

PIMCO HIGH INCOME FUND  
Form N-CSR  
June 03, 2010

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 811-21311

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

1345 Avenue of the Americas, New York, NY  
(Address of principal executive offices)

10105  
(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 March 31, 2010  
end:

Date of reporting period: March 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**

**Contents**

Letter to Shareholders	1
Fund Insights/Performance & Statistics	2-3
Schedules of Investments	4-20
Statements of Assets and Liabilities	21
Statements of Operations	22
Statements of Changes in Net Assets	23-24
Statements of Cash Flows	25
Notes to Financial Statements	26-49
Financial Highlights	50-51
Report of Independent Registered Public Accounting Firm	52
Tax Information	53

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Annual Shareholder Meetings Results/Changes in Board of Trustees	54
Changes in Investment Policies	55-56
Privacy Policy/Proxy Voting Policies & Procedures	57
Dividend Reinvestment Plan	58
Board of Trustees	59-60
Fund Officers	61

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Letter to Shareholders**

May 14, 2010

Dear Shareholder:

Please find enclosed the annual report for PIMCO Global StocksPLUS® & Income Fund and PIMCO High Income Fund for the fiscal year ended March 31, 2010.

Global stock markets rebounded from a deep, extended bear market, advancing at a robust pace during the fiscal year, as signs of economic recovery prompted investors to move capital from cash and government bonds into less-defensive, higher-yielding investments. In this environment, stocks and corporate bonds outperformed government-issued securities. The Standard & Poor's 500 Index, a proxy for U.S. equity performance, advanced 49.77% and the Morgan Stanley Capital International Europe, Australasia and Far East Index ( MSCI EAFE ) returned 54.44% in U.S. dollar terms. The B of A Merrill Lynch U.S. High Yield Index advanced 61.57%, outpacing both stocks and bonds. The broad bond market, as measured by the Barclays Capital U.S. Aggregate Index, returned 7.69% for the fiscal year while the Barclays Capital U.S. Treasury Bond Index declined 1.18%.

The U.S. Federal Reserve (the Fed ) continued its accommodative monetary policy during the fiscal year, holding the benchmark rate on loans between member banks at the historic low target rate of 0% to 0.25%. The Fed announced that it was concluding purchases of some \$1.25 trillion of Agency mortgage-backed securities and about \$175 billion of Agency debt from banks, a policy intended to add to the supply of cash available for lending. Noting that bank lending continues to contract, the Fed stated that it would monitor conditions and employ the policy tools necessary for economic recovery and price stability.

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 is available on our website, [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, the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your financial needs.

Sincerely,

Hans W. Kertess

*Chairman*

Brian S. Shlissel

*President & Chief Executive Officer*

PIMCO Global StocksPLUS® & Income Fund  
3.31.10 | PIMCO High Income Fund Annual Report **1**

**PIMCO Global StocksPLUS® & Income Fund Fund Insights/Performance & Statistics**

March 31, 2010 (unaudited)

- For the fiscal year ended March 31, 2010, PIMCO Global StocksPLUS® & Income Fund (the Fund) returned 138.68% on net asset value (NAV) and 155.94% on market price.
- The Fund's exposure to the Morgan Stanley Capital International Europe, Australasia, Far East Index (MSCI EAFE) via total return swaps averaged 46% during the fiscal year. The MSCI EAFE Index ended the period with a total return of 54.44%.
- The Fund had an average of 53% exposure to the domestic equity market via S&P 500 futures contracts, along with a defensive option strategy that used the premium from written at- or slightly out-of-the money call options to generate income and also purchase out-of-the money put options to limit losses. The S&P 500 Index advanced 49.77% for the period. The option strategy detracted from performance as the written calls and purchased puts were adversely affected by the S&P 500 Index's rally during the fiscal year.

Income and valuation changes were generated in a diversified fixed income portfolio which collateralizes the equity positions. Highlights of the fixed income performance were:

- High-yield and investment-grade corporate bonds added significantly to Fund performance, as these securities experienced price appreciation due to the compression of credit spreads during the period.
- Exposure to non-Agency mortgages and asset-backed securities, which generated incremental income for the Fund, also benefitted returns as these holdings appreciated due to increased liquidity and government-sponsored programs.
- The fixed income portfolio had an average duration of 4.5 years during the fiscal year. Positive duration detracted from returns as the yield on ten-year U.S. Treasuries increased.
- An allocation to Agency mortgages contributed to performance as these high-quality assets outperformed like-duration Treasuries.
- A yield advantage over LIBOR provided a source of incremental income for the Fund, which was beneficial to performance.

<b>Total Return(1):</b>	<b>Market Price</b>	<b>NAV</b>
1 Year	155.94%	138.68%
3 Year	11.75%	(0.38)%
Commencement of Operations (5/31/05) to 3/31/10	13.26%	6.58%

<b>Market Price/NAV Performance:</b>		<b>Market Price/NAV:</b>	
Commencement of Operations (5/31/05) to 3/31/10	Market Price		\$19.05
NAV	NAV		\$12.52
Market Price	Premium to NAV		52.16%
	Market Price Yield(2)		8.70%

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value ( 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 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 Fund, market conditions, supply and demand for the Fund's shares, or changes in Fund dividends.

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market yield and NAV will fluctuate with changes in market conditions. This data is provided for information 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 on a stock exchange. NAV is equal to total assets less total liabilities divided by the number of 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 shareholders by the market price per share at March 31, 2010.

**PIMCO High Income Fund Fund Insights/Performance & Statistics**

March 31, 2010 (unaudited)

- For the fiscal year ended March 31, 2010, PIMCO High Income Fund (the Fund ) advanced 214.85% on net asset value ( NAV ) and 156.33% on market price.
- An emphasis on financials, which benefited from recapitalization efforts and balance sheet improvement during the fiscal period, was a significant contributor to performance.
- Strong security selection in the consumer cyclical sector, where auto-related credits materially outperformed the broader industry category, benefitted returns.
- An underweight position in energy, which lagged the overall market during the fiscal period, contributed to performance.
- A below-market weight to consumer non-cyclicals, which underperformed alongside other defensive areas of the market amid the strong credit rally, was a strong contributor to performance.
- As real estate bonds posted very robust returns during the fiscal period, led by real estate developers and managers, an underweight position in is sector detracted from performance.
- An underweight position in gaming companies, which posted very strong returns during the fiscal period, negatively impacted relative returns.
- Exposure to investment grade bonds detracted from performance, as the high-grade market was significantly outpaced by high yield bonds during the fiscal period.

<b>Total Return(1):</b>	<b>Market Price</b>	<b>Net Asset Value ( NAV )</b>
1 Year	156.33%	214.85%
5 Year	13.32%	6.40%
Commencement of Operations (4/30/03) to 3/31/10	11.90%	8.50%

<b>Market Price/NAV Performance:</b>	<b>Market Price/NAV:</b>	
Commencement of Operations (4/30/03) to 3/31/10	Market Price	\$12.24
NAV	NAV	\$8.73
Market Price	Premium to NAV	40.21%
	Market Price Yield(2)	11.39%



(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value ( 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 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 Fund, market conditions, supply and demand for the Fund's shares, or changes in Fund dividends.

An investment in the 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 on 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 common share at March 31, 2010.

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**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>MORTGAGE-BACKED SECURITIES 73.5%</b>			
\$649	American Home Mortgage Assets, 1.391%, 11/25/46, CMO, FRN	Caa1/CCC	\$304,236
2,000	Banc of America Commercial Mortgage, Inc., CMO, VRN (k), 5.334%, 3/11/41 (a) (d)	NR/BBB+	1,177,430
2,600	5.889%, 7/10/44	NR/A+	2,550,910
433	Banc of America Funding Corp., CMO, FRN, 0.460%, 7/20/36	Ba1/AAA	285,509
3,264	5.75%, 3/20/36	Caa1/B	2,271,113
3,000	Banc of America Large Loan, Inc., 0.98%, 8/15/29, CMO, FRN (a) (d) (k)	Aaa/AA	2,387,272
1,706	Banc of America Mortgage Securities, Inc., CMO, 3.179%, 2/25/35, FRN	Ba1/NR	1,455,480
432	6.00%, 7/25/46	Baa3/CCC	394,370
3,000	BCRR Trust, 5.858%, 7/17/40, CMO, VRN (a) (d) (k)	Aaa/NR	2,449,118
637	Bear Stearns Adjustable Rate Mortgage Trust, CMO, VRN, 3.120%, 3/25/35	Baa2/BB-	511,469
1,794	3.537%, 2/25/34 (k)	Aa3/AA	1,527,220
2,855	5.921%, 8/25/47	NR/CCC	2,239,535
920	Bear Stearns Alt-A Trust, CMO, VRN, 3.112%, 4/25/35 (k)	Aa2/BBB+	692,490
592	5.124%, 11/25/34	Aa1/AAA	515,575
434	5.201%, 9/25/35	Ba1/CCC	321,237
1,000	Bear Stearns Commercial Mortgage Securities, CMO, VRN, 5.694%, 6/11/50 (k)	NR/A+	991,095
1,000	5.720%, 2/11/41 (a) (d)	NR/BBB-	475,001
699	Bear Stearns Structured Products, Inc., CMO, VRN, 5.603%, 1/26/36	B2/A+	431,807
724	5.666%, 12/26/46	Caa1/CCC	445,325
1,737	CBA Commercial Small Balance Commercial Mortgage, 5.54%, 1/25/39, CMO (a) (d) (g)	Ca/BBB-	967,906
1,421	Charlotte Gateway Village LLC, 6.41%, 12/1/16, CMO (a) (d) (g)	NR/A+	1,274,104
1,600	Chase Commercial Mortgage Securities Corp., 6.65%, 7/15/32, CMO (a) (d)	Ba3/NR	1,350,120
1,701	Citigroup Mortgage Loan Trust, Inc., CMO, 3.726%, 3/25/37, VRN	NR/CCC	1,027,116
203	4.248%, 8/25/35, FRN	A3/AA	180,190
1,015	Citigroup/Deutsche Bank Commercial Mortgage Trust, 5.225%, 7/15/44, CMO, VRN	A1/BBB	584,317
1,925	Countrywide Alternative Loan Trust, CMO, 0.450%, 5/20/46, FRN	Ba1/CCC	967,045

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404	0.486%, 12/25/46, FRN	Ca/CCC	111,552
2,344	0.576%, 10/25/35, FRN	Ba2/CCC	1,320,758
4,694	0.596%, 5/25/36, FRN	B3/CCC	2,591,082
1,624	5.50%, 8/25/34	NR/AAA	898,456
340	5.50%, 12/25/35	Ba1/B-	244,766
83	5.50%, 2/25/36	B3/CC	45,298
1,849	5.50%, 3/25/36	B3/NR	1,171,469
764	5.860%, 2/25/37, VRN	NR/CCC	532,274
236	6.25%, 9/25/34	A1/AAA	202,062
	Countrywide Home Loan Mortgage Pass Through Trust, CMO,		
1,904	0.566%, 3/25/35, FRN (k)	A1/AAA	1,127,382
326	0.636%, 2/25/35, FRN	Ba1/BBB	109,705
1,842	5.309%, 10/20/35, VRN	Ba3/CCC	1,285,792

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4 PIMCO High Income Fund Annual Report | 3.31.10

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PIMCO Global StocksPLUS® & Income Fund Schedule of Investments

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
\$764	5.317%, 10/20/35, VRN	B2/CCC	\$584,386
392	6.00%, 3/25/36	NR/CCC	84,727
2,600	Credit Suisse First Boston Mortgage Securities Corp., 5.745%, 12/15/36, CMO, VRN (a) (d) (k) Credit Suisse Mortgage Capital Certificates, CMO,	NR/BBB+	1,687,150
1,100	0.40%, 10/15/21, FRN (a) (d)	Aa1/AAA	916,538
1,900	5.467%, 9/15/39	Aaa/AAA	1,828,244
63	6.00%, 11/25/36	B1/NR	51,684
2,000	6.215%, 2/15/41, VRN (k)	NR/AA	1,849,595
351	Deutsche ALT-A Securities, Inc. Alternate Loan Trust, 5.00%, 10/25/18, CMO	Aaa/AAA	342,247
1,252	First Horizon Alternative Mortgage Securities, 6.166%, 2/25/36, CMO, FRN	Ca/CC	57,952
2,098	First Horizon Asset Securities, Inc., CMO, FRN, 5.119%, 6/25/35 (k)	NR/AAA	1,747,395
2,811	5.474%, 1/25/37 GE Capital Commercial Mortgage Corp., CMO, VRN,	NR/CCC	2,244,473
1,000	5.106%, 7/10/45 (a) (d)	NR/BB	328,363
1,000	5.128%, 5/10/43	NR/BB	504,790
461	GMAC Mortgage Corp. Loan Trust, 4.128%, 6/25/34, CMO, FRN	NR/AAA	378,749
488	GSR Mortgage Loan Trust, CMO, 2.954%, 9/25/35, FRN	NR/AAA	450,789
361	3.543%, 4/25/35, VRN	Baa3/BB-	290,895
850	5.50%, 6/25/36 Harborview Mortgage Loan Trust, CMO, FRN,	NR/CCC	756,420
52	0.537%, 4/19/34	Aaa/AAA	46,272
2,767	1.246%, 11/25/47	Baa3/B-	1,709,086
306	2.526%, 11/19/34	Ba1/B+	174,767
1,121	HSBC Asset Loan Obligation, 5.994%, 1/25/37, CMO, VRN	NR/CC	729,943
4	Impac CMB Trust, 0.886%, 10/25/33, CMO, FRN	A1/A	2,644
4,006	Indymac Index Mortgage Loan Trust, 0.516%, 6/25/37, CMO, FRN	Caa1/CCC	876,899
¥102,608	JLOC Ltd., 0.514%, 2/15/16, CMO, FRN (a) (d)	Aaa/AAA	836,627
\$1,380	JPMorgan Alternative Loan Trust, 7.00%, 12/25/35, CMO	NR/CCC	980,080
	JPMorgan Chase Commercial Mortgage Securities Corp., CMO (a) (d),		
2,000	0.68%, 7/15/19, FRN (k)	Aa2/NR	1,518,967
1,500	5.293%, 5/15/41, VRN	Baa1/NR	866,936
1,000	5.65%, 3/18/51, VRN	Aa3/NR	778,125
	JPMorgan Mortgage Trust, CMO,		
1,542	3.778%, 4/25/37, VRN	B1/CCC	1,028,532
2,428	4.957%, 8/25/35, FRN (k)	NR/CCC	2,053,275

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630	5.50%, 6/25/37	NR/CC	542,111
3,423	5.778%, 8/25/36, VRN	B3/NR	2,515,936
	Luminent Mortgage Trust, CMO, FRN,		
1,799	0.416%, 12/25/36	B2/B+	954,267
1,786	0.446%, 10/25/46	Ba1/A-	1,004,788
516	MASTR Adjustable Rate Mortgage Trust,		
	3.995%, 10/25/34, CMO, VRN	NR/A	413,414
183	Mellon Residential Funding Corp., 0.712%,		
	6/15/30, CMO, FRN	Aaa/AAA	154,081
1,000	Merrill Lynch/Countrywide Commercial		
	Mortgage Trust, 5.378%, 8/12/48, CMO	Aa2/A	889,678
463	MLCC Mortgage Investors, Inc., 4.25%,		
	10/25/35, CMO, FRN	A1/AAA	424,292

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 3.31.10 | PIMCO High Income Fund Annual Report 5

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**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
\$500	Morgan Stanley Capital I, CMO, 5.208%, 11/14/42, VRN	A1/BB+	\$282,119
100	5.379%, 8/13/42, VRN (a) (d)	NR/BB-	36,488
1,000	5.569%, 12/15/44	NR/A+	898,602
1,300	5.809%, 12/12/49 (k)	NR/A+	1,280,528
384	Morgan Stanley Mortgage Loan Trust, 2.937%, 10/25/34, CMO, VRN	Baa1/A+	308,909
3,000	RBSCF Trust, 6.068%, 2/17/51, CMO, VRN (a) (d) (g) (k)	NR/NR	2,077,500
1,573	Structured Adjustable Rate Mortgage Loan Trust, CMO, 1.629%, 5/25/35, FRN	B3/CCC	685,070
289	5.624%, 9/25/35, VRN	Ba1/BB-	238,688
1,543	5.882%, 11/25/36, VRN	NR/CC	1,178,452
1,785	5.976%, 4/25/36, VRN	NR/CC	1,176,400
847	Structured Asset Mortgage Investments, Inc., CMO, FRN, 0.476%, 2/25/36	B1/CCC	472,003
764	0.526%, 2/25/36	Ba3/CCC	441,692
444	Suntrust Adjustable Rate Mortgage Loan Trust, 3.684%, 1/25/37, CMO, VRN	NR/CCC	329,830
2,000	Wachovia Bank Commercial Mortgage Trust, CMO, 0.350%, 9/15/21, FRN (a) (d) (k)	A1/A+	1,497,578
1,020	4.982%, 2/15/35 (a) (d)	NR/BBB	681,514
1,500	5.360%, 1/15/41, VRN (a) (d)	Baa2/BBB	618,847
725	5.509%, 4/15/47	Aaa/BBB+	657,118
2,500	5.902%, 2/15/51, VRN (k)	Aaa/BBB	2,259,244
304	WaMu Mortgage Pass Through Certificates, CMO, FRN, 0.536%, 7/25/45	Aaa/AAA	235,488
1,883	0.536%, 10/25/45 (k)	Aa2/AAA	1,454,510
2,018	0.566%, 7/25/45 (k)	Aaa/AAA	1,504,090
269	1.201%, 1/25/47	Caa1/CCC	161,932
4,780	Washington Mutual Alternative Mortgage Pass Through Certificates, CMO, 1.241%, 4/25/47, FRN	Ca/CC	1,286,882
1,298	5.50%, 7/25/35	Baa3/B+	885,098
1,332	Wells Fargo Mortgage Backed Securities Trust, CMO, 5.311%, 5/25/35, FRN (k)	B3/A-	1,251,813
300	5.50%, 1/25/36	Ba1/NR	271,350
Total Mortgage-Backed Securities (cost-\$85,018,745)			92,194,448

**CORPORATE BONDS & NOTES 60.2%**

**Airlines 4.2%**

1,000		B2/B	1,070,000
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		American Airlines, Inc., 10.50%, 10/15/12 (a) (d) (k)		
	1,309	Northwest Airlines, Inc., 1.001%, 5/20/14, FRN (MBIA) (k)	Baa2/BBB-	1,126,155
	2,224	United Air Lines Pass Through Trust (k), 6.636%, 1/2/24	Ba1/BB+	2,057,023
	1,000	10.40%, 5/1/18	Ba1/BBB	1,075,000
				5,328,178
<b>Automotive</b>	<b>0.1%</b>			
	100	Tenneco, Inc., 8.625%, 11/15/14	Caa2/CCC+	102,000
<b>Banking</b>	<b>3.3%</b>			
	1,600	Rabobank Nederland NV, 11.00%, 6/30/19 (a) (d) (h) (k)	A2/AA-	2,065,010
	2,000	Regions Financial Corp., 7.75%, 11/10/14 (k)	Baa3/BBB-	2,106,308
				4,171,318

6 PIMCO Global StocksPLUS® & Income Fund  
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**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Financial Services</b>	<b>26.5%</b>		
800	American General Finance Corp., 4.625%, 6/22/11	B2/NR	\$1,036,553
\$2,700	C10 Capital SPV Ltd., 6.722%, 12/31/16 (h) (k)	NR/B-	1,922,327
302	CIT Group, Inc., 7.00%, 5/1/13	NR/NR	296,357
454	7.00%, 5/1/14	NR/NR	429,794
454	7.00%, 5/1/15	NR/NR	424,123
756	7.00%, 5/1/16	NR/NR	699,313
1,058	7.00%, 5/1/17	NR/NR	979,040
1,200	Citigroup Capital XXI, 8.30%, 12/21/77, (converts to FRN on 12/21/37) (k)	Ba1/BB-	1,221,000
	Ford Motor Credit Co. LLC (k), 3.001%, 1/13/12, FRN	B1/B-	2,061,700
2,120	5.507%, 6/15/11, FRN	B1/B-	3,063,750
3,000	7.25%, 10/25/11	B1/B-	1,344,550
1,300	7.50%, 8/1/12	B1/B-	2,382,867
2,300	8.00%, 6/1/14	B1/B-	421,473
400	8.00%, 12/15/16	B1/B-	4,059,598
3,850	General Electric Capital Corp., 4.625%, 9/15/66, (converts to FRN on 9/15/16) (a) (d)	Aa3/A+	5,041,648
4,600	GMAC, Inc., 8.30%, 2/12/15 (a) (d) (k)	B3/B	2,105,000
\$2,000	International Lease Finance Corp., 6.625%, 11/15/13 (k)	B1/BB+	2,922,108
3,000	SLM Corp., 4.77%, 2/1/14, FRN	Ba1/BBB-	168,790
200	8.45%, 6/15/18 (k)	Ba1/BBB-	1,012,841
1,000	UBS AG, 5.875%, 12/20/17 (k)	Aa3/A+	1,555,629
1,500			33,148,461
<b>Healthcare &amp; Hospitals</b>	<b>4.4%</b>		
3,000	Biomet, Inc., 11.625%, 10/15/17 (k)	Caa1/B-	3,375,000
2,000	HCA, Inc., 9.25%, 11/15/16 (k)	B2/BB-	2,131,250
			5,506,250
<b>Hotels/Gaming</b>	<b>0.9%</b>		
1,100	MGM Mirage, 9.00%, 3/15/20 (a) (b) (d) (l) (acquisition cost-\$1,102,625; purchased 3/9/10-3/10/10)	B1/B	1,138,500
<b>Insurance</b>	<b>6.8%</b>		
	American International Group, Inc. (k), 0.361%, 10/18/11, FRN	A3/A-	4,311,220
4,500	5.60%, 10/18/16	A3/A-	4,252,366
4,565			8,563,586
<b>Materials &amp; Processing</b>	<b>1.9%</b>		
2,000	Teck Resources Ltd., 10.25%, 5/15/16 (k)	Ba1/BB+	2,390,000
<b>Oil &amp; Gas</b>	<b>5.2%</b>		
3,000	Kinder Morgan Energy Partners L.P., 6.50%, 9/1/39 (k)	Baa2/BBB	3,093,948
3,000	Quicksilver Resources, Inc., 11.75%, 1/1/16 (k)	B2/B	3,450,000



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				6,543,948
<b>Retail</b>	<b>4.2%</b>			
	2,688	CVS Pass Through Trust, 5.88%, 1/10/28 (k)	Baa2/NR	2,630,606
	3,000	New Albertson s, Inc., 8.00%, 5/1/31 (k)	Ba3/B+	2,595,000
				5,225,606
<b>Telecommunications</b>	<b>1.8%</b>			
	2,000	Wind Acquisition Finance S.A., 11.75%, 7/15/17 (a) (d) (k)	B2/B+	2,220,000

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 3.31.10 | PIMCO High Income Fund Annual Report 7

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**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Transportation 0.9%</b>			
	Navios Maritime Holdings, Inc. 8.875%, 11/1/17 (a) (d) (k)	Ba3/BB-	\$1,118,000
\$1,075			
Total Corporate Bonds & Notes (cost-\$69,646,534) <span style="float: right;">75,455,847</span>			
<b>U.S. GOVERNMENT AGENCY SECURITIES 52.8%</b>			
<b>Fannie Mae 52.8%</b>			
3,082	4.50%, 8/1/39, MBS (k)	Aaa/AAA	3,091,302
2,834	4.50%, 10/1/39, MBS (k)	Aaa/AAA	2,843,086
11,226	6.00%, 8/1/34, MBS (k)	Aaa/AAA	12,110,360
2,425	6.00%, 11/1/34, MBS (k)	Aaa/AAA	2,615,923
3,485	6.00%, 12/1/34, MBS (k)	Aaa/AAA	3,759,529
2,594	6.00%, 11/1/36, MBS (k)	Aaa/AAA	2,768,116
918	6.00%, 12/1/37, MBS (k)	Aaa/AAA	976,099
1,190	6.00%, 3/1/38, MBS (k)	Aaa/AAA	1,264,857
31	6.00%, 6/1/38, MBS (k)	Aaa/AAA	32,899
1,217	6.00%, 7/1/38, MBS (k)	Aaa/AAA	1,293,701
4,777	6.00%, 8/1/38, MBS (k)	Aaa/AAA	5,080,064
11,964	6.00%, 9/1/38, MBS (k)	Aaa/AAA	12,721,884
3,982	6.00%, 10/1/38, MBS (k)	Aaa/AAA	4,233,678
2,220	6.00%, 11/1/38, MBS (k)	Aaa/AAA	2,360,121
323	6.00%, 12/1/38, MBS (k)	Aaa/AAA	343,568
8,342	6.00%, 1/1/39, MBS (k)	Aaa/AAA	8,869,758
176	6.00%, 2/1/39, MBS (k)	Aaa/AAA	187,213
179	7.00%, 12/25/23, CMO (k)	Aaa/AAA	199,947
118	7.50%, 6/1/32, MBS (k)	Aaa/AAA	131,563
65	7.80%, 6/25/26, ABS, VRN	Aaa/AAA	66,405
276	10.074%, 12/25/42, CMO, VRN (k)	Aaa/AAA	299,626
812	13.806%, 8/25/22, CMO, FRN (b) (k)	Aaa/AAA	977,187
			66,226,886
<b>Freddie Mac 0.0%</b>			
30	7.00%, 8/15/23, CMO (k)	Aaa/AAA	33,504
Total U.S. Government Agency Securities (cost-\$65,315,911) <span style="float: right;">66,260,390</span>			
<b>ASSET-BACKED SECURITIES 11.8%</b>			
1,192	Aircraft Certificate Owner Trust, 6.455%, 9/20/22 (a) (d)	Ba3/BB+	1,073,021
684	Ameriquest Mortgage Securities, Inc., 5.854%, 2/25/33, FRN (f)	Ca/D	59,265
892	Conseco Financial Corp., 6.53%, 4/1/30, VRN	Ba3/NR	851,083
370	Denver Arena Trust, 6.94%, 11/15/19 (a) (d)	NR/NR	334,231
479	EMC Mortgage Loan Trust, 0.716%, 5/25/39, FRN (a) (d)	Aaa/NR	363,407
851	First Franklin Mortgage Loan Asset Backed Certificates, 0.436%, 3/25/36, FRN	B1/BBB+	593,396
285	HSI Asset Securitization Corp. Trust, 0.306%, 5/25/37, FRN	Ba3/BBB	262,288
950	Lehman XS Trust, 5.42%, 11/25/35	Ba1/AAA	673,395

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2,956	Loomis Sayles CBO, 0.479%, 10/26/20, FRN (a) (d)	Aa1/A+	2,617,448
965	MASTR Asset Backed Securities Trust, 5.233%, 11/25/35	Ba2/BBB	830,479
2,455	Merrill Lynch First Franklin Mortgage Loan Trust, 0.486%, 5/25/37, FRN	Ca/CCC	1,034,228
618	Morgan Stanley ABS Capital I, 0.306%, 5/25/37, FRN	Baa2/BB	517,451
5,000	Origen Manufactured Housing, 7.65%, 3/15/32 (k)	B2/NR	4,795,901
291	Quest Trust, 0.366%, 8/25/36, FRN (a) (d)	Caa3/BBB	266,651

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PIMCO High Income Fund Annual Report | 3.31.10

8

**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
\$183	Residential Asset Mortgage Products, Inc., 5.572%, 6/25/32, VRN	Aa3/BB	\$134,155
551	Washington Mutual Asset Backed Certificates, 0.306%, 10/25/36, FRN	Ba3/CCC	369,130
Total Asset-Backed Securities (cost-\$14,173,826)			14,775,529
<b>U.S. TREASURY BONDS &amp; NOTES (i) 6.8%</b>			
176	U.S. Treasury Bonds & Notes, 0.875%, 4/30/11		176,777
494	0.875%, 5/31/11		496,297
3,932	1.00%, 7/31/11		3,953,504
3,658	1.00%, 9/30/11 (e)		3,674,007
216	1.00%, 10/31/11		216,819
Total U.S. Treasury Bonds & Notes (cost-\$8,501,873)			8,517,404
<b>SENIOR LOANS (a) (c) 2.4%</b>			
<b>Automotive Products 1.5%</b>			
104	Ford Motor Corp., Term B, 3.23%, 12/15/13		101,018
1,821	3.26%, 12/15/13		1,763,179
			1,864,197
<b>Financial Services 0.9%</b>			
600	International Lease Finance Corp. (e), 10.00%, 2/23/15, Term B1		615,563
500	10.00%, 3/17/16, Term B2		507,187
Total Senior Loans (cost-\$3,003,265)			1,122,750
			2,986,947
<b>MUNICIPAL BONDS &amp; NOTES 1.2%</b>			
<b>West Virginia 1.2%</b>			
1,920	Tobacco Settlement Finance Auth. Rev., 7.467%, 6/1/47, Ser. A (cost-\$1,806,015)	Baa3/BBB	1,526,592
<b>COMMON STOCK 0.8%</b>			
Shares			
<b>Diversified Financial Services 0.8%</b>			
26,029	CIT Group, Inc. (j) (cost-\$496,153)		1,014,090
<b>SHORT-TERM INVESTMENTS 20.6%</b>			
Principal Amount (000)			

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**U.S. Treasury Bills (i) 5.3%**

\$6,650	0.18%-0.25%, 8/12/10-9/2/10 (cost-\$6,644,774)		6,644,844
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**Corporate Notes (k) 6.6%**

**Financial Services 5.8%**

1,700	American General Finance Corp., 4.625%, 9/1/10	B2/B	1,697,603
1,000	Ford Motor Credit Co. LLC, 7.375%, 2/1/11	B1/B-	1,025,173

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3.31.10 | PIMCO High Income Fund Annual Report **9**

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**PIMCO Global StocksPLUS® & Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Financial Services</b> (continued)			
	International Lease Finance Corp.,		
\$1,700	0.472%, 5/24/10, FRN	B1/BB+	\$1,700,110
700	4.875%, 9/1/10	B1/BB+	700,064
2,100	4.95%, 2/1/11	B1/BB+	2,101,993
			7,224,943
<b>Insurance 0.8%</b>			
1,000	Foundation Re II Ltd., 7.00%, 11/26/10, FRN (a) (b) (d) (l) (acquisition cost-\$1,000,000; purchased 11/10/06)	NR/BB+	991,539
Total Corporate Notes (cost-\$7,829,092)			8,216,482
<b>U.S. Government Agency Securities (i) 0.6%</b>			
<b>Freddie Mac 0.6%</b>			
552	0.109%, 2/1/11, FRN	Aaa/AAA	551,773
174	0.324%, 3/9/11, FRN	Aaa/AAA	174,231
Total U.S. Government Agency Securities (cost-\$726,427)			726,004
<b>Repurchase Agreements 8.1%</b>			
9,100	Barclays Capital, Inc., dated 3/31/10, 0.03%, due 4/1/10, proceeds \$9,100,008; collateralized by U.S. Treasury Inflation Index Bond, 2.00%, due 1/15/26, valued at \$9,359,062 including accrued interest		9,100,000
1,128	State Street Bank & Trust Co., dated 3/31/10, 0.01%, due 4/1/10, proceeds \$1,128,000; collateralized by U.S. Treasury Bills, zero coupon, due 4/8/10, valued at \$1,155,000		1,128,000
Total Repurchase Agreements (cost-\$10,228,000)			10,228,000
Total Short-Term Investments (cost-\$25,428,293)			25,815,330
<b>OPTIONS PURCHASED (j) 0.1%</b>			
Contracts			
<b>Put Options 0.1%</b>			
200	S&P 500 Index Futures (CME), strike price \$1,100, expires 4/16/10 (cost-\$260,750)		102,500
<b>Total Investments before options written</b> (cost-\$273,651,365) <b>230.2%</b>			288,649,077
<b>OPTIONS WRITTEN (j) (0.8)%</b>			
<b>Call Options (0.8)%</b>			
200	S&P 500 Index Futures (CME), strike price \$1,155, expires 4/16/10 (premiums received-\$1,024,250)		(1,015,000)
<b>Total Investments net of options written</b> (cost-\$272,627,115) <b>229.4%</b>			287,634,077
Other liabilities in excess of other assets (129.4%)			(162,263,687)

**Net Assets 100%**

**\$125,370,390**

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**10** PIMCO High Income Fund Annual Report | 3.31.10

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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>CORPORATE BONDS &amp; NOTES 74.5%</b>			
<b>Airlines 1.9%</b>			
\$8,760	American Airlines Pass Through Trust, 8.608%, 10/1/12	Ba3/B+	\$8,760,000
6,507	Continental Airlines, Inc., 6.92%, 4/2/13 (a) (b) (g) (l) (acquisition cost-\$5,804,084; purchased 7/1/03)	NR/NR	6,181,276
2,693	Continental Airlines Pass Through Trust, 6.90%, 7/2/18, Class B	Ba2/BB-	2,598,980
9,798	9.00%, 7/8/16, Class A (k)	Baa2/A-	10,581,691
			28,121,947
<b>Automotive 1.6%</b>			
5,000	Ford Motor Co., 7.125%, 11/15/25	B3/CCC	4,287,500
5,900	7.50%, 8/1/26	B3/CCC	5,265,750
5,000	9.215%, 9/15/21	B3/CCC	5,212,500
9,450	Goodyear Tire & Rubber Co., 9.00%, 7/1/15	B1/B+	9,804,375
			24,570,125
<b>Banking 9.7%</b>			
4,700	AgFirst Farm Credit Bank, 7.30%, 4/30/10 (a) (b) (d) (h) (l) (acquisition cost-\$3,729,000; purchased 2/26/10-3/2/10)	NR/A	3,674,366
12,500	AmSouth Bancorp, 6.75%, 11/1/25	Ba1/BB+	10,032,638
160	BankAmerica Capital II, 8.00%, 12/15/26	Baa3/BB	162,000
5,100	BankAmerica Institutional Capital B, 7.70%, 12/31/26 (a) (d)	Baa3/BB	5,017,125
£29,775	Barclays Bank PLC, 14.00%, 6/15/19 (h)	Baa2/A-	59,099,336
\$1,100	First Horizon National Corp., 4.50%, 5/15/13	Baa2/BB+	1,037,522
15,000	Lloyds TSB Bank PLC, 12.00%, 12/16/24 (a) (d) (h)	Ba1/BB	16,741,100
26,000	Rabobank Nederland NV, 11.00%, 6/30/19 (a) (d) (h) (k)	A2/AA-	33,556,406
6,000	Regions Financial Corp., 7.375%, 12/10/37	Ba1/BB+	5,227,998
10,000	7.75%, 11/10/14 (k)	Baa3/BBB-	10,531,540
			145,080,031
<b>Computer Services 0.6%</b>			
9,000	SunGard Data Systems, Inc., 10.25%, 8/15/15	Caa1/B-	9,506,250
<b>Electric 0.0%</b>			
578	Reliant Energy Mid-Atlantic Power Holdings LLC, 9.237%, 7/2/17	Ba1/BB	618,882
<b>Entertainment 0.0%</b>			
550	Speedway Motorsports, Inc., 8.75%, 6/1/16	Ba1/BB	588,500
<b>Financial Services 36.8%</b>			
25,710	AGFC Capital Trust I, 6.00%, 1/15/67, (converts to FRN on 1/15/17) (a) (d)	Caa1/CCC-	17,997,000
2,000	American General Finance Corp., 0.53%, 8/17/11, FRN	B2/B	1,865,958
10,000	4.625%, 6/22/11	B2/NR	12,956,915
\$2,925	4.875%, 7/15/12	B2/B	2,756,880



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10,000	5.40%, 12/1/15	B2/B	8,628,590
29,200	5.625%, 8/17/11 (k)	B2/B	28,571,090
2,515	5.85%, 6/1/13	B2/B	2,356,487
3,000	6.90%, 12/15/17	B2/B	2,631,045
25,000	Aviation Capital Corp., 1.499%, 8/8/12		
	(a) (b) (g) (l) (acquisition cost-\$17,500,000; purchased 6/11/09)	NR/NR	18,761,986
£15,000	BAC Capital Trust VII, 5.25%, 8/10/35	Baa3/BB	16,325,642

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 3.31.10 | PIMCO High Income Fund Annual Report 11

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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Financial Services</b> (continued)			
\$5,000	Buffalo Thunder Development Authority, 9.375%, 12/15/14 (a) (b) (d) (f) (l) (m) (acquisition cost-\$5,118,750; purchased 12/8/06)	WR/NR	\$687,500
5,000	Capital One Capital III, 7.686%, 8/15/36 (k)	Baa3/BB	4,831,250
6,100	Capital One Capital VI, 8.875%, 5/15/40	Baa3/BB	6,693,432
7,700	Chukchansi Economic Development Authority, 8.00%, 11/15/13 (a) (d)	B3/B+	6,352,500
11,400	Ford Motor Credit Co. LLC, 3.001%, 1/13/12, FRN	B1/B-	11,086,500
825	7.00%, 10/1/13	B1/B-	854,313
13,000	7.50%, 8/1/12	B1/B-	13,468,377
600	7.80%, 6/1/12	B1/B-	622,606
14,000	8.00%, 6/1/14	B1/B-	14,751,562
15,000	8.70%, 10/1/14	B1/B-	16,279,785
2,000	GMAC, Inc., 6.00%, 12/15/11	B3/B	2,001,034
48	6.70%, 5/15/14	B3/B	43,343
5,000	6.75%, 12/1/14	B3/B	4,973,405
7,000	6.75%, 12/1/14 (a) (b) (l) (acquisition cost-\$6,720,000; purchased 1/4/10)	B3/B	7,035,000
3,720	7.00%, 2/1/12	B3/B	3,780,338
1,030	7.25%, 9/15/17	B3/B	926,436
210	7.50%, 10/15/12	B3/B	203,377
42,000	7.50%, 12/31/13 (k)	B3/B	43,155,000
15,770	8.00%, 11/1/31	B3/B	15,032,090
13,002	ILFC E-Capital Trust I, 5.90%, 12/21/65, (converts to FRN on 12/21/10) (a) (b) (d) (l) (acquisition cost-\$6,861,120; purchased 8/31/09-1/22/10)	B3/BB	10,141,560
28,430	ILFC E-Capital Trust II, 6.25%, 12/21/65, (converts to FRN on 12/21/15) (a) (b) (d) (l) (acquisition cost-\$14,110,737; purchased 8/31/09-10/6/09)	B3/BB	22,175,400
15,000	International Lease Finance Corp., 1.037%, 8/15/11, FRN	B1/BB+	19,187,268
\$4,070	4.75%, 1/13/12 (k)	B1/BB+	3,976,850
6,935	5.00%, 9/15/12	B1/BB+	6,668,051
14,000	5.30%, 5/1/12	B1/BB+	13,604,332
2,000	5.35%, 3/1/12	B1/BB+	1,960,246
1,960	5.40%, 2/15/12	B1/BB+	1,929,449
6,950	5.55%, 9/5/12	B1/BB+	6,772,282
1,000	5.625%, 9/20/13	B1/BB+	943,996
2,000	5.875%, 5/1/13	B1/BB+	1,921,992
18,000	6.29%, 10/15/17, VRN (g)	WR/BB+	12,931,937
30,965	6.375%, 3/25/13	B1/BB+	30,280,828
1,500	6.625%, 11/15/13	B1/BB+	1,461,054
33	JET Equipment Trust, 7.63%, 2/15/15 (a) (d) (f)	WR/NR	19,694
2,000	LBG Capital No.1 PLC, 6.439%, 5/23/20	Ba3/BB-	2,273,207
£4,900	7.869%, 8/25/20	Ba3/BB-	6,578,039
\$24,826	7.875%, 11/1/20	Ba3/BB-	22,467,530

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28,700	8.00%, 6/15/20 (a) (d) (g) (h)	NR/B+	24,701,689
2,000	8.50%, 12/17/21 (a) (d) (h)	NR/B+	1,750,000
	LBG Capital No.2 PLC,		
500	8.875%, 2/7/20	Ba2/BB	639,339
£850	11.25%, 9/14/23	Ba2/BB	1,347,387

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PIMCO High Income Fund Annual Report | 3.31.10

12

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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
<b>Financial Services (continued)</b>			
\$3,705	NSG Holdings LLC, 7.75%, 12/15/25 (a) (d)	Ba2/BB	\$3,353,025
2,025	Resona Preferred Global Securities Cayman Ltd., 7.191%, 7/30/15 (a) (d) (h) (k)	Ba2/BBB	1,899,979
3,500	Royal Bank of Scotland Group PLC (h), 7.092%, 9/29/17	B3/C	2,983,584
\$2,300	7.64%, 9/29/17	B3/C	1,460,500
10,000	SLM Corp., 4.75%, 3/17/14	Ba1/BBB-	12,685,307
\$16,025	5.00%, 10/1/13	Ba1/BBB-	15,320,669
12,200	5.05%, 11/14/14	Ba1/BBB-	11,300,104
3,150	5.375%, 1/15/13 (k)	Ba1/BBB-	3,112,909
32,735	8.45%, 6/15/18 (k)	Ba1/BBB-	33,155,350
2,500	SMFG Preferred Capital USD 3 Ltd., 9.50%, 7/25/18 (a) (d) (h)	Ba1/BBB+	2,866,293
896	State Street Capital Trust III, 8.25%, 3/15/42, (converts to FRN on 3/15/11) (k)	Baa1/BBB+	927,907
2,000	USB Capital IX, 6.189%, 4/15/11 (h) (k)	A3/BBB+	1,730,000
2,500	Wells Fargo Capital XIII, 7.70%, 3/26/13 (h)	Ba1/A-	2,593,750
			552,750,948
<b>Healthcare &amp; Hospitals 2.1%</b>			
3,000	HCA, Inc., 7.50%, 12/15/23	Caa1/B-	2,760,000
2,900	8.36%, 4/15/24	Caa1/B-	2,762,250
11,552	9.00%, 12/15/14	Caa1/B-	11,725,280
12,875	9.875%, 2/15/17 (a) (d)	B2/BB-	14,098,125
			31,345,655
<b>Hotels/Gaming 0.7%</b>			
6,000	MGM Mirage (a) (d), 9.00%, 3/15/20 (b) (l) (acquisition cost-\$6,000,000; purchased 3/9/10)	B1/B	6,210,000
1,200	10.375%, 5/15/14 (k)	B1/B	1,329,000
2,100	11.125%, 11/15/17	B1/B	2,373,000
			9,912,000
<b>Insurance 12.4%</b>			
5,000	American International Group, Inc., 4.875%, 3/15/67, (converts to FRN on 3/15/17)	Ba2/BBB	4,465,228
£10,000	5.75%, 3/15/67, (converts to FRN on 3/15/17)	Ba2/BBB	10,011,544
\$3,150	5.85%, 1/16/18 (k)	A3/A-	2,930,968
5,000	6.25%, 5/1/36 (k)	A3/A-	4,373,145
6,200	8.00%, 5/22/68, (converts to FRN on 5/22/18) (a) (d)	Ba2/BBB	6,900,130
\$37,250	8.175%, 5/15/68, (converts to FRN on 5/15/38)	Ba2/BBB	31,755,625
30,750	8.25%, 8/15/18 (k)	A3/A-	32,314,099
£51,900	8.625%, 5/22/68, (converts to FRN on 5/22/18)	Ba2/BBB	65,146,707
\$16,500	MetLife Capital Trust X, 9.25%, 4/8/68, (converts to FRN on 4/8/38) (a) (d) (k)	Baa2/BBB	18,727,500
2,000	Pacific Life Insurance Co., 7.90%, 12/30/23 (a) (d) (k)	A3/A	2,240,240
4,000	Progressive Corp., 6.70%, 6/15/67, (converts to FRN on 6/15/17) (k)	A2/A-	3,932,984

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3,500	Transatlantic Holdings, Inc., 8.00%, 11/30/39 (k)	Baa1/BBB+	3,587,290
			186,385,460

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3.31.10 | PIMCO High Income Fund Annual Report 13

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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
<b>Machinery 0.2%</b>			
\$2,600	Chart Industries, Inc., 9.125%, 10/15/15	B3/B+	\$2,613,000
<b>Multi-Media 0.5%</b>			
5,000	Columbus Industries, Inc., 11.50%, 11/20/14 (a) (d)	B2/B	5,500,000
2,420	Lighthouse International Co. S.A., 8.00%, 4/30/14	Caa1/B	2,324,895
			7,824,895
<b>Oil &amp; Gas 1.7%</b>			
\$5,000	Chesapeake Energy Corp., 6.875%, 11/15/20	Ba3/BB	4,887,500
4,640	Cie Generale de Geophysique-Veritas, 7.50%, 5/15/15	Ba3/BB	4,674,800
1,000	7.75%, 5/15/17	Ba3/BB	1,005,000
6,000	OPTI Canada, Inc., 8.25%, 12/15/14	Caa3/B	5,670,000
10,025	SandRidge Energy, Inc., 8.625%, 4/1/15, PIK	B3/B+	9,799,438
			26,036,738
<b>Paper/Paper Products 0.7%</b>			
5,000	Weyerhaeuser Co., 7.375%, 10/1/19	Ba1/BBB-	5,289,765
5,000	7.375%, 3/15/32	Ba1/BBB-	4,831,595
			10,121,360
<b>Printing/Publishing 0.2%</b>			
3,075	Local Insight Regatta Holdings, Inc., 11.00%, 12/1/17	Caa3/CCC-	2,221,687
<b>Technology 1.0%</b>			
10,700	Sensata Technologies BV, 11.25%, 1/15/14	Caa2/NR	15,202,072
<b>Telecommunications 3.5%</b>			
\$8,000	Intelsat Corp., 9.25%, 8/15/14	B3/BB-	8,240,000
1,000	9.25%, 6/15/16	B3/BB-	1,052,500
15,200	Mountain States Telephone & Telegraph Co., 7.375%, 5/1/30	Ba1/BBB-	13,832,000
10,250	Qwest Corp., 8.375%, 5/1/16 (k)	Ba1/BBB-	11,582,500
4,200	Telesat Canada, 12.50%, 11/1/17	Caa1/B-	4,851,000
12,500	Windstream Corp., 8.625%, 8/1/16	Ba3/B+	12,843,750
			52,401,750
<b>Transportation 0.0%</b>			
628	Kansas City Southern de Mexico S.A. De C.V., 9.375%, 5/1/12	B2/B+	646,840
<b>Utilities 0.9%</b>			
2,000	Aes Dominicana Energia Finance S.A., 11.00%, 12/13/15 (a) (d)	NR/B-	2,100,000
4,455	Energy Future Holdings Corp., 9.75%, 10/15/19	Caa3/B+	4,432,917
5,445	Energy Future Intermediate Holding Co. LLC, 9.75%, 10/15/19	NR/B+	5,418,009
2,008	PPL Capital Funding, Inc., 6.70%, 3/30/67, (converts to FRN on 3/30/17)	Baa3/BB+	1,754,323
			13,705,249
	Total Corporate Bonds & Notes (cost-\$927,778,265)		1,119,653,389

**MORTGAGE-BACKED SECURITIES 16.9%**

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2,854	American Home Mortgage Assets, 6.25%, 6/25/37, CMO	Ca/CC	1,632,889
406	American Home Mortgage Investment Trust, 5.66%, 9/25/45, CMO, FRN	A1/A	326,007
14,350	Banc of America Alternative Loan Trust, 6.00%, 3/25/36, CMO	Caa1/NR	12,141,772

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PIMCO High Income Fund Annual Report | 3.31.10

14

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PIMCO High Income Fund Schedule of Investments

March 31, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
\$14,600	Banc of America Funding Corp., 6.00%, 3/25/37, CMO	Caa1/CCC	\$10,140,741
102	Banc of America Mortgage Securities, Inc., 5.403%, 2/25/36, CMO, FRN	NR/A-	80,792
31,036	BCRR Trust, 5.858%, 7/17/40, CMO, VRN (a) (d)	Aaa/NR	25,336,946
17,749	Bear Stearns Adjustable Rate Mortgage Trust, CMO, VRN, 3.738%, 8/25/35	B3/CCC	12,315,685
92	4.994%, 1/25/35	A1/AA+	76,668
1,223	5.406%, 5/25/47	NR/CCC	849,422
551	Chase Mortgage Finance Corp., CMO, 5.233%, 12/25/35, FRN	NR/CCC	498,141
10,545	5.424%, 3/25/37, FRN	B3/NR	8,814,739
724	5.50%, 5/25/36	B3/NR	622,327
823	6.015%, 9/25/36, FRN	Ba1/NR	738,958
7,400	Citicorp Mortgage Securities, Inc., 6.00%, 6/25/36, CMO	Baa3/NR	6,460,051
7,592	Citigroup Commercial Mortgage Trust, 5.499%, 7/17/17, CMO (a) (d) (g)	Aaa/NR	6,415,240
338	Citigroup Mortgage Loan Trust, Inc., CMO, VRN, 5.642%, 11/25/36	NR/CCC	241,407
663	5.862%, 7/25/37	Caa2/BB	488,023
6,249	5.936%, 3/25/37	B3/NR	4,862,727
2,417	5.969%, 9/25/37	NR/CCC	1,648,602
1,042	Countrywide Alternative Loan Trust, CMO, 5.860%, 2/25/37, VRN	NR/CCC	725,829
747	6.00%, 11/25/36	Caa1/NR	450,554
418	6.50%, 6/25/36	Caa2/NR	242,337
10,372	Countrywide Home Loan Mortgage Pass Through Trust, CMO, 5.50%, 10/25/35	Baa3/NR	8,830,610
9,648	5.75%, 3/25/37	NR/CCC	7,832,475
16,908	5.75%, 6/25/37	NR/CCC	14,233,067
2,860	6.00%, 4/25/36	NR/CCC	2,241,176
3,350	6.00%, 5/25/36	NR/CCC	2,792,307
2,124	6.00%, 4/25/37	NR/CCC	1,694,514
212	6.016%, 9/25/47, VRN	NR/CCC	151,694
3,800	Credit Suisse Mortgage Capital Certificates, 6.00%, 2/25/37, CMO	NR/CCC	2,936,098
96	First Horizon Alternative Mortgage Securities, 5.387%, 9/25/35, CMO, FRN	B3/NR	69,263
306	First Horizon Asset Securities, Inc., 5.832%, 5/25/37, CMO, FRN	NR/CCC	233,687
2,324	GSR Mortgage Loan Trust, CMO, 5.50%, 5/25/36	NR/B	1,955,186
21,691	6.00%, 2/25/36	NR/CCC	18,365,863
1,944	6.00%, 7/25/37	NR/B+	1,542,279
1,780	Harborview Mortgage Loan Trust, CMO, VRN, 5.75%, 8/19/36	NR/CCC	1,138,185
184	5.774%, 8/19/36	NR/CCC	118,477



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16,154	JPMorgan Alternative Loan Trust, 6.148%, 3/25/37, CMO, VRN	NR/CC	9,671,685
4,900	JPMorgan Mortgage Trust, 5.688%, 1/25/37, CMO, VRN	Caa1/NR	3,759,094
698	Merrill Lynch Alternative Note Asset, 5.452%, 6/25/37, CMO, VRN	Caa2/D	385,042
441	Merrill Lynch Mortgage Backed Securities Trust, 5.782%, 4/25/37, CMO, VRN	NR/CCC	329,143
128	Morgan Stanley Mortgage Loan Trust, 5.352%, 6/25/36, CMO, FRN	A1/CCC	110,591

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3.31.10 | PIMCO High Income Fund Annual Report 15

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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
\$10,000	RBSCF Trust, 6.068%, 2/17/51, CMO, VRN (a) (d) (g)	NR/NR	\$6,925,000
2,276	Residential Asset Securitization Trust, CMO, 6.25%, 10/25/36	Caa3/D	1,386,963
800	6.50%, 8/25/36	Ca/CC	483,334
5,500	Residential Funding Mortgage Securities I, CMO, 6.00%, 1/25/37	B3/NR	4,293,429
11,965	6.25%, 8/25/36	B3/CCC	10,176,436
191	Sequoia Mortgage Trust, 3.037%, 1/20/47, CMO, VRN	NR/CCC	141,901
1,895	Structured Adjustable Rate Mortgage Loan Trust, 2.838%, 8/25/34, CMO, VRN	A3/AA	1,535,246
4,769	Suntrust Adjustable Rate Mortgage Loan Trust, CMO, FRN, 5.688%, 4/25/37	NR/CCC	3,785,323
3,056	5.831%, 2/25/37	NR/CCC	2,307,415
376	WaMu Mortgage Pass Through Certificates, CMO, 5.266%, 1/25/37, FRN	NR/CCC	279,113
329	5.313%, 3/25/37, VRN	NR/CCC	282,404
1,451	5.390%, 2/25/37, VRN	NR/CCC	1,022,275
331	5.448%, 4/25/37, FRN	NR/CCC	224,788
872	5.559%, 12/25/36, VRN	NR/CCC	610,528
235	5.562%, 12/25/36, FRN	NR/CCC	169,337
2,893	5.597%, 11/25/36, VRN	NR/CCC	2,196,830
605	5.638%, 5/25/37, FRN	NR/CC	404,176
739	5.667%, 2/25/37, VRN	NR/CC	536,118
785	5.828%, 2/25/37, FRN	NR/CCC	540,033
2,301	5.923%, 9/25/36, VRN	NR/CCC	1,802,034
2,002	Wells Fargo Mortgage Backed Securities Trust, CMO, 5.217%, 4/25/36, VRN	NR/BB+	1,698,321
11,445	5.291%, 10/25/36, FRN	NR/CCC	8,615,629
3,234	5.528%, 7/25/36, FRN	NR/CCC	2,611,246
527	5.531%, 7/25/36, FRN	NR/CCC	423,178
379	5.959%, 9/25/36, FRN	B3/NR	277,481
20,000	6.00%, 5/25/36, FRN	B1/NR	16,408,812
3,421	6.00%, 7/25/37	B1/BB	2,737,683
11,000	6.00%, 8/25/37	B1/NR	8,997,185
Total Mortgage-Backed Securities (cost-\$239,228,455)			254,372,511

**SENIOR LOANS (a) (c) 1.8%**

**Chemicals 0.1%**

966 INEOS Group Ltd., 7.001%, 10/7/12, Term A 967,445

**Financial Services 0.2%**

2,700 CIT Group, Inc., 9.50%, 1/20/12, Term 2A 2,769,749

**Utilities 1.5%**

Texas Competitive Electric Holdings Co. LLC,

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24,441	3.729%, 10/10/14	19,683,184
4,431	3.729%, 10/10/14, Term B3	3,609,328
247	3.79%, 10/10/14	199,323
46	3.79%, 10/10/14, Term B3	37,306

Total Senior Loans (cost-\$26,652,907)

23,529,141  
27,266,335

**16** PIMCO Global StocksPLUS® & Income Fund  
PIMCO High Income Fund Annual Report | 3.31.10

**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Shares	Credit Rating (Moody s/S&P)*	Value
<b>PREFERRED STOCK 1.6%</b>		
<b>Banking 0.7%</b>		
209,900	CoBank Acb, 11.00%, 7/1/13, Ser. C (b)	NR/A \$10,967,275
<b>Financial Services 0.2%</b>		
3,000	GMAC, Inc., 7.00%, 12/31/11 (a) (b) (d) (l) (acquisition cost-\$2,197,500; purchased 3/9/10)	NR/C 2,286,937
<b>Real Estate Investment Trust 0.7%</b>		
9,000	Sovereign Real Estate Investment Trust, 12.00%, 5/16/20 (a) (d)	Baa2/BBB+ 10,282,500
Total Preferred Stock (cost-\$23,607,150)		23,536,712
<b>MUNICIPAL BONDS &amp; NOTES 1.4%</b>		
Principal Amount (000s)		
<b>California 1.4%</b>		
\$20,000	State Public Works Board Rev., Build America Bonds, 8.361%, 10/1/34, Ser. G-2 (cost-\$20,000,000)	Baa2/BBB+ 20,619,000
<b>CONVERTIBLE PREFERRED STOCK 1.0%</b>		
Shares		
<b>Insurance 1.0%</b>		
1,524,044	American International Group, Inc., 8.50%, 8/1/11 (cost-\$13,181,821)	Ba2/NR 15,575,730
<b>SOVEREIGN DEBT OBLIGATIONS 0.5%</b>		
Principal Amount (000s)		
<b>Brazil 0.5%</b>		
BRL 14,400	Brazil Notas do Tesouro Nacional, 10.00%, 1/1/12, Ser. F (cost-\$7,960,206)	Baa3/NR 7,860,000
<b>COMMON STOCK 0.4%</b>		
Shares		
<b>Commercial Banks 0.4%</b>		

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8,565,070	Royal Bank of Scotland Group PLC (e) (j) (cost-\$4,750,277)		5,716,638
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**ASSET-BACKED SECURITIES 0.0%**

Principal  
Amount  
(000s)

\$891	GSAA Trust, 0.546%, 3/25/37, FRN (cost-\$579,970)	Caa2/CCC	443,405
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**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Principal Amount (000s)		Credit Rating (Moody s/S&P)*	Value
<b>SHORT-TERM INVESTMENTS 2.0%</b>			
<b>Corporate Notes 0.5%</b>			
<b>Financial Services 0.5%</b>			
\$4,075	Ford Motor Credit Co. LLC, 7.875%, 6/15/10	B1/B-	\$4,113,097
1,125	International Lease Finance Corp., 4.95%, 2/1/11	B1/BB+	1,126,068
1,250	5.45%, 3/24/11	B1/BB+	1,251,648
1,000	Residential Capital LLC, 8.50%, 5/15/10	C/CCC+	992,500
Total Corporate Notes (cost-\$7,171,114)			7,483,313
<b>U.S. Treasury Bills (i) 0.2%</b>			
2,604	0.13%-1.01%, 4/15/10-5/6/10 (cost-\$2,603,806)		2,603,765
<b>Repurchase Agreements 1.3%</b>			
4,000	JPMorgan Securities, Inc., dated 3/31/10, 0.01%, due 4/1/10, proceeds \$4,000,001; collateralized by U.S. Treasury Note, 1.25%, due 11/30/10, valued at \$4,082,807 including accrued interest		4,000,000
14,950	State Street Bank & Trust Co., dated 3/31/10, 0.01%, due 4/1/10, proceeds \$14,950,004; collateralized by U.S. Treasury Bill, zero coupon, due 4/8/10, valued at \$15,250,000		14,950,000
Total Repurchase Agreements (cost-\$18,950,000)			18,950,000
Total Short-Term Investments (cost-\$28,724,920)			29,037,078
<b>Total Investments before options written (cost-\$1,292,463,971) 100.1%</b>			<b>1,504,080,798</b>
<b>OPTIONS WRITTEN (j) (0.1)%</b>			
Contracts/ Notional Amount			
<b>Call Options (0.0)%</b>			
\$3,100,000	7-Year Interest Rate Swap (OTC), Pay 3-Month USD-LIBOR Floating Rate Index, strike rate 2.75%, expires 4/19/10		(50)
\$50,900,000	10-Year Interest Rate Swap (OTC), Pay 3-Month USD-LIBOR Floating Rate Index, strike rate 3.25%, expires 4/19/10		(641)
\$59,000,000	strike rate 3.25%, expires 8/31/10		(153,768)
\$2,500,000	strike rate 3.25%, expires 10/29/10		(9,773)
\$25,400,000	strike rate 3.50%, expires 6/14/10		(75,418)
\$17,800,000	strike rate 3.60%, expires 5/21/10		(58,194)
460	U.S. Treasury Notes 10 yr. Futures (CBOT), strike price \$119, expires 4/23/10		(19,797)
18	strike price \$119, expires 5/21/10		(2,939)
			(320,580)
<b>Put Options (0.1)%</b>			
\$37,800,000	5-Year Interest Rate Swap (OTC), Pay 3-Month USD-LIBOR Floating Rate Index, strike rate 4.00%, expires 12/1/10		(256,099)

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PIMCO Global StocksPLUS® & Income Fund  
PIMCO High Income Fund Annual Report | 3.31.10

18

**PIMCO High Income Fund Schedule of Investments**

March 31, 2010 (continued)

Contracts/ Notional Amount		Value
<b>Put Options</b> (continued)		
\$1,900,000	7-Year Interest Rate Swap (OTC), Pay 3-Month USD-LIBOR Floating Rate Index, strike rate 4.00%, expires 4/19/10	\$(44)
\$17,800,000	10-Year Interest Rate Swap (OTC), Pay 3-Month USD-LIBOR Floating Rate Index, strike rate 4.10%, expires 5/21/10	(104,367)
\$72,300,000	strike rate 4.25%, expires 4/19/10	(23,548)
\$25,400,000	strike rate 4.50%, expires 6/14/10	(62,283)
\$59,000,000	strike rate 4.75%, expires 8/31/10	(321,649)
\$4,600,000	strike rate 5.00%, expires 4/19/10	-
\$2,500,000	strike rate 5.00%, expires 10/29/10	(16,002)
\$14,000,000	strike rate 6.00%, expires 8/31/10	(3,447)
1,288	Eurodollar Mid-Curve 1 yr. Futures (CME), strike price \$97.38, expires 9/10/10	(352,542)
149	U.S. Treasury Notes 10 yr. Futures (CBOT), strike price \$114, expires 4/23/10	(19,804)
18	strike price \$114, expires 5/21/10	(6,424)
		(1,166,209)
	Total Options Written (premiums received-\$3,986,848)	(1,486,789)
	<b>Total Investments net of options written</b> (cost-\$1,288,477,123) <b>100.0%</b>	<b>\$1,502,594,009</b>



## PIMCO Global StocksPLUS® &amp; Income Fund

## PIMCO High Income Fund Notes to Schedules of Investments

March 31, 2010 (continued)

<b>Notes to Schedules of Investments:</b>		
*	Unaudited.	
(a)	Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$45,316,986 and \$320,902,852, representing 36.1% of net assets in Global StocksPLUS® and 21.4% of total investments in High Income, respectively.	
(b)	Illiquid.	
(c)	These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the LIBOR or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Funds are ordinarily contractually obligated to receive approval from the Agent bank and/or borrower prior to disposition. Remaining maturities of senior loans may be less than the stated maturities shown as a result of contractual or optional payments by the borrower. Such prepayments cannot be predicted with certainty. The interest rate disclosed reflects the rate in effect on March 31, 2010.	
(d)	144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.	
(e)	Delayed-delivery. To be delivered after March 31, 2010.	
(f)	In default.	
(g)	Fair-Valued Securities with an aggregate value of \$4,319,510 and \$75,917,128, representing 3.4% of net assets in Global StocksPLUS® and 5.1% of total investments in High Income, respectively. See Note 1(a) in the Notes to Financial Statements.	
(h)	Perpetual maturity. Maturity date shown is the first call date. Interest rate is fixed until the first call date and variable thereafter.	
(i)	All or partial amount segregated as collateral for futures contracts and swaps.	
(j)	Non-income producing.	
(k)	All or partial amount segregated as collateral for reverse repurchase agreements.	
(l)	Restricted. The aggregate acquisition cost of such securities is \$2,102,625 and \$68,041,191 in Global StocksPLUS® and High Income, respectively. The aggregate market value of \$2,130,039 and \$77,154,025 is approximately 1.7% of net assets in Global StocksPLUS® and 5.1% of total investments in High Income, respectively.	
(m)	Security is subject to a forbearance agreement entered into by High Income which forbears the Fund from taking action to, among other things, accelerate and collect payments on the subject note with respect to specified events of default.	
<b>Glossary:</b>		
ABS	-	Asset-Backed Securities
BRL	-	Brazilian Real
£	-	British Pound
CBOT	-	Chicago Board of Trade
CME	-	Chicago Mercantile Exchange
CMO	-	Collateralized Mortgage Obligation
	-	Euro
FRN	-	Floating Rate Note. The interest rate disclosed reflects the rate in effect on March 31, 2010.
¥	-	Japanese Yen
LIBOR	-	London Inter-Bank Offered Rate

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MBIA	-	insured by Municipal Bond Investors Assurance	
MBS	-	Mortgage-Backed Securities	
NR	-	Not Rated	
OTC	-	Over the Counter	
PIK	-	Payment-in-Kind	
VRN	-	Variable Rate Note. Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on March 31, 2010.	
WR	-	Withdrawn Rating	

PIMCO Global StocksPLUS® & Income Fund

20 PIMCO High Income Fund Annual Report | 3.31.10 | See accompanying Notes to Financial Statements.

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Statements of Assets and Liabilities**

March 31, 2010

	Global StocksPLUS®	High Income
<b>Assets:</b>		
Investments, at value (cost-\$273,651,365 and \$1,292,463,971, respectively)	\$288,649,077	\$1,504,080,798
Cash (including foreign currency of \$115,792 and \$50,163 with a cost of \$119,646 and \$48,678, respectively)	116,377	5,069,502
Swap premiums paid	10,405,252	16,819,306
Unrealized appreciation of swaps	10,378,656	7,160,523
Interest receivable	2,511,480	31,822,986
Receivable from broker	151,664	265,963
Deposits with brokers for futures contracts and options written on futures collateral	48,000	681,000
Unrealized appreciation of forward foreign currency contracts	47,862	759,886
Receivable for investments sold		23,997,462
Prepaid expenses and other assets	23,182	110,271
<b>Total Assets</b>	<b>312,331,550</b>	<b>1,590,767,697</b>
<b>Liabilities:</b>		
Payable for reverse repurchase agreements	159,165,766	210,192,155
Payable to brokers for cash collateral received	17,927,000	14,340,000
Unrealized depreciation of swaps	3,560,304	12,669,394
Payable for investments purchased	2,988,808	10,089,614
Swap premiums received	1,602,188	19,491
Options written, at value (premiums received-\$1,024,250 and \$3,986,848, respectively)	1,015,000	1,486,789
Payable for variation margin on futures contracts	243,080	
Investment management fees payable	237,471	771,965
Interest payable for reverse repurchase agreements	48,738	36,664
Unrealized depreciation of forward foreign currency contracts	3,114	1,407,970
Payable to broker	2,006	1,177,032
Interest payable for cash collateral received	1,056	763
Dividends payable to common and preferred shareholders		6,590
Accrued expenses and other liabilities	166,629	333,746
<b>Total Liabilities</b>	<b>186,961,160</b>	<b>252,532,173</b>
<b>Preferred Shares (\$25,000 liquidation preference per share applicable to an aggregate of 11,680 shares issued and outstanding for High Income)</b>		<b>292,000,000</b>
<b>Net Assets Applicable to Common Shareholders</b>	<b>\$125,370,390</b>	<b>\$1,046,235,524</b>
<b>Composition of Net Assets Applicable to Common Shareholders:</b>		
Common Stock:		
Par value (\$0.00001 per share)	\$100	\$1,198
Paid-in-capital in excess of par	225,544,657	1,680,552,404
Undistributed (dividends in excess of) net investment income	(1,729,482)	296,793
Accumulated net realized loss	(121,432,423)	(842,104,605)
Net unrealized appreciation of investments, futures contracts, options written, swaps and foreign currency transactions	22,987,538	207,489,734

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<b>Net Assets Applicable to Common Shareholders</b>	\$125,370,390	\$1,046,235,524
Common Shares Issued and Outstanding	10,015,135	119,824,123
<b>Net Asset Value Per Common Share</b>	\$12.52	\$8.73

PIMCO Global StocksPLUS® & Income Fund  
See accompanying Notes to Financial Statements. | 3.31.10 | PIMCO High Income Fund Annual Report 21

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Statements of Operations**

Year ended March 31, 2010

	Global StocksPLUS®	High Income
<b>Investment Income:</b>		
Interest (net of foreign withholding tax of \$0 and \$374, respectively)	\$15,020,128	\$136,873,094
Dividends		7,188,611
Facility and other fee income	1,889	489,590
<b>Total Investment Income</b>	<b>15,022,017</b>	<b>144,551,295</b>
<b>Expenses:</b>		
Investment management fees	1,990,149	7,685,991
Interest expense	570,288	833,597
Audit and tax services	92,113	130,958
Shareholder communications	80,524	310,610
Custodian and accounting agent fees	55,983	335,539
Transfer agent fees	36,400	36,850
New York Stock Exchange listing fees	20,272	99,177
Legal fees	9,158	139,098
Trustees' fees and expenses	7,105	95,038
Insurance expense	4,388	41,149
Auction agent fees and commissions		359,464
Miscellaneous	2,532	37,888
<b>Total expenses</b>	<b>2,868,912</b>	<b>10,105,359</b>
<b>Net Investment Income</b>	<b>12,153,105</b>	<b>134,445,936</b>
<b>Realized and Change in Unrealized Gain (Loss):</b>		
Net realized gain (loss) on:		
Investments	(11,111,962)	(39,119,957)
Futures contracts	16,617,325	10,520,697
Options written	(2,599,705)	847,833
Swaps	5,455,981	47,588,143
Foreign currency transactions	(468,736)	8,703,060
Net change in unrealized appreciation/depreciation of:		
Investments	41,657,177	588,138,023
Futures contracts	(937,058)	(5,231,941)
Options written	439,956	2,500,059
Swaps	17,930,719	46,628,620
Foreign currency transactions	271,806	48,713
Net realized and change in unrealized gain on investments, futures contracts, options written, swaps, and foreign currency transactions	67,255,503	660,623,250
<b>Net Increase in Net Assets Resulting from Investment Operations</b>	<b>79,408,608</b>	<b>795,069,186</b>
<b>Dividends on Preferred Shares from Net Investment Income</b>		<b>(660,078)</b>
<b>Net Increase in Net Assets Applicable to Common Shareholders Resulting from Investment Operations</b>	<b>\$79,408,608</b>	<b>\$794,409,108</b>

PIMCO Global StocksPLUS® & Income Fund  
22 PIMCO High Income Fund Annual Report | 3.31.10 | See accompanying Notes to Financial Statements.



**PIMCO Global StocksPLUS® & Income Fund**  
**Statements of Changes in Net Assets**

	Year ended March 31,	
	2010	2009
<b>Investment Operations:</b>		
Net investment income	\$12,153,105	\$5,105,193
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	7,892,903	(103,625,527)
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps and foreign currency transactions	59,362,600	(9,518,571)
Net increase (decrease) in net assets resulting from investment operations	79,408,608	(108,038,905)
<b>Dividends and Distributions to Shareholders from:</b>		
Net investment income	(16,375,113)	(26,576,059)
Net realized gains		(19,516,328)
Return of capital	(5,432,962)	
Total dividends and distributions to shareholders	(21,808,075)	(46,092,387)
<b>Capital Share Transactions:</b>		
Reinvestment of dividends and distributions	3,326,203	3,717,119
Total increase (decrease) in net assets applicable to common shareholders	60,926,736	(150,414,173)
<b>Net Assets:</b>		
Beginning of year	64,443,654	214,857,827
End of year (including dividends in excess of net investment income of \$(1,729,482) and \$(849,675), respectively)	\$125,370,390	\$64,443,654
<b>Shares Issued in Reinvestment of Dividends and Distributions</b>	<b>240,856</b>	<b>383,167</b>

PIMCO Global StocksPLUS® & Income Fund  
 See accompanying Notes to Financial Statements. | 3.31.10 | PIMCO High Income Fund Annual Report 23

**PIMCO High Income Fund**

**Statements of Changes in Net Assets Applicable to Common Shareholders**

	Year ended March 31,	
	2010	2009
<b>Investment Operations:</b>		
Net investment income	\$134,445,936	\$161,893,086
Net realized gain (loss) on investments, futures contracts, options written, swaps and foreign currency transactions	28,539,776	(668,961,075)
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps and foreign currency transactions	632,083,474	(221,205,547)
Net increase (decrease) in net assets resulting from investment operations	795,069,186	(728,273,536)
<b>Dividends on Preferred Shares from Net Investment Income</b>	(660,078)	(18,253,536)
Net increase (decrease) in net assets applicable to common shareholders resulting from investment operations	794,409,108	(746,527,072)
<b>Dividends and Distributions to Common Shareholders from:</b>		
Net investment income	(166,119,464)	(172,055,336)
Return of capital	(8,144,302)	
Total dividends and distributions to common shareholders	(174,263,766)	(172,055,336)
<b>Capital Share Transactions:</b>		
Reinvestment of dividends	13,257,234	11,689,628
Total increase (decrease) in net assets applicable to common shareholders	633,402,576	(906,892,780)
<b>Net Assets Applicable to Common Shareholders:</b>		
Beginning of year	412,832,948	1,319,725,728
End of year (including undistributed (dividends in excess of) net investment income of \$296,793 and \$(8,374,282), respectively)	\$1,046,235,524	\$412,832,948
<b>Common Shares Issued in Reinvestment of Dividends</b>	1,457,480	1,359,335

PIMCO Global StocksPLUS® & Income Fund

24 PIMCO High Income Fund Annual Report | 3.31.10 | See accompanying Notes to Financial Statements.



**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Statements of Cash Flows**

Year ended March 31, 2010

	Global StocksPLUS®	High Income
<b>Increase (Decrease) in Cash from:</b>		
<b>Cash Flows provided by (used for) Operating Activities:</b>		
Net increase in net assets resulting from investment operations	\$79,408,608	\$795,069,186
<b>Adjustments to Reconcile Net Increase in Net Assets Resulting from Investment Operations to Net Cash provided by (used for) Operating Activities:</b>		
Purchases of long-term investments	(413,456,086)	(1,792,566,064)
Proceeds from sales of long-term investments	252,662,895	1,628,692,632
Sales of short-term investments, net	4,128,501	266,422,358
Net realized gain on investments, futures contracts, swaps, options written and foreign currency transactions	(7,892,903)	(28,539,776)
Net change in unrealized appreciation/depreciation of investments, futures contracts, options written, swaps and foreign currency transactions	(59,362,600)	(632,083,474)
Net amortization on investments	(2,215,359)	(32,671,255)
(Increase) decrease in receivable for investments sold	209,996	(15,746,349)
Increase in interest receivable	(1,380,443)	(4,383,680)
Proceeds from futures contracts transactions	16,341,947	5,375,231
Decrease in deposits with brokers for futures and options written on futures collateral	7,942,000	1,256,800
(Increase) decrease in receivable from broker	(64,999)	56,339
(Increase) decrease in prepaid expenses and other assets	(2,419)	10,247
Decrease in payable for investments purchased	(1,190,867)	(16,309,842)
Increase in payable to broker		500,000
Increase in payable to brokers for cash collateral received	15,487,000	13,960,000
Periodic payments of swaps, net	(13,751,246)	(72,583,255)
Net cash provided by (used for) foreign currency transactions	(484,936)	8,262,085
Increase in investment management fees payable	167,350	285,190
Increase (decrease) in interest payable for reverse repurchase agreements	42,924	(53,345)
Increase in interest payable for cash collateral received	1,056	763
Increase (decrease) in accrued expenses and other liabilities	(33,822)	15,259
<b>Net cash provided by (used for) operating activities*</b>	<b>(123,443,403)</b>	<b>124,969,050</b>
<b>Cash Flows provided by (used for) Financing Activities:</b>		
Increase in payable for reverse repurchase agreements	141,348,766	98,815,155
Cash dividends paid (excluding reinvestment of dividends of \$3,326,203 and \$13,257,234, respectively)	(20,273,986)	(176,092,892)
Redemptions of Preferred Shares		(44,400,000)
<b>Net cash provided by (used for) financing activities</b>	<b>121,074,780</b>	<b>(121,677,737)</b>
<b>Net increase (decrease) in cash</b>	<b>(2,368,623)</b>	<b>3,291,313</b>
<b>Cash at beginning of year</b>	<b>2,485,000</b>	<b>1,778,189</b>
<b>Cash at end of year</b>	<b>\$116,377</b>	<b>\$5,069,502</b>

\* Included in operating expenses is cash paid by Global StocksPLUS® and High Income for interest primarily on reverse repurchase agreements of \$526,308 and \$886,179, respectively.

PIMCO Global StocksPLUS® & Income Fund  
**See accompanying Notes to Financial Statements.** | 3.31.10 | PIMCO High Income Fund Annual Report **25**

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies**

PIMCO Global StocksPLUS® & Income Fund ( Global StocksPLUS® ) and PIMCO High Income Fund ( High Income ), each the Fund and collectively the Funds, were organized as Massachusetts business trusts on February 16, 2005 and February 18, 2003, respectively. Prior to commencing operations on May 31, 2005 and April 30, 2003, respectively, the Funds had no operations other than matters relating to their organization as non-diversified for Global StocksPLUS® and diversified for High Income, both closed-end management investment companies registered under the Investment Company Act of 1940 and the rules and regulations thereunder, as amended. Allianz Global Investors Fund Management LLC (the Investment Manager), serves as the Funds Investment Manager and is an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P. ( Allianz Global ). Allianz Global is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. The Funds have an unlimited amount of \$0.00001 par value per share of common stock authorized.

Global StocksPLUS®'s investment objective is to seek total return comprised of current income, current gains and long-term capital appreciation. The Fund normally attempts to achieve its investment objective by investing in equity index derivative instruments relating to U.S. and non-U.S. markets, backed by an actively-managed, low duration (one to three year) debt portfolio with an average credit quality that is investment grade. The Fund currently intends to gain substantially all of its equity index exposure by investing in equity index derivatives based on the Standard & Poor's 500 Composite Stock Price Index ( S&P 500 Index ) and the Morgan Stanley Capital International® Europe, Australasia and the Far East Index (the MSCI EAFE Index ). The Fund also will employ a strategy of writing (selling) call options on U.S. equity indexes, seeking to generate gains from option premiums which may limit the Fund's gains from increases in the S&P 500 Index. Typically, substantially all the Fund's assets will be invested in a portfolio of income-producing debt securities and debt-related derivative securities.

High Income's primary investment objective is to seek high current income. Capital appreciation is a secondary objective. The Fund attempts to achieve these objectives by investing in a diversified portfolio of U.S. dollar denominated debt obligations and other income-producing securities that are primarily rated below investment grade.

There is no guarantee that the Funds will meet their stated objectives.

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the Funds' financial statements. Actual results could differ from those estimates.

In the normal course of business, the Funds enter into contracts that contain a variety of representations that provide general indemnifications. The Funds' maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred.

The following is a summary of significant accounting policies consistently followed by the Funds:

**(a) Valuation of Investments**

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Funds' investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange-traded futures and options on futures are valued at the settlement price determined by the relevant exchange. Securities purchased on a when-issued or delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

the 61st day prior to maturity, if the original term to maturity exceeded 60 days. Investments initially valued in currencies other than U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the net asset value ( NAV ) of each Fund 's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange ( NYSE ) is closed.

The prices used by the Funds to value securities may differ from the value that would be realized if the securities were sold and these differences could be material to the Funds ' financial statements. Each Fund 's NAV is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the NYSE on each day the NYSE is open for business.

**(b) Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price ) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

- Level 1 quoted prices in active markets for identical investments that the Funds have the ability to access
- Level 2 valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges
- Level 3 valuations based on significant unobservable inputs (including the Funds ' own assumptions in determining the fair value of investments)

An investment asset 's or liability 's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used.

The valuation techniques used by the Funds to measure fair value during the year ended March 31, 2010 maximized the use of observable inputs and minimized the use of unobservable inputs. When fair-valuing securities, the Funds utilized option adjusted spread pricing techniques.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

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A summary of the inputs used at March 31, 2010 in valuing Global StocksPLUS® s assets and liabilities is listed below:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 3/31/2010
<b>Investments in Securities Assets:</b>				
Mortgaged-Backed Securities		\$87,874,938	\$4,319,510	\$92,194,448
Corporate Bonds & Notes:				
Airlines		1,070,000	4,258,178	5,328,178
All Other		70,127,669		70,127,669
U.S. Government Agency Securities		66,260,390		66,260,390
Asset-Backed Securities		13,702,508	1,073,021	14,775,529
U.S. Treasury Bonds & Notes		8,517,404		8,517,404
Senior Loans		2,986,947		2,986,947
Municipal Bonds & Notes		1,526,592		1,526,592
Common Stock	\$1,014,090			1,014,090
Short-Term Investments		25,815,330		25,815,330
Options Purchased	102,500			102,500
<b>Total Investments in Securities Assets</b>	<b>\$1,116,590</b>	<b>\$277,881,778</b>	<b>\$9,650,709</b>	<b>\$288,649,077</b>

PIMCO Global StocksPLUS® & Income Fund  
3.31.10 | PIMCO High Income Fund Annual Report 27

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 3/31/2010
<b>Investments in Securities</b>				
Options Written, at value	\$(1,015,000)			\$(1,015,000)
<b>Other Financial Instruments*</b>	\$1,130,842	\$6,474,740	\$388,360	\$7,993,942
<b>Total Investments</b>	\$1,232,432	\$284,356,518	\$10,039,069	\$295,628,019

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for Global StocksPLUS® for the year ended March 31, 2010, was as follows:

	Beginning Balance 3/31/2009	Net Purchases (Sales) and Settlements	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 3/31/2010
<b>Investments in Securities</b>								
<b>Assets:</b>								
Mortgaged-Backed Securities	\$1,173,027	\$2,293,891	\$36,627	\$3,793	\$812,172			\$4,319,510
Corporate Bonds & Notes:								
Airlines	2,646,768	566,969	41,895	(78,062)	1,080,608			4,258,178
Asset-Backed Securities		(288,246)	(142)	(458)	(252,589)	1,614,456		1,073,021
<b>Total Investments in Securities Assets</b>	\$3,819,795	\$2,572,614	\$78,380	\$(74,727)	\$1,640,191	\$1,614,456		\$9,650,709
<b>Other Financial Instruments*</b>	\$2,679,330				\$(1,452,890)		\$(838,080)	\$388,360
<b>Total Investments</b>	\$6,499,125	\$2,572,614	\$78,380	\$(74,727)	\$187,301	\$1,614,456	\$(838,080)	\$10,039,069

A summary of the inputs used at March 31, 2010 in valuing High Income s assets and liabilities is listed below:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 3/31/2010
<b>Investments in Securities</b>				
<b>Assets:</b>				
Corporate Bonds & Notes:				

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Airlines		\$28,121,947	\$28,121,947
Financial Services	\$496,355,336	56,395,612	552,750,948
All Other	538,780,494		538,780,494
Mortgaged-Backed Securities	241,032,271	13,340,240	254,372,511
Senior Loans	27,266,335		27,266,335
Preferred Stock	23,536,712		23,536,712
Municipal Bonds & Notes	20,619,000		20,619,000
Convertible Preferred Stock	\$15,575,730		15,575,730
Sovereign Debt Obligations	7,860,000		7,860,000
Common Stock	5,716,638		5,716,638
Asset-Backed Securities	443,405		443,405

PIMCO Global StocksPLUS® & Income Fund  
 28 PIMCO High Income Fund Annual Report | 3.31.10



**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 3/31/2010
Short-Term Investments		\$29,037,078		\$29,037,078
<b>Total Investments in Securities Assets</b>	\$21,292,368	\$1,384,930,631	\$97,857,799	\$1,504,080,798
<b>Investments in Securities Liabilities:</b>				
Options Written, at value		\$(1,486,789)		\$(1,486,789)
<b>Other Financial Instruments*</b>		\$(6,156,955)		\$(6,156,955)
<b>Total Investments</b>	\$21,292,368	\$1,377,286,887	\$97,857,799	\$1,496,437,054

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for High Income for the year ended March 31, 2010, was as follows:

	Beginning Balance 3/31/09	Net Purchases (Sales) and Settlements	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 3/31/10
<b>Investments in Securities Assets:</b>								
Corporate Bonds & Notes:								
Airlines	\$14,043,789	\$9,276,752	\$103,708	\$243,601	\$4,454,097			\$28,121,947
Banking	1,345,344	(3,391,267)	1,599	(1,046,474)	3,090,798			
Financial Services	11,105,201	40,669,103	2,020,670	3,694	2,616,638		\$(19,694)	56,395,612
Oil & Gas	3,909,988	(4,000,000)	(18,381)		108,393			
Printing/Publishing	247,536			(1,000,000)	752,464			
Mortgaged-Backed Securities		8,979,054	224,328	21,842	4,115,016			13,340,240
<b>Total Investments</b>	\$30,651,858	\$51,533,642	\$2,331,924	\$(1,777,337)	\$15,137,406		\$(19,694)	\$97,857,799

\* Other Financial Instruments are derivative instruments not reflected in the Schedules of Investments, such as futures contracts, swap agreements and forward foreign currency contracts, which are valued at the unrealized appreciation (depreciation) of the instrument.

The net change in unrealized appreciation/depreciation of investments and other financial instruments, which Global StocksPLUS® held at March 31, 2010, was \$1,235,016 and \$(469,189), respectively. The net change in unrealized appreciation/depreciation of investments which High Income held at March 31, 2010, was \$10,971,508. Net realized gain (loss) and net change in unrealized appreciation/depreciation are reflected on the Statements of Operations.

In January 2010, the Financial Accounting Standards Board released ASU 2010-06, Improving Disclosures about Fair Value Measurements . ASU 2010-06 is effective for annual and interim reporting periods beginning after December 15, 2009. The Funds' management is in the process of reviewing ASU 2010-06 to determine future applicability.

**(c) Investment Transactions and Investment Income**

Investment transactions are accounted for on the trade date. Securities purchased and sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date. Realized gains and losses on investments are determined on an identified cost basis. Interest income adjusted for the accretion of discounts and amortization of premiums is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized to interest income over the lives of the respective securities. Dividend income is recorded on the ex-dividend date. Facility fees and other fees (such as origination fees) received by the Funds are amortized as income over the expected term of the loan. Commitment fees received by the Funds relating to unfunded purchase commitments are

PIMCO Global StocksPLUS® & Income Fund  
3.31.10 | PIMCO High Income Fund Annual Report 29

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

recorded as other fee income upon receipt. Paydown gains and losses are netted and recorded as interest income on the Statements of Operations.

**(d) Federal Income Taxes**

The Funds intend to distribute all of their taxable income and to comply with the other requirements of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required. The Funds may be subject to excise tax based on the extent of distributions to shareholders.

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Funds' management has determined that its evaluation has resulted in no material impact to the Funds' financial statements at March 31, 2010. The Funds' federal tax returns for the prior three years remain subject to examination by the Internal Revenue Service.

**(e) Dividends and Distributions – Common Stock**

The Funds declare dividends from net investment income monthly to common shareholders. Distributions of net realized capital gains, if any, are paid at least annually. The Funds record dividends and distributions to their shareholders on the ex-dividend date. The amount of dividends and distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from generally accepted accounting principles. These book-tax differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment. Temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions of paid-in-capital in excess of par.

**(f) Foreign Currency Translation**

The Funds' accounting records are maintained in U.S. dollars as follows: (1) the foreign currency market value of investments and other assets and liabilities denominated in foreign currency are translated at the prevailing exchange rate at the end of the period; and (2) purchases and sales, income and expenses are translated at the prevailing exchange rate on the respective dates of such transactions. The resulting net foreign currency gain (loss) is included in the Funds' Statements of Operations.

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The Funds do not generally isolate that portion of the results of operations arising as a result of changes in the foreign currency exchange rates from the fluctuations arising from changes in the market prices of securities. Accordingly, such foreign currency gain (loss) is included in net realized and unrealized gain (loss) on investments. However, the Funds do isolate the effect of fluctuations in foreign currency exchange rates when determining the gain (loss) upon the sale or maturity of foreign currency denominated debt obligations pursuant to U.S. federal income tax regulations; such amount is categorized as foreign currency gain (loss) for both financial reporting and income tax reporting purposes.

### **(g) Senior Loans**

The Funds purchase assignments of, and participations in, Senior Loans originated, negotiated and structured by a U.S. or foreign commercial bank, insurance company, finance company or other financial institution (the Agent ) for a lending syndicate of financial institutions (the Lender ). When purchasing an assignment, the Funds succeed to all the rights and obligations under the loan agreement with the same rights and obligations as the assigning Lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assigning Lender.

### **(h) Repurchase Agreements**

The Funds enter into transactions with their custodian bank or securities brokerage firms whereby they purchase securities under agreements to resell such securities at an agreed upon price and date ( repurchase agreements ). The Funds, through their custodian, take possession of securities collateralizing the repurchase agreement. Such agreements are carried at the contract amount in the financial statements, which is considered to represent fair-value. Collateral pledged (the securities received), which consists primarily of U.S. government obligations and asset-backed securities, are held by

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

the custodian bank until maturity of the repurchase agreement. Provisions of the repurchase agreements and the procedures adopted by the Funds require that the market value of the collateral, including accrued interest thereon, be sufficient in the event of default by the counterparty. If the counterparty defaults and the value of the collateral declines or if the counterparty enters an insolvency proceeding, realization of the collateral by the Funds may be delayed or limited.

**(i) Reverse Repurchase Agreements**

In a reverse repurchase agreement, the Funds sell securities to a bank or broker-dealer and agree to repurchase the securities at a mutually agreed upon date and price. Generally, the effect of such a transaction is that the Funds can recover and reinvest all or most of the cash invested in portfolio securities involved during the term of the reverse repurchase agreement and still be entitled to the returns associated with those portfolio securities. Such transactions are advantageous if the interest cost to the Fund of the reverse repurchase transaction is less than the returns it obtains on investments purchased with the cash. To the extent a Fund does not cover its positions in reverse repurchase agreements (by segregating liquid assets at least equal in amount to the forward purchase commitment), the Fund's uncovered obligations under the agreements will be subject to the Fund's limitations on borrowings. Reverse repurchase agreements involve leverage risk and also the risk that the market value of the securities that the Funds are obligated to repurchase under the agreements may decline below the repurchase price. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Funds' use of the proceeds of the agreement may be restricted pending determination by the other party, or their trustee or receiver, whether to enforce the Funds' obligation to repurchase the securities.

**(j) When-Issued/Delayed-Delivery Transactions**

When-issued or delayed-delivery transactions involve a commitment to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery purchases are outstanding, the Funds will set aside and maintain until the settlement date in a designated account, liquid assets in an amount sufficient to meet the purchase price. When purchasing a security on a delayed-delivery basis, the Funds assume the rights and risks of ownership of the security, including the risk of price and yield fluctuations; consequently, such fluctuations are taken into account when determining the net asset value. The Funds may dispose of or renegotiate a delayed-delivery transaction after it is entered into, and may sell when-issued securities before they are delivered, which may result in a realized gain or loss. When a security is sold on a delayed-delivery basis, the Funds do not participate in future gains and losses with respect to the security.

**(k) Mortgage-Related and Other Asset-Backed Securities**

Investments in mortgage-related or other asset-backed securities include mortgage pass-through securities, collateralized mortgage obligations (CMOs), commercial mortgage-backed securities, mortgage dollar rolls, CMO residuals, stripped mortgage-backed securities (SMBSs) and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The value of some mortgage-related or asset-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-related securities may expose the Funds to a lower rate of return upon reinvestment of principal. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. The decline in liquidity and prices of

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these types of securities may have made it more difficult to determine fair market value. Additionally, although mortgages and mortgage-related securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations.

### **(I) U.S. Government Agencies or Government-Sponsored Enterprises**

Securities issued by U.S. Government agencies or government-sponsored enterprises may not be guaranteed by the U.S. Treasury. The Government National Mortgage Association ( GNMA or Ginnie Mae ), a wholly-owned U.S. Government corporation, is authorized to guarantee, with the full faith and credit of the U.S. Government, the timely payment of principal and interest on securities issued by institutions approved by GNMA and backed by pools of mortgages insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs. Government-related guarantors not backed by the full faith and credit of the U.S. Government include the Federal National Mortgage Association ( FNMA or Fannie Mae ) and the Federal Home Loan Mortgage Corporation ( FHLMC or Freddie Mac ). Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA but are not backed by the full faith and credit of the U.S. Government. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but its participation certificates are not backed by the full faith and credit of the U.S. Government.

PIMCO Global StocksPLUS® & Income Fund  
3.31.10 | PIMCO High Income Fund Annual Report **31**

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**1. Organization and Significant Accounting Policies** (continued)

**(m) Interest Expense**

Interest expense relates primarily to the Funds' liability in connection with reverse repurchase agreements. Interest expense is recorded as it is incurred.

**(n) Custody Credits on Cash Balances**

The Funds benefit from an expense offset arrangement with their custodian bank, whereby uninvested cash balances earn credits which reduce monthly custodian and accounting agent expenses. Had these cash balances been invested in income-producing securities, they would have generated income for the Funds.

**2. Principal Risks**

In the normal course of business, the Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to, among other things, changes in the market (market risk) or failure of the other party to a transaction to perform (credit/counterparty risk). The Funds are exposed to various risks such as, but not limited to, interest rate, foreign currency, market price and credit/counterparty risks.

Interest rate risk is the risk that fixed income securities will decline in value because of changes in interest rates. As nominal interest rates rise, the value of certain fixed income securities held by the Funds are likely to decrease. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is used primarily as a measure of the sensitivity of a fixed income security's market price to interest rate (*i.e.* yield) movements.

If the Funds invest directly in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in derivatives that provide exposure to foreign currencies, they will be subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including economic growth, changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad. As a result, the Funds' investments in foreign currency-denominated securities may reduce the returns of the Funds.

The Funds are subjected to elements of risk not typically associated with investments in the U.S., due to concentrated investments in specific industries or investments in foreign issuers located in a specific country or region. Such concentrations will subject the Funds to additional risks

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resulting from future political or economic conditions in such country or region and the possible imposition of adverse governmental laws of currency exchange restrictions affecting such country or region, which could cause the securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies.

The market values of equity securities, such as common and preferred stock, or equity-related investments, such as futures and options, may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity-related investments generally have greater market price volatility than fixed income securities.

The Funds are exposed to credit risk which is the risk of losing money if the issuer or guarantor of a fixed income security is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to make timely principal and/or interest payments, or to otherwise honor its obligations. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

Similar to credit risk, the Funds are exposed to counterparty risk, or the risk that an institution or other entity with which the Funds have unsettled or open transactions will default. The potential loss to the Funds could exceed the value of the financial assets recorded in the Funds financial statements. Financial assets, which potentially expose the Funds to counterparty risk, consist principally of cash due from counterparties and investments. The Funds' sub-adviser, Pacific Investment Management Company LLC (the Sub-Adviser), an affiliate of the Investment Manager, seeks to minimize



**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**2. Principal Risks** (continued)

the Funds counterparty risk by performing reviews of each counterparty and by minimizing concentration of credit risk by undertaking transactions with a large number of customers and counterparties on recognized and reputable exchanges. Delivery of securities sold is only made once the Funds have received payment. Payment is made on a purchase once the securities have been delivered by the counterparty. The trade will fail if either party fails to meet its obligation.

The Funds are party to International Swaps and Derivatives Association, Inc. Master Agreements ( ISDA Master Agreements ) with select counterparties that govern transactions, over-the-counter derivative and foreign exchange contracts, entered into by the Funds and those counterparties. The ISDA Master Agreements contain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements of the Funds.

The considerations and factors surrounding the settlement of certain purchases and sales made on a delayed-delivery basis are governed by Master Securities Forward Transaction Agreements ( Master Forward Agreements ) between the Funds and select counterparties. The Master Forward Agreements maintain provisions for, among other things, initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral.

The Funds are also party to Master Repurchase Agreements ( Master Repo Agreements ) with select counterparties. The Master Repo Agreements maintain provision for, initiation, income payments, events of default, and maintenance of collateral.

The credit risk associated with certain contracts may be reduced by master netting arrangements to the extent that if an event of default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Funds overall exposure to credit risk with respect to transactions subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

On September 15, 2008, Lehman Brothers Holdings Inc. filed for protection under Chapter 11 of the United States Bankruptcy Code. On September 19, 2008, a proceeding under the Securities Investor Protection Act ( SIPA ) was commenced with respect to Lehman Brothers Inc. ( SLH ), a broker-dealer. A trustee appointed under SIPA is administering the bankruptcy estate of SLH. Lehman Brothers International (Europe) ( LBI ), was placed in administration under the UK Insolvency Act on September 15, 2008. Lehman Brothers Special Financing Inc. ( LBSF ) filed for protection under Chapter 11 of the United States Bankruptcy Code on October 3, 2008. In connection with these filings, the Lehman Brothers group of companies (collectively Lehman Brothers ) will be reorganized and/or liquidated in an orderly fashion, subject to court approval. Each Lehman Brothers entity is a separate legal entity that is subject to its own bankruptcy proceeding.

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The Funds had select holdings, credit default swap agreements, securities and derivatives transactions outstanding with Lehman Brothers entities as issuer, referenced entity, counterparty or guarantor at the time the relevant Lehman Brothers entity filed for protection or was placed in administration. The security holdings, credit default swap agreements, securities and derivatives transactions associated with LBSF as counterparty were written down to their estimated recoverable values. Anticipated losses for securities and derivatives transactions associated with Lehman Brothers have been incorporated as net realized gain (loss) on the Statements of Operations of the Funds. The remaining balances due from Lehman Brothers are included in receivable from/ payable to broker on the Statements of Assets and Liabilities of the Funds. A facilitated auction occurred on October 10, 2008 comprising multiple pre-approved brokerage agencies to determine the estimated recovery rate for holdings and credit default swap agreements with Lehman Brothers Holdings Inc. as the referenced entity. These recovery rates, as well as the current value of Senior Lehman bonds, were utilized in determining estimated recovery values for certain holdings.

At March 31, 2010 Global StocksPLUS® has an open payable for overdraft with SLH, a receivable for open swap positions with LBSF and a receivable for overdraft with LBI. High Income paid all outstanding liabilities to LBSF and LBSF returned all cash collateral to High Income on September 23, 2009. At March 31, 2010, High Income has open trade receivables with Lehman Commercial Paper, Inc. ( LCPI ) and open payables with SLH, as reflected on the Statements of Assets and Liabilities.

PIMCO Global StocksPLUS® & Income Fund  
3.31.10 | PIMCO High Income Fund Annual Report 33

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**3. Financial Derivative Instruments**

Disclosure about derivative instruments and hedging activities require qualitative disclosure regarding objectives and strategies for using derivatives, quantitative disclosure about fair value amounts of gains and losses on derivative instruments, and disclosure about credit-risk-related contingent features in derivative agreements. The disclosure requirements distinguish between derivatives which are accounted for as hedges and those that do not qualify for such accounting. Although the Funds may sometimes use derivatives for hedging purposes, the Funds reflect derivatives at fair value and recognize changes in fair value through the Funds' Statements of Operations, and such derivatives do not qualify for hedge accounting treatment. Derivative notional amounts and values as of March 31, 2010, which are disclosed in the accompanying Notes to the Financial Statements, are indicative of the volume of the Funds' derivatives activities over the reporting period.

**(a) Futures Contracts**

The Funds use futures contracts to manage their exposure to the securities markets or the movements in interest rates and currency values. A futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date. Upon entering into such a contract, the Funds are required to pledge to the broker an amount of cash or securities equal to the minimum initial margin requirements of the exchange. Pursuant to the contracts, the Funds agree to receive from or pay to the broker an amount of cash or securities equal to the daily fluctuation in the value of the contracts. Such receipts or payments are known as variation margin and are recorded by the Funds as unrealized appreciation or depreciation. When the contracts are closed, the Funds record a realized gain or loss equal to the difference between the value of the contracts at the time they were opened and the value at the time they were closed. Any unrealized appreciation or depreciation recorded is simultaneously reversed. The use of futures transactions involves various risks, including the risk of an imperfect correlation in the movements in the price of futures contracts, interest rates and underlying hedging assets, and possible inability or unwillingness of counterparties to meet the terms of their contracts.

**(b) Option Transactions**

The Funds purchase and write (sell) put and call options on securities for hedging purposes, risk management purposes or otherwise as part of their investment strategies. The risk associated with purchasing an option is that the Funds pay a premium whether or not the option is exercised. Additionally, the Funds bear the risk of loss of premium and change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of call options is increased by the premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid.

When an option is written, the premium received is recorded as an asset with an equal liability which is subsequently marked to market to reflect the market value of the option written. These liabilities are reflected as options written in the Funds' Statements of Assets and Liabilities. Premiums received from writing options which expire unexercised are recorded on the expiration date as a realized gain. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium is less than the amount paid for the closing purchased transactions, as a realized loss. If a call option written is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a put option written is exercised, the premium reduces the cost basis of the security. In writing an option, the Funds bear the market risk of an unfavorable change in the price of the security underlying the written option. Exercise of a written option could result in the Funds

purchasing a security at a price different from its current market value.

**(c) Swap Agreements**

Swap agreements are privately negotiated agreements between the Funds and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. The Funds enter into credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements in order to manage their exposure to credit, currency and interest rate risk. In connection with these agreements, securities may be identified as collateral in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Payments received or made at the beginning of the measurement period are reflected as such on the Funds' Statements of Assets and Liabilities and represent payments made or received upon entering into the swap.

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**3. Financial Derivative Instruments** (continued)

agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). These upfront payments are recorded as realized gains or losses on the Funds Statements of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain or loss on the Funds Statements of Operations. Net periodic payments received or paid by the Funds are included as part of realized gains or losses on the Funds Statements of Operations.

Entering into these agreements involves, to varying degrees, elements of credit, legal, market and documentation risk in excess of the amounts recognized on the Funds Statements of Assets and Liabilities. Such risks include the possibility that there will be no liquid market for these agreements, that the counterparties to the agreements may default on their obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates.

Credit Default Swap Agreements Credit default swap agreements involve one party (referred to as the buyer of protection) making a stream of payments to another party (the seller of protection) in exchange for the right to receive a specified return in the event of a default or other credit event for the referenced entity, obligation or index. As sellers of protection on credit default swap agreements, the Funds will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As sellers, the Funds would effectively add leverage to their portfolios because, in addition to their total net assets, the Funds would be subject to investment exposure on the notional amount of the swap.

If the Funds are sellers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Funds are buyers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are assumed by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value.

Credit default swap agreements on corporate issues or sovereign issues of an emerging country involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit event. If a credit event occurs and cash settlement is not elected, a variety of other deliverable obligations may be delivered in lieu of the specific referenced obligation. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the

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lowest value following a credit event). The Funds use credit default swaps on corporate issues or sovereign issues of an emerging country to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Funds own or have exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default.

Credit default swap agreements on asset-backed securities involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit events. Unlike credit default swaps on corporate issues or sovereign issues of an emerging country, deliverable obligations in most instances would be limited to the specific referenced obligation as performance for asset-backed securities can vary across deals. Prepayments, principal paydowns, and other writedown or loss events on the underlying mortgage loans will reduce the outstanding principal balance of the referenced obligation. These reductions may be temporary or permanent as defined under the terms of the swap agreement and the notional amount for the swap agreement will be adjusted by corresponding amounts. The Funds use credit default swaps on asset-backed securities to provide a measure of protection against defaults of the referenced obligation or to take an active long or short position with respect to the likelihood of a particular referenced obligation's default.

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**3. Financial Derivative Instruments** (continued)

or default of all or part of the referenced entities comprising the credit index. A credit index is a list of a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index, or in the case of a tranching index credit default swap, the credit event is settled based on the name's weight in the index that falls within the tranche for which the Funds bear exposure. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. The Funds use credit default swaps on credit indices to hedge a portfolio of credit default swaps or bonds with a credit default swap on indices which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit-default swaps on indices are benchmarks for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues or sovereign issues of an emerging country as of period end are disclosed later in the Notes to Financial Statements (see 5(c)) and serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Funds as sellers of protection could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. Notional amounts of all credit default swap agreements outstanding as of March 31, 2010 for which the Funds are sellers of protection are disclosed later in the Notes to Financial Statements (see 5(c)). These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Funds for the same referenced entity or entities.

**Interest Rate Swap Agreements** Interest rate swap agreements involve the exchange by the Funds with a counterparty of their respective commitments to pay or receive interest, e.g., an exchange of floating rate payments for fixed rate payments, with respect to the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or cap, (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or floor, (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the counterparty may terminate the swap transaction in whole at zero cost by a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swap, under

which two parties can exchange variable interest rates based on different money markets.

Total Return Swap Agreements Total return swap agreements involve commitments to pay interest in exchange for a market-linked return, both based on notional amounts. To the extent the total return of the security or index underlying the transaction exceeds or falls short of the offsetting interest rate obligation, the Funds will receive a payment from or make a payment to the counterparty.

**(d) Forward Foreign Currency Contracts**

A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. The Funds enter into forward foreign currency contracts for the purpose of hedging against foreign currency risk arising from the investment or anticipated investment in securities denominated in foreign currencies. The Funds also enter into these contracts for purposes of increasing exposure to a foreign currency or shifting exposure to



**PIMCO Global StocksPLUS® & Income Fund****PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**3. Financial Derivative Instruments** (continued)

foreign currency fluctuations from one country to another. The market value of a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. All commitments are marked to market daily at the applicable exchange rates and any resulting unrealized appreciation or depreciation is recorded. Realized gains or losses are recorded at the time the forward contract matures or by delivery of the currency. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar. In addition, these contracts may involve market risk in excess of the unrealized gain (loss) reflected in the Funds' Statements of Assets and Liabilities.

**Fair Value of Derivative Instruments at March 31, 2010**

The following is a summary of the fair valuation of the Funds' derivative instruments categorized by risk exposure.

The effect of derivative instruments on the Funds' Statements of Assets and Liabilities at March 31, 2010:

Global StocksPLUS®:

Location	Market Price	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Total
<b>Asset Derivatives:</b>					
Investments, at value (options purchased)	\$102,500				\$102,500
Unrealized appreciation of swaps	1,241,826	\$4,449,560	\$4,687,270		10,378,656
Unrealized appreciation of forward foreign currency contracts				\$47,862	47,862
<b>Total Asset Derivatives</b>	\$1,344,326	\$4,449,560	\$4,687,270	\$47,862	\$10,529,018
<b>Liability Derivatives:</b>					
Unrealized depreciation of swaps		\$(938,868)	\$(2,621,436)		\$(3,560,304)
Payable for variation margin on futures contracts*	\$(243,080)				(243,080)
Options written, at value	(1,015,000)				(1,015,000)
Unrealized depreciation of forward foreign currency contracts				\$(3,114)	(3,114)

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<b>Total Liability Derivatives</b>	\$(1,258,080)	\$(938,868)	\$(2,621,436)	\$(3,114)	\$(4,821,498)
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High Income:

Location	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Total
<b>Asset Derivatives:</b>				
Unrealized appreciation of swaps	\$7,160,523			\$7,160,523
Unrealized appreciation of forward foreign currency contracts			\$759,886	759,886
<b>Total Asset Derivatives</b>	\$7,160,523		\$759,886	\$7,920,409
<b>Liability Derivatives:</b>				
Unrealized depreciation of swaps	\$(6,252,349)	\$(6,417,045)		\$(12,669,394)
Options written, at value	(1,486,789)			(1,486,789)
Unrealized depreciation of forward foreign currency contracts			\$(1,407,970)	(1,407,970)
<b>Total Liability Derivatives</b>	\$(7,739,138)	\$(6,417,045)	\$(1,407,970)	\$(15,564,153)

\* Included in the unrealized appreciation of \$1,130,842 on futures contracts for Global StocksPLUS®, as reported in section 5(a) of the Notes to Financial Statements.

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**3. Financial Derivative Instruments (continued)**

The effect of derivative instruments on the Funds' Statements of Operations for the year ended March 31, 2010:

Global StocksPLUS®:

Location	Market Price	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Total
<b>Net Realized Gain (Loss) on:</b>					
Investments (options purchased)	\$(6,096,277)	\$(7,434)			\$(6,103,711)
Futures contracts	15,990,010	627,315			16,617,325
Options written	(2,599,705)				(2,599,705)
Swaps	10,745,817	(2,606,856)	\$(2,682,980)		5,455,981
Foreign currency transactions				\$(493,342)	(493,342)
<b>Total Net Realized Gain (Loss)</b>	<b>\$18,039,845</b>	<b>\$(1,986,975)</b>	<b>\$(2,682,980)</b>	<b>\$(493,342)</b>	<b>\$12,876,548</b>
<b>Net Change in Unrealized Appreciation/Depreciation of:</b>					
Investments (options purchased)	\$369,331	\$450			\$369,781
Futures contracts	(456,682)	(480,376)			(937,058)
Options written	439,956				439,956
Swaps	6,546,456	3,510,692	\$7,873,571		17,930,719
Foreign currency transactions				\$288,005	288,005
<b>Total Net Change in Unrealized Appreciation/Depreciation</b>	<b>\$6,899,061</b>	<b>\$3,030,766</b>	<b>\$7,873,571</b>	<b>\$288,005</b>	<b>\$18,091,403</b>

High Income:

Location	Interest Rate Contracts	Credit Contracts	Foreign Exchange Contracts	Total
<b>Net Realized Gain (Loss) on:</b>				
Investments (options purchased)	\$(200)			\$(200)
Futures contracts	10,520,697			10,520,697
Options written	847,833			847,833
Swaps	14,766,913	\$32,821,230		47,588,143
Foreign currency transactions			\$10,796,820	10,796,820

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<b>Total Net Realized Gain</b>	\$26,135,243	\$32,821,230	\$10,796,820	\$69,753,293
<b>Net Change in Unrealized Appreciation/Depreciation of:</b>				
Investments (options purchased)	\$(129)			\$(129)
Futures contracts	(5,231,941)			(5,231,941)
Options written	2,500,059			2,500,059
Swaps	908,174	\$45,720,446		46,628,620
Foreign currency transactions			\$489,688	489,688
<b>Total Net Change in Unrealized Appreciation/Depreciation</b>	<b>\$(1,823,837)</b>	<b>\$45,720,446</b>	<b>\$489,688</b>	<b>\$44,386,297</b>

PIMCO Global StocksPLUS® & Income Fund  
 38 PIMCO High Income Fund Annual Report | 3.31.10

**PIMCO Global StocksPLUS® & Income Fund**

**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**4. Investment Manager/Sub-Adviser**

Each Fund has an Investment Management Agreement (each an Agreement) with the Investment Manager. Subject to the supervision of the Funds Board of Trustees, the Investment Manager is responsible for managing, either directly or through others selected by it, the Funds investment activities, business affairs and administrative matters. Pursuant to each Agreement, the Investment Manager receives an annual fee, payable monthly, at the annual rate of 1.00% of Global StocksPLUS®'s average daily total managed assets and 0.70% of High Income's average daily net assets, inclusive of net assets attributable to any Preferred Shares that may be outstanding. For Global StocksPLUS®, total managed assets refer to the total assets of the Fund (including any assets attributable to any borrowings that may be outstanding), minus accrued liabilities (other than liabilities representing borrowings).

The Investment Manager has retained the Sub-Adviser to manage the Funds investments. Subject to the supervision of the Investment Manager, the Sub-Adviser is responsible for making all of the Funds investment decisions. The Investment Manager, and not the Funds, pays a portion of the fees it receives as Investment Manager to the Sub-Adviser in return for its services.

**5. Investments in Securities**

Purchases and sales of investments, other than short-term securities for the year ended March 31, 2010, were:

	U.S. Government Obligations		All Other	
	Purchases	Sales	Purchases	Sales
Global StocksPLUS®	\$229,014,950	\$157,665,422	\$ 184,441,136	\$ 96,786,095
High Income	134,092,182	161,378,209	1,658,473,882	1,464,309,491

(a) Futures contracts outstanding at March 31, 2010:

Global StocksPLUS®:

Type		Contracts	Market Value (000s)	Expiration Date	Unrealized Appreciation
Long:	E-mini S&P 500 Index	657	\$38,277	6/18/10	\$642,217
	S&P 500 Index	105	30,586	6/17/10	488,625
					\$1,130,842

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Global StocksPLUS® pledged cash collateral of \$48,000 for futures contracts.

(b) Transactions in options written for the year ended March 31, 2010:

Global StocksPLUS®:

	Contracts	Premiums
Options outstanding, March 31, 2009	155	\$1,239,419
Options written	2,221	14,009,881
Options terminated in closing transactions	(2,176)	(14,225,050)
Options outstanding, March 31, 2010	200	\$1,024,250

High Income:

	Contracts	Notional Amount	Premiums
Options outstanding, March 31, 2009			
Options written	2,448	\$527,900,000	\$4,834,681
Options terminated in closing transactions	(515)	(133,900,000)	(847,833)
Options outstanding, March 31, 2010	1,933	\$394,000,000	\$3,986,848

High Income pledged cash collateral of \$681,000 for options written on futures.

**PIMCO Global StocksPLUS® & Income Fund**  
**PIMCO High Income Fund Notes to Financial Statements**

March 31, 2010

**5. Investments in Securities** (continued)

(c) Credit default swap agreements:

Buy protection swap agreements outstanding at March 31, 2010 (1):

Global StocksPLUS®:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000s) (4)	Credit Spread (3)*	Termination Date	Payments Made	Market Value (5)	Upfront Premiums Paid	Unrealized Appreciation
Citigroup:							
CIFC	\$1,000		10/20/20	(2.15)%	\$388,360		\$388,360
Goldman Sachs:							
CIFC	478		10/20/20	(4.50)%	210,656		210,656
TELOS	1,500		10/11/21	(5.00)%	627,424		627,424
JPMorgan Chase:							
Indymac Home Equity Loan	1,371		6/25/30	(0.45)%	321,561		321,561
Morgan Stanley: Aegis Asset Backed Securities Trust	1,272		6/25/34	(1.15)%	1,089,892 \$2,637,893		1,089,892 \$2,637,893

High Income:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000s) (4)	Credit Spread (3)*	Termination Date	Payments Made	Market Value (5)	Upfront Premiums Paid (Received)	Unrealized Depreciation
Bank of America:							
Dow Jones CDX HY-13 5-Year Index	\$33,660	5.00%	12/20/14	(5.00)%	\$(52,053)	\$1,262,126	\$(1,314,179)
Barclays Bank:							
Dow Jones CDX HY-13 5-Year Index	15,543	5.00%	12/20/14	(5.00)%	(24,036)	446,862	(470,898)
Citigroup:							
Dow Jones CDX HY-13 5-Year Index	35,046	5.00%	12/20/14	(5.00)%	(54,197)	1,533,262	(1,587,459)
Deutsche Bank:							
	31,086	5.00%	12/20/14	(5.00)%	(48,073)	582,862	(630,935)

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Dow Jones CDX  
HY-13 5-Year Index  
JPMorgan Chase:  
Dow Jones CDX  
HY-13 5-Year Index  
Morgan Stanley:

3,762	5.00%	12/20/14	(5.00)%	(5,818)	164,588	(170,406)
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