

PIMCO Income Strategy Fund II
Form N-Q
December 23, 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 811-21601

PIMCO Income Strategy Fund II
(Exact name of registrant as specified in charter)

1633 Broadway, New York, NY
(Address of principal executive offices)

10019
(Zip code)

Lawrence G. Altadonna

1633 Broadway,

New York, NY 10019
(Name and address of agent for service)

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

Date of fiscal year end: July 31, 2014

Date of reporting period: October 31, 2013

Item 1. Schedule of Investments

PIMCO Income Strategy Fund II Schedule of Investments

October 31, 2013 (unaudited)

Principal Amount (000s)		Value*
MORTGAGE-BACKED SECURITIES - 28.6%		
	Banc of America Alternative Loan Trust, CMO,	
\$7,462	5.50%, 7/25/33	\$7,698,474
8,899	5.50%, 10/25/33	9,106,844
272	6.00%, 1/25/36	214,027
	Banc of America Funding Trust, CMO,	
72	5.309%, 1/20/47 (j)	57,489
11,014	6.00%, 8/25/37	9,526,299
	BCAP LLC Trust, CMO (a)(c)(j),	
955	2.915%, 5/26/36	31,711
2,500	5.514%, 3/26/37	663,694
2,078	9.187%, 5/26/37	319,778
6,077	14.858%, 9/26/36 (b)(h) (acquisition cost - \$4,861,405; purchased 9/4/13)	4,969,404
697	15.174%, 6/26/36	167,381
	Bear Stearns Adjustable Rate Mortgage Trust, 2.66%, 10/25/34, CMO (j)	
1,979		1,786,403
	Bear Stearns ALT-A Trust, CMO (j),	
567	2.61%, 11/25/36	382,021
1,658	2.925%, 9/25/35	1,312,041
	Chase Mortgage Finance Trust, CMO,	
21	2.823%, 12/25/35 (j)	18,779
113	5.50%, 5/25/36	108,486
	Citicorp Mortgage Securities Trust, CMO,	
333	5.50%, 4/25/37	334,061
3,273	6.00%, 9/25/37	3,364,781
	Countrywide Alternative Loan Trust, CMO,	
705	5.50%, 3/25/35	626,774
1,749	5.50%, 1/25/36	1,531,405
253	5.50%, 3/25/36	197,164
908	5.75%, 1/25/35	862,391
1,023	5.75%, 2/25/35	965,894
1,544	5.75%, 12/25/36	1,211,702
3,658	5.763%, 4/25/36 (j)	2,652,631
837	6.00%, 2/25/35	847,645
1,103	6.00%, 4/25/36	916,442
5,495	6.00%, 5/25/36	4,252,911
3,730	6.00%, 4/25/37	2,892,909
4,848	6.00%, 5/25/37	3,901,282
2,173	6.00%, 8/25/37	1,456,898
1,700	6.25%, 11/25/36	1,463,877
1,123	6.25%, 12/25/36 (j)	910,307
971	6.50%, 8/25/36	672,636
	Countrywide Home Loan Mortgage Pass-Through Trust, CMO,	
1,537	5.75%, 3/25/37	1,362,058

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1,025	6.00%, 5/25/36	939,968
1,190	6.00%, 2/25/37	1,061,549
5,664	6.00%, 9/25/37	5,352,455
1,802	6.25%, 9/25/36	1,571,335
	Credit Suisse Mortgage Capital Certificates Mortgage-Backed Trust, CMO,	
475	5.75%, 4/25/36	409,826
3,049	5.863%, 2/25/37 (j)	1,797,436
2,738	6.75%, 8/25/36	2,068,555
	First Horizon Alternative Mortgage Securities Trust, CMO,	
1,727	6.00%, 5/25/36	1,499,330
2,862	6.00%, 8/25/36	2,511,766
	First Horizon Mortgage Pass-Through Trust, CMO (j),	
149	2.616%, 5/25/37	121,020
2,150	2.625%, 11/25/35	1,658,350
4,469	IndyMac IMSC Mortgage Loan Trust, 6.50%, 7/25/37, CMO	2,824,237
	JPMorgan Alternative Loan Trust, CMO,	
3,778	2.697%, 5/25/36 (j)	2,896,851
4,371	2.756%, 3/25/36 (j)	3,380,653
2,498	5.202%, 3/25/37 (j)	1,847,628
2,500	6.31%, 8/25/36	1,839,453
	JPMorgan Mortgage Trust, CMO,	
1,113	2.805%, 2/25/36 (j)	962,085
812	5.081%, 10/25/35 (j)	806,284
1,370	5.50%, 4/25/36	1,358,387
203	5.75%, 1/25/36	185,953
528	6.00%, 8/25/37	461,957
207	6.50%, 9/25/35	201,813
	Lehman Mortgage Trust, CMO,	
1,815	6.00%, 7/25/36	1,395,832
3,300	6.00%, 7/25/37	2,835,078
6,308	6.50%, 9/25/37	5,221,552

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PIMCO Income Strategy Fund II Schedule of Investments

October 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value*
\$1,216	MASTR Asset Securitization Trust, 6.50%, 11/25/37, CMO	\$1,065,305
3,253	Merrill Lynch Mortgage Investors Trust, 3.019%, 3/25/36, CMO (j)	2,304,487
5,310	Morgan Stanley Mortgage Loan Trust, 5.023%, 5/25/36, CMO (j)	4,104,431
8,548	New Century Alternative Mortgage Loan Trust, 6.173%, 7/25/36, CMO (j)	5,833,887
43	Nomura Asset Acceptance Corp. Alternative Loan Trust, 4.976%, 5/25/35, CMO	40,433
2,651	Residential Accredited Loans, Inc., CMO, 3.65%, 12/26/34 (j)	2,206,865
8,222	5.75%, 1/25/34	8,483,009
2,281	6.00%, 6/25/36	1,804,691
776	6.00%, 8/25/36	610,913
1,595	6.00%, 12/25/36	1,235,583
2,301	Residential Asset Securitization Trust, CMO, 5.75%, 2/25/36	1,890,783
1,280	6.00%, 2/25/36	1,019,942
887	6.00%, 9/25/36	565,945
2,800	6.00%, 3/25/37	2,193,792
3,759	6.00%, 5/25/37	3,286,160
2,434	6.00%, 7/25/37	1,934,488
4,047	6.25%, 9/25/37	2,906,775
4,600	Residential Funding Mortgage Securities I, CMO, 3.482%, 9/25/35 (j)	4,161,350
3,547	3.785%, 8/25/36 (j)	3,006,701
1,810	6.25%, 8/25/36	1,666,030
5,514	Structured Adjustable Rate Mortgage Loan Trust, CMO (j), 4.697%, 11/25/36	4,491,586
5,230	5.13%, 5/25/36	4,429,360
4,564	5.161%, 1/25/36	3,597,846
1,700	5.391%, 7/25/36	1,547,355
717	Suntrust Adjustable Rate Mortgage Loan Trust, 5.575%, 2/25/37, CMO (j)	601,119
23,307	WaMu Commercial Mortgage Securities Trust, 5.804%, 3/23/45, CMO (a)(c)(j)	24,156,439
1,523	WaMu Mortgage Pass-Through Certificates, CMO (j), 4.781%, 2/25/37	1,419,523
2,488	4.816%, 7/25/37	2,374,631
3,422	4.858%, 5/25/37	3,286,791
2,116	6.085%, 10/25/36	1,777,659
86	Washington Mutual Mortgage Pass-Through Certificates, 6.00%, 6/25/37, CMO	70,991
1,752	Wells Fargo Alternative Loan Trust, 6.00%, 7/25/37, CMO	1,635,636
2,809	Wells Fargo Mortgage-Backed Securities Trust, CMO, 2.614%, 7/25/36 (j)	2,699,606
1,370	2.616%, 8/25/36 (j)	1,293,502
822	2.685%, 7/25/36 (j)	748,734
392	2.707%, 4/25/36 (j)	380,350
1,028	5.75%, 3/25/37	955,919
Total Mortgage-Backed Securities (cost-\$207,420,523)		217,784,569

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CORPORATE BONDS & NOTES - 27.1%

Airlines - 2.3%

	American Airlines Pass-Through Trust (d),	
7,362	9.73%, 9/29/14	8,098,124
3,834	10.18%, 1/2/13	6,709,487
2,563	United Air Lines Pass-Through Trust, 10.40%, 5/1/18	2,896,106
		17,703,717

Auto Manufacturers - 0.4%

3,000	Ford Motor Co., 7.70%, 5/15/97	3,315,393
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Banking - 8.2%

	Ally Financial, Inc.,	
585	6.00%, 12/15/13	585,000
500	6.25%, 12/15/18	500,000
45	6.50%, 12/15/18 - 5/15/19	45,021
100	6.60%, 6/15/19	100,000
781	6.70%, 5/15/14 - 12/15/19	781,335
1,718	6.75%, 6/15/14 - 5/15/19	1,719,952
135	6.95%, 6/15/17	135,000
5,580	7.00%, 11/15/16 - 11/15/24	5,585,460
55	7.25%, 6/15/16	55,000
1,000	8.30%, 2/12/15	1,086,250
1,700	Citigroup, Inc., 6.125%, 8/25/36	1,794,738
	LBG Capital No. 1 PLC,	
500	7.375%, 3/12/20	721,202
£300	7.588%, 5/12/20	509,881
10,200	7.867%, 12/17/19	17,376,839
1,000	7.869%, 8/25/20	1,714,835
4,700	11.04%, 3/19/20	8,757,565
	LBG Capital No. 2 PLC,	
8,900	8.875%, 2/7/20	13,360,036
£300	12.75%, 8/10/20	572,413

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PIMCO Income Strategy Fund II Schedule of Investments

October 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value*
1,100	15.00%, 12/21/19	\$2,225,351
\$5,000	Wachovia Capital Trust III, 5.57%, 12/2/13 (f)	4,700,000
		62,325,878
Diversified Financial Services - 12.2%		
1,800	AGFC Capital Trust I, 6.00%, 1/15/67 (converts to FRN on 1/15/17) (a)(c)	1,539,000
10,257	Farm Credit Bank of Texas, 7.561%, 12/15/13 (f)	10,282,642
37,300	General Electric Capital Corp., 6.375%, 11/15/67 (converts to FRN on 11/15/17)	40,610,375
5,142	GSPA Monetization Trust, 6.422%, 10/9/29 (a)(b)(c)(h) (acquisition cost - \$5,080,681; purchased 9/23/13)	5,103,819
11,000	ILFC E-Capital Trust II, 6.25%, 12/21/65 (converts to FRN on 12/21/15) (a)(c)	10,285,000
24,240	SLM Corp., 5.50%, 1/15/19	25,200,171
		93,021,007
Electric Utilities - 0.3%		
2,351	Bruce Mansfield Unit, 6.85%, 6/1/34	2,492,558
2,300	Dynegy Roseton LLC / Dynegy Danskammer LLC Pass-Through Trust, 7.67%, 11/8/16, Ser. B (b)(d)(e)	57,171
		2,549,729
Insurance - 0.2%		
1,400	American International Group, Inc., 8.175%, 5/15/68 (converts to FRN on 5/15/38)	1,732,500
Mining - 2.5%		
18,700	Corp. Nacional del Cobre de Chile, 5.625%, 10/18/43 (a)(b)(c)(h) (acquisition cost - \$18,302,251; purchased 10/10/13)	18,836,286
Oil & Gas - 0.5%		
3,400	Anadarko Petroleum Corp., 7.00%, 11/15/27	3,614,938
Telecommunications - 0.5%		
3,400	Qwest Corp., 7.20%, 11/10/26	3,427,401
Total Corporate Bonds & Notes (cost-\$186,418,117)		206,526,849
MUNICIPAL BONDS - 13.7%		
California - 4.0%		
1,650	City & Cnty. of San Francisco Redev. Agcy., Tax Allocation, 8.406%, 8/1/39	1,825,279
12,100	Infrastructure & Economic Dev. Bank Rev., 6.486%, 5/15/49	13,172,423
3,000	La Quinta Financing Auth., Tax Allocation, 8.07%, 9/1/36, Ser. A	3,151,440
4,000	Long Beach Redev. Agcy., Tax Allocation, 8.11%, 8/1/30	4,175,800
1,200	Riverside Cnty. Economic Dev. Agcy., Tax Allocation, 7.50%, 10/1/30, Ser. A-T	1,265,124
7,500	Stockton Public Financing Auth. Rev., 7.942%, 10/1/38, Ser. B	6,845,775
		30,435,841
Nebraska - 0.9%		
6,500	Public Power Generation Agcy. Rev., 7.242%, 1/1/41	7,111,195

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New Jersey - 0.0%		
400	Tobacco Settlement Financing Corp. Rev., 5.00%, 6/1/41, Ser. 1-A	289,932
New York - 2.3%		
20,000	Port Auth. of New York & New Jersey Rev., 4.458%, 10/1/62, Ser. 174	17,530,400
Ohio - 3.2%		
27,300	State Univ. Rev., 4.80%, 6/1/11, Ser. A	24,130,743
Texas - 3.3%		
21,500	North Texas Tollway Auth. Rev., 8.91%, 2/1/30	24,768,430
Total Municipal Bonds (cost-\$100,612,131)		104,266,541
U.S. GOVERNMENT AGENCY SECURITIES - 5.7%		
10,414	Fannie Mae, CMO, IO (b), 3.50%, 2/25/42 - 2/25/43	1,949,373
20,101	4.00%, 8/25/42	3,973,925
5,142	4.50%, 11/25/42	1,089,424
55,181	6.03%, 9/25/42 (j)	11,042,714
9,063	6.08%, 1/25/40 - 8/25/41 (j)	1,927,812
37,181	6.43%, 11/25/40 - 4/25/41 (j)	7,559,990
17,068	6.51%, 1/25/37 (j)	2,837,534
3,981	Freddie Mac, CMO, IO (b), 3.00%, 2/15/33	546,754
13,474	3.50%, 12/15/32 - 1/15/43	2,212,314
4,897	5.826%, 8/15/42 (j)	1,146,490
36,872	6.476%, 2/15/41 (j)	7,009,643
8,234	Ginnie Mae, CMO, IO (b), 3.50%, 1/20/42 - 3/20/43	1,313,855

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PIMCO Income Strategy Fund II Schedule of Investments

October 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value*
\$4,627	4.00%, 3/20/42 - 10/20/42	\$850,613
Total U.S. Government Agency Securities (cost-\$42,316,420)		43,460,441

Shares		
PREFERRED STOCK - 5.8%		
Banking - 0.8%		
248,000	Ally Financial, Inc., 7.30%, 11/8/13	6,269,440
Diversified Financial Services - 5.0%		
260,000	Citigroup Capital XIII, 7.875%, 10/30/15 (i)	7,150,000
100,000	Farm Credit Bank, 6.75%, 9/15/23 (a)(b)(c)(f)(h)(i) (acquisition cost - \$10,000,000; purchased 7/16/13)	10,021,880
16,900	10.00%, 12/15/20, Ser. 1 (f)	20,612,719
		37,784,599
Total Preferred Stock (cost-\$41,963,370)		44,054,039

Principal Amount (000s)		
ASSET-BACKED SECURITIES - 2.5%		
\$2,043	Asset-Backed Funding Certificates, 0.39%, 5/25/37 (a)(c)(j)	1,843,574
457	Bear Stearns Asset-Backed Securities Trust, 6.50%, 10/25/36	387,942
1,987	Greenpoint Manufactured Housing, 8.14%, 3/20/30 (j)	2,044,498
2,611	GSAA Home Equity Trust, 5.772%, 11/25/36 (j)	1,631,396
2,022	6.295%, 6/25/36	1,122,516
4,365	IndyMac Residential Asset-Backed Trust, 0.33%, 7/25/37 (j)	2,749,219
7,092	Lehman XS Trust, 6.006%, 6/24/46	5,608,535
940	MASTR Asset-Backed Securities Trust, 5.233%, 11/25/35	950,323
380	Mid-State Trust IV, 8.33%, 4/1/30	398,460
1,632	Mid-State Trust VII, 6.34%, 10/15/36	1,730,082
1,185	Morgan Stanley Mortgage Loan Trust, 6.25%, 7/25/47 (j)	893,421
Total Asset-Backed Securities (cost-\$18,857,856)		19,359,966

SOVEREIGN DEBT OBLIGATIONS - 0.4%		
Spain - 0.4%		
2,500	Autonomous Community of Valencia Spain, 2.593%, 9/3/17 (j) (cost-\$2,876,541)	3,126,690

SHORT-TERM INVESTMENTS - 16.2%		
Repurchase Agreements - 15.5%		
\$26,000	Banc of America Securities LLC, dated 10/31/13, 0.13%, due 11/1/13, proceeds \$26,000,094; collateralized by U.S. Treasury Bonds, 3.125% - 4.50%, due 8/15/39 - 11/15/41, valued at \$26,847,479 including accrued interest	26,000,000
12,300	Barclays Capital, Inc., dated 10/31/13, 0.12%, due 11/1/13, proceeds \$12,300,041; collateralized by U.S. Treasury Notes, 0.625%, due 11/30/17, valued at \$12,537,419 including accrued interest	12,300,000

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52,600	Credit Suisse Securities (USA) LLC, dated 10/31/13, 0.12%, due 11/1/13, proceeds \$52,600,175; collateralized by U.S. Treasury Notes, 0.25%, due 9/15/15, valued at \$53,828,522 including accrued interest	52,600,000
6,600	Deutsche Bank Securities, Inc., dated 10/31/13, 0.12%, due 11/1/13, proceeds \$6,600,022; collateralized by U.S. Treasury Inflation Indexed Notes, 2.00%, due 1/15/14, valued at \$6,733,218 including accrued interest	6,600,000
4,100	Goldman Sachs Group, Inc. (The), dated 10/31/13, 0.12%, due 11/1/13, proceeds \$4,100,014; collateralized by Fannie Mae, 2.50%, due 12/1/27, valued at \$4,233,534 including accrued interest	4,100,000
4,000	JPMorgan Securities, Inc., dated 10/31/13, 0.14%, due 11/1/13, proceeds \$4,000,016; collateralized by Freddie Mac, 2.255%, due 12/5/22, valued at \$4,085,400 including accrued interest	4,000,000
11,100	Morgan Stanley & Co., Inc., dated 10/31/13, 0.13%, due 11/1/13, proceeds \$11,100,040; collateralized by U.S. Treasury Notes, 0.875%, due 12/31/16, valued at \$11,318,944 including accrued interest	11,100,000
1,266	State Street Bank and Trust Co., dated 10/31/13, zero coupon, due 11/1/13, proceeds \$1,266,000; collateralized by Fannie Mae, 2.20%, due 10/17/22, valued at \$1,292,096 including accrued interest	1,266,000
Total Repurchase Agreements (cost-\$117,966,000)		117,966,000
U.S. Treasury Obligations (g)(k)- 0.7%		
5,264	U.S. Treasury Bills, 0.029%-0.101%, 1/2/14-10/16/14 (cost-\$5,263,140)	5,263,326
Total Short-Term Investments (cost-\$123,229,140)		123,229,326
Total Investments (cost-\$723,694,098) (l)-100.0%		\$761,808,421

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. Centrally cleared swaps are valued at the price determined by the relevant exchange.

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). 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.

Benchmark pricing procedures are used as the basis for setting the base price of a fixed-income security and for subsequently adjusting the price proportionally to market value changes of a pre-determined security deemed to be comparable in duration, generally a U.S. Treasury or sovereign note based on country of issuance. The base price may be a broker-dealer quote, transaction price, or an internal value as derived by analysis of market data. The base price of the security may be reset on a periodic basis based on the availability of market data and procedures approved by the Valuation Committee. The validity of the fair value is reviewed by the Sub-Adviser on a periodic basis and may be amended as the availability of market data indicates a material change.

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 the 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.

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The prices used by the Fund to value investments may differ from the value that would be realized if the investments 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 \$77,937,966, representing 10.2% of total investments.
- (b) Illiquid.
- (c) 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.
- (d) In default.
- (e) Fair-Valued Security with a value of \$57,171, representing less than 0.05% of total investments.
- (f) Perpetual maturity. The date shown, if any, is the next call date. For Corporate Bonds & Notes the interest rate is fixed until the first call date and variable thereafter.
- (g) All or partial amount segregated for the benefit of the counterparty as collateral for derivatives.
- (h) Restricted. The aggregate acquisition cost of such securities is \$38,244,337. The aggregate value is \$38,931,389, representing 5.1% of total investments.
- (i) Dividend rate is fixed until the first call date and variable thereafter.
- (j) Variable or Floating Rate Security Securities with an interest rate that changes periodically. The interest rate disclosed reflects the rate in effect on October 31, 2013.
- (k) Rates reflect the effective yields at purchase date.
- (l) At October 31, 2013, the cost basis of portfolio securities for federal income tax purposes was \$724,003,130. Gross unrealized appreciation was \$40,787,511; gross unrealized depreciation was \$2,982,220; and net unrealized appreciation was \$37,805,291. The difference between book and tax cost basis were attributable to the differing treatment of bond amortization/accretion.
- (m) Interest rate swap agreements outstanding at October 31, 2013:

OTC swap agreements:

Swap Counterparty	Notional Amount (000s)	Termination Date	Rate Type	Payments Made	Payments Received	Value	Upfront Premiums Paid (Received)	Unrealized Appreciation
Citigroup	\$410,700	11/20/18	3-Month USD-LIBOR		2.05%	\$3,929,072	\$(746,497)	\$4,675,569
Deutsche Bank	226,300	11/20/18	3-Month USD-LIBOR		2.05%	2,164,960	(400,164)	2,565,124
Goldman Sachs	200,000	11/20/18	3-Month USD-LIBOR		2.05%	888,394	230,962	657,432
Goldman Sachs	500,000	11/20/18	3-Month USD-LIBOR		2.05%	2,220,984	(1,721,240)	3,942,224
						\$9,203,410	\$(2,636,939)	\$11,840,349

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Centrally cleared swap agreements:

Broker (Exchange)	Notional Amount (000s)	Termination Date	Payments Made	Rate Type	Payments Received	Value	Unrealized Appreciation (Depreciation)
Goldman Sachs (CME)	\$50,000	6/19/43	2.75%	3-Month USD-LIBOR		\$7,816,562	\$4,420,562
Goldman Sachs (CME)	16,400	12/18/43	3.50%	3-Month USD-LIBOR		394,767	(574,801)
						\$8,211,329	\$3,845,761

(n) Forward foreign currency contracts outstanding at October 31, 2013:

	Counterparty	U.S.\$ Value on Origination Date	U.S.\$ Value October 31, 2013	Unrealized Appreciation (Depreciation)
Purchased:				
66,789,275 Brazilian Real settling 11/4/13	Barclays Bank	\$30,322,925	\$29,813,979	\$(508,946)
20,865,146 Brazilian Real settling 11/4/13	Credit Suisse First Boston	9,472,962	9,313,966	(158,996)
19,946,476 Brazilian Real settling 11/4/13	Credit Suisse First Boston	8,629,230	8,903,882	274,652
40,069,551 Brazilian Real settling 12/3/13	Credit Suisse First Boston	18,344,764	17,761,667	(583,097)
84,796,436 Brazilian Real settling 11/4/13	HSBC Bank	38,259,452	37,852,172	(407,280)
1,632,652 Brazilian Real settling 11/4/13	HSBC Bank	718,313	728,798	10,485
9,341,172 Brazilian Real settling 11/4/13	Morgan Stanley	4,169,608	4,169,794	186
160,935,952 Brazilian Real settling 11/4/13	Morgan Stanley	72,374,335	71,839,993	(534,342)
8,214,368 Brazilian Real settling 1/3/14	Morgan Stanley	3,562,635	3,618,012	55,377
16,461,000 British Pound settling 11/4/13	Deutsche Bank	26,600,976	26,393,554	(207,422)
805,000 Euro settling 11/4/13	Bank of America	1,094,420	1,092,988	(1,432)
14,886,000 Euro settling 11/4/13	Goldman Sachs	20,542,680	20,211,456	(331,224)
3,322,000 Euro settling 11/4/13	HSBC Bank	4,495,340	4,510,443	15,103
15,352,000 Euro settling 11/4/13	JPMorgan Chase	20,798,751	20,844,167	45,416
Sold:				
66,789,275 Brazilian Real settling 11/4/13	Barclays Bank	28,467,000	29,813,979	(1,346,979)
40,811,622 Brazilian Real settling 11/4/13	Credit Suisse First Boston	18,804,230	18,217,847	586,383
22,714,169 Brazilian Real settling 1/3/14	Deutsche Bank	10,032,317		