

Ivy High Income Opportunities Fund
Form N-CSRS
June 06, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-22800

IVY HIGH INCOME OPPORTUNITIES FUND

(Exact name of registrant as specified in charter)

6300 Lamar Avenue, Overland Park, Kansas 66202

(Address of principal executive offices) (Zip code)

Mara D. Herrington

6300 Lamar Avenue

Overland Park, Kansas 66202

(Name and address of agent for service)

Registrant's telephone number, including area code: 913-236-2000

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Date of fiscal year end: September 30

Date of reporting period: March 31, 2014

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ITEM 1. REPORTS TO STOCKHOLDERS.

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Semiannual Report

March 31, 2014

Ivy High Income Opportunities Fund

The Fund's common shares are listed on the New York Stock Exchange and trade under the ticker symbol IVH

The Fund is a non-diversified, closed-end management investment company designed primarily as a long-term investment and not as a trading vehicle.

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PRESIDENT S LETTER

Ivy High Income Opportunities Fund

MARCH 31, 2014 (UNAUDITED)

Henry J. Herrmann, CFA

Dear Shareholder,

Over the past six months, fixed-income markets were challenged by Federal Reserve policy uncertainty and related questions about the outlook for interest rates, inflation and economic growth. In our view, bond markets remain somewhat expensive, relatively. The benchmark 10-year Treasury ended the period yielding 2.73%, compared with 2.64% at the start of the period. For the first time since the 2008 downturn, we saw money flow from bonds to equities rather than vice versa.

Looking at the markets more broadly, the last six months have brought more volatility, though equities saw strong returns. While we see a positive environment for equities this year, the process of interest rate normalization has begun and will continue to have an impact on markets. The implementation of the Affordable Care Act also has the potential to present challenges that may influence both hiring and consumer spending. Overall, we believe the U.S. economy will move ahead moderately. As the Federal Reserve winds down its bond buying program, and if the economy normalizes over the coming year, we are likely to see interest rates to rise modestly.

Internationally, headwinds continue to varying degrees in China, Japan and Europe, while tensions remain high in the Middle East. We remain relatively cautious on emerging markets as negative current accounts, dwindling foreign investment flows and decreasing commodity prices will likely stunt growth. We will continue to closely monitor these events and others as the year unfolds with an eye on the risks, and opportunities, that they present.

Economic Snapshot

	3/31/2014	9/30/2013
S&P 500 Index	1,872.34	1,681.55
MSCI EAFE Index	1,915.69	1,818.23
10-Year Treasury Yield	2.73%	2.64%
U.S. unemployment rate	6.7%	7.2%
30-year fixed mortgage rate	4.65%	4.58%
Oil price per barrel	\$ 101.58	\$ 102.33

Sources: Bloomberg, U.S. Department of Labor, CME

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All government statistics shown are subject to periodic revision. The S&P 500 Index is an unmanaged index that tracks the stocks of 500 primarily large-cap U.S. companies. MSCI EAFE Index is an unmanaged index comprised of securities that represent the securities markets in Europe, Australasia and the Far East. Citigroup Broad Investment Grade Index is an unmanaged index comprised of securities that represent the bond market. Annualized yield to maturity is the rate of return anticipated on a bond if it is held until the maturity date. It is not possible to invest directly in any of these indexes. Mortgage rates are from BankRate and reflect the overnight national average rate on a conventional 30-year fixed loan. Oil prices reflect the market price of West Texas intermediate grade crude.

As always, we thank you for your continued trust and partnership, and encourage you to share in our optimism for the future.

Respectfully,

Henry J. Herrmann, CFA

President

The opinions expressed in this letter are those of the President of Ivy Funds and are current only through the end of the period of the report, as stated on the cover. The President's views are subject to change at any time, based on market and other conditions, and no forecasts can be guaranteed.

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PORTFOLIO HIGHLIGHTS

Ivy High Income Opportunities Fund

ALL DATA IS AS OF MARCH 31, 2014 (UNAUDITED)

Total Return⁽¹⁾	Share Price	NAV
For the period ended 3-31-14	9.26%	10.82%
Commencement of operations (5-29-13) through 3-31-14	-1.37%	14.23%

Share Price/NAV Performance

Commencement of operations (5-29-13) through 3-31-14

Share Price/NAV

Share Price	\$18.28
NAV	\$20.22
Discount to NAV ⁽³⁾	-9.59%
Share Price Yield ⁽⁴⁾	8.21%
Structural Leverage Ratio ⁽⁵⁾	30.93%
Total Structural and Effective Leverage Ratio ⁽⁶⁾	30.94%

Asset Allocation (% s based on total investments)

Bonds	99.2%
Corporate Debt Securities	75.3%
Loans	23.4%
Municipal Bonds	0.5%
Borrowings⁽²⁾	-30.8%
Cash Equivalents	0.8%

Quality Weightings (% s based on total investments)

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Investment Grade	1.4%
BBB	1.4%
Non-Investment Grade	97.8%
BB	25.1%
B	50.1%
CCC	21.1%
Non-rated	1.5%
Borrowings⁽²⁾	-30.8%
Cash Equivalents	0.8%

Our preference is to always use ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings are obtained from Moody's.

(1) Past performance is not necessarily indicative of future performance. Total return is calculated by determining the percentage change in NAV or share price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return for a period of less than one year is not annualized. Performance at share price will differ from results at NAV. Returns at share price can be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's stock, or changes in the Fund's dividends. An investment in the Fund involves risk, including the loss of principal. Total return, share price, share price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one time public offering and, once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets less total liabilities divided by the total number of shares outstanding. Holdings are subject to change daily.

(2) The Fund has entered into a borrowing arrangement with Bank of America, N.A. as a means of financial leverage. See Note 7 in the Notes to Financial Statements for additional information.

(3) The premium/discount is calculated as (most recent share price/most recent NAV) -1.

(4) Share price yield is determined by dividing the annualized current monthly dividend per share (comprised of net investment income) by the share price per share at March 31, 2014.

(5) Structural leverage consists of borrowings outstanding as a percentage of managed assets. Managed assets are the Fund's total assets, including the assets attributable to the proceeds from any borrowings, minus liabilities other than the aggregate indebtedness entered into for the purpose of leverage.

(6) Total structural and effective leverage ratio is the Fund's effective leverage, and includes both structural leverage and the leverage effects of certain derivative instruments in the Fund's portfolio as a percentage of managed assets. The leverage effects of forward foreign currency contracts are included in the effective leverage values, in addition to any structural leverage.

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

CORPORATE DEBT**SECURITIES**

	Principal	Value
Advertising 0.3%		
Lamar Media Corp., 5.375%, 1 15 24 (A)	\$ 977	\$ 1,001
Aerospace & Defense 2.9%		
Silver II Borrower SCA and Silver II U.S. Holdings, 7.750%, 12 15 20 (A)(H)	9,000	9,698
Agricultural Products 1.8%		
American Seafoods Group LLC, 10.750%, 5 15 16 (A)(H)	5,787	5,982
Air Freight & Logistics 2.5%		
TRAC Intermodal LLC and TRAC Intermodal Corp., 11.000%, 8 15 19 (H)	7,211	8,221
Airlines 0.3%		
United Continental Holdings, Inc. (GTD by United Air Lines, Inc.): 6.000%, 7-15 26 6.000%, 7-15 28	321 643	303 590
		893
Aluminum 0.4%		
Wise Metals Group LLC, 8.750%, 12 15 18 (A)	1,221	1,310
Apparel Retail 0.4%		
Gymboree Corp. (The), 9.125%, 12 1 18	488	413
Jones Group, Inc. (The), Jones Apparel Group Holdings, Inc., Jones Apparel Group USA, Inc. and JAG Footwear, Accessories and Retail Corp., 6.875%, 3 15 19	787	811
		1,224

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Application Software 0.3%

ACI Worldwide, Inc., 6.375%, 8 15 20 (A)	971	1,023
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Auto Parts & Equipment 4.1%

Icahn Enterprises L.P. and Icahn Enterprises Finance Corp.:		
3.500%, 3 15 17 (A)	1,240	1,252
4.875%, 3 15 19 (A)	1,771	1,802
6.000%, 8 1 20 (A)	1,771	1,877
5.875%, 2 1 22 (A)	1,051	1,067
IDQ Holdings, Inc., 11.500%, 4 1 17 (A)	132	144

CORPORATE DEBT

SECURITIES (continued)

Auto Parts & Equipment (Continued)	Principal	Value
Schaeffler Holding Finance B.V.:		
6.875%, 8 15 18 (A)(B)(C)	EUR4,611	\$ 6,753
6.875%, 8 15 18 (A)(C)(H)	\$ 932	991
		13,886

Automobile Manufacturers 0.2%

Chrysler Group LLC and CG Co-Issuer, Inc., 8.250%, 6 15 21(A)	175	198
Navistar International Corp., 8.250%, 11 1 21	317	323
		521

Automotive Retail 0.2%

Sonic Automotive, Inc., 5.000%, 5 15 23	819	804
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Broadcasting 3.5%

CBS Outdoor Americas, Inc.:		
5.250%, 2 15 22 (A)	350	359
5.625%, 2 15 24 (A)	350	359
Clear Channel Worldwide Holdings, Inc., Series B, 7.625%, 3 15 20 (H)	10,000	10,800
Spanish Broadcasting System, Inc., 12.500%, 4 15 17 (A)	160	176
		11,694

Building Products 3.3%

CPG Merger Sub LLC, 8.000%, 10 1 21 (A)	1,061	1,141
HD Supply, Inc., 7.500%, 7 15 20 (H)	8,100	8,838
Ply Gem Industries, Inc., 6.500%, 2 1 22 (A)	1,051	1,062
		11,041

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Cable & Satellite 12.9%

Cablevision Systems Corp., 5.875%, 9 15 22 (H)	10,000	10,200
CCO Holdings LLC and CCO Holdings Capital Corp.: 5.250%, 3 15 21	206	208
6.500%, 4 30 21	172	182
5.250%, 9 30 22	276	273
5.125%, 2 15 23	276	266
5.750%, 9 1 23	69	68
5.750%, 1 15 24	276	274

CORPORATE DEBT

SECURITIES (Continued)

Cable & Satellite (Continued)

	Principal	Value
DISH DBS Corp.:		
6.750%, 6 1 21 (H)	\$ 10,500	\$ 11,759
5.875%, 7 15 22	2,000	2,135
Sirius XM Radio, Inc.: 5.875%, 10 1 20 (A)	1,079	1,136
5.750%, 8 1 21 (A)	2,399	2,495
4.625%, 5 15 23 (A)(H)	4,586	4,322
Univision Communications, Inc., 6.750%, 9 15 22 (A)(H)	5,306	5,870
VTR Finance B.V., 6.875%, 1 15 24 (A)	3,584	3,727
		42,915

Casinos & Gaming 1.5%

Gateway Casinos & Entertainment Ltd., 8.500%, 11 26 20 (A)(B)	CAD822	752
MCE Finance Ltd., 5.000%, 2 15 21 (A)	\$ 2,390	2,390
Wynn Macau Ltd., 5.250%, 10 15 21 (A)	1,931	1,965
		5,107

Coal & Consumable Fuels 0.6%

Foresight Energy LLC and Foresight Energy Finance Corp., 7.875%, 8 15 21 (A)	2,075	2,174
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Communications Equipment 3.8%

Eagle Midco, Inc., 9.000%, 6 15 18 (A)(C)(H)	12,000	12,601
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Construction Materials 0.5%

Hillman Group, Inc. (The), 10.875%, 6 1 18	1,500	1,598
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Consumer Finance 2.4%

Creditcorp, 12.000%, 7 15 18 (A)(H)	5,248	5,353
MISA Investments Ltd., 8.625%, 8 15 18 (A)	2,552	2,629
		7,982

Data Processing & Outsourced Services 0.4%

Bankrate, Inc., 6.125%, 8 15 18 (A)	1,360	1,442
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Distributors 0.8%

Pinnacle Operating Corp., 9.000%, 11 15 20 (A)	2,618	2,827
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Diversified Banks 0.2%

Barclays plc.

8.250%, 12 29 49

753

791

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

CORPORATE DEBT**SECURITIES (Continued)**

	Principal	Value
Diversified Capital Markets 2.8%		
Mobile Challenger Intermediate Group S.A.: 8.750%, 3 15 19 (A)(B)(C)	CHF2,000	\$ 2,341
8.750%, 3 15 19 (A)(B)(C)	EUR2,000	2,855
Patriot Merger Corp., 9.000%, 7 15 21 (A)(H)	\$ 3,827	4,096
		9,292
Diversified Metals & Mining 5.4%		
Crystal Merger Sub, Inc., 7.625% , 10 15 21(A)	391	419
FMG Resources Pty Ltd.: 8.250%, 11 1 19 (A)(H)	2,500	2,750
6.875%, 4 1 22 (A)(H)	12,267	13,217
Magnetation LLC and Mag Finance Corp., 11.000%, 5 15 18 (A)	1,666	1,862
		18,248
Diversified Support Services 4.4%		
Algeco Scotsman Global Finance plc, 8.500%, 10 15 18 (A)(H)	10,575	11,553
Nexo Solutions LLC, 8.375%, 3 1 18 (H)	3,600	3,636
		15,189
Electronic Components 0.2%		
WireCo WorldGroup, Inc., 9.500%, 5 15 17	567	584
Electronic Manufacturing Services 0.6%		
KEMET Corp., 10.500%, 5 1 18 (H)	2,000	2,095
Food Distributors 0.4%		
Diamond Foods, Inc., 7.000%, 3 15 19 (A)	1,243	1,287
Health Care Facilities 6.2%		
Catamaran Corp., 4.750%, 3 15 21	645	654
	1,236	1,273

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ConvaTec Finance International S.A., 8.250%,

1 15 19 (A)(C)

FWCT-2 Escrow Corp.: 5.125%, 8 1 21 (A)	351	360
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6.875%, 2 1 22 (A)

	1,229	1,284
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CORPORATE DEBT

SECURITIES (Continued)

Health Care Facilities (continued)

HCA Holdings, Inc., 6.250%,

2 15 21 (H)

Principal

Value

	\$ 8,335	\$ 8,922
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HCA, Inc. (GTD by HCA Holdings, Inc.),

5.000%, 3 15 24

	810	812
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MPH Acquisition Holdings LLC,

6.625%, 4 1 22 (A)

	856	878
--	-----	-----

Tenet Healthcare Corp.: 6.000%, 10 1 20 (A)

	1,592	1,703
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8.125%, 4 1 22 (H)

	4,337	4,847
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20,733

Health Care Services 1.6%

MedImpact Holdings, Inc.,

10.500%,

2 1 18 (A)(H)

	5,000	5,425
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Health Care Supplies 1.9%

HCA, Inc.,

7.500%, 2 15 22 (H)

	5,500	6,284
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Hotels, Resorts & Cruise Lines 0.9%

Hilton Worldwide Finance LLC,

5.625%,

10 15 21 (A)

	2,937	3,069
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Industrial Machinery 0.2%

Dynacast International LLC and Dynacast Finance, Inc.,

9.250%, 7 15 19

	293	326
--	-----	-----

Gardner Denver, Inc. and Renaissance Acquisition Corp.,

6.875%, 8 15 21 (A)

	310	319
--	-----	-----

645

Integrated Telecommunication Services 4.2%

BCP (Singapore) VI Cayman Financing Co. Ltd.,

8.000%, 4 15 21 (A)

	403	409
--	-----	-----

CenturyLink, Inc.:

5.625%, 4 1 20

	349	367
--	-----	-----

5.800%, 3 15 22 (H)

	13,000	13,293
--	--------	--------

Windstream Corp.,

7.750%, 10 15 20

	72	77
--	----	----

14,146

IT Consulting & Other Services 0.5%

iGATE Corp.,

4.750%, 4 15 19 (A)

	1,667	1,673
--	-------	-------

Leasing 0.5%

Aircastle Ltd.,

5.125%, 3 15 21

	1,610	1,612
--	-------	-------

Leisure Facilities 0.6%

Regal Entertainment Group,

5.750%, 2 1 25

	2,000	1,955
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CORPORATE DEBT

SECURITIES (Continued)

Principal

Value

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Metal & Glass Containers 0.8%

Consolidated Container Co. LLC and Consolidated Container Capital, Inc.,
10.125%,
7 15 20 (A)

\$ 2,500 \$ 2,656

Metals / Mining 0.3%

Artsonig Pty Ltd.,
11.500%,
4 1 19 (A)(C)

865 867

Movies & Entertainment 0.8%

Cinemark USA, Inc.:
5.125%, 12 15 22
4.875%, 6 1 23 (H)
WMG Acquisition Corp.: 5.625%, 4 15 22 (A)
6.750%, 4 15 22 (A)

533 533
1,651 1,587
161 163
484 487

2,770

Oil & Gas Refining & Marketing 5.1%

Offshore Drilling Holding S.A.,
8.375%, 9 20 20 (A)
Samson Investment Co., 10.750%,
2 15 20 (A)(D)(H)
Shelf Drilling Holdings Ltd.,
8.625%,
11 1 18 (A)(H)

3,074 3,355
5,000 5,450
7,608 8,235

17,040

Other Diversified Financial Services 1.9%

Artesyn Escrow, Inc.,
9.750%,
10 15 20 (A)
Greektown Holdings LLC and Greektown Mothership Corp.,
8.875%, 3 15 19 (A)
NCR Escrow Corp.:
5.875%,
12 15 21 (A)
6.375%,
12 15 23 (A)
PC Nextco Holdings LLC and PC Nextco Finance, Inc.,
8.750%,
8 15 19 (A)(C)

1,085 1,025
1,925 1,987
1,154 1,215
1,233 1,310
826 854

6,391

Paper Packaging 3.0%

Beverage Packaging Holdings II Issuer, Inc. and Beverage Packaging Holdings (Luxembourg)
II S.A.,
6.000%, 6 15 17 (A)
Reynolds Group Holdings Ltd.:
9.000%, 4 15 19 (H)
9.875%, 8 15 19 (H)

591 612
4,069 4,354
4,500 5,028

9,994

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

CORPORATE DEBT**SECURITIES (Continued)**

	Principal	Value
Personal Products 0.3%		
Elizabeth Arden, Inc., 7.375%, 3 15 21	\$ 1,016	\$ 1,092
Pharmaceuticals 1.5%		
Forest Laboratories, Inc., 5.000%, 12 15 21 (A)	3,358	3,551
Salix Pharmaceuticals Ltd., 6.000%, 1 15 21 (A)	1,421	1,517
		5,068
Precious Metals & Minerals 1.0%		
Prince Mineral Holding Corp., 11.500%, 12 15 19 (A)	3,000	3,368
Real Estate Services 1.1%		
Stearns Holdings, Inc., 9.375%, 8 15 20 (A)	3,571	3,732
Semiconductors 0.6%		
Micron Technology, Inc., 5.875%, 2 15 22 (A)	1,798	1,883
Specialized Consumer Services 3.9%		
AA Bond Co. Ltd., 9.500%, 7 31 19 (A)(B)	GBP1,931	3,638
B-Corp Merger Sub, Inc., 8.250%, 6 1 19 (H)	\$ 4,000	4,150
Carlson Wagonlit B.V., 6.875%, 6 15 19 (A)	214	228
First Data Holdings, Inc., 14.500%, 9 24 19 (A)(C)	527	495
Lansing Trade Group, 9.250%, 2 15 19 (A)	1,314	1,314
Nielsen Finance, 5.500%, 10 1 21 (A)	1,396	1,457
Nielsen Finance LLC and Nielsen Finance Co., 5.000%, 4 15 22 (A)	1,930	1,935

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13,217

Specialized Finance 3.5%

Flexi-Van Leasing, Inc., 7.875%,

8 15 18 (A)(H) 5,208 5,742

CORPORATE DEBT

SECURITIES (Continued)

Specialized Finance (continued)

TMX Finance LLC and TitleMax Finance Corp.,

8.500%,

9 15 18 (A)(H) \$ 5,293 \$ 5,795

11,537

Specialized REITs 1.1%

CNL Lifestyles Properties, Inc.,

7.250%,

4 15 19 (H) 3,539 3,716

Specialty Stores 2.4%

Jo-Ann Stores Holdings, Inc.,

9.750%,

10 15 19 (A)(C) 1,046 1,090

Jo-Ann Stores, Inc., 8.125%,

3 15 19 (A) 81 84

Takko Luxembourg 2 S.C.A.,

9.875%,

4 15 19 (A)(B) EUR5,258 6,752

7,926

Technology Distributors 0.0%

Sophia L.P. and Sophia Finance, Inc.,

9.625%,

12 1 18 (A)(C) \$ 107 112

Textiles 0.2%

Quiksilver, Inc. and QS Wholesale, Inc., 7.875%,

8 1 18 (A) 577 627

Thrifts & Mortgage Finance 3.1%

Provident Funding Associates L.P. and PFG Finance Corp.:

10.125%,

2 15 19 (A) 2,725 2,977

6.750%,

6 15 21 (A)(H) 7,500 7,500

10,477

Tobacco 0.5%

Prestige Brands, Inc., 5.375%,

12 15 21 (A) 1,630 1,669

Wireless Telecommunication Service 4.5%

DigitalGlobe, Inc., 5.250%, 2 1 21

Sprint Corp.: 1,388 1,371

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7.250%, 9 15 21 (A)(H)	5,074	5,530
7.875%, 9 15 23 (A)(H)	4,459	4,905

CORPORATE DEBT

SECURITIES (Continued)

Wireless Telecommunication Service (continued)

T-Mobile USA, Inc.:

	Principal	Value
6.464%, 4 28 19	\$ 728	\$ 779
6.542%, 4 28 20	788	848
6.633%, 4 28 21	382	411
6.125%, 1 15 22	372	390
6.731%, 4 28 22	158	169
6.836%, 4 28 23	158	169
6.500%, 1 15 24	372	390

14,962

TOTAL CORPORATE DEBT SECURITIES 109.3%

\$ 366,076

(Cost: \$351,009)

MUNICIPAL BONDS

Puerto Rico 0.7%

Cmnwlth of PR, GO Bonds of 2014, Ser A,

8.000%, 7 1 35 930 870

PR Aqueduct and Sewer Auth Rev Bonds, Ser 2012A (Sr Lien):

5.750%, 7 1 37 515 371

5.250%, 7 1 42 515 346

PR Elec Power Auth, Power Rev Bonds, Ser 2010XX,

5.750%, 7 1 36 155 95

PR Elec Power Auth, Power Rev Bonds, Ser 2013A,

7.000%, 7 1 33 205 144

PR Elec Power Auth, Power Rev Bonds, Ser WW,

5.500%, 7 1 38 620 373

2,199

TOTAL MUNICIPAL

BONDS 0.7%

\$ 2,199

(Cost: \$2,298)

LOANS

Apparel Retail 5.4%

True Religion Apparel, Inc.:

5.875%,
7 29 19 (D) 7,463 7,113

5.875%,
7 30 19 (D) 7,500 7,149

11.000%,
1 30 20 (D) 4,000 3,820

18,082

Application Software 0.8%

Misys plc and Magic Newco LLC,

12.000%,
6 12 19 (D) 2,400 2,748

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

LOANS (Continued)	Principal	Value
Auto Parts & Equipment 0.3%		
Direct ChassisLink, Inc., 8.250%, 11 7 19 (D)	\$ 940	\$ 947
Broadcasting 2.2%		
PAW LUXCO II S.A.R.L., 5.205%, 7 29 17 (B)(D)	EUR5,260	7,209
Building Products 0.8%		
GYP Holdings III Corp.:		
0.000%, 3 27 21 (D)	\$ 1,365	1,358
0.000%, 3 27 22 (D)	1,365	1,370
		2,728
Casinos & Gaming 0.2%		
Gateway Casinos & Entertainment Ltd.:		
6.250%, 11 4 19 (B)(D)	CAD2	2
5.577%, 11 26 19 (B)(D)	739	664
		666
Construction Materials 0.2%		
Quickrete Holdings, Inc.:		
4.000%, 9 19 20 (D)	\$ 383	384
7.000%, 3 19 21 (D)	295	302
		686
Data Processing & Outsourced Services 0.7%		
Sedgwick Claims Management Services, Inc., 6.750%, 1 27 22 (D)	2,412	2,395

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General Merchandise Stores 1.4%

Orchard Acquisition Co. LLC, 7.000%, 2 8 19 (D)	4,641	4,722
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Health Care Facilities 0.7%

MPH Acquisition Holdings LLC, 4.000%, 3 21 21 (D)	404	403
Surgery Center Holdings, Inc., 9.750%, 4 11 20 (D)	2,000	1,975
		2,378

Health Care Services 0.3%

Accellent, Inc.: 0.000%, 2 21 22 (D)	65	64
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LOANS (Continued)

Health Care Services (continued)	Principal	Value
7.500%, 2 21 22 (D)	\$ 880	\$ 872
		936

Hotels, Resorts & Cruise Lines 1.6%

Four Seasons Hotels Ltd., 6.250%, 12 27 20 (D)	799	810
Hilton Worldwide Finance LLC: 3.750%, 9 23 20 (D)	320	320
3.750%, 10 15 20 (D)	4,318	4,323
		5,453

Housewares & Specialties 0.8%

KIK Custom Products, Inc.: 5.500%, 5 17 19 (D)	1,885	1,878
9.500%, 11 17 19 (D)	716	720
		2,598

Independent Power Producers & Energy Traders 1.3%

Alinta Energy Finance PTY Ltd.: 0.000%, 8 13 19 (D)	259	262
6.375%, 8 13 19 (D)	3,935	3,985
		4,247

Industrial Machinery 1.5%

Capital Safety North America Holdings, Inc.: 0.000%, 3 26 21 (D)	2,262	2,258
	2,179	2,191

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0.000%, 3 26 22 (D)		
Gardner Denver, Inc., 4.750%, 7 23 20 (B)(D)	EUR468	645

5,094

IT Consulting & Other Services 1.8%

Active Network, Inc. (The):

5.500%, 11 15 20 (D)	\$ 1,885	1,901
9.500%, 11 15 21 (D)	1,984	2,023
Triple Point Group Holdings, Inc., 5.250%, 7 13 20 (D)	2,003	1,883

5,807

Leisure Facilities 0.8%

Northfield Park Associates LLC,

9.000%, 12 10 18 (D)	2,704	2,748
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LOANS (Continued)

Metal & Glass Containers 1.5%

Evergreen Tank Solution, Inc.,

	Principal	Value
9.500%, 9 28 18 (D)	\$ 4,987	\$ 4,984

Movies & Entertainment 4.7%

Yonkers Racing Corp.,

8.750%, 8 20 20 (D)	15,889	15,730
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Oil & Gas Refining & Marketing 1.7%

Fieldwood Energy LLC, 8.125%, 9 30 20 (D)

Shelf Drilling Midco Ltd., 10.000%, 10 8 18 (C)(D)	2,136	2,222
	3,209	3,277

5,499

Oil & Gas Storage & Transportation 1.2%

Bowie Resources Holdings LLC:

6.750%, 8 12 20 (D)	2,550	2,575
11.750%, 2 16 21 (D)	1,569	1,569

4,144

Other Diversified Financial Services 1.5%

Cetera Financial Group, Inc.,

6.500%, 7 15 19 (D)	3,456	3,457
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SEI Holdings Corp., 0.000%,

3 24 22 (D)	1,719	1,710
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		5,167
Paper Packaging 0.7%		
FPC Holdings, Inc., 9.250%, 5 27 20 (D)	2,500	2,456
Research & Consulting Services 1.6%		
Larchmont Resources LLC, 8.250%, 8 7 19 (D)	5,279	5,359
Specialty Chemicals 0.3%		
Chromaflo Technologies Corp.: 4.500%, 12 2 19 (D)	370	371
8.250%, 6 2 20 (D)	706	710
		1,081
TOTAL LOANS 34.0% (Cost: \$111,520)		\$ 113,864

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

SHORT-TERM SECURITIES	Principal	Value
Commercial Paper 0.9% Kroger Co. (The), 0.190%, 4 1 14 (E)	\$ 3,188	\$ 3,188
Master Note 0.3% Toyota Motor Credit Corp., 0.099%, 4 2 14 (F)	923	923
TOTAL SHORT-TERM SECURITIES 1.2% (Cost: \$4,111)		\$ 4,111
TOTAL INVESTMENT SECURITIES 145.2% (Cost: \$468,938)		\$ 486,250
BORROWINGS (G) (44.8%)		(150,000)
LIABILITIES, NET OF CASH AND OTHER ASSETS (0.4%)		(1,342)
NET ASSETS 100.0%		\$ 334,908

Notes to Schedule of Investments

(A) Securities were purchased pursuant to Rule 144A under the Securities Act of 1933 and may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2014, the total value of these securities amounted to \$236,768 or 70.7% of net assets.

(B) Principal amounts are denominated in the indicated foreign currency, where applicable (CAD - Canadian Dollar, CHF - Swiss Franc, EUR - Euro and GBP - British Pound).

(C) Payment-in-kind bonds.

(D) Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2014.

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(E)Rate shown is the yield to maturity at March 31, 2014.

(F)Variable rate security. Interest rate disclosed is that which is in effect at March 31, 2014. Date shown represents the date that the variable rate resets.

(G)Borrowings Payable as a percentage of Total Investments is 30.8%.

(H)All or a portion of the security position has been pledged as collateral on open borrowings.
The following forward foreign currency contracts were outstanding at March 31, 2014:

Type	Currency	Counterparty	Principal Amount of Contract (Denominated in Indicated Currency)	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
Sell	British Pound	Morgan Stanley International	2,112	4 28 14	\$	\$ 37
Sell	Euro	Morgan Stanley International	19,636	4 28 14		10
Sell	Swiss Franc	Morgan Stanley International	2,000	4 28 14		5
					\$	\$ 52

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SCHEDULE OF INVESTMENTS

Ivy High Income Opportunities Fund *(in thousands)*

MARCH 31, 2014 (UNAUDITED)

The following table is a summary of the valuation of the Fund's investments by the fair value hierarchy levels as of March 31, 2014. See Note 3 to the Financial Statements for further information regarding fair value measurement.

	Level 1	Level 2	Level 3
Assets			
Investments in Securities			
Corporate Debt Securities	\$	\$ 361,557	\$ 4,519
Municipal Bonds		2,199	
Loans		69,848	44,016
Short-Term Securities		4,111	
Total	\$	\$ 437,715	\$ 48,535
Liabilities			
Forward Foreign Currency Contracts	\$	\$ 52	\$
Payable for Borrowing	\$	\$ 150,000	\$

The following table is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	Corporate Debt Securities	Loans
Beginning Balance 10-1-13	\$	\$ 35,321
Net realized gain (loss)		1
Net change in unrealized appreciation (depreciation)		127
Purchases		6,796
Sales		(122)
Amortization/Accretion of premium/discount		(13)
Transfers into Level 3 during the period		4,405
Transfers out of Level 3 during the period		(8,897)
Ending Balance 3-31-14	\$	\$ 44,016
Net change in unrealized appreciation (depreciation) for all Level 3 investments still held as of 3-31-14	\$	\$ 127

Transfers from Level 2 to Level 3 occurred primarily due to the lack of observable market data due to decreased market activity or information for these securities. Transfers from Level 3 to Level 2 occurred primarily due to the increased availability of observable market data due to increased market activity or information. As shown above, transfers in and out of Level 3 represent the values as of the beginning of the reporting period. There were no transfers between Levels 1 and 2 during the period ended March 31, 2014.

Information about Level 3 fair value measurements:

	Fair Value at		
	3-31-14	Valuation Technique(s)	Unobservable Input(s)
Assets			
Corporate Debt Securities	\$ 4,519	Third-party valuation service	Broker quotes
Loans	\$ 44,016	Third-party valuation service	Broker quotes

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The following acronyms are used throughout this schedule:

GTD = Guaranteed

REIT = Real Estate Investment Trust

See Accompanying Notes to Financial Statements.

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STATEMENT OF ASSETS AND LIABILITIES

Ivy High Income Opportunities Fund

AS OF MARCH 31, 2014 (UNAUDITED)

(In thousands, except per share amounts)

ASSETS

Investments in unaffiliated securities at value+	\$ 486,250
Investments at Value	486,250
Cash	1,114
Cash denominated in foreign currencies at value+	599
Restricted cash	210
Investment securities sold receivable	4,847
Interest receivable	6,999
Prepaid and other assets	1
Total Assets	500,020

LIABILITIES

Investment securities purchased payable	14,945
Trustees and Chief Compliance Officer fees payable	2
Shareholder servicing fees payable	2
Investment management fee payable	13
Accounting services fees payable	11
Unrealized depreciation on forward foreign currency contracts	52
Payable for borrowing	150,000
Interest payable for borrowing	4
Other liabilities	83
Total Liabilities	165,112
Total Net Assets	\$ 334,908

NET ASSETS

Capital paid in	\$ 315,769
Undistributed net investment income	1,181
Accumulated net realized gain	675
Net unrealized appreciation	17,283
Total Net Assets	\$ 334,908

SHARES OUTSTANDING

16,567

NET ASSET VALUE PER SHARE

\$20.22

+COST

Investments in unaffiliated securities at cost	\$ 468,938
Cash denominated in foreign currencies at cost	591

See Accompanying Notes to Financial Statements.

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STATEMENT OF OPERATIONS

Ivy High Income Opportunities FundFOR THE SIX MONTHS ENDED
MARCH 31, 2014 (UNAUDITED)

(In thousands)

INVESTMENT INCOME

Interest and amortization from unaffiliated securities	\$ 17,751
Total Investment Income	17,751

EXPENSES

Investment management fee	2,402
Interest expense for borrowing	701
Shareholder servicing fees	12
Custodian fees	3
Trustees and Chief Compliance Officer fees	5
Accounting services fees	65
Professional fees	98
Other	70
Total Expenses	3,356
Net Investment Income	14,395

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) on:	
Investments in unaffiliated securities	1,705
Forward foreign currency contracts	(659)
Foreign currency exchange transactions	(54)
Net change in unrealized appreciation on:	
Investments in unaffiliated securities	16,020
Forward foreign currency contracts	47
Foreign currency exchange transactions	102
Net Realized and Unrealized Gain	17,161
Net Increase in Net Assets Resulting from Operations	\$ 31,556

See Accompanying Notes to Financial Statements.

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STATEMENTS OF CHANGES IN NET ASSETS

Ivy High Income Opportunities Fund

(In thousands)	Six months ended 3-31-14 (Unaudited)	Period from 5-29-13 to 9-30-13
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income	\$ 14,395	\$ 7,347
Net realized gain on investments	992	1,496
Net change in unrealized appreciation	16,169	1,114
Net Increase in Net Assets Resulting from Operations	31,556	9,957
Distributions to Shareholders From:		
Net investment income	(16,865)	(4,142)
Net realized gains	(1,367)	N/A
Total Distributions to Shareholders	(18,232)	(4,142)
Capital Share Transactions:		
Net proceeds from the sale of shares		316,331
Offering costs charged to paid-in capital		(662)
Net Increase in Net Assets from Share Transactions		315,669
Net Increase in Net Assets	13,324	321,484
Net Assets, Beginning of Period	321,584	100
Net Assets, End of Period	\$ 334,908	\$ 321,584
Undistributed net investment income	\$ 1,181	\$ 3,520

See Accompanying Notes to Financial Statements.

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STATEMENT OF CASH FLOWS

Ivy High Income Opportunities FundFOR THE SIX MONTHS ENDED
MARCH 31, 2014 (UNAUDITED)

(In thousands)

Cash flows provided by operating activities:

Net increase in net assets resulting from operations \$ 31,556

Adjustments to reconcile net increase in net assets from operations to net cash provided by operating activities:

Purchases of long-term investment securities (93,837)

Proceeds from sales of long-term investment securities 87,818

Proceeds from sales of short-term portfolio investment securities, net 3,199

Increase in restricted cash (210)

Decrease in investment securities sold receivable 8,056

Decrease in interest receivable 467

Decrease in prepaid and other assets 5

Decrease in investment securities purchased payable (6,946)

Increase in Trustees and Chief Compliance Officer fees payable 1

Increase in shareholder servicing fees payable 2

Increase in other liabilities 18

Net change in unrealized depreciation on forward foreign currency contracts 47

Net change in unrealized appreciation on investments (16,020)

Net realized gain on investment securities (1,705)

Net cash provided by operating activities 12,451

Cash flows used for financing activities:

Payments for income distributions (16,865)

Payments for borrowing (4,000)

Net cash used for financing activities (20,865)

Net decrease in cash and foreign currency (8,414)**Cash and foreign currency, at beginning of period 10,127****Cash and foreign currency, at end of period \$ 1,713****Supplemental disclosure of cash flow information:**

Interest expense paid during the period \$ 697

Payments for net realized gain distributions during the period \$ 1,367

See Accomd>

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XBRL Taxonomy Extension Definition Linkbase Document

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XBRL Taxonomy Extension Label Linkbase Document

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XBRL Taxonomy Extension Presentation Linkbase Document

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SIGNATURES

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

AXIM
BIOTECHNOLOGIES,
INC.

Dated: November 23, 2015 By: /s/ Dr. George Anastassov
Dr. George Anastassov
President and Director
Principal Executive Officer
Principal Financial Officer
