

PIMCO CALIFORNIA MUNICIPAL INCOME FUND  
Form N-CSRS  
January 07, 2011

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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 811-10379**

**PIMCO California Municipal Income Fund**

**(Exact name of registrant as specified in charter)**

**1345 Avenue of the Americas, New York, NY**

**10105**

**(Address of principal executive offices)**

**(Zip code)**

**Lawrence G. Altadonna 1345 Avenue of the Americas, New York, NY 10105**

**(Name and address of agent for service)**

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

Date of fiscal year end: April 30, 2011

Date of reporting period: October 31, 2010

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Report to Shareholders**

October 31, 2010

PIMCO Municipal Income Fund  
PIMCO California Municipal Income Fund  
PIMCO New York Municipal Income Fund

**PMF**

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Dear Shareholder:

Municipal bonds rose in price during the fiscal six-month period ended October 31, 2010, as the U.S. economy continued to recover from the recession that ended in mid-2009. But the recovery has slowed from its pace of a year ago, and there are legitimate concerns about ongoing fiscal woes in many states and the impact this could have on the municipal bond market.

Hans W. Kertess  
*Chairman*

### **Six Months In Review**

For the fiscal six-month period ended October 31, 2010:

Brian S. Shlissel  
*President & CEO*

PIMCO Municipal Income Fund rose 8.32% on net asset value ( NAV ) and 7.96 % on market price.

PIMCO California Municipal Fund rose 8.20% on NAV and 8.84% on market price.

PIMCO New York Municipal Income Fund rose 7.16% NAV and 3.63% on market price.

After growing at an annual rate of 5.0% during the fourth quarter of 2009, the U.S. economy slowed considerably in 2010: 3.7% in the first quarter, 1.7% in the second and 2.5% in the third. As it deaccelerated, the Federal Reserve ( the Fed ) decided to resume its purchase of U.S. Treasury bonds. The goal of this quantitative easing II was to lower interest rates and boost economic activity. But the Fed's purchase program focused on short-to-medium term Treasuries and generally excluded bonds with longer maturities. Thus, long-term Treasuries fell in price. Since municipal bonds tend to move in tandem with Treasuries, the prices of longer-term municipal securities also fell.

### **The Road Ahead**

Concerns about the fiscal situation at the state and local level and the impact this could have on municipal bonds are clearly justified. According to the non-partisan Center on Budget and Policy Priorities, for 2011 46 states face budget shortfalls. In 18 of these states, the default represents more than 20% of planned expenditures.

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As the recession neared bottom in early 2009, the Obama administration unveiled its \$787 billion stimulus plan to boost the economy. Part of the stimulus package was the Build America Bonds (BAB) program. The BAB program was designed to help cash-strapped states and cities cope with the downturn by subsidizing borrowing costs for important municipal projects. But after Republicans reclaimed the House of Representatives and made sizable gains in the Senate, it became clear that the BAB program due to expire on December 31, 2010 would not be extended. Realizing this, many state and city governments flooded the municipal market with BABs. So much supply came onto market that it could not be absorbed, thus putting sudden, downward pressure on municipal bond prices.

The afore-mentioned quantitative easing strategy has hurt many municipal bonds as well. The Fed's purchase of Treasury securities generally excludes bonds with longer maturities. This in turn has led to lower prices for longer-term municipal bond prices, which correlate somewhat closely to Treasuries. As a result, investor interest in long-term municipal bonds has waned. As calendar year 2010 comes to an end, we anticipate a large supply of tax-exempt municipal bonds to come to market, which may have an adverse effect on prices.

The tax deal compromise between President Obama and Congress has also hurt municipal bond prices. The compromise preserves the Bush-era tax cuts for upper income earners, thus making tax-exempt securities somewhat less attractive. The bill's provisions cover calendar years 2011 and 2012 and are due to expire on December 31, 2012.

All that aside, we believe these developments should be largely short-term in nature. From a longer perspective, the expectation of higher taxes at all levels of government and historically low default rates should continue to make municipal securities compelling investments for many people.

For specific information on the Funds and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources are available on our Web site, [www.allianzinvestors.com/closedendfunds](http://www.allianzinvestors.com/closedendfunds).

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Pacific Investment Management Company LLC (PIMCO), the Funds' subadviser, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess  
Chairman

Brian S. Shlissel  
President & Chief Executive Officer

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## **PIMCO Municipal Income Funds Insights**

October 31, 2010 (unaudited)

For the fiscal six-month period ended October 31, 2010, PIMCO Municipal Income Fund rose 8.32% on NAV and 7.96 % on market price. PIMCO California Municipal Fund rose 8.20% on NAV and 8.84% on market price. PIMCO New York Municipal Income Fund rose 7.16% NAV and 3.63% on market price.

The high-quality segment of the municipal bond market produced positive returns during the reporting period, as yields moved lower across the curve. On longer maturities, municipal bonds underperformed the stronger taxable bond market, with the Barclays Capital Long Municipal Bond Index returning 4.70% while the Barclays Capital Long Government/Credit index returned 9.05%, and the Barclays Capital Long U.S. Treasury index returned 11%. The Barclays Capital Zero Coupon Municipal Bond Index returned 5.27% for the reporting period. Municipal to Treasury yield ratios – a measure of the relative attractiveness of municipal and Treasury bonds – ended higher as Treasuries outperformed municipals. The 10-year ratio – a measure of the relative attractiveness of Treasuries and municipal bonds – increased to 97% and the 30-year ratio decreased to 97%.

Not all of the Funds' positions were beneficial for returns. The Funds' holdings in higher-quality credits detracted from performance, as lower credit-quality securities outperformed the high-grade market.

### **PIMCO Municipal Income Fund**

Holdings in the health care sector added to the Fund's returns, as the sector significantly outperformed most other sectors of the municipal bond market. The Fund also benefited from its interest rate positioning during the reporting period. Exposure to longer-maturity zero coupon and nominal municipal bonds allowed the Fund to participate in the widespread decline in yields at the longer end of the municipal market. The Fund also gained from its positions in corporate-backed municipals, which significantly outperformed the general municipal market during the period.

Amid generally declining yields, the municipal yield curve steepened slightly during the reporting period, following the lead of the Treasury market. Over the period, 30-year maturity AAA General Obligation ( GO ) yields decreased by 18 basis points, while 2-year yields decreased by 24 basis points.

### **PIMCO California Municipal Income Fund**

California municipal bonds outperformed the national index, with the Barclays Capital California Municipal Bond Index returning 4.28% versus 3.95% for the Barclays Capital Municipal Bond index over the period. In spite of this outperformance, continued volatility is expected as the state continues to struggle through their budget process, even with the budget balance agreement. Long California municipal bonds outperformed their peers in the national index, returning 5.16% versus the Barclays Capital Long Municipal Bond Index gain of 4.70% cited above. The California municipal curve steepened even more significantly than the national markets during the reporting period, with 30-year yields decreased by 17 basis point while 2-year yields decreased by 32 basis points.

Holdings in the health care sector contributed to the Fund's returns, as the sector significantly outperformed the rest of the municipal bond market. Exposure to longer-maturity nominal and zero coupon municipals allowed the Fund to participate in the widespread decline in yields at the longer end of the municipal market. The Fund also gained from its positions in corporate-backed municipals, which significantly outperformed the general municipal market.

### **PIMCO New York Municipal Income Fund**

Amid generally declining yields, the New York municipal yield curve steepened, following the lead of the national municipal and Treasury markets. During the period, 30-year maturity yields decreased by 20 basis points while 2-year yields decreased by 25 basis points. New York municipals, as measured by the Barclays Capital New York Municipal Bond Index, returned 3.79% for the period, slightly trailing the national market's 3.95% gain, as measured by the Barclays Capital Municipal Bond Index. The long-maturity segment of the New York market also underperformed the long segment of the national municipal bond market, returning 4.30% versus the Barclays Capital Long Municipal Bond Index gain of 4.70% cited above.

Holdings in the health care sector contributed to the Fund's returns, as the sector outperformed most sectors of the municipal bond market. The Fund also gained from its positions in transportation municipals, which outperformed the general municipal market. Exposure to corporate-backed municipals contributed significantly to returns. Exposure to longer-maturity nominal and zero coupon municipal bonds in New York allowed the Fund to participate in the decline in yields at the longer end of the New York municipal market.

**PIMCO Municipal Income Fund Performance & Statistics**

October 31, 2010 (unaudited)

<b>Total Return<sup>(1)</sup></b>	<b>Market Price</b>	<b>NAV</b>
Six Month	7.96%	8.32%
1 Year	24.54%	18.92%
5 Year	6.15%	4.43%
Commencement of Operations (6/29/01) to 10/31/10	6.62%	5.80%

**Market Price/NAV Performance:**

Commencement of Operations (6/29/01)  
to 10/31/10

**Market Price/NAV:**

Market Price	\$14.29
NAV	\$12.23
Premium to NAV	16.84%
Market Price Yield <sup>(2)</sup>	6.82%

**Moody's Ratings**

(as a % of total investments)

**PIMCO California Municipal Income Fund Performance & Statistics**

October 31, 2010 (unaudited)

<b>Total Return<sup>(1)</sup></b>	<b>Market Price</b>	<b>NAV</b>
Six Month	8.84%	8.20%

1 Year	20.36%	16.48%
5 Year	5.41%	5.67%
Commencement of Operations (6/29/01) to 10/31/10	6.03%	6.20%

**Market Price/NAV Performance:**

Commencement of Operations (6/29/01)  
to 10/31/10

**Market Price/NAV:**

Market Price		\$13.97
NAV		\$13.41
Premium to NAV		4.18%
Market Price Yield <sup>(2)</sup>		6.61%

**Moody's Ratings**

(as a % of total investments)

**PIMCO New York Municipal Income Fund Performance & Statistics**

October 31, 2010 (unaudited)

<b>Total Return<sup>(1)</sup></b>	<b>Market Price</b>	<b>NAV</b>
Six Month	3.63%	7.16%
1 Year	13.99%	15.50%
5 Year	0.95%	2.00%
Commencement of Operations (6/29/01) to 10/31/10	3.23%	3.61%

**Market Price/NAV Performance:**

Commencement of Operations (6/29/01)  
to 10/31/10

**Market Price/NAV:**

Market Price	\$11.23
NAV	\$11.08
Premium to NAV	1.35%
Market Price Yield <sup>(2)</sup>	6.09%

**Moody's Ratings**

(as a % of total investments)

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all income

dividends, and capital gain distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

Performance at market price will differ from its results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Funds, market conditions, supply and demand for each Fund's shares, or changes in each dividends.

An investment in each Fund involves risk, including the loss of principal. Total return, market price, market yield and NAV asset 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 onetime 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 attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend (comprised of net investment income) payable to common shareholders by the market price per share at October 31, 2010.

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>MUNICIPAL BONDS &amp; NOTES 96.5%</b>			
<b>Alabama 0.9%</b>			
\$ 2,500	Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.875%, 11/15/24, Ser. A	Baa2/NR	\$ 2,517,750
250	Huntsville-Redstone Village Special Care Facs. Financing Auth. Rev., Redstone Village Project, 5.50%, 1/1/28	NR/NR	224,108
885	5.50%, 1/1/43	NR/NR	720,788
1,350	Montgomery Medical Clinic Board Rev., Jackson Hospital & Clinic, 5.25%, 3/1/31	Baa2/BBB-	1,323,459
			4,786,105
<b>Alaska 1.1%</b>			
3,280	Borough of Matanuska-Susitna Rev., Goose Creek Correctional Center, 6.00%, 9/1/32 (AGC)	Aa2/AA+	3,771,541
900	Industrial Dev. & Export Auth. Rev., Boys & Girls Home, 6.00%, 12/1/36	NR/NR	529,254
2,400	Northern Tobacco Securitization Corp. Rev., 5.00%, 6/1/46, Ser. A	Baa3/NR	1,647,288
			5,948,083
<b>Arizona 5.1%</b>			
5,000	Apache Cnty. Industrial Dev. Auth. Rev., Tucson Electric Power Co. Project, 5.875%, 3/1/33, Ser. B	Baa3/BBB-	5,019,450
2,050	Health Facs. Auth. Rev., Banner Health, 5.50%, 1/1/38, Ser. D	NR/A+	2,146,063
2,750	Beatitudes Campus Project, 5.20%, 10/1/37	NR/NR	2,235,750
2,500	Maricopa Cnty. Pollution Control Corp. Rev., 5.00%, 6/1/35, Ser. A Pima Cnty. Industrial Dev. Auth. Rev., Tucson Electric Power Co., Ser. A,	A1/A	2,574,725
4,150	6.375%, 9/1/29	Baa3/BBB-	4,304,006
750	5.25%, 10/1/40	Baa3/BBB-	753,413
5,000	Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (h)	Aa1/AA	5,312,750
4,200	Salt Verde Financial Corp. Rev., 5.00%, 12/1/37	A3/A	4,002,348
			26,348,505

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<b>Arkansas 0.4%</b>			
8,500	Dev. Finance Auth. Rev., Arkansas Cancer Research Center Project, zero coupon, 7/1/36 (AMBAC)	Aa2/NR	2,192,150
<b>California 8.1%</b>			
3,000	Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B	Aa3/A+	3,473,340
6,000	Golden State Tobacco Securitization Corp. Rev., 5.00%, 6/1/33, Ser. A-1	Baa3/BBB	4,868,820
2,000	Health Facs. Financing Auth. Rev., Catholic Healthcare West, 6.00%, 7/1/39, Ser. A	A2/A	2,153,600

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>California (continued)</b>			
\$ 4,175	Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM)	Aa3/AA+	\$ 4,340,414
5,000	Orange Cnty. Airport Rev., 5.25%, 7/1/39, Ser. A State, GO,	Aa3/AA-	5,211,550
300	5.00%, 6/1/37	A1/A-	300,654
4,200	6.00%, 4/1/38	A1/A-	4,677,372
1,000	Statewide Communities Dev. Auth. Rev., Catholic Healthcare West, 5.50%, 7/1/31, Ser. E Methodist Hospital Project (FHA),	A2/A	1,039,440
2,600	6.625%, 8/1/29	Aa2/NR	3,022,084
9,500	6.75%, 2/1/38	Aa2/NR	11,000,525
4,000	Whittier Union High School Dist., GO, zero coupon, 8/1/25	NR/AA-	1,783,160
			41,870,959
<b>Colorado 0.6%</b>			
500	Confluence Metropolitan Dist. Rev., 5.45%, 12/1/34	NR/NR	362,910
450	Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40	NR/BBB	456,718
500	Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38	A2/A	587,890
1,500	Univ. of Colorado Rev., 5.375%, 6/1/38, Ser. A	Aa2/AA-	1,621,305
			3,028,823
<b>Connecticut 0.2%</b>			
1,000	State Dev. Auth. Rev., Connecticut Light & Power Co., 5.85%, 9/1/28, Ser. A	Baa1/BBB	1,013,100
<b>Delaware 0.1%</b>			
650	State Economic Dev. Auth. Rev., Delmarva Power & Light Co., 5.40%, 2/1/31	Baa2/BBB+	684,158
<b>District of Columbia 1.3%</b>			
2,500	Dist. of Columbia Rev., Brookings Institution, 5.75%, 10/1/39	Aa3/A+	2,794,625
3,895	Tobacco Settlement Financing Corp. Rev., 6.25%, 5/15/24	Baa3/BBB	3,945,869
			6,740,494
<b>Florida 4.0%</b>			
895	Beacon Lakes Community Dev. Dist., Special Assessment, 6.00%, 5/1/38, Ser. A	NR/NR	799,351

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4,000	Broward Cnty. Water & Sewer Rev., 5.25%, 10/1/34, Ser. A (h)	Aa2/AA	4,296,800
500	Lee Cnty. Industrial Dev. Auth. Rev., Sara Lee Charter Foundation, 5.375%, 6/15/37, Ser. A	NR/BB	421,995
3,000	Miami-Dade Cnty. Airport Rev., 5.50%, 10/1/36, Ser. A	A2/A-	3,132,960
1,250	Miami-Dade Cnty. School Board, CP, 5.375%, 2/1/34, Ser. A (AGC)	Aa3/AA+	1,321,900
3,900	State Board of Education, GO, 5.00%, 6/1/38, Ser. D (h)	Aa1/AAA	4,142,853
5,685	State Board of Governors Rev., Florida Univ., 6.50%, 7/1/33	Aa2/AA	6,587,096
			20,702,955

**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
	<b>Georgia 0.4%</b>		
\$ 2,300	Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37	NR/NR	\$ 1,932,759
	<b>Illinois 6.0%</b>		
5,000	Chicago, GO, 5.00%, 1/1/34, Ser. C (h)	Aa3/AA-	5,124,250
10,115	Chicago Board of Education School Reform, GO, zero coupon, 12/1/31, Ser. A (FGIC-NPFGC)	Aa2/AA-	2,903,511
1,250	Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC) Finance Auth. Rev.,	Aa3/AA+	1,287,050
1,000	Memorial Health Systems, 5.50%, 4/1/39	A1/A+	1,021,540
400	OSF Healthcare System, 7.125%, 11/15/37, Ser. A Univ. of Chicago,	A3/A	453,692
190	5.25%, 7/1/41, Ser. 05-A	Aa1/AA	193,412
15,000	5.50%, 7/1/37, Ser. B (h)	Aa1/AA	16,711,950
1,900	Springfield Electric Rev., 5.00%, 3/1/36	Aa3/AA-	1,921,945
1,495	Univ. of Illinois Rev., 5.25%, 4/1/32, Ser. B (FGIC-NPFGC)	Aa2/AA-	1,500,561
			31,117,911
	<b>Indiana 0.7%</b>		
	Finance Auth. Rev.,		
1,500	Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B	NR/A	1,670,235
1,000	U.S. States Steel Corp., 6.00%, 12/1/26	Ba2/BB	1,072,100
1,000	Municipal Power Agcy. Rev., 6.00%, 1/1/39, Ser. B	A1/A+	1,081,570
			3,823,905
	<b>Iowa 1.8%</b>		
	Finance Auth. Rev.,		
4,890	Deerfield Retirement Community, Inc., 5.50%, 11/15/37, Ser. A Edgewater LLC Project,	NR/NR	3,363,342
3,500	6.75%, 11/15/37	NR/NR	3,427,550
1,500	6.75%, 11/15/42	NR/NR	1,444,890
1,600	Wedum Walnut Ridge LLC Project, 5.625%, 12/1/45, Ser. A	NR/NR	1,010,752
			9,246,534
	<b>Kansas 1.5%</b>		
1,000	Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38	Aa3/AA-	1,111,530

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1,000	Lenexa City, Tax Allocation, Center East Project, 6.00%, 4/1/27	NR/NR	797,270
650	Manhattan Rev., Meadowlark Hills Retirement, 5.125%, 5/15/42, Ser. B	NR/NR	535,242
5,000	Wichita Hospital Rev., Facs. Improvements, 5.625%, 11/15/31, Ser. III	NR/A+	5,105,850
			7,549,892

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>Kentucky 1.0%</b>			
\$ 700	Dev. Finance Auth. Rev., St. Luke's Hospital, 6.00%, 10/1/19, Ser. B	A3/A	\$ 702,548
1,000	Economic Dev. Finance Auth. Rev., Baptist Healthcare Systems, Ser. A, 5.375%, 8/15/24	Aa3/NR	1,104,050
1,200	5.625%, 8/15/27	Aa3/NR	1,321,668
1,000	Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A	Baa2/NR	1,077,540
1,000	Ohio Cnty. Pollution Control Rev., Big Rivers Electric Corp., 6.00%, 7/15/31, Ser. A	Baa1/BBB-	1,041,220
			5,247,026
<b>Louisiana 6.3%</b>			
3,930	Local Gov't Environmental Facs. & Community Dev. Auth. Rev., Capital Projects & Equipment Acquisition, 6.55%, 9/1/25 (ACA)	NR/NR	3,682,017
750	Woman's Hospital Foundation, 5.875%, 10/1/40, Ser. A	A3/BBB+	778,778
27,895	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	Baa3/BBB	28,123,460
			32,584,255
<b>Maryland 0.3%</b>			
1,500	Economic Dev. Corp. Rev., 5.75%, 6/1/35, Ser. B	Baa3/NR	1,562,700
<b>Massachusetts 0.4%</b>			
550	Dev. Finance Agcy. Rev., Linden Ponds, Inc. Fac., 5.75%, 11/15/35, Ser. A	NR/NR	402,616
1,500	State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A	Aa2/AA-	1,658,415
			2,061,031
<b>Michigan 2.2%</b>			
1,000	Detroit, GO, 5.375%, 4/1/17, Ser. A-1 (NPFGC)	Baa1/A	1,001,000
4,550	Garden City Hospital Finance Auth. Rev., 5.00%, 8/15/38, Ser. A	NR/NR	3,237,052
	Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 5.25%, 11/15/35, Ser. M (NPFGC)	A1/A	48,509
50	8.25%, 9/1/39	A1/A	1,812,435

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3,260	State Hospital Finance Auth. Rev., Detroit Medical Center, 6.25%, 8/15/13, Ser. A	Ba3/BB-	3,272,225
2,000	Strategic Fund Rev., Detroit Edison Co. Pollution Control, 5.45%, 9/1/29, Ser. C	A2/A-	2,015,300
			11,386,521
	<b>Minnesota 0.4%</b>		
95	Agricultural & Economic Dev. Board Rev., Health Care Systems, 6.375%, 11/15/29, Ser. A	A2/A	96,053
1,500	St. Louis Park Rev., Nicollett Health Services, 5.75%, 7/1/39	NR/A	1,555,770

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>Minnesota (continued)</b>			
\$ 500	Washington Cnty. Housing & Redev. Auth. Rev., Birchwood & Woodbury Projects, 5.625%, 6/1/37, Ser. A	NR/NR	\$ 471,425
			2,123,248
<b>Missouri 0.2%</b>			
1,000	Joplin Industrial Dev. Auth. Rev., Christian Homes, Inc., 5.75%, 5/15/26, Ser. F	NR/NR	968,080
<b>Montana 0.2%</b>			
1,000	Forsyth Pollution Control Rev., 5.00%, 5/1/33, Ser. A	A3/A-	1,064,170
<b>Nevada 3.9%</b>			
	Clark Cnty., GO,		
5,000	4.75%, 6/1/30 (AGM)	Aaa/AA+	5,090,500
5,230	4.75%, 11/1/35 (FGIC-NPFGC)	Aaa/AA+	5,300,657
9,755	Washoe Cnty., Water & Sewer, GO, 5.00%, 1/1/35 (NPFGC)	Aa1/AA	9,963,269
			20,354,426
<b>New Hampshire 0.6%</b>			
3,000	Business Finance Auth. Pollution Control Rev., Connecticut Light & Power Co., 5.85%, 12/1/22, Ser. A	Baa1/BBB	3,039,300
<b>New Jersey 5.5%</b>			
2,000	Economic Dev. Auth. Rev., School Facs. Construction, 5.50%, 12/15/34, Ser. Z (AGC)	Aa3/AA+	2,206,080
16,550	Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 4/1/31	Ba2/NR	16,768,129
1,000	Health Care Facs. Financing Auth. Rev., Trinitas Hospital, 5.25%, 7/1/30, Ser. A	Baa3/BBB-	986,660
2,000	State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E	A3/A+	2,162,380
9,100	Tobacco Settlement Financing Corp. Rev., 5.00%, 6/1/41, Ser. 1-A	Baa3/BBB	6,578,117
			28,701,366
<b>New Mexico 1.5%</b>			

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1,000	Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D	Baa3/BB+	1,039,990
6,400	Hospital Equipment Loan Council Rev., Presbyterian Healthcare, 5.00%, 8/1/39	Aa3/AA-	6,577,536
			7,617,526
	<b>New York 6.8%</b>		
7,500	Liberty Dev. Corp. Rev., Goldman Sachs Headquarters, 5.25%, 10/1/35	A1/A	7,786,875
3,000	5.50%, 10/1/37	A1/A	3,225,090
4,200	Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A	NR/NR	4,254,180

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>New York (continued)</b>			
	New York City Municipal Water Finance Auth. Water & Sewer Rev.,		
\$ 13,000	5.00%, 6/15/26, Ser. E (h)	Aa1/AAA	\$ 13,265,070
670	5.00%, 6/15/37, Ser. D (h)	Aa1/AAA	699,460
3,000	Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1	Aa2/AA+	3,207,690
1,000	State Dormitory Auth. Rev., 5.00%, 3/15/38, Ser. A	NR/AAA	1,063,880
1,625	Westchester Cnty. Healthcare Corp. Rev., 5.875%, 11/1/25, Ser. A	Baa1/BBB	1,625,422
			35,127,667
<b>North Carolina 1.3%</b>			
	Capital Facs. Finance Agcy. Rev., Ser. A,		
2,750	Duke Energy, 4.625%, 11/1/40	A1/A	2,712,655
570	Duke Univ. Project, 5.125%, 10/1/41	Aa1/AA+	579,092
	Medical Care Commission Rev.,		
2,500	Novant Health, 5.00%, 11/1/43, Ser. A (d)	A1/A+	2,476,050
1,500	Village at Brookwood, 5.25%, 1/1/32	NR/NR	1,239,540
			7,007,337
<b>Ohio 1.9%</b>			
11,000	Buckeye Tobacco Settlement Financing Auth. Rev., 5.875%, 6/1/47, Ser. A-2	Baa3/BBB	8,397,180
500	Higher Educational Fac. Commission Rev., Univ. Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A	A2/A	535,660
500	Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A	Aa3/NR	528,540
250	State Rev., Ashland Univ. Project, 6.25%, 9/1/24	Ba1/NR	262,612
			9,723,992
<b>Oregon 0.5%</b>			
2,000	Oregon Health & Science Univ. Rev., 5.75%, 7/1/39, Ser. A	A2/A	2,192,120
600	State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A	Aa2/AA-	638,448
			2,830,568

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**Pennsylvania 4.8%**

5,000	Geisinger Auth. Rev., 5.25%, 6/1/39, Ser. A	Aa2/AA	5,282,450
2,000	Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B	NR/NR	1,873,060
500	Higher Educational Facs. Auth. Rev., Edinboro Univ. Foundation, 6.00%, 7/1/43	Baa3/BBB-	515,850
350	Thomas Jefferson Univ., 5.00%, 3/1/40	A1/AA-	360,500
750	Lancaster Cnty. Hospital Auth. Rev., Brethren Village Project, Ser. A, 6.25%, 7/1/26	NR/NR	753,158
85	6.375%, 7/1/30	NR/NR	84,473

**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>Pennsylvania (continued)</b>			
\$ 1,100	Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39	A2/A	\$ 1,143,758
7,000	Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM)	Aa3/AA+	7,358,190
4,700	Philadelphia Hospitals & Higher Education Facs. Auth. Rev., Temple Univ. Hospital, 6.625%, 11/15/23, Ser. A	Baa3/BBB	4,703,196
500	Philadelphia Water Rev., 5.25%, 1/1/36, Ser. A	A1/A	520,150
2,000	Turnpike Commission Rev., 5.125%, 12/1/40, Ser. D	A3/A-	2,054,700
			24,649,485
<b>Puerto Rico 1.3%</b>			
135	Commonwealth of Puerto Rico, Public Improvements, GO, 5.00%, 7/1/35, Ser. B	A3/BBB-	135,586
32,550	Sales Tax Financing Corp. Rev., zero coupon, 8/1/54, Ser. A (AMBAC)	Aa2/AA-	2,051,301
29,200	zero coupon, 8/1/56, Ser. A	Aa2/AA-	1,586,144
3,000	5.375%, 8/1/38, Ser. C	A1/A+	3,163,830
			6,936,861
<b>Rhode Island 4.6%</b>			
23,800	Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. A	Baa3/BBB	23,700,992
<b>South Carolina 1.4%</b>			
3,500	Greenwood Cnty. Hospital Rev., Self Memorial Hospital, 5.50%, 10/1/21	A2/A	3,539,795
2,000	5.50%, 10/1/26	A2/A	2,015,520
450	Jobs-Economic Dev. Auth. Rev., Lutheran Homes, 5.50%, 5/1/28	NR/NR	409,941
1,000	State Public Service Auth. Rev., 5.25%, 1/1/39, Ser. B	Aa2/AA-	1,077,590
			7,042,846
<b>Tennessee 4.7%</b>			
940	Memphis Health Educational & Housing Fac. Board Rev., Wesley Housing Corp. Project, 6.95%, 1/1/20 (a)(b)(j)(k) (acquisition cost-\$935,300; purchased 6/29/01)	NR/NR	472,350
5,000			

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Metropolitan Gov t Nashville & Davidson Cnty. Health &  
 Educational Facs. Board Rev., Vanderbilt Univ., 5.00%, 10/1/39,  
 Ser. B (h)

	Tennessee Energy Acquisition Corp. Rev.,	Aa2/AA	5,441,900
370	5.00%, 2/1/21, Ser. C	Baa1/A	385,951
5,000	5.00%, 2/1/27, Ser. C	Baa1/A	5,072,000
6,460	5.25%, 9/1/17, Ser. A	Ba3/BB+	6,922,019
600	5.25%, 9/1/21, Ser. A	Ba3/BB+	633,450
300	5.25%, 9/1/22, Ser. A	Ba3/BB+	317,055
5,000	5.25%, 9/1/24, Ser. A	Ba3/BB+	5,256,150
			24,500,875

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**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
	<b>Texas 8.6%</b>		
\$ 10,000	Coppell Independent School Dist., GO, zero coupon, 8/15/29 (PSF-GTD)	Aaa/AAA	\$ 4,497,200
1,200	Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC)	Aa3/AA+	1,243,464
20	Duncanville Independent School Dist., GO, 5.25%, 2/15/32, Ser. B (PSF-GTD)	Aaa/AAA	20,432
6,500	Municipal Gas Acquisition & Supply Corp. I Rev., 5.25%, 12/15/23, Ser. A	A2/A	6,749,795
150	5.25%, 12/15/25, Ser. A	A2/A	153,456
6,500	6.25%, 12/15/26, Ser. D	A2/A	7,321,925
4,200	North Harris Cnty. Regional Water Auth. Rev., 5.25%, 12/15/33	A1/A+	4,374,300
4,200	5.50%, 12/15/38	A1/A+	4,389,714
3,000	North Texas Tollway Auth. Rev., 5.25%, 1/1/44, Ser. C	A2/A-	3,061,650
6,050	5.625%, 1/1/33, Ser. A	A2/A-	6,447,061
600	5.75%, 1/1/33, Ser. F	A3/BBB+	634,902
400	State Public Finance Auth. Rev., Charter School Finance Corp., 5.875%, 12/1/36, Ser. A	Baa3/BBB-	403,776
4,000	Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29	Aa2/AA-	4,536,640
1,000	Uptown Dev. Auth., Tax Allocation, Infrastructure Improvement Facs., 5.50%, 9/1/29	NR/BBB+	1,030,150
			44,864,465
	<b>U.S. Virgin Islands 0.1%</b>		
500	Virgin Islands Public Finance Auth. Rev., 5.00%, 10/1/39, Ser. A-1	Baa2/BBB	493,950
	<b>Utah 1.4%</b>		
7,000	Salt Lake Cnty. Rev., IHC Health Services, 5.125%, 2/15/33 (AMBAC)	WR/AA+	7,133,630
	<b>Virginia 0.6%</b>		
1,000	Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A	Aa2/AA+	1,095,410
2,000	Peninsula Town Center Community Dev. Auth. Rev., 6.45%, 9/1/37	NR/NR	2,009,620

3,105,030

**Washington 1.1%**

	Health Care Facs. Auth. Rev.,		
700	Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC)	Aa3/AA+	762,706
250	Seattle Cancer Care Alliance, 7.375%, 3/1/38	A3/NR	284,178
2,000	Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A	Baa2/BBB	2,091,640
	State Housing Finance Commission Rev., Skyline at First Hill		
	Project, Ser. A,		
275	5.25%, 1/1/17	NR/NR	242,528

**PIMCO Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited) (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value
<b>Washington (continued)</b>			
\$ 3,600	5.625%, 1/1/38	NR/NR	\$ 2,317,140
			5,698,192
<b>Wisconsin 2.7%</b>			
2,230	Health & Educational Facs. Auth. Rev., Kenosha Hospital & Medical Center Project, 5.625%, 5/15/29	NR/A	2,230,803
500	Prohealth Care, Inc., 6.625%, 2/15/39	A1/A+	552,720
10,000	State Rev., 6.00%, 5/1/36, Ser. A	Aa3/AA-	11,259,600
			14,043,123
	Total Municipal Bonds & Notes (cost \$473,259,958)		500,554,995
<b>VARIABLE RATE NOTES (a)(c)(e)(f) 3.5%</b>			
<b>Illinois 1.5%</b>			
5,950	Cook Cnty., GO, 7.62%, 11/15/28, Ser. 458 (FGIC)	Aa3/NR	5,959,282
2,000	Metropolitan Pier & Exposition Auth. Rev., 11.97%, 6/15/50, Ser. 3217 (b)(j) (acquisition cost-\$1,969,580; purchased 10/7/10)	NR/AAA	2,089,080
			8,048,362
<b>Texas 0.4%</b>			
1,000	JPMorgan Chase Putters/Drivers Trust, GO, 7.824%, 2/1/17, Ser. 3480	NR/AA+	1,152,120
200	JPMorgan Chase Putters/Drivers Trust Rev., 8.26%, 2/1/27, Ser. 3224	Aa1/NR	248,342
600	8.344%, 10/1/31, Ser. 3227	NR/AAA	734,208
			2,134,670
<b>Washington 1.6%</b>			
6,670	JPMorgan Chase Putters/Drivers Trust, GO, 11.318%, 8/1/28, Ser. 3388	NR/AA+	8,144,937

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Total Variable Rate Notes (cost \$16,120,499) 18,327,969

Shares

**COMMON STOCK 0.0%**

**Airlines 0.0%**

1,017 Delta Air Lines, Inc. (g) (cost \$0) 14,126

**Total Investments**

(cost \$489,380,457) **100.0%** \$ 518,897,090

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**PIMCO California Municipal Income Fund Schedule of Investments**

October 31, 2010 (unaudited)

Principal Amount (000s)		Credit Rating (Moody's/S&P)	Value
<b>CALIFORNIA MUNICIPAL BONDS &amp; NOTES 91.8%</b>			
\$ 1,000	Assoc. of Bay Area Gov't Finance Auth. for Nonprofit Corps. Rev., Poway Housing, Inc. Project, 5.375%, 11/15/25, Ser. A (CA Mtg. Ins.)	NR/A-	\$ 1,000,700
10,000	Bay Area Toll Auth. Rev., San Francisco Bay Area, 5.00%, 4/1/34, Ser. F-1	Aa3/AA	10,511,100
5,000	Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B	Aa3/A+	5,788,900
650	City & Cnty. of San Francisco, Capital Improvement Projects, CP, 5.25%, 4/1/31, Ser. A	Aa3/AA-	685,659
720	City & Cnty. of San Francisco Redev. Agcy. Rev., Special Tax, 6.125%, 8/1/31, Ser. B	NR/NR	706,255
350	Contra Costa Cnty. Public Financing Auth., Tax Allocation, 5.85%, 8/1/33, Ser. A	NR/BBB	350,752
3,635	Cucamonga Valley Water Dist., CP, 5.125%, 9/1/35 (FGIC-NPFGC)	Aa3/AA-	3,678,656
5,000	Desert Community College Dist., GO, 5.00%, 8/1/37, Ser. C (AGM)	Aa2/AA+	5,193,800
310	Dublin Unified School Dist., GO, zero coupon, 8/1/23, Ser. E	Aa2/AA-	163,367
6,300	Eastern Municipal Water Dist., CP, 5.00%, 7/1/35, Ser. H Educational Facs. Auth. Rev., Claremont McKenna College,	Aa2/AA	6,614,244
1,400	5.00%, 1/1/39	Aa2/NR	1,478,610
10,200	5.00%, 1/1/39 (h) Univ. of Southern California, Ser. A	Aa2/NR	10,772,730
5,000	5.00%, 10/1/38	Aa1/AA+	5,339,550
10,000	5.00%, 10/1/39 (h)	Aa1/AA+	10,637,200
2,975	El Dorado Irrigation Dist. & El Dorado Water Agcy., CP, 5.75%, 8/1/39, Ser. A (AGC)	Aa3/AA+	3,133,032
	El Monte, Department of Public Social Services Fac., CP (AMBAC)		
10,790	4.75%, 6/1/30	A2/A+	10,796,906
14,425	Phase II, 5.25%, 1/1/34	A2/NR	14,444,762
1,000	Folsom Redev. Agcy., Tax Allocation, 5.50%, 8/1/36	NR/A	990,390
	Fremont Community Facs. Dist. No. 1, Special Tax,		
165	6.00%, 9/1/18	NR/NR	166,696
505	6.00%, 9/1/19	NR/NR	509,777
3,500	6.30%, 9/1/31	NR/NR	3,527,090
	Golden State Tobacco Securitization Corp. Rev.,		
9,000	5.00%, 6/1/33, Ser. A-1	Baa3/BBB	7,303,230

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3,000	5.00%, 6/1/35, Ser. A (FGIC)	A2/BBB+	2,905,020
6,000	5.00%, 6/1/38, Ser. A (FGIC)	A2/BBB+	5,757,180
1,600	5.00%, 6/1/45 (AMBAC-TCRS)	A2/A-	1,526,640
8,300	5.125%, 6/1/47, Ser. A-1	Baa3/BBB	5,966,206
9,225	5.75%, 6/1/47, Ser. A-1	Baa3/BBB	7,359,520
500	Hartnell Community College Dist., GO, zero coupon, 8/1/34, Ser 2002-D (i)	Aa2/AA-	271,145

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**PIMCO California Municipal Income Fund Schedule of Investments**  
October 31, 2010 (unaudited) (continued)