DoubleLine Opportunistic Credit Fund
Form N-CSRS
May 29, 2014

As filed with the Securities and Exchange Commission on May 29, 2014

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 **811-22592**

DoubleLine Opportunistic Credit Fund

(Exact name of registrant as specified in charter)

333 South Grand Avenue, Suite 1800

Los Angeles, CA 90071

(Address of principal executive offices) (Zip code)

Ronald R. Redell

President and Chief Executive Officer

c/o DoubleLine Capital LP

333 South Grand Avenue, Suite 1800

Los Angeles, CA 90071

(Name and address of agent for service)

(213) 633-8200

Registrant s telephone number, including area code

Date of fiscal year end: **September 30**

Date of reporting period: **March 31, 2014**

Table of Contents

Item 1. Reports to Stockholders.

Table of Contents

Semi-Annual Report

March 31, 2014

DoubleLine Opportunistic Credit Fund

NYSE: **DBL**

DoubleLine Capital LP

333 S. Grand Avenue

18th Floor

Los Angeles, California 90071

doubleline.com

Table of Contents

Table of Contents

Chairman s Letter

Dear Shareholder,

On behalf of the team at DoubleLine, I am pleased to deliver the semi-annual report for the DoubleLine Opportunistic Credit Fund (NYSE: DBL, the Fund) for the six-month period ending March 31, 2014. On the following pages, you will find specific information regarding the Fund s operations and holdings. In addition we discuss the Fund s investment performance and the main drivers of that performance during the reporting period.

If you have any questions regarding the Fund please don t hesitate to call us at 877-DLine11 (877-354-6311), or visit our website www.doublelinefunds.com to hear our investment management team offer deeper insights and analysis on relevant capital market activity impacting investors today. We value the trust that you have placed with us, and we will continue to strive to offer thoughtful investment solutions to our shareholders.

Sincerely,

Ronald R. Redell, CFA

Chairman of the Board of Trustees

DoubleLine Opportunistic Credit Fund

May 1, 2014

Table of Contents

Financial Markets Highlights

Agency Mortgage-Backed Securities (Agency MBS)

For the six-month period ending March 31, 2014, the U.S. Agency MBS sector had a return of 1.16%. This return included a price return of -0.55%, which was very similar to the U.S. Treasury sector. During this six-month period, the duration of the Barclays U.S. MBS Index stayed fairly constant and close to an all-time high level. This longer duration implies the sector has more volatility with regard to rate movements than it historically has. Within the MBS sector, higher coupon mortgages outperformed lower coupon mortgages and 15-year mortgages outperformed 30-year mortgages during this six-month period. This is largely due to the fact that rates rose across the curve and lower coupon mortgages and 30-year mortgages have more duration than higher coupon mortgages and 15-year mortgages. For the six-month period, gross issuance decreased from $125 billion per month in October 2013 to $51 billion per month in March 2014. This reduction in supply comes during an environment where the Federal Reserve (the Fed) is tapering its quantitative easing (QE) program. On March 18th, the Fed announced its third tapering, bringing monthly purchases down to $55 billion per month, down from $85 billion last December before the first taper. This current level of $55 billion per month includes purchases of $25 billion mortgages. This reduction in demand from the Fed has been more than offset by the tremendous decrease in issuance of MBS.

Non-Agency Mortgage-Backed Securities (Non-Agency MBS)

Trading volume in the non-Agency MBS slowed going into year-end and persisted into the first quarter of 2014. Portfolio liquidations accounted for a large portion of the bid list volume. Despite some concerns of rising interest rates and the potential for bond fund redemptions, trading levels were strong with participation from a broad buyer base. Supply technicals were the primary driver of the continued rally, but housing fundamentals continued to improve. Home Price Appreciation (HPA) over the past six-month period was 5.7% according to the S&P/Case-Shiller 20-City Composite Home Price Index. Total volume (current face) of all non-Agency MBS bid lists for the past six months was $84 billion. Rising mortgage rates have put some pressure on housing affordability and prepayment rates, but increased home prices and an improving economy have kept delinquency and default rates on a downward trend. Prepayments across all sectors remain faster than average historical speeds, but the sharp rise in rates and naturally occurring refinancing burnout have caused prepayment speeds to slow versus the speeds observed during the previous year. During the past six months, liquidations have also declined across all sectors, with the exception of a significant spike in liquidations in late March 2014. This event was due to the reclassification of forbearance modifications. Trading volume within the ABX Indices declined within the past year, but they continue to be a reasonable proxy for the subprime mortgage backed bond market. For the six-month period ending March 31, 2014, the ABX 2006-2 AAA returned 8.9%. Beaten down sectors such as the subprime sector were more levered to a recovering housing market and thus outperformed in the face of a sustained housing rebound. Cleaner collateral such as Alt-A and prime also performed favorably, posting total returns of approximately 5.5% and 4.5%, respectively, over the period.

Commercial Mortgage-Backed Securities (CMBS)

Over the six-month period ending March 31, 2014, the CMBS sector largely underperformed broader credit markets as attention was garnered towards much larger sectors such as investment grade corporate despite CMBS displaying improvement in fundamentals. As such, the Barclays U.S. CMBS Index returned 1.8% compared to investment grade corporate as represented by the investment grade corporate portion of the Barclays U.S. Aggregate Bond Index at 4.1%. In terms of the secondary market, trading activity was rather muted going into the end of the year as investors remained on the sidelines with limited conviction for spread products given the strong rally in equities. Despite this, the pace of new issuance remained strong into year-end, ending the year at $83 billion of deals brought to market. We continue to remain cautiously optimistic in CMBS and continue to see relative value in this sector due to a combination of recent underperformance as well as a robust improvement in commercial real estate (CRE) fundamentals. During the period,

Table of Contents

Financial Markets Highlights (Cont.)

the CMBS portion of the Barclays U.S. Aggregate Bond Index returned 1.63% versus 0.86% for the broader index. On the new issue front, non-Agency CMBS issuance was up by $4 billion over the prior six months with $41 billion issued in 52 deals, an 11% increase. Delinquency rates have continued to improve: the overall U.S. CMBS delinquency rate ended the first quarter at 6.5% and has improved month-over-month for ten straight months. Overall, delinquency rates have declined across all major property types over the past six months, with industrial showing the biggest improvement declining by 2.8% to 8.8%, lodging declining by 2.7% to 6.5%, office declining by 2.6% to 6.7%, multifamily declining by 0.9% to 10.2% and retail declining by 0.8% to 5.7%.

Table of Contents

Management s Discussion of Fund Performance

The DoubleLine Opportunistic Credit Fund outperformed the Barclays U.S. Aggregate Bond Index over the six-month period ending March 31, 2014. The U.S. Treasury yield curve inverted and flattened over the period with longer-term interest rates declining and rates along the belly of the curve rising. Both Agency MBS and non-Agency MBS performed well over the period. Within the Agency MBS sleeve, total returns were boosted by high interest income from the inverse interest-only sector as LIBOR (London Interbank Offered Rate) rates remain low. Fixed-rate Agency MBS did not experience much in price movements, but benefited from stable coupon returns. The non-Agency MBS sleeve also performed strongly with the sector trading higher than the start of the period. With little new issuance, a shrinking market and better fundamentals, the non-Agency MBS sector continues to see price gains. Within the Fund, Alt-A securities benefited the most from price appreciations as well as strong coupon returns.

Period Ended 3-31-2014	6-Months	1-Year	Since Inception Annualized (1-26-12)
Total Return based on NAV	4.55%	1.72%	7.49%
Total Return based on Market Price	5.67%	-5.75%	5.32%
Barclays U.S. Aggregate Bond Index	1.70%	-0.10%	1.62%

Past performance is no guarantee of future results.

Opinions expressed herein are as of March 31, 2014 and are subject to change at any time, are not guaranteed and should not be considered investment advice. This report is for the information of shareholders of the Fund.

The views expressed herein (including any forward-looking statement) may not be relied upon as investment advice or as an indication of the Fund s trading intent. Information included herein is not an indication of the Fund s future portfolio composition. Securities and indices discussed are not recommendations and are presented as examples of issue selection or portfolio management processes. They have been picked for comparison or illustration purposes only. No security presented within is either offered for sale or purchase. DoubleLine reserves the right to change its investment perspective and outlook without notice as market conditions dictate or as additional information becomes available.

Investment strategies may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision making, economic or market conditions or other unanticipated factors. The views and forecasts expressed in this material are subject to change without notice, may not come to pass and do not represent a recommendation or offer of any particular security, strategy, or investment. Past performance is no guarantee of future results.

DoubleLine® is a registered trademark of DoubleLine Capital LP.

Shares of closed-end investment companies frequently trade at a discount to their net asset value, which may increase investors risk of loss.

There are risks associated with an investment in the Fund. Investors should consider the Fund s investment objective, risks, charges and expenses carefully before investing. An investment in the Fund should not constitute a complete investment program.

The Fund s daily New York Stock Exchange closing prices, net asset values per share, as well as other information are available at http://www.doublelinefunds.com/closed_end_funds/opportunistic_credit/overview.html or by calling the Fund s shareholder servicing agent at (877) 354-6311.

This document is not an offer to sell securities or the solicitation of an offer to buy securities, nor shall there be any sale or offer of these securities, in any jurisdiction where such sale or offer is not permitted.

The Fund s shares are only offered through broker/dealers on the secondary market. Unlike an open-end mutual fund, a closed-end fund offers a fixed number of shares for sale. After the initial public offering, shares are bought and sold in the secondary marketplace, and the market price of the shares is determined by supply and demand, not by net asset value (NAV), often at a lower price than the NAV. A closed-end fund is not required to buy its shares back from investors upon request.

Fund investing involves risk. Principal loss is possible.

Investments in debt securities typically decline in value when interest rates rise. This risk is usually greater for longer-term debt securities.

Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities. Investment strategies may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision-making, economic or market conditions or other unanticipated factors.

Table of Contents

The Fund is a non-diversified investment company and therefore may invest a greater percentage of its assets in the securities of a single issuer or a limited number of issuers than funds that are diversified. Accordingly, the Fund is more susceptible to risks associated with a single economic, political or regulatory occurrence than a diversified fund might be.

In addition, the Fund may invest in other asset classes and investments such as, among others, REITs, credit default swaps, short sales, derivatives and smaller companies which include additional risks.

The Fund s investment objectives, risks, charges and expenses must be considered carefully before investing. You can obtain the Fund s most recent periodic reports and certain other regulatory filings by calling 1 (877) 354-6311/ 1 (877) DLINE11, or visiting www.doublelinefunds.com. You should read these reports and other filings carefully before investing.

The performance shown assumes the reinvestment of all dividends and distributions and does not reflect any reductions for taxes. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor s shares, when sold, may be worth more or less than original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling (877) 354-6311 or by visiting http://www.doublelinefunds.com/closed_end_funds/opportunistic_credit/overview.html.

This material may include statements that constitute forward-looking statements under the U.S. securities laws. Forward-looking statements include, among other things, projections, estimates, and information about possible or future results related to the Fund, market or regulatory developments. The views expressed herein are not guarantees of future performance or economic results and involve certain risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially from the views expressed herein. The views expressed herein are subject to change at any time based upon economic, market, or other conditions and DoubleLine undertakes no obligation to update the views expressed herein. While we have gathered this information from sources believed to be reliable, DoubleLine cannot guarantee the accuracy of the information provided. Any discussions of specific securities should not be considered a recommendation to buy or sell those securities. For a complete list of Fund holdings, please refer to the Schedule of Investments provided in this report.

ABX Index: this Index consists of the 20 most liquid credit default swaps (CDS) on U.S. home equity asset-backed securities (ABS) and is used to hedge asset-backed exposure or to take a position in the subprime mortgage asset class. The ABX Index has four series (06-1, 06-2, 07-1 and 07-2) with five tranches per series. The ABX 07-1 AAA Index references underlying collateral of that 2007 vintage and AAA credit quality type, just as the ABX 06-2 AAA Index references underlying collateral of the 2006 vintage and AAA credit quality type.

Barclays U.S. Aggregate Bond Index: this Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Barclays U.S. CMBS Index: this Index measures the performance of investment grade commercial mortgage-backed securities, which are classes of securities that represent interests in pools of commercial mortgages.

Barclays U.S. MBS Index: this Index measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of the Government-Sponsored Enterprises (GSEs): Ginnie Mae (GNMA), Fannie Mae

(FNMA), and Freddie Mac (FHLMC).

House Price Appreciation (HPA): this is the increase in the value of housing over time that could occur due to any number of reasons including but not limited to increased demand, weakening supply, or changes in interest rates.

LIBOR: LIBOR is an indicative average interest rate at which a selection of banks (the panel banks) are prepared to lend one another unsecured funds on the London money market. Although reference is often made to the LIBOR interest rate, there are actually a lot of different LIBOR interest rates.

S&P/Case-Shiller 20-City Composite Home Price Index: this Index measures the value of residential real estate in 20 metropolitan areas of the U.S. It is included in the S&P/Case-Shiller Home Price Index Series which seeks to measure changes in the total value of all existing single-family housing stock.

A direct investment cannot be made in an index. The performance of any index mentioned in this commentary has not been adjusted for ongoing management, distribution and operating expenses applicable to mutual fund investments.

Quasar Distributors, LLC provides filing administration for DoubleLine Capital LP.

(Unaudited)

Schedule of Investments DoubleLine Opportunistic Credit Fund March 31, 2014

Principal Amount	Security Description	Rate	Maturity	Value $
ASSET BACKED OBLIGATIONS 1.1%				
4,146,860	**SoFi Professional Loan Program,** Series 2013-1R	0.00%^&	12/17/2043	3,815,112
	Total Asset Backed Obligations (Cost $3,734,550)			**3,815,112**
COLLATERALIZED LOAN OBLIGATIONS 1.3%				
1,000,000	**ARES Ltd.,** Series 2014-1A-SUB	0.00%^	04/17/2026	930,000
1,000,000	**BlueMountain Ltd.,** Series 2012-2A-C	2.98%#^	11/20/2024	993,956
1,000,000	**Brookside Mill Ltd.,** Series 2013-1A-D	3.29%#^	04/17/2025	944,652
250,000	**Finn Square Ltd,** Series 2012-1A-C	3.83%#^	12/24/2023	246,851
1,500,000	**LCM LP,** Series 11A-INC	0.00%#^@	04/19/2022	1,269,058
	Total Collateralized Loan Obligations (Cost $4,546,728)			**4,384,517**
NON-AGENCY COMMERCIAL MORTGAGE BACKED OBLIGATIONS 1.2%				
42,747,912	**JP Morgan Chase Commercial Mortgage Securities Corporation,** Series 2012-CBX-XA	2.00%# I/O	06/15/2045	4,100,123
	Total Non-Agency Commercial Mortgage Backed Obligations (Cost $4,364,273)			**4,100,123**
NON-AGENCY RESIDENTIAL COLLATERALIZED MORTGAGE OBLIGATIONS 58.0%				
4,113,603	**Adjustable Rate Mortgage Trust,** Series 2006-1-2A1	2.99%#	03/25/2036	3,166,207
2,606,763	**Banc of America Alternative Loan Trust,** Series 2005-8-2CB1	6.00%	09/25/2035	2,402,974
3,481,161	**Banc of America Funding Corporation,** Series 2006-A-4A1	2.75%#	02/20/2036	2,909,154
	BCAP LLC Trust,			

5,269,567	Series 2010-RR6-2216	4.53%#^	06/26/2036	4,341,280
2,873,232	Series 2010-RR6-6A2	5.75%#^	07/26/2037	2,670,132
	Chase Mortgage Finance Corporation,			
4,369,227	Series 2007-S1-A7	6.00%	02/25/2037	3,810,103
3,954,090	Series 2007-S3-1A5	6.00%	05/25/2037	3,420,324
	Chaseflex Trust,			
4,266,416	Series 2007-1-1A1	6.50%	02/25/2037	3,407,612
	Citicorp Mortgage Securities, Inc.,			
1,875,000	Series 2006-2-1A14	5.50%	04/25/2036	1,839,727
	Citigroup Mortgage Loan Trust, Inc.,			
1,644,707	Series 2006-8-A4	19.24%#^ I/F	10/25/2035	2,080,572
4,396,776	Series 2010-9-3A7	9.83%^	01/25/2036	3,698,294
5,860,374	Series 2010-9-4A3	6.87%#^	09/25/2035	5,773,323
	CitiMortgage Alternative Loan Trust,			
5,787,109	Series 2007-A4-IA6	5.75%	04/25/2037	5,037,395
4,474,294	Series 2007-A6-IA16	6.00%	06/25/2037	3,817,504
	Countrywide Alternative Loan Trust,			
3,042,299	Series 2005-85CB-2A5	1.25%#	02/25/2036	2,511,159
642,485	Series 2005-85CB-2A6	21.07%# I/F	02/25/2036	812,979
	Countrywide Home Loans,			
7,340,393	Series 2006-HYB1-3A1	2.47%#	03/20/2036	6,018,762
	Credit Suisse Mortgage Capital Certificates,			
5,799,826	Series 2006-5-3A3	6.50%	06/25/2036	3,527,558
1,666,548	Series 2006-9-2A1	5.50%	11/25/2036	1,694,992
1,912,246	Series 2006-9-6A14	6.00%	11/25/2036	1,858,058
	First Horizon Asset Securities, Inc.,			
2,579,428	Series 2007-AR3-2A2	5.73%#	11/25/2037	2,347,512

Principal Amount	Security Description	Rate	Maturity	Value $
	GSAA Home Equity Trust,			
5,000,835	Series 2007-8-A2	0.50%#	08/25/2037	4,258,591
	IndyMac Mortgage Loan Trust,			
2,710,770	Series 2005-AR1-2A1	2.70%#	11/25/2035	2,424,727
4,334,974	Series 2005-AR23-6A1	4.67%#	11/25/2035	3,616,318
3,699,203	Series 2007-FLX1-A2	0.33%#	02/25/2037	3,510,758
	JP Morgan Alternative Loan Trust,			
2,713,755	Series 2006-S1-2A5	5.50%	02/25/2021	2,610,230
	JP Morgan Resecuritization Trust,			
5,498,622	Series 2011-1-1A10	7.15%#^	12/26/2036	4,638,605
7,160,063	Series 2011-1-2A10	6.37%#^	06/26/2037	6,074,530
	Lehman Mortgage Trust,			
4,633,829	Series 2007-10-1A1	6.00%	01/25/2038	4,407,916
3,554,265	Series 2007-4-1A3	5.75%	05/25/2037	2,610,685
	Lehman XS Trust,			
2,878,878	Series 2005-2-1A2	0.50%#	08/25/2035	2,711,560

	MASTR Asset Securitization Trust,			
2,592,477	Series 2007-2-A3	6.25%	01/25/2038	2,425,431
	Nomura Resecuritization Trust,			
5,023,133	Series 2010-2RA-A2	5.50%^	01/26/2036	4,709,301
	RBSGC Structured Trust,			
3,191,161	Series 2008-B-A1	6.00%^	06/25/2037	2,860,206
	Residential Accredit Loans, Inc.,			
3,380,036	Series 2005-AS14-3A1	6.00%	09/25/2035	3,278,491
5,128,461	Series 2005-QS13-2A3	5.75%	09/25/2035	4,672,218
3,646,478	Series 2006-QS10-A1	6.00%	08/25/2036	3,055,654
4,367,109	Series 2006-QS6-1A5	5.75%	06/25/2036	3,507,103
7,400,192	Series 2006-QS7-A3	6.00%	06/25/2036	5,993,778
1,872,614	Series 2007-QS1-1A1	6.00%	01/25/2037	1,522,840
7,765,809	Series 2007-QS3-A1	6.50%	02/25/2037	6,553,512
3,267,615	Series 2007-QS6-A1	0.48%#	04/25/2037	2,098,655
3,459,395	Series 2007-QS6-A102	5.75%	04/25/2037	2,763,385
744,379	Series 2007-QS6-A2			