

PIMCO MUNICIPAL INCOME FUND
Form N-Q
March 22, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

| | |
|---|--|
| Investment Company Act File Number: | 811-10377 |
| Registrant Name: | PIMCO Municipal Income Fund |
| Address of Principal Executive Offices: | 1633 Broadway, 43 rd Floor, New York, NY 10019 |
| Name and Address of Agent for Service: | Lawrence G. Altadonna 1633 Broadway New York, NY 10019 |
| Registrant's telephone number, including area code: | 212-739-3371 |
| Date of Fiscal Year End: | April 30, 2013 |
| Date of Reporting Period: | January 31, 2013 |

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

January 31, 2013 (unaudited)

Principal

Amount

(000s)

Value*

MUNICIPAL BONDS & NOTES 97.8%**Alabama 0.5%**

| | | |
|-------|--|------------|
| | Huntsville-Redstone Village Special Care Facs. Financing Auth. Rev., Redstone Village Project, | |
| \$250 | 5.50%, 1/1/28 | \$ 251,905 |
| 885 | 5.50%, 1/1/43 | 873,442 |
| 1,350 | Montgomery Medical Clinic Board Rev., Jackson Hospital & Clinic, 5.25%, 3/1/31 | 1,393,159 |

2,518,506

Alaska 0.8%

| | | |
|-------|---|-----------|
| 3,280 | Borough of Matanuska-Susitna Rev., Goose Creek Correctional Center, 6.00%, 9/1/32 (AGC) | 3,921,207 |
| 900 | Industrial Dev. & Export Auth. Rev., Boys & Girls Home, 6.00%, 12/1/36 (b)(f) | 405,000 |

4,326,207

Arizona 5.1%

| | | |
|-------|---|------------|
| | Health Facs. Auth. Rev., | |
| 2,050 | Banner Health, 5.50%, 1/1/38, Ser. D | 2,258,506 |
| 2,750 | Beatitudes Campus Project, 5.20%, 10/1/37 | 2,712,187 |
| | Maricopa Cnty. Pollution Control Corp. Rev., | |
| 1,500 | Southern California Edison Co., 5.00%, 6/1/35, Ser. A | 1,677,015 |
| | Pima Cnty. Industrial Dev. Auth. Rev., Tucson Electric Power Co., Ser. A, | |
| 750 | 5.25%, 10/1/40 | 821,610 |
| 4,150 | 6.375%, 9/1/29 | 4,161,039 |
| 5,000 | Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (i) | 5,726,550 |
| 9,200 | Salt Verde Financial Corp. Rev., 5.00%, 12/1/37 | 10,544,120 |

27,901,027

Arkansas 0.3%

| | | |
|-------|---|-----------|
| | Dev. Finance Auth. Rev., Arkansas Cancer Research Center Project, | |
| 5,500 | zero coupon, 7/1/36 (AMBAC) | 1,803,670 |

California 12.6%

| | | |
|-------|---|-----------|
| | Bay Area Toll Auth. Rev., San Francisco Bay Area, | |
| 2,875 | 5.00%, 10/1/34 | 3,221,725 |
| 3,255 | 5.00%, 10/1/42 | 3,614,873 |
| 3,000 | Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B | 3,515,820 |
| 1,500 | Golden State Tobacco Securitization Corp. Rev., 5.75%, 6/1/47, Ser. A-1 | 1,422,675 |
| | Health Facs. Financing Auth. Rev., | |
| 2,000 | Catholic Healthcare West, 6.00%, 7/1/39, Ser. A | 2,326,980 |
| 1,500 | Sutter Health, 6.00%, 8/15/42, Ser. B | 1,776,780 |

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| | | |
|-------|--|------------|
| 5,300 | Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC) | 6,065,161 |
| 2,000 | Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC) | 2,175,180 |
| 2,000 | M-S-R Energy Auth. Rev., 6.125%, 11/1/29, Ser. C | 2,531,760 |
| 4,175 | Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM) | 4,619,178 |
| 1,525 | Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B | 1,810,785 |
| 5,000 | Orange Cnty. Airport Rev., 5.25%, 7/1/39, Ser. A | 5,610,800 |
| 1,600 | San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A | 1,797,424 |
| | State, GO, | |
| 700 | 5.00%, 11/1/32 | 784,371 |
| 1,200 | 5.00%, 6/1/37 | 1,315,944 |
| 2,300 | 5.125%, 8/1/36 | 2,619,240 |
| 1,250 | 5.25%, 3/1/38 | 1,417,238 |
| 1,900 | 5.25%, 11/1/40 | 2,220,340 |
| 500 | 5.50%, 3/1/40 | 589,220 |
| 3,200 | 6.00%, 4/1/38 | 3,835,200 |
| | Statewide Communities Dev. Auth. Rev., | |
| 690 | California Baptist Univ., 6.50%, 11/1/21 | 818,913 |
| 845 | Catholic Healthcare West, 5.50%, 7/1/31, Ser. E | 935,592 |
| 2,310 | Methodist Hospital Project, 6.625%, 8/1/29 (FHA) | 2,890,064 |
| 8,485 | Methodist Hospital Project, 6.75%, 2/1/38 (FHA) | 10,393,361 |
| 2,000 | Whittier Union High School Dist., GO, zero coupon, 8/1/25 | 1,102,000 |
| | | 69,410,624 |
| | Colorado 1.2% | |
| 500 | Confluence Metropolitan Dist. Rev., 5.45%, 12/1/34 | 386,710 |
| 450 | Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40 | 502,196 |
| 2,500 | Health Facs. Auth. Rev., Catholic Health Initiatives, 5.00%, 2/1/41, Ser. A | 2,768,550 |
| 500 | Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38 | 681,940 |
| 400 | Regional Transportation Dist., CP, 5.375%, 6/1/31, Ser. A | 454,136 |
| 1,500 | Univ. of Colorado Rev., 5.375%, 6/1/38, Ser. A | 1,754,520 |
| | | 6,548,052 |

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PIMCO Municipal Income Fund

January 31, 2013 (unaudited) (continued)

Principal

Amount

| (000s) | | Value* |
|----------------------------------|---|--------------|
| Connecticut 1.5% | | |
| | State Health & Educational Fac. Auth. Rev., | |
| \$5,000 | Hartford Healthcare, 5.00%, 7/1/41, Ser. A | \$ 5,361,150 |
| 2,500 | Stamford Hospital, 5.00%, 7/1/42, Ser. J | 2,727,050 |
| | | 8,088,200 |
| District of Columbia 1.1% | | |
| 2,500 | Dist. of Columbia Rev., Brookings Institution, 5.75%, 10/1/39 | 2,837,075 |
| 3,390 | Tobacco Settlement Financing Corp. Rev., 6.25%, 5/15/24 | 3,484,412 |
| | | 6,321,487 |
| Florida 2.2% | | |
| | Beacon Lakes Community Dev. Dist., Special Assessment, | |
| 790 | 6.00%, 5/1/38, Ser. A | 802,292 |
| | Broward Cnty. Water & Sewer Utility Rev., | |
| 4,000 | 5.25%, 10/1/34, Ser. A (i) | 4,727,000 |
| 300 | Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A | 340,980 |
| 500 | Lee Cnty. Industrial Dev. Auth. Rev., Lee Community Charter Foundation, 5.375%, 6/15/37, Ser. A | 507,625 |
| 1,250 | Miami-Dade Cnty. School Board, CP, 5.375%, 2/1/34, Ser. A (AGC) | 1,409,438 |
| 3,900 | State Board of Education, GO, 5.00%, 6/1/38, Ser. D (i) | 4,505,748 |
| | | 12,293,083 |
| Georgia 0.4% | | |
| 2,300 | Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37 | 2,302,576 |
| Illinois 2.6% | | |
| 5,000 | Chicago, GO, 5.00%, 1/1/34, Ser. C (i) | 5,483,500 |
| | Finance Auth. Rev., | |
| 400 | OSF Healthcare System, 7.125%, 11/15/37, Ser. A | 491,948 |
| 190 | Univ. of Chicago, 5.25%, 7/1/41, Ser. 05-A | 190,188 |
| 5,000 | Univ. of Chicago, 5.50%, 7/1/37, Ser. B (i) | 5,980,100 |
| 1,900 | Springfield Electric Rev., 5.00%, 3/1/36 | 1,991,732 |
| | | 14,137,468 |
| Indiana 1.6% | | |
| | Finance Auth. Rev., | |
| 3,000 | 5.00%, 6/1/32, Ser. A | 3,250,800 |
| 1,500 | Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B | 1,726,320 |
| 1,000 | Municipal Power Agcy. Rev., 6.00%, 1/1/39, Ser. B | 1,185,600 |
| 1,900 | Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., 7.50%, 9/1/22 | 2,484,896 |

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8,647,616

Iowa 1.8%

Finance Auth. Rev.,

| | | |
|-------|---|-----------|
| 4,890 | Deerfield Retirement Community, Inc., 5.50%, 11/15/37, Ser. A | 4,318,652 |
| 3,500 | Edgewater LLC Project, 6.75%, 11/15/37 | 3,737,195 |
| 1,500 | Edgewater LLC Project, 6.75%, 11/15/42 | 1,596,435 |

9,652,282

Kansas 0.4%

| | | |
|-------|--|-----------|
| 1,000 | Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38 | 1,160,820 |
| 1,000 | Lenexa City, Tax Allocation, Center East Project, 6.00%, 4/1/27 | 580,000 |
| 650 | Manhattan Rev., Meadowlark Hills Retirement, 5.125%, 5/15/42, Ser. B | 656,032 |

2,396,852

Kentucky 0.4%

| | | |
|-------|--|-----------|
| 1,000 | Economic Dev. Finance Auth. Rev., Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A | 1,205,740 |
| 1,000 | Ohio Cnty. Pollution Control Rev., Big Rivers Electric Corp. Project, 6.00%, 7/15/31, Ser. A | 1,045,060 |

2,250,800

Louisiana 5.6%

Local Gov t Environmental Facs. & Community Dev. Auth Rev.,

| | | |
|--------|--|------------|
| 1,680 | Capital Projects & Equipment Acquisition, 6.55%, 9/1/25 (ACA) (b) | 1,885,834 |
| 400 | Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2 | 478,912 |
| 750 | Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A | 854,632 |
| 2,000 | Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, 6.50%, 5/15/37 | 2,439,080 |
| 24,395 | Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B | 24,970,478 |

30,628,936

Maryland 0.4%

| | | |
|-------|--|-----------|
| 1,500 | Economic Dev. Corp. Rev., 5.75%, 6/1/35, Ser. B | 1,710,120 |
| 650 | Health & Higher Educational Facs. Auth. Rev., Charlestown Community, 6.25%, 1/1/41 | 748,261 |

2,458,381

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PIMCO Municipal Income Fund

January 31, 2013 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|----------------------------|---|------------|
| Massachusetts 0.5% | | |
| | Dev. Finance Agcy. Rev., | |
| \$750 | Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A | \$ 863,932 |
| | Linden Ponds, Inc. Fac., | |
| 103 | zero coupon, 11/15/56, Ser. B (b) | 1,475 |
| 21 | 5.50%, 11/15/46, Ser. A-2 (b) | 13,963 |
| 388 | 6.25%, 11/15/39, Ser. A-1 | 300,813 |
| 1,500 | State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A | 1,749,915 |
| | | 2,930,098 |
| Michigan 2.2% | | |
| 5,000 | Detroit Water and Sewerage Dept. Rev., 5.25%, 7/1/39, Ser. A | 5,457,050 |
| 1,500 | Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%, 9/1/39 | 1,909,230 |
| 5,000 | Tobacco Settlement Finance Auth. Rev., 6.00%, 6/1/48, Ser. A | 4,767,650 |
| | | 12,133,930 |
| Minnesota 0.4% | | |
| 95 | Agricultural & Economic Dev. Board Rev., Health Care Systems, 6.375%, 11/15/29, Ser. A | 95,427 |
| 100 | Duluth Housing & Redev. Auth. Rev., 5.875%, 11/1/40, Ser. A | 103,154 |
| 1,500 | St. Louis Park Rev., Nicollet Health Services, 5.75%, 7/1/39 | 1,695,795 |
| | Washington Cnty. Housing & Redev. Auth. Rev., | |
| 500 | Birchwood & Woodbury Projects, 5.625%, 6/1/37, Ser. A | 508,865 |
| | | 2,403,241 |
| Missouri 0.3% | | |
| 1,000 | Joplin Industrial Dev. Auth. Rev., Christian Homes, Inc., 5.75%, 5/15/26, Ser. F | 1,077,490 |
| 475 | Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23 | 507,899 |
| | | 1,585,389 |
| Nevada 3.9% | | |
| | Clark Cnty., GO, | |
| 5,000 | 4.75%, 6/1/30 (AGM) | 5,443,050 |
| 5,230 | 4.75%, 11/1/35 (FGIC-NPFGC) (i) | 5,538,466 |
| 9,755 | Washoe Cnty., Water & Sewer, GO, 5.00%, 1/1/35 (NPFGC) | 10,669,531 |
| | | 21,651,047 |
| New Jersey 8.8% | | |
| 16,550 | Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 4/1/31 | 18,742,709 |
| 2,000 | Economic Dev. Auth. Rev., School Facs. Construction, 5.50%, 12/15/34, Ser. Z (AGC) | 2,356,200 |
| | Health Care Facs. Financing Auth. Rev., | |

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| | | |
|----------------------------|--|------------|
| 500 | AHS Hospital Corp., 6.00%, 7/1/37 | 618,660 |
| 2,000 | State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E | 2,247,580 |
| | Tobacco Settlement Financing Corp. Rev., Ser. 1-A, | |
| 6,600 | 4.75%, 6/1/34 | 5,898,750 |
| 12,000 | 5.00%, 6/1/41 | 10,825,320 |
| 7,000 | Transportation Trust Fund Auth. Rev., 5.00%, 6/15/42, Ser. B | 7,776,580 |
| | | 48,465,799 |
| New Mexico 1.5% | | |
| 1,000 | Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D | 1,121,530 |
| 6,400 | Hospital Equipment Loan Council Rev., Presbyterian Healthcare, 5.00%, 8/1/39 | 6,906,688 |
| | | 8,028,218 |
| New York 12.0% | | |
| 15,500 | Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A | 17,557,780 |
| | Liberty Dev. Corp. Rev., Goldman Sachs Headquarters, | |
| 7,500 | 5.25%, 10/1/35 | 8,963,025 |
| 3,000 | 5.50%, 10/1/37 | 3,722,820 |
| 3,000 | Metropolitan Transportation Auth. Rev., 5.00%, 11/15/36, Ser. D | 3,410,250 |
| 4,200 | Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A | 2,764,188 |
| | New York City Municipal Water Finance Auth. Water & Sewer Rev., | |
| 3,000 | Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1 | 3,436,560 |
| | New York Liberty Dev. Corp. Rev., | |
| 10,000 | 1 World Trade Center Project, 5.00%, 12/15/41 | 11,354,100 |
| 10,000 | 4 World Trade Center Project, 5.00%, 11/15/44 | 11,156,700 |
| 3,500 | State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40 | 3,997,175 |
| | | 66,362,598 |
| North Carolina 0.3% | | |
| 1,500 | Medical Care Commission Rev., Village at Brookwood, 5.25%, 1/1/32 | 1,537,665 |
| Ohio 2.0% | | |
| | American Municipal Power, Inc. Rev., | |
| 2,000 | Fremont Energy Center Project, 5.00%, 2/15/42 | 2,214,160 |
| 4,250 | Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2 | 3,843,530 |
| | Hamilton Cnty. Healthcare Rev., | |
| 3,000 | Christ Hospital Project, 5.00%, 6/1/42 | 3,253,230 |
| | Higher Educational Fac. Commission Rev., Univ. | |
| 500 | Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A (Pre-refunded @ \$100, 1/15/15) (c) | 561,540 |
| 500 | JobsOhio Beverage System Rev., 5.00%, 1/1/38, Ser. A (e) | 570,400 |
| 500 | Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A (Pre-refunded @ \$100, 11/15/14) (c) | 552,705 |
| | | 10,995,565 |

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PIMCO Municipal Income Fund

January 31, 2013 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|-------------------------------|--|-------------|
| Oregon 0.6% | | |
| \$2,000 | Oregon Health & Science Univ. Rev., 5.75%, 7/1/39, Ser. A | \$2,370,780 |
| 600 | State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A | 665,454 |
| | | 3,036,234 |
| Pennsylvania 5.5% | | |
| 3,500 | Berks Cnty. Municipal Auth. Rev., 5.00%, 11/1/40, Ser. A Reading Hospital Medical Center | 3,867,535 |
| 5,000 | Geisinger Auth. Rev., 5.25%, 6/1/39, Ser. A | 5,555,050 |
| 2,000 | Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B (f) Higher Educational Facs. Auth. Rev., | 1,580,300 |
| 500 | Edinboro Univ. Foundation, 6.00%, 7/1/43 | 566,265 |
| 350 | Thomas Jefferson Univ., 5.00%, 3/1/40 | 385,392 |
| | Lancaster Cnty. Hospital Auth. Rev., Brethren Village Project, Ser. A, | |
| 750 | 6.25%, 7/1/26 | 807,780 |
| 85 | 6.375%, 7/1/30 | 91,476 |
| 1,100 | Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39 | 1,224,663 |
| 7,000 | Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM) | 7,769,020 |
| 5,000 | Philadelphia Hospitals & Higher Education Facs. Auth. Rev., 5.625%, 7/1/36, Ser. A | 5,483,550 |
| 500 | Philadelphia Water & Sewer Rev., 5.25%, 1/1/36, Ser. A | 559,020 |
| 2,000 | Turnpike Commission Rev., 5.125%, 12/1/40, Ser. D | 2,154,100 |
| | | 30,044,151 |
| Puerto Rico 0.6% | | |
| 3,000 | Sales Tax Financing Corp. Rev., 5.375%, 8/1/38, Ser. C | 3,210,570 |
| Rhode Island 4.4% | | |
| 23,800 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A | 24,515,190 |
| South Carolina 0.5% | | |
| 450 | Jobs-Economic Dev. Auth. Rev., Lutheran Homes, 5.50%, 5/1/28 | 465,579 |
| 2,200 | State Ports Auth. Rev., 5.25%, 7/1/40 | 2,464,418 |
| | | 2,929,997 |
| Tennessee 2.2% | | |
| 940 | Memphis Health Educational & Housing Fac. Board Rev., Wesley Housing Corp. Project, 6.95%, 1/1/20 (a)(b)(d)(f)(j) (acquisition cost-\$932,489; purchased 6/29/01) | 472,350 |
| | Tennessee Energy Acquisition Corp. Rev., | |
| 370 | 5.00%, 2/1/21, Ser. C | 423,916 |
| 5,000 | 5.00%, 2/1/27, Ser. C | 5,646,350 |
| 5,000 | 5.25%, 9/1/24, Ser. A | 5,816,250 |
| | | 12,358,866 |

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Texas 9.8%

| | | |
|-------|--|------------|
| 1,200 | Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC) | 1,344,624 |
| | Harris Cnty. Cultural Education Facs. Finance Corp. Rev., | |
| 3,000 | Baylor College of Medicine, 5.00%, 11/15/37 | 3,393,630 |
| | Love Field Airport Modernization Corp. Rev., | |
| 2,000 | Southwest Airlines Co. Project, 5.25%, 11/1/40 | 2,187,140 |
| | North Harris Cnty. Regional Water Auth. Rev., | |
| 4,200 | 5.25%, 12/15/33 | 4,659,018 |
| 4,200 | 5.50%, 12/15/38 | 4,672,038 |
| | North Texas Tollway Auth. Rev., | |
| 2,750 | 5.00%, 1/1/38 | 3,002,862 |
| 3,000 | 5.25%, 1/1/44, Ser. C | 3,200,280 |
| 600 | 5.50%, 9/1/41, Ser. A | 713,622 |
| 6,050 | 5.625%, 1/1/33, Ser. A | 6,917,570 |
| 600 | 5.75%, 1/1/33, Ser. F | 665,484 |
| 250 | San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A | 297,453 |
| | State Public Finance Auth. Charter School Finance Corp. Rev., Ser. A, | |
| 400 | 5.875%, 12/1/36 | 432,956 |
| 2,000 | Cosmos Foundation, 5.375%, 2/15/37 | 2,095,700 |
| 4,000 | Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29 | 4,797,360 |
| | Texas Municipal Gas Acquisition & Supply Corp. I Rev., | |
| 4,500 | 5.25%, 12/15/23, Ser. A | 5,313,375 |
| 6,500 | 6.25%, 12/15/26, Ser. D | 8,508,370 |
| 1,000 | Uptown Dev. Auth., Tax Allocation, Infrastructure Improvement Facs., 5.50%, 9/1/29 | 1,127,120 |
| 500 | Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34 | 603,100 |
| | | 53,931,702 |

U. S. Virgin Islands 0.1%

| | | |
|-----|--|---------|
| 500 | Virgin Islands Public Finance Auth. Rev., 5.00%, 10/1/39, Ser. A-1 | 525,655 |
|-----|--|---------|

Utah 1.5%

| | | |
|-------|--|-----------|
| 7,000 | Salt Lake Cnty. Rev., IHC Health Services, 5.125%, 2/15/33 (AMBAC) | 8,084,790 |
|-------|--|-----------|

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PIMCO Municipal Income Fund Schedule of Investments

January 31, 2013 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|--|--|-----------------------|
| Virginia 0.6% | | |
| \$1,000 | Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A | \$ 1,146,350 |
| 1,985 | Peninsula Town Center Community Dev. Auth. Rev., 6.45%, 9/1/37 | 2,115,434 |
| | | 3,261,784 |
| Washington 1.3% | | |
| | Health Care Facs. Auth. Rev., | |
| 700 | Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC) | 812,399 |
| 250 | Seattle Cancer Care Alliance, 7.375%, 3/1/38 | 306,715 |
| 2,000 | Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A | 2,206,600 |
| | State Housing Finance Commission Rev., Skyline at First Hill Project, Ser. A, | |
| 230 | 5.25%, 1/1/17 | 236,893 |
| 3,600 | 5.625%, 1/1/38 | 3,619,188 |
| | | 7,181,795 |
| West Virginia 0.2% | | |
| 1,000 | Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41 | 1,289,900 |
| Wisconsin 0.1% | | |
| 500 | Health & Educational Facs. Auth. Rev., Prohealth Care, Inc., 6.625%, 2/15/39 | 588,700 |
| | Total Municipal Bonds & Notes (cost-\$470,481,535) | 538,738,651 |
| VARIABLE RATE NOTES (a)(d)(g)(h) 2.2% | | |
| Texas 0.4% | | |
| 1,000 | JPMorgan Chase Putters/Drivers Trust, GO, 7.991%, 2/1/17, Ser. 3480 | 1,330,980 |
| 600 | JPMorgan Chase Putters/Drivers Trust Rev., 8.51%, 10/1/31, Ser. 3227 | 857,790 |
| | | 2,188,770 |
| Washington 1.8% | | |
| 6,670 | JPMorgan Chase Putters/Drivers Trust, GO, 11.653%, 8/1/28, Ser. 3388 | 10,022,609 |
| | Total Variable Rate Notes (cost \$8,163,802) | 12,211,379 |
| | Total Investments (cost \$478,645,337) (k) 100.0% | \$ 550,950,030 |

PIMCO Municipal Income Fund

January 31, 2013 (unaudited) (continued)

Industry classification of portfolio holdings as a percentage of total investments at January 31, 2013 was as follows:

| | | |
|---|-------|--------|
| Revenue Bonds: | | |
| Health, Hospital & Nursing Home Revenue | 21.8% | |
| Miscellaneous Revenue | 11.7 | |
| Tobacco Settlement Funded | 10.3 | |
| Natural Gas Revenue | 7.8 | |
| College & University Revenue | 4.6 | |
| Port, Airport & Marina Revenue | 4.2 | |
| Electric Power & Light Revenue | 4.2 | |
| Water Revenue | 3.7 | |
| Miscellaneous Taxes | 3.2 | |
| Industrial Revenue | 3.1 | |
| Highway Revenue Tolls | 3.0 | |
| Sewer Revenue | 1.0 | |
| Lease (Appropriation) | 0.7 | |
| Transit Revenue | 0.6 | |
| Sales Tax Revenue | 0.6 | |
| Ad Valorem Property Tax | 0.5 | |
| Tobacco & Liquor Taxes | 0.1 | |
| Local or Guaranteed Housing | 0.1 | |
| Total Revenue Bonds | | 81.2% |
| General Obligation | | 14.4 |
| Special Assessment | | 3.5 |
| Certificates of Participation | | 0.5 |
| Tax Allocation | | 0.4 |
| Total Investments | | 100.0% |

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. 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. Securities purchased on a when-issued or delayed delivery basis are marked to market daily until settlement at the forward settlement date. The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial derivative instruments in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to Allianz Global Investors Fund Management LLC (the Investment Manager) and Pacific Investment Management Company LLC (the Sub-Adviser), an affiliate of the Investment Manager. The Fund's Valuation Committee was established by the Board to oversee the implementation of the Fund's valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Sub-Adviser monitors the continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Sub-Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

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.

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 net asset value (NAV) is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$12,683,729, representing 2.3% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (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) When-issued or delayed-delivery. To be settled/delivered after January 31, 2013.
- (f) In default.
- (g) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on January 31, 2013.

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- (h) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on January 31, 2013.
- (i) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (j) Restricted. The aggregate acquisition cost of such security is \$932,489. The aggregate market value is \$472,350, representing 0.1% of total investments.
- (k) At January 31, 2013, the cost basis of portfolio securities for federal income tax purposes was \$462,594,204. Gross unrealized appreciation was \$76,583,692; gross unrealized depreciation was \$3,785,682; and net unrealized appreciation was \$72,798,010. The difference between book and tax cost basis was attributable to Inverse Floaters transactions.

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, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and single broker quotes in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with Generally Accepted Accounting Principles.

Municipal Bonds & Notes and Variable Rate Notes Municipal bonds & notes and variable rate notes are valued by independent pricing services 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 or note insurance. To the extent that these inputs are observable, the values of municipal bonds & notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

The valuation techniques used by the Fund to measure fair value during the nine months ended January 31, 2013 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Fund's policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to the 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 techniques used. Investments categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

A summary of the inputs used at January 31, 2013 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments for more detailed information on Investments in Securities):

| | Level 1 - Quoted Prices | Level 2 - Other Significant Observable Inputs | Level 3 - Significant Unobservable Inputs | Value at 1/31/13 |
|---|----------------------------|--|--|-----------------------|
| Investments in Securities - Assets | | | | |
| Municipal Bonds & Notes: | | | | |
| Kansas | \$ | \$ 1,816,852 | \$ 580,000 | \$ 2,396,852 |
| Tennessee | | 11,886,516 | 472,350 | 12,358,866 |
| All Other | | 523,982,933 | | 523,982,933 |
| Variable Rate Notes | | 12,211,379 | | 12,211,379 |
| Total | \$ | \$ 549,897,680 | \$ 1,052,350 | \$ 550,950,030 |

At January 31, 2013, there were no transfers between Levels 1 and 2.

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A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the nine months ended January 31, 2013, was as follows:

| | Beginning Balance 4/30/12 | Purchases | Sales | Accrued Discount (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Transfers into Level 3* | Transfers out of Level 3** | Ending Balance 1/31/13 |
|---|---------------------------------|-----------|-------|-----------------------------------|--------------------------------|--|-------------------------------|----------------------------------|------------------------------|
| Investments in Securities - Assets | | | | | | | | | |
| Municipal Bonds & Notes: | | | | | | | | | |
| Alaska | \$ 482,850 | | | \$ 856 | | \$ (78,706) | | \$ (405,000) | |
| Kansas | | | | | | | \$ 580,000 | | 580,000 |
| Tennessee | 472,350 | | | | | | | | 472,350 |
| Totals | \$ 955,200 | | | \$ 856 | | \$ (78,706) | \$ 580,000 | | \$ 1,457,350 |

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 at January 31, 2013:

| Investments in Securities - Assets | Ending Balance at 1/31/13 | Valuation Technique Used | Unobservable Inputs | Input Values |
|------------------------------------|------------------------------|----------------------------|------------------------|--------------|
| Municipal Bonds & Notes: | | | | |
| Kansas | 580,000 | Third-Party pricing vendor | Stale Pricing | 58.00 |
| Tennessee | 472,350 | Third-Party pricing vendor | Broker Quote | 50.25 |

* Transferred out of Level 2 into Level 3 because updated information for in evaluated prices provided by third-party pricing vendor was not available.

** Transferred out of Level 3 into Level 2 because evaluated price with observable inputs from a third-party pricing vendor became available. The net change in unrealized appreciation/depreciation of Level 3 investments which the Fund held at January 31, 2013 was \$(78,706).

Glossary:

ACA insured by American Capital Access Holding Ltd.

AGC insured by Assured Guaranty Corp.

AGM insured by Assured Guaranty Municipal Corp.

AMBAC insured by American Municipal Bond Assurance Corp.

CP Certificates of Participation

FGIC insured by Financial Guaranty Insurance Co.

FHA insured by Federal Housing Administration

GO General Obligation Bond

NPFGC insured by National Public Finance Guarantee Corp.

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 control 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

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.

PIMCO Municipal Income Fund

By: /s/ Brian S. Shlissel
Brian S. Shlissel,

President & Chief Executive Officer

Date: March 22, 2013

By: /s/ Lawrence G. Altadonna
Lawrence G. Altadonna,

Treasurer, Principal Financial & Accounting Officer

Date: March 22, 2013

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
Brian S. Shlissel,

President & Chief Executive Officer

Date: March 22, 2013

By: /s/ Lawrence G. Altadonna
Lawrence G. Altadonna,

Treasurer, Principal Financial & Accounting Officer

Date: March 22, 2013