group Incorporated</i> | 6.00 | 4-15-2026 | 184,000 | 185,380    |
| <i>Ventas Realty LP</i>           | 4.25 | 3-1-2022  | 650,000 | 687,227    |
|                                   |      |           |         | 25,387,100 |

**Real Estate Management & Development : 0.59%**

|                              |      |           |           |           |
|------------------------------|------|-----------|-----------|-----------|
| <i>Onex Corporation 144A</i> | 7.75 | 1-15-2021 | 3,400,000 | 3,472,250 |
|------------------------------|------|-----------|-----------|-----------|

**Telecommunication Services : 5.30%**

**Diversified Telecommunication Services : 1.72%**

|  |      |           |           |           |
|--|------|-----------|-----------|-----------|
| <i>AT&amp;T Incorporated</i>               | 3.80 | 3-15-2022 | 750,000   | 768,068   |
| <i>CenturyLink Incorporated</i>            | 5.80 | 3-15-2022 | 600,000   | 617,064   |
| <i>Citizens Communications Company</i>     | 7.88 | 1-15-2027 | 355,000   | 299,088   |
| <i>Frontier Communications Corporation</i> | 8.13 | 10-1-2018 | 845,000   | 912,076   |
| <i>Frontier Communications Corporation</i> | 8.25 | 4-15-2017 | 1,040,000 | 1,053,000 |

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name  | Interest rate | Maturity date | Principal  | Value      |
|--|---------------|---------------|------------|------------|
| <b>Diversified Telecommunication Services</b>        |               |               |            |            |
| (continued)  |               |               |            |            |
| <i>Frontier Communications Corporation</i>           | 8.50%         | 4-15-2020     | \$ 525,000 | \$ 559,440 |
| <i>GCI Incorporated</i>                              | 6.75          | 6-1-2021      | 1,000,000  | 1,030,000  |
| <i>GCI Incorporated</i>                              | 6.88          | 4-15-2025     | 660,000    | 686,400    |
| <i>Level 3 Financing Incorporated</i>                | 5.13          | 5-1-2023      | 975,000    | 982,313    |
| <i>Level 3 Financing Incorporated 144A</i>           | 5.25          | 3-15-2026     | 650,000    | 647,563    |
| <i>Level 3 Financing Incorporated</i>                | 5.38          | 8-15-2022     | 300,000    | 309,750    |
| <i>Level 3 Financing Incorporated</i>                | 5.38          | 1-15-2024     | 700,000    | 708,974    |
| <i>Level 3 Financing Incorporated</i>                | 5.38          | 5-1-2025      | 975,000    | 995,114    |
| <i>Level 3 Financing Incorporated</i>                | 5.63          | 2-1-2023      | 350,000    | 357,875    |
| <i>Level 3 Financing Incorporated</i>                | 6.13          | 1-15-2021     | 175,000    | 180,906    |
|  |               |               |            | 10,107,631 |
| <b>Wireless Telecommunication Services : 3.58%</b>   |               |               |            |            |
| <i>Crown Castle Towers LLC 144A</i>                  | 6.11          | 1-15-2040     | 750,000    | 813,760    |
| <i>MetroPCS Wireless Incorporated</i>                | 6.63          | 11-15-2020    | 3,300,000  | 3,382,500  |
| <i>SBA Communications Corporation</i>                | 4.88          | 7-15-2022     | 640,000    | 648,800    |
| <i>SBA Communications Corporation 144A</i>           | 4.88          | 9-1-2024      | 500,000    | 488,050    |
| <i>Sprint Capital Corporation</i>                    | 6.88          | 11-15-2028    | 5,500,000  | 6,420,303  |
| <i>Sprint Capital Corporation</i>                    | 8.75          | 3-15-2032     | 625,000    | 717,188    |
| <i>Sprint Communications Incorporated</i>            | 7.00          | 8-15-2020     | 225,000    | 240,750    |
| <i>T-Mobile USA Incorporated</i>                     | 6.00          | 3-1-2023      | 300,000    | 317,250    |
| <i>T-Mobile USA Incorporated</i>                     | 6.13          | 1-15-2022     | 85,000     | 89,888     |
| <i>T-Mobile USA Incorporated</i>                     | 6.25          | 4-1-2021      | 165,000    | 170,973    |
| <i>T-Mobile USA Incorporated</i>                     | 6.38          | 3-1-2025      | 825,000    | 892,031    |
| <i>T-Mobile USA Incorporated</i>                     | 6.46          | 4-28-2019     | 160,000    | 162,480    |
| <i>T-Mobile USA Incorporated</i>                     | 6.50          | 1-15-2024     | 80,000     | 86,208     |
| <i>T-Mobile USA Incorporated</i>                     | 6.54          | 4-28-2020     | 165,000    | 169,744    |
| <i>T-Mobile USA Incorporated</i>                     | 6.63          | 4-1-2023      | 655,000    | 696,069    |
| <i>T-Mobile USA Incorporated</i>                     | 6.63          | 4-28-2021     | 925,000    | 964,313    |
| <i>T-Mobile USA Incorporated</i>                     | 6.73          | 4-28-2022     | 3,490,000  | 3,629,600  |
| <i>T-Mobile USA Incorporated</i>                     | 6.84          | 4-28-2023     | 1,060,000  | 1,131,550  |
|  |               |               |            | 21,021,457 |
| <b>Utilities : 2.83%</b>                             |               |               |            |            |
| <b>Electric Utilities : 0.13%</b>                    |               |               |            |            |
| <i>Great Plains Energy Incorporated</i>              | 4.85          | 6-1-2021      | 750,000    | 802,769    |
| <b>Independent Power &amp; Renewable Electricity</b> |               |               |            |            |
| <b>Producers : 2.46%</b>                             |               |               |            |            |
| <i>Calpine Corporation 144A</i>                      | 6.00          | 1-15-2022     | 515,000    | 537,531    |
| <i>Calpine Corporation 144A</i>                      | 7.88          | 1-15-2023     | 416,000    | 433,680    |
| <i>NSG Holdings LLC 144A</i>                         | 7.75          | 12-15-2025    | 2,253,207  | 2,439,096  |

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|   |      |           |           |            |
|---|------|-----------|-----------|------------|
| <i>Pattern Energy Group Incorporated 144A</i> | 5.88 | 2-1-2024  | 3,450,000 | 3,519,000  |
| <i>TerraForm Power Operating LLC 144A</i>     | 6.38 | 2-1-2023  | 5,425,000 | 5,574,188  |
| <i>TerraForm Power Operating LLC 144A</i>     | 6.63 | 6-15-2025 | 1,850,000 | 1,924,000  |
|   |      |           |           | 14,427,495 |

**Multi-Utilities : 0.24%**

|                                |      |            |         |           |
|--------------------------------|------|------------|---------|-----------|
| <i>Ameren Illinois Company</i> | 9.75 | 11-15-2018 | 500,000 | 568,842   |
| <i>CMS Energy Corporation</i>  | 5.05 | 3-15-2022  | 750,000 | 821,522   |
|                                |      |            |         | 1,390,364 |

**Total Corporate Bonds and Notes (Cost  
\$398,563,258)**

412,992,068

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name   | Interest rate | Maturity date | Principal  | Value      |
|---|---------------|---------------|------------|------------|
| <b>Foreign Corporate Bonds and Notes @:<br/>1.82%</b>           |               |               |            |            |
| <b>Consumer Discretionary : 0.13%</b>                           |               |               |            |            |
| <b>Auto Components : 0.02%</b>                                  |               |               |            |            |
| <i>HP Pelzer Holding GmbH (EUR)</i>                             | 7.50%         | 7-15-2021     | 100,000    | \$ 114,697 |
| <b>Internet &amp; Direct Marketing Retail : 0.04%</b>           |               |               |            |            |
| <i>Priceline Group Incorporated (EUR)</i>                       | 2.38          | 9-23-2024     | 200,000    | 226,653    |
| <b>Media : 0.07%</b>  |               |               |            |            |
| <i>Virgin Media Incorporated 144A (GBP)</i>                     | 5.50          | 9-15-2024     | 325,000    | 413,000    |
| <b>Consumer Staples : 0.16%</b>                                 |               |               |            |            |
| <b>Food Products : 0.16%</b>                                    |               |               |            |            |
| <i>BRF SA 144A (BRL)</i>  | 7.75          | 5-22-2018     | 3,100,000  | 925,986    |
| <b>Energy : 0.22%</b>   |               |               |            |            |
| <b>Energy Equipment &amp; Services : 0.02%</b>                  |               |               |            |            |
| <i>Senvion Holding (EUR)</i>                                    | 6.63          | 11-15-2020    | 100,000    | 112,354    |
| <b>Oil, Gas &amp; Consumable Fuels : 0.20%</b>                  |               |               |            |            |
| <i>Petroleos Mexicanos 144A (MXN)</i>                           | 7.19          | 9-12-2024     | 28,200,000 | 1,152,997  |
| <b>Financials : 0.98%</b>                                       |               |               |            |            |
| <b>Banks : 0.94%</b>  |               |               |            |            |
| <i>Eurofima (AUD)</i>   | 6.25          | 12-28-2018    | 2,450,000  | 1,994,243  |
| <i>European Investment Bank (ZAR)</i>                           | 9.00          | 3-31-2021     | 17,400,000 | 1,316,512  |
| <i>KfW (AUD)</i>  | 5.00          | 3-19-2024     | 1,300,000  | 1,105,603  |
| <i>Landwirtschaftliche Rentenbank (ZAR)</i>                     | 8.25          | 5-23-2022     | 15,000,000 | 1,099,826  |
|   |               |               |            | 5,516,184  |
| <b>Diversified Financial Services : 0.04%</b>                   |               |               |            |            |
| <i>AA Bond Company Limited (GBP)</i>                            | 4.25          | 7-31-2043     | 200,000    | 267,389    |
| <b>Information Technology : 0.03%</b>                           |               |               |            |            |
| <b>Semiconductors &amp; Semiconductor<br/>Equipment : 0.03%</b> |               |               |            |            |
| <i>ASML Holding NV (EUR)</i>                                    | 1.38          | 7-7-2026      | 175,000    | 186,072    |
| <b>Materials : 0.05%</b>  |               |               |            |            |
| <b>Chemicals : 0.05%</b>  |               |               |            |            |
| <i>Albemarle Corporation (EUR)</i>                              | 1.88          | 12-8-2021     | 246,000    | 278,722    |
| <b>Telecommunication Services : 0.25%</b>                       |               |               |            |            |



**Diversified Telecommunication Services :****0.03%**

|  |      |           |         |         |
|--|------|-----------|---------|---------|
| <i>Verizon Communications Incorporated (EUR)</i> | 3.25 | 2-17-2026 | 150,000 | 184,467 |
|--|------|-----------|---------|---------|

**Wireless Telecommunication Services :****0.22%**

|                                      |      |           |            |           |
|--------------------------------------|------|-----------|------------|-----------|
| <i>America Movil SAB de CV (MXN)</i> | 7.13 | 12-9-2024 | 28,850,000 | 1,296,303 |
|--------------------------------------|------|-----------|------------|-----------|

**Total Foreign Corporate Bonds and Notes****(Cost \$14,248,970)**

10,674,824

**Foreign Government Bonds @: 23.49%**

|                     |       |          |            |            |
|---------------------|-------|----------|------------|------------|
| <i>Brazil (BRL)</i> | 10.00 | 1-1-2025 | 32,800,000 | 10,048,004 |
|---------------------|-------|----------|------------|------------|

|                     |       |          |            |            |
|---------------------|-------|----------|------------|------------|
| <i>Brazil (BRL)</i> | 10.00 | 1-1-2027 | 51,800,000 | 15,751,435 |
|---------------------|-------|----------|------------|------------|

|                       |      |           |                |           |
|-----------------------|------|-----------|----------------|-----------|
| <i>Colombia (COP)</i> | 7.00 | 9-11-2019 | 18,500,000,000 | 6,418,240 |
|-----------------------|------|-----------|----------------|-----------|

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name  | Interest rate | Maturity date | Principal       | Value        |
|--|---------------|---------------|-----------------|--------------|
| <b>Foreign Government Bonds @</b>                          |               |               |                 |              |
| (continued)  |               |               |                 |              |
| <i>Colombia (COP)</i>                                      | 7.00%         | 5-4-2022      | 18,650,000,000  | \$ 6,509,317 |
| <i>Colombia (COP)</i>                                      | 7.50          | 8-26-2026     | 22,725,000,000  | 8,111,296    |
| <i>Colombia (COP)</i>                                      | 7.75          | 4-14-2021     | 5,250,000,000   | 1,880,759    |
| <i>Hungary (HUF)</i>                                       | 6.75          | 11-24-2017    | 1,305,000,000   | 4,782,779    |
| <i>Indonesia (IDR)</i>                                     | 7.88          | 4-15-2019     | 133,640,000,000 | 10,198,776   |
| <i>Indonesia (IDR)</i>                                     | 8.38          | 9-15-2026     | 110,000,000,000 | 8,639,529    |
| <i>Indonesia (IDR)</i>                                     | 10.00         | 7-15-2017     | 50,000,000,000  | 3,803,692    |
| <i>Korea (KRW)</i>   | 5.25          | 3-10-2027     | 2,830,000,000   | 3,118,097    |
| <i>Malaysia (MYR)</i>                                      | 3.66          | 10-15-2020    | 20,700,000      | 4,687,392    |
| <i>Malaysia (MYR)</i>                                      | 4.18          | 7-15-2024     | 19,850,000      | 4,511,679    |
| <i>Mexico (MXN)</i>  | 4.75          | 6-14-2018     | 113,800,000     | 5,322,070    |
| <i>Mexico (MXN)</i>  | 5.75          | 3-5-2026      | 152,000,000     | 6,486,242    |
| <i>Mexico (MXN)</i>  | 6.50          | 6-10-2021     | 127,285,000     | 5,968,597    |
| <i>Mexico (MXN)</i>  | 10.00         | 12-5-2024     | 62,120,000      | 3,445,812    |
| <i>Mexico (MXN)</i>  | 10.00         | 12-5-2024     | 14,100,000      | 782,131      |
| <i>Queensland Treasury (AUD)</i>                           | 5.75          | 7-22-2024     | 4,100,000       | 3,711,454    |
| <i>Republic of South Africa (ZAR)</i>                      | 7.75          | 2-28-2023     | 103,000,000     | 7,396,891    |
| <i>Republic of South Africa (ZAR)</i>                      | 8.00          | 12-21-2018    | 129,000,000     | 9,601,046    |
| <i>Republic of South Africa (ZAR)</i>                      | 10.50         | 12-21-2026    | 40,000,000      | 3,292,022    |
| <i>State of New South Wales Australia (AUD)</i>            | 5.00          | 8-20-2024     | 3,900,000       | 3,417,285    |
| <b>Total Foreign Government Bonds (Cost \$157,136,496)</b> |               |               |                 | 137,884,545  |
| <b>Loans : 19.25%</b>                                      |               |               |                 |              |
| <b>Consumer Discretionary : 6.80%</b>                      |               |               |                 |              |
| <b>Auto Components : 0.40%</b>                             |               |               |                 |              |
| <i>Allison Transmission Incorporated ±</i>                 | 3.28          | 9-23-2022     | \$ 1,899,986    | 1,917,257    |
| <i>Federal-Mogul Holdings Corporation ±</i>                | 4.00          | 4-15-2018     | 422,832         | 421,178      |
|  |               |               |                 | 2,338,435    |
| <b>Distributors : 0.51%</b>                                |               |               |                 |              |
| <i>Spin Holdco Incorporated ±</i>                          | 4.27          | 11-14-2019    | 2,979,742       | 2,966,452    |
| <b>Food &amp; Staples Retailing : 0.08%</b>                |               |               |                 |              |
| <i>TKC Holdings Incorporated ±%%&lt;</i>                   | 0.00          | 1-13-2023     | 500,000         | 497,500      |
| <b>Hotels, Restaurants &amp; Leisure : 1.21%</b>           |               |               |                 |              |
| <i>CCM Merger Incorporated ±</i>                           | 4.03          | 8-8-2021      | 583,030         | 587,403      |
| <i>Four Seasons Holdings Incorporated ±</i>                | 4.00          | 11-30-2023    | 910,660         | 921,761      |
| <i>La Quinta Intermediate Holdings LLC ±</i>               | 3.77          | 4-14-2021     | 742,462         | 745,247      |
| <i>Montreign Operating Company ±%%&lt;</i>                 | 9.31          | 12-7-2022     | 3,775,000       | 3,809,617    |
| <i>Pinnacle Entertainment Incorporated ±</i>               | 3.78          | 4-28-2023     | 1,008,827       | 1,019,753    |

7,083,781

**Household Products : 0.40%**

|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>Anchor Glass Container Corporation ±</i> | 4.25 | 12-7-2023 | 600,000   | 605,250   |
| <i>Anchor Glass Container Corporation ±</i> | 8.75 | 12-7-2024 | 1,300,000 | 1,317,329 |
| <i>The ServiceMaster Company LLC ±</i>      | 3.28 | 11-8-2023 | 400,000   | 401,832   |
|   |      |           |           | 2,324,411 |

**Internet & Direct Marketing Retail :****1.10%**

|                                    |      |            |           |           |
|------------------------------------|------|------------|-----------|-----------|
| <i>Ancestry.com Incorporated ±</i> | 5.25 | 10-19-2023 | 3,005,000 | 3,036,943 |
| <i>Ancestry.com Incorporated ±</i> | 9.25 | 10-19-2024 | 3,325,000 | 3,403,969 |
|                                    |      |            |           | 6,440,912 |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name  | Interest rate | Maturity date | Principal    | Value        |
|--|---------------|---------------|--------------|--------------|
| <b>Leisure Products : 0.35%</b>                        |               |               |              |              |
| <i>AMF Bowling Centers Incorporated ±</i>              | 6.00%         | 8-17-2023     | \$ 1,707,646 | \$ 1,710,857 |
| <i>Life Time Fitness Incorporated ±</i>                | 4.25          | 6-10-2022     | 370,240      | 367,570      |
|  |               |               |              | 2,078,427    |
| <b>Media : 2.29%</b>                                   |               |               |              |              |
| <i>Altice US Finance I Corporation ±</i>               | 3.78          | 1-15-2025     | 519,084      | 524,706      |
| <i>CBS Radio Incorporated ±</i>                        | 4.50          | 10-17-2023    | 1,891,626    | 1,907,005    |
| <i>Charter Communications Operating LLC ±</i>          | 3.03          | 1-15-2024     | 913,100      | 916,013      |
| <i>Entercom Radio LLC ±%%&lt;</i>                      | 4.50          | 11-1-2023     | 1,093,750    | 1,104,228    |
| <i>Learfield Communications Incorporated ±</i>         | 4.25          | 11-17-2023    | 3,500,000    | 3,526,250    |
| <i>Mission Broadcasting Incorporated ±%%&lt;</i>       | 0.00          | 1-17-2024     | 31,974       | 32,360       |
| <i>Nexstar Broadcasting Group Incorporated ±%%&lt;</i> | 0.00          | 1-17-2024     | 347,026      | 351,218      |
| <i>Salem Communications Corporation ±</i>              | 3.50          | 3-16-2020     | 5,250,000    | 5,105,625    |
|  |               |               |              | 13,467,405   |
| <b>Multiline Retail : 0.03%</b>                        |               |               |              |              |
| <i>Doosan Infracore International Incorporated ±</i>   | 4.50          | 5-28-2021     | 160,346      | 162,251      |
| <b>Specialty Retail : 0.43%</b>                        |               |               |              |              |
| <i>Focus Brands Incorporated ±%%&lt;</i>               | 5.00          | 10-3-2023     | 2,471,675    | 2,507,712    |
| <b>Consumer Staples : 0.28%</b>                        |               |               |              |              |
| <b>Food Products : 0.28%</b>                           |               |               |              |              |
| <i>B&amp;G Foods Incorporated ±</i>                    | 3.77          | 11-2-2022     | 640,110      | 645,711      |
| <i>Pinnacle Foods Incorporated ±%%&lt;</i>             | 0.00          | 1-27-2024     | 497,500      | 498,435      |
| <i>Pinnacle Foods Incorporated ±</i>                   | 3.53          | 1-13-2023     | 247,500      | 247,577      |
| <i>Prestige Brands Incorporated ±</i>                  | 3.52          | 1-26-2024     | 234,628      | 236,681      |
|  |               |               |              | 1,628,404    |
| <b>Energy : 1.16%</b>                                  |               |               |              |              |
| <b>Energy Equipment &amp; Services : 0.80%</b>         |               |               |              |              |
| <i>Hummel Station LLC ±</i>                            | 7.00          | 10-27-2022    | 4,929,434    | 4,732,256    |
| <b>Oil, Gas &amp; Consumable Fuels : 0.36%</b>         |               |               |              |              |
| <i>Chesapeake Energy Corporation ±</i>                 | 8.50          | 8-23-2021     | 450,000      | 491,999      |
| <i>Veresen Midstream LP ±</i>                          | 5.25          | 3-31-2022     | 1,318,291    | 1,332,305    |
| <i>Western Refining Incorporated ±</i>                 | 5.25          | 11-12-2020    | 273,590      | 274,616      |
|  |               |               |              | 2,098,920    |
| <b>Financials : 1.32%</b>                              |               |               |              |              |
| <b>Capital Markets : 0.15%</b>                         |               |               |              |              |
| <i>American Beacon Advisors Incorporated ±</i>         | 9.79          | 3-3-2023      | 440,000      | 431,200      |
| <i>Neptune Finco Corporation ±</i>                     | 3.77          | 10-11-2024    | 459,375      | 462,246      |

893,446

**Consumer Finance : 0.03%**

|  |      |          |         |         |
|--|------|----------|---------|---------|
| <i>KAR Auction Services Incorporated ±</i> | 4.50 | 3-9-2023 | 198,500 | 200,795 |
|--|------|----------|---------|---------|

**Diversified Financial Services : 0.70%**

|  |      |           |           |           |
|--|------|-----------|-----------|-----------|
| <i>American Beacon Advisors Incorporated ±</i> | 5.25 | 4-30-2022 | 2,318,156 | 2,323,952 |
|--|------|-----------|-----------|-----------|

|                             |      |          |         |         |
|-----------------------------|------|----------|---------|---------|
| <i>Ipreo Holdings LLC ±</i> | 4.25 | 8-6-2021 | 141,754 | 138,387 |
|-----------------------------|------|----------|---------|---------|

|                                    |      |            |           |           |
|------------------------------------|------|------------|-----------|-----------|
| <i>LPL Holdings Incorporated ±</i> | 4.81 | 11-20-2022 | 1,187,803 | 1,190,772 |
|------------------------------------|------|------------|-----------|-----------|

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name   | Interest rate | Maturity date | Principal  | Value      |
|---|---------------|---------------|------------|------------|
| <b>Diversified Financial Services (continued)</b>           |               |               |            |            |
| <i>Nielsen Finance LLC ±</i>                                | 3.27%         | 10-4-2023     | \$ 473,813 | \$ 476,774 |
|   |               |               |            | 4,129,885  |
| <b>Insurance : 0.44%</b>                                    |               |               |            |            |
| <i>Alliant Holdings I LLC ±%%&lt;</i>                       | 0.00          | 8-12-2022     | 1,400,000  | 1,405,754  |
| <i>Hub International Limited ±</i>                          | 4.00          | 10-2-2020     | 269,971    | 270,856    |
| <i>Solera Holdings Incorporated ±</i>                       | 5.75          | 3-3-2023      | 868,438    | 877,243    |
|   |               |               |            | 2,553,853  |
| <b>Health Care : 2.48%</b>                                  |               |               |            |            |
| <b>Health Care Equipment &amp; Supplies : 0.58%</b>         |               |               |            |            |
| <i>DJO Finance LLC ±</i>                                    | 4.25          | 6-8-2020      | 561,450    | 546,852    |
| <i>Kinetic Concepts Incorporated ±</i>                      | 5.00          | 11-4-2020     | 1,529,804  | 1,530,767  |
| <i>Kinetic Concepts Incorporated ±%%&lt;</i>                | 0.00          | 1-25-2024     | 1,336,239  | 1,329,557  |
|   |               |               |            | 3,407,176  |
| <b>Health Care Providers &amp; Services : 1.51%</b>         |               |               |            |            |
| <i>Acadia Healthcare Company Incorporated ±</i>             | 3.78          | 2-11-2022     | 156,800    | 158,172    |
| <i>Acadia Healthcare Company Incorporated ±</i>             | 3.78          | 2-16-2023     | 940,500    | 948,334    |
| <i>Community Health Systems Incorporated ±</i>              | 4.00          | 1-27-2021     | 909,267    | 859,066    |
| <i>MPH Acquisition Holdings LLC ±</i>                       | 5.00          | 6-7-2023      | 510,375    | 517,499    |
| <i>Press Ganey Holdings Incorporated ±</i>                  | 4.25          | 10-21-2023    | 1,500,000  | 1,502,820  |
| <i>Press Ganey Holdings Incorporated ±</i>                  | 8.25          | 10-21-2024    | 1,150,000  | 1,168,688  |
| <i>Surgery Center Holdings Incorporated ±</i>               | 4.75          | 11-3-2020     | 1,102,506  | 1,114,909  |
| <i>Surgical Care Affiliates Incorporated ±</i>              | 3.75          | 3-17-2022     | 773,063    | 774,995    |
| <i>TeamHealth Incorporated ±%%&lt;</i>                      | 0.00          | 1-17-2024     | 750,000    | 748,598    |
| <i>TeamHealth Incorporated ±</i>                            | 3.78          | 11-23-2022    | 519,760    | 517,811    |
| <i>Vizient Incorporated ±</i>                               | 5.00          | 2-13-2023     | 571,904    | 579,053    |
|   |               |               |            | 8,889,945  |
| <b>Health Care Technology : 0.19%</b>                       |               |               |            |            |
| <i>Alere Incorporated ±</i>                                 | 4.25          | 6-18-2022     | 100,974    | 100,990    |
| <i>Emdeon Incorporated ±</i>                                | 3.75          | 11-2-2018     | 984,655    | 985,275    |
|   |               |               |            | 1,086,265  |
| <b>Life Sciences Tools &amp; Services : 0.08%</b>           |               |               |            |            |
| <i>Inventiv Health Incorporated ±</i>                       | 4.75          | 11-9-2023     | 475,000    | 478,957    |
| <b>Pharmaceuticals : 0.12%</b>                              |               |               |            |            |
| <i>Endo Finance LLC ±</i>                                   | 3.81          | 9-26-2022     | 297,000    | 296,011    |
| <i>Valeant Pharmaceuticals International Incorporated ±</i> | 5.50          | 4-1-2022      | 421,910    | 423,547    |
|   |               |               |            | 719,558    |

**Industrials : 3.14%****Aerospace & Defense : 0.51%**

|                                 |      |           |           |           |
|---------------------------------|------|-----------|-----------|-----------|
| <i>TransDigm Incorporated ±</i> | 3.96 | 2-28-2020 | 2,987,830 | 2,980,360 |
|---------------------------------|------|-----------|-----------|-----------|

**Commercial Services & Supplies : 2.03%**

|  |      |            |           |           |
|--|------|------------|-----------|-----------|
| <i>ADS Waste Holdings Incorporated ±%%&lt;</i> | 3.50 | 11-10-2023 | 1,233,636 | 1,244,653 |
|--|------|------------|-----------|-----------|

|  |      |           |           |           |
|--|------|-----------|-----------|-----------|
| <i>Advantage Sales &amp; Marketing LLC ±</i> | 7.50 | 7-25-2022 | 1,250,000 | 1,212,500 |
|--|------|-----------|-----------|-----------|

|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>Avantor Performance Materials Incorporated ±</i> | 6.00 | 6-21-2022 | 1,707,995 | 1,729,345 |
|---|------|-----------|-----------|-----------|

|   |      |            |           |           |
|---|------|------------|-----------|-----------|
| <i>Casella Waste Systems Incorporated ±</i> | 4.00 | 10-17-2023 | 1,975,000 | 1,994,750 |
|---|------|------------|-----------|-----------|

|  |      |           |           |           |
|--|------|-----------|-----------|-----------|
| <i>Columbus McKinnon Corporation ±%%&lt;</i> | 0.00 | 1-13-2024 | 1,000,000 | 1,006,250 |
|--|------|-----------|-----------|-----------|

|                               |      |          |         |         |
|-------------------------------|------|----------|---------|---------|
| <i>Gates Global Limited ±</i> | 4.25 | 7-6-2021 | 842,898 | 839,737 |
|-------------------------------|------|----------|---------|---------|

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name   | Interest rate | Maturity date | Principal  | Value      |
|---|---------------|---------------|------------|------------|
| <b>Commercial Services &amp; Supplies (continued)</b>         |               |               |            |            |
| <i>GFL Environmental Incorporated ±</i>                       | 3.75%         | 9-29-2023     | \$ 174,563 | \$ 175,109 |
| <i>McJunkin Red Man Corporation ±</i>                         | 5.00          | 11-8-2019     | 680,600    | 682,587    |
| <i>Sedgwick Claims Management Services Incorporated ±</i>     | 3.75          | 3-1-2021      | 524,219    | 525,965    |
| <i>WASH Multifamily Laundry Systems LLC ±</i>                 | 4.25          | 5-14-2022     | 1,081,283  | 1,086,019  |
| <i>WASH Multifamily Laundry Systems LLC ±</i>                 | 4.25          | 5-14-2022     | 189,365    | 190,194    |
| <i>WASH Multifamily Laundry Systems LLC ±</i>                 | 8.00          | 5-12-2023     | 17,885     | 17,706     |
| <i>WASH Multifamily Laundry Systems LLC ±(i)</i>              | 8.00          | 5-14-2023     | 102,115    | 101,094    |
| <i>Waste Industries USA Incorporated ±</i>                    | 3.53          | 2-27-2020     | 1,132,798  | 1,135,981  |
|   |               |               |            | 11,941,890 |
| <b>Machinery : 0.11%</b>                                      |               |               |            |            |
| <i>Onex Wizard Acquisition Company ±</i>                      | 4.00          | 3-13-2022     | 611,235    | 615,929    |
| <b>Transportation Infrastructure : 0.49%</b>                  |               |               |            |            |
| <i>OSG Bulk Ships Incorporated ±</i>                          | 5.25          | 8-5-2019      | 71,190     | 70,033     |
| <i>OSG International Incorporated ±</i>                       | 5.75          | 8-5-2019      | 2,853,071  | 2,803,143  |
|   |               |               |            | 2,873,176  |
| <b>Information Technology : 1.12%</b>                         |               |               |            |            |
| <b>Internet Software &amp; Services : 0.43%</b>               |               |               |            |            |
| <i>Black Knight InfoServ LLC ±</i>                            | 3.81          | 5-27-2022     | 493,119    | 496,201    |
| <i>CCC Information Services Incorporated ±</i>                | 4.00          | 12-20-2019    | 576,962    | 578,047    |
| <i>Infor US Incorporated ±</i>                                | 3.75          | 6-3-2020      | 683,113    | 683,004    |
| <i>Sophia Holding Finance LP ±</i>                            | 4.25          | 9-30-2022     | 148,866    | 149,052    |
| <i>VF Holding Corporation ±</i>                               | 4.25          | 6-30-2023     | 448,875    | 451,680    |
| <i>Zayo Group LLC ±%%&lt;</i>                                 | 0.00          | 1-12-2024     | 48,750     | 49,136     |
| <i>Zayo Group LLC ±</i>                                       | 3.50          | 1-19-2024     | 101,250    | 102,052    |
|   |               |               |            | 2,509,172  |
| <b>Semiconductors &amp; Semiconductor Equipment : 0.10%</b>   |               |               |            |            |
| <i>Micron Technology Incorporated ±</i>                       | 4.53          | 4-26-2022     | 348,250    | 352,850    |
| <i>NXP Semiconductors NV ±</i>                                | 3.24          | 12-7-2020     | 239,340    | 240,346    |
|   |               |               |            | 593,196    |
| <b>Software : 0.10%</b>                                       |               |               |            |            |
| <i>SS&amp;C Technologies Incorporated ±</i>                   | 4.03          | 7-8-2022      | 577,276    | 582,536    |
| <b>Technology Hardware, Storage &amp; Peripherals : 0.49%</b> |               |               |            |            |
| <i>Dell Incorporated ±</i>                                    | 4.03          | 9-7-2023      | 2,493,750  | 2,504,348  |
| <i>Peak 10 Incorporated ±(i)</i>                              | 8.28          | 6-17-2022     | 430,000    | 404,200    |



2,908,548

**Materials : 0.43%****Containers & Packaging : 0.43%**

|   |      |          |           |           |
|---|------|----------|-----------|-----------|
| <i>Reynolds Group Holdings Incorporated ±</i> | 4.25 | 2-5-2023 | 2,493,750 | 2,499,735 |
|---|------|----------|-----------|-----------|

**Real Estate : 1.21%****Equity REITs : 0.51%**

|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>ESH Hospitality Incorporated ±%%&lt;</i> | 3.78 | 8-30-2023 | 1,299,250 | 1,303,888 |
|---|------|-----------|-----------|-----------|

|                                    |      |           |         |         |
|------------------------------------|------|-----------|---------|---------|
| <i>MGM Growth Properties LLC ±</i> | 3.53 | 4-25-2023 | 322,435 | 325,028 |
|------------------------------------|------|-----------|---------|---------|

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name  | Interest rate | Maturity date | Principal    | Value        |
|--|---------------|---------------|--------------|--------------|
| <b>Equity REITs (continued)</b>  |               |               |              |              |
| <i>The Geo Group Incorporated</i> ±  | 3.28%         | 4-3-2020      | \$ 1,398,057 | \$ 1,382,916 |
|  |               |               |              | 3,011,832    |
| <b>Real Estate Management &amp; Development :</b>  |               |               |              |              |
| <b>0.70%</b>   |               |               |              |              |
| <i>Capital Automotive LP</i> ±   | 4.00          | 4-10-2019     | 2,209,126    | 2,220,857    |
| <i>Capital Automotive LP</i> ±   | 6.00          | 4-30-2020     | 1,849,333    | 1,861,668    |
|  |               |               |              | 4,082,525    |
| <b>Telecommunication Services : 1.21%</b>  |               |               |              |              |
| <b>Diversified Telecommunication Services : 0.73%</b>  |               |               |              |              |
| <i>Level 3 Financing Incorporated</i> ±  | 4.00          | 1-15-2020     | 1,700,000    | 1,720,825    |
| <i>Telesat Canada</i> ±  | 4.78          | 11-17-2023    | 2,531,725    | 2,531,725    |
|  |               |               |              | 4,252,550    |
| <b>Wireless Telecommunication Services : 0.48%</b>   |               |               |              |              |
| <i>LTS Buyer LLC</i> ±   | 4.25          | 4-13-2020     | 1,838,841    | 1,848,035    |
| <i>Syniverse Holdings Incorporated</i> ±   | 4.00          | 4-23-2019     | 165,800      | 148,723      |
| <i>Syniverse Holdings Incorporated</i> ±   | 4.04          | 4-23-2019     | 937,955      | 842,405      |
|  |               |               |              | 2,839,163    |
| <b>Utilities : 0.10%</b>   |               |               |              |              |
| <b>Electric Utilities : 0.10%</b>  |               |               |              |              |
| <i>Texas Competitive Electric Holdings Company LLC</i> ±   | 4.02          | 12-14-2023    | 575,000      | 580,750      |
|  |               |               |              |              |
| <b>Total Loans (Cost \$112,459,987)</b>  |               |               |              | 112,958,108  |
| <b>Municipal Obligations : 0.05%</b>   |               |               |              |              |
| <b>New York : 0.05%</b>  |               |               |              |              |
| <i>Build New York City Resource Corporation Bronx Charter School for Excellence Project Series B (Education Revenue)</i> | 5.00          | 4-1-2018      | 270,000      | 268,294      |
|  |               |               |              |              |
| <b>Total Municipal Obligations (Cost \$270,000)</b>  |               |               |              | 268,294      |
| <b>Non-Agency Mortgage-Backed Securities :</b>   |               |               |              |              |
| <b>5.05%</b>   |               |               |              |              |
| <i>Argent Securities Incorporated Series 2004-W5 Class AV3B</i> ±  | 1.66          | 4-25-2034     | 59,834       | 56,554       |
| <i>Asset-Backed Funding Certificates Series 2003-AHL1 Class A1</i>   | 4.18          | 3-25-2033     | 217,210      | 216,688      |

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|   |      |            |           |         |
|---|------|------------|-----------|---------|
| <i>Asset-Backed Securities Corporation Home Equity Series 2002-HE3 Class M2 ±</i>             | 3.09 | 10-15-2032 | 53,352    | 53,405  |
| <i>Banc of America Commercial Mortgage Securities Incorporated Series 2006-03 Class AM ±</i>  | 5.87 | 7-10-2044  | 1,340,000 | 961,560 |
| <i>Banc of America Commercial Mortgage Securities Incorporated Series 2007-1 Class AMFX ±</i> | 5.48 | 1-15-2049  | 503,616   | 503,916 |
| <i>Banc of America Commercial Mortgage Securities Incorporated Series 2008-1 Class AM ±</i>   | 6.28 | 2-10-2051  | 550,000   | 569,513 |
| <i>Banc of America Funding Corporation Series 2005 Class 5-1A1</i>                            | 5.50 | 9-25-2035  | 249,457   | 257,973 |
| <i>Banc of America Funding Corporation Series 2009 Class R6-3A1 144A±</i>                     | 2.54 | 1-26-2037  | 5,056     | 5,048   |
| <i>Banc of America Mortgage Securities Series 2003 Class 1A1 ±</i>                            | 3.06 | 4-25-2033  | 331,449   | 308,870 |
| <i>Banc of America Mortgage Securities Series 2003 Class A-3A1 ±</i>                          | 3.33 | 2-25-2033  | 55,583    | 54,133  |
| <i>Bear Stearns Asset Backed Securities Series 2002-2 Class A1 ±</i>                          | 1.43 | 10-25-2032 | 258,818   | 253,496 |
| <i>Bear Stearns Commercial Mortgage Series 2007-PW17 Class AM ±</i>                           | 5.89 | 6-11-2050  | 418,000   | 426,432 |
| <i>Bear Stearns Commercial Mortgage Series 2007-PW17 Class AMFL 144A±</i>                     | 1.34 | 6-11-2050  | 685,000   | 675,601 |
| <i>Bear Stearns Commercial Mortgage Series 2007-PW18 Class AM ±</i>                           | 6.08 | 6-11-2050  | 100,000   | 102,786 |
| <i>Bear Stearns Commercial Mortgage Series 2007-PW18 Class AMA ±</i>                          | 6.09 | 6-11-2050  | 715,000   | 735,551 |
| <i>Centex Home Equity Series 2002-A Class AF6</i>   | 5.54 | 1-25-2032  | 49,610    | 49,535  |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name   | Interest rate | Maturity date | Principal | Value     |
|---|---------------|---------------|-----------|-----------|
| <b>Non-Agency Mortgage-Backed Securities (continued)</b>                                |               |               |           |           |
| <i>Centex Home Equity Series 2002-D Class AF6 ±</i>                                     | 4.66%         | 12-25-2032    | \$ 17,788 | \$ 17,944 |
| <i>Centex Home Equity Series 2004-B Class AF6</i>                                       | 4.69          | 3-25-2034     | 169,279   | 173,600   |
| <i>CFCRE Commercial Mortgage Trust Series 2015-RUM Class A 144A±</i>                    | 2.47          | 7-15-2030     | 480,000   | 480,663   |
| <i>Citigroup Commercial Mortgage Trust Series 2012-GC8 Class C 144A±</i>                | 4.88          | 9-10-2045     | 1,000,000 | 1,048,852 |
| <i>Citigroup Commercial Mortgage Trust Series 2015 Class A 144A±</i>                    | 1.92          | 9-15-2027     | 595,000   | 593,689   |
| <i>Citigroup Mortgage Loan Trust Incorporated Series 2003-HE3 Class A3 ±</i>            | 1.52          | 12-25-2033    | 40,466    | 39,770    |
| <i>Commercial Mortgage Trust Series 2007-C9 144A±</i>                                   | 1.40          | 12-10-2049    | 940,000   | 932,267   |
| <i>Commercial Mortgage Trust Series 2012-CR2 Class C ±</i>                              | 4.85          | 8-15-2045     | 1,000,000 | 1,052,854 |
| <i>Countrywide Asset Backed Certificates Series 2003-5 Class AF5</i>                    | 5.37          | 2-25-2034     | 95,987    | 97,482    |
| <i>Countrywide Home Loans Series 2003-48 Class 2A2 ±</i>                                | 3.25          | 10-25-2033    | 84,161    | 82,596    |
| <i>Credit Suisse First Boston Mortgage Securities Series 2002-AR25 Class 1A1 ±</i>      | 2.52          | 9-25-2032     | 556,486   | 518,995   |
| <i>Credit Suisse First Boston Mortgage Securities Series 2003-AR15 Class 3A1 ±</i>      | 3.21          | 6-25-2033     | 151,000   | 149,039   |
| <i>Credit Suisse First Boston Mortgage Securities Series 2003-AR9 Class 2A2 ±</i>       | 2.86          | 3-25-2033     | 30,327    | 29,824    |
| <i>Credit-Based Asset Servicing &amp; Securitization LLC Series 2005-CB2 Class M1 ±</i> | 1.43          | 4-25-2036     | 72,119    | 71,981    |
| <i>Equity One Asset Backed Securities Series 2004-2 Class AF4 ±</i>                     | 4.62          | 7-25-2034     | 423,501   | 425,228   |
| <i>First Horizon Mortgage Pass-Through Series 2004-AR1 Class 1A1 ±</i>                  | 2.77          | 2-25-2034     | 407,334   | 402,329   |
| <i>First Horizon Mortgage Pass-Through Series 2004-AR4 Class 3A1 ±</i>                  | 3.01          | 8-25-2034     | 8,776     | 8,586     |
| <i>Global Mortgage Securitization Limited Series 2004-A Class A2 144A±</i>              | 1.08          | 11-25-2032    | 138,350   | 128,266   |
| <i>GMAC Mortgage Corporation Loan Series 2003-GH1 Class A5</i>                          | 5.24          | 7-25-2034     | 57,256    | 59,340    |
| <i>Great Wolf Trust Series 2015 Class A 144A±</i>                                       | 2.22          | 5-15-2034     | 1,015,000 | 1,022,293 |
| <i>Greenwich Capital Commercial Funding Corporation Series 2007-GG11 Class A4</i>       | 5.74          | 12-10-2049    | 366,066   | 369,871   |
| <i>GS Mortgage Securities Trust Series 2007-GG10 Class A4 ±</i>                         | 5.79          | 8-10-2045     | 524,660   | 525,347   |
| <i>GS Mortgage Securities Trust Series 2010-C1 Class X 144A±</i>                        | 1.43          | 8-10-2043     | 5,311,718 | 214,576   |

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|  |      |            |           |           |
|--|------|------------|-----------|-----------|
| <i>GS Mortgage Securities Trust Series 2012-GCJ7 Class XA ±</i>                          | 2.37 | 5-10-2045  | 4,015,853 | 306,137   |
| <i>GS Mortgage Securities Trust Series 2014-GSFLC Class C 144A±</i>                      | 3.02 | 7-15-2031  | 1,000,000 | 992,222   |
| <i>GS Mortgage Securities Trust Series 2014 Class C 144A</i>                             | 3.79 | 1-10-2031  | 1,000,000 | 989,158   |
| <i>GS Mortgage Securities Trust Series 2016-ICE2 Class A 144A±</i>                       | 2.70 | 2-15-2033  | 588,000   | 593,888   |
| <i>GSAA Home Equity Trust Series 2004-5 Class AF5 ±</i>                                  | 4.73 | 6-25-2034  | 6,354     | 6,378     |
| <i>GSCCRE Commercial Mortgage Trust Series 2015-HULA Class C 144A±</i>                   | 3.45 | 8-15-2032  | 1,000,000 | 1,005,864 |
| <i>GSMPS Mortgage Loan Trust Series 2005-AHL Class M1 ±</i>                              | 1.42 | 4-25-2035  | 7,619     | 7,566     |
| <i>GSMPS Mortgage Loan Trust Series 2006-1 Class A1 144A±</i>                            | 1.07 | 3-25-2035  | 104,960   | 103,362   |
| <i>GSMPS Mortgage Loan Trust Series 2006-SEA1 Class A 144A±</i>                          | 1.07 | 5-25-2036  | 10,953    | 10,942    |
| <i>JPMorgan Chase Commercial Mortgage Securities Trust Series 2007-CB18 Class AM ±</i>   | 5.47 | 6-12-2047  | 875,000   | 880,600   |
| <i>JPMorgan Chase Commercial Mortgage Securities Trust Series 2007-CB18 Class AMFL ±</i> | 0.83 | 6-12-2047  | 750,000   | 737,325   |
| <i>JPMorgan Chase Commercial Mortgage Securities Trust Series 2007-LDPX Class AM ±</i>   | 5.46 | 1-15-2049  | 550,000   | 548,559   |
| <i>JPMorgan Chase Commercial Mortgage Securities Trust Series 2014-INN Class A 144A±</i> | 1.69 | 6-15-2029  | 521,000   | 521,000   |
| <i>JPMorgan Chase Commercial Mortgage Securities Trust Series 2015-FL7 Class A 144A±</i> | 1.95 | 5-15-2028  | 225,224   | 224,876   |
| <i>JPMorgan Mortgage Trust Series 2004-A3 Class 2A1 ±</i>                                | 3.12 | 7-25-2034  | 70,079    | 68,111    |
| <i>JPMorgan Mortgage Trust Series 2004-A3 Series 3A3 ±</i>                               | 3.10 | 7-25-2034  | 63,536    | 61,688    |
| <i>JPMorgan Mortgage Trust Series 2005-A3 Class 11A2 ±</i>                               | 3.27 | 6-25-2035  | 238,596   | 242,344   |
| <i>JPMorgan Mortgage Trust Series 2009-7 Class 2A1 144A±</i>                             | 6.00 | 2-27-2037  | 24,011    | 24,324    |
| <i>JPMorgan Mortgage Trust Series 2009-7 Class 5A1 144A±</i>                             | 6.00 | 2-27-2037  | 63,035    | 63,053    |
| <i>MASTR Adjustable Rate Mortgage Trust Series 2003-6 Class 3A1 ±</i>                    | 3.31 | 12-25-2033 | 420,112   | 416,461   |
| <i>MASTR Adjustable Rate Mortgage Trust Series 2003-6 Class 4A2 ±</i>                    | 3.36 | 1-25-2034  | 16,500    | 16,177    |
| <i>MASTR Adjustable Rate Mortgage Trust Series 2004-13 Class 3A7 ±</i>                   | 3.04 | 11-21-2034 | 21,162    | 21,622    |
| <i>MASTR Alternative Loans Trust Series 2005-1 Class 5A1</i>                             | 5.50 | 1-25-2020  | 31,749    | 32,458    |
| <i>Merrill Lynch Countrywide Commercial Mortgage Trust Series 2007-9 Class A4</i>        | 5.70 | 9-12-2049  | 635,508   | 645,278   |

## Portfolio of investments January 31, 2017 (unaudited)

## Wells Fargo Multi-Sector Income Fund

| Security name   | Interest rate | Maturity date | Principal | Value     |
|---|---------------|---------------|-----------|-----------|
| <b>Non-Agency Mortgage-Backed Securities (continued)</b>                                |               |               |           |           |
| <i>Merrill Lynch Mortgage Trust Series 2005-A8 Class A1B3 ±</i>                         | 5.25%         | 8-25-2036     | \$ 49,457 | \$ 50,584 |
| <i>Merrill Lynch Mortgage Trust Series 2007-C1 Class A1A ±</i>                          | 5.83          | 6-12-2050     | 597,198   | 601,376   |
| <i>Mesa Trust Asset Backed Certificates Series 2001-5 Class A 144A±</i>                 | 1.56          | 12-25-2031    | 14,720    | 13,692    |
| <i>Mid State Trust Series 11 Class A1</i>   | 4.86          | 7-15-2038     | 219,500   | 232,748   |
| <i>MLCC Mortgage Investors Incorporated Series 2003-G Class A2 ±</i>                    | 1.96          | 1-25-2029     | 89,737    | 84,572    |
| <i>Morgan Stanley Bank of America Merrill Lynch Trust Series 2012-C5 Class XA 144A±</i> | 1.72          | 8-15-2045     | 4,802,250 | 275,887   |
| <i>Morgan Stanley Capital I Trust Series 2004-NC1 Class M1 ±</i>                        | 1.82          | 12-27-2033    | 471,570   | 459,256   |
| <i>Morgan Stanley Capital I Trust Series 2006-HQ9 Class AJ ±</i>                        | 5.79          | 7-12-2044     | 13,840    | 13,829    |
| <i>Morgan Stanley Capital I Trust Series 2007-HQ13 Class A3</i>                         | 5.57          | 12-15-2044    | 1,090,069 | 1,107,332 |
| <i>Morgan Stanley Capital I Trust Series 2010-GG10 Class A4B 144A±</i>                  | 5.79          | 8-15-2045     | 615,000   | 616,211   |
| <i>Morgan Stanley Capital I Trust Series 2012-C4 Class C 144A±</i>                      | 5.44          | 3-15-2045     | 900,000   | 957,946   |
| <i>Navient SLM Studen Loan Series 2005-B Class A3 ±</i>                                 | 1.23          | 12-15-2023    | 90,000    | 88,126    |
| <i>New Century Home Equity Loan Trust Series 2004-3 Class M1 ±</i>                      | 1.70          | 11-25-2034    | 1,165,049 | 1,058,374 |
| <i>New Century Home Equity Loan Trust Series 2005-1 Class AIMZ ±</i>                    | 1.35          | 3-25-2035     | 62,015    | 61,937    |
| <i>Northstar Education Finance Incorporated Series 2004-2 Class A3 ±</i>                | 1.21          | 7-30-2018     | 23,005    | 22,987    |
| <i>Provident Funding Mortgage Loan Series 2005-1 Class 2A1 ±</i>                        | 2.95          | 5-25-2035     | 34,710    | 33,586    |
| <i>RBSSP Resecuritization Trust Series 2010-3 Class 4A1 144A±</i>                       | 3.52          | 12-26-2035    | 16,256    | 16,293    |
| <i>Renaissance Home Equity Loan Trust Series 2004-4 Class AF4</i>                       | 4.88          | 2-25-2035     | 273,985   | 274,263   |
| <i>Residential Funding Mortgage Securities Trust Series 03-S12 Class 2A1</i>            | 4.00          | 12-25-2032    | 52,144    | 52,135    |
| <i>Saxon Asset Securities Trust Series 2002-1 Class AF5</i>                             | 6.35          | 12-25-2030    | 139,735   | 142,246   |
| <i>Saxon Asset Securities Trust Series 2003-1 Class AF7</i>                             | 4.03          | 6-25-2033     | 485,165   | 490,474   |
| <i>Sequoia Mortgage Trust Series 2003-1 Class 1A ±</i>                                  | 1.54          | 4-20-2033     | 16,832    | 15,898    |
|   | 3.10          | 3-25-2034     | 62,293    | 61,403    |

*Structured Adjustable Rate Mortgage Loan Trust  
Series 2004-2 Class 2A ±*

|   |      |            |           |            |
|---|------|------------|-----------|------------|
| <i>Structured Asset Securities Corporation Series<br/>1998-2 Class A ±</i>  | 1.29 | 2-25-2028  | 219,468   | 213,368    |
| <i>Structured Asset Securities Corporation Series<br/>2002-9 Class A2 ±</i> | 1.06 | 10-25-2027 | 59,820    | 58,490     |
| <i>Terwin Mortgage Trust Series 2003-6HE Class A3<br/>±</i>                 | 1.91 | 11-25-2033 | 173,407   | 165,044    |
| <i>Vendee Mortgage Trust Series 2003-2 Class IO ±<br/>(c)</i>               | 0.75 | 5-15-2033  | 5,054,639 | 141,819    |
| <i>Washington Mutual Mortgage Trust Series<br/>2004-RA4 Class 3A</i>        | 7.50 | 7-25-2034  | 154,713   | 164,930    |
| <b>Total Non-Agency Mortgage-Backed Securities (Cost \$29,912,407)</b>      |      |            |           | 29,670,652 |

**Yankee Corporate Bonds and Notes : 9.67%**

**Consumer Discretionary : 0.49%**

**Media : 0.49%**

|  |      |           |         |           |
|--|------|-----------|---------|-----------|
| <i>Grupo Televisa SAB</i>                    | 6.00 | 5-15-2018 | 750,000 | 787,157   |
| <i>Myriad International Holdings BV</i>      | 6.00 | 7-18-2020 | 500,000 | 540,420   |
| <i>Myriad International Holdings BV 144A</i> | 6.38 | 7-28-2017 | 750,000 | 764,408   |
| <i>WPP Finance 2010</i>                      | 3.63 | 9-7-2022  | 750,000 | 765,050   |
|  |      |           |         | 2,857,035 |

**Consumer Staples : 0.27%**

**Beverages : 0.14%**

|                              |      |           |         |         |
|------------------------------|------|-----------|---------|---------|
| <i>Pernod Ricard SA 144A</i> | 4.45 | 1-15-2022 | 760,000 | 808,904 |
|------------------------------|------|-----------|---------|---------|

**Tobacco : 0.13%**

|   |      |          |         |         |
|---|------|----------|---------|---------|
| <i>BAT International Finance plc 144A</i> | 3.25 | 6-7-2022 | 750,000 | 755,822 |
|---|------|----------|---------|---------|

**Energy : 2.14%**

**Energy Equipment & Services : 0.35%**

|   |      |           |           |           |
|---|------|-----------|-----------|-----------|
| <i>Ensco plc</i>                        | 5.75 | 10-1-2044 | 2,470,000 | 1,982,175 |
| <i>Trinidad Drilling Limited 144A%%</i> | 6.63 | 2-15-2025 | 75,000    | 76,688    |
|   |      |           |           | 2,058,863 |



## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

| Security name  | Interest rate | Maturity date | Principal    | Value        |
|--|---------------|---------------|--------------|--------------|
| <b>Oil, Gas &amp; Consumable Fuels : 1.79%</b>                 |               |               |              |              |
| <i>Baytex Energy Corporation 144A</i>                          | 5.13%         | 6-1-2021      | \$ 2,114,000 | \$ 1,955,450 |
| <i>Baytex Energy Corporation 144A</i>                          | 5.63          | 6-1-2024      | 1,225,000    | 1,127,000    |
| <i>Griffin Coal Mining Company Limited 144A(a)(i)(s)</i>       | 9.50          | 12-1-2016     | 1,685,411    | 6,742        |
| <i>Griffin Coal Mining Company Limited (a)(i)(s)</i>           | 9.50          | 12-1-2016     | 137,792      | 551          |
| <i>Petrobras International Finance Company</i>                 | 5.38          | 1-27-2021     | 670,000      | 675,025      |
| <i>Petroleos Mexicanos</i>                                     | 4.88          | 1-24-2022     | 750,000      | 752,850      |
| <i>Teekay Corporation</i>                                      | 8.50          | 1-15-2020     | 5,625,000    | 5,540,625    |
| <i>Woodside Finance Limited 144A</i>                           | 8.75          | 3-1-2019      | 405,000      | 455,414      |
|  |               |               |              | 10,513,657   |
| <b>Financials : 1.07%</b>                                      |               |               |              |              |
| <b>Banks : 0.87%</b>   |               |               |              |              |
| <i>ABN AMRO Bank NV 144A</i>                                   | 4.80          | 4-18-2026     | 750,000      | 767,552      |
| <i>Banco del Estado de Chile 144A</i>                          | 3.88          | 2-8-2022      | 650,000      | 668,537      |
| <i>Corporación Andina de Fomento</i>                           | 4.38          | 6-15-2022     | 958,000      | 1,020,423    |
| <i>Export Import Bank of Korea</i>                             | 5.00          | 4-11-2022     | 750,000      | 827,120      |
| <i>Macquarie Bank Limited 144A</i>                             | 5.00          | 2-22-2017     | 750,000      | 751,682      |
| <i>Nielsen Holding and Finance BV 144A</i>                     | 5.00          | 2-1-2025      | 625,000      | 621,094      |
| <i>Nielsen Holding and Finance BV 144A</i>                     | 5.50          | 10-1-2021     | 415,000      | 430,563      |
| <i>Preferred Term Securities XII Limited (a)(i)(s)</i>         | 0.00          | 12-24-2033    | 635,000      | 0            |
|  |               |               |              | 5,086,971    |
| <b>Diversified Financial Services : 0.20%</b>                  |               |               |              |              |
| <i>GE Capital International Funding Company</i>                | 2.34          | 11-15-2020    | 527,000      | 528,476      |
| <i>Tyco Electronics Group SA</i>                               | 3.50          | 2-3-2022      | 625,000      | 643,861      |
|  |               |               |              | 1,172,337    |
| <b>Health Care : 1.86%</b>                                     |               |               |              |              |
| <b>Pharmaceuticals : 1.86%</b>                                 |               |               |              |              |
| <i>Mallinckrodt plc 144A</i>                                   | 5.50          | 4-15-2025     | 500,000      | 430,625      |
| <i>Mallinckrodt plc 144A</i>                                   | 5.63          | 10-15-2023    | 275,000      | 243,719      |
| <i>Perrigo Finance plc</i>                                     | 3.90          | 12-15-2024    | 1,000,000    | 977,974      |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 5.63          | 12-1-2021     | 700,000      | 553,000      |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 5.88          | 5-15-2023     | 2,220,000    | 1,689,975    |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 6.13          | 4-15-2025     | 6,300,000    | 4,717,125    |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 6.38          | 10-15-2020    | 1,425,000    | 1,252,219    |
| <i>Valeant Pharmaceuticals International Incorporated 144A</i> | 6.75          | 8-15-2021     | 425,000      | 358,594      |
|  | 7.50          | 7-15-2021     | 785,000      | 681,969      |



*Valeant Pharmaceuticals International Incorporated*  
144A

10,905,200

**Industrials : 1.15%**

**Building Products : 0.04%**

*Allegion plc* 5.88 9-15-2023 210,000 223,650

**Commercial Services & Supplies : 0.93%**

*GFL Environmental Incorporated 144A* 7.88 4-1-2020 2,825,000 2,941,531

*GFL Environmental Incorporated 144A* 9.88 2-1-2021 500,000 543,750

*Ritchie Brothers Auctioneers Incorporated 144A* 5.38 1-15-2025 1,975,000 2,012,031

5,497,312

**Machinery : 0.04%**

*Sensata Technologies BV 144A* 5.00 10-1-2025 235,000 236,029

Portfolio of investments January 31, 2017 (unaudited)

Wells Fargo Multi-Sector Income Fund

| Security name   | Interest rate | Maturity date | Principal  | Value             |
|---|---------------|---------------|------------|-------------------|
| <b>Road &amp; Rail : 0.14%</b>                                    |               |               |            |                   |
| <i>Canadian Pacific Railway Company</i>                           | 4.50%         | 1-15-2022     | \$ 750,000 | \$ 806,564        |
| <b>Information Technology : 0.13%</b>                             |               |               |            |                   |
| <b>Communications Equipment : 0.13%</b>                           |               |               |            |                   |
| <i>Ericsson LM</i>  | 4.13          | 5-15-2022     | 750,000    | 757,904           |
| <b>Materials : 0.76%</b>  |               |               |            |                   |
| <b>Containers &amp; Packaging : 0.34%</b>                         |               |               |            |                   |
| <i>Ardagh Packaging Finance plc 144A</i>                          | 6.00          | 2-15-2025     | 1,200,000  | 1,207,500         |
| <i>Ardagh Packaging Finance plc 144A</i>                          | 7.25          | 5-15-2024     | 725,000    | 776,656           |
|   |               |               |            | 1,984,156         |
| <b>Metals &amp; Mining : 0.42%</b>                                |               |               |            |                   |
| <i>ArcelorMittal SA</i>   | 6.13          | 6-1-2025      | 275,000    | 302,330           |
| <i>Glencore Finance Canada Limited 144A</i>                       | 4.25          | 10-25-2022    | 750,000    | 778,185           |
| <i>Hudbay Minerals Incorporated 144A</i>                          | 7.25          | 1-15-2023     | 200,000    | 211,500           |
| <i>Hudbay Minerals Incorporated 144A</i>                          | 7.63          | 1-15-2025     | 200,000    | 214,000           |
| <i>Novelis Corporation 144A</i>                                   | 6.25          | 8-15-2024     | 200,000    | 211,250           |
| <i>Vale Overseas Limited</i>                                      | 4.38          | 1-11-2022     | 750,000    | 756,563           |
|   |               |               |            | 2,473,828         |
| <b>Telecommunication Services : 1.69%</b>                         |               |               |            |                   |
| <b>Diversified Telecommunication Services : 1.59%</b>             |               |               |            |                   |
| <i>Intelsat Jackson Holdings SA</i>                               | 5.50          | 8-1-2023      | 6,775,000  | 4,742,500         |
| <i>Intelsat Jackson Holdings SA</i>                               | 7.25          | 4-1-2019      | 1,675,000  | 1,439,453         |
| <i>Intelsat Luxembourg SA</i>                                     | 7.75          | 6-1-2021      | 1,445,000  | 502,138           |
| <i>Intelsat Luxembourg SA</i>                                     | 8.13          | 6-1-2023      | 5,815,000  | 1,933,488         |
| <i>Qtel International Finance Limited</i>                         | 5.00          | 10-19-2025    | 300,000    | 325,500           |
| <i>Virgin Media Finance plc 144A</i>                              | 6.38          | 4-15-2023     | 365,000    | 383,250           |
|   |               |               |            | 9,326,329         |
| <b>Wireless Telecommunication Services : 0.10%</b>                |               |               |            |                   |
| <i>Globo Comunicacoes Participacoes SA 144A</i>                   | 4.88          | 4-11-2022     | 595,000    | 604,669           |
| <b>Utilities : 0.11%</b>  |               |               |            |                   |
| <b>Electric Utilities : 0.11%</b>                                 |               |               |            |                   |
| <i>Comision Federal de Electricidad 144A</i>                      | 4.88          | 5-26-2021     | 650,000    | 671,125           |
| <b>Total Yankee Corporate Bonds and Notes (Cost \$65,191,396)</b> |               |               |            | <b>56,740,355</b> |

|   | Yield   | Shares     |                |
|---|---------|------------|----------------|
| <b>Short-Term Investments : 5.40%</b>                   |         |            |                |
| <b>Investment Companies : 5.40%</b>                     |         |            |                |
| <i>Wells Fargo Government Money</i>                     | 0.46    |            |                |
| <i>Market Fund Select Class (l)(u)##</i>                |         | 31,673,405 | 31,673,405     |
| <b>Total Short-Term Investments (Cost \$31,673,405)</b> |         |            | 31,673,405     |
| <b>Total investments in securities</b>                  |         |            |                |
| <b>(Cost \$847,031,033)*</b>                            | 138.52% |            | 813,020,269    |
| <i>Other assets and liabilities, net</i>                | (38.52) |            | (226,079,006)  |
| <b>Total net assets</b>                                 | 100.00% |            | \$ 586,941,263 |

## Wells Fargo Multi-Sector Income Fund

Portfolio of investments January 31, 2017 (unaudited)

± Variable rate investment. The rate shown is the rate in effect at period end.

144A The security may be resold in transactions exempt from registration, normally to qualified institutional buyers, pursuant to Rule 144A under the Securities Act of 1933.

(c) Investment in an interest-only security entitles holders to receive only the interest payments on the underlying mortgages. The principal amount shown is the notional amount of the underlying mortgages. The rate represents the coupon rate.

Non-income-earning security

(i) Illiquid security

¥ A payment-in-kind (PIK) security is a security in which the issuer may make interest or dividend payments in cash or additional securities. These additional securities generally have the same terms as the original holdings.

(s) The security is currently in default with regards to scheduled interest and/or principal payments. The Fund has stopped accruing interest on the security.

%% The security is issued on a when-issued basis.

(a) The security is fair valued in accordance with procedures approved by the Board of Trustees.

@ Foreign bond principal is denominated in the local currency of the issuer.

< All or a portion of the position represents an unfunded loan commitment.

(l) The issuer of the security is an affiliated person of the Fund as defined in the Investment Company Act of 1940.

(u) The rate represents the 7-day annualized yield at period end.

## All or a portion of this security is segregated for when-issued and/or unfunded loans.

\* Cost for federal income tax purposes is \$854,498,691 and unrealized gains (losses) consists of:

|                        |              |
|------------------------|--------------|
| Gross unrealized gains | \$26,057,969 |
|------------------------|--------------|

|                         |                     |
|-------------------------|---------------------|
| Gross unrealized losses | <u>(65,507,231)</u> |
|-------------------------|---------------------|

|                       |                |
|-----------------------|----------------|
| Net unrealized losses | \$(39,449,262) |
|-----------------------|----------------|

## Abbreviations:

AUD Australian dollar

BRL Brazilian real

COP Colombian peso

EUR Euro

FHLMC Federal Home Loan Mortgage Corporation

FNMA Federal National Mortgage Association

GBP Great British pound

GNMA Government National Mortgage Association

HUF Hungarian forint

IDR Indonesian rupiah

KRW Republic of Korea won

LLC Limited liability company

LP Limited partnership

MXN Mexican peso

MYR Malaysian ringgit

plc Public limited company

*REIT*      *Real estate investment trust*  
*ZAR*      *South African rand*

**Wells Fargo Multi-Sector Income Fund (the Fund )**

**Notes to Portfolio of investments January 31, 2017 (unaudited)**

**Securities valuation**

All investments are valued each business day as of the close of regular trading on the New York Stock Exchange (generally 4 p.m. Eastern Time), although the Fund may deviate from this calculation under unusual or unexpected circumstances.

Debt securities are valued at the evaluated bid price provided by an independent pricing service or, if a reliable price is not available, the quoted bid price from an independent broker-dealer.

Equity securities that are listed on a foreign or domestic exchange or market are valued at the official closing price or, if none, the last sales price. If no sale occurs on the principal exchange or market that day, the prior day's price will be deemed stale and a fair value price will be determined in accordance with the Fund's Valuation Procedures.

The values of securities denominated in foreign currencies are translated into U.S. dollars at rates provided by an independent foreign currency pricing source at a time each business day specified by the Management Valuation Team of Wells Fargo Funds Management, LLC.

Investments in registered open-end investment companies are valued at net asset value.

Investments which are not valued using any of the methods discussed above are valued at their fair value, as determined in good faith by the Board of Trustees of the Fund. The Board of Trustees has established a Valuation Committee comprised of the Trustees and has delegated to it the authority to take any actions regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of portfolio securities, unless the determination has been delegated to the Management Valuation Team. The Board of Trustees retains the authority to make or ratify any valuation decisions or approve any changes to the Valuation Procedures as it deems appropriate. On a quarterly basis, the Board of Trustees receives reports on any valuation actions taken by the Valuation Committee or the Management Valuation Team which may include items for ratification.

Valuations of fair valued securities are compared to the next actual sales price when available, or other appropriate market values, to assess the continued appropriateness of the fair valuation methodologies used. These securities are fair valued on a day-to-day basis, taking into consideration changes to appropriate market information and any significant changes to the inputs considered in the valuation process until there is a readily available price provided on an exchange or by an independent pricing service. Valuations received from an independent pricing service or independent broker-dealer quotes are periodically validated by comparisons to most recent trades and valuations provided by other independent pricing services in addition to the review of prices by the manager and/or subadviser. Unobservable inputs used in determining fair valuations are identified based on the type of security, taking into consideration factors utilized by market participants in valuing the investment, knowledge about the issuer and the current market environment.

**Foreign currency translation**

The accounting records of the Fund are maintained in U.S. dollars. The values of other assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates provided by an independent foreign currency

pricing source at a time each business day specified by the Management Valuation Team. Purchases and sales of securities, and income and expenses are converted at the rate of exchange on the respective dates of such transactions. Net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually paid or received. Net unrealized foreign exchange gains and losses arise from changes in the fair value of assets and liabilities other than investments in securities resulting from changes in exchange rates. The changes in net assets arising from changes in exchange rates and the changes in net assets resulting from changes in market prices of securities are not separately presented. Such changes are included in net realized and unrealized gains or losses from investments.

### **When-issued transactions**

The Fund may purchase securities on a forward commitment or when-issued basis. The Fund records a when-issued transaction on the trade date and will segregate assets in an amount at least equal in value to the Fund's commitment to purchase when-issued securities. Securities purchased on a when-issued basis are marked-to-market daily and the Fund begins earning interest on the settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

### **Loans**

The Fund may invest in direct debt instruments which are interests in amounts owed to lenders by corporate or other borrowers. The loans pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. Investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties. When the Fund purchases participations, it generally has no rights to enforce compliance with terms of the loan agreement with the borrower. As a result, the Fund assumes the credit risk of both the borrower and the lender that is selling the participation. When the Fund purchases assignments from lenders, it acquires direct rights against the borrower on the loan and may enforce compliance by the borrower with the terms of the loan agreement. Loans may include fully funded term loans or unfunded loan commitments, which are contractual obligations for future funding.

As of January 31, 2017, the Fund had unfunded loan commitments of \$14,199,743.

**Fair valuation measurements**

Fair value measurements of investments are determined within a framework that has established a fair value hierarchy based upon the various data inputs utilized in determining the value of the Fund's investments. The three-level hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to significant unobservable inputs (Level 3). The Fund's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs are summarized into three broad levels as follows:

- Level 1 quoted prices in active markets for identical securities
- Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodologies used for valuing investments in securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities as of January 31, 2017:

|  | Quoted<br>prices<br>(Level 1) | Other significant<br>observable inputs<br>(Level 2) | Significant<br>unobservable inputs<br>(Level 3) | Total                 |
|--|-------------------------------|---|---|-----------------------|
| <b>Assets</b>                                |                               |   |   |                       |
| <b>Investments in :</b>                      |                               |   |   |                       |
| <b>Agency securities</b>                     | \$ 0                          | \$ 13,044,549                                       | \$ 0  | \$ 13,044,549         |
| <b>Asset-backed securities</b>               | 0                             | 587,509   | 0   | 587,509               |
| <b>Common stocks</b>                         |                               |   |   |                       |
| Energy                                       | 513,019                       | 0   | 0   | 513,019               |
| Materials                                    | 839                           | 0   | 0   | 839                   |
| Utilities                                    | 5,306,749                     | 0   | 0   | 5,306,749             |
| <b>Corporate bonds and notes</b>             | 0                             | 412,992,068   | 0   | 412,992,068           |
| <b>Foreign corporate bonds and notes</b>     | 0                             | 10,674,824  | 0   | 10,674,824            |
| <b>Foreign government bonds</b>              | 0                             | 137,884,545   | 0   | 137,884,545           |
| <b>Loans</b>                                 | 0                             | 91,456,004  | 21,502,104                                      | 112,958,108           |
| <b>Municipal obligations</b>                 | 0                             | 268,294   | 0   | 268,294               |
| <b>Non-agency mortgage-backed securities</b> | 0                             | 30,376,005  | 0   | 30,376,005            |
| <b>Yankee corporate bonds and notes</b>      | 0                             | 56,733,062  | 7,293   | 56,740,355            |
| <b>Short-term investments</b>                |                               |   |   |                       |
| Investment companies                         | 31,673,405                    | 0   | 0   | 31,673,405            |
| <b>Total assets</b>                          | <b>\$ 37,494,012</b>          | <b>\$ 754,016,860</b>                               | <b>\$ 21,509,397</b>                            | <b>\$ 813,020,269</b> |



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The Fund recognizes transfers between levels within the fair value hierarchy at the end of the reporting period. At January 31, 2017, the Fund did not have any transfers between Level 1 and Level 2.

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

|                                       | <b>Loans</b> | <b>Yankee corporate<br/>bonds and<br/>notes</b> | <b>Total</b> |
|---------------------------------------|--------------|---|--------------|
| <b>Balance as of October 31, 2016</b> | \$ 5,626,538 | \$ 7,293  | \$ 5,633,831 |
| Accrued discounts (premiums)          | 3,159        | 17,712  | 20,871       |
| Realized gains (losses)               | (10,658)     | 0   | (10,658)     |
| Change in unrealized gains (losses)   | 58,602       | (17,712)  | 40,890       |
| Purchases                             | 10,967,156   | 0   | 10,967,156   |
| Sales                                 | (584,635)    | 0   | (584,635)    |

|  |                      |                    |                      |
|--|----------------------|--------------------|----------------------|
| Transfers into Level 3   | 10,070,882           | 0                  | 10,070,882           |
| Transfers out of Level 3   | (4,628,940)          | 0                  | (4,628,940)          |
| <b>Balance as of January 31, 2017</b>  | <b>\$ 21,502,104</b> | <b>\$ 7,293</b>    | <b>\$ 21,509,397</b> |
| <b>Change in unrealized gains (losses) relating to securities still held at January 31, 2017</b> | <b>\$ 11,523</b>     | <b>\$ (17,712)</b> | <b>\$ (6,189)</b>    |

The loan obligations in the Level 3 table were valued using indicative broker quotes. These indicative broker quotes are considered Level 3 inputs. Quantitative unobservable inputs used by the brokers are often proprietary and not provided to the Fund and therefore the disclosure that would address these inputs is not included above.

The Yankee corporate bonds and notes obligations in the Level 3 table represents two positions which were valued based on an analysis of the expected final distribution available to bondholders from asset sales.

ITEM 2. CONTROLS AND PROCEDURES

(a) The President and Treasurer have concluded that the Wells Fargo Multi-Sector Income Fund (the Fund) disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) provide reasonable assurances that material information relating to the Fund is made known to them by the appropriate persons based on their evaluation of these controls and procedures as of a date within 90 days of the filing of this report.

(b) There were no significant changes in the Fund's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**SIGNATURES**

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

Wells Fargo Multi-Sector Income Fund

By: /s/ Andrew Owen

Andrew Owen

President

Date: March 24, 2017

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.

Wells Fargo Multi-Sector Income Fund

By: /s/ Andrew Owen

Andrew Owen

President

Date: March 24, 2017

By: /s/ Jeremy DePalma

Jeremy DePalma

Treasurer

Date: March 24, 2017