

MFS CHARTER INCOME TRUST
Form N-CSRS
July 29, 2015
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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 811-05822

MFS CHARTER INCOME TRUST

(Exact name of registrant as specified in charter)

111 Huntington Avenue, Boston, Massachusetts 02199

(Address of principal executive offices) (Zip code)

Susan S. Newton

Massachusetts Financial Services Company

111 Huntington Avenue

Boston, Massachusetts 02199

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: November 30

Date of reporting period: May 31, 2015

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ITEM 1. REPORTS TO STOCKHOLDERS.

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SEMIANNUAL REPORT

May 31, 2015

MFS® CHARTER INCOME TRUST

MCR-SEM

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MANAGED DISTRIBUTION POLICY DISCLOSURE

The MFS Charter Income Trust's (the fund) Board of Trustees has adopted a managed distribution policy effective May 1, 2015. The fund seeks to pay monthly distributions based on an annual rate of 8.00% of the fund's average monthly net asset value. The fund's total return in relation to changes in net asset value is presented in the Financial Highlights. You should not draw any conclusions about the fund's investment performance from the amount of the current distribution or from the terms of the fund's managed distribution policy. The Board may amend or terminate the managed distribution policy at any time without prior notice to fund shareholders.

With each distribution, the fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to shareholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The fund will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

Under a managed distribution policy the fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of your distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the fund is paid back to you. A return of capital does not necessarily reflect the fund's investment performance and should not be confused with yield or income. Please refer to Tax Matters and Distributions under Note 2 of the Notes to Financial Statements for information regarding the tax character of the fund's distributions.

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MFS® CHARTER INCOME TRUST

New York Stock Exchange Symbol: **MCR**

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NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

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LETTER FROM THE CHAIRMAN

Dear Shareholders:

Global economic conditions were sluggish in early 2015. U.S. growth decelerated sharply, and a strong dollar made exports more expensive. Also contributing to

weakness were a slow, tentative eurozone economic recovery, a steady deceleration in China's pace of growth and a struggling Japanese economy.

Other major economies and regions have struggled, leading central banks to step up their efforts to stimulate economic growth. The European Central Bank's quantitative easing program has begun to make an impact. However, risks associated with a potential Greek debt default and potential eurozone exit have weighed on business and investor confidence.

Despite the People's Bank of China's targeted stimulative actions,

China's economic growth rate has continued to decelerate to multi-decade lows, and Chinese equity markets are showing signs of strain.

In Puerto Rico, concerns about the island nation's ability to pay its outstanding debt obligations resurfaced, which weighed on municipal bond markets.

The U.S. Federal Reserve has remained accommodative in the face of global headwinds and low inflation.

The world's financial markets have become increasingly complex in recent years. Now, more than ever, it is important to understand companies on a global basis. At MFS®, we believe our integrated research platform, collaborative culture, active risk management process and long-term focus give us a research advantage.

As investors, we aim to add long-term value. We believe this approach will serve you well as you work with your financial advisor to reach your investment objectives.

Respectfully,

Robert J. Manning

Chairman

MFS Investment Management

July 16, 2015

The opinions expressed in this letter are subject to change and may not be relied upon for investment advice. No forecasts can be guaranteed.

Table of Contents**PORTFOLIO COMPOSITION****Portfolio structure (i)****Fixed income sectors (i)**

High Yield Corporates	66.0%
Non-U.S. Government Bonds	24.0%
Emerging Markets Bonds	13.1%
Investment Grade Corporates	11.7%
Commercial Mortgage-Backed Securities	3.5%
U.S. Government Agencies	2.4%
Mortgage-Backed Securities	1.4%
Floating Rate Loans	1.2%
Collateralized Debt Obligations	0.3%
Asset-Backed Securities	0.1%
U.S. Treasury Securities	(19.5)%

Composition including fixed income credit quality (a)(i)

AAA	6.6%
AA	3.0%
A	5.8%
BBB	18.6%
BB	31.6%
B	35.0%
CCC	7.0%
C	0.3%
D	0.2%
U.S. Government	0.9%
Federal Agencies	3.8%
Not Rated	(8.6)%
Non-Fixed Income	0.7%
Cash & Other	(4.9)%

Portfolio facts (i)

Average Duration (d)	5.5
Average Effective Maturity (m)	7.1 yrs.

Issuer country weightings (i)(x)

United States	48.0%
Germany	8.0%
Japan	6.5%
Canada	5.4%
United Kingdom	4.1%
Italy	2.6%
Mexico	2.6%
Supranational	1.6%
Israel	1.5%
Other Countries	19.7%

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Portfolio Composition continued

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. U.S. Government includes securities issued by the U.S. Department of the Treasury. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency mortgage-backed securities, and collateralized mortgage obligations of U.S. Agency mortgage-backed securities. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. Non-Fixed Income includes equity securities (including convertible bonds and equity derivatives) and commodities. The fund may not hold all of these instruments. The fund is not rated by these agencies.
- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.
- (i) For purposes of this presentation, the components include the value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than value. The bond component will include any accrued interest amounts.
- (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.
- (x) Represents the portfolio's exposure to issuer countries as a percentage of a portfolio's net assets. For purposes of this presentation, United States includes Cash & Other.

From time to time Cash & Other may be negative due to borrowings for leverage transactions, timing of cash receipts, and/or equivalent exposure from any derivative holdings.

Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

Cash & Other can include cash, other assets less liabilities, offsets to derivative positions, and short-term securities. Please see the Statement of Assets and Liabilities for additional information related to the fund's cash position and the Notes to Financial Statements for additional information related to certain risks associated with assets included in Other.

Percentages are based on net assets as of 5/31/15.

The portfolio is actively managed and current holdings may be different.

Table of Contents**PORTFOLIO MANAGERS PROFILES**

Portfolio Manager	Primary Role	Since	Title and Five Year History
Richard Hawkins	Lead Portfolio Manager	2004	Investment Officer of MFS; employed in the investment management area of MFS since 1988.
William Adams	Lower Quality Debt Instruments Portfolio Manager	2011	Investment Officer of MFS; employed in the investment management area of MFS since 2009; Credit Analyst at MFS from 1997 to 2005.
Ward Brown	Emerging Markets Debt Instruments Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 2005.
David Cole	Lower Quality Debt Instruments Portfolio Manager	2006	Investment Officer of MFS; employed in the investment management area of MFS since 2004.
Pilar Gomez-Bravo	Global Debt Instruments Portfolio Manager	2013	Investment Officer of MFS; employed in the investment management area of MFS since 2013; Managing Director of Imperial Capital from May 2012 to March 2013; Portfolio Manager and Head of Research of Negentropy Capital from June 2011 to April 2012; Co-founder of Marengo Asset Management from June 2010 to April 2011.
Joshua Marston	Structured Securities Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 1999.
Robert Persons	Investment Grade Debt Instruments Portfolio Manager	2013	Investment Officer of MFS; employed in the investment management area of MFS since 2000.
Matthew Ryan	Emerging Markets Debt Instruments Portfolio Manager	2004	Investment Officer of MFS; employed in the investment management area of MFS since 1997.
Erik Weisman	Sovereign Debt Instruments Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 2002.

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OTHER NOTES

The fund's shares may trade at a discount or premium to net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation.

The fund's monthly distributions may include a return of capital to shareholders to the extent that the fund's net investment income and net capital gains are insufficient to meet the fund's target annual distribution rate. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. It may also result in a recharacterization of what economically represents a return of capital to ordinary income in those situations where a fund has long term capital gains and a capital loss carryforward. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

The fund's target annual distribution rate is calculated based on an annual rate of 8.00% of the fund's average monthly net asset value, not a fixed share price, and the fund's dividend amount will fluctuate with changes in the fund's average monthly net assets.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

Table of Contents**PORTFOLIO OF INVESTMENTS**

5/31/15 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

Bonds - 110.2%		
Issuer	Shares/Par	Value (\$)
Aerospace - 1.6%		
Aerojet Rocketdyne Holdings, Inc., 7.125%, 3/15/21	\$ 1,805,000	\$ 1,931,350
Bombardier, Inc., 7.75%, 3/15/20 (n)	260,000	268,450
Bombardier, Inc., 6.125%, 1/15/23 (n)	1,260,000	1,146,600
Bombardier, Inc., 7.5%, 3/15/25 (n)	560,000	535,500
CPI International, Inc., 8.75%, 2/15/18	1,495,000	1,539,850
Huntington Ingalls Industries, Inc., 7.125%, 3/15/21	1,805,000	1,931,350
Kratos Defense & Security Solutions, Inc., 7%, 5/15/19	380,000	338,200
TransDigm, Inc., 6%, 7/15/22	275,000	278,781
TransDigm, Inc., 6.5%, 7/15/24	705,000	719,100
		\$ 8,689,181
Airlines - 0.0%		
Ryanair Ltd., 1.125%, 3/10/23	EUR 175,000	\$ 186,758
Apparel Manufacturers - 0.4%		
Hanesbrands, Inc., 6.375%, 12/15/20	\$ 755,000	\$ 799,356
PVH Corp., 4.5%, 12/15/22	1,375,000	1,395,625
		\$ 2,194,981
Asset-Backed & Securitized - 3.9%		
Banc of America Commercial Mortgage, Inc., FRN, 5.743%, 2/10/51	\$ 1,053,603	\$ 1,136,919
Bayview Financial Acquisition Trust, FRN, 5.483%, 2/28/41 (d)(q)	49,458	51,564
Bayview Financial Revolving Mortgage Loan Trust, FRN, 1.786%, 12/28/40 (z)	651,555	397,506
Citigroup/Deutsche Bank Commercial Mortgage Trust, FRN, 5.366%, 12/11/49	1,605,000	1,671,057
Commercial Mortgage Pass-Through Certificates, FRN, 5.775%, 6/10/46	230,000	239,403
Commercial Mortgage Trust, 2015-DC1, A5, 3.35%, 2/10/48	500,000	514,495
Countrywide Asset-Backed Certificates, FRN, 5.147%, 2/25/33	116,071	116,206
Crest Ltd., CDO, 7%, 1/28/40 (a)(p)	2,829,556	945,468
Dryden Senior Loan Fund, 2013-26A, A, CLO, FRN, 1.375%, 7/15/25 (z)	722,000	714,270
First Union-Lehman Brothers Bank of America, FRN, 0.653%, 11/18/35 (i)	5,367,348	81,788

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Asset-Backed & Securitized - continued		
Greenwich Capital Commercial Funding Corp., 5.475%, 3/10/39	\$ 954,545	\$ 1,005,107
JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5.773%, 6/15/49	792,055	800,799
JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5.938%, 2/15/51	318,716	319,193
JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5.773%, 6/15/49	2,346,110	2,492,266
JPMorgan Chase Commercial Mortgage Trust, 2007-LD11, AM, FRN, 5.773%, 6/15/49	2,142,300	2,246,611
Merrill Lynch Mortgage Trust, FRN, 5.836%, 6/12/50	1,350,000	1,435,186
Morgan Stanley Capital I Trust, AM, FRN, 5.683%, 4/15/49	2,137,000	2,239,884
Multi Security Asset Trust, A3, CDO, 5%, 11/28/35 (n)	15,618	15,559
Wachovia Bank Commercial Mortgage Trust, A4, FRN, 5.951%, 2/15/51	3,573,246	3,769,460
Wells Fargo Commercial Mortgage Trust, 2015-NXS1, A5, 3.148%, 5/15/48	768,632	781,092
		\$ 20,973,833
Automotive - 1.9%		
Accuride Corp., 9.5%, 8/01/18	\$ 1,735,000	\$ 1,791,388
Delphi Automotive PLC, 1.5%, 3/10/25	EUR 200,000	211,794
Ford Motor Credit Co. LLC, 1.7%, 5/09/16	\$ 550,000	553,155
Ford Motor Credit Co. LLC, 1.461%, 3/27/17	252,000	251,989
General Motors Financial Co., Inc., 3.45%, 4/10/22	256,000	252,103
Goodyear Tire & Rubber Co., 6.5%, 3/01/21	1,695,000	1,805,175
Goodyear Tire & Rubber Co., 7%, 5/15/22	350,000	383,250
Harley-Davidson Financial Services, Inc., 2.7%, 3/15/17 (n)	370,000	379,309
Hyundai Capital America, 2.6%, 3/19/20 (n)	272,000	274,516
Lear Corp., 4.75%, 1/15/23	1,015,000	1,027,688
Lear Corp., 5.375%, 3/15/24	60,000	62,100
Lear Corp., 5.25%, 1/15/25	790,000	797,900
Schaeffler Finance B.V., 3.25%, 5/15/19	EUR 230,000	258,293
Schaeffler Finance B.V., 4.75%, 5/15/21 (n)	\$ 460,000	470,350
Schaeffler Holding Finance B.V., 6.25%, 11/15/19 (n)(p)	470,000	499,967
Volkswagen International Finance N.V., 3.875% to 9/04/18, FRN to 9/29/49	EUR 200,000	233,485
ZF North America Capital, Inc., 4.5%, 4/29/22 (n)	\$ 950,000	966,625
		\$ 10,219,087
Biotechnology - 0.0%		
Life Technologies Corp., 6%, 3/01/20	\$ 200,000	\$ 229,492

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Broadcasting - 1.5%		
AMC Networks, Inc., 7.75%, 7/15/21	\$ 863,000	\$ 938,513
Clear Channel Communications, Inc., 9%, 3/01/21	993,000	938,385
Clear Channel Worldwide Holdings, Inc., A, 6.5%, 11/15/22	190,000	199,025
Clear Channel Worldwide Holdings, Inc., B, 6.5%, 11/15/22	850,000	899,938
Liberty Media Corp., 8.5%, 7/15/29	820,000	910,200
Liberty Media Corp., 8.25%, 2/01/30	210,000	229,950
Netflix, Inc., 5.375%, 2/01/21	1,680,000	1,751,400
Nexstar Broadcasting, Inc., 6.875%, 11/15/20	1,005,000	1,067,813
Omnicom Group, Inc., 3.65%, 11/01/24	77,000	77,169
ProSiebenSat.1 Media AG, 2.625%, 4/15/21	EUR 240,000	278,280
SES Global Americas Holdings GP, 2.5%, 3/25/19 (n)	\$ 181,000	181,526
Univision Communications, Inc., 5.125%, 2/15/25 (n)	380,000	377,910
		\$ 7,850,109
Brokerage & Asset Managers - 0.1%		
E*Trade Financial Corp., 4.625%, 9/15/23	\$ 730,000	\$ 733,650
Building - 2.2%		
Allegion U.S. Holding Co., Inc., 5.75%, 10/01/21	\$ 1,865,000	\$ 1,953,588
Building Materials Corp. of America, 5.375%, 11/15/24 (n)	1,250,000	1,260,150
Building Materials Holding Corp., 6.75%, 5/01/21 (n)	675,000	714,656
CEMEX S.A.B. de C.V., 6.5%, 12/10/19 (n)	284,000	303,198
CEMEX S.A.B. de C.V., 7.25%, 1/15/21 (n)	423,000	455,360
Cimpor Financial Operations B.V., 5.75%, 7/17/24 (n)	263,000	234,070
CRH Finance Ltd., 3.125%, 4/03/23	EUR 150,000	185,474
Elementia S.A. de C.V., 5.5%, 1/15/25 (n)	\$ 210,000	213,413
Gibraltar Industries, Inc., 6.25%, 2/01/21	830,000	856,975
HD Supply, Inc., 7.5%, 7/15/20	980,000	1,059,625
Headwaters, Inc., 7.25%, 1/15/19	535,000	561,750
Masco Corp., 4.45%, 4/01/25	85,000	87,231
Mohawk Industries, Inc., 3.85%, 2/01/23	134,000	136,367
Nortek, Inc., 8.5%, 4/15/21	1,370,000	1,484,738
Owens Corning, Inc., 4.2%, 12/15/22	127,000	130,643
PriSo Acquisition Corp., 9%, 5/15/23 (n)	595,000	583,100
Roofing Supply Group LLC/Roofing Supply Finance, Inc., 10%, 6/01/20 (n)	1,075,000	1,104,563
Union Andina de Cementos S.A.A., 5.875%, 10/30/21 (n)	259,000	264,504
		\$ 11,589,405
Business Services - 1.2%		
Equinix, Inc., 4.875%, 4/01/20	\$ 565,000	\$ 583,363
Equinix, Inc., 5.375%, 1/01/22	305,000	317,391

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Business Services - continued		
Equinix, Inc., 5.375%, 4/01/23	\$ 880,000	\$ 906,400
Fidelity National Information Services, Inc., 3.875%, 6/05/24	537,000	546,334
Fiserv, Inc., 2.7%, 6/01/20	275,000	275,892
Iron Mountain, Inc., 8.375%, 8/15/21	150,000	156,150
Iron Mountain, Inc., REIT, 6%, 8/15/23	1,540,000	1,632,400
NeuStar, Inc., 4.5%, 1/15/23	1,260,000	1,108,800
Tencent Holdings Ltd., 3.375%, 3/05/18 (n)	449,000	464,751
Tencent Holdings Ltd., 3.8%, 2/11/25 (n)	485,000	487,258
		\$ 6,478,739
Cable TV - 4.8%		
Altice Financing S.A., 6.5%, 1/15/22 (n)	\$ 2,005,000	\$ 2,055,125
Altice Financing S.A., 6.625%, 2/15/23 (n)	1,400,000	1,450,750
CCO Holdings LLC/CCO Holdings Capital Corp., 7.375%, 6/01/20	250,000	266,250
CCO Holdings LLC/CCO Holdings Capital Corp., 6.5%, 4/30/21	1,965,000	2,066,934
CCO Holdings LLC/CCO Holdings Capital Corp., 5.125%, 5/01/23 (n)	780,000	783,900
CCO Holdings LLC/CCO Holdings Capital Corp., 5.75%, 1/15/24	1,020,000	1,050,600
CCO Holdings LLC/CCO Holdings Capital Corp., 5.375%, 5/01/25 (n)	335,000	337,513
Cequel Communications Holdings, 6.375%, 9/15/20 (n)	1,675,000	1,708,500
Comcast Corp., 4.75%, 3/01/44	223,000	237,295
DISH DBS Corp., 7.875%, 9/01/19	240,000	271,200
DISH DBS Corp., 6.75%, 6/01/21	1,000,000	1,068,125
DISH DBS Corp., 5%, 3/15/23	1,065,000	1,026,394
DISH DBS Corp., 5.875%, 11/15/24	380,000	380,950
Intelsat Jackson Holdings S.A., 6.625%, 12/15/22	1,145,000	1,064,850
Intelsat Jackson Holdings S.A., 5.5%, 8/01/23	1,330,000	1,221,525
Intelsat Luxembourg S.A., 8.125%, 6/01/23	1,350,000	1,201,500
LGE Holdco VI B.V., 7.125%, 5/15/24 (n)	EUR 520,000	643,933
Lynx I Corp., 5.375%, 4/15/21 (n)	\$ 342,000	358,245
Lynx II Corp., 6.375%, 4/15/23 (n)	555,000	589,688
Shaw Communications, Inc., 5.65%, 10/01/19	CAD 215,000	197,935
SIRIUS XM Radio, Inc., 4.25%, 5/15/20 (n)	\$ 90,000	89,888
SIRIUS XM Radio, Inc., 5.875%, 10/01/20 (n)	120,000	124,950
SIRIUS XM Radio, Inc., 5.75%, 8/01/21 (n)	185,000	192,631
SIRIUS XM Radio, Inc., 4.625%, 5/15/23 (n)	740,000	714,100
SIRIUS XM Radio, Inc., 6%, 7/15/24 (n)	1,065,000	1,105,151
SIRIUS XM Radio, Inc., 5.375%, 4/15/25 (n)	745,000	746,118
Time Warner Cable, Inc., 5.75%, 6/02/31	GBP 100,000	163,218
Time Warner Cable, Inc., 5.25%, 7/15/42	GBP 100,000	150,043

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Cable TV - continued		
Time Warner Cable, Inc., 4.5%, 9/15/42	\$ 119,000	\$ 103,238
Unitymedia Hessen, 5.5%, 1/15/23 (n)	1,350,000	1,392,188
Unitymedia KabelBW GmbH, 6.125%, 1/15/25 (n)	770,000	796,950
Virgin Media Secured Finance PLC, 5.25%, 1/15/26 (n)	800,000	801,000
VTR Finance B.V., 6.875%, 1/15/24 (n)	731,000	761,154
Ziggo Bond Finance B.V., 5.875%, 1/15/25 (n)	200,000	204,000
		\$ 25,325,841
Chemicals - 2.6%		
Celanese U.S. Holdings LLC, 5.875%, 6/15/21	\$ 1,044,000	\$ 1,132,740
Celanese U.S. Holdings LLC, 4.625%, 11/15/22	830,000	838,300
CF Industries, Inc., 5.15%, 3/15/34	169,000	177,348
Consolidated Energy Finance S.A., 6.75%, 10/15/19 (n)	380,000	391,400
Evolution Escrow Issuer Co., 7.5%, 3/15/22 (n)	795,000	791,025
Flash Dutch 2 B.V./U.S. Coatings Acquisition, 7.375%, 5/01/21 (n)	1,080,000	1,171,800
Hexion U.S. Finance Corp., 6.625%, 4/15/20	630,000	593,775
Hexion U.S. Finance Corp./Hexion Nova Scotia Finance, 8.875%, 2/01/18	975,000	894,563
Huntsman International LLC, 8.625%, 3/15/21	413,000	436,748
Huntsman International LLC, 5.125%, 4/15/21	EUR 165,000	191,640
INEOS Group Holdings S.A., 6.125%, 8/15/18 (n)	\$ 515,000	529,163
INEOS Group Holdings S.A., 5.875%, 2/15/19 (n)	200,000	203,500
Israel Chemicals Ltd., 4.5%, 12/02/24 (n)	2,460,000	2,529,864
LYB International Finance B.V., 4%, 7/15/23	135,000	141,955
LyondellBasell Industries N.V., 4.625%, 2/26/55	400,000	365,145
Solvay Finance S.A., FRN, 4.199%, 5/29/49	EUR 250,000	288,714
Syngenta Finance N.V., 1.875%, 11/02/21	EUR 200,000	230,751
Tronox Finance LLC, 6.375%, 8/15/20	\$ 2,055,000	1,972,800
W.R. Grace & Co., 5.125%, 10/01/21 (n)	675,000	696,938
		\$ 13,578,169
Computer Software - 0.3%		
Oracle Corp., 3.4%, 7/08/24	\$ 251,000	\$ 257,538
Syniverse Holdings, Inc., 9.125%, 1/15/19	362,000	322,180
VeriSign, Inc., 4.625%, 5/01/23	1,005,000	992,438
		\$ 1,572,156
Computer Software - Systems - 0.2%		
Apple, Inc., 2.7%, 5/13/22	\$ 400,000	\$ 403,336
CDW LLC/CDW Finance Corp., 6%, 8/15/22	275,000	295,625
CDW LLC/CDW Finance Corp., 5.5%, 12/01/24	395,000	413,763
		\$ 1,112,724

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Conglomerates - 2.3%		
Alfa S.A.B de C.V., 6.875%, 3/25/44	\$ 521,000	\$ 557,470
Amsted Industries Co., 5%, 3/15/22 (n)	2,170,000	2,202,550
BC Mountain LLC, 7%, 2/01/21 (n)	1,160,000	1,055,600
EnerSys, 5%, 4/30/23 (n)	1,720,000	1,741,500
EnPro Industries, Inc., 5.875%, 9/15/22 (n)	1,485,000	1,540,688
Entegris, Inc., 6%, 4/01/22 (n)	1,575,000	1,645,875
General Electric Co., 1.25%, 5/26/23	EUR 100,000	110,447
Renaissance Acquisition, 6.875%, 8/15/21 (n)	\$ 1,345,000	1,247,488
Rexel S.A., 6.125%, 12/15/19 (n)	1,270,000	1,343,660
Roper Industries, Inc., 1.85%, 11/15/17	200,000	201,421
Tyco International Finance S.A., 1.375%, 2/25/25	EUR 125,000	132,842
Votorantim Cimentos S.A., 5.25%, 4/28/17	EUR 167,000	198,090
		\$ 11,977,631
Construction - 0.2%		
Empresas ICA S.A.B. de C.V., 8.9%, 2/04/21	\$ 450,000	\$ 421,313
Empresas ICA S.A.B. de C.V., 8.875%, 5/29/24 (n)	853,000	735,713
		\$ 1,157,026
Consumer Products - 0.7%		
Newell Rubbermaid, Inc., 4%, 12/01/24	\$ 400,000	\$ 413,398
Prestige Brands, Inc., 8.125%, 2/01/20	257,000	276,275
Prestige Brands, Inc., 5.375%, 12/15/21 (n)	955,000	970,471
Reckitt Benckiser Treasury Services PLC, 3.625%, 9/21/23 (n)	250,000	262,072
Spectrum Brands, Inc., 6.375%, 11/15/20	1,025,000	1,094,188
Spectrum Brands, Inc., 6.125%, 12/15/24 (n)	170,000	180,625
Spectrum Brands, Inc., 5.75%, 7/15/25 (n)	460,000	473,800
Whirlpool Corp., 0.625%, 3/12/20	EUR 125,000	135,232
		\$ 3,806,061
Consumer Services - 2.1%		
ADT Corp., 6.25%, 10/15/21	\$ 2,155,000	\$ 2,311,238
ADT Corp., 4.125%, 6/15/23	60,000	56,250
Garda World Security Corp., 7.25%, 11/15/21 (n)	395,000	387,100
Garda World Security Corp., 7.25%, 11/15/21 (n)	660,000	646,800
Grupo Posadas S.A.B. de C.V., 7.875%, 11/30/17	505,000	521,413
Interval Acquisition Corp., 5.625%, 4/15/23 (n)	1,865,000	