

PIMCO MUNICIPAL INCOME FUND II  
Form N-Q  
October 30, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

OMB APPROVAL

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**FORM N-Q**

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

Investment Company Act File Number: 811-21076

Registrant Name: PIMCO Municipal Income Fund II

Address of Principal Executive Offices: 1345 Avenue of the Americas New York, New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna □ 1345 Avenue of the Americas  
New York, New York 10105

Registrant's telephone number, including area code: 212-739-3371

Date of Fiscal Year End: May 31, 2008

Date of Reporting Period: August 31, 2007

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

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

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**Item 1. Schedule of Investments****PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount<br>(000)                |   | Credit Rating<br>(Moody's/S&P) | Value*      |
|--|---|--------------------------------|-------------|
| <b>MUNICIPAL BONDS &amp; NOTES 95.5%</b> |   |                                |             |
| <b>Alabama 4.0%</b>                      |   |                                |             |
| \$10,000                                 | Birmingham Baptist Medical Centers Special Care Facs. Financing Auth. Rev.,<br>5.00%, 11/15/30, Ser. A          | Baa1/NR                        | \$8,892,800 |
|  | Birmingham Waterworks & Sewer Board Rev., Ser. B,<br>(Pre-refunded @ \$100, 1/1/13) (MBIA)(a),<br>5.00%, 1/1/27 | Aaa/AAA                        | 1,210,025   |
| 1,145                                    |   |                                |             |
| 10,000                                   | 5.00%, 1/1/37   | Aaa/AAA                        | 10,567,900  |
| 18,000                                   | 5.25%, 1/1/33 (b)(g)  | NR/NR                          | 19,236,960  |
| 1,750                                    | Huntsville Health Care Auth. Rev.,<br>5.75%, 6/1/32, Ser. B, (Pre-refunded @ \$101, 6/1/12) (a)                 | A2/NR                          | 1,909,652   |
| 16,580                                   | Jefferson Cnty. Sewer Rev.,<br>4.75%, 2/1/38, Ser. B, (Pre-refunded @ \$100, 8/1/12) (FGIC)(a)                  | Aaa/AAA                        | 17,338,701  |
| 2,650                                    | Tuscaloosa Educational Building Auth. Rev., 5.00%, 6/1/26   | NR/BBB-                        | 2,437,841   |
|  |   |                                | 61,593,879  |
| <b>Alaska 0.6%</b>                       |   |                                |             |
| 5,900                                    | Northern Tobacco Securitization Corp. Rev., 5.00%, 6/1/46, Ser. A   | Baa3/NR                        | 4,951,693   |
| 3,550                                    | State Housing Finance Corp. Rev., 5.25%, 6/1/32, Ser. C (MBIA)  | Aaa/AAA                        | 3,532,179   |
|  |   |                                | 8,483,872   |
| <b>Arizona 2.9%</b>                      |   |                                |             |
|  | Health Facs. Auth. Rev.,<br>Beatitudes Project, 5.20%, 10/1/37  | NR/NR                          | 5,666,050   |
| 6,500                                    |   |                                |             |
| 1,300                                    | Hospital System, 5.75%, 12/1/32, (Pre-refunded @ \$101, 12/1/12) (a)  | NR/BBB                         | 1,427,387   |
| 3,500                                    | Pima Cnty. Industrial Dev. Auth. Rev., 5.50%, 7/1/37 (b)  | NR/BBB-                        | 3,327,800   |
| 33,000                                   | Salt River Project Agricultural Improvement & Power Dist. Rev.,<br>5.00%, 1/1/37, Ser. A (b)(g)                 | Aa1/AA                         | 33,673,200  |
|  |   |                                | 44,094,437  |
| <b>Arkansas 0.1%</b>                     |   |                                |             |
| 13,000                                   | Arkansas Dev. Finance Auth. Rev., zero coupon, 7/1/46 (AMBAC)   | Aaa/NR                         | 1,771,770   |
| <b>California 3.3%</b>                   |   |                                |             |
| 9,610                                    | Alameda Corridor Transportation Auth. Rev.,<br>zero coupon, 10/1/16, Ser. A (AMBAC)                             | Aaa/AAA                        | 6,480,792   |
|  | Golden State Tobacco Securitization Corp. Tobacco Settlement Rev.,<br>5.00%, 6/1/33, Ser. A-1                   | Baa3/BBB                       | 13,595,550  |
| 15,000                                   |   |                                |             |
| 3,300                                    | 6.25%, 6/1/33, Ser. 2003-A-1  | Aaa/AAA                        | 3,598,386   |
| 9,000                                    | 6.75%, 6/1/39, Ser. 2003-A-1, (Pre-refunded @ \$100, 6/1/13) (a)  | Aaa/AAA                        | 10,341,720  |
| 1,000                                    | Rancho Cucamonga Community Facs. Dist., Special Tax, 6.30%, 9/1/23, Ser. A                                      | NR/NR                          | 1,035,360   |
| 4,000                                    | Southern California Public Power Auth., Transmission Project Rev.,<br>zero coupon, 7/1/13                       | Aa3/A+                         | 3,140,240   |

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|       |  |         |            |
|-------|--|---------|------------|
| 4,700 | Statewide Community Dev. Auth. Rev., Baptist Univ., 9.00%, 11/1/17, Ser. B (b) | NR/NR   | 4,799,217  |
|       | Univ. of California Rev.,  |         |            |
| 4,430 | 4.75%, 5/15/37, Ser. C (MBIA)  | Aaa/AAA | 4,272,558  |
| 2,900 | 4.75%, 5/15/38, Ser. B   | Aa3/AA- | 2,795,455  |
|       |  |         | 50,059,278 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount (000)           |  | Credit Rating (Moody's/S&P) | Value        |
|----------------------------------|--|-----------------------------|--------------|
| <b>Colorado 5.2%</b>             |  |                             |              |
| \$30,000                         | Dawson Ridge Dist. No. 1, GO, zero coupon, 10/1/22, Ser. A   | Aaa/NR                      | \$14,785,200 |
| 5,000                            | Denver City & Cnty., CP, 5.50%, 12/1/25, Ser. B, (Pre-refunded @ \$101, 12/1/10) (AMBAC)(a)                  | Aaa/AAA                     | 5,314,850    |
| 20,000                           | E-470 Public Highway Auth. Rev., Ser. B (MBIA), zero coupon, 9/1/35  | Aaa/AAA                     | 4,832,000    |
| 15,000                           | zero coupon, 9/1/37  | Aaa/AAA                     | 3,274,200    |
|                                  | Health Facs. Auth. Rev.,   |                             |              |
| 1,000                            | American Baptist Homes, 5.90%, 8/1/37, Ser. A  | NR/NR                       | 979,310      |
| 25,000                           | Catholic Health Initiatives, 5.50%, 3/1/32   | Aa2/AA                      | 26,548,000   |
| 18,305                           | Exempla, Inc., 5.625%, 1/1/33, Ser. A  | A1/A-                       | 18,686,650   |
| 6,500                            | Retirement Fac., Liberty Height, zero coupon, 7/15/22  | Aaa/AAA                     | 3,235,370    |
| 2,000                            | Housing & Finance Auth. Rev., Evergreen Country Day School, 5.875%, 6/1/37 (b)                               | NR/BB                       | 1,938,360    |
|                                  |  |                             | 79,593,950   |
| <b>District of Columbia 1.2%</b> |  |                             |              |
| 17,500                           | Washington D.C. Convention Center Auth. Tax Rev., 4.75%, 10/1/28, (Pre-refunded @ \$100, 10/1/08) (AMBAC)(a) | Aaa/AAA                     | 17,705,620   |
| <b>Florida 3.9%</b>              |  |                             |              |
| 6,520                            | Brevard Cnty. Health Facs. Auth. Rev., 5.00%, 4/1/34   | A2/A                        | 6,260,560    |
| 2,310                            | Dev. Finance Corp. Rev., Learning Gate Community School, 6.00%, 2/15/37                                      | NR/BBB-                     | 2,311,540    |
|                                  | Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System,  |                             |              |
| 2,830                            | Adventist 5.00%, 11/15/31, Ser. C  | A1/A+                       | 2,775,290    |
| 8,000                            | Adventist/Sunbelt, 6.00%, 11/15/31, Ser. A, (Pre-refunded @ \$101, 11/15/11) (a)                             | A1/NR                       | 8,737,760    |
| 2,335                            | Hillsborough Cnty. Industrial Dev. Auth., Pollution Control Rev., Tampa Electric Co. Project, 5.50%, 10/1/23 | Baa2/BBB-                   | 2,372,010    |
| 635                              | Hillsborough Cnty. Industrial Dev. Auth. Rev., Health Fac. Project, 5.625%, 8/15/23                          | Baa2/BBB                    | 639,670      |
| 7,135                            | Jacksonville Health Facs. Auth. Rev., 5.25%, 11/15/32, Ser. A  | Aa2/AA                      | 7,220,900    |
| 11,500                           | Lakeland Hospital System Rev., Regional Health System, 5.50%, 11/15/32, (Pre-refunded @ \$101, 11/15/12) (a) | A2/NR                       | 12,541,670   |
| 3,000                            | Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32                              | Baa1/BBB+                   | 3,004,770    |
|                                  | Orange Cnty. Health Facs. Auth. Rev., Adventist Health System (a),   |                             |              |
| 2,550                            | 5.625%, 11/15/32, (Pre-refunded @ \$101, 11/15/12)   | A1/A+                       | 2,789,570    |
| 5,000                            | 6.25%, 11/15/24, (Pre-refunded @ \$100, 11/15/12)  | A1/A+                       | 5,574,700    |
| 5,000                            | Sumter Landing Community Dev. Dist. Rev., 4.75%, 10/1/35, Ser. A (MBIA)(b)(g)                                | NR/AAA                      | 4,819,600    |
| 1,500                            | Winter Springs Water & Sewer Rev., zero coupon, 10/1/29 (FGIC)   | Aaa/AAA                     | 504,300      |
|                                  |  |                             | 59,552,370   |
| <b>Georgia 0.8%</b>              |  |                             |              |
| 4,000                            | Atlanta Water & Wastewater Rev., 5.00%, 11/1/39, Ser. A (MBIA)   | Aaa/AAA                     | 4,052,760    |
| 1,500                            | Grantor Trust Gov't, CP, 4.75%, 6/1/28, Ser. A (MBIA)  | Aaa/AAA                     | 1,494,010    |

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|        |   |        |           |
|--------|---|--------|-----------|
| 2,775  | Medical Center Hospital Auth. Rev., 5.25%, 7/1/37   | NR/NR  | 2,490,89  |
| 9,600  | Richmond Cnty. Dev. Auth. Rev., zero coupon, 12/1/21  | Aaa/NR | 4,933,72  |
|        |   |        | 12,971,39 |
|        | <b>Hawaii 1.2%</b>  |        |           |
| 19,170 | Honolulu City & Cnty. Wastewater System Rev., First Board Resolution,<br>4.75%, 7/1/28 (FGIC) | Aaa/NR | 19,213,89 |

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August 31, 2007 (unaudited)

| Principal Amount (000) |  | Credit Rating (Moody's/S&P) | Value*      |
|------------------------|--|-----------------------------|-------------|
| <b>Illinois 17.3%</b>  |  |                             |             |
|                        | Central Lake Cnty. Water Agcy. Rev., Ser. A (AMBAC),             |                             |             |
| \$2,935                | 5.125%, 5/1/28   | Aaa/AAA                     | \$3,034,761 |
| 675                    | 5.125%, 5/1/28, (Pre-refunded @ \$100, 11/1/12) (a)              | Aaa/AAA                     | 720,063     |
| 8,150                  | 5.125%, 5/1/32, (Pre-refunded @ \$100, 11/1/12) (a)              | Aaa/NR                      | 8,694,094   |
|                        | Chicago, GO, Ser. A (FGIC),                                      |                             |             |
| 1,635                  | 5.125%, 1/1/29   | Aaa/AAA                     | 1,664,414   |
| 3,415                  | 5.125%, 1/1/29, (Pre-refunded @ \$101, 1/1/09) (a)               | Aaa/AAA                     | 3,512,259   |
|                        | Chicago, Lake Shore East, Special Assessment,                    |                             |             |
| 3,162                  | 6.625%, 12/1/22  | NR/NR                       | 3,325,507   |
| 6,700                  | 6.75%, 12/1/32   | NR/NR                       | 7,030,779   |
|                        | Chicago Board of Education School Reform, GO (FGIC),             |                             |             |
| 15,535                 | zero coupon, 12/1/16, Ser. A                                     | Aaa/AAA                     | 10,467,017  |
| 5,000                  | zero coupon, 12/1/28, Ser. A                                     | Aaa/AAA                     | 1,748,000   |
| 4,500                  | zero coupon, 12/1/31   | Aaa/AAA                     | 1,330,785   |
|                        | Chicago City Colleges, GO (FGIC),                                |                             |             |
| 32,670                 | zero coupon, 1/1/37  | Aaa/AAA                     | 7,419,030   |
| 29,145                 | zero coupon, 1/1/38  | Aaa/AAA                     | 6,255,100   |
| 32,670                 | zero coupon, 1/1/39  | Aaa/AAA                     | 6,644,425   |
| 7,000                  | Chicago Midway Airport Rev., 5.00%, 1/1/31, Ser. B (MBIA)        | Aaa/AAA                     | 7,035,630   |
| 5,000                  | Cicero, GO, 5.25%, 12/1/31 (MBIA)                                | Aaa/AAA                     | 5,171,400   |
|                        | Dev. Finance Auth. Rev.,   |                             |             |
| 2,500                  | Christian Homes, Inc., 5.75%, 5/15/31, Ser. A                    | NR/NR                       | 2,442,875   |
| 10,000                 | Regency Park, zero coupon, 7/15/23                               | NR/AAA                      | 4,647,400   |
| 134,650                | Regency Park, zero coupon, 7/15/25                               | NR/AAA                      | 56,124,813  |
| 1,500                  | Sedgebrook, Inc., 6.00%, 11/15/42, Ser. A                        | NR/NR                       | 1,461,270   |
|                        | Health Facs. Auth. Rev.,   |                             |             |
| 5,000                  | Condell Medical Center, 5.50%, 5/15/32                           | Baa2/NR                     | 4,913,400   |
| 20,100                 | Elmhurst Memorial Healthcare, 5.625%, 1/1/28                     | A2/NR                       | 20,650,740  |
|                        | Metropolitan Pier & Exposition Auth. Rev. (MBIA),                |                             |             |
| 60,000                 | zero coupon, 12/15/30  | Aaa/AAA                     | 19,006,200  |
| 50,000                 | zero coupon, 12/15/33  | Aaa/AAA                     | 13,553,000  |
| 2,460                  | zero coupon, 6/15/38   | Aaa/AAA                     | 526,858     |
| 4,500                  | Schaumburg, GO, 5.00%, 12/1/41, Ser. B (FGIC)                    | Aaa/AAA                     | 4,526,820   |
| 68,470                 | State Sports Facs. Auth. Rev., zero coupon, 6/15/30 (AMBAC)      | Aaa/AAA                     | 62,868,469  |
|                        |  |                             | 264,775,109 |
| <b>Indiana 0.5%</b>    |  |                             |             |
|                        | Brownsburg 1999 School Building Corp. Rev., Ser. A,              |                             |             |
|                        | (Pre-refunded @ \$100, 9/15/13) (FSA)(a),                        |                             |             |
| 1,000                  | 5.00%, 9/15/25   | Aaa/AAA                     | 1,065,200   |
| 2,000                  | 5.25%, 3/15/25   | Aaa/AAA                     | 2,157,140   |
| 4,125                  | Fort Wayne Pollution Control Rev., 6.20%, 10/15/25               | Caa1/B-                     | 4,147,770   |
| 500                    | State Bank Rev., Hendricks,                                      |                             |             |
|                        | 5.25%, 4/1/30, Ser. D, (Pre-refunded @ \$100, 4/1/12) (AMBAC)(a) | Aaa/AAA                     | 532,530     |
|                        |  |                             | 7,902,640   |

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| <b>Iowa 3.6%</b> |   |          |            |
|------------------|---|----------|------------|
| 1,000            | Finance Auth. Rev., Wedum Walnut Ridge LLC, 5.625%, 12/1/45, Ser. A | NR/NR    | 936,840    |
| 2,300            | Higher Education Loan Auth. Rev., Grandview College, 5.10%, 10/1/36 | NR/NR    | 2,126,488  |
|                  | Tobacco Settlement Auth. of Iowa Rev., Ser. B,                      |          |            |
| 46,000           | zero coupon, 6/1/34   | Baa3/BBB | 42,378,880 |
| 8,850            | 5.60%, 6/1/35, (Pre-refunded @ \$101, 6/1/11) (a)                   | NR/AAA   | 9,486,315  |
|                  |   |          | 54,928,523 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount (000)    |  | Credit Rating (Moody's/S&P) | Value*      |
|---------------------------|--|-----------------------------|-------------|
| <b>Kansas 0.2%</b>        |  |                             |             |
| \$2,800                   | Univ. of Kansas Hospital Auth. Health Facs. Rev.,<br>5.625%, 9/1/32, (Pre-refunded @ \$100, 9/1/12) (a)            | NR/AAA                      | \$3,038,168 |
| <b>Kentucky 0.3%</b>      |  |                             |             |
| 2,500                     | Economic Dev. Finance Auth., Hospital Facs. Rev.,<br>Catholic Healthcare Partners, 5.25%, 10/1/30                  | Aa3/AA-                     | 2,524,250   |
| 1,945                     | St. Luke's Hospital, 6.00%, 10/1/19, Ser. B  | A3/A                        | 2,129,055   |
|                           |  |                             | 4,653,305   |
| <b>Louisiana 4.6%</b>     |  |                             |             |
| 20,400                    | Public Facs. Auth. Rev., Ochsner Clinic Foundation, Ser. B,<br>5.50%, 5/15/32, (Pre-refunded @ \$100, 5/15/26) (a) | A3/NR                       | 22,766,196  |
| 3,300                     | 5.50%, 5/15/47 (c)   | A3/NR                       | 3,283,863   |
| 36,395                    | Tobacco Settlement Financing Corp. Rev., Ser. 2001-B,<br>5.875%, 5/15/39   | Baa3/BBB                    | 36,531,845  |
| 8,000                     | 5.875%, 5/15/39 (b)(g)   | Baa3/BBB                    | 8,030,080   |
|                           |  |                             | 70,611,984  |
| <b>Maryland 0.1%</b>      |  |                             |             |
| 1,000                     | State Health & Higher Educational Facs. Auth. Rev., Adventist Healthcare,<br>5.75%, 1/1/25, Ser. A                 | Baa2/NR                     | 1,021,130   |
| <b>Massachusetts 3.3%</b> |  |                             |             |
| 14,500                    | Bay Transportation Auth., Special Assessment,<br>4.75%, 7/1/34, Ser. A, (Pre-refunded @ \$100, 7/1/15) (a)(b)(g)   | NR/NR                       | 15,323,310  |
| 5,560                     | State College Building Auth. Project Rev., Ser. B (XLCA),<br>5.50%, 5/1/28   | Aaa/AAA                     | 6,174,825   |
| 7,645                     | 5.50%, 5/1/33  | Aaa/AAA                     | 8,453,306   |
| 5,000                     | 5.50%, 5/1/39  | Aaa/AAA                     | 5,548,850   |
| 4,295                     | State Turnpike Auth. Rev., 4.75%, 1/1/34, Ser. A (AMBAC)   | Aaa/AAA                     | 4,162,929   |
| 12,050                    | State Water Res. Auth. Rev., 4.75%, 8/1/37, Ser. A (FSA)   | Aaa/AAA                     | 11,638,974  |
|                           |  |                             | 51,302,194  |
| <b>Michigan 2.8%</b>      |  |                             |             |
| 8,500                     | Detroit City School Dist., GO,<br>5.00%, 5/1/32, Ser. A, (Pre-refunded @ \$100, 5/1/13) (FGIC)(a)                  | Aaa/AAA                     | 9,023,175   |
| 2,500                     | Detroit Water Supply System Rev., 5.00%, 7/1/30, Ser. A (FGIC)   | Aaa/AAA                     | 2,531,025   |
| 4,545                     | Garden City Hospital Finance Auth. Rev., 5.00%, 8/15/38, Ser. A  | NR/NR                       | 3,954,650   |
| 500                       | Star International Academy, CP, 6.125%, 3/1/37   | NR/BB+                      | 487,355     |
| 5,000                     | State Hospital Finance Auth. Rev.,<br>Ascension Health, 5.25%, 11/15/26, Ser. B                                    | Aa2/AA                      | 5,073,500   |
| 13,500                    | Oakwood Group, Ser. A,<br>5.75%, 4/1/32  | A2/A                        | 13,887,450  |
| 1,925                     | 6.00%, 4/1/22  | A2/A                        | 2,032,838   |
| 6,000                     | Tobacco Settlement Finance Auth. Rev., 6.00%, 6/1/48, Ser. A   | NR/BBB                      | 6,043,320   |



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43,033,313

**Minnesota 0.4%**

|       |  |       |           |
|-------|--|-------|-----------|
| 280   | City of Minneapolis, Tax Allocation, Grant Park Project, 5.35%, 2/1/30 | NR/NR | 266,753   |
| 1,500 | Minneapolis Rev., Providence Project, 5.75%, 10/1/37, Ser. A           | NR/NR | 1,414,230 |

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August 31, 2007 (unaudited)

| Principal Amount (000)       |  | Credit Rating (Moody's/S&P) | Value*      |
|------------------------------|--|-----------------------------|-------------|
| <b>Minnesota</b> (continued) |  |                             |             |
|                              | North Oaks, Presbyterian Homes Rev. (c),   |                             |             |
| \$2,640                      | 6.00%, 10/1/33   | NR/NR                       | \$2,654,705 |
| 1,530                        | 6.125%, 10/1/39  | NR/NR                       | 1,538,476   |
| 500                          | Oronoco Multifamily Housing Rev., 5.40%, 6/1/41  | NR/NR                       | 458,770     |
|                              |  |                             | 6,332,934   |
| <b>Mississippi</b> 0.3%      |  |                             |             |
| 3,605                        | Business Finance Corp., Pollution Control Rev., 5.875%, 4/1/22   | Ba1/BBB                     | 3,605,865   |
| 740                          | Dev. Bank Special Obligation, Projects & Equipment Acquisitions Rev., 5.00%, 7/1/24 (AMBAC)            | Aaa/AAA                     | 720,250     |
|                              |  |                             | 4,326,115   |
| <b>Missouri</b> 0.2%         |  |                             |             |
| 400                          | Branson Regional Airport Transportation Dev. Dist. Rev., 6.00%, 7/1/37, Ser. A                         | NR/NR                       | 379,792     |
| 860                          | Hanley Road & North of Folk Ave. Transportation Dist. Rev., 5.00%, 10/1/25                             | NR/NR                       | 825,368     |
| 1,500                        | St. Louis Parking Facs. Rev., Downtown Parking Fac., 6.00%, 2/1/28, (Pre-refunded @ \$100, 2/1/12) (a) | NR/NR                       | 1,633,275   |
|                              |  |                             | 2,838,435   |
| <b>Nevada</b> 1.6%           |  |                             |             |
|                              | Clark Cnty., GO (FGIC),  |                             |             |
| 1,450                        | 5.00%, 6/1/31  | Aaa/AAA                     | 1,476,085   |
| 1,950                        | 5.00%, 6/1/31, (Pre-refunded @ \$100, 6/1/11) (a)  | Aaa/AAA                     | 2,039,739   |
|                              | Reno Transportation Project Rev. (Pre-refunded @ \$100, 6/1/12) (AMBAC)(a),                            |                             |             |
| 3,960                        | 5.125%, 6/1/27   | Aaa/AAA                     | 4,204,768   |
| 2,000                        | 5.125%, 6/1/32   | Aaa/AAA                     | 2,123,620   |
| 3,500                        | 5.125%, 6/1/37   | Aaa/AAA                     | 3,716,335   |
| 7,570                        | 5.25%, 6/1/41  | Aaa/AAA                     | 8,078,704   |
| 3,290                        | Truckee Meadows Water Auth. Rev., 5.125%, 7/1/30, Ser. A, (Pre-refunded @ \$100, 7/1/11) (FSA)(a)      | Aaa/AAA                     | 3,459,106   |
|                              |  |                             | 25,098,357  |
| <b>New Hampshire</b> 0.2%    |  |                             |             |
|                              | Health & Education Facs. Auth. Rev., Catholic Medical Center,  |                             |             |
| 360                          | 6.125%, 7/1/32   | Baa1/BBB+                   | 370,562     |
| 2,640                        | 6.125%, 7/1/32, (Pre-refunded @ \$101, 7/1/12) (a)   | Baa1/BBB+                   | 2,931,219   |
|                              |  |                             | 3,301,781   |
| <b>New Jersey</b> 3.2%       |  |                             |             |
|                              | Economic Dev. Auth.,   |                             |             |
|                              | Kapkowski Road Landfill, Special Assessment,   |                             |             |
| 4,000                        | 5.75%, 10/1/21   | Baa3/NR                     | 4,163,800   |
| 11,405                       | 5.75%, 4/1/31  | Baa3/NR                     | 11,576,873  |
|                              | Economic Dev. Auth. Rev.,  |                             |             |
|                              | Arbor Glen,  |                             |             |

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|       |  |           |           |
|-------|--|-----------|-----------|
| 525   | 6.00%, 5/15/28   | NR/NR     | 530,649   |
| 225   | 6.00%, 5/15/28, Ser. A, (Pre-refunded @ \$102, 5/15/09) (a)                      | NR/NR     | 237,485   |
| 1,300 | Seabrook Village, 5.25%, 11/15/36  | NR/NR     | 1,186,250 |
| 250   | Seashore Gardens, 5.375%, 11/1/36  | NR/NR     | 234,453   |
| 1,340 | Health Care Facs. Financing Auth. Rev., Trinitas Hospital, 5.25%, 7/1/30, Ser. A | Baa3/BBB- | 1,283,211 |
| 3,500 | State Educational Facs. Auth. Rev., 6.00%, 7/1/25, Ser. D                        | NR/NR     | 3,575,390 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount (000)        |  | Credit Rating (Moody's/S&P) | Value*       |
|-------------------------------|--|-----------------------------|--------------|
| <b>New Jersey</b> (continued) |  |                             |              |
|                               | Tobacco Settlement Financing Corp. Rev.,   |                             |              |
| \$13,150                      | 5.00%, 6/1/41, Ser. 1A   | Baa3/BBB                    | \$11,355,025 |
| 1,285                         | 6.00%, 6/1/37, (Pre-refunded @ \$100, 6/1/12) (a)  | Aaa/AAA                     | 1,409,966    |
| 3,095                         | 6.125%, 6/1/42, (Pre-refunded @ \$100, 6/1/12) (a)   | Aaa/AAA                     | 3,412,640    |
| 6,150                         | 6.25%, 6/1/43, (Pre-refunded @ \$100, 6/1/13) (a)  | Aaa/AAA                     | 6,909,832    |
| 2,500                         | 6.75%, 6/1/39, (Pre-refunded @ \$100, 6/1/13) (a)  | Aaa/AAA                     | 2,872,700    |
|                               |  |                             | 48,748,274   |
| <b>New Mexico</b> 0.3%        |  |                             |              |
| 5,000                         | Farmington Pollution Control Rev., 5.80%, 4/1/22   | Baa2/BBB                    | 5,027,100    |
| <b>New York</b> 3.5%          |  |                             |              |
| 1,200                         | Erie Cnty. Industrial Dev. Agcy., Orchard Park Rev., 6.00%, 11/15/36   | NR/NR                       | 1,182,000    |
| 10,000                        | Liberty Dev. Corp. Rev., Goldman Sachs Headquarters, 5.25%, 10/1/35 (b)(g)   | Aa3/AA-                     | 10,328,500   |
|                               | Metropolitan Transportation Auth. Rev.,  |                             |              |
| 10,600                        | 5.00%, 11/15/30, Ser. A (FSA)  | Aaa/AAA                     | 10,783,380   |
| 10,000                        | 5.25%, 11/15/32, Ser. B, (Pre-refunded @ \$100, 11/15/13) (a)  | A2/AAA                      | 10,833,200   |
|                               | New York City Municipal Water Finance Auth., Water & Sewer System Rev.,  |                             |              |
| 4,750                         | 5.00%, 6/15/37, Ser. D (b)(g)  | Aa2/AA+                     | 4,813,792    |
| 7,000                         | 5.00%, 6/15/39, Ser. A   | Aa2/AA+                     | 7,079,660    |
| 6,700                         | State Dormitory Auth. Rev., Sloan-Kettering Center Memorial, 5.00%, 7/1/34, Ser. 1   | Aa2/AA                      | 6,719,631    |
| 2,000                         | State Environmental Facs. Corp. Rev., 5.00%, 6/15/28   | Aaa/AAA                     | 2,049,220    |
|                               |  |                             | 53,789,383   |
| <b>North Carolina</b> 0.0%    |  |                             |              |
| 550                           | North Carolina Medical Care Commission Rev., Salemtowne, 5.10%, 10/1/30  | NR/NR                       | 500,044      |
| <b>Ohio</b> 0.5%              |  |                             |              |
| 7,500                         | Lorain Cnty. Hospital Rev., Catholic Healthcare, 5.375%, 10/1/30   | Aa3/AA-                     | 7,627,725    |
| <b>Oklahoma</b> 0.1%          |  |                             |              |
| 2,010                         | Tulsa Cnty. Industrial Auth. Rev., Legacy Apartments, 4.90%, 11/20/46 (FHA-GNMA)   | Aaa/NR                      | 2,011,025    |
| <b>Pennsylvania</b> 3.6%      |  |                             |              |
|                               | Allegheny Cnty. Hospital Dev. Auth. Rev.,  |                             |              |
| 22,600                        | 5.375%, 11/15/40, Ser. A   | Ba2/BB                      | 20,817,312   |
| 530                           | 9.25%, 11/15/15, Ser. B, (Pre-refunded @ \$102, 11/15/10) (a)  | Ba3/AAA                     | 612,505      |
| 1,000                         | 9.25%, 11/15/22, Ser. B, (Pre-refunded @ \$102, 11/15/10) (a)  | Ba3/AAA                     | 1,181,460    |
| 5,700                         | 9.25%, 11/15/30, Ser. B, (Pre-refunded @ \$102, 11/15/10) (a)  | Ba3/AAA                     | 6,734,322    |
| 4,500                         | Cumberland Cnty. Auth., Retirement Community Rev., Wesley Affiliated Services, 7.25%, 1/1/35, Ser. A, (Pre-refunded @ \$101, 1/1/13) (a) | NR/NR                       | 5,235,660    |
| 3,250                         | Harrisburg Auth. Rev., 6.00%, 9/1/36   | NR/NR                       | 3,219,125    |
|                               | Montgomery Cnty. Higher Education & Health Auth. Hospital Rev.,  |                             |              |

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|       |   |         |           |
|-------|---|---------|-----------|
|       | Abington Memorial Hospital, Ser. A,   |         |           |
| 5,000 | 5.125%, 6/1/27  | NR/A    | 5,018,100 |
| 3,750 | 5.125%, 6/1/32  | NR/A    | 3,710,813 |
| 3,000 | Philadelphia, GO, 5.25%, 9/15/25, Ser. 2001 (FSA)                           | Aaa/AAA | 3,080,460 |
| 5,000 | Philadelphia Auth. Industrial Dev. Lease Rev., 5.25%, 10/1/30, Ser. B (FSA) | Aaa/AAA | 5,113,600 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount (000) |  | Credit Rating (Moody's/S&P) | Value*     |
|------------------------|--|-----------------------------|------------|
|                        | <b>Pennsylvania</b> (continued)  |                             |            |
| \$500                  | Pittsburgh & Allegheny Cnty. Public Auditorium Auth. Rev.,<br>5.00%, 2/1/29 (AMBAC)  | Aaa/AAA                     | \$503,335  |
|                        |  |                             | 55,226,692 |
|                        | <b>Puerto Rico</b> 0.3%  |                             |            |
| 4,200                  | Electric Power Auth. Power Rev.,<br>5.125%, 7/1/29, Ser. NN, (Pre-refunded @ \$100, 7/1/13) (a)                              | A3/BBB+                     | 4,492,530  |
|                        | <b>Rhode Island</b> 5.0%   |                             |            |
| 76,200                 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. A   | Baa3/BBB                    | 76,590,144 |
|                        | <b>South Carolina</b> 5.1%   |                             |            |
| 27,745                 | Greenville Cnty. School Dist. Rev., Building Equity Sooner Tomorrow,<br>5.50%, 12/1/28, (Pre-refunded @ \$101, 12/1/12) (a)  | Aaa/AA-                     | 30,275,344 |
| 18,120                 | Jobs Economic Dev. Auth. Rev., Bon Secours Health System,<br>5.625%, 11/15/30  | A3/A-                       | 18,514,654 |
| 15,000                 | Lexington Cnty., Health Services Dist. Hospital Rev. (a),<br>5.50%, 11/1/32, (Pre-refunded @ \$100, 11/1/13)                 | A2/A+                       | 16,318,500 |
| 3,500                  | 5.50%, 5/1/37, (Pre-refunded @ \$100, 5/1/14)  | A2/A+                       | 3,818,885  |
| 5,000                  | 5.75%, 11/1/28, (Pre-refunded @ \$100, 11/1/13)  | A2/A+                       | 5,507,350  |
| 3,250                  | Tobacco Settlement Rev. Management Auth. Rev., 6.375%, 5/15/28, Ser. B   | Baa3/BBB                    | 3,365,927  |
|                        |  |                             | 77,800,660 |
|                        | <b>Tennessee</b> 0.2%  |                             |            |
| 3,750                  | Knox Cnty. Health Educational & Housing Facs., Board Hospital Facs. Rev.,<br>Catholic Healthcare Partners, 5.25%, 10/1/30    | Aa3/AA-                     | 3,793,088  |
|                        | <b>Texas</b> 10.2%   |                             |            |
| 10                     | Arlington Independent School Dist., GO, 5.00%, 2/15/24 (PSF-GTD),<br>Aubrey Independent School Dist., GO (PSF-GTD),          | Aaa/NR                      | 10,068     |
| 130                    | 5.50%, 2/15/33   | Aaa/AAA                     | 137,280    |
| 4,350                  | 5.50%, 2/15/33, (Pre-refunded @ \$100, 8/15/14) (a)  | Aaa/AAA                     | 4,789,176  |
| 6,500                  | Brazos Cnty. Health Facs. Dev. Corp., Franciscan Services Corp. Rev.,<br>5.375%, 1/1/32                                      | NR/A-                       | 6,605,625  |
| 2,700                  | Comal Cnty. Health Facs. Dev., McKenna Memorial Hospital Project Rev.,<br>6.25%, 2/1/32                                      | Baa2/BBB-                   | 2,770,605  |
| 20,000                 | Frisco Independent School Dist., GO, zero coupon, 8/15/34 (PSF-GTD)<br>Harris Cnty.,   | Aaa/NR                      | 5,055,200  |
| 19,750                 | GO, 5.125%, 8/15/31, (Pre-refunded @ \$100, 8/15/12) (a)   | Aa1/AA+                     | 20,973,907 |
| 5,250                  | Health Facs. Dev. Corp. Rev., St. Luke's Episcopal Hospital,<br>5.375%, 2/15/26, Ser. A, (Pre-refunded @ \$100, 8/15/11) (a) | NR/AAA                      | 5,565,892  |
| 25,000                 | Senior Lien Toll Road Rev., 5.00%, 8/15/30 (FSA)   | Aaa/AAA                     | 25,525,750 |
| 700                    | HFDC of Central Texas, Inc., Village at Gleannloch Farms Rev.,<br>5.50%, 2/15/37, Ser. A                                     | NR/NR                       | 656,453    |
|                        | Keller Independent School Dist., GO (PSF-GTD),   |                             |            |

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|       |   |         |           |
|-------|---|---------|-----------|
| 770   | 4.875%, 8/15/31   | Aaa/AAA | 765,134   |
| 6,730 | 4.875%, 8/15/31, (Pre-refunded @ \$100, 8/15/09) (a)                      | Aaa/AAA | 6,884,521 |
| 3,170 | Little Elm Independent School Dist., GO, 5.30%, 8/15/29, Ser. A (PSF-GTD) | NR/AAA  | 3,279,175 |
| 6,250 | North Dallas Thruway Auth. Rev., 4.75%, 1/1/29 (FGIC)                     | Aaa/AAA | 6,251,187 |
| 5,000 | Quinlan Independent School Dist., GO, 5.10%, 2/15/32 (PSF-GTD)            | Aaa/NR  | 5,051,300 |
| 2,000 | Sabine River Auth. Rev., 5.20%, 5/1/28                                    | Baa2/BB | 1,814,000 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount (000) |  | Credit Rating (Moody's/S&P) | Value*        |
|------------------------|--|-----------------------------|---------------|
|                        | <b>Texas</b> (continued)   |                             |               |
|                        | State, GO,   |                             |               |
| \$10,025               | 4.75%, 4/1/35, Ser. A (b)(g)   | Aa1/AA                      | \$9,783,698   |
| 17,500                 | 4.75%, 4/1/36  | Aa1/AA                      | 17,019,275    |
| 1,000                  | State Public Finance Auth. Rev., 5.875%, 12/1/36, Ser. A                   | Baa3/BBB-                   | 997,810       |
|                        | State Turnpike Auth. Central Turnpike System Rev. (AMBAC),                 |                             |               |
| 10,000                 | zero coupon, 8/15/19, Ser. A   | Aaa/AAA                     | 5,835,900     |
| 8,880                  | 5.00%, 8/15/42, Ser. A   | Aaa/AAA                     | 8,902,822     |
|                        | State Water Financial Assistance, GO,                                      |                             |               |
| 3,250                  | 5.00%, 8/1/36  | Aa1/AA                      | 3,282,208     |
| 1,650                  | 5.25%, 8/1/35  | Aa1/AA                      | 1,697,372     |
| 8,000                  | Wichita Falls Water & Sewer Rev.,  |                             |               |
|                        | 5.00%, 8/1/27, (Pre-refunded @ \$100, 8/1/11) (AMBAC)(a)                   | Aaa/AAA                     | 8,383,600     |
| 4,150                  | Willacy Cnty. Rev., 6.875%, 9/1/28, Ser. A1                                | NR/NR                       | 4,162,823     |
|                        |  |                             | 156,200,781   |
|                        | <b>Utah</b> 3.0%   |                             |               |
| 44,150                 | Utah Transit Auth. Rev.,   |                             |               |
|                        | 4.75%, 6/15/35, Ser. B, (Pre-refunded @ \$100, 12/15/15) (FSA)(a)(b)(g)    | NR/NR                       | 46,780,899    |
|                        | <b>Virginia</b> 0.5%   |                             |               |
|                        | Fredericksburg Industrial Dev. Auth., Medicorp Health System Rev., Ser. B, |                             |               |
| 2,500                  | 5.125%, 6/15/33  | A3/NR                       | 2,500,325     |
| 4,000                  | 5.25%, 6/15/27   | A3/NR                       | 4,029,880     |
| 1,000                  | James City Cnty. Economic Dev. Auth Rev., 5.50%, 7/1/37, Ser. A            | NR/NR                       | 956,220       |
|                        |  |                             | 7,486,425     |
|                        | <b>Washington</b> 0.7%   |                             |               |
| 6,800                  | State Housing Finance Commission Rev., Skyline at First Hill,              |                             |               |
|                        | 5.625%, 1/1/38, Ser. A   | NR/NR                       | 6,518,276     |
| 5,000                  | Tacoma Sewer Rev., 5.00%, 12/1/31, Ser. A (FGIC)                           | Aaa/AAA                     | 5,049,050     |
|                        |  |                             | 11,567,326    |
|                        | <b>Wisconsin</b> 0.7%  |                             |               |
|                        | Badger Tobacco Asset Securitization Corp. Rev.,                            |                             |               |
| 1,125                  | 6.00%, 6/1/17  | Baa3/BBB                    | 1,174,252     |
| 7,750                  | 6.125%, 6/1/27   | Baa3/BBB                    | 7,948,865     |
|                        | State Health & Educational Facs. Auth. Rev.,                               |                             |               |
|                        | Froedert & Community Health Obligation,                                    |                             |               |
| 90                     | 5.375%, 10/1/30  | NR/AA-                      | 91,411        |
| 910                    | 5.375%, 10/1/30, (Pre-refunded @ \$101, 10/1/11) (a)                       | NR/AA-                      | 970,670       |
|                        |  |                             | 10,185,198    |
|                        | Total Municipal Bonds & Notes (cost \$1,391,322,692)                       |                             | 1,466,031,769 |

**VARIABLE RATE NOTES (b)(d)(e) 4.3%**



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| <b>Alabama</b> 0.4%  |   |        |           |
|----------------------|---|--------|-----------|
| 4,450                | Jefferson Cnty. Sewer Rev., 9.11%, 2/1/36, Ser. 352 (FGIC)                              | Aaa/NR | 5,130,761 |
| 1,400                | Montgomery Special Care Facs. Financing Auth. Rev.,<br>7.92%, 11/15/29, Ser. 435 (MBIA) | Aaa/NR | 1,479,730 |
|                      |   |        | 6,610,491 |
| <b>Colorado</b> 0.2% |   |        |           |
| 2,250                | Denver City & Cnty. Airport Rev., 7.92%, 11/15/25, Ser. 425 (FSA)                       | Aaa/NR | 2,425,950 |

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**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2007 (unaudited)

| Principal Amount<br>(000) |  | Credit Rating<br>(Moody's/S&P) | Value*      |
|---------------------------|--|--------------------------------|-------------|
| <b>Florida 0.4%</b>       |  |                                |             |
| \$1,782                   | Orange Cnty. School Board, CP, 7.92%, 8/1/24, Ser. 328 (MBIA)  | Aaa/NR                         | \$2,086,009 |
| 3,241                     | State Governmental Utilities Auth. Rev., 7.92%, 10/1/29, Ser. 327 (AMBAC)                            | Aaa/NR                         | 4,048,981   |
|                           |  |                                | 6,134,990   |
| <b>Illinois 0.6%</b>      |  |                                |             |
|                           | Chicago, GO,   |                                |             |
| 1,780                     | 8.55%, 1/1/28, Ser. 332 (MBIA)   | Aaa/NR                         | 2,118,378   |
| 2,200                     | 10.42%, 1/1/40, Ser. 426 (FGIC)  | Aaa/NR                         | 2,679,930   |
| 1,288                     | Cook Cnty., GO, 7.92%, 11/15/28, Ser. 403 (FGIC)   | Aaa/NR                         | 1,386,210   |
| 2,000                     | State, GO, 9.18%, 4/1/27, Ser. 783 (FSA)   | Aaa/NR                         | 2,339,900   |
|                           |  |                                | 8,524,418   |
| <b>Massachusetts 1.3%</b> |  |                                |             |
| 1,400                     | Boston Water & Sewer Community Rev., 7.96%, 11/1/28, Ser. 434 (FGIC)                                 | Aaa/NR                         | 1,470,700   |
| 2,200                     | State, GO, 9.22%, 11/1/30, Ser. 785 (FGIC-TCRS)  | Aaa/NR                         | 2,971,760   |
|                           | State Turnpike Auth. Rev.,   |                                |             |
| 7,366                     | 7.96%, 1/1/37, Ser. 334 (MBIA)   | Aaa/NR                         | 7,418,667   |
| 3,000                     | 7.96%, 1/1/37, Ser. 489 (MBIA)   | NR/AAA                         | 3,021,450   |
| 5,668                     | 7.96%, 1/1/39, Ser. 335 (AMBAC)  | Aaa/NR                         | 5,800,459   |
|                           |  |                                | 20,683,036  |
| <b>Nevada 0.2%</b>        |  |                                |             |
| 2,200                     | State, GO, 7.92%, 5/15/28, Ser. 344 (FGIC)   | Aaa/NR                         | 2,260,896   |
| <b>Ohio 0.1%</b>          |  |                                |             |
| 1,580                     | Hamilton Cnty. Sales Tax Rev., 7.92%, 12/1/27, Ser. 356 (MBIA)                                       | Aaa/NR                         | 1,735,314   |
| <b>Pennsylvania 0.3%</b>  |  |                                |             |
|                           | Philadelphia School Dist., GO (MBIA),  |                                |             |
| 2,677                     | 6.67%, 4/1/27, Ser. 496  | NR/AAA                         | 2,901,734   |
| 1,670                     | 6.68%, 4/1/27, Ser. 345  | Aaa/NR                         | 1,810,197   |
|                           |  |                                | 4,711,931   |
| <b>Texas 0.7%</b>         |  |                                |             |
| 2,460                     | Denton Utility System Rev., 8.55%, 12/1/29, Ser. 428 (MBIA)  | Aaa/NR                         | 2,681,646   |
| 1,100                     | Houston Airport System Rev., 7.92%, 7/1/25, Ser. 404 (FGIC)  | Aaa/NR                         | 1,124,255   |
|                           | Houston Water & Sewer System Rev.,   |                                |             |
| 2,200                     | 7.92%, 12/1/28, Ser. 427 (FSA)   | Aaa/NR                         | 2,506,350   |
| 3,070                     | 9.17%, 12/1/30, Ser. 495 (FGIC)  | NR/AAA                         | 3,784,236   |
|                           |  |                                | 10,096,487  |
| <b>Washington 0.1%</b>    |  |                                |             |
| 1,820                     | Central Puget Sound Regional Transit Auth. Sales Tax & Motor Rev.,<br>6.68%, 2/1/28, Ser. 360 (FGIC) | Aaa/NR                         | 1,819,636   |

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Total Variable Rate Notes (cost \$56,793,570)

65,003,149

**U.S. TREASURY BILLS (f) 0.2%**

3,540 4.392%-4.645%, 9/13/07 (cost \$3,534,610)

3,534,610

**Total Investments** (cost \$1,451,650,872) **100.0%**

**\$1,534,569,528**

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**Notes to Schedule of Investments:**

- \* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security are fair-valued, in good faith, pursuant to guidelines established by the Board of Trustees. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or are valued at the last sale price on the exchange that is the primary market for such securities, or the last quoted mean price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options and futures are valued at the settlement price determined by the relevant exchange. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily until settlement at the forward settlement value. Short-term investments maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund's net asset value is determined daily as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange ("NYSE") on each day the NYSE is open for business.
- (a) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (b) 144A Security—Security exempt from registration, under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (c) Delayed-delivery security. To be settled/delivered after August, 31, 2007.
- (d) Inverse Floater—The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index.
- (e) Variable Rate Notes—Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on August 31, 2007.
- (f) All or partial amount segregated as collateral for futures contracts.
- (g) Residual Interest Bonds held in trust—Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.

**Glossary:**

AMBAC—insured by American Municipal Bond Assurance Corp.

CP—Certificates of Participation

FGIC—insured by Financial Guaranty Insurance Co.

FHA—insured by Federal Housing Administration

FSA—insured by Financial Security Assurance, Inc.

GNMA—insured by Government National Mortgage Association

GO—General Obligation Bond

GTD—Guaranteed

MBIA—insured by Municipal Bond Investors Assurance

NR—Not Rated

PSF—Public School Fund

TCRS—Temporary Custodian Receipts

XLCA—insured by XL Capital Assurance

**Other Investments:**

- (1) Futures contracts outstanding at August 31, 2007:

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| Type                                    | Contracts | Market Value (000) | Expiration Date | Unrealized Appreciation (Depreciation) |
|---|-----------|--------------------|-----------------|--|
| Long: U.S. Treasury Notes 5 yr. Futures | 3,244     | \$346,145          | 12/31/07        | \$1,444,595                            |
| Short: U.S. Treasury Bond Futures       | (3,971)   | (443,015)          | 12/19/07        | (1,096,790)                            |
|   |           |                    |                 | \$347,805                              |

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**Item 2. Controls and Procedures**

(a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Act (17CFR270.30a -3(c)), as amended are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d)) under the Act (17 CFR270.30a -3(d)) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits**

(a) Exhibit 99.302 Cert.  Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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**SIGNATURES**

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

Registrant: PIMCO Municipal Income Fund II

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: October 30, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: October 30, 2007

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 dated indicated.

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: October 30, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: October 30, 2007

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