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PIMCO CORPORATE OPPORTUNITY FUND

Form N-Q

October 22, 2010

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

811-21238

PIMCO Corporate Opportunity Fund  
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas New York, New York  
(Address of principal executive offices)

10105  
(Zip code)

Lawrence G. Altadonna 1345 Avenue of the Americas New York, New York 10105  
(Name and address of agent for service)

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

Date of fiscal year end: November 30, 2010

Date of reporting period: August 31, 2010

Form N-Q is to be used by management investment companies, other than small business investment companies 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, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

## Item 1. Schedule of Investments

## PIMCO Corporate Opportunity Fund Schedule of Investments

August 31, 2010 (unaudited)

| Principal Amount<br>(000s)               |  | Credit Rating<br>(Moody's/S&P) | Value*      |
|--|--|--------------------------------|-------------|
| <b>CORPORATE BONDS &amp; NOTES 68.5%</b> |  |                                |             |
| <b>Airlines 4.4%</b>                     |  |                                |             |
|  | American Airlines Pass Through Trust,                    |                                |             |
| \$7,000                                  | 7.858%, 4/1/13 (AGC)                                     | Ba1/BBB-                       | \$7,325,500 |
| 2,959                                    | 10.375%, 1/2/21  | Baa3/A-                        | 3,372,974   |
| 4,500                                    | American Airlines, Inc., 10.50%, 10/15/ 12 (a)(d)        | B2/B                           | 4,803,750   |
|  | Continental Airlines Pass Through Trust,                 |                                |             |
| 950                                      | 6.545%, 8/2/20 (i)                                       | Baa2/A-                        | 974,270     |
| 2,678                                    | 6.703%, 12/15/22   | Baa2/BBB                       | 2,704,449   |
| 1,781                                    | 7.373%, 6/15/17  | Ba1/BB                         | 1,701,130   |
| 7,578                                    | 7.707%, 10/2/22  | Baa2/BBB                       | 7,994,414   |
| 1,619                                    | 9.798%, 4/1/21   | Ba1/BB-                        | 1,586,517   |
|  | Northwest Airlines, Inc.,                                |                                |             |
| 11,690                                   | 7.041%, 10/1/23  | WR/BBB-                        | 11,689,768  |
| 17,686                                   | 7.15%, 4/1/21 (MBIA)                                     | Ba3/BBB-                       | 16,868,454  |
| 2,765                                    | United Air Lines Pass Through Trust,                     |                                |             |
|  | 7.336%, 1/2/21 (a)(b)(d)(j)                              |                                |             |
|  | (acquisition cost-\$2,765,445; purchased 6/19/07)        | B1/B+                          | 2,488,900   |
| 5,847                                    | 10.40%, 5/1/18   | Ba1/BBB                        | 6,490,329   |
|  |  |                                | 68,000,455  |
| <b>Banking 5.9%</b>                      |  |                                |             |
| 4,800                                    | AgFirst Farm Credit Bank, 7.30%, 9/30/10 (a)(b)(d)(g)(j) |                                |             |
|  | (acquisition cost-\$3,808,000; purchased 2/26/10-3/2/10) | NR/A                           | 4,292,179   |
| 300                                      | BankAmerica Capital II, 8.00%, 12/15/26                  | Baa3/BB                        | 307,875     |
|  | Barclays Bank PLC,                                       |                                |             |
| 8,600                                    | 7.434%, 12/15/17 (a)(d)(g)(i)                            | Baa2/A-                        | 8,600,000   |
| 14,480                                   | 10.179%, 6/12/21 (a)(d)(i)                               | Baa1/A                         | 19,373,342  |
| £600                                     | 14.00%, 6/15/19 (g)                                      | Baa2/A-                        | 1,194,172   |
|  | CIT Group, Inc.,   |                                |             |
| \$2,077                                  | 7.00%, 5/1/13  | B3/B+                          | 2,068,972   |
| 565                                      | 7.00%, 5/1/14  | B3/B+                          | 553,132     |
| 565                                      | 7.00%, 5/1/15  | B3/B+                          | 546,068     |
| 942                                      | 7.00%, 5/1/16  | B3/B+                          | 899,516     |
| 1,319                                    | 7.00%, 5/1/17  | B3/B+                          | 1,246,548   |
| 4,000                                    | HBOS PLC, 6.75%, 5/21/18 (a)(d)                          | Ba1/BBB-                       | 3,917,560   |
|  | HSBC Capital Funding L.P. (g),                           |                                |             |
| 8,000                                    | 4.61%, 6/27/13 (a)(d)(i)                                 | A3/A-                          | 7,555,536   |
| 2,000                                    | 10.176%, 6/30/30   | A3/A-                          | 2,590,000   |
| 22,050                                   | Rabobank Nederland NV, 11.00%, 6/30/19 (a)(d)(g)(i)      | A2/AA-                         | 28,978,551  |
|  | Regions Financial Corp.,                                 |                                |             |
| 3,600                                    | 7.375%, 12/10/37   | Ba1/BB+                        | 3,354,772   |
| 6,600                                    | 7.75%, 11/10/14 (i)                                      | Baa3/BBB-                      | 7,124,568   |
|  |  |                                | 92,602,791  |

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**Building & Construction 0.6%**

|       |   |          |           |
|-------|---|----------|-----------|
| 4,000 | Cemex Finance LLC, 9.50%, 12/14/16 (a)(d)                   | NR/B     | 3,860,000 |
| 2,000 | Desarrolladora Homex SAB De C.V., 9.50%, 12/11/19<br>(a)(d) | Ba3/BB-  | 2,225,000 |
| 3,300 | Macmillan Bloedel Pembroke L.P., 7.70%, 2/15/26             | Ba1/BBB- | 3,420,892 |
|       |   |          | 9,505,892 |

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**PIMCO Corporate Opportunity Fund Schedule of Investments**

August 31, 2010 (unaudited) (continued)

| Principal<br>Amount<br>(000s) |                       | Credit Rating<br>(Moody s/S&P) | Value*    |
|-------------------------------|-----------------------|--------------------------------|-----------|
| <b>Financial Services</b>     | <b>41.1%</b>          |                                |           |
|                               | Ally Financial, Inc., |                                |           |
| \$170                         | 1.966%, 9/15/11, FRN  | B3/B                           | \$165,112 |
| 240                           | 2.002%, 10/15/11, FRN | B3/B                           | 233,100   |
| 500                           | 2.016%, 9/15/11, FRN  | B3/B                           | 485,625   |
| 330                           | 2.152%, 10/15/11, FRN | B3/B                           | 317,212   |
| 198                           | 2.266%, 12/15/11, FRN | B3/B                           | 192,308   |
| 2,000                         | 2.497%, 12/1/14, FRN  | B3/B                           | 1,692,500 |
| 1,000                         | 2.757%, 2/15/12, FRN  | B3/B                           | 951,250   |
| 250                           | 5.70%, 6/15/13        | B3/B                           | 238,130   |
| 20                            | 5.70%, 10/15/13       | B3/B                           | 18,927    |
| 344                           | 5.70%, 12/15/13       | B3/B                           | 325,655   |
| 189                           | 5.85%, 6/15/13        | B3/B                           | 180,724   |
| 502                           | 5.90%, 12/15/13       | B3/B                           | 478,099   |
| 259                           | 5.90%, 1/15/19        | B3/B                           | 215,976   |
| 35                            | 6.00%, 7/15/13        | B3/B                           | 33,534    |
| 638                           | 6.00%, 11/15/13       | B3/B                           | 609,414   |
| 15                            | 6.00%, 2/15/19        | B3/B                           | 12,596    |
| 4,479                         | 6.00%, 3/15/19        | B3/B                           | 3,760,032 |
| 364                           | 6.00%, 4/15/19        | B3/B                           | 305,326   |
| 796                           | 6.00%, 9/15/19        | B3/B                           | 668,846   |
| 10                            | 6.05%, 8/15/19        | B3/B                           | 8,433     |
| 122                           | 6.10%, 5/15/13        | B3/B                           | 117,633   |
| 10                            | 6.10%, 9/15/19        | B3/B                           | 8,484     |
| 191                           | 6.15%, 9/15/13        | B3/B                           | 183,227   |
| 60                            | 6.15%, 11/15/13       | B3/B                           | 58,276    |
| 226                           | 6.15%, 12/15/13       | B3/B                           | 216,854   |
| 25                            | 6.15%, 8/15/19        | B3/B                           | 21,238    |
| 13                            | 6.15%, 10/15/19       | B3/B                           | 11,036    |
| 330                           | 6.20%, 11/15/13       | B3/B                           | 317,057   |
| 445                           | 6.20%, 3/15/16        | B3/B                           | 403,278   |
| 631                           | 6.20%, 4/15/19        | B3/B                           | 537,510   |
| 357                           | 6.25%, 3/15/13        | B3/B                           | 347,154   |
| 78                            | 6.25%, 7/15/13        | B3/B                           | 75,226    |
| 395                           | 6.25%, 10/15/13       | B3/B                           | 379,988   |
| 356                           | 6.25%, 11/15/13       | B3/B                           | 342,534   |
| 985                           | 6.25%, 4/15/19        | B3/B                           | 840,396   |
| 1,066                         | 6.25%, 5/15/19        | B3/NR                          | 909,715   |
| 183                           | 6.30%, 10/15/13       | B3/B                           | 176,294   |
| 237                           | 6.30%, 11/15/13       | B3/B                           | 228,366   |
| 379                           | 6.30%, 3/15/16        | B3/B                           | 345,119   |
| 258                           | 6.35%, 5/15/13        | B3/B                           | 251,456   |
| 1,260                         | 6.35%, 4/15/19        | B3/B                           | 1,084,617 |
| 66                            | 6.35%, 7/15/19        | B3/B                           | 56,861    |
| 54                            | 6.375%, 8/1/13        | B3/B                           | 52,184    |
| 240                           | 6.40%, 3/15/16        | B3/B                           | 219,591   |
| 108                           | 6.40%, 12/15/18       | B3/B                           | 93,195    |
| 639                           | 6.50%, 5/15/13        | B3/B                           | 623,168   |
| 40                            | 6.50%, 8/15/13        | B3/B                           | 38,762    |

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|     |                 |      |         |
|-----|-----------------|------|---------|
| 225 | 6.50%, 11/15/13 | B3/B | 221,698 |
| 329 | 6.50%, 2/15/16  | B3/B | 302,460 |
| 764 | 6.50%, 9/15/16  | B3/B | 701,729 |

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**PIMCO Corporate Opportunity Fund Schedule of Investments**

August 31, 2010 (unaudited) (continued)

| Principal<br>Amount<br>(000s)         |                  | Credit Rating<br>(Moody s/S&P) | Value*    |
|---------------------------------------|------------------|--------------------------------|-----------|
| <b>Financial Services (continued)</b> |                  |                                |           |
| \$1,060                               | 6.50%, 6/15/18   | B3/B                           | \$934,423 |
| 10                                    | 6.50%, 11/15/18  | B3/B                           | 8,736     |
| 50                                    | 6.50%, 12/15/18  | B3/B                           | 43,395    |
| 135                                   | 6.50%, 2/15/20   | B3/B                           | 117,244   |
| 139                                   | 6.55%, 10/15/16  | B3/B                           | 127,873   |
| 381                                   | 6.60%, 5/15/18   | B3/B                           | 339,098   |
| 62                                    | 6.60%, 6/15/19   | B3/B                           | 54,340    |
| 1,060                                 | 6.65%, 6/15/18   | B3/B                           | 943,566   |
| 274                                   | 6.65%, 2/15/20   | B3/B                           | 240,461   |
| 30                                    | 6.70%, 5/15/14   | B3/B                           | 29,056    |
| 105                                   | 6.70%, 6/15/14   | B3/B                           | 101,278   |
| 55                                    | 6.70%, 8/15/16   | B3/B                           | 50,999    |
| 120                                   | 6.70%, 6/15/18   | B3/B                           | 107,154   |
| 901                                   | 6.75%, 9/15/11   | B3/B                           | 889,333   |
| 1,012                                 | 6.75%, 10/15/11  | B3/B                           | 1,000,271 |
| 260                                   | 6.75%, 7/15/12   | WR/NR                          | 256,276   |
| 672                                   | 6.75%, 9/15/12   | B3/B                           | 661,500   |
| 292                                   | 6.75%, 7/15/16   | B3/B                           | 271,628   |
| 161                                   | 6.75%, 8/15/16   | B3/B                           | 149,664   |
| 50                                    | 6.75%, 11/15/16  | B3/B                           | 46,503    |
| 45                                    | 6.75%, 6/15/17   | B3/B                           | 41,611    |
| 185                                   | 6.75%, 3/15/18   | B3/B                           | 167,235   |
| 60                                    | 6.75%, 7/15/18   | B3/B                           | 53,614    |
| 5                                     | 6.75%, 9/15/18   | B3/B                           | 4,444     |
| 73                                    | 6.75%, 10/15/18  | B3/B                           | 64,812    |
| 686                                   | 6.75%, 5/15/19   | B3/B                           | 606,351   |
| 130                                   | 6.75%, 6/15/19   | B3/B                           | 115,121   |
| 403                                   | 6.80%, 2/15/13   | B3/B                           | 397,028   |
| 20                                    | 6.80%, 10/15/18  | B3/B                           | 17,839    |
| 740                                   | 6.85%, 4/15/16   | B3/B                           | 691,582   |
| 1,000                                 | 6.875%, 9/15/11  | B3/B                           | 1,016,949 |
| 135                                   | 6.875%, 10/15/12 | B3/B                           | 133,186   |
| 420                                   | 6.875%, 4/15/13  | B3/B                           | 413,856   |
| 109                                   | 6.90%, 6/15/17   | B3/B                           | 101,712   |
| 80                                    | 6.90%, 8/15/18   | B3/B                           | 71,895    |
| 87                                    | 6.95%, 6/15/17   | B3/B                           | 81,406    |
| 3,244                                 | 7.00%, 9/15/12   | B3/B                           | 3,208,329 |
| 614                                   | 7.00%, 10/15/12  | B3/B                           | 607,269   |
| 1,970                                 | 7.00%, 11/15/12  | B3/B                           | 1,948,535 |
| 693                                   | 7.00%, 12/15/12  | B3/B                           | 685,556   |
| 285                                   | 7.00%, 8/15/13   | B3/B                           | 279,876   |
| 75                                    | 7.00%, 7/15/16   | B3/B                           | 70,625    |
| 19                                    | 7.00%, 1/15/17   | B3/B                           | 17,877    |
| 120                                   | 7.00%, 6/15/17   | B3/B                           | 112,591   |
| 573                                   | 7.00%, 2/15/18   | B3/B                           | 527,363   |
| 749                                   | 7.00%, 3/15/18   | B3/B                           | 687,336   |
| 1,286                                 | 7.00%, 5/15/18   | B3/B                           | 1,173,979 |
| 96                                    | 7.00%, 8/15/18   | B3/B                           | 86,817    |

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|       |                |      |           |
|-------|----------------|------|-----------|
| 635   | 7.00%, 2/15/21 | B3/B | 567,363   |
| 1,743 | 7.00%, 9/15/21 | B3/B | 1,546,832 |
| 411   | 7.00%, 6/15/22 | B3/B | 362,837   |

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**PIMCO Corporate Opportunity Fund Schedule of Investments**

August 31, 2010 (unaudited) (continued)

| Principal Amount<br>(000s)            |   | Credit Rating<br>(Moody s/S&P) | Value*     |
|---------------------------------------|---|--------------------------------|------------|
| <b>Financial Services</b> (continued) |   |                                |            |
| \$417                                 | 7.00%, 11/15/23                               | B3/B                           | \$367,296  |
| 2,181                                 | 7.00%, 11/15/24                               | B3/B                           | 1,901,590  |
| 408                                   | 7.05%, 3/15/18                                | B3/B                           | 375,417    |
| 832                                   | 7.05%, 4/15/18                                | B3/B                           | 764,430    |
| 2,900                                 | 7.10%, 9/15/12                                | B3/B                           | 2,895,931  |
| 3,495                                 | 7.10%, 1/15/13                                | B3/B                           | 3,489,562  |
| 142                                   | 7.125%, 8/15/12                               | B3/B                           | 140,938    |
| 385                                   | 7.125%, 12/15/12                              | B3/B                           | 381,852    |
| 2,784                                 | 7.125%, 10/15/17                              | B3/B                           | 2,613,132  |
| 15                                    | 7.15%, 9/15/18                                | B3/B                           | 13,674     |
| 2,858                                 | 7.20%, 10/15/17                               | B3/B                           | 2,694,091  |
| 6,749                                 | 7.25%, 8/15/12                                | B3/B                           | 6,707,032  |
| 387                                   | 7.25%, 12/15/12                               | B3/B                           | 384,471    |
| 9,609                                 | 7.25%, 9/15/17                                | B3/B                           | 9,112,466  |
| 601                                   | 7.25%, 2/15/25                                | B3/B                           | 535,993    |
| 161                                   | 7.25%, 3/15/25                                | B3/B                           | 143,452    |
| 85                                    | 7.30%, 12/15/17                               | B3/B                           | 80,085     |
| 2,511                                 | 7.30%, 1/15/18                                | B3/B                           | 2,358,271  |
| 485                                   | 7.375%, 11/15/16                              | B3/B                           | 467,724    |
| 427                                   | 7.375%, 4/15/18                               | B3/B                           | 399,979    |
| 456                                   | 7.50%, 10/15/12                               | B3/B                           | 454,139    |
| 15,200                                | 7.50%, 12/31/13                               | B3/B                           | 15,675,000 |
| 13                                    | 7.50%, 6/15/16                                | B3/B                           | 12,533     |
| 3,455                                 | 7.50%, 8/15/17                                | B3/B                           | 3,327,929  |
| 1,852                                 | 7.50%, 11/15/17                               | B3/B                           | 1,770,282  |
| 1,009                                 | 7.50%, 12/15/17                               | B3/B                           | 961,637    |
| 429                                   | 7.50%, 3/15/25                                | B3/B                           | 391,000    |
| 118                                   | 7.75%, 10/15/12                               | B3/B                           | 117,828    |
| 658                                   | 7.75%, 10/15/17                               | B3/B                           | 639,669    |
| 532                                   | 7.875%, 11/15/12                              | B3/B                           | 531,872    |
| 889                                   | 8.00%, 10/15/17                               | B3/B                           | 876,003    |
| 291                                   | 8.00%, 11/15/17                               | B3/B                           | 285,992    |
| 705                                   | 8.125%, 11/15/17                              | B3/B                           | 702,451    |
| 5                                     | 8.20%, 3/15/17                                | B3/B                           | 4,993      |
| 50                                    | 8.50%, 8/15/15                                | B3/B                           | 49,978     |
| 43                                    | 9.00%, 7/15/15                                | B3/B                           | 43,074     |
| 50                                    | 9.00%, 7/15/20                                | B3/B                           | 50,394     |
|                                       | American General Finance Corp.,               |                                |            |
| 4,300                                 | 5.40%, 12/1/15                                | B3/B                           | 3,300,250  |
| 12,500                                | 6.90%, 12/15/17                               | B3/B                           | 9,750,000  |
| 11,300                                | BAC Capital Trust XIV, 5.63%, 3/15/12 (g)     | Ba3/BB                         | 7,768,750  |
|                                       | BNP Paribas (g),                              |                                |            |
| 13,000                                | 5.186%, 6/29/15 (a)(d)(i)                     | Baa1/A                         | 11,635,000 |
| 7,000                                 | 7.195%, 6/25/37 (a)(d)                        | Baa1/A                         | 6,755,000  |
| 2,500                                 | 7.781%, 7/2/18                                | Baa1/A                         | 3,329,889  |
| \$6,000                               | C10 Capital SPV Ltd., 6.722%, 12/31/16 (g)    | NR/B-                          | 4,034,706  |
| 3,400                                 | Capital One Bank USA N.A., 8.80%, 7/15/19 (i) | A3/BBB                         | 4,316,167  |
| 2,000                                 | Capital One Capital V, 10.25%, 8/15/39        | Baa3/BB                        | 2,172,500  |



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|        |   |         |            |
|--------|---|---------|------------|
| 6,300  | Capital One Capital VI, 8.875%, 5/15/40                               | Baa3/BB | 6,678,000  |
| 28,100 | Citigroup Capital XXI, 8.30%, 12/21/77, (converts to FRN on 12/21/37) | Ba1/BB- | 29,294,250 |

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## PIMCO Corporate Opportunity Fund Schedule of Investments

August 31, 2010 (unaudited) (continued)

| Principal Amount<br>(000s)            |  | Credit Rating<br>(Moody's/S&P) | Value*     |
|---------------------------------------|--|--------------------------------|------------|
| <b>Financial Services</b> (continued) |  |                                |            |
|                                       | Citigroup, Inc.,   |                                |            |
| 300                                   | 4.75%, 2/10/19, (converts to FRN on 2/10/14)               | Baa1/A-                        | \$360,619  |
| 3,000                                 | 6.393%, 3/6/23   | Baa1/A-                        | 4,141,731  |
| \$9,600                               | Credit Agricole S.A., 6.637%, 5/31/17 (a)(d)(g)(i)         | A3/A-                          | 8,208,000  |
| 17,000                                | FCE Bank PLC, 7.125%, 1/15/13                              | Ba3/BB-                        | 22,416,381 |
| \$4,000                               | First Union Capital I, 7.935%, 1/15/27                     | Baa2/A-                        | 4,093,544  |
|                                       | Ford Motor Credit Co. LLC,                                 |                                |            |
| 1,600                                 | 3.277%, 1/13/12, FRN                                       | Ba3/B+                         | 1,570,000  |
| 2,000                                 | 7.00%, 10/1/13   | Ba3/B+                         | 2,089,720  |
| 1,300                                 | 7.25%, 10/25/11  | Ba3/B+                         | 1,355,575  |
| 7,300                                 | 7.80%, 6/1/12  | Ba3/B+                         | 7,685,849  |
| 2,500                                 | 8.00%, 12/15/16  | Ba3/B+                         | 2,719,162  |
| 3,500                                 | 12.00%, 5/15/15  | Ba3/B+                         | 4,140,178  |
|                                       | General Electric Capital Corp.,                            |                                |            |
| 13,400                                | 6.375%, 11/15/67, (converts to FRN on 11/15/17) (i)        | Aa3/A+                         | 12,947,750 |
| £1,100                                | 6.50%, 9/15/67, (converts to FRN on 9/15/17) (a)(d)        | Aa3/A+                         | 1,571,066  |
| \$10,000                              | Glen Meadow Pass Through Trust,                            |                                |            |
|                                       | 6.505%, 2/12/67, (converts to FRN on 2/15/17) (a)(b)(d)(j) |                                |            |
|                                       | (acquisition cost-\$7,700,000; purchased 2/18/10)          | Ba1/BB                         | 7,525,000  |
|                                       | Goldman Sachs Group, Inc.,                                 |                                |            |
| 2,500                                 | 5.95%, 1/15/27   | A2/A-                          | 2,501,085  |
| 6,000                                 | 6.45%, 5/1/36 (i)  | A2/A-                          | 6,013,056  |
| 7,209                                 | 6.75%, 10/1/37 (i)   | A2/A-                          | 7,404,083  |
|                                       | International Lease Finance Corp.,                         |                                |            |
| 2,600                                 | 0.877%, 7/13/12, FRN                                       | B1/BB+                         | 2,356,284  |
| 7,535                                 | 5.00%, 9/15/12   | B1/BB+                         | 7,271,275  |
| 2,000                                 | 5.625%, 9/20/13  | B1/BB+                         | 1,887,500  |
| 3,500                                 | 5.65%, 6/1/14  | B1/BB+                         | 3,263,750  |
| 2,000                                 | 5.875%, 5/1/13   | B1/BB+                         | 1,915,000  |
| 8,000                                 | 6.375%, 3/25/13  | B1/BB+                         | 7,770,000  |
| 8,500                                 | 6.625%, 11/15/13   | B1/BB+                         | 8,245,000  |
| 2,000                                 | 8.625%, 9/15/15 (a)(d)                                     | B1/BB+                         | 2,017,500  |
| 19,000                                | JPMorgan Chase & Co., 7.90%, 4/30/18 (g)                   | Baa1/BBB+                      | 20,049,332 |
| 16,400                                | JPMorgan Chase Capital XVIII, 6.95%, 8/1/66,               |                                |            |
|                                       | (converts to FRN on 8/17/36) (i)                           | A2/BBB+                        | 16,900,085 |
|                                       | LBG Capital No.1 PLC,                                      |                                |            |
| 1,500                                 | 7.375%, 3/12/20  | Ba3/BB-                        | 1,697,672  |
| £1,300                                | 7.588%, 5/12/20  | Ba3/BB-                        | 1,758,215  |
| £2,439                                | 7.869%, 8/25/20  | Ba3/BB-                        | 3,373,651  |
| \$12,300                              | 7.875%, 11/1/20  | Ba3/BB-                        | 11,562,000 |
| 12,600                                | 8.00%, 6/15/20 (a)(d)(g)                                   | NR/B+                          | 11,151,000 |
| 16,040                                | 8.50%, 12/17/21 (a)(d)(g)                                  | NR/B+                          | 14,195,400 |
| £5,000                                | 11.04%, 3/19/20  | Ba3/BB-                        | 8,337,688  |
|                                       | LBG Capital No.2 PLC,                                      |                                |            |
| £400                                  | 9.125%, 7/15/20  | Ba2/BB                         | 581,563    |
| £70                                   | 9.334%, 2/7/20   | Ba2/BB                         | 106,776    |
| £400                                  | 12.75%, 8/10/20  | Ba2/BB                         | 679,310    |
| £650                                  | 14.50%, 1/30/22  | Ba2/BB                         | 1,368,668  |

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|        |                  |        |            |
|--------|------------------|--------|------------|
| £5,000 | 15.00%, 12/21/19 | Ba2/BB | 9,682,476  |
| 7,800  | 15.00%, 12/21/19 | Ba2/BB | 12,664,382 |

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## PIMCO Corporate Opportunity Fund Schedule of Investments

August 31, 2010 (unaudited) (continued)

| Principal Amount<br>(000s)             |   | Credit Rating<br>(Moody s/S&P) | Value*      |
|--|---|--------------------------------|-------------|
| <b>Financial Services</b> (continued)  |   |                                |             |
|  | Lehman Brothers Holdings, Inc. (e),                                       |                                |             |
| \$10,000                               | 5.50%, 4/4/16   | WR/NR                          | \$2,150,000 |
| 20,000                                 | 6.875%, 5/2/18  | WR/NR                          | 4,450,000   |
| 14,100                                 | MUFG Capital Finance 1 Ltd., 6.346%, 7/25/16 (g)                          | Ba1/BBB+                       | 14,075,057  |
| £2,450                                 | MUFG Capital Finance 5 Ltd., 6.299%, 1/25/17 (g)                          | Ba1/BBB+                       | 3,398,280   |
| \$10,500                               | NSG Holdings LLC, 7.75%, 12/15/25 (a)(d)                                  | Ba2/BB                         | 9,345,000   |
| 3,350                                  | Royal Bank of Scotland Group PLC, 7.648%, 9/30/31 (g)                     | Ba2/BB-                        | 2,897,750   |
|  | SLM Corp.,  |                                |             |
| 5,000                                  | 0.728%, 10/25/11, FRN   | Ba1/BBB-                       | 4,756,755   |
| 1,795                                  | 3.535%, 11/1/13, FRN  | Ba1/BBB-                       | 1,494,284   |
| 2,000                                  | 4.221%, 6/15/13, FRN  | Ba1/BBB-                       | 1,751,660   |
| 2,600                                  | 4.75%, 3/17/14  | Ba1/BBB-                       | 2,991,391   |
| \$24,800                               | 5.00%, 10/1/13  | Ba1/BBB-                       | 23,392,848  |
| 5,000                                  | 5.00%, 4/15/15  | Ba1/BBB-                       | 4,351,075   |
| 16,000                                 | 5.375%, 5/15/14   | Ba1/BBB-                       | 14,732,480  |
| 5,900                                  | 8.45%, 6/15/18  | Ba1/BBB-                       | 5,421,126   |
|  | Societe Generale (g),   |                                |             |
| 12,000                                 | 7.756%, 5/22/13   | Baa2/BBB+                      | 14,717,601  |
| 5,850                                  | 9.375%, 9/4/19  | Baa2/BBB+                      | 8,163,076   |
| \$9,200                                | UBS Preferred Funding Trust V, 6.243%, 5/15/16 (g)                        | Baa3/BBB-                      | 8,797,500   |
| 12,200                                 | USB Capital IX, 6.189%, 4/15/11 (g)                                       | A3/BBB+                        | 9,638,000   |
| 7,000                                  | Wachovia Capital Trust III, 5.80%, 3/15/11 (g)                            | Ba1/A-                         | 6,002,500   |
| 2,000                                  | Wachovia Capital Trust V, 7.965%, 6/1/27 (a)(d)                           | Baa2/A-                        | 2,073,914   |
| 27,000                                 | Wells Fargo & Co., 7.98%, 3/15/18 (g)                                     | Ba1/A-                         | 28,012,500  |
| 7,100                                  | Wells Fargo Capital X, 5.95%, 12/15/86, (converts to FRN on 12/15/36) (i) | Baa2/A-                        | 6,883,734   |
| 24,700                                 | Wells Fargo Capital XIII, 7.70%, 3/26/13 (g)                              | Ba1/A-                         | 25,379,250  |
|  |   |                                | 643,502,308 |
| <b>Food &amp; Beverage 0.0%</b>        |   |                                |             |
| 100                                    | American Stores Co., 8.00%, 6/1/26  | Ba3/B+                         | 84,750      |
| <b>Healthcare &amp; Hospitals 0.8%</b> |   |                                |             |
|  | HCA, Inc.,  |                                |             |
| 4,825                                  | 8.50%, 4/15/19  | Ba3/BB                         | 5,313,531   |
| 7,100                                  | 9.625%, 11/15/16, PIK   | B2/BB-                         | 7,641,375   |
|  |   |                                | 12,954,906  |
| <b>Hotels/Gaming 0.8%</b>              |   |                                |             |
|  | MGM Resorts International,  |                                |             |
| 1,300                                  | 10.375%, 5/15/14  | B1/B                           | 1,423,500   |
| 1,950                                  | 11.125%, 11/15/17   | B1/B                           | 2,188,875   |
| 1,000                                  | 13.00%, 11/15/13  | B1/B                           | 1,160,000   |
| 7,862                                  | Times Square Hotel Trust, 8.528%, 8/1/26 (a)(d)                           | Baa3/BB                        | 8,005,529   |
|  |   |                                | 12,777,904  |
| <b>Insurance 9.9%</b>                  |   |                                |             |
| 22,000                                 |   | Ba2/B                          | 19,910,000  |

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American General Institutional Capital A, 7.57%, 12/1/45

(a)(d)

|          |  |         |           |
|----------|--|---------|-----------|
|          | American International Group, Inc.,          |         |           |
| 1,000    | 5.60%, 10/18/16                              | A3/A-   | 976,250   |
| £1,300   | 5.75%, 3/15/67, (converts to FRN on 3/15/17) | Ba2/BBB | 1,268,712 |
| \$10,000 | 5.85%, 1/16/18 (i)                           | A3/A-   | 9,700,000 |

## PIMCO Corporate Opportunity Fund Schedule of Investments

August 31, 2010 (unaudited) (continued)

| Principal Amount<br>(000s)              |   | Credit Rating<br>(Moody's/S&P) | Value*        |
|---|---|--------------------------------|---------------|
| <b>Insurance (continued)</b>            |   |                                |               |
| \$9,900                                 | 6.25%, 5/1/36 (i)   | A3/A-                          | \$8,786,250   |
| 51,894                                  | 8.175%, 5/15/68, (converts to FRN on 5/15/38)                           | Ba2/BBB                        | 44,888,310    |
| 36,510                                  | 8.25%, 8/15/18 (i)  | A3/A-                          | 39,613,350    |
| £11,300                                 | 8.625%, 5/22/68, (converts to FRN on 5/22/18)                           | Ba2/BBB                        | 14,414,595    |
| \$5,400                                 | Genworth Financial, Inc., 8.625%, 12/15/16 (i)                          | Baa3/BBB                       | 5,913,178     |
| 5,000                                   | Metlife Capital Trust IV, 7.875%, 12/15/67 (a)(d)                       | Baa2/BBB                       | 5,100,000     |
| 3,200                                   | Pacific Life Insurance Co., 7.90%, 12/30/23 (a)(d)                      | A3/A-                          | 3,768,512     |
|   |   |                                | 154,339,157   |
| <b>Telecommunications 3.0%</b>          |   |                                |               |
| 21,650                                  | Intelsat Corp., 6.875%, 1/15/28   | B1/BB-                         | 18,402,500    |
| 15,730                                  | Mountain States Telephone & Telegraph Co., 7.375%, 5/1/30               | Baa3/BBB-                      | 14,943,500    |
| 1,350                                   | Sprint Nextel Corp., 9.25%, 4/15/22                                     | Ba3/BB-                        | 1,383,750     |
| 8,700                                   | Wind Acquisition Finance S.A., 11.75%, 7/15/17                          | B2/B+                          | 12,066,241    |
|   |   |                                | 46,795,991    |
| <b>Transportation 0.1%</b>              |   |                                |               |
| \$1,310                                 | Federal Express Corp. Pass Through Trust, 7.65%, 1/15/14                | Baa2/BBB                       | 1,487,338     |
| <b>Utilities 1.9%</b>                   |   |                                |               |
| 10,000                                  | AES Corp., 7.75%, 3/1/14  | B1/BB-                         | 10,512,500    |
| 5,000                                   | AES Red Oak LLC, 9.20%, 11/30/29  | B1/BB-                         | 5,025,000     |
| 2,997                                   | Cedar Brakes II LLC, 9.875%, 9/1/13 (a)(d)                              | Baa3/BBB-                      | 3,139,061     |
| 4,200                                   | Dynegy Roseton/Danskammer Pass Through Trust, 7.67%, 11/8/16, Ser. B    | B3/B-                          | 3,822,000     |
| 2,524                                   | East Coast Power LLC, 7.066%, 3/31/12 (i)                               | Baa3/BBB                       | 2,544,620     |
| 2,100                                   | PPL Capital Funding, Inc., 6.70%, 3/30/67, (converts to FRN on 3/30/17) | Ba1/BB+                        | 1,971,299     |
| 2,830                                   | Sithe/Independence Funding Corp., 9.00%, 12/30/13                       | Ba3/B-                         | 2,917,734     |
|   |   |                                | 29,932,214    |
|   | Total Corporate Bonds & Notes (cost \$984,589,940)                      |                                | 1,071,983,706 |
| <b>MORTGAGE-BACKED SECURITIES 17.4%</b> |   |                                |               |
| 4,003                                   | American Home Mortgage Assets, 0.494%, 9/25/46, CMO, FRN                | Ca/CCC                         | 640,899       |
| 771                                     | Banc of America Alternative Loan Trust, 6.00%, 1/25/36, CMO             | Caa2/NR                        | 566,369       |
| 14,700                                  | Banc of America Funding Corp., 6.00%, 3/25/37, CMO                      | Caa1/CCC                       | 11,829,193    |
| 2,850                                   | BCRR Trust, 5.858%, 7/17/40, CMO, VRN (a)(d)                            | Aa2/NR                         | 2,487,647     |
|   | Chase Mortgage Finance Corp., CMO,                                      |                                |               |
| 398                                     | 5.204%, 12/25/35, FRN   | NR/CCC                         | 374,617       |
| 9,158                                   | 5.426%, 3/25/37, FRN  | Caa2/NR                        | 7,787,913     |
| 6,400                                   | 6.00%, 2/25/37  | Caa2/CCC                       | 5,238,534     |
| 6,000                                   | 6.00%, 7/25/37  | NR/CCC                         | 5,087,106     |
| 7,300                                   | Citicorp Mortgage Securities, Inc., 6.00%, 6/25/36, CMO                 | Caa1/NR                        | 7,026,743     |
|   | Countrywide Alternative Loan Trust, CMO,                                |                                |               |
| 116                                     | 5.25%, 5/25/21  | Caa2/CC                        | 96,566        |

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|       |  |         |           |
|-------|--|---------|-----------|
| 2,500 | 6.50%, 8/25/36   | Ca/CC   | 1,709,432 |
|       | Countrywide Home Loan Mortgage Pass Through Trust,<br>CMO, |         |           |
| 9,400 | 5.50%, 10/25/35  | Caa1/NR | 8,433,849 |
| 8,884 | 5.75%, 3/25/37   | NR/CCC  | 7,548,732 |
| 7,814 | 5.75%, 6/25/37   | NR/CCC  | 6,873,042 |
| 2,860 | 6.00%, 4/25/36   | NR/CCC  | 2,538,166 |
| 1,054 | 6.00%, 5/25/36   | NR/CCC  | 931,715   |
| 3,500 | 6.00%, 2/25/37   | NR/CCC  | 2,811,098 |

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**PIMCO Corporate Opportunity Fund Schedule of Investments**

August 31, 2010 (unaudited) (continued)

| Principal<br>Amount<br>(000s) |   | Credit Rating<br>(Moody s/S&P) | Value*       |
|-------------------------------|---|--------------------------------|--------------|
| \$11,528                      | 6.00%, 3/25/37  | NR/CCC                         | \$10,022,279 |
| 1,924                         | 6.00%, 4/25/37  | NR/CCC                         | 1,592,579    |
|                               | Credit Suisse Mortgage Capital Certificates, CMO,                           |                                |              |
| 3,900                         | 6.00%, 2/25/37  | NR/CCC                         | 3,418,551    |
| 9,900                         | 6.00%, 6/25/37  | NR/CCC                         | 7,741,290    |
|                               | GSR Mortgage Loan Trust, CMO,   |                                |              |
| 9,961                         | 3.476%, 3/25/37, VRN  | NR/CCC                         | 6,316,801    |
| 2,175                         | 5.50%, 5/25/36  | NR/CCC                         | 1,953,855    |
| 37,076                        | 6.00%, 2/25/36  | NR/CCC                         | 34,156,684   |
| 17,395                        | JPMorgan Chase Commercial Mortgage Securities Corp.,                        |                                |              |
|                               | 5.721%, 3/18/51, CMO, VRN (a)(d)  | Aa3/NR                         | 14,638,070   |
|                               | JPMorgan Mortgage Trust, CMO,   |                                |              |
| 11,732                        | 5.00%, 3/25/37  | NR/CCC                         | 10,163,717   |
| 459                           | 5.342%, 10/25/35, VRN   | B2/NR                          | 436,174      |
| 5,000                         | 5.696%, 1/25/37, VRN  | Caa2/NR                        | 4,042,825    |
| 5,252                         | 5.939%, 6/25/36, VRN  | Caa1/NR                        | 4,726,331    |
| 2,091                         | 6.00%, 8/25/37  | NR/CCC                         | 1,808,541    |
| 5,000                         | Morgan Stanley Reremic Trust, 6.002%, 8/12/45, CMO, VRN (a)(d)              | A1/NR                          | 4,462,032    |
| 3,900                         | Newgate Funding PLC, 1.319%, 12/15/50, CMO, FRN                             | Aaa/AAA                        | 3,915,797    |
| \$5,000                       | RBSCF Trust, 5.331%, 2/16/44, CMO, VRN (a)(d)(f)                            | NR/NR                          | 4,575,000    |
|                               | Residential Accredited Loans, Inc., CMO, FRN,                               |                                |              |
| 481                           | 0.444%, 6/25/46   | Caa1/CCC                       | 188,934      |
| 3,176                         | 0.494%, 5/25/37   | Caa2/CCC                       | 781,689      |
|                               | Residential Asset Securitization Trust, CMO,                                |                                |              |
| 1,241                         | 5.75%, 2/25/36  | Caa3/CC                        | 943,799      |
| 2,348                         | 6.00%, 9/25/36  | Caa3/D                         | 1,312,782    |
|                               | Residential Funding Mortgage Securities I, CMO,                             |                                |              |
| 11,000                        | 6.00%, 1/25/37  | Caa2/NR                        | 9,548,858    |
| 9,828                         | 6.25%, 8/25/36  | Caa1/CCC                       | 8,583,146    |
| 447                           | Structured Asset Mortgage Investments, Inc.,                                |                                |              |
|                               | 0.384%, 8/25/36, CMO, FRN   | Caa1/CCC                       | 259,149      |
|                               | Suntrust Adjustable Rate Mortgage Loan Trust, CMO, FRN,                     |                                |              |
| 4,332                         | 5.657%, 4/25/37   | NR/CCC                         | 3,595,221    |
| 2,947                         | 5.832%, 2/25/37   | NR/CCC                         | 2,342,107    |
|                               | WaMu Mortgage Pass Through Certificates, CMO,                               |                                |              |
| 1,499                         | 5.453%, 12/25/36, FRN   | NR/CCC                         | 1,089,088    |
| 2,830                         | 5.707%, 7/25/37, VRN  | NR/CC                          | 1,917,450    |
| 4,000                         | 5.780%, 2/25/37, FRN  | NR/CCC                         | 3,208,666    |
| 1,728                         | 5.864%, 9/25/36, VRN  | NR/CCC                         | 1,378,302    |
|                               | Washington Mutual Alternative Mortgage Pass Through Certificates, CMO, FRN, |                                |              |
| 3,257                         | 1.13%, 4/25/47  | Ca/CCC                         | 705,663      |
| 3,089                         | 1.226%, 5/25/47   | Ca/CCC                         | 693,616      |
|                               | Wells Fargo Mortgage Backed Securities Trust, CMO,                          |                                |              |
| 1,673                         | 3.808%, 4/25/36, VRN  | NR/BB+                         | 1,490,359    |
| 10,419                        | 5.110%, 10/25/36, FRN   | NR/CCC                         | 8,752,402    |
| 17,750                        | 5.454%, 7/25/36, FRN  | NR/CCC                         | 13,850,130   |
| 3,155                         | 5.467%, 7/25/36, FRN  | NR/CCC                         | 2,493,846    |
| 3,400                         | 6.00%, 7/25/37  | B3/BB                          | 3,209,753    |
| 22,000                        | 6.00%, 8/25/37  | Caa1/NR                        | 20,533,227   |



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Total Mortgage-Backed Securities (cost \$255,602,681)

272,830,334

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## PIMCO Corporate Opportunity Fund Schedule of Investments

August 31, 2010 (unaudited) (continued)

| Shares                                  |  | Credit Rating<br>(Moody s/S&P) | Value*       |
|---|--|--------------------------------|--------------|
| <b>PREFERRED STOCK 4.4%</b>             |  |                                |              |
| <b>Banking 4.0%</b>                     |  |                                |              |
| 650,000                                 | CoBank Acb, 11.00%, 7/1/13, Ser. C (a)(b)(d)(j)<br>(acquisition cost-\$36,380,600; purchased 2/26/10-8/23/10)    | NR/A                           | \$35,871,875 |
| 27,000                                  | Farm Credit Bank, 10.00%, 12/15/20, Ser. 1 (a)(b)(d)(f)(j)<br>(acquisition cost-\$27,000,000; purchased 8/26/10) | A3/NR                          | 27,017,364   |
|   |  |                                | 62,889,239   |
| <b>Financial Services 0.4%</b>          |  |                                |              |
| 7,000                                   | Ally Financial, Inc., 7.00%, 12/31/11 (a)(b)(d)(j)<br>(acquisition cost-\$5,127,500; purchased 3/9/10)           | Caa2/C                         | 5,782,657    |
|   | Total Preferred Stock (cost \$68,508,100)  |                                | 68,671,896   |
| <b>CONVERTIBLE PREFERRED STOCK 2.8%</b> |  |                                |              |
| <b>Electric Utilities 1.8%</b>          |  |                                |              |
| 495,000                                 | PPL Corp., 9.50%, 7/1/13   | NR/NR                          | 28,145,700   |
| <b>Commercial Banks 0.9%</b>            |  |                                |              |
| 14,850                                  | Wells Fargo & Co., 7.50%, 3/15/13, Ser. L (g)  | Ba1/A-                         | 14,656,950   |
| <b>Insurance 0.1%</b>                   |  |                                |              |
| 150,350                                 | American International Group, Inc., 8.50%, 8/1/11  | Ba2/NR                         | 1,109,583    |
|   | Total Convertible Preferred Stock (cost \$39,035,607)  |                                | 43,912,233   |
| <b>Principal Amount (000s)</b>          |  |                                |              |
| <b>SOVEREIGN DEBT OBLIGATIONS 1.6%</b>  |  |                                |              |
| <b>Brazil 1.6%</b>                      |  |                                |              |
| BRL 2,000                               | Brazil Government International Bond, 12.50%, 1/5/22   | Baa3/BBB-                      | 1,411,101    |
| BRL 44,860                              | Brazil Notas do Tesouro Nacional, 10.00%, 1/1/17, Ser. F   | Baa3/NR                        | 23,931,889   |
|   | Total Sovereign Debt Obligations (cost \$22,327,121)   |                                | 25,342,990   |
| <b>SENIOR LOANS (a)(c) 1.4%</b>         |  |                                |              |
| <b>Banks 0.1%</b>                       |  |                                |              |
| \$2,072                                 | CIT Group, Inc., 6.25%, 8/11/15  |                                | 2,071,759    |
| <b>Financial Services 1.3%</b>          |  |                                |              |
| 20,000                                  | American General Finance Corp., 7.25%, 4/21/15   |                                | 19,825,000   |
|   | Total Senior Loans (cost \$21,845,217)   |                                | 21,896,759   |
| <b>MUNICIPAL BONDS 1.0%</b>             |  |                                |              |
| <b>California 0.9%</b>                  |  |                                |              |
|   | State, GO,   |                                |              |
| 10,500                                  | 7.625%, 3/1/40   | A1/A-                          | 12,010,110   |
| 2,500                                   | 7.95%, 3/1/36  | A1/A-                          | 2,693,250    |
|   |  |                                | 14,703,360   |

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**Louisiana 0.1%**

|     |   |        |            |
|-----|---|--------|------------|
| 700 | New Orleans, Public Improvements, GO, 8.80%, 12/1/39,<br>Ser. A | A3/BBB | 768,082    |
|     | Total Municipal Bonds (cost \$14,180,755)                       |        | 15,471,442 |

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**PIMCO Corporate Opportunity Fund Schedule of Investments**

August 31, 2010 (unaudited) (continued)

| Principal Amount<br>(000s)                             |   | Credit Rating<br>(Moody's/S&P) | Value*                 |
|--|---|--------------------------------|------------------------|
| <b>ASSET-BACKED SECURITIES 0.9%</b>                    |   |                                |                        |
| \$1,244  | Ameriquest Mortgage Securities, Inc., 5.444%, 11/25/35  | Aaa/AAA                        | \$1,286,454            |
| 8,300  | Greenpoint Manufactured Housing, 8.30%, 10/15/26, VRN   | Ca/NR                          | 8,589,805              |
| 4,784  | GSAA Trust, 6.295%, 6/25/36   | Caa1/CCC                       | 2,830,493              |
| 3,000  | Morgan Stanley Mortgage Loan Trust, 6.25%, 7/25/47, VRN   | Caa2/CCC                       | 2,063,595              |
|  | Total Asset-Backed Securities (cost \$13,186,610)   |                                | 14,770,347             |
| <b>U.S. GOVERNMENT AGENCY SECURITIES 0.0%</b>          |   |                                |                        |
| 26   | Fannie Mae, 8.00%, 7/18/27, CMO (cost \$27,649)   | Aaa/AAA                        | 31,455                 |
| <b>SHORT-TERM INVESTMENTS 2.0%</b>                     |   |                                |                        |
| <b>Corporate Notes 1.1%</b>                            |   |                                |                        |
| <b>Financial Services 1.1%</b>                         |   |                                |                        |
|  | Ally Financial, Inc.,   |                                |                        |
| 123  | 1.566%, 12/15/10, FRN   | B3/B                           | 121,924                |
| 190  | 1.657%, 2/15/11, FRN  | B3/B                           | 188,338                |
| 220  | 1.716%, 3/15/11, FRN  | B3/B                           | 218,075                |
| 126  | 1.866%, 12/15/10, FRN   | B3/B                           | 124,898                |
| 325  | 1.966%, 6/15/11, FRN  | B3/B                           | 322,156                |
| 354  | 2.007%, 5/15/11, FRN  | B3/B                           | 350,902                |
| 632  | 2.152%, 7/15/11, FRN  | B3/B                           | 620,150                |
| 193  | 2.157%, 8/15/11, FRN  | B3/B                           | 187,451                |
| 50   | 2.216%, 9/15/10, FRN  | B3/B                           | 50,062                 |
| 475  | 2.316%, 9/15/10, FRN  | B3/B                           | 475,594                |
| 250  | 7.25%, 3/2/11   | B3/B                           | 253,286                |
| 13,000   | Ford Motor Credit Co. LLC, 9.875%, 8/10/11  | Ba3/B+                         | 13,724,620             |
| 1,216  | Salton Sea Funding Corp., 8.30%, 5/30/11  | Baa3/BBB-                      | 1,240,862              |
|  | Total Corporate Notes (cost \$15,882,945)   |                                | 17,878,318             |
| <b>U.S. Treasury Bills (h) 0.3%</b>                    |   |                                |                        |
| 3,983  | 0.127%-0.199%, 9/9/10-1/6/11 (cost \$3,982,430)   |                                | 3,982,460              |
| <b>Repurchase Agreements 0.6%</b>                      |   |                                |                        |
| 4,900  | Barclays Capital Inc.,<br>dated 8/31/10, 0.26%, due 9/1/10, proceeds \$4,900,035;<br>collateralized by U.S. Treasury Notes, 3.50%, due 5/15/20,<br>valued at \$5,030,819, including accrued interest          |                                | 4,900,000              |
| 3,718  | State Street Bank & Trust Co.,<br>dated 8/31/10, 0.01%, due 9/1/10, proceeds \$3,718,001;<br>collateralized by U.S. Treasury Notes, 3.125%, due 4/30/17,<br>valued at \$3,795,984, including accrued interest |                                | 3,718,000              |
|  | Total Repurchase Agreements (cost \$8,618,000)  |                                | 8,618,000              |
|  | Total Short-Term Investments (cost \$28,483,375)  |                                | 30,478,778             |
| <b>Total Investments (cost \$1,447,787,055) 100.0%</b> |   |                                | <b>\$1,565,389,940</b> |

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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. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available, or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. 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 futures are valued at the settlement price determined by the relevant exchange. Short-term securities 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. Investments initially valued in currencies other than U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the net asset value (NAV) of the Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange (NYSE) is closed.

The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold and these differences could be material. The Fund's NAV is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the NYSE on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$317,226,204, representing 20.3% of total investments.
- (b) Illiquid.
- (c) These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the LIBOR or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Fund is ordinarily contractually obligated to receive approval from the Agent bank and/or borrower prior to disposition. Remaining maturities of senior loans may be less than the stated maturities shown as a result of contractual or optional payments by the borrower. Such prepayments cannot be predicted with certainty. The interest rate disclosed reflects the rate in effect on August 31, 2010.
- (d) 144A 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.
- (e) In default.
- (f) Fair-Valued Securities with an aggregate value of \$31,592,364, representing 2.0% of total investments.
- (g) Perpetual maturity. Maturity date shown is the first call date. For Corporate Bonds & Notes, the interest rate is fixed until the first call date and variable thereafter.
- (h) All or partial amount segregated for the benefit of the counterparty as collateral for futures contracts and swaps.
- (i) All or partial amount segregated for the benefit of the counterparty as collateral for reverse repurchase agreements.
- (j) Restricted. The aggregate acquisition cost of such securities is \$82,781,545. The aggregate market value is \$82,977,975, representing 5.3% of total investments.

**Glossary:**

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AGC insured by Assured Guaranty Corp.

BRL Brazilian Real

£ British Pound

CMO Collateralized Mortgage Obligation

Euro

FRN Floating Rate Note. The interest rate disclosed reflects the rate in effect on August 31, 2010.

GO General Obligation Bond

LIBOR London Inter-Bank Offered Rate

MBIA insured by Municipal Bond Investors Assurance

NR Not Rated

PIK Payment-in-Kind

VRN Variable Rate Note. 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, 2010.

WR Withdrawn Rating

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**Other Investments:**

(A) Futures contracts outstanding at August 31, 2010:

| Type                                | Contracts | Market Value (000s) | Expiration Date | Unrealized Appreciation |
|-------------------------------------|-----------|---------------------|-----------------|-------------------------|
| Long: Financial Futures Euro 90 day | 1,458     | \$362,987           | 12/13/10        | \$5,964,540             |

(B) Credit default swap agreements:

Sell protection swap agreements outstanding at August 31, 2010 (1):

| Swap Counterparty/<br>Referenced Debt Issuer | Notional Amount<br>Payable on<br>Default (000s) (3) | Credit<br>Spread (2) | Termination<br>Date | Payments<br>Received | Market<br>Value (4) | Upfront<br>Premiums<br>Paid(Received) | Unrealized<br>Appreciation<br>(Depreciation) |
|--|---|----------------------|---------------------|----------------------|---------------------|---------------------------------------|--|
| Barclays Bank:                               |   |                      |                     |                      |                     |                                       |  |
| SLM  | \$6,000   | 7.23%                | 12/20/13            | 5.00%                | \$(308,154)         | \$(750,000)                           | \$441,846                                    |
| BNP Paribas:                                 |   |                      |                     |                      |                     |                                       |  |
| General Electric                             | 2,500   | 1.97%                | 12/20/13            | 4.60%                | 230,237             |                                       | 230,237                                      |
| General Electric                             | 3,500   | 1.97%                | 12/20/13            | 4.70%                | 334,047             |                                       | 334,047                                      |
| Royal Bank of Scotland                       | 3,500   | 1.66%                | 6/20/13             | 1.50%                | (4,322)             |                                       | (4,322)                                      |
| Royal Bank of Scotland                       | 3,500   | 1.60%                | 6/20/13             | 2.65%                | 118,747             |                                       | 118,747                                      |
| Citigroup:                                   |   |                      |                     |                      |                     |                                       |  |
| General Electric                             | 7,000   | 1.97%                | 12/20/13            | 4.00%                | 504,071             |                                       | 504,071                                      |
| General Electric                             | 9,500   | 1.97%                | 12/20/13            | 4.25%                | 763,597             |                                       | 763,597                                      |
| General Electric                             | 5,000   | 1.97%                | 12/20/13            | 4.65%                | 468,842             |                                       | 468,842                                      |
| General Electric                             | 15,600  | 1.99%                | 3/20/14             | 4.05%                | 1,207,908           |                                       | 1,207,908                                    |
| Deutsche Bank:                               |   |                      |                     |                      |                     |                                       |  |
| American International Group                 | 2,000   | 2.99%                | 12/20/13            | 5.00%                | 143,489             | (340,000)                             | 483,489                                      |
| Brazilian Government<br>International Bond   | 14,300  | 0.93%                | 5/20/12             | 0.69%                | (30,488)            |                                       | (30,488)                                     |
| Brazilian Government<br>International Bond   | 1,300   | 1.44%                | 5/20/17             | 1.04%                | (27,848)            |                                       | (27,848)                                     |
| General Electric                             | 6,500   | 1.97%                | 12/20/13            | 3.68%                | 398,440             |                                       | 398,440                                      |
| General Electric                             | 9,500   | 1.97%                | 12/20/13            | 4.23%                | 757,237             |                                       | 757,237                                      |
| General Electric                             | 20,500  | 1.97%                | 12/20/13            | 4.70%                | 1,956,561           |                                       | 1,956,561                                    |
| General Electric                             | 12,300  | 1.97%                | 12/20/13            | 4.78%                | 1,204,816           |                                       | 1,204,816                                    |
| MetLife                                      | 7,000   | 2.06%                | 3/20/13             | 2.07%                | 31,991              |                                       | 31,991                                       |
| SLM  | 3,000   | 7.23%                | 12/20/13            | 5.00%                | (154,077)           | (390,000)                             | 235,923                                      |
| United Kingdom Gilt                          | 8,200   | 0.65%                | 12/20/14            | 1.00%                | 137,588             | 57,415                                | 80,173                                       |
| Merrill Lynch:                               |   |                      |                     |                      |                     |                                       |  |
| SLM  | 1,075   | 7.23%                | 12/20/13            | 5.00%                | (55,211)            | (150,500)                             | 95,289                                       |
| Morgan Stanley:                              |   |                      |                     |                      |                     |                                       |  |
| Ford Motor Credit                            | 20,000  | 2.04%                | 9/20/10             | 4.05%                | 184,242             |                                       | 184,242                                      |
| General Electric                             | 5,000   | 1.97%                | 12/20/13            | 4.15%                | 385,156             |                                       | 385,156                                      |
| Societe Generale:                            |   |                      |                     |                      |                     |                                       |  |
| United Kingdom Gilt                          | 33,000  | 0.67%                | 3/20/15             | 1.00%                | 545,482             | 46,891                                | 498,591                                      |
|  |   |                      |                     |                      | \$8,792,351         | \$(1,526,194)                         | \$10,318,545                                 |

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*(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.*

*(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.*

*(3) The maximum potential amount the Fund could be required to make available as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.*

*(4) The quoted market prices and resulting values for credit default swap agreements serve as an indicator of the status at August 31, 2010 of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement been closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.*

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(C) Interest rate swap agreements outstanding at August 31, 2010:

| Swap Counterparty | Notional Amount (000s) | Termination Date | Rate Type          | Payments Made | Payments Received | Market Value | Upfront Premiums Received | Unrealized Depreciation |
|-------------------|------------------------|------------------|--------------------|---------------|-------------------|--------------|---------------------------|-------------------------|
| UBS               | BRL 17,970             | 1/2/12           | BRL-CDI-Compounded |               | 10.58%            | \$(128,982)  | \$(28,323)                | \$(100,659)             |

BRL Brazilian Real

CDI Inter-Bank Deposit Certificate

(D) Forward foreign currency contracts outstanding at August 31, 2010:

|   | Counterparty               | U.S.\$ Value on Origination Date | U.S.\$ Value August 31, 2010 | Unrealized Appreciation (Depreciation) |
|---|----------------------------|----------------------------------|------------------------------|--|
| <u>Purchased:</u>                                 |                            |                                  |                              |  |
| 1,582,000 Australian Dollar settling 10/29/10     | Royal Bank of Scotland     | \$1,401,430                      | \$1,398,570                  | \$(2,860)                              |
| 23,985,286 Brazilian Real settling 10/4/10        | HSBC Bank                  | 13,543,357                       | 13,588,627                   | 45,270                                 |
| 1,662,000 Canadian Dollar settling 9/16/10        | Deutsche Bank              | 1,589,308                        | 1,558,222                    | (31,086)                               |
| 3,226,000 Canadian Dollar settling 11/18/10       | Royal Bank of Canada       | 3,084,395                        | 3,021,315                    | (63,080)                               |
| 1,976,760 Chinese Yuan Renminbi settling 11/23/10 | Barclays Bank              | 298,000                          | 290,717                      | (7,283)                                |
| 3,203,980 Chinese Yuan Renminbi settling 11/17/10 | Citigroup                  | 483,000                          | 471,104                      | (11,896)                               |
| 8,256,229 Chinese Yuan Renminbi settling 11/17/10 | Deutsche Bank              | 1,246,102                        | 1,213,973                    | (32,129)                               |
| 16,975,912 Chinese Yuan Renminbi settling 1/10/11 | JPMorgan Chase             | 2,529,000                        | 2,502,014                    | (26,986)                               |
| 3,255,564 Chinese Yuan Renminbi settling 11/17/10 | Morgan Stanley             | 492,000                          | 478,689                      | (13,311)                               |
| 15,403,000 Euro settling 11/23/10                 | Deutsche Bank              | 19,725,544                       | 19,573,625                   | (151,919)                              |
| 17,402,000 Japanese Yen settling 9/14/10          | Citigroup                  | 200,069                          | 207,266                      | 7,197                                  |
| 33,974,000 Japanese Yen settling 9/14/10          | Royal Bank of Scotland     | 401,020                          | 404,647                      | 3,627                                  |
| 7,304,165 Mexican Peso settling 2/22/11           | Barclays Bank              | 568,905                          | 544,880                      | (24,025)                               |
| 7,304,165 Mexican Peso settling 9/24/10           | HSBC Bank                  | 566,719                          | 553,656                      | (13,063)                               |
| 3,346,382,500 South Korean Won settling 11/12/10  | HSBC Bank                  | 2,929,000                        | 2,780,504                    | (148,496)                              |
| <u>Sold:</u>                                      |                            |                                  |                              |  |
| 23,985,286 Brazilian Real settling 12/2/10        | HSBC Bank                  | 13,365,254                       | 13,420,594                   | (55,340)                               |
| 23,985,286 Brazilian Real settling 10/4/10        | JPMorgan Chase             | 13,351,119                       | 13,588,627                   | (237,508)                              |
| 30,960,000 British Pound settling 9/23/10         | Bank of America            | 45,883,648                       | 47,575,546                   | (1,691,898)                            |
| 82,493,000 Euro settling 10/26/10                 | Credit Suisse First Boston | 106,437,006                      | 104,835,975                  | 1,601,031                              |
| 173,475,000 Japanese Yen settling 9/14/10         | JPMorgan Chase             | 2,033,617                        | 2,066,171                    | (32,554)                               |
| 7,304,165 Mexican Peso settling 9/24/10           | Barclays Bank              | 577,975                          | 553,657                      | 24,318                                 |
| 182,997,500 South Korean Won settling 11/12/10    | Barclays Bank              | 151,080                          | 152,052                      | (972)                                  |
| 1,118,130,000 South Korean Won settling 11/12/10  | Citigroup                  | 908,409                          | 929,052                      | (20,643)                               |
| 379,450,000 South Korean Won settling 11/12/10    | JPMorgan Chase             | 306,924                          | 315,284                      | (8,360)                                |
| 82,220,000 South Korean Won settling 11/12/10     | Royal Bank of Scotland     | 67,524                           | 68,317                       | (793)                                  |
|   |                            |                                  |                              | \$(892,759)                            |

At August 31, 2010, the Fund held \$11,210,000 in cash as collateral for derivative contracts. Cash collateral received may be invested in accordance with the Fund's investment strategy.

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(E) Open reverse repurchase agreements at August 31, 2010:

| Counterparty               | Rate    | Trade Date | Maturity Date | Principal & Interest | Principal     |
|----------------------------|---------|------------|---------------|----------------------|---------------|
| Bank of America            | 0.43%   | 8/11/10    | 9/13/10       | \$37,545,103         | \$37,535,688  |
|                            | 0.44%   | 8/10/10    | 9/10/10       | 21,614,986           | 21,609,175    |
|                            | 0.46%   | 8/31/10    | 9/30/10       | 6,293,059            | 6,292,978     |
|                            | 0.47%   | 8/30/10    | 9/27/10       | 29,152,808           | 29,152,047    |
| Barclays Bank              | 0.50%   | 8/26/10    | 9/27/10       | 12,642,053           | 12,641,000    |
| Credit Suisse First Boston | 0.50%   | 8/6/10     | 9/7/10        | 9,076,276            | 9,073,000     |
|                            | 0.50%   | 8/9/10     | 9/8/10        | 2,437,779            | 2,437,000     |
|                            | 0.50%   | 8/11/10    | 9/13/10       | 29,335,554           | 29,327,000    |
| Greenwich                  | 0.50%   | 8/4/10     | 9/3/10        | 11,502,471           | 11,498,000    |
|                            | 0.50%   | 8/23/10    | 9/20/10       | 6,543,818            | 6,543,000     |
|                            | 0.50%   | 8/27/10    | 9/27/10       | 4,151,288            | 4,151,000     |
|                            | 0.50%   | 8/31/10    | 9/30/10       | 28,576,397           | 28,576,000    |
| JPMorgan Chase             | (0.50)% | 7/1/10     | 12/9/11       | 895,410              | 896,182       |
|                            |         |            |               |                      | \$199,732,070 |

The weighted average daily balance of reverse repurchase agreements outstanding during the nine months ended August 31, 2010 was \$161,132,986 at a weighted average interest rate of 0.51%. The total market value of underlying collateral (refer to the Schedule of Investments for positions segregated for the benefit of the counterparty as collateral for reverse repurchase agreements) for open reverse repurchase agreements at August 31, 2010 was \$210,643,532.

At August 31, 2010, the Fund held \$1,330,000 in Corporate Bonds as collateral for open reverse repurchase agreements. Collateral received in the form of securities will not be pledged.

## Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

- Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access
- Level 2 valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges
- Level 3 valuations based on significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in the aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation technique used.

The valuation techniques used by the Fund to measure fair value during the nine months ended August 31, 2010 maximized the use of observable inputs and minimized the use of unobservable inputs. When fair-valuing securities, the Fund utilized option adjusted spread pricing techniques.

The inputs or methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The following is a description of valuation inputs and techniques that the Fund currently utilizes to value each major category of assets and liabilities in accordance with Generally Accepted Accounting Principles (GAAP).

Equity Securities (Common and Preferred Stock) Equity securities traded in inactive markets and certain foreign equity securities are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from pricing vendors that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

U.S. Treasury Obligations U.S. Treasuries are valued based on pricing models that evaluate the mean between the most recently quoted bid and ask price. The models also take into consideration data received from active market makers and broker-dealers, yield curves, and the spread over comparable U.S. Treasury issues. The spreads change daily in response to market conditions and are generally obtained from the new issue market and broker-dealer sources. To the

extent that these inputs are observable, the values of U.S. Treasury obligations are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Government Sponsored Enterprise and Mortgage-Backed Securities Government sponsored enterprise and mortgage-backed securities are valued using pricing models based on inputs that include issuer type, coupon, cash flows, mortgage prepayment projection tables and Adjustable Rate Mortgage evaluations that incorporate index data, periodic and life caps, the next coupon reset date, and the convertibility of the bond. To the extent that these inputs are observable, the values of Government sponsored enterprise and mortgage-backed securities are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Municipal Bonds Municipal bonds are valued based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-want lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond insurance. To the extent that these inputs are observable, the values of municipal bonds are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

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*Foreign Government Bonds and Notes* Foreign government bonds and notes are valued based on discounted cash flow models that incorporate option adjusted spreads along with benchmark curves and credit spreads. In addition, international bond markets are monitored regularly for information pertaining to the issuer and/or the specific issue. To the extent that these inputs are observable, the values of foreign government bonds and notes are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

*Corporate Bonds* Corporate bonds are generally comprised of two main categories consisting of investment grade bonds and high yield bonds. Investment grade bonds are reported at value using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and options adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. Values for high yield bonds are based primarily on broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

*Asset-Backed Securities and Collateralized Mortgage Obligations* Asset-backed securities and collateralized mortgage obligations are valued using pricing models based on a security's average life volatility. The models also take into account tranche characteristics such as coupon average life, collateral types, ratings, the issuer and tranche type, underlying collateral and performance of the collateral, and discount margin for certain floating rate issues. To the extent that these inputs are observable, the values of asset-backed securities and collateralized mortgage obligations are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

*Forward Foreign Currency Contracts* Forward foreign currency contracts are valued using various inputs and techniques, which include broker-dealer quotations, actual trading information and foreign currency exchange rates gathered from leading market makers and foreign currency exchange trading centers throughout the world. To the extent that these inputs are observable, the values of forward foreign currency contracts are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

*Interest Rate Swaps* Interest rate swaps are valued using pricing models that are based on real-time intraday snap shots of relevant interest rate curves that are built using the most actively traded securities for a given maturity. The pricing models also incorporate cash and money market rates. In addition, market data pertaining to interest rate swaps are monitored regularly to ensure that interest rates are properly depicting the current market rate. To the extent that these inputs are observable, the values of interest rate swaps are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

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*Credit Default Swaps* Credit default swaps are valued using pricing models that take into account, among other factors, information received from market makers and broker-dealers, default probabilities from index specific credit spread curves, recovery rates, and cash flows. To the extent that these inputs are observable, the values of credit default swaps are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

*Senior Loans* Senior Loans are valued based on the average of quoted prices received from multiple dealers or valued relative to other benchmark securities when broker-dealer quotes are unavailable. To the extent that these inputs are observable, the values of Senior Loans are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

The Fund's policy is to recognize transfers between levels at the end of the reporting period.

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A summary of the inputs used at August 31, 2010 in valuing the Fund's assets and liabilities is listed below:

|  | Level 1 -<br>Quoted Prices | Level 2 -<br>Other Significant<br>Observable<br>Inputs | Level 3 -<br>Significant<br>Unobservable<br>Inputs | Value at<br>8/31/10    |
|--|----------------------------|--|--|------------------------|
| <b>Investments in Securities - Assets</b>                |                            |  |  |                        |
| Corporate Bonds & Notes:                                 |                            |  |  |                        |
| Airlines   |                            | \$21,672,204   | \$46,328,251                                       | \$68,000,455           |
| Transportation   |                            |  | 1,487,338  | 1,487,338              |
| All Other  |                            | 1,002,495,913  |  | 1,002,495,913          |
| Mortgaged-Backed Securities                              |                            | 268,255,334  | 4,575,000  | 272,830,334            |
| Preferred Stock:   |                            |  |  |                        |
| Banking  |                            | 35,871,875   | 27,017,364   | 62,889,239             |
| Financial Services                                       |                            | 5,782,657  |  | 5,782,657              |
| Convertible Preferred Stock                              | \$43,912,233               |  |  | 43,912,233             |
| Sovereign Debt Obligations                               |                            | 25,342,990   |  | 25,342,990             |
| Senior Loans   |                            | 21,896,759   |  | 21,896,759             |
| Municipal Bonds  |                            | 15,471,442   |  | 15,471,442             |
| Asset-Backed Securities                                  |                            | 14,770,347   |  | 14,770,347             |
| U.S. Government Agency Securities                        |                            | 31,455   |  | 31,455                 |
| Short-Term Investments                                   |                            | 30,478,778   |  | 30,478,778             |
| <b>Total Investments in Securities - Assets</b>          | <b>\$43,912,233</b>        | <b>\$1,442,069,754</b>                                 | <b>\$79,407,953</b>                                | <b>\$1,565,389,940</b> |
| <b>Other Financial Instruments* - Assets</b>             |                            |  |  |                        |
| Credit Contracts   |                            | \$10,381,203   |  | \$10,381,203           |
| Foreign Exchange Contracts                               |                            | 1,681,443  |  | 1,681,443              |
| Interest Rate Contracts                                  | \$5,964,540                |  |  | 5,964,540              |
| <b>Total Other Financial Instruments * - Assets</b>      | <b>\$5,964,540</b>         | <b>\$12,062,646</b>                                    |  | <b>\$18,027,186</b>    |
| <b>Other Financial Instruments* - Liabilities</b>        |                            |  |  |                        |
| Credit Contracts   |                            | \$(62,658)   |  | \$(62,658)             |
| Foreign Exchange Contracts                               |                            | (2,574,202)  |  | (2,574,202)            |
| Interest Rate Contracts                                  |                            | (100,659)  |  | (100,659)              |
| <b>Total Other Financial Instruments * - Liabilities</b> |                            | <b>\$(2,737,519)</b>                                   |  | <b>\$(2,737,519)</b>   |
| <b>Total Investments</b>                                 | <b>\$49,876,773</b>        | <b>\$1,451,394,881</b>                                 | <b>\$79,407,953</b>                                | <b>\$1,580,679,607</b> |

There were no significant transfers between Level 1 and 2 during the nine months ended August 31, 2010.

\*Other Financial Instruments are derivative instruments not reflected in the Schedule of Investments, such as futures contracts, swap agreements and forward foreign currency contracts, which are valued at the unrealized appreciation (depreciation) of the instrument.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the nine months ended August 31, 2010, was as follows:

|     |               |
|-----|---------------|
| Net | Net<br>Change |
|-----|---------------|

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|   | Beginning<br>Balance<br>11/30/09 | Purchases<br>(Sales)<br>and<br>Settlements | Accrued<br>Discounts<br>(Premiums) | Net<br>Realized<br>Gain<br>(Loss) | in<br>Unrealized<br>Appreciation/<br>Depreciation | Transfers<br>into<br>Level 3** | Transfers<br>out<br>of Level 3*** | Ending<br>Balance<br>8/31/10 |
|---|----------------------------------|--|------------------------------------|-----------------------------------|---|--------------------------------|-----------------------------------|------------------------------|
| <b>Investments in Securities - Assets</b> |                                  |  |                                    |                                   |   |                                |                                   |                              |
| Corporate Bonds & Notes:                  |                                  |  |                                    |                                   |   |                                |                                   |                              |
| Airlines                                  | \$40,278,181                     | \$(1,674,864)                              | \$18,402                           | \$37,861                          | \$4,295,697                                       | \$3,372,974                    |                                   | \$46,328,251                 |
| Financial Services                        | 954,000                          | (984,450)                                  |                                    | (15,550)                          | 46,000  |                                |                                   |                              |
| Transportation                            | 1,650,961                        | (340,531)                                  | (2,926)                            | (4,341)                           | 184,175   |                                |                                   | 1,487,338                    |
| Mortgaged-Backed Securities               |                                  |  |                                    |                                   |   |                                |                                   |                              |
|   | 1,707,871                        | 4,143,750                                  | 72,024                             |                                   | 1,139,002   |                                | \$(2,487,647)                     | 4,575,000                    |
| Preferred Stock:                          |                                  |  |                                    |                                   |   |                                |                                   |                              |
| Banking                                   |                                  | 27,000,000                                 |                                    |                                   | 17,364  |                                |                                   | 27,017,364                   |
| <b>Total Investments</b>                  | <b>\$44,591,013</b>              | <b>\$28,143,905</b>                        | <b>\$87,500</b>                    | <b>\$17,970</b>                   | <b>\$5,682,238</b>                                | <b>\$3,372,974</b>             | <b>\$(2,487,647)</b>              | <b>\$79,407,953</b>          |

\*\* Transferred into Level 3 from Level 2 because sufficient observable inputs were not available.

\*\*\* Transferred out of Level 3 into Level 2 because sufficient observable inputs were available.

The net change in unrealized appreciation/depreciation of Level 3 investments which the Fund held at August 31, 2010 was \$4,808,617.



**Item 2. Controls and Procedures**

(a) The registrant's President & Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))), 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 CFR 270.30a-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 Corporate Opportunity Fund

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

Date: October 22, 2010

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

Date: October 22, 2010

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

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

Date: October 22, 2010

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

Date: October 22, 2010

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