

PIMCO CORPORATE INCOME FUND
Form N-CSR
January 05, 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 811-10555

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

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

10105
(Zip code)

Lawrence G. Altadonna - 1345 Avenue of the Americas, New York, New York 10105
(Name and address of agent for service)

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

Date of fiscal year end: October 31, 2009

Date of reporting period: October 31, 2009

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

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PIMCO Corporate Income Fund Letter to Shareholders

December 15, 2009

Dear Shareholder:

Please find enclosed the annual report for PIMCO Corporate Income Fund (the Fund) for the fiscal year ended October 31, 2009.

The U.S. bond market provided positive returns during the fiscal year amid subdued inflationary pressures and adequate, government-supplied liquidity and signs of positive economic growth in the third calendar quarter of 2009. In this environment, investors showed new enthusiasm for riskier assets, causing corporate bonds and stocks to significantly outperform U.S. Treasury and agency issues. The unmanaged Barclays Capital U.S. Credit Index returned 27.58% and the unmanaged Barclays Capital High Yield Index returned 55.21% during the fiscal 12-month period ended October 31, 2009, outperforming the unmanaged Barclays Capital Government Bond Index, which returned 7.05%. The broad bond market, as represented by the unmanaged Barclays Capital U.S. Aggregate Index, returned 13.79%. After nearly a year and a half of sustained declines, U.S. stocks, as represented by the Standard & Poor's 500 Index, changed course in March 2009 and rallied through October 31, 2009 to deliver a positive 9.80% return.

The Federal Reserve (the Fed) and U.S. Treasury Department moved aggressively during the fiscal year to inject liquidity into the banking system. The Fed held the Federal Funds rate to a historic low target of 0% - 0.25% from December 2008 through the end of the 12-month reporting period. In addition, the central bank continued to pursue a policy of quantitative easing, purchasing securities from banks in order to add to the supply of cash available for lending. In a press release issued at the beginning of November 2009, the Fed indicated it expected to continue purchasing securities from banks into the first quarter of 2010.

Effective December 15, 2009, Mr. William H. Gross assumed primary responsibility for the day-to-day portfolio management of the Fund. Mr. Gross founded Pacific Investment Management Company LLC (PIMCO) more than 38 years ago and is a managing director and co-Chief Investment Officer of the company. He has 40 years of investment experience and holds an MBA from the Anderson School of Management at the University of California, Los Angeles. He received his undergraduate degree from Duke University.

For specific information on the Fund and its 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 Fund's shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources are available on our Web site, www.allianzinvestors.com/closedendfunds.

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

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We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess
Chairman

Brian S. Shlissel
President & Chief Executive Officer

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PIMCO Corporate Income Fund Fund Insights/Performance & Statistics

October 31, 2009 (unaudited)

- For the fiscal year ended October 31, 2009, PIMCO Corporate Income Fund (the Fund) returned 75.15% on net asset value (NAV) and 48.69% on market price.
- The investment-grade credit and high-yield markets, as measured by the unmanaged Barclays Capital U.S. Credit and U.S. High Yield Bond Indices generated total returns of 27.58% and 55.21%, respectively during the 12-month reporting period.
- The Fund s exposure to the banking sector benefited performance with the support of fiscal and monetary policy and strong investment demand.
- The Fund s weighting in communication securities contributed positively to performance during the fiscal year as wireless and wireline credits outperformed the market.
- The Fund s weighting in the insurance sector benefited returns as these issues gained in conjunction with improvement in investment portfolios and asset valuations.
- The Fund s position in the energy sector contributed positively to performance alongside growth in developing markets and policy support to stimulate internal demand.
- The Fund s allocation to the brokerage sector benefited performance as these issuers focused on liquidity improvement and balance sheet management.
- The Fund s allocation to specialty finance issuers contributed positively to returns as companies enjoyed easing market conditions and asset quality improvements.
- The Fund s quality shift towards higher-rated issues detracted from returns as lower-quality issuers outperformed the market.

Total Return(1):	Market Price	Net Asset Value (NAV)
1 year	48.69%	75.15%
3 year	4.72%	7.05%
5 year	7.16%	7.14%
Commencement of Operations (12/21/01) to 10/31/09	8.82%	9.59%

Common Share Market Price/NAV Performance:	Market Price/NAV:	
Commencement of Operations (12/21/01) to 10/31/09	Market Price	\$13.06
NAV	NAV	\$12.88
Market Price	Premium to NAV	1.40%
	Market Price Yield(2)	9.76%

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(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value 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 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 sold in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend (comprised of net investment income) payable to common shareholders by the market price per common share at October 31, 2009.

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
CORPORATE BONDS & NOTES 79.3%			
Airlines 3.0%			
\$683	American Airlines Pass Through Trust, 6.978%, 10/1/12	Ba1/BBB+	\$679,170
1,000	7.858%, 4/1/13	Ba1/BBB	995,000
2,000	10.375%, 7/2/19	Baa3/A-	2,222,500
	Continental Airlines, Inc.,		
598	6.545%, 8/2/20	Baa2/A-	571,354
2,120	9.798%, 4/1/21	Ba1/BB-	1,748,759
205	Delta Air Lines, Inc., 6.619%, 9/18/12	NR/BBB	200,881
8,985	Northwest Airlines, Inc., 7.15%, 4/1/21 (MBIA)	Ba3/BBB-	7,816,658
2,000	Southwest Airlines Co., 10.50%, 12/15/11 (a) (d)	NR/BBB+	2,158,342
3,000	United Air Lines, Inc., 10.40%, 5/1/18	Ba1/BBB	3,060,000
266	United Air Lines Equipment Trust, 10.36%, 11/13/12 (b) (e)	NR/NR	2,052
1,487	United Air Lines Pass Through Trust, 7.336%, 1/2/21 (a) (b) (d)	B1/B+	1,040,815
			20,495,531
Automotive 0.2%			
1,500	Ford Motor Co., 9.98%, 2/15/47	Caa2/CCC-	1,282,500
Banking 22.1%			
4,000	ABN Amro North American Holding Preferred Capital Repackage Trust I, 6.523%, 11/8/12 (a) (d) (g)	B3/B	2,841,776
5,000	BAC Capital Trust XIV, 5.63%, 3/15/12 (g)	Ba3/B	3,512,500
1,150	BankAmerica Capital II, 8.00%, 12/15/26	Baa3/B	1,127,000
	Barclays Bank PLC,		
4,600	7.434%, 12/15/17 (a) (d) (g)	Baa2/BBB+	4,301,000
7,760	10.179%, 6/12/21 (a) (d)	Baa1/A	10,260,513
£200	14.00%, 6/15/19 (g)	Baa2/BBB+	433,516
\$2,700	CBA Capital Trust II, 6.024%, 3/15/16 (a) (d) (g)	Aa3/A+	2,216,778
6,450	HBOS Capital Funding L.P., 6.071%, 6/30/14 (a) (d) (g)	B3/B-	4,289,250
	HBOS PLC (a) (d),		
3,500	5.375%, 11/1/13 (g)	Ba1/B-	2,642,500
2,000	6.75%, 5/21/18	Baa2/BBB-	1,849,198
	HSBC Capital Funding L.P. (g),		
3,900	4.61%, 6/27/13 (a) (d)	A3/A-	3,342,487
1,000	10.176%, 6/30/30	A3/A-	1,215,000
	Lloyds Banking Group PLC (a) (d) (g),		
1,000	6.267%, 11/14/16	B3/CCC+	650,824
4,000	6.413%, 10/1/35	B3/CCC+	2,606,612
3,500	6.657%, 5/21/37	B3/CCC+	2,280,397
8,060	Marshall & Ilsley Bank, 5.00%, 1/17/17	A3/BBB-	5,905,868
25,290	Rabobank Nederland NV, 11.00%, 6/30/19 (a) (d) (g)	Aa2/AA-	31,829,716
10,000	RSHB Capital S.A. for OJSC Russian Agricultural Bank, 9.00%, 6/11/14 (a) (d)	Baa1/BBB	11,163,000
2,480	Sovereign Bank, 2.193%, 8/1/13, FRN	Baa1/A-	2,369,479
12,350		A3/BBB+	12,463,991

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	State Street Capital Trust III, 8.25%, 3/15/42, (converts to FRN on 3/15/11) (j)		
5,700	USB Capital IX, 6.189%, 4/15/11 (g)	A2/BBB+	4,431,750
12,100	Wachovia Capital Trust III, 5.80%, 3/15/11 (g)	Ba3/A-	8,778,550
14,000	Wells Fargo & Co., 7.98%, 3/15/18 (g)	Ba3/A-	13,177,500
7,200	Wells Fargo Capital X, 5.95%, 12/15/86, (converts to FRN on 12/15/36)	A3/A-	6,260,400
9,600	Wells Fargo Capital XIII, 7.70%, 3/26/13 (g)	Ba3/A-	8,976,000
			148,925,605

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
Building & Construction	0.2%		
\$1,500	Corp GEO SAB de C.V., 8.875%, 9/25/14 (a) (d)	Ba3/BB-	\$1,556,250
Chemicals	1.2%		
7,200	Dow Chemical Co., 8.55%, 5/15/19	Baa3/BBB-	8,227,936
Consumer Products	0.6%		
3,500	Fortune Brands, Inc., 8.625%, 11/15/21	Baa3/BBB-	3,919,307
Energy	0.4%		
2,000	Dynergy Roseton/Danskammer Pass Through Trust, 7.67%, 11/8/16, Ser. B	B2/B	1,900,000
500	Kinder Morgan, Inc., 5.15%, 3/1/15	Ba1/BB	477,500
500	Southern Natural Gas Co., 5.90%, 4/1/17 (a) (d)	Baa3/BB	513,043
			2,890,543
Financial Services	26.6%		
1,000	American General Finance Corp., 4.00%, 3/15/11	Baa3/BB+	859,069
2,200	5.40%, 12/1/15	Baa3/BB+	1,518,708
3,000	6.90%, 12/15/17	Baa3/BB+	2,089,590
6,900	BNP Paribas (g), 5.186%, 6/29/15 (a) (d)	Aa3/A	5,776,701
6,700	7.195%, 6/25/37 (a) (d)	Aa3/A	6,197,500
350	7.781%, 7/2/18	Aa3/AA-	537,064
\$3,300	C10 Capital SPV Ltd., 6.722%, 12/31/16 (g)	NR/B-	2,344,399
1,790	Capital One Bank USA N.A., 8.80%, 7/15/19	A3/BBB	2,122,269
1,500	Capital One Capital V, 10.25%, 8/15/39	Baa2/BB	1,716,233
2,424	Cedar Brakes II LLC, 9.875%, 9/1/13 (a) (d)	Baa3/BBB	2,456,582
1,700	CIT Group, Inc. (k), 4.25%, 3/17/15	Ca/CC	1,530,042
\$50	7.625%, 11/30/12	Ca/CC	32,408
16,700	Citigroup Capital XXI, 8.30%, 12/21/77, (converts to FRN on 12/21/37)	Baa3/B+	15,614,500
100	Citigroup, Inc., 4.75%, 2/10/19, FRN	Baa1/A-	127,434
\$2,800	6.125%, 5/15/18	A3/A	2,836,543
1,600	6.125%, 8/25/36 (j)	Baa1/A-	1,428,778
400	8.125%, 7/15/39	A3/A	466,899
2,800	Credit Agricole S.A. (a) (d) (g), 6.637%, 5/31/17	Aa3/A-	2,254,000
6,000	8.375%, 10/13/19	Aa3/A-	6,331,872
2,800	Ford Motor Credit Co. LLC, 3.034%, 1/13/12, FRN	Caa1/CCC+	2,495,500
3,700	7.80%, 6/1/12	Caa1/CCC+	3,624,997
3,500	8.00%, 12/15/16	Caa1/CCC+	3,385,291
6,500	9.875%, 8/10/11	Caa1/CCC+	6,651,827
1,000	12.00%, 5/15/15	Caa1/CCC+	1,127,323
10,100	General Electric Capital Corp., FRN, 6.375%, 11/15/67 (j)	Aa3/A+	8,774,920
£500	6.50%, 9/15/67 (a) (d)	Aa3/A+	684,066
\$1,650	GMAC, Inc., 6.00%, 12/15/11	Ca/CCC	1,548,566

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3,500	6.75%, 12/1/14	Ca/CCC	3,176,439
2,500	7.00%, 2/1/12	Ca/CCC	2,378,730
2,000	7.50%, 12/31/13 (a) (d)	Ca/CCC	1,870,000
2,500	8.00%, 11/1/31	Ca/CCC	2,127,295

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
Financial Services (continued)			
	Goldman Sachs Group, Inc. (j),		
\$4,000	6.45%, 5/1/36	A2/A-	\$4,063,832
7,000	6.75%, 10/1/37	A2/A-	7,396,592
250	Green Valley Ltd., 4.343%, 1/10/11, FRN (a) (b) (d)	NR/BB+	355,869
	International Lease Finance Corp.,		
\$4,000	0.620%, 7/1/11, FRN	Baa3/BBB+	3,404,768
1,225	0.634%, 7/13/12, FRN	Baa3/BBB+	976,315
1,000	5.125%, 11/1/10	Baa3/BBB+	939,196
5,800	5.30%, 5/1/12	Baa3/BBB+	4,812,997
5,400	5.40%, 2/15/12	Baa3/BBB+	4,533,824
1,500	5.65%, 6/1/14	Baa3/BBB+	1,133,876
3,000	6.625%, 11/15/13	Baa3/BBB+	2,316,750
11,000	JPMorgan Chase & Co., 7.90%, 4/30/18 (g)	A2/BBB+	11,096,118
7,100	JPMorgan Chase Capital XVIII, 6.95%, 8/1/66, (converts to FRN on 8/17/36)	A1/BBB+	6,960,464
4,100	JPMorgan Chase Capital XX, 6.55%, 9/15/66, (converts to FRN on 9/30/36)	A1/BBB+	3,833,352
13,000	Lehman Brothers Holdings, Inc., 6.875%, 5/2/18 (e)	NR/NR	2,161,250
	Merrill Lynch & Co., Inc.,		
1,021	5.00%, 1/15/15	A2/A	1,038,324
1,400	5.45%, 7/15/14	A2/A	1,464,156
2,000	6.40%, 8/28/17 (j)	A2/A	2,069,242
1,858	Preferred Term Securities XIII Ltd., 0.843%, 3/24/34, FRN (a) (b) (d)	A1/BB	882,555
	Royal Bank of Scotland Group PLC (g),		
10,700	6.99%, 10/5/17 (a) (d)	Ba3/B-	5,999,640
6,500	7.648%, 9/30/31	Ba3/B-	4,037,904
4,200	Santander Perpetual S.A. Unipersonal, 6.671%, 10/24/17 (a) (d) (g)	A1/A-	3,837,515
1,500	SLM Corp., 4.75%, 3/17/14	Ba1/BBB-	1,803,738
4,000	Societe Generale, 7.756%, 5/22/13 (g)	A1/BBB+	5,665,731
\$5,700	UBS Preferred Funding Trust V, 6.243%, 5/15/16 (g)	A1/BBB-	4,554,300
			179,423,853
Food & Beverage 0.0%			
100	American Stores Co., 8.00%, 6/1/26	Ba3/B+	90,500
Healthcare & Hospitals 1.1%			
	HCA, Inc.,		
3,600	8.50%, 4/15/19 (a) (d)	Ba3/BB	3,834,000
3,500	9.625%, 11/15/16, PIK	B2/BB-	3,723,125
			7,557,125
Hotels/Gaming 0.8%			
	MGM Mirage (a) (d),		
700	10.375%, 5/15/14	B1/B	749,000
1,050	11.125%, 11/15/17	B1/B	1,160,250
1,000	13.00%, 11/15/13 (b)	B1/B	1,140,000

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2,373	Times Square Hotel Trust, 8.528%, 8/1/26 (a) (b) (d)	Baa3/BB	1,913,440 4,962,690
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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
Insurance 9.6%			
4,600	American International Group, Inc., 0.883%, 4/26/11, FRN	A3/A-	\$6,077,539
CAD3,100	4.90%, 6/2/14	A3/A-	2,250,530
\$1,350	5.375%, 10/18/11	A3/A-	1,298,442
5,100	6.25%, 5/1/36	A3/A-	3,449,278
31,650	8.175%, 5/15/68, (converts to FRN on 5/15/38)	Ba2/BBB	19,227,375
14,700	8.25%, 8/15/18	A3/A-	12,539,409
£4,000	8.625%, 5/22/68, (converts to FRN on 5/22/18)	Ba2/BBB	3,725,273
\$9,542	Cincinnati Financial Corp., 6.92%, 5/15/28	A3/BBB+	8,857,266
2,300	Dai-ichi Mutual Life Insurance Co., 5.73%, 3/17/14 (a) (d)	NR/A-	2,244,163
5,000	Metlife Capital Trust IV, 7.875%, 12/15/67 (a) (d)	Baa1/BBB	4,912,500
			64,581,775
Machinery 0.8%			
5,000	Snap-On, Inc., 6.125%, 9/1/21	Baa1/A-	5,169,375
Metals & Mining 1.4%			
200	Freeport-McMoRan Copper & Gold, Inc., 8.375%, 4/1/17	Ba2/BBB-	215,298
4,700	Freeport-McMoRan Corp., 9.50%, 6/1/31	Baa2/BBB-	5,305,689
	Teck Resources Ltd., 9.75%, 5/15/14	Ba2/BB+	2,198,625
1,950	10.25%, 5/15/16	Ba2/BB+	405,125
350	10.75%, 5/15/19	Ba2/BB+	1,550,250
1,325			9,674,987
Multi-Media 0.1%			
500	Historic TW, Inc., 6.625%, 5/15/29	Baa2/BBB	507,731
Oil & Gas 5.1%			
20,000	Ecopetrol S.A., 7.625%, 7/23/19	Baa2/BB+	21,900,000
	Gaz Capital S.A., 6.212%, 11/22/16 (a) (d)	Baa1/BBB	771,040
800	8.625%, 4/28/34	Baa1/BBB	5,427,240
4,900	Morgan Stanley Bank AG for OAO Gazprom, 9.625%, 3/1/13	Baa1/BBB	4,693,920
4,200	Perforadora Central S.A. de C.V., 4.92%, 12/15/18	NR/NR	684,609
637	Ras Laffan Liquefied Natural Gas Co., Ltd. III, 6.332%, 9/30/27 (b)	Aa2/A	760,058
750			34,236,867
Paper & Forest Products 0.8%			
5,000	Weyerhaeuser Co., 7.375%, 10/1/19	Ba1/BBB-	5,159,520
Paper/Paper Products 0.1%			
850	Norske Skogindustrier ASA, 6.125%, 10/15/15 (a) (d)	B2/B+	561,000
Real Estate 0.6%			
4,000	WEA Finance LLC, 6.75%, 9/2/19 (a) (d)	A2/A-	4,079,164
Telecommunications 1.2%			
1,000	Axtel SAB de C.V., 9.00%, 9/22/19 (a) (d)	Ba2/BB-	1,035,000
450	Frontier Communications Corp., 8.25%, 5/1/14 Qwest Corp.,	Ba2/BB	463,500

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100	6.50%, 6/1/17	Ba1/BBB-	95,250
5,360	7.20%, 11/10/26	Ba1/BBB-	4,582,800
1,300	Wind Acquisition Finance S.A., 11.75%, 7/15/17	B2/BB-	2,148,256
			8,324,806

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
Tobacco 2.5%			
\$3,000	Reynolds American, Inc., 6.75%, 6/15/17	Baa3/BBB	\$3,091,578
4,500	7.25%, 6/1/12	Baa3/BBB	4,910,504
8,000	7.25%, 6/1/13	Baa3/BBB	8,726,648
			16,728,730
Transportation 0.1%			
867	Federal Express Corp. 1997 Pass Through Trust, 7.65%, 1/15/14	Baa2/BBB	867,454
Utilities 0.8%			
1,000	CMS Energy Corp., 1.234%, 1/15/13, FRN	Ba1/BB+	914,974
1,865	East Coast Power LLC, 7.066%, 3/31/12	Baa3/BBB-	1,945,192
2,645	FPL Energy Wind Funding LLC, 6.876%, 6/27/17 (a) (d)	Ba2/BB-	2,473,075
			5,333,241
Total Corporate Bonds & Notes (cost-\$505,224,956)			534,556,490
MORTGAGE-BACKED SECURITIES 11.9%			
2,167	American Home Mortgage Assets, 0.474%, 9/25/46, CMO, FRN	Ca/CCC	459,360
3,496	Banc of America Commercial Mortgage, Inc., 5.372%, 9/10/45, CMO, VRN	Aaa/AAA	3,460,431
1,450	BCRR Trust, 5.858%, 7/17/40, CMO, VRN (a) (d) (f)	Aaa/NR	940,153
3,500	Chase Commercial Mortgage Securities Corp., 6.887%, 10/15/32, CMO (a) (d)	NR/BB+	2,374,670
	Citigroup/Deutsche Bank Commercial Mortgage Trust CMO,		
13,630	5.322%, 12/11/49	Aaa/A-	12,266,200
1,000	5.617%, 10/15/48	Aaa/AAA	998,894
5,100	Credit Suisse Mortgage Capital Certificates, 6.00%, 6/25/37, CMO (f)	NR/CCC	3,574,377
9,440	Greenwich Capital Commercial Funding Corp., 5.444%, 3/10/39, CMO	Aaa/AAA	8,444,807
	JPMorgan Chase Commercial Mortgage Securities Corp., CMO,		
1,135	5.399%, 5/15/45	Aaa/AAA	1,055,644
3,000	5.794%, 2/12/51, VRN	Aaa/A+	2,726,108
4,150	5.818%, 6/15/49, VRN	Aaa/A-	3,831,967
5,000	5.882%, 2/15/51, VRN	Aaa/A-	4,416,417
	LB-UBS Commercial Mortgage Trust CMO,		
560	5.372%, 9/15/39	Aaa/AAA	514,792
18,316	5.424%, 2/15/40	NR/A+	15,517,509
413	Lehman Brothers Floating Rate Commercial Mortgage Trust, 0.325%, 9/15/21, CMO, FRN (a) (d)	Aaa/AAA	381,223
2,805	Merrill Lynch Mortgage Investors, Inc., 6.819%, 12/15/30, CMO, VRN	A3/AA+	2,673,442
3,500		NR/AAA	2,933,922

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1,762	Merrill Lynch/Countrywide Commercial Mortgage Trust, 5.70%, 9/12/49, CMO Residential Accredit Loans, Inc., 0.474%, 5/25/37, CMO, FRN	Caa2/CCC	371,160
3,821	Wachovia Bank Commercial Mortgage Trust CMO, FRN (a) (d), 0.325%, 6/15/20	Aaa/AAA	3,276,290
9,229	0.335%, 9/15/21	Aaa/AAA	8,109,350
235	WaMu Mortgage Pass Through Certificates CMO, 1.757%, 8/25/46, FRN	Ba1/B	137,035
1,645	5.791%, 7/25/37, VRN	NR/CC	1,144,924

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
	Washington Mutual Alternative Mortgage Pass Through Certificates, Inc., CMO, FRN,		
\$1,730	1.517%, 4/25/47	Ca/CCC	\$356,954
1,634	1.597%, 5/25/47	Ca/CCC	384,178
Total Mortgage-Backed Securities (cost-\$62,320,870)			80,349,807
CONVERTIBLE PREFERRED STOCK 1.4%			
Shares			
Banking 1.1%			
8,050	Wells Fargo & Co., 7.50%, 12/31/49, Ser. L (g)	Ba3/A-	7,245,000
Insurance 0.3%			
170,500	American International Group, Inc., 8.50%, 8/1/11	Ba2/NR	1,918,125
Total Convertible Preferred Stock (cost-\$7,550,646)			9,163,125
U.S. TREASURY BONDS & NOTES (h) 1.0%			
Principal Amount (000)			
	U.S. Treasury Bonds & Notes,		
\$5,751	1.00%, 7/31/11		5,780,658
1,019	1.00%, 9/30/11		1,022,265
110	1.125%, 6/30/11		110,846
Total U.S. Treasury Bonds & Notes (cost-\$6,905,820)			6,913,769
SOVEREIGN DEBT OBLIGATIONS 0.8%			
Brazil 0.8%			
BRL8,400	Brazil Government International Bond, 12.50%, 1/5/22 (cost-\$4,933,843)	Baa3/BBB-	5,378,907
ASSET-BACKED SECURITIES 0.5%			
\$650	Ameriquest Mortgage Securities, Inc., 3.628%, 11/25/35	A1/AAA	606,541
7,300	Indymac Residential Asset Backed Trust, 0.484%, 11/25/36, FRN	Caa2/CCC	2,605,413
Total Asset-Backed Securities (cost-\$3,154,942)			3,211,954
U.S. GOVERNMENT AGENCY SECURITIES (h) 0.2%			
Freddie Mac 0.2%			
454	0.34313%, 2/1/11, FRN	Aaa/AAA	453,716
866	0.389%, 5/4/11, FRN	Aaa/AAA	866,903
Total U.S. Government Agency Securities (cost-\$1,320,193)			1,320,619
SENIOR LOANS (a) (b) (c) (k) 0.1%			

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Financial Services 0.1%

1,000

CIT Group, Inc., 9.75%, 1/18/12, Term A
(cost-\$950,125)

994,375

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Principal Amount (000)		Credit Rating (Moody s/S&P)*	Value
SHORT-TERM INVESTMENTS 4.7%			
Corporate Notes 2.6%			
Energy 0.3%			
\$2,000	El Paso Corp., 10.75%, 10/1/10	Ba3/BB-	\$2,043,384
Financial Services 2.3%			
1,000	American General Finance Corp., 4.625%, 9/1/10	Baa3/BB+	931,154
2,000	4.875%, 5/15/10	Baa3/BB+	1,935,432
1,800	Ford Motor Credit Co. LLC, 5.70%, 1/15/10	Caa1/CCC+	1,800,934
1,300	GMAC, Inc., 7.75%, 1/19/10	Ca/CCC	1,301,091
5,000	International Lease Finance Corp., 0.684%, 1/15/10, FRN	Baa3/BBB+	4,912,980
2,100	4.875%, 9/1/10	Baa3/BBB+	2,008,929
2,923	5.00%, 4/15/10	Baa3/BBB+	2,884,078
			15,774,598
	Total Corporate Notes (cost-\$17,312,039)		17,817,982
U.S. Treasury Bill (h) 0.1%			
370	0.15%, 4/15/10 (cost-\$369,720)		369,755
Repurchase Agreements 2.0%			
8,200	Goldman Sachs & Co., dated 10/30/09, 0.08%, due 11/2/09, proceeds \$8,200,055; collateralized by Fannie Mae, 5.00%, due 9/1/33, valued at \$8,482,225 including accrued interest		8,200,000
5,260	State Street Bank & Trust Co., dated 10/30/09, 0.01%, due 11/2/09, proceeds \$5,260,004; collateralized by U.S. Treasury Bills, zero coupon, due 11/27/09, valued at \$5,370,000 including accrued interest		5,260,000
	Total Repurchase Agreements (cost-\$13,460,000)		13,460,000
	Total Short-Term Investments (cost-\$31,141,759)		31,647,737
OPTIONS PURCHASED (i) 0.1%			
Notional Amount			
Call Options 0.1%			
2,500,000	Euro versus U.S. Dollar (OTC), strike rate 1.37%, expires 6/3/10		306,433
2,000,000	strike rate 1.38%, expires 5/21/10		238,126
			544,559
Put Options 0.0%			
2,500,000	Euro versus U.S. Dollar (OTC), strike rate 1.37%, expires 6/3/10		62,046

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2,000,000

strike rate 1.38%, expires 5/21/10

48,129

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PIMCO Corporate Income Fund Schedule of Investments

October 31, 2009 (continued)

Contracts	Value	
Put Options (continued)		
300	Financial Futures Euro 90 day, strike price \$89.75, expires 3/15/10 (CME)	\$1,875
1,200	strike price \$90, expires 12/14/09 (CME)	7,500
90	strike price \$91, expires 12/14/09 (CME)	563
200	strike price \$91.75, expires 12/14/09 (LIFFE)	1
276	United Kingdom 90 day (LIFFE), strike price \$89.50, expires 12/16/09	
		120,114
Total Options Purchased (cost-\$481,159)		664,673
Total Investments (cost-\$623,984,313) 100.0%		\$674,201,456

Notes to Schedule of Investments:

* Unaudited

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$163,137,494, representing 24.2% of total investments.
- (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 Fund is 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 October 31, 2009.
- (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) In default.
- (f) Fair-Valued Securities with an aggregate value of \$4,514,530, representing 0.7% of total investments. See Note 1(a) in the Notes to Financial Statements.
- (g) Perpetual maturity. Maturity date shown is the first call date. Interest rate is fixed until the first call date and variable thereafter.
- (h) All or partial amount segregated as collateral for futures contracts, swaps and forward foreign currency contracts.
- (i) Non-income producing.
- (j) All or partial amount segregated as collateral for reverse repurchase agreements.
- (k) Issuer filed for bankruptcy on November 1, 2009.

Glossary:

BRL	-	Brazilian Real
£	-	British Pound
CAD	-	Canadian Dollar
CME	-	Chicago Mercantile Exchange
CMO	-	Collateralized Mortgage Obligation
	-	Euro
FRN	-	Floating Rate Note. The interest rate disclosed reflects the rate in effect on October 31, 2009.
LIBOR	-	London Inter-Bank Offered Rate

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LIFFE	-	London International Financial Futures and Options Exchange
MBIA	-	insured by Municipal Bond Investors Assurance
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 October 31, 2009.

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PIMCO Corporate Income Fund Statement of Assets and Liabilities

October 31, 2009

Assets:

Investments, at value (cost-\$623,984,313)	\$674,201,456
Cash (including foreign currency of \$95,275 with a cost of \$95,201)	96,150
Interest and dividends receivable	13,687,985
Unrealized appreciation of swaps	2,803,440
Swap premiums paid	2,667,579
Deposits with brokers for futures contracts collateral	473,000
Unrealized appreciation of forward foreign currency contracts	336,995
Receivable for variation margin on futures contracts	307,724
Receivable from broker	31,418
Prepaid expenses and other assets	33,413
Total Assets	694,639,160

Liabilities:

Payable for reverse repurchase agreements	33,796,000
Swap premiums received	6,128,500
Dividends payable to common and preferred shareholders	3,940,825
Unrealized depreciation of swaps	2,107,881
Payable for terminated swaps	902,822
Payable to broker for cash collateral received	700,000
Investment management fees payable	377,970
Unrealized depreciation of forward foreign currency contracts	266,822
Interest payable for reverse repurchase agreements	