MFS HIGH YIELD MUNICIPAL TRUST
Form N-CSR
February 01, 2010
Table of Contents

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 811-4992

MFS HIGH YIELD MUNICIPAL TRUST

(Exact name of registrant as specified in charter)

500 Boylston Street, Boston, Massachusetts 02116

(Address of principal executive offices) (Zip code)

Susan S. Newton

Massachusetts Financial Services Company

500 Boylston Street

Boston, Massachusetts 02116

(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: November 30, 2009

Table of Contents

ITEM 1. REPORTS TO STOCKHOLDERS.

Table of Contents

Annual report

MFS® High Yield Municipal Trust

11/30/09

CMU-ANN

Table of Contents

MFS® High Yield Municipal Trust

New York Stock Exchange Symbol: **CMU**

NOT FDIC INSURED   MAY LOSE VALUE   NO BANK GUARANTEE

Table of Contents

LETTER FROM THE CEO

Dear Shareholders:

There remains some question as to when the global economy will achieve a sustainable recovery. While some economists and market watchers are optimistic that the worst is behind us, a number also agree with U.S. Federal Reserve Board Chairman Ben Bernanke who said in September that even though from a technical perspective the recession is very likely over at this point, it s still going to feel like a very weak economy for some time.

Have we in fact turned the corner? We have seen tremendous rallies in the markets over the past six months. The Fed has cut interest rates aggressively toward zero to support credit markets, global deleveraging has helped diminish inflationary concerns, and stimulus measures have put more money in the hands of the government and individuals to keep the economy moving. Still, unemployment remains high, consumer confidence and spending continue to waiver, and the housing market, while improving, has a long way to go to recover.

Regardless of lingering market uncertainties, MFS® is confident that the fundamental principles of long-term investing will always apply. We encourage investors to speak with their advisors to identify and research long-term investment opportunities thoroughly. Global research continues to be one of the hallmarks of MFS, along with a unique collaboration between our portfolio managers and sector analysts, who regularly discuss potential investments before making both buy and sell decisions.

As we continue to dig out from the worst financial crisis in decades, keep in mind that while the road back to sustainable recovery will be slow, gradual, and even bumpy at times, conditions are significantly better than they were six months ago.

Respectfully,

Robert J. Manning

Chief Executive Officer and Chief Investment Officer

MFS Investment Management®

January 15, 2010

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

Table of Contents

PORTFOLIO COMPOSITION

Portfolio structure

Top five industries reflecting equivalent exposure of derivative positions (i)	
Healthcare Revenue Hospitals	22.8%
Healthcare Revenue Long Term Care	16.0%
Tax Assessment	6.0%
Tobacco	5.3%
Universities Colleges	5.0%

Portfolio structure reflecting equivalent exposure of derivative positions (i)(j)

Credit quality of bonds (r)	
AAA	10.2%
AA	15.7%
A	10.8%
BBB	27.4%
BB	5.5%
B	2.1%
CCC	1.5%
Not Rated	26.8%

Portfolio facts	
Average Duration (d)(i)	13.3
Average Effective Maturity (i)(m)	17.5 yrs.
Average Credit Quality of Rated Securities (long-term) (a)	A-

2

Table of Contents

Portfolio Composition continued

(a) The average credit quality of rated securities is based upon a market weighted average of portfolio holdings that are rated by public rating 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.

(i) For purposes of this presentation, the bond component includes accrued interest amounts and may be positively or negatively impacted by the equivalent exposure from any derivative holdings, if applicable.

(j) For the purpose of managing the fund s duration, the fund holds short treasury futures with a bond equivalent exposure of (17.5)%, which reduce the fund s interest exposure, but not its credit exposure.

(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.

(r) Each security is assigned a rating from Moody s Investors Service. If not rated by Moody s, the rating will be that assigned by Standard & Poor s. Likewise, if not assigned a rating by Standard & Poor s, it will be based on the rating assigned by Fitch, Inc. For those portfolios that hold a security which is not rated by any of the three agencies, the security is considered Not Rated. Holdings in U.S. Treasuries and government agency mortgage-backed securities, if any, are included in the AAA -rating category. Percentages are based on the total market value of investments as of 11/30/09.

Percentages are based on net assets, including the value of auction preferred shares, as of 11/30/09, unless otherwise noted.

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

Table of Contents

MANAGEMENT REVIEW

Summary of Results

The MFS High Yield Municipal Trust (the fund) is a closed-end fund investing in investment-grade and high-yield municipal debt.

For the twelve months ended November 30, 2009, shares of the MFS High Yield Municipal Trust provided a total return of 31.40%, at net asset value. This compares with a return of 14.17% for the fund s benchmark, the Barclays Capital Municipal Bond Index.

Market Environment

After having suffered through one of the largest and most concentrated downturns since the 1930s, most asset markets staged a remarkable rebound during 2009. During the early stages of the period, a series of tumultuous financial events pushed global equity and credit markets to their lowest points during the crisis. Not only did Europe and Japan fall into very deep recessions, but an increasingly powerful engine of global growth emerging markets also contracted almost across the board. The subsequent recovery in global activity has been similarly synchronized, led importantly by emerging Asian economies, but broadening to include most of the global economy to varying degrees. Primary drivers of the recovery included an unwinding of the inventory destocking that took place earlier, as well as massive fiscal and monetary stimulus.

During the first half of the reporting period, the Fed implemented its final interest rate cut, while making increasing use of its new lending facilities to alleviate ever-tightening credit markets. On the fiscal front, the U.S. Treasury designed and began implementing a massive fiscal stimulus package. As inflationary concerns diminished in the face of global deleveraging and equity and credit markets deteriorated more sharply, central banks around the world also cut interest rates dramatically. By the middle of the period, several central banks had approached their lower bound on policy rates and were examining the implementation and ramifications of quantitative easing as a means to further loosen monetary policy to offset the continuing fall in global economic activity.

However, by the end of the period, there were ever-broadening signs that the global macroeconomic deterioration had passed, which caused the subsequent rise in asset valuations. As most asset prices rebounded in the second half of the period and the demand for liquidity waned, the debate concerning the existence of asset bubbles and the need for monetary exit strategies had begun, creating added uncertainty regarding the forward path of policy rates.

Table of Contents

Management Review continued

The municipal bond market experienced significant volatility over the twelve months ending November 30, 2009, yet ended the period substantially stronger than where it began. The fourth quarter of 2008 began with the municipal market experiencing extreme distress. Fear created by the failure of Lehman Brothers, the unwinding of leverage, and outflows experienced at mutual funds combined to drive municipal bond prices sharply lower and yields dramatically higher. By the end of 2008, yields on 30 year AAA-rated municipals were 200% of comparable maturity U.S. Treasury yields, by far an all time high. At the same time the spread between high grade municipals and high yield municipals hit the highest level in over a decade.

As the calendar turned, so did investor confidence in the municipal market. Mutual fund flows, into both high-grade and high-yield funds, turned strongly positive, spurred on by low money market yields. Additionally, the passage of the American Recovery and Reinvestment Act of 2009 included provisions supportive of the municipal market, most notably the creation of Build America Bonds which had the effect of reducing new issue supply of municipals. These factors led to a powerful rally in both absolute rates as well as spreads, which continued through the end of the period.

Factors Affecting Performance

A key factor for the fund s positive excess return over the Barclays Capital Municipal Bond Index was a considerable overweight in BBB rated (s) securities. Bonds in this credit quality sector outperformed bonds with less risk exposure (such as AAA rated bonds) amid improved economic conditions.

Our overweighted positions and bond selection in the *health care* and *industrial* sectors also boosted relative results. Additionally, the fund s security selection in the *airline* sector was another positive driver of relative performance.

The fund employs leverage which has been created through the issuance of auction preferred shares. To the extent that investments are purchased through the use of leverage, the fund s net asset value will increase or decrease at a greater rate than a comparable unleveraged fund. During the reporting period, the fund s use of leverage enhanced its absolute positive returns.

Bond selection in the *general obligations, housing,* and *tax assessment* sectors was an area of weakness that hampered relative performance over the reporting period.

Respectfully,

Gary Lasman	Geoffrey Schechter
Portfolio Manager	Portfolio Manager

Table of Contents

Management Review continued

(s) Bonds rated BBB , Baa , or higher are considered investment grade; bonds rated BB , Ba , or below are considered non-investment grade. The primary source for bond quality ratings is Moody s Investors Service. If not available, ratings by Standard & Poor s are used, else ratings by Fitch, Inc. For securities which are not rated by any of the three agencies, the security is considered Not Rated.

The views expressed in this report are those of the portfolio managers only through the end of the period of the report as stated on the cover and do not necessarily reflect the views of MFS or any other person in the MFS organization. These views are subject to change at any time based on market or other conditions, and MFS disclaims any responsibility to update such views. These views may not be relied upon as investment advice or an indication of trading intent on behalf of any MFS portfolio. References to specific securities are not recommendations of such securities, and may not be representative of any MFS portfolio s current or future investments.

Table of Contents

PERFORMANCE SUMMARY THROUGH 11/30/09

The following chart represents the fund s historical performance in comparison to its benchmark(s). Investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than their original cost; current performance may be lower or higher than quoted. The performance shown does not reflect the deduction of taxes, if any, that a shareholder would pay on fund distributions or the sale of fund shares. Performance data shown represents past performance and is no guarantee of future results.

Price Summary for MFS High Yield Municipal Trust

Year Ended 11/30/09	Date	Price
Net Asset Value	11/30/09	$4.18
	11/30/08	$3.48
New York Stock Exchange Price	11/30/09	$4.24
	9/08/09 (high) (t)	$4.64
	12/16/08 (low) (t)	$2.35
	11/30/08	$3.04

Total Returns vs Benchmark

Year Ended 11/30/09

MFS High Yield Municipal Trust at	
New York Stock Exchange Price (r)	52.58%
Net Asset Value (r)	31.40%
Barclays Capital Municipal Bond Index (f)	14.17%

(f) Source: FactSet Research Systems, Inc.

(r) Includes reinvestment of dividends and capital gain distributions.

(t) For the period December 1, 2008 through November 30, 2009.

Benchmark Definition

Barclays Capital Municipal Bond Index a market capitalization-weighted index that measures the performance of the tax-exempt bond market.

It is not possible to invest directly in an index.

Notes to Performance Summary

The fund s shares may trade at a discount or premium to net asset value. Shareholders do not have the right to cause the fund to repurchase their shares at net asset value. When fund shares trade at a premium, buyers pay more

Table of Contents

Performance Summary continued

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. As a result, the total return that is calculated based on the net asset value and New York Stock Exchange price can be different.

From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.

8

Table of Contents

INVESTMENT OBJECTIVE, PRINCIPAL INVESTMENT STRATEGIES AND RISKS OF THE FUND

Investment Objective

The fund s investment objective is to seek high current income exempt from federal income tax, but may also consider capital appreciation. The fund s objective may be changed without shareholder approval.

Principal Investment Strategies

The fund invests, under normal market conditions, at least 80% of its net assets, including assets attributable to preferred shares and borrowings for investment purposes, in tax-exempt bonds and tax-exempt notes. This policy may not be changed without shareholder approval. Tax-exempt bonds and tax-exempt notes are municipal instruments, the interest of which is exempt from federal income tax. Interest from the fund s investments may be subject to the federal alternative minimum tax. MFS may also invest in taxable instruments.

MFS may invest 25% or more of the fund s total assets in municipal instruments that finance similar projects, such as those relating to education, healthcare, housing, utilities, water, or sewers.

MFS may invest up to 100% of the fund s assets in lower quality debt instruments.

MFS may invest a relatively high percentage of the fund s assets in the debt instruments of a single issuer or a small number of issuers.

MFS may use derivatives for different purposes, including to earn income and enhance returns, to increase or decrease exposure to a particular market, to manage or adjust the risk profile of the fund, or as alternatives to direct investments.

MFS uses a bottom-up investment approach in buying and selling investments for the fund. Investments are selected primarily based on fundamental analysis of instruments and their issuers in light of current market, economic, political, and regulatory conditions. Factors considered may include the instrument s credit quality, collateral characteristics, and indenture provisions, and the issuer s management ability, capital structure, leverage, and ability to meet its current obligations. Quantitative analysis of the structure of the instrument and its features may also be considered.

The fund uses leverage through the issuance of preferred shares and/or the creation of tender option bonds, and then investing the proceeds pursuant to its investment strategies. If approved by the fund s Board of Trustees, the fund may use leverage by other methods.

MFS may engage in active and frequent trading in pursuing the fund s principal investment strategies.

In response to market, economic, political, or other conditions, MFS may depart from the fund s principal investment strategies by temporarily investing for defensive purposes.

Principal Risks

The portfolio s yield and share prices change daily based on the credit quality of its investments and changes in interest rates. In general, the value of debt securities will decline when interest rates rise and will increase when interest rates fall. Debt securities with longer maturity dates will generally be subject to greater price fluctuations than those with shorter maturities. Municipal instruments can be volatile and significantly affected by adverse tax or court rulings, legislative or political changes and the financial condition of the issuers and/or insurers of municipal instruments. If the Internal Revenue Service determines an issuer of a municipal security has not complied with applicable tax requirements, interest from the security could become taxable and the security could decline significantly in value. Derivatives can be highly volatile and involve risks in addition to those of the underlying indicators upon whose value the derivative is based. Gains or losses from derivatives can be substantially greater than the derivatives original cost. Lower quality debt securities involve substantially greater risk of default and their value can decline significantly over time. To the extent that investments are purchased with the proceeds from the issuance of preferred shares, the fund s net asset value will increase or decrease at a greater rate than a comparable unleveraged fund. To the extent that the fund participates in the creation of tender option bonds, it will hold more concentrated positions in individual securities and so its performance may be more volatile than the performance of more diversified funds. A tender option bond issue may terminate upon the occurrence of certain enumerated events, which would result in a reduction in the fund s leverage. In connection with the creation of tender option bonds and for other investment purposes, the fund may invest in inverse floating rate investments, whose potential income return is inversely related to changes in a floating interest rate. Inverse floating rate investments may provide investment leverage and be more volatile than other debt instruments. When you sell your shares, they may be worth more or less than the amount you paid for them. Please see the fund s registration statement for further information regarding these and other risk considerations. A copy of the fund s registration statement on Form N-2 is available on the EDGAR database on the Securities and Exchange Commission s Internet Web site at http://sec.gov and on the MFS Web site at mfs.com.

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 common and/or preferred 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 MANAGERS PROFILES

Gary Lasman	Investment Officer of MFS; employed in the investment area of MFS since 2002. Portfolio manager of the fund since June 2007.
Geoffrey Schechter	Investment Officer of MFS; employed in the investment area of MFS since 1993. Portfolio manager of the fund since June 2007.

Table of Contents

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

The fund offers a Dividend Reinvestment and Cash Purchase Plan (the Plan) that allows common shareholders to reinvest either all of the distributions paid by the fund or only the long-term capital gains. Generally, purchases are made at the market price unless that price exceeds the net asset value (the shares are trading at a premium). If the shares are trading at a premium, purchases will be made at a price of either the net asset value or 95% of the market price, whichever is greater. You can also buy shares on a quarterly basis in any amount $100 and over. The Plan Agent will purchase shares under the Cash Purchase Plan on the 15th of January, April, July, and October or shortly thereafter.

If shares are registered in your own name, new shareholders will automatically participate in the Plan, unless you have indicated that you do not wish to participate. If your shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you may wish to request that your shares be re-registered in your own name so that you can participate. There is no service charge to reinvest distributions, nor are there brokerage charges for shares issued directly by the fund. However, when shares are bought on the New York Stock Exchange or otherwise on the open market, each participant pays a pro rata share of the transaction expenses, including commissions. Dividends and capital gains distributions are taxable whether received in cash or reinvested in additional shares the automatic reinvestment of distributions does not relieve you of any income tax that may be payable (or required to be withheld) on the distributions.

You may withdraw from the Plan at any time by going to the Plan Agent s website at www.computershare.com, by calling 1-800-637-2304 any business day from 9 a.m. to 5 p.m. Eastern time or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078. Please have available the name of the fund and your account number. For certain types of registrations, such as corporate accounts, instructions must be submitted in writing. Please call for additional details. When you withdraw from the Plan, you can receive the value of the reinvested shares in one of three ways: your full shares will be held in your account, the Plan Agent will sell your shares and send the proceeds to you, or you may transfer your full shares to your investment professional who can hold or sell them. Additionally, the Plan Agent will sell your fractional shares and send the proceeds to you.

If you have any questions or for further information or a copy of the Plan, contact the Plan Agent Computershare Trust Company, N.A. (the Transfer Agent for the fund) at 1-800-637-2304, at the Plan Agent s website at

Table of Contents

Dividend Reinvestment and Cash Purchase Plan continued

www.computershare.com, or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078.

The following changes in the Plan took effect on September 1, 2009:

When dividend reinvestment is being made through purchases in the open market, such purchases will be made on or shortly after the payment date for such distribution (except where temporary limits on purchases are legally required) and in no event more than 15 days thereafter (instead of 45 days as previously specified).

In an instance where the Plan Agent either cannot invest the full amount of the distribution through open market purchases or the fund s shares are no longer selling at a discount to the current net asset value per share, the fund will supplementally issue additional shares at the greater of net asset value per share or 95% of the current market value price per share calculated on the date that such request is made (instead of the distribution date net asset value as previously specified). This price may be greater or lesser than the fund s net asset value per share on the distribution payment date.

Table of Contents

PORTFOLIO OF INVESTMENTS

11/30/09

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

Municipal Bonds - 159.5%		
Issuer	**Shares/Par**	**Value ($)**
Airport & Port Revenue - 4.5%		
Branson, MO, Regional Airport Transportation Development District Airport Rev., B , 6%, 2037	$ 460,000	$ 297,675
Dallas Fort Worth, TX, International Airport Rev. Improvement, B , FSA, 5%, 2025	3,000,000	3,021,930
New York, NY, City Industrial Development Authority Rev. (Terminal One Group Assn.), 5.5%, 2021	500,000	510,315
Port Authority NY & NJ, Cons Thirty Seventh, FSA, 5.125%, 2030	1,450,000	1,460,832
		$ 5,290,752
General Obligations - General Purpose - 0.8%		
Commonwealth of Puerto Rico Government Development Bank, B , 5%, 2015	$ 400,000	$ 413,376
Luzerne County, PA, FSA, 6.75%, 2023	455,000	489,694
		$ 903,070
General Obligations - Improvement - 0.3%		
Guam Government, A , 6.75%, 2029	$ 140,000	$ 143,042
Guam Government, A , 7%, 2039	160,000	162,856
		$ 305,898
General Obligations - Schools - 2.1%		
Beverly Hills, CA, Unified School District (Election of 2008), 0%, 2029	$ 2,195,000	$ 749,593
Beverly Hills, CA, Unified School District (Election of 2008), 0%, 2031	275,000	80,715
Beverly Hills, CA, Unified School District (Election of 2008), 0%, 2032	280,000	76,138
Beverly Hills, CA, Unified School District (Election of 2008), 0%, 2033	560,000	141,803
Irving, TX, Independent School District, A , PSF, 0%, 2016	1,000,000	837,030
Los Angeles, CA, Unified School District, D , 5%, 2034	165,000	162,946
San Jacinto, TX, Community College District, 5.125%, 2038	430,000	443,764
		$ 2,491,989
Healthcare Revenue - Hospitals - 36.8%		
Allegheny County, PA, Hospital Development Authority Rev. (University of Pittsburgh Medical Center), A , 5.375%, 2029	$ 440,000	$ 434,438
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A , 5%, 2028	435,000	318,885
Allegheny County, PA, Hospital Development Authority Rev. (West Penn Allegheny Health), A , 5.375%, 2040	625,000	442,281
Atchison, KS, Hospital Rev. (Atchison Hospital Assn.), A , 6.75%, 2030	320,000	299,030

14

Table of Contents

Portfolio of Investments   continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Hospitals - continued		
Birmingham, AL, Baptist Medical Center, Special Care Facilities Rev. (Baptist Health Systems, Inc.), A , 5%, 2030	$ 500,000	$ 404,050
Brunswick, GA, Hospital Authority Rev. (Glynn-Brunswick Memorial Hospital), 5.625%, 2034	170,000	172,722
California Health Facilities Financing Authority Rev. (St. Joseph Health System), A , 5.75%, 2039	185,000	190,062
California Health Facilities Financing Authority Rev. (Sutter Health), A , 5%, 2042	500,000	461,370
California Statewide Communities Development Authority Rev. (Catholic Healthcare West), K , ASSD GTY, 5.5%, 2041	625,000	632,300
California Statewide Communities Development Authority Rev. (Catholic Healthcare West), L , ASSD GTY, 5.25%, 2041	870,000	855,462
California Statewide Communities Development Authority Rev. (Children s Hospital), 5%, 2047	290,000	240,546
California Statewide Communities Development Authority Rev. (St. Joseph Health System), FGIC, 5.75%, 2047	635,000	647,446
Conway, AR, Hospital Rev. (Conway Regional Medical Center), A , 6.4%, 2029	350,000	358,117
Conway, AR, Hospital Rev. (Conway Regional Medical Center), B , 6.4%, 2029	850,000	869,712
Delaware County, PA, Authority Rev. (Mercy Health Corp.), ETM, 6%, 2016 (c)	965,000	1,010,423
Delaware County, PA, Authority Rev. (Mercy Health Corp.), ETM, 6%, 2026 (c)	500,000	571,570
Garden City, MI, Hospital Finance Authority Rev. (Garden City Hospital), 5%, 2038	500,000	287,030
Genesee County, NY, Industrial Development Agency Civic Facility Rev. (United Memorial Medical Center), 5%, 2027	90,000	70,961
Harris County, TX, Health Facilities Development Corp., Hospital Rev. (Memorial Hermann Healthcare Systems), B , 7.25%, 2035	205,000	229,262
Idaho Health Facilities Authority Rev. (IHC Hospitals, Inc.), ETM, 6.65%, 2021 (c)(f)	2,750,000	3,543,320
Illinois Finance Authority Rev. (Children s Memorial Hospital), A , ASSD GTY, 5.25%, 2047	870,000	871,740
Illinois Finance Authority Rev. (Edward Hospital), A , AMBAC, 5.5%, 2040	1,090,000	1,040,601
Illinois Finance Authority Rev. (Kewanee Hospital), 5.1%, 2031	410,000	314,294
Illinois Finance Authority Rev. (Provena Health), A , 7.75%, 2034	485,000	545,528
Illinois Finance Authority Rev. (Silver Cross Hospital & Medical Centers), 6.875%, 2038	485,000	492,299
Indiana Health & Educational Facilities Finance Authority Rev. (Sisters of St. Francis Health Services, Inc.), E , FSA, 5.25%, 2041	660,000	653,954

15

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Hospitals - continued		
Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Clarian Health), A , 5%, 2039	$ 1,745,000	$ 1,543,871
Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Community Foundation of Northwest Indiana), 5.5%, 2037	1,125,000	1,048,444
Indiana Health & Educational Financing Authority Rev. (Community Foundation of Northwest Indiana), A , 6%, 2034	425,000	432,021
Johnson City, TN, Health & Educational Facilities Board Hospital Rev. (Mountain States Health), A , 5.5%, 2031	1,120,000	1,078,885
Johnson City, TN, Health & Educational Facilities Board Hospital Rev. (Mountain States Health), A , 5.5%, 2036	410,000	389,689
Kentucky Economic Development Finance Authority, Hospital Facilities Rev. (Baptist Healthcare System), A , 5.375%, 2024	300,000	329,835
Kentucky Economic Development Finance Authority, Hospital Facilities Rev. (Baptist Healthcare System), A , 5.625%, 2027	100,000	108,266
Knox County, TN, Health, Educational, Hospital & Housing Facilities Board Rev. (University Health Systems, Inc.), 5.25%, 2036	415,000	385,929
Lake County, OH, Hospital Facilities Rev. (Lake Hospital Systems, Inc.), 5.625%, 2029	435,000	410,027
Louisiana Public Facilities Authority Hospital Rev. (Lake Charles Memorial Hospital), 6.375%, 2034	830,000	708,779
Louisville & Jefferson County, KY, Metro Government Health Facilities Rev. (Jewish Hospital & St. Mary s Healthcare), 6.125%, 2037	1,315,000	1,371,847
Louisville & Jefferson County, KY, Metropolitan Government Healthcare Systems Rev. (Norton Healthcare, Inc.), 5.25%, 2036	1,265,000	1,193,768
Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2032	60,000	54,832
Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2037	60,000	52,042
Maryland Health & Higher Educational Facilities Authority Rev. (Anne Arundel Health System), A , 6.75%, 2039	735,000	839,127
Maryland Health & Higher Educational Facilities Authority Rev. (Washington County Hospital), 6%, 2043	120,000	119,140
Massachusetts Health & Educational Facilities Authority Rev. (Boston Medical Center), 5.25%, 2038	1,000,000	860,480
Massachusetts Health & Educational Facilities Authority Rev. (Jordan Hospital), E , 6.75%, 2033	250,000	222,235
Massachusetts Health & Educational Facilities Authority Rev. (Milford-Whitinsville Hospital), C , 5.25%, 2018	500,000	459,190
Massachusetts Health & Educational Facilities Authority Rev. (Quincy Medical Center), A , 6.5%, 2038	340,000	295,742
Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2031	125,000	112,293

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Hospitals - continued		
Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 2036	$ 825,000	$ 727,840
New Hampshire Health & Education Facilities Authority Rev. (Catholic Medical Center), A , 6.125%, 2012 (c)	175,000	199,714
New Hampshire Health & Education Facilities Authority Rev. (Catholic Medical Center), A , 6.125%, 2032	25,000	24,097
New Hampshire Health & Educational Facilities Authority Rev. (Memorial Hospital at Conway), 5.25%, 2021	530,000	503,230
New Hanover County, N.C., Hospital Rev., FSA, 5.125%, 2031	895,000	911,898
New Jersey Health Care Facilities, Financing Authority Rev. (St. Peter s University Hospital), 5.75%, 2037	545,000	530,285
New Mexico Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A , 5%, 2017	285,000	249,272
New York Dormitory Authority Rev., Non-State Supported Debt (Bronx-Lebanon Hospital Center), LOC, 6.5%, 2030	190,000	208,590
New York Dormitory Authority Rev., Non-State Supported Debt (Bronx-Lebanon Hospital Center), LOC, 6.25%, 2035	115,000	123,817
Norman, OK, Regional Hospital Authority Rev., 5.375%, 2036	235,000	209,535
Olympia, WA, Healthcare Facilities Authority Rev. (Catholic Health Initiatives), D , 6.375%, 2036	1,095,000	1,181,045
Orange County, FL, Health Facilities Authority Hospital Rev. (Orlando Regional Healthcare), 5.75%, 2012 (c)	150,000	170,967
Palomar Pomerado Health Care District, CA, COP, 6.75%, 2039	420,000	408,929
Philadelphia, PA, Hospitals & Higher Education Facilities Authority Rev. (Temple University Health System), A , 6.625%, 2023	375,000	375,300
Philadelphia, PA, Hospitals & Higher Education Facilities Authority Rev. (Temple University Health System), A , 5.5%, 2030	480,000	403,454
Rhode Island Health & Educational Building Corp. Rev. (Lifespan Obligation Group), A , ASSD GTY, 7%, 2039	660,000	731,155
Royal Oak, MI, Hospital Finance Authority Rev. (William Beaumont Hospital), 8.25%, 2039	485,000	571,005
Salida, CO, Hospital District Rev., 5.25%, 2036	735,000	568,559
Skagit County, WA, Public Hospital District No. 001 Rev. (Skagit Valley Hospital), 5.75%, 2032	90,000	88,202
South Lake County, FL, Hospital District Rev. (South Lake Hospital, Inc.), 6.375%, 2034	250,000	249,818
Southwestern, IL, Development Authority Rev. (Anderson Hospital), 5.375%, 2015	500,000	499,835
Southwestern, IL, Development Authority Rev. (Anderson Hospital), 5.5%, 2020	550,000	531,828
Southwestern, IL, Development Authority Rev. (Anderson Hospital), 5.125%, 2026	500,000	450,305

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Hospitals - continued		
Sullivan County, TN, Health, Educational & Housing Facilities Board Hospital Rev. (Wellmont Health Systems Project), C , 5.25%, 2036	$ 1,085,000	$ 952,391
Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A , 5.25%, 2032	230,000	220,241
Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A , 5.375%, 2037	190,000	180,650
Virginia Small Business Financing Authority Hospital Rev. (Wellmont Health Project), A , 5.25%, 2037	470,000	411,734
Washington Health Care Facilities Authority Rev. (Multicare Health Systems), B , ASSD GTY, 6%, 2039	440,000	462,062
West Contra Costa, CA, Healthcare District, AMBAC, 5.5%, 2029	105,000	107,335
Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), 6.4%, 2033	350,000	355,453
Wisconsin Health & Educational Facilities Authority Rev. (Fort Healthcare, Inc.), 6.1%, 2034	750,000	750,810
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), 5.75%, 2012 (c)	450,000	503,739
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), 5.25%, 2034	935,000	794,161
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), A , 5.25%, 2025	390,000	349,865
		$ 42,980,966
Healthcare Revenue - Long Term Care - 25.7%		
Abilene, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement), A , 5.9%, 2025	$ 750,000	$ 620,588
Abilene, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement), A , 7%, 2033	200,000	177,840
Boston, MA, Industrial Development Financing Authority Rev. (Springhouse, Inc.), 5.875%, 2020	235,000	221,819
Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann s Choice, Inc.), A , 6.125%, 2025	500,000	438,500
Bucks County, PA, Industrial Development Authority Retirement Community Rev. (Ann s Choice, Inc.), A , 6.25%, 2035	250,000	205,713
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2027	90,000	72,023
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 2037	120,000	89,856
California Statewide Communities Development Authority Rev. (Eskaton Properties, Inc.), 8.25%, 2010 (c)	695,000	750,301
Capital Projects Finance Authority, FL (Glenridge on Palmer Ranch), A , 8%, 2012 (c)	500,000	592,445

18

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Long Term Care - continued		
Chartiers Valley, PA, Industrial & Commercial Development Authority (Friendship Village), A , 5.75%, 2020	$ 1,000,000	$ 948,600
Chartiers Valley, PA, Industrial & Commercial Development Authority Rev. (Asbury Health Center), 6.375%, 2024	1,000,000	915,670
Colorado Health Facilities Authority Rev. (American Housing Foundation, Inc.), 8.5%, 2011 (c)	530,000	603,644
Colorado Health Facilities Authority Rev. (Christian Living Communities Project), A , 5.75%, 2037	500,000	392,515
Colorado Health Facilities Authority Rev. (Covenant Retirement Communities, Inc.), 5%, 2035	1,100,000	889,592
Colorado Health Facilities Authority Rev. (Evangelical Lutheran), A , 6.125%, 2038	120,000	118,172
Columbus, GA, Housing Authority Rev. (Calvary Community, Inc.), 7%, 2019	400,000	344,340
Fulton County, GA, Residential Care Facilities (Canterbury Court), A , 6.125%, 2026	500,000	449,460
Fulton County, GA, Residential Care Facilities, Elderly Authority Rev. (Lenbrook Square Foundation, Inc.), A , 5%, 2029	1,500,000	1,027,065
Hawaii Department of Budget & Finance, Special Purpose Senior Living Rev. (15 Craigside Project), A , 9%, 2044	140,000	147,897
Houston, TX, Health Facilities Development Corp. (Buckingham Senior Living Community), A , 7%, 2014 (c)	500,000	614,830
Howard County, MD, Retirement Facilities Rev. (Vantage House Corp.), A , 5.25%, 2033	200,000	153,628
Huntington, NY, Housing Authority Rev. (Gurwin Senior Jewish Residences), A , 5.875%, 2019	420,000	374,737
Huntington, NY, Housing Authority Rev. (Gurwin Senior Jewish Residences), A , 6%, 2029	650,000	512,200
Illinois Finance Authority Rev. (Smith Village), A , 6.25%, 2035	1,000,000	786,390
Illinois Health Facilities Authority Rev. (Smith Crossing), A , 7%, 2032	525,000	465,691
Indiana Health Facilities Financing Authority Rev. (Hoosier Care, Inc.), 7.125%, 2034	1,000,000	814,110
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), 9.25%, 2011 (c)	895,000	1,025,867
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), B , 5.75%, 2018	505,000	455,111
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), B , 5.75%, 2028	1,475,000	1,172,256
James City County, VA, Economic Development (WindsorMeade Project), A , 5.5%, 2037	440,000	247,518
Kent County, DE, Assisted Living (Heritage at Dover LLC), 7.625%, 2030	1,120,000	941,830

19

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Long Term Care - continued		
Kentucky Economic Development Finance Authority Health Facilities Rev. (AHF/Kentucky-IOWA, Inc.), 8%, 2029	$ 395,000	$ 376,111
La Verne, CA, COP (Brethren Hillcrest Homes), B , 6.625%, 2025	525,000	478,364
Lancaster, PA, Industrial Development Authority Rev. (Garden Spot Village), A , 7.625%, 2010 (c)	325,000	337,977
Massachusetts Development Finance Agency Rev. (Adventcare), A , 6.75%, 2037	695,000	579,873
Massachusetts Development Finance Agency Rev. (Alliance Health of Brockton, Inc.), A , 7.1%, 2032	1,065,000	889,488
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A , 5.5%, 2027	185,000	139,460
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A , 5.75%, 2035	45,000	32,589
Massachusetts Development Finance Agency Rev. (Loomis Communities, Inc.), A , 5.625%, 2015	220,000	212,175
Massachusetts Development Finance Agency Rev. (Loomis Communities, Inc.), A , 6.9%, 2032	125,000	121,526
Massachusetts Development Finance Agency Rev. (The Groves in Lincoln), A , 7.75%, 2039	80,000	78,011
Massachusetts Development Finance Agency Rev. (The Groves in Lincoln), A , 7.875%, 2044	115,000	113,058
Massachusetts Industrial Finance Agency Rev. (GF/Massachusetts, Inc.), 8.3%, 2023	755,000	414,903
Metropolitan Government of Nashville & Davidson County, TN, Health & Educational Facilities Board Rev. (Blakeford at Green Hills), 5.65%, 2024	575,000	476,278
Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.125%, 2028	150,000	109,734
Montgomery County, PA, Industrial Development Authority Rev. (Whitemarsh Continuing Care), 6.25%, 2035	600,000	415,056
New Jersey Economic Development Authority Rev. (Lions Gate), A , 5.75%, 2025	400,000	332,656
New Jersey Economic Development Authority Rev. (Lions Gate), A , 5.875%, 2037	300,000	231,699
New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), 5.25%, 2026	500,000	417,405
New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), 5.25%, 2036	500,000	382,765
New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), A , 8.25%, 2010 (c)	700,000	759,024
Roseville, MN, Elder Care Facilities (Care Institute, Inc.), 7.75%, 2023	1,630,000	1,280,870
Sartell, MN, Health Care & Housing Authority Rev. (The Foundation for Health Care), A , 6.625%, 2029	1,025,000	971,495

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Healthcare Revenue - Long Term Care - continued		
Savannah, GA, Economic Development Authority, First Mortgage (Marshes of Skidway), A , 7.4%, 2034	$ 350,000	$ 314,045
Shelby County, TN, Health, Educational & Housing Facilities Board Rev. (Germantown Village), A , 7.25%, 2034	300,000	281,658
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 2027	280,000	209,272
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 2042	260,000	175,362
South Carolina Jobs & Economic Development Authority, Health Facilities Rev. (Wesley Commons), 5.3%, 2036	200,000	149,818
St. John s County, FL, Industrial Development Authority (Glenmoor Project), A , 5.25%, 2026	500,000	385,415
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 6.125%, 2029	50,000	48,625
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 6.375%, 2044	415,000	401,197
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village), 8.25%, 2044	770,000	740,255
Westmoreland County, PA, Industrial Development Authority Rev. (Redstone Retirement Community), A , 5.875%, 2032	600,000	480,282
Westmoreland County, PA, Industrial Development Retirement Authority Rev. (Redstone Retirement Community), A , 5.75%, 2026	1,250,000	1,047,538
Wisconsin Health & Educational Facilities Authority Rev. (All Saints Assisted Living Project), 6%, 2037	180,000	127,354
		$ 30,081,546
Healthcare Revenue - Other - 0.7%		
Massachusetts Health & Educational Facilities Authority Rev. (Civic Investments, Inc.), A , 9%, 2012 (c)	$ 650,000	$ 768,209
Industrial Revenue - Airlines - 4.0%		
Alliance Airport Authority, TX (American Airlines, Inc.), 5.25%, 2029	$ 1,560,000	$ 777,941
Chicago, IL, O Hare International Airport Special Facilities Rev. (American Airlines, Inc.), 5.5%, 2030	1,025,000	541,774
Cleveland, OH, Airport Special Rev. (Continental Airlines, Inc.), 5.7%, 2019	830,000	688,800
Dallas Fort Worth, TX, International Airport Facility Improvement Corp. (American Airlines, Inc.), 5.5%, 2030	750,000	401,415
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 9%, 2033 (b)	1,250,000	1,294,263
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.75%, 2031	385,000	356,202

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Industrial Revenue - Airlines - continued		
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.625%, 2025	$ 155,000	$ 142,225
New York, NY, City Industrial Development Agency Special Facility Rev. (American Airlines, Inc.), B , 8.5%, 2028	500,000	438,165
		$ 4,640,785
Industrial Revenue - Chemicals - 0.9%		
Brazos River, TX, Harbor Navigation District (Dow Chemical Co.), B-2 , 4.95%, 2033	$ 400,000	$ 371,196
Michigan Strategic Fund Ltd. Obligation Rev. (Dow Chemical Co.), 6.25%, 2014	655,000	694,614
		$ 1,065,810
Industrial Revenue - Environmental Services - 2.1%		
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Republic Services, Inc.), B , 5.25%, 2023 (b)	$ 135,000	$ 137,915
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Waste Management, Inc.), C , 5.125%, 2023	655,000	622,139
Carbon County, UT, Solid Waste Disposal Rev. (Allied Waste Industries), A , 7.5%, 2010	250,000	250,513
Carbon County, UT, Solid Waste Disposal Rev. (Laidlaw Environmental), A , 7.45%, 2017	500,000	503,680
Gulf Coast Waste Disposal Authority, TX (Waste Management, Inc.), A , 5.2%, 2028	360,000	330,397
New Hampshire Business Finance Authority, Solid Waste Disposal Rev. (Waste Management, Inc.), 5.2%, 2027	660,000	610,784
		$ 2,455,428
Industrial Revenue - Metals - 0.4%		
Director of Nevada Department of Business & Industry (Wheeling/Pittsburgh Steel), A , 8%, 2014	$ 130,000	$ 128,718
Greensville County, VA, Industrial Development Authority Rev. (Wheeling/Pittsburgh Steel), A , 7%, 2014	375,000	362,070
		$ 490,788
Industrial Revenue - Other - 3.9%		
Annawan, IL, Tax Increment Rev. (Patriot Renewable Fuels LLC), 5.625%, 2018	$ 350,000	$ 269,868
California Statewide Communities Development Authority Facilities (Microgy Holdings Project), 9%, 2038	200,000	170,016
Gulf Coast, TX, Industrial Development Authority Rev. (CITGO Petroleum Corp.), 8%, 2028	375,000	373,151

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Industrial Revenue - Other - continued		
Houston, TX, Industrial Development Corp. (United Parcel Service, Inc.), 6%, 2023	$ 455,000	$ 379,479
Indianapolis, IN, Airport Authority Rev., Special Facilities (FedEx Corp.), 5.1%, 2017	500,000	504,125
Michigan Strategic Fund Rev. (Michigan Sugar Co.), A , 6.25%, 2015	1,000,000	945,060
New Jersey Economic Development Authority Rev. (GMT Realty LLC), B , 6.875%, 2037	1,000,000	751,300
Virgin Islands Government Refinery Facilities Rev. (Hovensa Coker Project), 6.5%, 2021	250,000	253,870
Virgin Islands Public Finance Authority, Refinery Facilities Rev. (Hovensa Coker Project), 5.875%, 2022	400,000	395,260
Will-Kankakee, IL, Regional Development Authority Rev. (Flanders Corp.), 6.5%, 2017	555,000	511,260
		$ 4,553,389
Industrial Revenue - Paper - 2.7%		
Beauregard Parish, LA (Boise Cascade Corp.), 6.8%, 2027	$ 1,000,000	$ 544,590
Bedford County, VA, Industrial Development Authority Rev. (Nekooska Packaging Corp.), 5.6%, 2025	400,000	355,416
Courtland, AL, Industrial Development Board Solid Waste Disposal Rev. (Champion International Corp.), 6%, 2029	1,000,000	925,290
Escambia County, FL, Environmental Improvement Rev. (International Paper Co.), A , 5%, 2026	980,000	819,496
Escambia County, FL, Environmental Improvement Rev. (International Paper Co.), A , 4.75%, 2030	290,000	219,034
Phenix City, AL, Industrial Development Board Environmental Improvement Rev., A (MeadWestvaco Coated Board Project), 6.35%, 2035	400,000	343,252
		$ 3,207,078
Miscellaneous Revenue - Entertainment & Tourism - 2.1%		
Agua Caliente Band of Cahuilla Indians, CA, 5.6%, 2013 (n)	$ 635,000	$ 636,600
Cabazon Band Mission Indians, CA, 8.375%, 2015 (z)	130,000	88,915
Cabazon Band Mission Indians, CA, 8.75%, 2019 (z)	720,000	487,138
Cow Creek Band of Umpqua Tribe of Indians, OR, C , 5.625%, 2026 (n)	650,000	468,208
Mashantucket Western Pequot Tribe, CT, B , 0%, 2018 (n)	1,100,000	355,630
New York Liberty Development Corp. Rev. (National Sports Museum), A , 6.125%, 2019 (d)	351,999	1,056
New York, NY, City Industrial Development Agency Rev. (Queens Baseball Stadium), ASSD GTY, 6.125%, 2029	30,000	33,957
New York, NY, City Industrial Development Agency Rev. (Queens Baseball Stadium), ASSD GTY, 6.375%, 2039	25,000	27,714

Table of Contents

Portfolio of Investments   continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Miscellaneous Revenue - Entertainment & Tourism - continued		
New York, NY, City Industrial Development Agency Rev. (Queens Baseball Stadium), ASSD GTY, 6.5%, 2046	$ 100,000	$ 111,451
Seminole Tribe, FL, Special Obligation Rev., A , 5.25%, 2027 (n)	280,000	248,752
		$ 2,459,421
Miscellaneous Revenue - Other - 2.4%		
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , SYNCORA, 5.25%, 2024	$ 305,000	$ 270,938
Capital Trust Agency, FL (Aero Syracuse LLC), 6.75%, 2032	350,000	291,183
Dallas, TX, Civic Center Convention Complex Rev., ASSD GTY, 5.25%, 2034	845,000	862,973
Massachusetts Development Finance Agency (Boston Biomedical Research), 5.65%, 2019	620,000	601,425
Summit County, OH, Port Authority Building Rev. (Twinsburg Township), D , 5.125%, 2025	630,000	510,647
V Lakes Utility District Ranking Water Systems Rev., 7%, 2037	300,000	255,678
		$ 2,792,844
Multi-Family Housing Revenue - 6.5%		
Broward County, FL, Housing Finance Authority Rev. (Chaves Lakes Apartments Ltd.), A , 7.5%, 2040	$ 500,000	$ 472,045
Capital Trust Agency, FL, Housing Rev. (Atlantic Housing Foundation), B , 7%, 2032	635,000	284,531
Charter Mac Equity Issuer Trust, FHLMC, 6%, 2019 (n)	1,000,000	1,021,810
Charter Mac Equity Issuer Trust, B , FHLMC, 7.6%, 2050 (b)(n)	500,000	516,165
Clay County, FL, Housing Finance Authority Rev. (Madison Commons Apartments), A , 7.45%, 2040	495,000	452,529
District of Columbia Housing Finance Agency (Henson Ridge), E , FHA, 5.1%, 2037	655,000	628,826
Durham, NC, Durham Housing Authority Rev. (Magnolia Pointe Apartments), 5.65%, 2038 (b)	930,816	720,991
El Paso County, TX, Housing Finance Corp. (American Housing Foundation), D , 10%, 2032	285,000	263,066
El Paso County, TX, Housing Finance Corp. (American Housing Foundation, Inc.), C , 8%, 2032	280,000	255,002
Minneapolis, MN, Student Housing Rev. (Riverton Community Housing Project), A , 5.7%, 2040	500,000	377,750
Mississippi Home Corp., Rev. (Kirkwood Apartments), 6.8%, 2037	605,000	392,161
MuniMae TE Bond Subsidiary LLC, 5.8%, 2049 (z)	1,000,000	654,960
New Mexico Mortgage Finance Authority, Multi-Family Housing Rev. (Sun Pointe Apartments), E , FHA, 4.8%, 2040	500,000	451,600

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Multi-Family Housing Revenue - continued		
Resolution Trust Corp., Pass-Through Certificates, 1993 , 8.5%, 2016 (z)	$ 455,481	$ 426,084
Wilmington, DE, Multi-Family Housing Rev. (Electra Arms Senior Associates), 6.25%, 2028	830,000	670,549
		$ 7,588,069
Sales & Excise Tax Revenue - 3.9%		
Bolingbrook, IL, Sales Tax Rev., 6.25%, 2024	$ 500,000	$ 248,735
Massachusetts School Building Authority, Dedicated Sales Tax Rev., AMBAC, 4.75%, 2032	840,000	849,122
Metropolitan Pier & Exposition Authority, State Tax Rev., NATL, 0%, 2015	3,000,000	2,489,460
Metropolitan Pier & Exposition Authority, State Tax Rev., ETM, FGIC, 0%, 2014 (c)	1,010,000	926,190
		$ 4,513,507
Single Family Housing - Local - 1.4%		
Minneapolis & St. Paul Housing Authority Rev. (City Living), A-2 , GNMA, 5%, 2038	$ 643,928	$ 608,203
Pittsburgh, PA, Urban Redevelopment Authority Rev., C , GNMA, 4.8%, 2028	1,000,000	1,003,880
		$ 1,612,083
Single Family Housing - State - 3.2%		
California Housing Finance Agency Rev., G , 5.5%, 2042	$ 495,000	$ 495,455
Colorado Housing & Finance Authority, A , 5.5%, 2029	1,315,000	1,369,625
Iowa Finance Authority, Single Family Mortgage Rev., E , 5.4%, 2032	895,000	919,111
Kentucky Counties Single Family Mortgage Rev., A , NATL, 9%, 2016	5,000	5,001
North Dakota Housing Finance Agency Rev., A , 4.85%, 2021	405,000	406,466
Virginia Housing Development Authority, Commonwealth Mortgage, A-5 , 4.4%, 2015	210,000	214,595
Virginia Housing Development Authority, Commonwealth Mortgage, A-5 , 4.4%, 2015	340,000	345,539
		$ 3,755,792
State & Agency - Other - 0.5%		
Commonwealth of Puerto Rico (Mepsi Campus), A , 6.25%, 2024	$ 100,000	$ 94,633
Commonwealth of Puerto Rico (Mepsi Campus), A , 6.5%, 2037	500,000	446,100
		$ 540,733
State & Local Agencies - 5.4%		
Chesterfield County, VA, Economic Development Authority Pollution Control Rev., A , 5%, 2023	$ 880,000	$ 959,957

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
State & Local Agencies - continued		
Dorchester County, SC, School District No. 2, Growth Remedy Opportunity Tax Hike, 5.25%, 2029	$ 500,000	$ 517,735
Laurens County, SC, School District No. 55, Installment Purchase Rev., 5.25%, 2030	700,000	645,575
Michigan Building Authority Rev., Facilities Program, I , 5%, 2024 (c)	45,000	48,573
Michigan Building Authority Rev., Facilities Program, I , 5%, 2024	955,000	981,148
New York Metropolitan Transportation Authority, A , 5.125%, 2029	800,000	819,640
Newberry, SC, Investing in Children s Education (Newberry County School District Program), 5%, 2030	400,000	368,044
Philadelphia, PA, Municipal Authority Rev., 6.5%, 2034	135,000	141,423
Puerto Rico Public Finance Corp., E , ETM, 6%, 2026 (c)	80,000	99,988
Puerto Rico Public Finance Corp., Unrefunded, E , 6%, 2026	820,000	1,024,877
Wisconsin General Fund Annual Appropriation Rev., A , 5.75%, 2033	660,000	718,469
		$ 6,325,429
Student Loan Revenue - 0.6%		
Massachusetts Educational Financing Authority, Education Loan Rev., H , ASSD GTY, 6.35%, 2030	$ 625,000	$ 665,856
Tax - Other - 1.2%		
Dallas County, TX, Flood Control District, 7.25%, 2032	$ 750,000	$ 782,168
New York, NY, City Transitional Finance Authority Building Aid Rev., S-3 , 5.25%, 2039	440,000	452,822
Virgin Islands Public Finance Authority Rev. (Diageo Project), A , 6.75%, 2037	205,000	216,892
		$ 1,451,882
Tax Assessment - 9.8%		
Atlanta, GA, Tax Allocation (Eastside Project), B , 5.4%, 2020	$ 500,000	$ 459,110
Ave Maria Stewardship Community District, FL, A , 5.125%, 2038	150,000	105,690
Capital Region Community Development District, FL, Capital Improvement Rev., A , 7%, 2039	235,000	215,930
Celebration Community Development District, FL, A , 6.4%, 2034	700,000	697,382
Channing Park Community Development District, FL, 5.3%, 2038	400,000	217,636
Chicago, IL, Tax Increment Allocation (Pilsen Redevelopment), B , 6.75%, 2022	310,000	291,115
Du Page County, IL, Special Service Area No. 31 Special Tax (Monarch Landing Project), 5.625%, 2036	250,000	183,083
Durbin Crossing Community Development District, FL, Special Assessment, B-1 , 4.875%, 2010	125,000	96,190
Grand Bay at Doral Community Development District, FL, A , 6%, 2039	90,000	47,885

26

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Tax Assessment - continued		
Grand Bay at Doral Community Development District, FL, B , 6%, 2017	$ 545,000	$ 385,081
Heritage Harbour North Community Development District, FL, Capital Improvement Rev., 6.375%, 2038	315,000	239,066
Homestead, FL, Community Development District, Special Assessment, A , 6%, 2037 (d)	370,000	191,901
Homestead, FL, Community Development District, Special Assessment, B , 5.9%, 2013 (d)	170,000	118,929
Huntington Beach, CA, Community Facilities District, Special Tax (Grand Coast Resort), 2000-1 , 6.45%, 2031	500,000	468,115
Lincoln, CA, Special Tax (Community Facilities District), 2003-1 , 5.55%, 2013 (c)	440,000	518,641
Lincolnshire, IL, Special Service Area No. 1 (Sedgebrook Project), 6.25%, 2034	250,000	174,858
Magnolia Park Community Development District, FL, Special Assessment, A , 6.15%, 2039	615,000	398,391
Main Street Community Development District, FL, A , 6.8%, 2038	290,000	222,050
Main Street Community Development District, FL, B , 6.9%, 2017	225,000	199,928
Northwest Metropolitan District No. 3, CO, 6.25%, 2035	500,000	345,330
Oakmont Grove Community Development District, CA, A , 5.4%, 2038 (d)	300,000	126,330
Ohio County, WV, Commission Tax Increment Rev. (Fort Henry Centre), A , 5.85%, 2034	125,000	108,664
Orlando, FL, Special Assessment Rev. (Conroy Road Interchange Project), A , 5.5%, 2010	25,000	25,008
Orlando, FL, Special Assessment Rev. (Conroy Road Interchange Project), A , 5.8%, 2026	300,000	273,624
Plano, IL, Special Service Area No. 4 (Lakewood Springs Project Unit 5-B), 6%, 2035	1,487,000	1,210,046
Portage, IN, Economic Development Rev. (Ameriplex Project), 5%, 2027	260,000	227,604
San Diego, CA, Redevelopment Agency, Tax Allocation, FSA, 0%, 2018	1,015,000	686,039
Sarasota National Community Development District, FL, Special Assessment Rev., 5.3%, 2039	800,000	406,872
Sweetwater Creek Community Development District, FL, Capital Improvement Rev., 5.5%, 2038	195,000	112,084
Tolomato Community Development District, FL, Special Assessment, 6.65%, 2040	585,000	458,962
Tuscany Reserve Community Development District, FL, Special Assessment, B , 5.25%, 2016	185,000	110,961
Volo Village, IL, Special Service Area No. 3, Special Tax (Symphony Meadows Project), 1 , 6%, 2036	484,000	304,959

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Tax Assessment - continued		
West Villages Improvement District, FL, Special Assessment Rev. (Unit of Development No. 3), 5.5%, 2037	$ 490,000	$ 219,971
Westchester, FL, Community Development District No. 1 (Community Infrastructure), 6.125%, 2035	275,000	194,029
Westridge, FL, Community Development District, Capital Improvement Rev., 5.8%, 2037 (d)	960,000	389,520
Wyandotte County-Kansas City, KS, Unified Government Transportation Development District (Legends Village West Project), 4.875%, 2028	580,000	404,678
Yorba Linda, CA, Redevelopment Agency, Tax Allocation Rev., A , NATL, 0%, 2024	1,325,000	567,034
		$ 11,402,696
Tobacco - 8.4%		
Buckeye, OH, Tobacco Settlement Financing Authority, A-2 , 5.875%, 2030	$ 1,610,000	$ 1,351,032
Buckeye, OH, Tobacco Settlement Financing Authority, A-2 , 5.875%, 2047	2,810,000	2,024,380
Buckeye, OH, Tobacco Settlement Financing Authority, A-2 , 6.5%, 2047	785,000	618,188
California County, CA, Tobacco Securitization Agency, Tobacco Settlement Rev. (Los Angeles County), 0%, 2046	2,000,000	56,820
Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., A-1 , 6.25%, 2013 (c)	1,350,000	1,502,631
Inland Empire, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., Asset Backed, C-1 , 0%, 2036	1,815,000	158,685
Michigan Tobacco Settlement Finance Authority Rev., Asset Backed, A , 6%, 2048	1,710,000	1,301,225
Rhode Island Tobacco Settlement Authority, 6%, 2023	1,675,000	1,698,551
Tobacco Settlement Authority of Washington Rev., Asset Backed, 6.625%, 2032	500,000	486,560
Virginia Tobacco Settlement Financing Corp., B-1 , 5%, 2047	830,000	566,043
		$ 9,764,115
Toll Roads - 4.6%		
E-470 Public Highway Authority, CO, B , 0%, 2010 (c)	$ 8,750,000	$ 1,326,500
E-470 Public Highway Authority, CO, B , NATL, 0%, 2018	1,500,000	928,590
Pennsylvania Turnpike Commission, Capital Appreciation, C , FSA, 0%, 2033	1,440,000	1,059,883
San Joaquin Hills, CA, Transportation Corridor Agency Toll Road Rev., A , NATL, 0%, 2015	3,000,000	2,109,750
		$ 5,424,723

28

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Universities - Colleges - 8.2%		
Brevard County, FL, Industrial Development Rev. (Tuff Florida Tech LLC Project), 6.75%, 2039	$ 540,000	$ 531,101
California Educational Facilities Authority Rev. (University of Southern California), A , 5.25%, 2038	1,270,000	1,331,138
California Municipal Finance Authority Rev. (Biola University), 5.8%, 2028	100,000	101,507
Florida State University Board of Governors, System Improvement Rev., 6.25%, 2030	1,000,000	1,142,460
Grand Valley, MI, State University Rev., 5.5%, 2027	135,000	143,941
Grand Valley, MI, State University Rev., 5.625%, 2029	65,000	69,266
Harris County, TX, Cultural Education Facilities Rev. (Baylor College of Medicine), D , 5.625%, 2032	540,000	494,834
Illinois Finance Authority Rev. (Roosevelt University Project), 6.25%, 2029	460,000	455,878
Massachusetts Health & Educational Facilities Authority Rev. (Simmons College), I , 8%, 2029	255,000	284,108
Massachusetts Health & Educational Facilities Authority Rev. (Suffolk University), A , 6.25%, 2030	725,000	749,215
Savannah, GA, Economic Development Authority Rev. (AASU Student Union LLC), ASSD GTY, 5.125%, 2039	1,320,000	1,344,169
University of Illinois Rev. (Auxiliary Facilities Systems), A , 5.125%, 2029	1,880,000	1,990,619
University of Southern Indiana Rev., Student Fee, J , ASSD GTY, 5.75%, 2028	300,000	333,276
University of Southern Mississippi Educational Building Corp. Rev. (Campus Facilities Project), 5.25%, 2032	220,000	234,494
University of Southern Mississippi, Educational Building Corp. Rev. (Campus Facilities Project), 5.375%, 2036	80,000	85,078
Washington Higher Education Facilities Authority Rev. (Whitworth University), 5.875%, 2034	280,000	282,783
		$ 9,573,867
Universities - Dormitories - 0.5%		
California Statewide Communities Development Authority Rev. (Lancer Educational Student Housing Project), 5.625%, 2033	$ 735,000	$ 592,057
Universities - Secondary Schools - 1.4%		
California Statewide Communities Development Authority Rev., COP (Crossroads Schools for the Arts & Sciences), 6%, 2028	$ 980,000	$ 940,643
Colorado Housing Finance Development Rev. (Evergreen Country Day School), 5.875%, 2037	175,000	118,990

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Universities - Secondary Schools - continued		
La Vernia, TX, Higher Education Finance Corp. Rev. (Kipp, Inc.), A , 6.25%, 2039	$ 195,000	$ 188,351
Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A , 5.375%, 2037	535,000	384,242
		$ 1,632,226
Utilities - Cogeneration - 0.7%		
Puerto Rico Industrial, Tourist, Educational, Medical & Environmental Central Facilities (Cogeneration Facilities - AES Puerto Rico Project), 6.625%, 2026	$ 320,000	$ 323,344
Suffolk County, NY, Industrial Development Agency Rev. (Nissequoque Cogeneration Partners Facilities), 5.5%, 2023	550,000	477,059
		$ 800,403
Utilities - Investor Owned - 6.9%		
Brazos River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), C , 5.75%, 2036 (b)	$ 150,000	$ 133,235
Brazos River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), C , 6.75%, 2038	555,000	312,676
Brazos River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), D , 5.4%, 2029 (b)	45,000	34,202
Bryant, IL, Pollution Control Rev. (Central Illinois Light Co.), 5.9%, 2023	975,000	975,790
Chula Vista, CA, Industrial Development Rev. (San Diego Gas), 5.875%, 2034	245,000	265,088
Clark County, NV, Industrial Development Rev. (Nevada Power Co. Project), A , 5.9%, 2032	1,500,000	1,457,730
Maricopa County, AZ, Pollution Control Corp., Pollution Control Rev. (Arizona Public Service Co.), D , 6%, 2029 (b)	475,000	507,699
Massachusetts Development Finance Agency, Solid Waste Disposal Rev. (Dominion Energy Brayton), 5.75%, 2042 (b)	85,000	89,931
Matagorda County, TX, Pollution Control Rev. (Central Power & Light Co.), A , 6.3%, 2029	275,000	295,840
Mississippi Business Finance Corp., Pollution Control Rev. (Systems Energy Resources Project), 5.875%, 2022	1,500,000	1,483,920
New Hampshire Business Finance Authority, Pollution Control Rev. (Public Service of New Hampshire), B , NATL, 4.75%, 2021	250,000	240,398
Owen County, KY, Waterworks System Rev. (American Water Co. Project), A , 6.25%, 2039	205,000	215,943
Pennsylvania Economic Development Financing Authority (Allegheny Energy Supply Co. LLC), 7%, 2039	600,000	651,528
Red River Authority, TX, Pollution Control Rev. (AEP Texas Central Co.), NATL, 4.45%, 2020	410,000	391,435

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Utilities - Investor Owned - continued		
Sabine River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), 5.2%, 2028	$ 185,000	$ 95,173
Sabine River Authority, TX, Pollution Control Rev. (TXU Electric Co. LLC), 5.75%, 2030 (b)	155,000	137,676
Sweetwater County, WY, Pollution Control Rev. (Idaho Power Co.), 5.25%, 2026	540,000	548,570
West Feliciana Parish, LA, Pollution Control Rev. (Entergy Gulf States), 6.6%, 2028	270,000	270,424
		$ 8,107,258
Utilities - Municipal Owned - 0.1%		
Harris County, TX, Cultural Education Facilities Financial Corp., Thermal Utilities Rev. (Teco Project), A , 5.25%, 2035	$ 140,000	$ 145,720
Utilities - Other - 3.6%		
California M-S-R Energy Authority Gas Rev., A , 7%, 2034	$ 155,000	$ 168,950
California M-S-R Energy Authority Gas Rev., A , 6.5%, 2039	335,000	342,578
Indiana Bond Bank Special Program, Gas Rev., A , 5.25%, 2018	230,000	238,397
Main Street Natural Gas, Inc., GA, Gas Project Rev., A , 5.5%, 2028	335,000	309,081
Main Street Natural Gas, Inc., GA, Gas Project Rev., B , 5%, 2019	325,000	311,061
Public Authority for Colorado Energy Natural Gas Purchase Rev., 6.5%, 2038	25,000	26,106
Salt Verde Financial Corp., AZ, Senior Gas Rev., 5%, 2037	705,000	578,833
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2021	1,710,000	1,663,129
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2022	270,000	256,025
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 2026	165,000	153,009
Tennessee Energy Acquisition Corp., Gas Rev., C , 5%, 2025	240,000	220,416
		$ 4,267,585
Water & Sewer Utility Revenue - 3.2%		
Atlanta, GA, Water & Wastewater Rev., A , 6%, 2022	$ 370,000	$ 398,923
Birmingham, AL, Waterworks Board Water Rev., A , ASSD GTY, 5.125%, 2034	595,000	614,819
Commonwealth of Puerto Rico Aqueduct & Sewer Authority Rev., A , 6%, 2038	655,000	670,379
Commonwealth of Puerto Rico Aqueduct & Sewer Authority Rev., A , 6%, 2044	135,000	138,170
Detroit, MI, Sewer Disposal System Rev., B , FSA, 7.5%, 2033	515,000	597,529
New York, NY, Municipal Water Finance Authority, Water & Sewer Systems Rev. DD , 4.75%, 2035	790,000	790,482

Table of Contents

Portfolio of Investments continued

Issuer	Shares/Par	Value ($)
Municipal Bonds - continued		
Water & Sewer Utility Revenue - continued		
Surprise, AZ, Municipal Property Corp., 4.9%, 2032	$ 700,000	$ 543,865
		$ 3,754,167
Total Municipal Bonds (Identified Cost, $197,709,451)		**$ 186,406,141**
Other Assets, Less Liabilities - 4.7%		5,463,824
Preferred Shares (Issued by the Fund) - (64.2)%		(75,000,000)
Net Assets applicable to common shares - 100.0%		**$ 116,869,965**

(b) Mandatory tender date is earlier than stated maturity date.

(c) Refunded bond.

(d) Non-income producing security in default.

(f) All or a portion of the security has been segregated as collateral for open futures contracts.

(n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was $3,247,165 representing 2.8% of net assets applicable to common shares.

(z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

Restricted Securities	Acquisition Date	Cost	Current Market Value
Cabazon Band Mission Indians, CA, 8.375%, 2015	10/04/04	$130,000	$88,915
Cabazon Band Mission Indians, CA, 8.75%, 2019	10/04/04	720,000	487,138
MuniMae TE Bond Subsidiary LLC, 5.8%, 2049	10/14/04	1,000,000	654,960
Resolution Trust Corp., Pass-Through Certificates, 1993 , 8.5%, 2016	10/17/01 - 1/14/02	455,481	426,084
Total Restricted Securities			$1,657,097
% of Net Assets Applicable to Common Shares			1.4%

The following abbreviations are used in this report and are defined:

COP	Certificate of Participation
ETM	Escrowed to Maturity
LOC	Letter of Credit

Table of Contents

Portfolio of Investments continued

Insurers

AMBAC	AMBAC Indemnity Corp.
ASSD GTY	Assured Guaranty Insurance Co.
FGIC	Financial Guaranty Insurance Co.
FHA	Federal Housing Administration
FHLMC	Federal Home Loan Mortgage Corp.
FSA	Financial Security Assurance, Inc.
GNMA	Government National Mortgage Assn.
NATL	National Public Finance Guarantee Corp.
PSF	Permanent School Fund
SYNCORA	Syncora Guarantee Inc.

Derivative Contracts at 11/30/09

Futures Contracts Outstanding at 11/30/09

Description	Currency	Contracts	Value	Expiration Date	Unrealized Appreciation (Depreciation)
Liability Derivatives					
Interest Rate Futures					
U.S. Treasury Note 10 yr (Short)	USD	238	$28,545,125	Mar-10	$(384,965)
U.S. Treasury Bond 30 yr (Short)	USD	41	5,031,469	Mar-10	(98,479)
					$(483,444)

At November 30, 2009, the fund had sufficient cash and/or other liquid securities to cover any commitments under these derivative contracts.

See Notes to Financial Statements

33

Table of Contents

Financial Statements

STATEMENT OF ASSETS AND LIABILITIES

At 11/30/09

This statement represents your fund s balance sheet, which details the assets and liabilities comprising the total value of the fund.

Assets		
Investments, at value (identified cost, $197,709,451)	$186,406,141	
Cash	2,576,823	
Receivables for		
Investments sold	150,208	
Interest	3,326,002	
Other assets	14,365	
Total assets		$192,473,539
Liabilities		
Payables for		
Distributions on common shares	$4	
Distributions on preferred shares	909	
Daily variation margin on open futures contracts	18,719	
Investments purchased	454,866	
Payable to affiliates		
Investment adviser	26,795	
Transfer agent and dividend disbursing costs	6,477	
Administrative services fee	428	
Payable for independent Trustees compensation	12,409	
Accrued expenses and other liabilities	82,967	
Total liabilities		$603,574
Preferred shares		
Auction preferred shares (3,000 shares issued and outstanding at $25,000 per share) at liquidation value		$75,000,000
Net assets applicable to common shares		$116,869,965
Net assets consist of		
Paid-in capital common shares	$183,888,033	
Unrealized appreciation (depreciation) on investments	(11,786,754)	
Accumulated net realized gain (loss) on investments	(56,059,041)	
Undistributed net investment income	827,727	
Net assets applicable to common shares		$116,869,965
Preferred shares, at liquidation value (3,000 shares issued and outstanding at $25,000 per share)		75,000,000
Net assets including preferred shares		$191,869,965
Common shares of beneficial interest outstanding		27,953,620
Net asset value per common share (net assets of $116,869,965 / 27,953,620 shares of beneficial interest outstanding)		$4.18

See Notes to Financial Statements

Table of Contents

Financial Statements

STATEMENT OF OPERATIONS

Year ended 11/30/09

This statement describes how much your fund earned in investment income and accrued in expenses.

It also describes any gains and/or losses generated by fund operations.

Net investment income		
Income		
Interest income	$12,086,281	
Dividends from underlying funds	106	
Total investment income		$12,086,387
Expenses		
Management fee	$1,160,124	
Transfer agent and dividend disbursing costs	47,036	
Administrative services fee	41,470	
Independent Trustees compensation	22,731	
Stock exchange fee	25,219	
Preferred shares service fee	130,740	
Custodian fee	23,224	
Shareholder communications	67,251	
Auditing fees	82,048	
Legal fees	13,412	
Miscellaneous	55,501	
Total expenses		$1,668,756
Fees paid indirectly	(5,379)	
Reduction of expenses by investment adviser	(114,005)	
Net expenses		$1,549,372
Net investment income		$10,537,015
Realized and unrealized gain (loss) on investments		
Realized gain (loss) (identified cost basis)		
Investment transactions	$(2,548,132)	
Futures contracts	(3,341,371)	
Net realized gain (loss) on investments		$(5,889,503)
Change in unrealized appreciation (depreciation)		
Investments	$23,335,678	
Futures contracts	1,324,376	
Net unrealized gain (loss) on investments		$24,660,054
Net realized and unrealized gain (loss) on investments		$18,770,551
Distributions declared to preferred shareholders		$(511,899)
Change in net assets from operations		$28,795,667

See Notes to Financial Statements

Table of Contents

Financial Statements

STATEMENTS OF CHANGES IN NET ASSETS

These statements describe the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

	Years ended 11/30	
	2009	**2008**
Change in net assets		
From operations		
Net investment income	$10,537,015	$11,898,131
Net realized gain (loss) on investments	(5,889,503)	(12,459,753)
Net unrealized gain (loss) on investments	24,660,054	(39,031,181)
Distributions declared to preferred shareholders	(511,899)	(3,117,160)
Change in net assets from operations	$28,795,667	$(42,709,963)
Distributions declared to common shareholders		
From net investment income	$(9,208,821)	$(9,047,476)
Net asset value of shares issued to common shareholders in reinvestment of distributions	$328,093	$273,134
Total change in net assets	$19,914,939	$(51,484,305)
Net assets applicable to common shares		