



REF #	Current Value ²	Face/ Outstanding	Amortized Cost (\$)	Market (\$)	Unrealized Gain/Loss (\$)	Book Yield ³	Description
Portfolio							
25157GDC3	2.08	1,151,392	575,641	23,903	-551,738	(4)	Deutsche Mtge Sec CMO 0.754% 4/15/2036
29216MAW0	12.63	11,200,000	4,345,363	1,414,896	-2,930,467	6.45	Employees Retirement System 0% 7/1/2031
29216MAY6	11.12	18,100,000	6,185,034	2,013,263	-4,171,771	6.45	Employees Retirement System 0% 7/1/2033
29216MAZ3	10.44	20,500,000	6,574,169	2,139,995	-4,434,174	6.45	Employees Retirement System 0% 7/1/2034
29216MAK6	40.39	525,000	522,677	212,053	-310,624	6.24	Employees Retirement System 6.2% 7/1/2039
29216MBA7	40.43	2,750,000	2,732,768	1,111,715	-1,621,053	6.31	Employees Retirement System 6.25% 7/1/2031
29216MBD1	40.39	7,600,000	7,566,504	3,069,564	-4,496,940	6.34	Employees Retirement System 6.3% 7/1/2038
29216MAN0	40.38	16,225,000	16,225,000	6,551,006	-9,673,994	6.45	Employees Retirement System 6.45% 7/1/2055
29216MAP5	40.38	5,425,000	5,425,000	2,190,398	-3,234,602	6.45	Employees Retirement System 6.45% 7/1/2056
29216MAE0	40.37	15,225,000	15,225,000	6,146,789	-9,078,211	6.45	Employees Retirement System 6.45% 7/1/2058
29216MBF6	40.38	13,100,000	10,921,160	5,289,256	-5,631,904	6.62	Employees Retirement System 6.55% 7/1/2055
29216MBG4	40.38	2,900,000	2,871,903	1,170,875	-1,701,028	6.62	Employees Retirement System 6.55% 7/1/2056
29216MBJ8	40.38	13,400,000	10,328,373	5,410,384	-4,917,989	6.62	Employees Retirement System 6.55% 7/1/2058
3133EGPQ2	100.07	2,200,000	2,198,900	2,201,443	2,543	2.77	FFCB 2.77% 7/28/2036
3133EGHY4	104.08	2,000,000	2,000,000	2,081,568	81,568	2.95	FFCB 2.95% 12/28/2037
3133EFM46	100.24	15,000,000	15,000,000	15,036,135	36,135	3.12	FFCB 3.12% 3/14/2031
3133EE2K5	102.19	3,400,000	3,400,000	3,474,555	74,555	3.84	FFCB 3.84% 6/25/2035
3130A8X73	100.00	2,500,000	2,500,000	2,500,093	93	2.70	FHLB 2.7% 8/10/2035
3130A8TT0	100.10	3,800,000	3,800,000	3,803,747	3,747	2.79	FHLB 2.79% 8/8/2036
3130A8QC0	98.72	4,350,000	4,350,000	4,294,529	-55,471	2.88	FHLB 2.875% 7/14/2036
3130A8TU7	100.08	2,830,000	2,830,000	2,832,250	2,250	2.89	FHLB 2.89% 8/9/2041
3133EGBF1	100.28	1,500,000	1,500,000	1,504,226	4,226	3.00	FHLB 3% 5/19/2036
3130A83E1	100.23	1,500,000	1,500,000	1,503,452	3,452	3.00	FHLB 3% 5/23/2036
3130A8U76	100.02	4,500,000	4,500,000	4,500,819	819	3.00	FHLB 3% 8/23/2041
3130A8UB7	100.02	4,880,000	4,878,780	4,881,030	2,250	3.00	FHLB 3% 8/23/2041
3130A7RV9	100.12	16,000,000	16,000,000	16,018,528	18,528	3.17	FHLB 3.17% 4/21/2036
3130A7V36	100.38	2,500,000	2,500,000	2,509,475	9,475	3.24	FHLB 3.24% 4/26/2041
3133XGAY0	148.51	14,570,000	15,482,584	21,637,790	6,155,206	5.00	FHLB 5.5% 7/15/2036
31407NJJ3	118.10	3,568,228	3,569,727	4,214,185	644,457	(4)	FNMA 835565 6% 10/1/2035
31408FLM9	116.08	1,817,082	1,796,961	2,109,205	312,243	(4)	FNMA 850032 5.5% 5/1/2036
36200TSY5	116.61	520,184	520,184	606,570	86,386	(4)	GNMA 572135 6% 10/15/2034
36200TS58	115.24	437,299	437,299	503,950	66,651	(4)	GNMA 572140 6% 11/15/2034
36200TTB4	114.47	282,341	282,341	323,204	40,863	(4)	GNMA 572146 6% 12/15/2034
36200TTP3	115.28	454,176	454,176	523,597	69,420	(4)	GNMA 572158 6% 3/15/2035
36201TST5	114.01	355,336	355,336	405,101	49,765	(4)	GNMA 592830 6% 5/15/2035
36201TSX6	114.01	289,479	289,479	330,021	40,542	(4)	GNMA 592834 6% 6/15/2035
36201TS40	114.01	77,890	77,890	88,799	10,909	(4)	GNMA 592839 6% 7/15/2035
36201TTK3	114.01	88,747	88,747	101,176	12,429	(4)	GNMA 592854 6% 11/15/2035
36201TT64	116.12	861,275	861,275	1,000,113	138,838	(4)	GNMA 592873 6% 3/15/2036
36201TUC9	114.44	733,610	733,610	839,507	105,897	(4)	GNMA 592879 6% 4/15/2036
745177EU5	29.13	1,663,000	1,128,861	484,349	-644,513	11.53	Government Development Bank 5.75% 8/1/2025
745177EP6	29.13	837,000	568,164	243,776	-324,388	11.53	Government Development Bank 5.75% 8/1/2025
74526QXB3	67.73	890,000	778,144	602,761	-175,383	12.60	PR Electric Power Authority 5.00% 7/1/2018
74526QKL5	67.73	200,000	174,864	135,452	-39,412	12.60	PR Electric Power Authority 5.00% 7/1/2018
74526QXC1	67.56	310,000	252,831	209,430	-43,401	12.78	PR Electric Power Authority 5.00% 7/1/2019
74526QXJ6	67.72	535,000	468,348	362,302	-106,046	12.80	PR Electric Power Authority 5.25% 7/1/2018
74526QYY2	67.03	620,000	402,376	415,574	13,197	10.80	PR Electric Power Authority 5.25% 7/1/2027
74526QA69	67.29	1,650,000	1,145,627	1,110,219	-35,408	10.42	PR Electric Power Authority 6.75% 7/1/2036
74526QA77	67.30	780,000	568,730	524,963	-43,767	10.44	PR Electric Power Authority 7.00% 7/1/2033
74529JHN8	51.00	4,500,000	1,927,330	2,295,135	367,805	14.52	PR Sales Tax Financing 6% 8/1/2042
74529JFU4	69.00	1,000,000	614,066	689,980	75,914	11.76	PR Sales Tax Financing 6.13% 8/1/2030
74529JBJ3	68.73	13,650,000	13,650,000	9,381,782	-4,268,219	6.35	PR Sales Tax Financing 6.35% 5/1/2057
74529JBK0	68.74	15,250,000	15,250,000	10,482,088	-4,767,913	6.35	PR Sales Tax Financing 6.35% 7/1/2057
74529JBL8	68.74	15,250,000	15,250,000	10,482,088	-4,767,913	6.35	PR Sales Tax Financing 6.35% 7/1/2057
74529JAE5	68.74	7,050,000	7,050,000	4,845,959	-2,204,042	6.35	PR Sales Tax Financing 6.35% 8/1/2057
913580205	18.32	1,000,000	25,000,000	18,316,000	-6,684,000	7.15	Universal Pref 7.15%
167593AM4	114.45	2,500,000	2,500,000	2,861,175	361,175	6.85	US Muni - Chicago Airport 6.845% 1/1/2038
34153PSE9	110.71	5,000,000	4,831,973	5,535,250	703,277	6.05	US Muni - Florida St 5.75% 6/1/2035
34440TBT9	116.36	5,000,000	5,052,714	5,817,800	765,086	7.13	US Muni - Folsom, Calif (Insured) 7.513% 10/1/2033
452152GB1	114.06	5,125,000	5,125,000	5,845,473	720,473	7.10	US Muni - Illinois St 7.1% 7/1/2035
646136XT3	109.122	8,000,000	8,352,067	8,729,760	377,693	4.97	US Muni - New Jersey Transportation 6.10% 12/15/2028
6499022F9	136.157	<u>2,400,000</u>	<u>2,285,052</u>	<u>3,267,768</u>	<u>982,716</u>	5.76	US Muni - NYC Dormitory Authority 5.389% 3/15/2040
Total		312,327,041	293,782,029	229,208,245	-64,573,784		



Leverage

REPO:

PR Muni Collateral	
Non PR Muni Collateral	<u>84,901,000</u>
Total REPO	84,901,000 WAC 0.96 / WAM 37 days

TSO: 0 WAC 0 / WAM 0 days

Total Leverage 84,901,000

Swaps		Current Value ²	To be received Rate at 01/21/2017		To be paid Rate at 01/21/2017		Maturity Date
Counterparty	Notional		Type	Type	Type	Type	
JP Morgan	22,640,000	22,567,464	1st reset 12/21/16	1-Month LIBOR	0.72%	Fixed	21-Dec-19
	22,640,000	22,567,464					

**Portfolio Holdings - Summary**^{1, 6, 7}**PR Obligations**

Mortgage-Backed Securities	
CMO, COMM END, FNMA, GNMA, FG	4.83%

Preferred Stocks	
Universal	7.99%

Employees Retirement System	16.02%
PR Sales Tax Financing	16.66%
PREPA	1.47%
GDB	0.32%

PR Obligations **47.28%**

US Obligations

Federal Home Loan Bank	29.75%
Federal Farm Credit Bank	8.98%
Build America Bonds	7.64%
Build America Bonds Insured	2.54%
US Municipals	3.81%

US Obligations **52.72%**

Credit Quality^{5, 7}

AAA	47.39%
AA	2.54%
A	7.61%
BBB	0.00%
<BBB	42.46%
	<u>100.00%</u>

(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) Credit enhancements have different terms and conditions and are only effective if the insurer, bank, or other third party has the wherewithal to honor its commitment. They are only as good as the creditworthiness of the insurer or other third party backing the bonds.

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