



REF #	Current Value ²	Face/ Outstanding	Amortized Cost (\$)	Market (\$)	Unrealized Gain/Loss (\$)	Book Yield ³	Description
Portfolio							
22944BDS4	39.36	22,309,354	22,308,847	8,780,962	-13,527,886	(4)	Credit Suisse CMO 5.86% 8/25/2037
22944BEE4	0.00	6,446,965	6,446,965	64	-6,446,901	(4)	Credit Suisse CMO 6.1951% 9/25/2036
29216MAC4	40.39	1,000,000	956,185	403,910	-552,275	6.53	Employees Retirement System 6.15% 7/1/2038
29216MAK6	40.39	2,025,000	2,016,040	817,918	-1,198,122	6.24	Employees Retirement System 6.2% 7/1/2039
29216MAM2	40.39	2,025,000	2,015,815	817,796	-1,198,019	6.24	Employees Retirement System 6.2% 7/1/2042
29216MAN0	40.38	3,900,000	3,900,000	1,574,664	-2,325,336	6.45	Employees Retirement System 6.45% 7/1/2055
29216MAP5	40.38	3,200,000	3,200,000	1,292,032	-1,907,968	6.45	Employees Retirement System 6.45% 7/1/2056
29216MAE0	40.37	3,900,000	3,900,000	1,574,547	-2,325,453	6.45	Employees Retirement System 6.45% 7/1/2058
29216MBJ8	40.38	1,000,000	828,935	403,760	-425,175	7.96	Employees Retirement System 6.55% 7/1/2058
3128KCUL9	114.66	124,292	124,292	142,512	18,220	(4)	FGLMC A50587 6.5% 6/1/2036
3128KDNS0	114.15	339,656	339,656	387,707	48,051	(4)	FGLMC A51301 6% 7/1/2036
3128KDNT8	113.57	146,462	146,462	166,343	19,880	(4)	FGLMC A51302 6% 6/1/2036
3130A8WQ2	100.03	17,910,000	17,910,000	17,915,874	5,874	2.65	FHLB 2.65% 8/16/2032
3130A8X73	100.00	12,000,000	12,000,000	12,000,444	444	2.70	FHLB 2.7% 8/10/2035
313382UL5	100.01	29,675,000	27,755,404	29,678,086	1,922,682	3.85	FHLB 3.3% 05/07/2032
313380MH7	100.00	1,360,000	1,360,000	1,360,012	12	3.37	FHLB 3.37% 9/21/2034
31400AXG8	118.09	79,911	79,911	94,363	14,453	(4)	FNMA 682079 6% 11/1/2032
31403E5D5	116.16	1,025,271	1,001,997	1,190,948	188,951	(4)	FNMA 747044 5.5% 3/1/2034
31403UVF5	117.51	675,761	676,040	794,059	118,019	(4)	FNMA 758514 6% 1/1/2034
31403UVMO	113.88	129,540	129,255	147,517	18,262	(4)	FNMA 758520 5.5% 2/1/2034
31403UVN8	115.18	195,873	195,918	225,597	29,679	(4)	FNMA 758521 6.5% 2/1/2034
31403UWD9	112.03	345,751	344,986	387,356	42,370	(4)	FNMA 758544 5.5% 5/1/2034
31403UWV9	117.46	81,912	81,912	96,217	14,305	(4)	FNMA 758560 6% 8/1/2034
31407NJJ3	118.10	4,148,350	4,150,703	4,899,326	748,623	(4)	FNMA 835565 6% 10/1/2035
31410EUH9	116.66	524,624	524,624	612,001	87,377	(4)	FNMA 887184 6% 6/1/2036
31411DPB9	116.75	1,475,738	1,475,738	1,722,866	247,127	(4)	FNMA 905018 6% 5/1/2037
31411DP94	117.90	4,229,257	4,229,257	4,986,086	756,830	(4)	FNMA 905048 6% 7/1/2037
36201TTP2	116.25	431,512	431,513	501,653	70,140	(4)	GNMA 592858 6% 12/15/2035
36290UX35	104.04	54,434	54,434	56,632	2,198	(4)	GNMA 618198 6.5% 11/15/2034
36290UX43	114.88	236,355	236,355	271,518	35,163	(4)	GNMA 618199 6.5% 11/15/2034
36296KFG2	114.29	10,232,433	11,017,779	11,694,708	676,930	(4)	GNMA 693267 5.6% 4/15/2037
PCD2004A	69.94	5,866,642	5,866,642	4,103,129	-1,763,512	6.72	Participation Cert - 6.69% 12/1/2031
74529JHT5	11.62	7,000,000	1,985,707	813,260	-1,172,447	7.13	PR Sales Tax Financing 0% 8/1/2034
74529JHY4	10.14	11,400,000	2,825,201	1,156,416	-1,668,785	7.48	PR Sales Tax Financing 0% 8/1/2035
74529JHN8	51.00	3,800,000	3,678,175	1,938,114	-1,740,061	6.25	PR Sales Tax Financing 6% 8/1/2042
74529JFU4	69.00	2,000,000	1,227,741	1,379,960	152,219	11.77	PR Sales Tax Financing 6.13% 8/1/2030
RGMTG04A	85.78	1,204,805	1,204,805	1,033,497	-171,308	4.86	R&G Non Conforming 4.86% 5/1/2034
RGMTG05A	55.00	440,822	440,822	242,452	-198,370	5.25	R&G Non Conforming 5.25% 7/1/2034
RGMTG04B	96.50	708,551	708,551	683,752	-24,799	5.42	R&G Non Conforming 5.419% 5/1/2034
RGMTG05B	93.63	13,428	13,428	12,572	-856	5.50	R&G Non Conforming 5.50% 9/1/2034
RGMTG05C	55.00	266,111	266,111	146,361	-119,750	6.00	R&G Non Conforming 6.00% 9/1/2034
RGMTG05D	102.53	79,184	100,056	81,189	-18,867	6.22	R&G Non Conforming 6.25% 10/1/2034
452152GS4	114.249	1,500,000	1,500,000	1,713,735	213,735	7.35	US Muni - Illinois St 7.35% 7/1/2035
Total		165,507,995	149,656,262	118,301,916	-31,354,346		



Leverage

REPO:

PR Muni Collateral	0
Non PR Muni Collateral	40,950,000
Total REPO	40,950,000 WAC 0.75 / WAM 2 days

TSO: 0 WAC 0 / WAM 0 days

Total Leverage 40,950,000

Swaps		Current	To be received		To be paid		Maturity
Counterparty	Notional	Value ²	Rate at	Type	Rate at	Type	Date
JP Morgan	10,270,000	10,237,096	1st reset 12/21/16	1-Month LIBOR	0.72%	Fixed	21-Dec-19
	10,270,000	10,237,096					

Portfolio Holdings - Summary^{1, 6}

Credit Quality ^{5, 6}

PR Obligations

Mortgage-Backed Securities				AAA	75.51%
CMO, COMM END, FNMA, GNMA,	31.41%			AA	0.00%
Participation Certificate	3.47%			A	1.45%
R&G Non Conforming Loan Trust	1.86%			BBB	0.00%
				<BBB	23.04%
					<u>100.00%</u>
Employees Retirement System	5.82%				
PR Sales Tax Financing	4.47%				
PR Obligations	47.03%				

US Obligations

Federal Home Loan Bank	51.52%
Build America Bonds	1.45%
US Obligations	52.97%

(1) As of July 31, 2016. The Fund is actively managed, and its composition will vary over time. The data contained in this report has not been audited and is reported on a trade date basis. Other reports including compliance with applicable ratios are reported on a settlement date basis.

(2) Securities are valued by the Fund using values supplied by independent third party pricing services or broker dealers. In arriving at their valuation, pricing sources and broker dealers may use a grid matrix of securities values as well as the evaluation of their staff. Certain Puerto Rico obligations have a limited number of market participants and thus, might not have readily ascertainable market and may have periods of illiquidity.

(3) Yield of the security at purchase. The yield is computed to maturity or the call date, whichever is lower.

(4) For mortgage backed securities the yield depends on the prepayment of the underlying mortgages and the premium or discount, if any, at the time of purchase. For a full discussion of the prepayment risk of investing in mortgage backed securities please refer to the Fund's prospectus.

(5) As of July 31, 2016., using the S&P equivalent ratings scale. The Fund's investment portfolio is actively managed, and its composition (including the portfolio statistics and characteristics) will vary over time. Credit quality percentages include only fixed income securities and vary over time, as new investments held by the Fund are reassessed. To the extent that the Fund's maximum investment threshold in below investment-grade (below "BBB" rating) securities is exceeded, Fund management may determine to continue to hold such lower-rated securities, provided any new investment proceeds are directed to acquire investment securities which satisfy the Fund's minimum credit rating requirements.

(6) Percentages may not total 100% due to rounding.