

TRANSAMERICA INCOME SHARES, INC.

Form N-CSRS

December 04, 2015

As filed with the Securities and Exchange Commission on December 4, 2015.

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF

REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-02273

TRANSAMERICA INCOME SHARES, INC.

(Exact Name of Registrant as Specified in Charter)

1801 California St., Suite 5200, Denver, CO 80202

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, including Area Code: (720) 493-4256

Tané T. Tyler, Esq., 1801 California St., Suite 5200, Denver, CO 80202

(Name and Address of Agent for Service)

Date of fiscal year end: March 31

Date of reporting period: April 1, 2015 September 30, 2015

Item 1: Report(s) to Shareholders.

The Semi-Annual Report is attached.

MESSAGE TO SHAREHOLDERS

Dear Shareholder:

At the Special Meeting of Shareholders of Transamerica Income Shares, Inc. held on November 6, 2015, shareholders approved the following proposal:

Proposal 1: Approval of an agreement and plan of reorganization providing for the transfer of all of the assets of Transamerica Income Shares, Inc. (TIS), a closed-end fund, to Transamerica Flexible Income, an open-end fund and a series of Transamerica Funds, a Delaware statutory trust (the Destination Fund), in exchange for Class I shares of beneficial interest of the Destination Fund and the assumption by the Destination Fund of TIS 's liabilities, followed by the distribution of those shares of beneficial interest of the Destination Fund in complete liquidation of TIS and the dissolution of TIS.

The results of the proxy vote were as follows:

For	Against/Withheld	Abstentions	Broker Non-Votes
4,174,151.924	233,099.584	59,669.368	

We anticipate a smooth transition of your shares of Transamerica Income Shares into Transamerica Flexible Income. As always, we are grateful for your support as an investor in Transamerica Income Shares. It has been our pleasure to serve you.

Sincerely,

/s/ Marijn P. Smit
Marijn P. Smit
Chairman, President and Chief Executive Officer

Transamerica Income Shares, Inc.

UNDERSTANDING YOUR FUND S EXPENSES

(unaudited)

SHAREHOLDER EXPENSES

Fund shareholders may incur ongoing costs, including management and advisory fees, distribution and service fees, and other Fund expenses.

The following example is intended to help you understand your ongoing costs (in dollars and cents) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds.

The example is based on an investment of \$1,000 invested at April 1, 2015, and held for the entire period until September 30, 2015.

ACTUAL EXPENSES

The information in the table under the heading **Actual Expenses** provides information about actual account values and actual expenses. You may use the information in these columns, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = \$8.60), then multiply the result by the number in the appropriate column for your share class titled **Expenses Paid During Period** to estimate the expenses you paid on your account during this period. If your account is an IRA, your expenses could have included a \$15 annual fee. The amount of any fee paid during the period can decrease your ending account value.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

The information in the table under the heading **Hypothetical Expenses** provides information about hypothetical account values and hypothetical expenses based on the Fund s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in your Fund versus other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges and brokerage commissions paid on purchases and sales of Fund shares. Therefore, the information under the heading **Hypothetical Expenses** is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. If any of these transaction costs were included, your costs would be higher. The expenses shown in the table do not reflect any fees that may be charged to you by brokers, financial intermediaries, or other financial institutions.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the advisory and administrative fees, expenses and fees of the trustees and their counsel, extraordinary expenses and interest expense.

Actual Expenses ^(A)			Hypothetical Expenses ^(B)		
Beginning	Ending	Expenses Paid	Ending	Expenses Paid	Annualized
Account Value	Account Value	During Period ^(C)	Account Value	During Period ^(C)	
April 1, 2015	September 30, 2015	April 1, 2015 - September 30, 2015	September 30, 2015	April 1, 2015 - September 30, 2015	Expense Ratio
\$ 1,000.00	\$ 989.00	\$ 4.13	\$ 1,020.90	\$ 4.19	0.83%

^(A) Based on net asset value return.

^(B) 5% return per year before expenses.

^(C) Expenses are calculated using the Fund's annualized expense ratios (as disclosed in the table), multiplied by the average account value for the period, multiplied by the number of days in the period (183 days), and divided by the number of days in the year (365 days).

SCHEDULE OF INVESTMENTS COMPOSITION

At September 30, 2015

(unaudited)

Asset Allocation	Percentage of Net Assets
Corporate Debt Securities	65.2%
Mortgage-Backed Securities	14.4
Asset-Backed Securities	9.8
U.S. Government Agency Obligations	2.7
Short-Term U.S. Government Obligations	2.6
U.S. Government Obligations	2.5
Securities Lending Collateral	1.5
Preferred Stocks	1.3
Municipal Government Obligations	1.3
Foreign Government Obligations	1.1
Repurchase Agreement	1.0
Convertible Preferred Stocks	0.6
Net Other Assets (Liabilities)	(4.0)
Total	100.0%

Transamerica Income Shares, Inc.

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Semi-Annual Report 2015

Transamerica Income Shares, Inc.**SCHEDULE OF INVESTMENTS****At September 30, 2015****(unaudited)**

	Principal	Value
ASSET-BACKED SECURITIES - 9.8%		
BXG Receivables Note Trust		
Series 2015-A, Class A		
2.88%, 05/02/2030 ^(A)	\$ 637,053	\$ 639,438
CIFC Funding, Ltd.		
Series 2012-2A, Class A3R		
3.03%, 12/05/2024 ^{(A) (B)}	635,000	634,604
Countrywide Asset-Backed Certificates		
Series 2006-6, Class 2A3		
0.47%, 09/25/2036 ^(B)	2,000,000	1,805,814
Diamond Resorts Owner Trust		
Series 2013-1, Class A		
1.95%, 01/20/2025 ^(A)	198,707	198,310
Series 2014-1, Class A		
2.54%, 05/20/2027 ^(A)	451,957	456,589
GSAA Trust		
Series 2006-1, Class A3		
0.52%, 01/25/2036 ^(B)	909,695	620,764
GSAMP Trust		
Series 2006-HE1, Class A2D		
0.50%, 01/25/2036 ^(B)	1,230,000	1,176,435
Hilton Grand Vacations Trust		
Series 2013-A, Class A		
2.28%, 01/25/2026 ^(A)	225,814	227,589
HSBC Home Equity Loan Trust		
Series 2006-3, Class A4		
0.46%, 03/20/2036 ^(B)	440,768	438,300
Series 2007-2, Class M1		
0.53%, 07/20/2036 ^(B)	100,000	96,238
Lehman XS Trust		
Series 2005-8, Class 1A3		
0.54%, 12/25/2035 ^(B)	977,835	644,539
Marine Pakr CLO, Ltd.		
Series 2012-1A, Class BR		
2.88%, 10/12/2023 ^{(A) (B)}	490,000	478,861

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NRZ Advance Receivables Trust Advance Receivables Backed

Series 2015-T2, Class AT2		
3.30%, 08/17/2048 ^(A)	670,000	670,000
OCP CLO, Ltd.		
Series 2015-8A, Class A1		
1.80%, 04/17/2027 ^{(A) (B)}	725,000	716,325
Ocwen Master Advance Receivables Trust		
Series 2015-1, Class CT1		
3.52%, 09/17/2046 ^(A)	500,000	500,000
Popular ABS Mortgage Pass-Through Trust		
Series 2006-A, Class A4		
0.51%, 02/25/2036 ^(B)	472,541	464,241
Sierra Timeshare Receivables Funding LLC		
Series 2014-1A, Class A		
2.07%, 03/20/2030 ^(A)	258,788	260,312
Spirit Master Funding LLC		
Series 2014-3A, Class A		
5.74%, 03/20/2042 ^(A)	1,672,058	1,856,469
Truman Capital Mortgage Loan Trust		
Series 2005-1, Class A		
0.62%, 03/25/2037 ^{(A) (B)}	371,953	363,521
Welk Resorts LLC		
Series 2015-AA, Class A		
2.79%, 06/16/2031 ^(A)	399,479	401,101
	Principal	Value

ASSET-BACKED SECURITIES (continued)

Westgate Resorts LLC		
Series 2013-1A, Class A		
2.25%, 08/20/2025 ^(A)	\$ 369,576	\$ 369,114
Series 2015-1A, Class A		
2.75%, 05/20/2027 ^(A)	712,039	713,662
Total Asset-Backed Securities		
(Cost \$11,672,238)		13,732,226

CORPORATE DEBT SECURITIES - 65.2%

Aerospace & Defense - 0.4%

Bombardier, Inc.		
4.75%, 04/15/2019 ^{(A) (C)}	450,000	362,250
7.50%, 03/15/2025 ^(A)	245,000	183,750
		546,000

Airlines - 1.9%

America West Airlines Pass-Through Trust		
8.06%, 01/02/2022	337,318	384,542
American Airlines Pass-Through Trust		
4.00%, 01/15/2027	625,802	638,318
Continental Airlines Pass-Through Trust		
6.90%, 10/19/2023	637,217	672,264

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UAL Pass-Through Trust		
10.40%, 05/01/2018	325,871	349,268
US Airways Pass-Through Trust		
3.95%, 05/15/2027	412,303	413,870
Virgin Australia Trust		
5.00%, 04/23/2025 ^(A)	251,404	261,460
		2,719,722
Automobiles - 0.5%		
General Motors Co.		
3.50%, 10/02/2018	490,000	493,954
4.88%, 10/02/2023	175,000	177,483
		671,437
Banks - 9.3%		
Barclays Bank PLC		
10.18%, 06/12/2021 ^(A)	1,212,000	1,587,821
BBVA Bancomer SA		
6.50%, 03/10/2021 ^(A)	800,000	853,800
Cooperatieve Centrale Raiffeisen-Boerenleenbank BA		
11.00%, 06/30/2019 ^{(A) (B) (D)}	1,095,000	1,346,302
Deutsche Bank AG		
1.64%, 08/20/2020 ^{(B) (C)}	150,000	150,774
4.50%, 04/01/2025	870,000	842,919
HBOS PLC		
Series MTN		
6.75%, 05/21/2018 ^(A)	1,015,000	1,118,719
HSBC Holdings PLC		
6.38%, 09/17/2024 ^{(B) (D)}	615,000	588,094
ING Bank NV		
5.80%, 09/25/2023 ^(A)	925,000	1,002,877
Intesa Sanpaolo SpA		
5.02%, 06/26/2024 ^(A)	480,000	473,663
Series MTN		
3.13%, 01/15/2016	545,000	547,947
Regions Bank		
7.50%, 05/15/2018	1,115,000	1,250,095

The Notes to Financial Statements are an integral part of this report.

Transamerica Income Shares, Inc.**SCHEDULE OF INVESTMENTS (continued)****At September 30, 2015****(unaudited)**

	Principal	Value
CORPORATE DEBT SECURITIES (continued)		
Banks (continued)		
Royal Bank of Scotland Group PLC		
5.13%, 05/28/2024	\$ 1,210,000	\$ 1,219,611
Santander Bank NA		
2.00%, 01/12/2018	610,000	607,946
Turkiye Halk Bankasi AS		
4.75%, 06/04/2019 ^(A)	230,000	223,962
Wells Fargo & Co.		
7.98%, 03/15/2018 ^{(B) (D)}	1,065,000	1,124,906
		12,939,436
Beverages - 0.2%		
Anheuser-Busch InBev Worldwide, Inc.		
9.75%, 11/17/2015	BRL 1,200,000	295,361
Biotechnology - 0.3%		
Celgene Corp.		
2.88%, 08/15/2020	\$ 455,000	459,128
Building Products - 1.3%		
Associated Materials LLC / AMH New Finance, Inc.		
9.13%, 11/01/2017	550,000	442,750
Owens Corning		
4.20%, 12/15/2022	1,390,000	1,408,249
		1,850,999
Capital Markets - 1.8%		
Goldman Sachs Group, Inc.		
5.70%, 05/10/2019 ^{(B) (D)}	395,000	393,519
Morgan Stanley		
5.45%, 07/15/2019 ^{(B) (D)}	305,000	300,275
5.75%, 01/25/2021	400,000	456,190

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Prospect Capital Corp. 5.88%, 03/15/2023 ^(C)	805,000	795,307
UBS AG 7.63%, 08/17/2022	490,000	563,739
		2,509,030
Commercial Services & Supplies - 0.6%		
Steelcase, Inc. 6.38%, 02/15/2021	800,000	892,255
Communications Equipment - 0.7%		
Motorola Solutions, Inc. 3.50%, 09/01/2021	1,005,000	954,592
Construction Materials - 0.8%		
Martin Marietta Materials, Inc. 4.25%, 07/02/2024	1,115,000	1,119,621
Consumer Finance - 1.6%		
Discover Financial Services 3.75%, 03/04/2025	725,000	702,125
Springleaf Finance Corp. Series MTN 6.90%, 12/15/2017	1,430,000	1,494,350
		2,196,475
Containers & Packaging - 0.8%		
Beverage Packaging Holdings Luxembourg II SA / Beverage Packaging Holdings II Issuer, Inc. 6.00%, 06/15/2017 ^(A)	190,000	185,963
Coveris Holding Corp. 10.00%, 06/01/2018 ^(A)	720,000	741,600
	Principal	Value
CORPORATE DEBT SECURITIES (continued)		
Containers & Packaging (continued)		
Coveris Holdings SA 7.88%, 11/01/2019 ^(A)	\$ 200,000	\$ 189,500
		1,117,063
Diversified Financial Services - 3.9%		
Citigroup, Inc. 5.95%, 01/30/2023 ^{(B) (D)}	1,070,000	1,038,569
General Electric Capital Corp. 7.13%, 06/15/2022 ^{(B) (D)}	700,000	808,500
ILFC E-Capital Trust I 4.57%, 12/21/2065 ^{(A) (B)}	575,000	526,125
Jefferies Group LLC 5.13%, 01/20/2023	440,000	440,868

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Oaktree Capital Management, LP		
6.75%, 12/02/2019 ^(A)	1,110,000	1,295,575
Vesey Street Investment Trust I		
4.40%, 09/01/2016 ^(E)	835,000	857,345
Voya Financial, Inc.		
5.50%, 07/15/2022	470,000	535,319
		5,502,301

Diversified Telecommunication Services - 2.5%

AT&T, Inc.		
3.40%, 05/15/2025	285,000	272,031
CenturyLink, Inc.		
5.80%, 03/15/2022	710,000	607,050
Frontier Communications Corp.		
7.63%, 04/15/2024	710,000	592,850
Unison Ground Lease Funding LLC		
6.39%, 04/15/2040 ^(A)	1,515,000	1,745,847
Verizon Communications, Inc.		
1.87%, 09/15/2016 ^(B)	250,000	252,373
		3,470,151

Electric Utilities - 0.3%

EDP Finance BV		
5.25%, 01/14/2021 ^(A)	365,000	385,192

Electronic Equipment, Instruments & Components - 0.5%

Arrow Electronics, Inc.		
3.50%, 04/01/2022	670,000	662,109

Energy Equipment & Services - 2.1%

Hiland Partners, LP / Hiland Partners Finance Corp.		
7.25%, 10/01/2020 ^(A)	440,000	462,550
NuStar Logistics, LP		
8.15%, 04/15/2018	975,000	1,043,250
Seadrill, Ltd.		
6.13%, 09/15/2017 ^(A)	325,000	250,250
Transocean, Inc.		
6.88%, 12/15/2021	490,000	365,501
Weatherford International, Ltd.		
9.63%, 03/01/2019	730,000	782,074
		2,903,625

Food & Staples Retailing - 0.5%

Walgreens Boots Alliance, Inc.		
3.30%, 11/18/2021	720,000	729,493

Food Products - 0.9%

Kraft Heinz Foods Co.		
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2.80%, 07/02/2020 ^(A)

600,000

603,931

The Notes to Financial Statements are an integral part of this report.

Transamerica Income Shares, Inc.

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Transamerica Income Shares, Inc.**SCHEDULE OF INVESTMENTS (continued)**

At September 30, 2015

(unaudited)

	Principal	Value
CORPORATE DEBT SECURITIES (continued)		
Food Products (continued)		
Post Holdings, Inc.		
7.38%, 02/15/2022	\$ 635,000	\$ 644,525
		1,248,456
Health Care Equipment & Supplies - 0.5%		
Mallinckrodt International Finance SA		
3.50%, 04/15/2018	680,000	659,600
Health Care Providers & Services - 1.6%		
CHS / Community Health Systems, Inc.		
7.13%, 07/15/2020	500,000	520,000
Express Scripts Holding Co.		
4.75%, 11/15/2021	960,000	1,036,504
Owens & Minor, Inc.		
3.88%, 09/15/2021	615,000	620,467
		2,176,971
Hotels, Restaurants & Leisure - 0.9%		
International Game Technology PLC		
6.50%, 02/15/2025 ^(A)	365,000	328,500
Scientific Games International, Inc.		
7.00%, 01/01/2022 ^(A)	182,000	179,270
Wyndham Worldwide Corp.		
2.50%, 03/01/2018	755,000	756,039
		1,263,809
Household Durables - 0.4%		
Meritage Homes Corp.		
4.50%, 03/01/2018	525,000	527,625

Household Products - 0.6%

Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC		
5.75%, 10/15/2020	780,000	787,800

Independent Power and Renewable Electricity Producers - 0.8%

NRG Energy, Inc.		
7.88%, 05/15/2021	1,080,000	1,094,850

Insurance - 8.5%

American Financial Group, Inc.		
9.88%, 06/15/2019	920,000	1,149,098
Chubb Corp.		
6.38%, 03/29/2067 ^(B)	879,000	866,914
Fidelity National Financial, Inc.		
6.60%, 05/15/2017	1,405,000	1,501,977
Hanover Insurance Group, Inc.		
6.38%, 06/15/2021	865,000	999,520
Lincoln National Corp.		
8.75%, 07/01/2019	625,000	763,395
Oil Insurance, Ltd.		
3.31%, 11/02/2015 ^{(A) (B) (D)}	675,000	573,750
Principal Financial Group, Inc.		
8.88%, 05/15/2019	285,000	347,833
Prudential Financial, Inc.		
5.38%, 05/15/2045 ^(B)	870,000	863,475
Reinsurance Group of America, Inc.		
6.75%, 12/15/2065 ^(B)	810,000	678,375
Sompo Japan Insurance, Inc.		
5.33%, 03/28/2073 ^{(A) (B)}	1,250,000	1,315,375
Stone Street Trust		
5.90%, 12/15/2015 ^(A)	1,400,000	1,415,081
	Principal	Value

CORPORATE DEBT SECURITIES (continued)**Insurance (continued)**

ZFS Finance USA Trust II		
6.45%, 12/15/2065 ^{(A) (B)}	\$ 1,360,000	\$ 1,373,600

11,848,393

IT Services - 0.6%

Cardtronics, Inc.		
5.13%, 08/01/2022	880,000	844,800

Life Sciences Tools & Services - 0.5%

Thermo Fisher Scientific, Inc.		
3.30%, 02/15/2022	730,000	732,043

Machinery - 0.2%

CNH Industrial Capital LLC		
3.88%, 07/16/2018 ^(A)	280,000	274,400

Media - 0.7%

Clear Channel Worldwide Holdings, Inc. 7.63%, 03/15/2020	695,000	696,313
Numericable-SFR SAS 4.88%, 05/15/2019 ^(A)	340,000	328,950
		1,025,263

Metals & Mining - 1.4%

Anglo American Capital PLC 9.38%, 04/08/2019 ^(A)	555,000	586,929
Glencore Finance Canada, Ltd. 5.80%, 11/15/2016 ^(A)	325,000	308,750
Glencore Funding LLC 2.50%, 01/15/2019 ^(A)	220,000	187,550
Rio Tinto Finance USA, Ltd. 9.00%, 05/01/2019	700,000	856,347
		1,939,576

Multi-Utilities - 0.6%

Black Hills Corp. 5.88%, 07/15/2020	700,000	799,203
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Oil, Gas & Consumable Fuels - 4.5%

California Resources Corp. 5.00%, 01/15/2020 ^(C)	323,000	207,728
Chesapeake Energy Corp. 3.54%, 04/15/2019 ^{(B) (C)}	100,000	71,000
	675,000	609,187
CITGO Holding, Inc. 10.75%, 02/15/2020 ^(A)	438,000	428,145
CITGO Petroleum Corp. 6.25%, 08/15/2022 ^(A)	379,000	361,945
Energy Transfer Partners, LP 2.50%, 06/15/2018	300,000	298,668
Linn Energy LLC / Linn Energy Finance Corp. 6.25%, 11/01/2019	695,000	177,225
Lukoil International Finance BV 3.42%, 04/24/2018 ^(A)	525,000	504,000
ONEOK Partners, LP 4.90%, 03/15/2025	570,000	530,710
Petrobras Global Finance BV 3.00%, 01/15/2019	650,000	469,625
Petroleum Co., of Trinidad & Tobago, Ltd. 9.75%, 08/14/2019 ^(A)	571,000	616,680

The Notes to Financial Statements are an integral part of this report.

Transamerica Income Shares, Inc.**SCHEDULE OF INVESTMENTS (continued)****At September 30, 2015****(unaudited)**

	Principal	Value
CORPORATE DEBT SECURITIES (continued)		
Oil, Gas & Consumable Fuels (continued)		
Ras Laffan Liquefied Natural Gas Co., Ltd. III 6.75%, 09/30/2019 ^(A)	\$ 925,000	\$ 1,082,250
Rosneft Oil Co. via Rosneft International Finance, Ltd. 3.15%, 03/06/2017 ^(A)	270,000	264,938
YPF SA 8.50%, 07/28/2025 ^(A)	715,000	620,262
		6,242,363
Paper & Forest Products - 0.4%		
Boise Cascade Co. 6.38%, 11/01/2020	480,000	494,549
Pharmaceuticals - 1.0%		
Actavis Funding SCS 1.30%, 06/15/2017	135,000	133,779
3.80%, 03/15/2025	625,000	603,774
Actavis, Inc. 3.25%, 10/01/2022	465,000	453,462
Valeant Pharmaceuticals International, Inc. 5.88%, 05/15/2023 ^(A)	145,000	138,566
6.13%, 04/15/2025 ^(A)	123,000	117,157
		1,446,738
Professional Services - 0.3%		
Ceridian HCM Holding, Inc. 11.00%, 03/15/2021 ^(A)	451,000	412,665
Real Estate Investment Trusts - 2.9%		
CBL & Associates, LP 5.25%, 12/01/2023	490,000	510,455
EPR Properties		

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7.75%, 07/15/2020	1,190,000	1,405,245
Government Properties Income Trust		
3.75%, 08/15/2019	805,000	825,483
Kilroy Realty, LP		
6.63%, 06/01/2020	595,000	686,094
Vereit Operating Partnership, LP		
2.00%, 02/06/2017	685,000	671,300
		4,098,577

Road & Rail - 1.6%

Aviation Capital Group Corp.		
4.63%, 01/31/2018 ^(A)	530,000	543,250
7.13%, 10/15/2020 ^(A)	1,500,000	1,736,250
		2,279,500

Semiconductors & Semiconductor Equipment - 0.3%

KLA-Tencor Corp.		
4.13%, 11/01/2021	400,000	406,694

Software - 0.3%

First Data Corp.		
6.75%, 11/01/2020 ^(A)	423,000	442,035

Specialty Retail - 0.4%

Claire s Stores, Inc.		
9.00%, 03/15/2019 ^(A)	635,000	506,413

Technology Hardware, Storage & Peripherals - 0.5%

Hewlett Packard Enterprise Co.		
3.60%, 10/15/2020 ^{(A) (F)}	710,000	709,801

	Principal	Value
CORPORATE DEBT SECURITIES (continued)		

Tobacco - 0.9%

Imperial Tobacco Finance PLC		
2.05%, 07/20/2018 ^(A)	\$ 630,000	\$ 629,631
RJ Reynolds Tobacco Co.		
8.13%, 06/23/2019	575,000	680,903
		1,310,534

Trading Companies & Distributors - 0.6%

International Lease Finance Corp.		
6.75%, 09/01/2016 ^(A)	880,000	910,800

Wireless Telecommunication Services - 3.3%

Crown Castle Towers LLC		
4.88%, 08/15/2040 ^(A)	965,000	1,042,368
6.11%, 01/15/2040 ^(A)	1,065,000	1,200,178

SBA Tower Trust		
5.10%, 04/15/2042 ^(A)	1,440,000	1,472,944
Sprint Communications, Inc.		
9.00%, 11/15/2018 ^(A)	875,000	918,138
		4,633,628
Total Corporate Debt Securities		
(Cost \$89,835,801)		91,041,076

FOREIGN GOVERNMENT OBLIGATIONS - 1.1%

Mexican Bonos