

MFS MUNICIPAL INCOME TRUST
Form N-CSRS
June 27, 2014
[Table of Contents](#)

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 811-04841

MFS MUNICIPAL INCOME TRUST

(Exact name of registrant as specified in charter)

111 Huntington Avenue, Boston, Massachusetts 02199

(Address of principal executive offices) (Zip code)

Susan S. Newton

Massachusetts Financial Services Company

111 Huntington Avenue

Boston, Massachusetts 02199

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: October 31

Date of reporting period: April 30, 2014

Table of Contents

ITEM 1. REPORTS TO STOCKHOLDERS.

Table of Contents

SEMIANNUAL REPORT

April 30, 2014

MFS® MUNICIPAL INCOME TRUST

MFM-SEM

Table of Contents

MFS® MUNICIPAL INCOME TRUST

New York Stock Exchange Symbol: **MFM**

<u>Letter from the Chairman and CEO</u>	1
<u>Portfolio composition</u>	2
<u>Portfolio managers profiles</u>	4
<u>Other notes</u>	4
<u>Portfolio of investments</u>	5
<u>Statement of assets and liabilities</u>	34
<u>Statement of operations</u>	35
<u>Statements of changes in net assets</u>	36
<u>Statement of cash flows</u>	37
<u>Financial highlights</u>	38
<u>Notes to financial statements</u>	40
<u>Report of independent registered public accounting firm</u>	52
<u>Board review of investment advisory agreement</u>	53
<u>Proxy voting policies and information</u>	53
<u>Quarterly portfolio disclosure</u>	53
<u>Further information</u>	53
<u>Contact information</u> back cover	

NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

Table of Contents

LETTER FROM THE CHAIRMAN AND CEO

Dear Shareholders:

After gaining momentum late last year, the U.S. economy slipped this winter, as severe weather curtailed activity. More recently, however, labor market data, consumer

confidence, retail sales and industrial output have indicated that the U.S. economy could be regaining traction.

Europe emerged from its recession midway through 2013. However, its pace of growth has been slow, high unemployment persists and the risk of deflation exists. Asia remains vulnerable. China's economic growth has slowed, and Japan's early progress toward an economic turnaround continues to face obstacles. Emerging markets have also displayed much higher volatility, affected by the early transition from aggressive central bank monetary easing.

With so much uncertainty, global financial markets began 2014 with much greater volatility than last year's broad-based rally. For equity investors, attention to company fundamentals has taken on more importance. Bond investors have been attuned to heightened risks from possible interest rate increases.

As always at MFS®, active risk management is an integral part of how we manage your investments. We use a collaborative process, sharing insights across asset classes, regions and economic sectors. Our global team of investment professionals uses a multidisciplined, long-term, diversified investment approach.

We understand that these are challenging economic times. We believe that we can serve you best by applying proven principles, such as asset allocation and diversification, over the long term. We are confident that this approach can serve you well as you work with your financial advisors to reach your goals in the years ahead.

Respectfully,

Robert J. Manning

Chairman and Chief Executive Officer

MFS Investment Management

June 13, 2014

The opinions expressed in this letter are subject to change, may not be relied upon for investment advice, and no forecasts can be guaranteed.

Table of Contents**PORTFOLIO COMPOSITION****Portfolio structure (i)****Top ten industries (i)**

Healthcare Revenue - Hospitals	24.2%
Universities - Colleges	13.4%
Healthcare Revenue - Long Term Care	13.2%
Water & Sewer Utility Revenue	11.0%
Industrial Revenue - Airlines	9.0%
Tobacco	7.2%
Miscellaneous Revenue - Other	7.1%
General Obligations - General Purpose	7.0%
Universities - Secondary Schools	5.4%
Tax Assessment	5.0%

Composition including fixed income credit quality (a)(i)

AAA	11.1%
AA	19.3%
A	23.5%
BBB	34.1%
BB	11.4%
B	12.4%
C	0.5%
Not Rated	23.5%
Cash & Other	(35.8)%

Portfolio facts (i)

Average Duration (d)	12.0
Average Effective Maturity (m)	18.6 yrs.

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. The fund may not hold all of these instruments. The fund is not rated by these agencies.

Table of Contents

Portfolio Composition continued

- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.
 - (i) For purposes of this presentation, the components include the market value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than market value. The bond component will include any accrued interest amounts.
 - (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.
- From time to time "Cash & Other" may be negative due to the aggregate liquidation value of variable rate municipal term preferred shares, timing of cash receipts, and/or equivalent exposure from any derivative holdings.

Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

Cash & Other includes cash, other assets less liabilities, offsets to derivative positions, and short-term securities.

Percentages are based on net assets, including the value of auction rate preferred shares, as of 4/30/14.

The portfolio is actively managed and current holdings may be different.

Table of Contents

PORTFOLIO MANAGERS PROFILES

Portfolio Manager	Primary Role	Since	Title and Five Year History
Gary Lasman	Portfolio Manager	2006	Investment Officer of MFS; employed in the investment management area of MFS since 2002.
Geoffrey Schechter	Portfolio Manager	2004	Investment Officer of MFS; employed in the investment management area of MFS since 1993.

OTHER NOTES

The fund's shares may trade at a discount or premium to net asset value. Shareholders do not have the right to cause the fund to repurchase their shares at net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation. As a result, the total return that is calculated based on the net asset value and New York Stock Exchange price can be different.

The fund's monthly distributions may include a return of capital to shareholders to the extent that distributions are in excess of the fund's net investment income and net capital gains, determined in accordance with federal income tax regulations. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase common and/or preferred shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

Table of Contents**PORTFOLIO OF INVESTMENTS**

4/30/14 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by jurisdiction.

Municipal Bonds - 140.6%

Issuer	Shares/Par	Value (\$)
Alabama - 2.2%		
Alabama Incentives Financing Authority Special Obligation, A, 5%, 9/01/37	\$ 100,000	\$ 105,924
Alexander City, AL, Special Care Facilities Financing Authority Medical Facilities Rev., A (Russell Hospital Corp.), 5.75%, 12/01/36	600,000	598,464
Butler, AL, Industrial Development Board, Solid Waste Disposal Rev. (Georgia-Pacific Corp.), 5.75%, 9/01/28	155,000	156,922
Cullman County, AL, Health Care Authority (Cullman Regional Medical Center), A, 6.75%, 2/01/29	865,000	928,837
Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 1/01/28	410,000	406,859
Huntsville-Redstone Village, AL, Special Care Facilities Financing Authority (Redstone Village Project), 5.5%, 1/01/43	440,000	401,654
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/25	15,000	8,315
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/26	170,000	88,094
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/29	245,000	104,157
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/34	350,000	102,806
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/35	660,000	180,635
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/15	55,000	57,060
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/16	120,000	128,032
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/17	160,000	173,741
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/18	165,000	181,236
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/21	185,000	204,612
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/23	275,000	300,429
Montgomery, AL, Medical Clinic Board Health Care Facility Rev. (Jackson Hospital & Clinic), 5.25%, 3/01/36	1,135,000	1,138,825
Pell City, AL, Special Care Facilities, Financing Authority Rev. (Noland Health Services, Inc.), 5%, 12/01/39	290,000	299,208

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Alabama - continued		
Phenix City, AL, Industrial Development Board Environmental Improvement Rev. (MeadWestvaco Coated Board Project), A, 4.125%, 5/15/35	\$ 260,000	\$ 225,108
Selma, AL, Industrial Development Board Rev., Gulf Opportunity Zone (International Paper Co.), A, 5.375%, 12/01/35	565,000	605,013
		\$ 6,395,931
Alaska - 0.3%		
Koyukuk, AK, Tanana Chiefs Conference, Healthcare Facilities Project, 7.75%, 10/01/41	\$ 705,000	\$ 758,495
Arizona - 1.4%		
Arizona Transportation Board Highway Rev., A, 5%, 7/01/36	\$ 1,290,000	\$ 1,418,342
Phoenix, AZ, Industrial Development Authority Education Rev. (Choice Academies, Inc. Project), 5.625%, 9/01/42	345,000	307,419
Phoenix, AZ, Industrial Development Authority Education Rev. (Legacy Traditional Schools Project), 6.5%, 7/01/34	270,000	267,875
Phoenix, AZ, Industrial Development Authority Education Rev. (Legacy Traditional Schools Project), 6.75%, 7/01/44	430,000	426,117
Pima County, AZ, Industrial Development Authority Rev. (Tucson Electric Power Co.), 5.75%, 9/01/29	1,315,000	1,339,222
Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 12/01/42	225,000	232,513
Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 12/01/46	170,000	174,835
		\$ 4,166,323
California - 13.9%		
Alameda Corridor Transportation Authority, California Rev., A, AGM, 5%, 10/01/28	\$ 125,000	\$ 141,196
Beverly Hills, CA, Unified School District (Election of 2008), Capital Appreciation, 0%, 8/01/31	525,000	262,122
California Department of Water Resources, Center Valley Project Rev., AJ, 5%, 12/01/35	1,990,000	2,199,547
California Educational Facilities Authority Rev., 5%, 2/01/26	460,000	472,153
California Educational Facilities Authority Rev. (Chapman University), 5%, 4/01/31	240,000	257,040
California Health Facilities Financing Authority Rev. (St. Joseph Health System), A, 5.75%, 7/01/39	650,000	735,430
California Health Facilities Financing Authority Rev. (Sutter Health), B, 5.875%, 8/15/31	1,295,000	1,490,532
California Housing Finance Agency Rev. (Home Mortgage), E, 4.75%, 2/01/30	365,000	362,974

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Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
California - continued		
California Housing Finance Agency Rev. (Home Mortgage), G , 4.95%, 8/01/23	\$ 1,615,000	\$ 1,637,998
California Housing Finance Agency Rev. (Home Mortgage), I , 4.7%, 8/01/26	1,000,000	1,012,260
California M-S-R Energy Authority Gas Rev., A , 7%, 11/01/34	210,000	281,152
California M-S-R Energy Authority Gas Rev., A , 6.5%, 11/01/39	465,000	602,654
California Municipal Finance Authority Rev. (Partnerships to Uplift Communities Project), A , 5%, 8/01/32	250,000	223,505
California Municipal Finance Authority Rev. (University of La Verne), A , 6.25%, 6/01/40	530,000	580,255
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Waste Management, Inc.), A , 5%, 1/01/22	695,000	738,910
California Pollution Control Financing Authority, Water Furnishing Rev. (Poseidon Resources Desalination Project), 5%, 11/21/45	945,000	922,991
California Pollution Control Financing Authority, Water Furnishing Rev. (San Diego County Water Desalination Project Pipeline), 5%, 11/21/45	530,000	529,995
California Public Works Board Lease Rev., Department of Corrections and Rehabilitation (Various Correctional Facilities), A , 5%, 9/01/33	1,985,000	2,177,823
California State University Rev., A , 5%, 11/01/37	1,950,000	2,125,130
California Statewide Communities Development Authority Facilities (Microgy Holdings Project), 9%, 12/01/38 (a)(d)	12,624	126
California Statewide Communities Development Authority Rev. (California Baptist University), A , 6.125%, 11/01/33	325,000	343,301
California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.125%, 11/01/23	175,000	180,640
California Statewide Communities Development Authority Rev. (California Baptist University), A , 5.4%, 11/01/27	370,000	374,196
California Statewide Communities Development Authority Rev. (Lancer Educational Student Housing Project), 5.625%, 6/01/33	380,000	361,851
California Statewide Communities Development Authority Rev. (Lancer Plaza Project), 5.625%, 11/01/33	145,000	143,058
California Statewide Communities Development Authority Rev. (Lancer Plaza Project), 5.125%, 11/01/23	105,000	105,744
California Statewide Communities Development Authority School Facility Rev. (Aspire Public Schools), 6.375%, 7/01/45	995,000	1,004,642
California Statewide Financing Authority, Tobacco Settlement, 5.625%, 5/01/29	1,155,000	1,155,012
Chula Vista, CA, Industrial Development Rev. (San Diego Gas & Electric Co.), E , 5.875%, 1/01/34	470,000	535,025
East Bay, CA, Municipal Utility District, Water System Rev., A , 5%, 6/01/28	3,200,000	3,710,592
Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., A-1 , 5.75%, 6/01/47	585,000	481,010

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
California - continued		
Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., Enhanced, A, 5%, 6/01/30	\$ 160,000	\$ 171,565
Golden State, CA, Tobacco Securitization Corp., Tobacco Settlement Rev., Enhanced, A, FGIC, 5%, 6/01/35	220,000	224,206
Los Angeles County, CA, Redevelopment Refunding Authority Tax Allocation Rev. D, 5%, 9/01/22	505,000	567,792
Los Angeles County, CA, Redevelopment Refunding Authority Tax Allocation Rev. D, 5%, 9/01/23	505,000	567,352
Los Angeles, CA, Department of Water & Power Rev. (Power System), B, 5%, 7/01/38	695,000	756,542
Los Angeles, CA, Regional Airport Lease Rev. (American Airlines, Inc.), C, 7.5%, 12/01/24	820,000	844,313
Los Angeles, CA, Unified School District, D, 5%, 1/01/34	180,000	197,521
Madera, CA, Irrigation Financing Authority Rev., 6.5%, 1/01/40	1,280,000	1,486,810
Merced, CA, Union High School District, Capital Appreciation, A, ASSD GTY, 0%, 8/01/30	145,000	69,174
Palomar Pomerado Health Care District, CA, COP, 6.75%, 11/01/39	1,735,000	1,803,272
Sacramento, CA, Municipal Utility District, X, 5%, 8/15/28	565,000	634,828
San Francisco, CA, City & County Redevelopment Successor Agency Tax Allocation (Mission Bay South Public Improvements), A, 5%, 8/01/43	50,000	52,072
San Francisco, CA, City & County Redevelopment Successor Agency, Community Facilities District No. 6 (Mission Bay South Public Improvements), Capital Appreciation, A, 0%, 8/01/43	1,275,000	218,790
San Jose, CA, Airport Rev., A-2, 5.25%, 3/01/34	1,215,000	1,312,358
State of California, 5.25%, 10/01/28	660,000	756,994
State of California, 5.25%, 9/01/30	1,560,000	1,765,031
State of California, 5.25%, 4/01/35	1,285,000	1,433,456
Upland, CA, COP (San Antonio Community Hospital), 6.375%, 1/01/32	1,750,000	1,954,908
West Contra Costa, CA, Healthcare District, AMBAC, 5.5%, 7/01/29	195,000	195,433
		\$ 40,161,281
Colorado - 6.0%		
Arvada, CO, Cimarron Metropolitan District, Rev., 6%, 12/01/22	\$ 500,000	\$ 492,095
Colorado Educational & Cultural Facilities Authority Rev. (Montessori Charter School Project), 5%, 7/15/37	75,000	75,446
Colorado Health Care Facilities Authority Rev. (American Baptist Homes of the Midwest Obligated Group), 8%, 8/01/43	400,000	415,252
Colorado Health Facilities Authority Rev. (American Baptist Homes), A, 5.9%, 8/01/37	380,000	320,845
Colorado Health Facilities Authority Rev. (Christian Living Communities Project), A, 5.75%, 1/01/37	375,000	379,560

Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Colorado - continued		
Colorado Health Facilities Authority Rev. (Covenant Retirement Communities, Inc.), A, 5%, 12/01/33	\$ 650,000	\$ 650,605
Colorado Health Facilities Authority Rev. (Evangelical Lutheran Good Samaritan Society), 5.625%, 6/01/43	170,000	180,467
Colorado Regional Transportation District, Private Activity Rev. (Denver Transportation Partners), 6%, 1/15/34	1,180,000	1,268,075
Colorado Regional Transportation District, Private Activity Rev. (Denver Transportation Partners), 6%, 1/15/41	590,000	628,149
Colorado Regional Transportation District, Sales Tax Rev. (Fastracks Project), A, 5%, 11/01/27	1,165,000	1,342,243
Denver, CO, City & County Airport Rev. (United Airlines), 5.25%, 10/01/32	3,735,000	3,738,249
Denver, CO, City & County Airport Rev. (United Airlines), 5.75%, 10/01/32	1,835,000	1,856,341
Denver, CO, Health & Hospital Authority Rev., A, 5%, 12/01/39	120,000	122,932
Denver, CO, Health & Hospital Authority Rev., A, 5.25%, 12/01/45	175,000	183,031
E-470 Public Highway Authority Rev., CO, Capital Appreciation, B, NATL, 0%, 9/01/27	4,115,000	2,165,436
Fruita, CO, Rev. (Family Health West Project), 7%, 1/01/18	175,000	192,241
Fruita, CO, Rev. (Family Health West Project), 8%, 1/01/43	1,310,000	1,446,135
Salida, CO, Hospital District Rev., 5.25%, 10/01/36	1,572,000	1,535,498
Stone Ridge, CO, Metropolitan District No. 2, 7.25%, 12/01/31 (d)(q)	500,000	129,275
Tallyn s Reach, CO, Metropolitan District No. 3, CO, 5%, 12/01/33	101,000	100,497
Tallyn s Reach, CO, Metropolitan District No. 3, CO, 5.125%, 11/01/38	111,000	109,400
		\$ 17,331,772
Delaware - 0.1%		
Delaware Economic Development Authority Rev. (Newark Charter School, Inc. Project), 5%, 9/01/42	\$ 180,000	\$ 180,797
District of Columbia - 0.3%		
District of Columbia Rev. (Kipp, D.C. Charter School), A, 6%, 7/01/43	\$ 200,000	\$ 219,932
District of Columbia Rev. (Kipp, D.C. Charter School), A, 6%, 7/01/33	80,000	89,683
District of Columbia, Tobacco Settlement, 6.25%, 5/15/24	450,000	450,738
		\$ 760,353
Florida - 10.4%		
Alachua County, FL, Health Facilities Authority Rev. (East Ridge Retirement Village, Inc.), 6%, 11/15/34	\$ 165,000	\$ 166,470
Alachua County, FL, Health Facilities Authority Rev. (East Ridge Retirement Village, Inc.), 6.25%, 11/15/44	410,000	414,715

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Florida - continued		
Alachua County, FL, Health Facilities Authority Rev. (East Ridge Retirement Village, Inc.), 6.375%, 11/15/49	\$ 270,000	\$ 272,568
Arborwood Community Development District, FL, Capital Improvement Rev. (Master Infrastructure Projects), A , 5.35%, 5/01/36 (a)(d)	120,000	72,000
Arborwood Community Development District, FL, Capital Improvement Rev. (Master Infrastructure Projects), A-2 , 5.35%, 5/01/36	450,000	421,304
Arborwood Community Development District, FL, Capital Improvement Rev. (Master Infrastructure Projects), B-2 , 5.1%, 5/01/14	120,000	120,000
Arborwood Community Development District, FL, Special Assessment (Master Infrastructure Projects), B , 5.1%, 5/01/14 (a)(d)	50,000	30,000
Baker, FL, Correctional Development Corp. (Baker County Detention Center), 7.5%, 2/01/30	440,000	309,654
Bay County, FL, Housing Finance Authority, Multi-Family Rev. (Andrews Place II Apartments), AGM, 5%, 10/01/35	210,000	210,557
Brevard County, FL, Industrial Development Rev. (TUFF Florida Tech LLC Project), 6.75%, 11/01/39	1,055,000	1,146,880
Capital Region Community Development District, FL, Capital Improvement Rev., A , 7%, 5/01/39	605,000	605,883
Citrus County, FL, Hospital Board Rev. (Citrus Memorial Hospital), 6.25%, 8/15/23	655,000	653,559
Collier County, FL, Educational Facilities Authority Rev. (Ave Maria University, Inc. Project), A , 6.125%, 6/01/43	600,000	616,980
Collier County, FL, Industrial Development Authority Continuing Care Community Rev. (The Arlington of Naples Project), A , 8.125%, 5/15/44	935,000	964,350
Concord Station Community Development District, FL, Special Assessment, 5%, 5/01/15	40,000	39,901
Escambia County, FL, Health Facilities Authority (Baptist Hospital, Inc.), A , 6%, 8/15/36	615,000	682,644
Florida Board of Education, Lottery Rev., A , 5%, 7/01/20	1,560,000	1,864,668
Florida Citizens Property Insurance Corp., A-1 , 5%, 6/01/19	245,000	282,968
Florida Citizens Property Insurance Corp., A-1 , 5%, 6/01/20	1,285,000	1,496,383
Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 6%, 6/15/32	295,000	276,135
Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 6.125%, 6/15/43	615,000	569,914
Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 6%, 9/15/40	380,000	376,489
Florida Development Finance Corp. Educational Facilities Rev. (Renaissance Charter School), A , 7.625%, 6/15/41	875,000	911,085

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Florida - continued		
Heritage Harbour North Community Development District, FL, Capital Improvement Rev., 6.375%, 5/01/38	\$ 560,000	\$ 537,774
Homestead, Community Development District, FL, Special Assessment, A , 6%, 5/01/37	660,000	488,209
Killarney Community Development District, FL, Special Assessment, B , 5.125%, 5/01/09 (a)(d)	170,000	76,500
Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A , 5.25%, 6/15/27	430,000	431,931
Lee County, FL, Industrial Development Authority Rev. (Lee Charter Foundation), A , 5.375%, 6/15/37	945,000	939,377
Legends Bay Community Development District, FL, A , 5.5%, 5/01/14	410,000	410,000
Legends Bay Community Development District, FL, A , 5.875%, 5/01/38	355,000	255,767
Main Street Community Development District, FL, A , 6.8%, 5/01/38	530,000	532,152
Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), 6.75%, 11/15/14 (c)	110,000	113,798
Miami Beach, FL, Health Facilities Authority Rev. (Mount Sinai Medical Center), 6.75%, 11/15/29	700,000	719,957
Mid-Bay Bridge Authority, FL, Springing Lien Rev., A , 7.25%, 10/01/40	1,580,000	1,792,447
Midtown Miami, FL, Community Development District Special Assessment (Infrastructure Project), B , 5%, 5/01/29	200,000	202,308
Midtown Miami, FL, Community Development District Special Assessment (Infrastructure Project), B , 5%, 5/01/37	115,000	114,300
Midtown Miami, FL, Community Development District Special Assessment (Parking Garage Project), A , 5%, 5/01/37	100,000	99,495
Naturewalk Community Development District, FL, Capital Improvement Rev., B , 5.3%, 5/01/16 (d)(q)	650,000	338,000
Old Palm Community Development District, FL, Special Assessment (Palm Beach Gardens), B , 5.375%, 5/01/14	145,000	145,000
OTC Community Development District, FL, Special Assessment, A , 5.3%, 5/01/38	895,000	865,519
Palm Beach County, FL, Health Facilities Rev. (Sinai Residences of Boca Raton Project), 7.5%, 6/01/49	275,000	292,564
Parkway Center Community Development District, FL, Special Assessment, B , 7%, 5/01/23	570,000	558,572
Pasco County, FL, Estancia At Wiregrass Community Development District, Capital Improvement, 7%, 11/01/45	265,000	287,671
Paseo Community Development District, FL, B , 4.875%, 5/01/10 (a)(d)	210,000	2
Paseo Community Development District, FL, Capital Improvement Rev., Capital Appreciation, A-2 , 0%, 5/01/36	390,000	142,241

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Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Florida - continued		
Paseo Community Development District, FL, Special Assessment, A-1, 5.4%, 5/01/36	\$ 40,000	\$ 41,428
Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 7/01/37	490,000	454,539
Sarasota County, FL, Health Facility Authority Rev. (Sarasota Manatee), 5.75%, 7/01/45	105,000	95,562
Seminole Tribe, FL, Special Obligation Rev., A, 5.25%, 10/01/27 (n)	515,000	536,620
South Lake County, FL, Hospital District Rev. (South Lake Hospital), A, 6%, 4/01/29	255,000	279,643
South Lake County, FL, Hospital District Rev. (South Lake Hospital), A, 6.25%, 4/01/39	385,000	421,787
St. Johns County, FL, Industrial Development Authority Rev. (Presbyterian Retirement), A, 6%, 8/01/45	1,565,000	1,635,065
Sterling Hill Community Development District, FL, Special Assessment, 5.5%, 11/01/10 (d)	165,000	105,617
Sumter County, FL, Industrial Development Authority Hospital Rev. (Central Florida Health Alliance Projects), A, 5%, 7/01/26	35,000	37,750
Sumter County, FL, Industrial Development Authority Hospital Rev. (Central Florida Health Alliance Projects), A, 5%, 7/01/29	35,000	36,889
Sumter County, FL, Industrial Development Authority Hospital Rev. (Central Florida Health Alliance Projects), A, 5.125%, 7/01/34	70,000	72,780
Sumter County, FL, Industrial Development Authority Hospital Rev. (Central Florida Health Alliance Projects), A, 5.25%, 7/01/44	215,000	222,224
Tallahassee, FL, Health Facilities Rev. (Tallahassee Memorial Healthcare, Inc.), 6.25%, 12/01/20	3,085,000	3,090,214
Tuscany Reserve Community Development District, FL, Special Assessment, B, 5.25%, 5/01/16	780,000	786,529
Villa Vizcaya Community Development District, FL, A, 5.55%, 5/01/39 (a)(d)	210,000	90,300
Watergrass Community Development District, FL, A, 5.375%, 5/01/39	400,000	236,088
Watergrass Community Development District, FL, Special Assessment, B, 6.96%, 11/01/17	105,000	102,215
		\$ 30,093,941
Georgia - 5.0%		
Americus and Sumter County, GA, Hospital Authority Rev. (Magnolia Manor Obligated Group), A, 6.25%, 5/15/33	\$ 185,000	\$ 191,309
Americus and Sumter County, GA, Hospital Authority Rev. (Magnolia Manor Obligated Group), A, 6.375%, 5/15/43	185,000	190,036
Atlanta, GA, Tax Allocation (Eastside Project), B, 5.6%, 1/01/30	815,000	849,915
Atlanta, GA, Tax Allocation (Princeton Lakes Project), 5.5%, 1/01/31	470,000	472,721
Atlanta, GA, Water & Wastewater Rev., A, 6%, 11/01/22	710,000	871,859

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Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Georgia - continued		
Clayton County, GA, Development Authority Special Facilities Rev. (Delta Airlines, Inc.), A, 8.75%, 6/01/29	\$ 555,000	\$ 674,480
Clayton County, GA, Development Authority Special Facilities Rev. (Delta Airlines, Inc.), B, 9%, 6/01/35	285,000	301,342
DeKalb County, GA, Hospital Authority Rev. (DeKalb Medical Center, Inc.), 6.125%, 9/01/40	1,150,000	1,194,678
DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 10/01/28	1,100,000	1,259,302
DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 10/01/29	270,000	307,376
DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 10/01/30	910,000	1,030,830
DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 10/01/31	40,000	45,086
DeKalb County, GA, Water & Sewer Rev., A, 5.25%, 10/01/41	1,965,000	2,152,658
Fulton County, GA, Residential Care Facilities, Elderly Authority Rev. (Canterbury Court), A, 6.125%, 2/15/34	330,000	332,195
Georgia Main Street Natural Gas, Inc., Gas Project Rev., A, 5%, 3/15/22	1,775,000	2,020,571
Georgia Main Street Natural Gas, Inc., Gas Project Rev., A, 5.5%, 9/15/26	285,000	328,767
Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 7/01/27	1,000,000	1,005,700
Georgia Medical Center Hospital Authority Rev. (Spring Harbor Green Island Project), 5.25%, 7/01/37	215,000	210,752
Marietta, GA, Development Facilities Authority Rev. (Life University), 7%, 6/15/39	515,000	522,998
Rockdale County, GA, Development Authority Project Rev. (Visy Paper Project), A, 6.125%, 1/01/34	640,000	649,766
		\$ 14,612,341
Guam - 0.4%		
Guam Government Department of Education (John F. Kennedy High School), A, COP, 6.875%, 12/01/40	\$ 620,000	\$ 630,571
Guam Government, A, 7%, 11/15/39	170,000	182,930
Guam International Airport Authority Rev., C, 5%, 10/01/16	45,000	47,437
Guam International Airport Authority Rev., C, 5%, 10/01/17	80,000	84,821
Guam Water & Wastewater System Rev., 5.25%, 7/01/20	80,000	89,283
Guam Water & Wastewater System Rev., 5.25%, 7/01/21	235,000	260,822
		\$ 1,295,864
Hawaii - 0.6%		
Hawaii Department of Budget & Finance, Special Purpose Rev. (15 Craigsides Project), A, 8.75%, 11/15/29	\$ 105,000	\$ 118,780
Hawaii Department of Budget & Finance, Special Purpose Rev. (15 Craigsides Project), A, 9%, 11/15/44	275,000	310,566
Hawaii Department of Budget & Finance, Special Purpose Rev. (Hawaiian Electric Co. & Subsidiary), 6.5%, 7/01/39	750,000	832,470

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Hawaii - continued		
State of Hawaii, DZ, 5%, 12/01/31	\$ 335,000	\$ 381,049
		\$ 1,642,865
Idaho - 0.2%		
Idaho Health Facilities Authority Rev. (The Terraces of Boise Project), B2, 6%, 10/01/21	\$ 405,000	\$ 405,846
Idaho Health Facilities Authority Rev. (The Terraces of Boise Project), B3, 5.25%, 10/01/20	285,000	285,881
		\$ 691,727
Illinois - 8.3%		
Bellwood, IL, 5.875%, 12/01/27	\$ 300,000	\$ 287,148
Bellwood, IL, 6.15%, 12/01/32	700,000	663,656
Chicago, IL, Metropolitan Water Reclamation District-Greater Chicago, C, 5%, 12/01/30	1,260,000	1,402,456
Chicago, IL, O Hare International Airport Rev., Customer Facility Charge, AGM, 5.25%, 1/01/32	135,000	145,596
Chicago, IL, O Hare International Airport Rev., Customer Facility Charge, AGM, 5.25%, 1/01/33	70,000	75,074
Chicago, IL, O Hare International Airport Rev., Customer Facility Charge, AGM, 5.5%, 1/01/43	270,000	280,141
Chicago, IL, O Hare International Airport Rev., General Airport Sr. Lien, A, 5%, 1/01/22	2,880,000	3,264,941
Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 12/01/29	275,000	302,918
Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 12/01/30	550,000	604,313
Chicago, IL, Transit Authority Sales Tax Receipts Rev., 5.25%, 12/01/31	105,000	114,717
Du Page County, IL, Special Service Area No. 31 Special Tax (Monarch Landing Project), 5.625%, 3/01/36	305,000	305,040
Illinois Finance Authority Rev. (Christian Homes, Inc.), 6.125%, 5/15/27	850,000	940,610
Illinois Finance Authority Rev. (Evangelical Retirement Homes of Greater Chicago, Inc.), 7.25%, 2/15/45	500,000	522,150
Illinois Finance Authority Rev. (Franciscan Communities, Inc.), A, 4.75%, 5/15/33	390,000	344,409
Illinois Finance Authority Rev. (Franciscan Communities, Inc.), A, 5.5%, 5/15/37	800,000	759,960
Illinois Finance Authority Rev. (Franciscan Communities, Inc.), A, 5.125%, 5/15/43	485,000	428,789
Illinois Finance Authority Rev. (Friendship Village), A, 5.375%, 2/15/25	1,270,000	1,264,247

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Illinois - continued		
Illinois Finance Authority Rev. (Illinois Institute of Technology), A, 5%, 4/01/31	\$ 795,000	\$ 754,924
Illinois Finance Authority Rev. (Lutheran Home & Services), 5.625%, 5/15/42	475,000	456,561
Illinois Finance Authority Rev. (Montgomery Place), A, 5.75%, 5/15/38	520,000	523,858
Illinois Finance Authority Rev. (Provena Health), A, 7.75%, 8/15/34	945,000	1,146,077
Illinois Finance Authority Rev. (Rehabilitation Institute of Chicago), A, 6%, 7/01/43	360,000	393,631
Illinois Finance Authority Rev. (Roosevelt University Project), 6.25%, 4/01/29	905,000	938,874
Illinois Finance Authority Rev. (Silver Cross Hospital & Medical Centers), 6.875%, 8/15/38	940,000	1,032,195
Illinois Finance Authority Rev. (Smith Village), A, 6.125%, 11/15/25	220,000	220,656
Illinois Finance Authority Rev. (Smith Village), A, 6.25%, 11/15/35	360,000	353,315
Illinois Finance Authority Rev. (The Clare at Water Tower), A-6, 6%, 5/15/28 (a)(d)	343,000	34
Illinois Finance Authority Rev., Capital Appreciation, (The Clare at Water Tower), B, 0%, 5/15/50 (a)	147,000	15
Illinois Finance Authority Student Housing Rev. (Illinois State University), 6.75%, 4/01/31	415,000	459,239
Illinois Finance Authority Student Housing Rev. (Northern Illinois University Project), 6.625%, 10/01/31	1,215,000	1,358,978
Illinois Railsplitter Tobacco Settlement Authority, 5.5%, 6/01/23	880,000	1,027,778
Illinois Railsplitter Tobacco Settlement Authority, 6%, 6/01/28	2,645,000	3,065,000
State of Illinois, 5%, 2/01/39	375,000	388,133
State of Illinois, 5.5%, 7/01/38	305,000	328,848
		\$ 24,154,281
Indiana - 3.5%		
Indiana Bond Bank Special Program, Gas Rev., A, 5.25%, 10/15/18	\$ 440,000	\$ 500,315
Indiana Economic Development Finance Authority Rev. (Republic Services, Inc. Project), A, FRN, 0.47%, 5/01/34	400,000	400,004
Indiana Economic Development Finance Authority Rev. (Republic Services, Inc. Project), B, FRN, 0.32%, 5/01/28	250,000	250,000
Indiana Finance Authority Rev. (BHI Senior Living), A, 6%, 11/15/41	535,000	583,492
Indiana Finance Authority Rev. (Marquette Project), 4.75%, 3/01/32	740,000	719,998
Indiana Finance Authority Rev. (Marquette Project), 5%, 3/01/39	185,000	178,114
Indiana Finance Authority Rev. (Ohio River Bridges East End Crossing Project), A, 5%, 7/01/35	300,000	308,865
Indiana Finance Authority Rev. (Ohio River Bridges East End Crossing Project), A, 5%, 7/01/40	820,000	833,202

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Indiana - continued		
Indiana Finance Authority Rev. (Ohio River Bridges East End Crossing Project), A, 5%, 7/01/44	\$ 240,000	\$ 242,268
Indiana Finance Authority Rev. (Ohio River Bridges East End Crossing Project), B, 5%, 1/01/19	300,000	323,883
Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Clarian Health), A, 5%, 2/15/39	1,000,000	1,014,260
Indiana Health & Educational Facilities Finance Authority, Hospital Rev. (Community Foundation of Northwest Indiana), 5.5%, 3/01/37	1,860,000	1,934,158
Indianapolis, IN, Multi-Family Rev. (Cambridge Station Apartments II), FNMA, 5.25%, 1/01/39 (b)	435,000	436,679
Knox County, IN, Economic Development Rev. (Good Samaritan Hospital), A, 5%, 4/01/42	170,000	170,763
Valparaiso, IN, Exempt Facilities Rev. (Pratt Paper LLC Project), 6.75%, 1/01/34	615,000	657,669
Valparaiso, IN, Exempt Facilities Rev. (Pratt Paper LLC Project), 7%, 1/01/44	1,475,000	1,583,988
		\$ 10,137,658
Iowa - 1.6%		
Iowa Finance Authority Midwestern Disaster Area Rev. (Iowa Fertilizer Co.), 5%, 12/01/19	\$ 390,000	\$ 396,618
Iowa Finance Authority Midwestern Disaster Area Rev. (Iowa Fertilizer Co.), 5.5%, 12/01/22	420,000	427,955
Iowa Finance Authority Midwestern Disaster Area Rev. (Iowa Fertilizer Co.), 5.25%, 12/01/25	420,000	423,759
Iowa Finance Authority, Health Care Facilities Rev. (Care Initiatives), A, 5.5%, 7/01/25	800,000	813,088
Iowa Student Loan Liquidity Corp., A-2, 5.5%, 12/01/25	280,000	289,260
Iowa Student Loan Liquidity Corp., A-2, 5.6%, 12/01/26	280,000	288,868
Iowa Student Loan Liquidity Corp., A-2, 5.7%, 12/01/27	30,000	30,985
Iowa Student Loan Liquidity Corp., A-2, 5.75%, 12/01/28	555,000	572,133
Iowa Tobacco Settlement Authority, Tobacco Settlement Rev., Asset Backed, B, 5.6%, 6/01/34	1,635,000	1,474,607
		\$ 4,717,273
Kansas - 0.7%		
Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), 5.375%, 5/15/27	\$ 315,000	\$ 317,659
Lenexa, KS, Health Care Facilities Rev. (Lakeview Village, Inc.), 7.125%, 5/15/29	345,000	387,483
Overland Park, KS, Special Assessment (Tallgrass Creek), 4.85%, 9/01/16	169,000	169,309
Overland Park, KS, Special Assessment (Tallgrass Creek), 5.125%, 9/01/28	592,000	558,901

Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Kansas - continued		
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A , GNMA, 6.25%, 12/01/35	\$ 25,000	\$ 25,972
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-1 , GNMA, 5.75%, 12/01/37	40,000	41,909
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-2 , GNMA, 5.75%, 12/01/37	125,000	128,464
Sedgwick & Shawnee Counties, KS, Single Family Housing Rev., A-5 , GNMA, 5.9%, 12/01/37	35,000	35,085
Wichita, KS, Health Care Facilities Rev. (Presbyterian Manors, Inc.), A , 6.375%, 5/15/43	465,000	482,912
		\$ 2,147,694
Kentucky - 1.1%		
Glasgow, KY, Healthcare Rev. (TJ Samson Community Hospital), 6.375%, 2/01/35	\$ 570,000	\$ 630,169
Kentucky Economic Development Finance Authority Health Care Rev. (Masonic Homes of Kentucky, Inc.), 5.375%, 11/15/42	330,000	314,965
Kentucky Economic Development Finance Authority Health Care Rev. (Masonic Homes of Kentucky, Inc.), 5.5%, 11/15/45	200,000	193,038
Kentucky Economic Development Finance Authority Rev. (Masonic Home Independent Living II), 7.25%, 5/15/41	250,000	269,183
Kentucky Economic Development Finance Authority Rev. (Masonic Home Independent Living II), 7.375%, 5/15/46	200,000	216,290
Kentucky Economic Development Finance Authority, Hospital Facilities Rev. (Owensboro Medical Health System), A , 6.375%, 6/01/40	1,095,000	1,184,264
Owen County, KY, Waterworks System Rev. (American Water Co. Project), A , 6.25%, 6/01/39	400,000	434,056
		\$ 3,241,965
Louisiana - 2.7%		
Jefferson Parish, LA, Hospital Service District No. 2 (East Jefferson General Hospital), 6.25%, 7/01/31	\$ 595,000	\$ 638,863
Jefferson Parish, LA, Hospital Service District No. 2 (East Jefferson General Hospital), 6.375%, 7/01/41	375,000	395,066
Louisiana Environmental Facilities & Community Development Authority Rev. (Westlake Chemical), 6.75%, 11/01/32	1,000,000	1,106,900
Louisiana Environmental Facilities & Community Development Authority Rev. (Westlake Chemical), A , 6.5%, 8/01/29	610,000	684,121
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), A , 7%, 6/01/36	470,000	470,860
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (CDF Healthcare), C , 7%, 6/01/36	370,000	370,607

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Louisiana - continued		
Louisiana Local Government, Environmental Facilities & Community Development Authority Rev. (Westside Rehab Center Project), A, 6.85%, 10/01/36	\$ 1,100,000	\$ 1,112,782
Louisiana Public Facilities Authority Hospital Rev. (Lake Charles Memorial Hospital), 6.375%, 12/01/34	1,115,000	1,193,251
New Orleans, LA, Aviation Board Gulf Opportunity Zone CFC Rev. (Consolidated Rental Car), A, 6.25%, 1/01/30	455,000	517,512
St. Charles Parish, LA, Gulf Zone Opportunity Zone Rev. (Valero Energy Corp.), 4%, 12/01/40 (b)	1,165,000	1,227,421
		\$ 7,717,383
Maine - 0.2%		
Maine Finance Authority Solid Waste Disposal Rev. (Casella Waste Systems, Inc.), 6.25%, 1/01/25 (b)	\$ 705,000	\$ 718,198
Maryland - 0.7%		
Anne Arundel County, MD, Special Obligation (National Business Park-North Project), 6.1%, 7/01/40	\$ 265,000	\$ 280,214
Baltimore, MD, Special Obligation, (East Baltimore Research Park Project), A, 7%, 9/01/38	715,000	759,637
Maryland Economic Development Corp. Rev. (Port America Chesapeake Terminal Project), B, 5.375%, 6/01/25	195,000	208,888
Maryland Health & Higher Educational Facilities Authority Rev. (Charlestown Community), 6.25%, 1/01/41	475,000	508,782
Maryland Industrial Development Financing Authority, Economic Development Authority Rev. (Our Lady of Good Council), A, 6%, 5/01/35	150,000	158,544
		\$ 1,916,065
Massachusetts - 11.8%		
Boston, MA, Metropolitan Transit Parking Corp., Systemwide Parking Rev., 5.25%, 7/01/36	\$ 460,000	\$ 503,231
Commonwealth of Massachusetts, General Obligation, B, 5%, 8/01/21	1,755,000	2,110,756
Massachusetts College Building Authority Rev., C, 3%, 5/01/42	125,000	96,390
Massachusetts Development Finance Agency Rev. (Adventcare), A, 6.75%, 10/15/37	1,270,000	1,313,917
Massachusetts Development Finance Agency Rev. (Evergreen Center, Inc.), 5.5%, 1/01/35	620,000	615,412
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-1, 6.25%, 11/15/31	239,410	214,768
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-1, 6.25%, 11/15/39	59,939	51,054

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Massachusetts - continued		
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), A-2 , 5.5%, 11/15/46	\$ 15,996	\$ 11,598
Massachusetts Development Finance Agency Rev. (Linden Ponds, Inc.), Capital Appreciation, B , 0%, 11/15/56	79,566	532
Massachusetts Development Finance Agency Rev. (North Hill Communities), A , 6.25%, 11/15/33	175,000	177,123
Massachusetts Development Finance Agency Rev. (North Hill Communities), A , 6.5%, 11/15/43	275,000	278,495
Massachusetts Development Finance Agency Rev. (Simmons College), H , SYNCORA, 5.25%, 10/01/33	110,000	120,599
Massachusetts Development Finance Agency, Resource Recovery Rev. (Covanta Energy Project), A , 4.875%, 11/01/27	915,000	918,340
Massachusetts Development Finance Agency, Resource Recovery Rev. (Covanta Energy Project), C , 5.25%, 11/01/42	1,785,000	1,799,119
Massachusetts Development Finance Agency, Solid Waste Disposal Rev. (Dominion Energy Brayton), 5.75%, 5/01/19 (c)	165,000	200,713
Massachusetts Educational Financing Authority, Education Loan Rev., H , ASSD GTY, 6.35%, 1/01/30	625,000	663,744
Massachusetts Health & Educational Facilities Authority Rev. (Massachusetts Institute of Technology), 5%, 7/01/38 (u)	20,000,000	21,883,400
Massachusetts Health & Educational Facilities Authority Rev. (Simmons College), 8%, 10/01/15 (c)	220,000	244,072
Massachusetts Health & Educational Facilities Authority Rev. (Simmons College), 8%, 10/01/29	315,000	345,555
Massachusetts Health & Educational Facilities Authority Rev. (Suffolk University), A , 6.25%, 7/01/30	1,370,000	1,584,693
Massachusetts Health & Educational Facilities Authority Rev. (Suffolk University), A , 5.75%, 7/01/39	885,000	929,816
Massachusetts Port Authority Facilities Rev. (Conrac Project), A , 5.125%, 7/01/41	65,000	68,968
Massachusetts Port Authority Rev., A , 5%, 7/01/37	65,000	68,418
		\$ 34,200,713
Michigan - 3.3%		
Detroit, MI, Sewage Disposal System Rev., B , NATL, 5.5%, 7/01/22	\$ 1,845,000	\$ 1,880,037
Detroit, MI, Sewage Disposal System Rev., Senior Lien, A , 5.25%, 7/01/39	1,120,000	1,089,446
Detroit, MI, Water & Sewerage Department, Senior Lien Sewage Disposal System Rev., A , AGM, 5%, 7/01/16	310,000	311,866
Detroit, MI, Water Supply System Rev., Senior Lien, A , AGM, 5%, 7/01/23	155,000	156,186
Michigan Hospital Finance Authority Rev. (Henry Ford Health System), 5.75%, 11/15/39	2,000,000	2,170,980

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Michigan - continued		
Regents of the University of Michigan General Rev., C, 5%, 4/01/17	\$ 1,060,000	\$ 1,192,500
Royal Oak, MI, Hospital Finance Authority Rev. (William Beaumont Hospital), 5%, 9/01/39	830,000	868,622
Royal Oak, MI, Hospital Finance Authority Rev. (William Beaumont Hospital), 8.25%, 9/01/39	1,595,000	1,943,555
		\$ 9,613,192
Minnesota - 0.1%		
St. Paul, MN, Housing & Redevelopment Authority Charter School Lease Rev. (Nova Classical Academy), A, 6.375%, 9/01/31	\$ 120,000	\$ 128,635
St. Paul, MN, Housing & Redevelopment Authority Charter School Lease Rev. (Nova Classical Academy), A, 6.625%, 9/01/42	240,000	257,414
		\$ 386,049
Mississippi - 1.1%		
Lowndes County, MS, Solid Waste Disposal & Pollution Control Rev. (Weyerhaeuser Co.), 6.8%, 4/01/22	\$ 2,000,000	\$ 2,330,540
Mississippi Development Bank Special Obligation (Marshall County Industrial Development Authority Mississippi Highway Construction Project), 5%, 1/01/28	195,000	219,929
Mississippi Home Corp., Rev. (Kirkwood Apartments), 6.8%, 11/01/37	1,095,000	688,109
		\$ 3,238,578
National - 0.8%		
Charter Mac Equity Issuer Trust, FHLMC, 6%, 10/31/52 (n)	\$ 2,000,000	\$ 2,231,580
Nebraska - 0.9%		
Central Plains Energy Project, NE, Gas Project Rev. (Project No. 1), A, 5.25%, 12/01/18	\$ 635,000	\$ 719,982
Nebraska Public Power District Rev., C, 5%, 1/01/18	1,685,000	1,795,654
		\$ 2,515,636
New Hampshire - 0.4%		
New Hampshire Business Finance Authority Rev. (Elliot Hospital Obligated Group), A, 6%, 10/01/27	\$ 1,110,000	\$ 1,200,099
New Jersey - 7.3%		
New Jersey Economic Development Authority Rev. (GMT Realty LLC), B, 6.875%, 1/01/37	\$ 430,000	\$ 436,338
New Jersey Economic Development Authority Rev. (Kapkowski Road Landfill Project), 6.5%, 4/01/31	1,840,000	2,122,569
New Jersey Economic Development Authority Rev. (Lions Gate), A, 5.875%, 1/01/37	530,000	527,652
New Jersey Economic Development Authority Rev. (Seabrook Village, Inc.), 5.25%, 11/15/36	715,000	715,086

Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
New Jersey - continued		
New Jersey Economic Development Authority Rev. (The Goethals Bridge Replacement Project), 5.375%, 1/01/43	\$ 420,000	\$ 442,109
New Jersey Economic Development Authority Rev. (The Goethals Bridge Replacement Project), 5.5%, 1/01/27	70,000	78,517
New Jersey Economic Development Authority Rev. (The Goethals Bridge Replacement Project), 5%, 1/01/28	70,000	75,151
New Jersey Economic Development Authority Rev. (The Goethals Bridge Replacement Project), AGM, 5%, 1/01/31	210,000	223,898
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 4.875%, 9/15/19	1,405,000	1,425,766
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 5.125%, 9/15/23	910,000	921,757
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), 5.25%, 9/15/29	910,000	922,795
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), A, 5.625%, 11/15/30	250,000	257,650
New Jersey Economic Development Authority, Special Facilities Rev. (Continental Airlines, Inc.), B, 5.625%, 11/15/30	225,000	231,885
New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B, 7.5%, 6/01/19 (c)	1,065,000	1,388,089
New Jersey Educational Facilities Authority Rev. (University of Medicine & Dentistry), B, ETM, 6%, 12/01/17 (c)	590,000	682,477
New Jersey Tobacco Settlement Financing Corp., 1-A, 4.5%, 6/01/23	5,355,000	5,188,031
New Jersey Tobacco Settlement Financing Corp., 1-A, 4.75%, 6/01/34	3,025,000	2,370,572
New Jersey Tobacco Settlement Financing Corp., 1-A, 5%, 6/01/41	2,190,000	1,727,538
New Jersey Tobacco Settlement Financing Corp., Capital Appreciation, 1-B, 0%, 6/01/41	5,485,000	1,328,467
New Jersey Tobacco Settlement Financing Corp., Capital Appreciation, 1-C, 0%, 6/01/41	75,000	17,708
		\$ 21,084,055
New Mexico - 0.9%		
Farmington, NM, Pollution Control Rev. (Public Service New Mexico), D, 5.9%, 6/01/40	\$ 1,840,000	\$ 1,967,420
New Mexico Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A, 5%, 8/15/17	100,000	99,575
New Mexico Hospital Equipment Loan Council, Hospital Rev. (Rehoboth McKinley Christian Hospital), A, 5.25%, 8/15/26	440,000	399,815
		\$ 2,466,810
New York - 9.8%		
Brooklyn, NY, Arena Local Development Corp. (Barclays Center Project), 6%, 7/15/30	\$ 230,000	\$ 249,667

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
New York - continued		
Build NYC Resource Corp. Rev. (International Leadership Charter School Project), 6%, 7/01/43 (n)	\$ 365,000	\$ 348,560
Build NYC Resource Corp. Rev. (South Bronx Charter School for International Cultures and the Arts), A, 5%, 4/15/43	240,000	199,519
Chautauqua County, NY, Capital Resource Corp. Rev. (Women's Christian Assn.), A, 8%, 11/15/30	1,060,000	1,109,014
Hudson Yards, NY, Infrastructure Corp. Rev., A, 5%, 2/15/47	710,000	726,948
Hudson Yards, NY, Infrastructure Corp. Rev., A, 5.75%, 2/15/47	620,000	688,479
New York Dormitory Authority, State Personal Income Tax Rev., C, 5%, 3/15/34	1,670,000	1,829,017
New York Environmental Facilities Corp., Clean Drinking Water Revolving Funds, 5%, 6/15/41	1,345,000	1,472,762
New York Environmental Facilities, C, 5%, 5/15/41	1,860,000	2,034,896
New York Liberty Development Corp., Liberty Rev. (One Bryant Park LLC), 6.375%, 7/15/49	1,065,000	1,164,247
New York Tobacco Settlement Financing Corp., Asset-Backed Rev., B, 5%, 6/01/21	515,000	559,475
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.625%, 8/01/25	5,485,000	6,055,275
New York, NY, City Industrial Development Agencies Rev. (American Airlines, Inc.), 7.75%, 8/01/31	1,025,000	1,129,068
New York, NY, City Industrial Development Agency Rev., Liberty Bonds (IAC/InterActiveCorp), 5%, 9/01/35	310,000	311,671
New York, NY, Industrial Development Agency, Civic Facility Rev. (Special Needs Facilities), 6.5%, 7/01/17	500,000	500,045
New York, NY, Municipal Water Finance Authority, Water & Sewer System Rev., AA, 5%, 6/15/34	3,900,000	4,283,331
Niagara County, NY, Industrial Development Agency, Solid Waste Disposal Rev. (Covanta Energy Project), A, 5.25%, 11/01/42	1,825,000	1,830,165
Onondaga, NY, Civic Development Corp. Rev. (St. Joseph's Hospital Health Center), 5%, 7/01/25	65,000	65,761
Onondaga, NY, Civic Development Corp. Rev. (St. Joseph's Hospital Health Center), 5.125%, 7/01/31	70,000	69,679
Port Authority of NY & NJ, (170th Series), 5%, 12/01/16	265,000	293,564
Port Authority of NY & NJ, (170th Series), 5%, 12/01/17	265,000	300,306
Port Authority of NY & NJ, (170th Series), 5%, 12/01/18	150,000	172,256
Port Authority of NY & NJ, (170th Series), 5%, 12/01/19	260,000	301,527
Port Authority of NY & NJ, Special Obligation Rev. (JFK International Air Terminal LLC), 6%, 12/01/36	485,000	536,720
Port Authority of NY & NJ, Special Obligation Rev. (JFK International Air Terminal LLC), 6%, 12/01/42	550,000	606,656
Seneca Nation of Indians, NY, Capital Improvements Authority, Special Obligation, 5%, 12/01/23 (n)	275,000	281,350

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
New York - continued		
Suffolk County, NY, Industrial Development Agency (Medford Hamlet Assisted Living), 6.375%, 1/01/39	\$ 465,000	\$ 453,952
Ulster County, NY, Industrial Development Agency (Woodland Pond), A, 6%, 9/15/37	1,075,000	853,389
		\$ 28,427,299
Ohio - 4.7%		
Bowling Green, OH, Student Housing Rev. (State University Project), 5.75%, 6/01/31	\$ 350,000	\$ 359,898
Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.875%, 6/01/30	1,935,000	1,607,753
Buckeye, OH, Tobacco Settlement Financing Authority, A-2, 5.875%, 6/01/47	1,275,000	1,030,672
Butler County, OH, Hospital Facilities Rev. (UC Health), 5.75%, 11/01/40	260,000	284,843
Cleveland-Cuyahoga County, OH, Port Authority Rev., 7%, 5/15/40	235,000	254,592
Cleveland-Cuyahoga County, OH, Port Authority Rev. (Cleveland City), B, 4.5%, 5/15/30	25,000	21,609
Cleveland-Cuyahoga County, OH, Port Authority Rev. (Fairmount), B, 5.125%, 5/15/25	125,000	129,544
Columbus, OH, Franklin County Finance Authority Development Rev., 6%, 5/15/35	700,000	721,686
Dayton Montgomery County, OH, Port Authority Rev. (Parking Garage), 6.125%, 5/15/24	1,130,000	1,130,418
Gallia County, OH, Hospital Facilities Rev. (Holzer Health Systems), A, 8%, 7/01/42	1,405,000	1,510,839
Muskingum County, OH, Hospital Facilities Rev. (Genesis Health System Obligated Group), 5%, 2/15/33	450,000	418,343
Muskingum County, OH, Hospital Facilities Rev. (Genesis Health System Obligated Group), 5%, 2/15/44	1,100,000	984,390
Muskingum County, OH, Hospital Facilities Rev. (Genesis Health System Obligated Group), 5%, 2/15/48	450,000	389,192
Ohio Higher Educational Facility Commission Rev. (University Hospital Health System), 6.75%, 1/15/15 (c)	1,610,000	1,683,368
Ohio Solid Waste Rev. (Republic Services, Inc. Project), FRN, 0.32%, 11/01/35	200,000	200,000
Riversouth, OH, Authority Rev. (Lazarus Building), A, 5.75%, 12/01/27	1,125,000	1,134,315
Southeastern Ohio Port Authority, Hospital Facilities Rev. (Memorial Health System), 5.75%, 12/01/32	595,000	587,622
Summit County, OH, Port Authority Building Rev. (Flats East Development Recovery Zone Facility Bonds), 6.875%, 5/15/40	85,000	92,071
Summit County, OH, Port Authority Building Rev. (Seville Project), A, 5.1%, 5/15/25	130,000	128,734

Table of Contents

Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Ohio - continued		
Summit County, OH, Port Authority Building Rev. (Workforce Policy Board), F , 4.875%, 11/15/25	\$ 815,000	\$ 806,638
		\$ 13,476,527
Oklahoma - 1.5%		
Fort Sill Apache Tribe, OK, Economic Development Authority, Gaming Enterprise., A , 8.5%, 8/25/26 (n)	\$ 520,000	\$ 578,053
Norman, OK, Regional Hospital Authority Rev., 5%, 9/01/27	300,000	308,946
Norman, OK, Regional Hospital Authority Rev., 5.375%, 9/01/29	175,000	179,377
Norman, OK, Regional Hospital Authority Rev., 5.375%, 9/01/36	1,395,000	1,414,474
Oklahoma Development Finance Authority Continuing Care Retirement Community Rev. (Inverness Village), 5.75%, 1/01/37	595,000	590,484
Tulsa, OK, Municipal Airport Trust Rev. (American Airlines, Inc.), B , 5.5%, 6/01/35	345,000	348,171
Tulsa, OK, Municipal Airport Trust Rev. (American Airlines, Inc.), B , 5.5%, 12/01/35	920,000	928,455
		\$ 4,347,960
Oregon - 0.1%		
Forest Grove, OR, Campus Improvement Rev. (Pacific University Project), A , 4.5%, 5/01/29	\$ 150,000	\$ 152,415
Forest Grove, OR, Campus Improvement Rev. (Pacific University Project), A , 5%, 5/01/40	190,000	196,316
		\$ 348,731
Pennsylvania - 6.1%		
Allentown, PA, Neighborhood Improvement Zone Development Authority Tax Rev., A , 5%, 5/01/35	\$ 160,000	\$ 158,971
Allentown, PA, Neighborhood Improvement Zone Development Authority Tax Rev., A , 5%, 5/01/42	685,000	676,855
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 1/01/27	170,000	171,231
Bucks County, PA, Industrial Development Authority Rev. (Lutheran Community Telford Center), 5.75%, 1/01/37	225,000	220,793
Chartiers Valley, PA, Industrial & Commercial Development Authority (Asbury Health Center Project), 5.75%, 12/01/22	150,000	150,489
Clairton, PA, Municipal Authority, B , 5%, 12/01/37	265,000	269,611
Clarion County, PA, Industrial Development Authority, Student Housing Rev. (Clarion University Foundation, Inc.), 5%, 7/01/34	65,000	65,252
Commonwealth of Pennsylvania, State Public School Building Authority Lease Rev. (School District of Philadelphia Project), 5%, 4/01/28	250,000	273,168
Cumberland County, PA, Municipal Authority Rev. (Asbury Atlantic, Inc.), 5.25%, 1/01/41	740,000	704,302

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Pennsylvania - continued		
Cumberland County, PA, Municipal Authority Rev. (Diakon Lutheran Social Ministries), 6.125%, 1/01/29	\$ 1,360,000	\$ 1,472,567
Delaware Valley, PA, Regional Finance Authority, 5.75%, 7/01/17	650,000	730,321
Lehigh County, PA, Water and Sewer Authority Rev. (Allentown Concession), A, 5%, 12/01/43	2,195,000	2,296,914
Lehigh County, PA, Water and Sewer Authority Rev. (Allentown Concession), Capital Appreciation, B, 0%, 12/01/37	1,850,000	528,064
Luzerne County, PA, AGM, 6.75%, 11/01/23	860,000	991,520
Montgomery County, PA, Higher Education & Health Authority Rev. (AHF/Montgomery), 6.875%, 4/01/36	1,110,000	1,132,089
Montgomery County, PA, Industrial Development Authority Retirement Community Rev. (ACTS Retirement - Life Communities, Inc.), 5%, 11/15/28	565,000	594,346
Pennsylvania Economic Development Financing Authority Rev., Resource Recovery Rev. (Colver), G, 5.125%, 12/01/15	200,000	207,538
Pennsylvania Economic Development Financing Authority, Sewer Sludge Disposal Rev. (Philadelphia Biosolids Facility), 6.25%, 1/01/32	645,000	656,281
Pennsylvania Higher Educational Facilities Authority Rev. (Edinboro University Foundation), 5.8%, 7/01/30	155,000	158,441
Pennsylvania Higher Educational Facilities Authority Rev. (Edinboro University Foundation), 6%, 7/01/43	215,000	217,511
Pennsylvania Higher Educational Facilities Authority Rev. (Saint Francis University Project), JJ2, 6.25%, 11/01/41	295,000	316,464
Philadelphia, PA, Authority for Industrial Development Rev. (Host Marriott LP), 7.75%, 12/01/17	3,255,000	3,263,561
Philadelphia, PA, Authority for Industrial Development Rev. (Philadelphia Performing Arts Charter School Project), 6.5%, 6/15/33	445,000	454,839
Philadelphia, PA, Authority for Industrial Development Rev. (Philadelphia Performing Arts Charter School Project), 6.75%, 6/15/43	755,000	770,417
Philadelphia, PA, Authority for Industrial Development Rev. (Tacony Academy Charter School), 6.875%, 6/15/33	155,000	157,869
Philadelphia, PA, Authority for Industrial Development Rev. (Tacony Academy Charter School Project), A-1, 6.75%, 6/15/33	100,000	101,005
Philadelphia, PA, Authority for Industrial Development Rev. (Tacony Academy Charter School Project), A-1, 7%, 6/15/43	290,000	292,688
Philadelphia, PA, Authority for Industrial Development Rev. (Tacony Academy Charter School), 7.375%, 6/15/43	270,000	279,277
Philadelphia, PA, Municipal Authority Rev., 6.5%, 4/01/34	260,000	290,657
		\$ 17,603,041
Puerto Rico - 0.8%		
Commonwealth of Puerto Rico Aqueduct & Sewer Authority Rev., A, 6%, 7/01/44	\$ 55,000	\$ 38,753

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Puerto Rico - continued		
Puerto Rico Industrial, Tourist, Educational, Medical & Environmental Central Facilities (Cogeneration Facilities - AES Puerto Rico Project), 6.625%, 6/01/26	\$ 820,000	\$ 760,542
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5%, 4/01/17	90,000	92,417
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5%, 4/01/18	60,000	61,514
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 4%, 4/01/20	30,000	28,673
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5%, 4/01/21	100,000	99,190
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5%, 4/01/22	120,000	117,119
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5%, 4/01/27	195,000	177,479
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5.125%, 4/01/32	75,000	64,604
Puerto Rico Industrial, Tourist, Educational, Medical, & Environmental Control Facilities Financing Authority, Higher Education Rev. (Ana G. Mendez University System Project), 5.375%, 4/01/42	110,000	90,039
Puerto Rico Industrial, Tourist, Medical, & Environmental Central Facilities (University of Sacred Heart), 4.375%, 10/01/31	70,000	55,582
Puerto Rico Industrial, Tourist, Medical, & Environmental Central Facilities (University of Sacred Heart), 5%, 10/01/42	35,000	27,264
Puerto Rico Sales Tax Financing Corp., Sales Tax Rev., C, 5%, 8/01/40	875,000	697,725
		\$ 2,310,901
South Carolina - 1.8%		
Charleston County, SC, Transportation Sales Tax, 5%, 11/01/22	\$ 880,000	\$ 1,073,653
Lancaster County, SC, Assessment Rev. (Sun City Carolina Lakes), 5.45%, 12/01/37	100,000	96,758
North Charleston, SC, Housing Authority Rev. (Horizon Village), A, GNMA, 5.15%, 2/20/48	445,000	450,353
Richland County, SC, Environmental Improvement Rev. (International Paper), A, 3.875%, 4/01/23	905,000	929,354

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
South Carolina - continued		
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 11/15/32	\$ 367,169	\$ 271,217
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), A , 6%, 11/15/47	326,069	218,006
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), Capital Appreciation, B , 0%, 11/15/47	157,358	2,351
South Carolina Jobs & Economic Development Authority Rev. (Woodlands at Furman), Capital Appreciation, B , 0%, 11/15/47	143,608	2,146
South Carolina Jobs & Economic Development Authority, Health Facilities Rev. (Lutheran Homes of South Carolina, Inc.), 5.125%, 5/01/48	105,000	96,121
South Carolina Public Service Authority Rev., A , 5.125%, 12/01/43	525,000	566,370
South Carolina Public Service Authority Rev., B , 5.125%, 12/01/43	1,300,000	1,402,440
		\$ 5,108,769
Tennessee - 7.4%		
Chattanooga, TN, Health Educational & Housing Facility Board Rev. (Catholic Health Initiatives), A , 5.25%, 1/01/45	\$ 1,710,000	\$ 1,837,788
Hardeman County, TN, Correctional Facilities Rev., 7.75%, 8/01/17	965,000	967,094
Johnson City, TN, Health & Educational Facilities Board, Hospital Rev. (Mountain States Health Alliance), 6%, 7/01/38	365,000	400,080
Metropolitan Government of Nashville & Davidson County, TN, Health & Educational Facilities Board Rev. (Meharry Medical College), AMBAC, 6%, 12/01/16	555,000	587,762
Rutherford County, TN, Health & Educational Facilities Board Rev. (Ascension Health), 5%, 11/15/40 (u)	12,500,000	13,222,250
Sullivan County, TN, Health, Educational & Housing Facilities Board Hospital Rev. (Wellmont Health Systems Project), C , 5.25%, 9/01/36	1,115,000	1,128,269
Tennessee Energy Acquisition Corp., Gas Rev., A , 5%, 9/01/14	455,000	460,906
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 9/01/22	510,000	576,683
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 9/01/23	80,000	90,778
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 9/01/24	560,000	627,245
Tennessee Energy Acquisition Corp., Gas Rev., A , 5.25%, 9/01/26	905,000	1,021,691
Tennessee Energy Acquisition Corp., Gas Rev., C , 5%, 2/01/25	450,000	491,414
		\$ 21,411,960
Texas - 11.5%		
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , 5.25%, 1/01/15	\$ 500,000	\$ 508,180
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , SYNCORA, 5.25%, 1/01/17	215,000	227,251
Austin, TX, Convention Center (Convention Enterprises, Inc.), A , SYNCORA, 5.25%, 1/01/20	170,000	180,134

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Texas - continued		
Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5.25%, 1/01/24	\$ 330,000	\$ 344,678
Austin, TX, Convention Center (Convention Enterprises, Inc.), A, SYNCORA, 5%, 1/01/34	290,000	276,872
Bell County, TX, Health Facility Development Corp. (Advanced Living Technologies, Inc.), 8%, 12/15/36 (a)(d)	3,400,000	34,000
Brazos River Authority, TX, Pollution Control Rev. (TXU Energy Co. LLC), 5%, 3/01/41 (a)(d)	835,000	20,875
Brazos River, TX, Harbor Navigation District (Dow Chemical Co.), A, 5.95%, 5/15/33	2,000,000	2,166,920
Brazos River, TX, Harbor Navigation District (Dow Chemical Co.), B-2, 4.95%, 5/15/33	75,000	78,805
Cass County, TX, Industrial Development Corp. (International Paper Co.), A, 4.625%, 3/01/27	2,150,000	2,167,695
Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 6%, 8/15/33	170,000	185,649
Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 5.75%, 8/15/41	130,000	136,118
Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 5%, 8/15/42	365,000	365,219
Clifton, TX, Higher Education Finance Corp. Rev. (Idea Public Schools), 6%, 8/15/43	275,000	298,592
Clifton, TX, Higher Education Finance Corp. Rev. (Uplift Education), A, 6.125%, 12/01/40	570,000	616,113
Clifton, TX, Higher Education Finance Corp. Rev. (Uplift Education), A, 4.35%, 12/01/42	180,000	160,794
Clifton, TX, Higher Education Finance Corp. Rev. (Uplift Education), A, 6.25%, 12/01/45	350,000	379,736
Gulf Coast Waste Disposal Authority (Waste Management, Inc.), 5.2%, 5/01/28	440,000	459,395
Gulf Coast, TX, Industrial Development Authority Rev. (CITGO Petroleum Corp.), 4.875%, 5/01/25	735,000	727,915
Gulf Coast, TX, Industrial Development Authority Rev. (Microgy Holdings Project), 7%, 12/01/36 (a)(d)	224,775	2,248
Harris County, Houston, TX, Sports Authority Rev., Capital Appreciation, A, 0%, 11/15/38	1,205,000	273,897
Harris County, Houston, TX, Sports Authority, Special Rev., A, NATL, 5%, 11/15/25	885,000	885,319
Harris County, TX, Cultural Education Facilities Finance Corp. Medical Facilities Rev. (Baylor College of Medicine), D, 5.625%, 11/15/32	510,000	558,588
Harris County, TX, Health Facilities Development Corp., Hospital Rev. (Memorial Hermann Healthcare Systems), B, 7.25%, 12/01/18 (c)	610,000	775,267
Houston, TX, Airport Systems Rev., B, 5%, 7/01/26	265,000	294,563

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Texas - continued		
Houston, TX, Airport System Rev., Subordinate Lien, A, 5%, 7/01/31	\$ 250,000	\$ 261,743
Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc. Terminal E Project), 6.75%, 7/01/29	3,690,000	3,699,225
Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc. Terminal E Project), 7%, 7/01/29	385,000	386,063
Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), 6.625%, 7/15/38	470,000	513,259
Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), B, 6.125%, 7/15/17	335,000	335,492
Houston, TX, Airport Systems Rev., Special Facilities (Continental Airlines, Inc.), E, 6.75%, 7/01/21	1,735,000	1,739,303
Houston, TX, Industrial Development Corp. (United Parcel Service, Inc.), 6%, 3/01/23	90,000	91,919
La Vernia, TX, Higher Education Finance Corp. Rev. (KIPP, Inc.), A, 6.25%, 8/15/39	365,000	395,215
Lufkin, TX, Health Facilities Development Corp. Rev. (Memorial Health System), 5.5%, 2/15/37	110,000	112,718
Matagorda County, TX, Pollution Control Rev. (Central Power & Light Co.), A, 6.3%, 11/01/29	525,000	588,231
North Texas Education Finance Corp., Education Rev. (Uplift Education), A, 5.125%, 12/01/42	275,000	276,705
North Texas Tollway Authority Rev., 6%, 1/01/38	1,505,000	1,692,357
North Texas Tollway Authority Rev. (Special Projects System), D, 5%, 9/01/31	1,110,000	1,232,566
Red River Authority, TX, Pollution Control Rev. (Celanese Project) B, 6.7%, 11/01/30	1,920,000	1,923,878
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (MRC The Crossings Project), A, 7.5%, 11/15/34	195,000	196,827
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (MRC The Crossings Project), A, 7.75%, 11/15/44	360,000	364,892
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (MRC The Crossings Project), A, 8%, 11/15/49	265,000	270,941
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (MRC The Crossings Project), B-2, 5%, 11/15/19	45,000	45,046
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement System, Inc.), A, 6.05%, 11/15/46	253,000	203,931
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement System, Inc.), C, 6.25%, 5/09/53	22,000	17,733
Red River, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Sears Methodist Retirement System, Inc.), D, 6.05%, 11/15/46	43,000	34,660

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Texas - continued		
Royse City, TX, Independent School District, School Building, Capital Appreciation, PSF, 0%, 8/15/27	\$ 955,000	\$ 521,688
Royse City, TX, Independent School District, School Building, Capital Appreciation, PSF, 0%, 8/15/29	965,000	473,024
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village Foundation, Inc.), 6.125%, 11/15/29	115,000	123,010
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village Foundation, Inc.), 5.125%, 5/15/37	100,000	96,017
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Air Force Village Foundation, Inc.), 6.375%, 11/15/44	780,000	818,571
Tarrant County, TX, Cultural Education Facilities Finance Corp. Retirement Facility (Stayton at Museum Way), 8.25%, 11/15/44	1,500,000	1,253,205
Texas Affordable Housing Corp. (Single Family Mortgage), B, GNMA, 5.25%, 9/01/39	440,000	454,071
Texas Gas Acquisition & Supply Corp III., Gas Supply Rev., 5%, 12/15/31	240,000	247,094
Texas Private Activity Surface Transportation Corp. Senior Lien Rev. (NTE Mobility Partners Segments 3 LLC Segments 3A & 3B Facility), 7%, 12/31/38	280,000	324,694
Texas Private Activity Surface Transportation Corp. Senior Lien Rev. (NTE Mobility Partners Segments 3 LLC Segments 3A & 3B Facility), 6.75%, 6/30/43	225,000	254,932
Travis County, TX, Health Facilities Development Corp. Rev. (Westminster Manor Health), 7%, 11/01/30	245,000	274,892
Travis County, TX, Health Facilities Development Corp. Rev. (Westminster Manor Health), 7.125%, 11/01/40	370,000	410,519
Travis County, TX, Health Facilities Development Corp., Retirement Facilities Rev. (Querencia Barton Creek), 5.5%, 11/15/25	460,000	463,404
Tyler, TX, Health Facilities Development Corp. (East Texas Medical Center), A, 5.25%, 11/01/32	985,000	986,546
		\$ 33,209,194
U.S. Virgin Islands - 0.1%		
Virgin Islands Public Finance Authority Rev. (Diageo Project), A, 6.75%, 10/01/37	\$ 395,000	\$ 430,680
Utah - 1.4%		
Salt Lake City, UT, Hospital Authority Rev. (Intermountain Health Care), ETM, FRN, AMBAC, 13.042%, 5/15/20 (c)(p)	\$ 600,000	\$ 603,408
Utah County, UT, Charter School Finance Authority, Charter School Rev. (Early Light Academy Project), 8.25%, 7/15/35	770,000	860,252

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Utah - continued		
Utah County, UT, Charter School Finance Authority, Charter School Rev. (Hawthorne Academy Project), 8.25%, 7/15/35	\$ 830,000	\$ 934,240
Utah County, UT, Charter School Rev. (Renaissance Academy), A, 5.625%, 7/15/37	495,000	441,258
Utah County, UT, Charter School Rev. (Ronald Wilson Reagan Academy), A, 6%, 2/15/38	1,255,000	1,267,500
		\$ 4,106,658
Vermont - 0.2%		
Burlington, VT, Airport Rev., A, 4%, 7/01/28	\$ 235,000	\$ 205,475
Vermont Economic Development Authority, Solid Waste Disposal Rev. (Casella Waste Systems, Inc.), 4.75%, 4/01/36 (b)	335,000	325,570
		\$ 531,045
Virginia - 2.5%		
Embrey Mill Community Development Authority, VA, Special Assessment Rev., 7.25%, 3/01/43	\$ 790,000	\$ 786,097
James City County, VA, Economic Development Authority, Residential Care Facilities Rev. (Virginia United Methodist Homes of Williamsburg), A, 6%, 6/01/43	608,384	532,178
James City County, VA, Economic Development Authority, Residential Care Facilities Rev. (Virginia United Methodist Homes of Williamsburg), A, 2%, 10/01/48 (a)	196,784	5,211
Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A, 6%, 1/01/25	215,000	215,024
Norfolk, VA, Redevelopment & Housing Authority Rev. (Fort Norfolk Retirement Community), A, 6.125%, 1/01/35	330,000	330,871
Richmond, VA, Public Improvement, A, 5%, 3/01/23	2,630,000	3,186,981
Virginia Small Business Financing Authority Rev. (Elizabeth River Crossings Opco LLC Project), 6%, 1/01/37	765,000	830,591
Virginia Small Business Financing Authority Rev. (Elizabeth River Crossings Opco LLC Project), 5.5%, 1/01/42	1,225,000	1,276,352
West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), 6.25%, 3/01/19 (a)(d)	1,798,697	180
West Point, VA, Industrial Development Authority, Solid Waste Disposal Rev. (Chesapeake Corp.), A, 6.375%, 3/01/19 (a)(d)	673,309	67
		\$ 7,163,552
Washington - 4.5%		
King County, WA, Sewer Rev., 5%, 1/01/40	\$ 2,750,000	\$ 2,935,708
Olympia, WA, Healthcare Facilities Authority Rev. (Catholic Health Initiatives), D, 6.375%, 10/01/36	1,500,000	1,693,530
State of Washington, R, 5%, 7/01/22	4,540,000	5,491,720

31

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Washington - continued		
Washington Health Care Facilities Authority Rev. (Virginia Mason Medical Center), A , 6.25%, 8/15/42	\$ 1,400,000	\$ 1,459,038
Washington Higher Education Facilities Authority Rev. (Whitworth University), 5.875%, 10/01/34	540,000	594,821
Washington Housing Finance Community Nonprofit Housing Rev. (Rockwood Retirement Communities), 5.125%, 1/01/20	775,000	775,271
		\$ 12,950,088
West Virginia - 0.4%		
Ohio County, WV, Commission Tax Increment Rev. (Fort Henry Centre), A , 5.85%, 6/01/34	\$ 235,000	\$ 240,278
West Virginia Hospital Finance Authority, Hospital Rev. (Thomas Health System), 6.5%, 10/01/38	905,000	907,670
		\$ 1,147,948
Wisconsin - 1.6%		
Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), A , 5%, 7/15/26	\$ 320,000	\$ 347,946
Wisconsin Health & Educational Facilities Authority Rev. (Aurora Health Care, Inc.), A , 5%, 7/15/28	95,000	102,050
Wisconsin Health & Educational Facilities Authority Rev. (Wheaton Franciscan Services), 5.25%, 8/15/34	1,135,000	1,168,142
Wisconsin Public Finance Authority, Airport Facilities Rev. (Transportation Infrastructure Properties LLC), B , 5%, 7/01/22	295,000	326,807
Wisconsin Public Finance Authority, Airport Facilities Rev. (Transportation Infrastructure Properties LLC), B , 5.25%, 7/01/28	325,000	347,646
Wisconsin Public Finance Authority, Airport Facilities Rev. (Transportation Infrastructure Properties LLC), B , 5%, 7/01/42	2,395,000	2,224,356
		\$ 4,516,947
Total Municipal Bonds (Identified Cost, \$394,130,189)		\$ 406,870,219
Money Market Funds - 2.9%		
MFS Institutional Money Market Portfolio, 0.09%, at Cost and Net Asset Value (v)	8,349,398	\$ 8,349,398
Total Investments (Identified Cost, \$402,479,587)		\$ 415,219,617
Other Assets, Less Liabilities - (4.2)%		(12,067,558)
ARPS, at liquidation value (issued by the fund) - (2.5)%		(7,275,000)
VMTPS, at liquidation value (issued by the fund) - (36.8)%		(106,475,000)
Net assets applicable to common shares - 100.0%		\$ 289,402,059

(a) Non-income producing security.

(b) Mandatory tender date is earlier than stated maturity date.

Table of Contents*Portfolio of Investments (unaudited) continued*

- (c) Refunded bond.
- (d) In default. Interest and/or scheduled principal payment(s) have been missed.
- (n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was \$3,976,163 representing 1.4% of net assets applicable to common shares.
- (p) Primary inverse floater.
- (q) Interest received was less than stated coupon rate.
- (u) Underlying security deposited into special purpose trust (the trust) by investment banker upon creation of self-deposited inverse floaters.
- (v) Underlying affiliated fund that is available only to investment companies managed by MFS. The rate quoted for the MFS Institutional Money Market Portfolio is the annualized seven-day yield of the fund at period end.
- The following abbreviations are used in this report and are defined:

ARPS	Auction Rate Preferred Shares
COP	Certificate of Participation
ETM	Escrowed to Maturity
FRN	Floating Rate Note. Interest rate resets periodically and may not be the rate reported at period end.
VMTPS	Variable Rate Municipal Term Preferred Shares

Insurers

AGM	Assured Guaranty Municipal
AMBAC	AMBAC Indemnity Corp.
ASSD GTY	Assured Guaranty Insurance Co.
FGIC	Financial Guaranty Insurance Co.
FHLMC	Federal Home Loan Mortgage Corp.
FNMA	Federal National Mortgage Assn.
GNMA	Government National Mortgage Assn.
NATL	National Public Finance Guarantee Corp.
PSF	Permanent School Fund
SYNCORA	Syncora Guarantee Inc.

Derivative Contracts at 4/30/14**Futures Contracts at 4/30/14**

Description	Currency	Contracts	Value	Expiration Date	Unrealized Appreciation (Depreciation)
Liability Derivatives					
Interest Rate Futures					
U.S. Treasury Bond 30 yr (Short)	USD	80	\$10,795,000	June - 2014	\$(208,416)

At April 30, 2014, the fund had cash collateral of \$168,000 to cover any commitments for certain derivative contracts. Cash collateral is comprised of Restricted cash on the Statement of Assets and Liabilities.

See Notes to Financial Statements

Table of Contents*Financial Statements***STATEMENT OF ASSETS AND LIABILITIES**

At 4/30/14 (unaudited)

This statement represents your fund's balance sheet, which details the assets and liabilities comprising the total value of the fund.

Assets	
Investments-	
Non-affiliated issuers, at value (identified cost, \$394,130,189)	\$406,870,219
Underlying affiliated funds, at cost and value	8,349,398
Total investments, at value (identified cost, \$402,479,587)	\$415,219,617
Restricted cash	168,000
Receivables for	
Investments sold	165,807
Interest	6,905,444
Deferred VMTPS offering costs	153,856
Other assets	25,837
Total assets	\$422,638,561
Liabilities	
Payables for	
Distributions on common shares	\$86,135
Distributions on ARPS	129
Daily variation margin on open futures contracts	45,000
Investments purchased	2,754,626
Interest expense and fees	154,837
Payable to the holders of the floating rate certificates from trust assets	16,298,100
Payable to affiliates	
Investment adviser	16,491
Transfer agent and dividend disbursing costs	1,910
Payable for independent Trustees' compensation	34,907
Accrued expenses and other liabilities	94,367
VMTPS, at liquidation value	106,475,000
Total liabilities	\$125,961,502
ARPS, at liquidation value	\$7,275,000
Net assets applicable to common shares	\$289,402,059
Net assets consist of	
Paid-in capital - common shares	\$300,734,958
Unrealized appreciation (depreciation) on investments	12,531,614
Accumulated net realized gain (loss) on investments	(25,988,446)
Undistributed net investment income	2,123,933
Net assets applicable to common shares	\$289,402,059
ARPS, at liquidation value (157 shares of Series T and 134 shares of Series TH issued and outstanding at \$25,000 per share)	\$7,275,000
VMTPS, at liquidation value (4,259 shares of Series 2016/9 issued and outstanding at \$25,000 per share)	106,475,000
Total preferred shares	\$113,750,000
Net assets including preferred shares	\$403,152,059
Common shares of beneficial interest issued and outstanding	41,187,631
Net asset value per common share (net assets of \$289,402,059 / 41,187,631 shares of beneficial interest outstanding)	\$7.03
See Notes to Financial Statements	

Table of Contents*Financial Statements***STATEMENT OF OPERATIONS**

Six months ended 4/30/14 (unaudited)

This statement describes how much your fund earned in investment income and accrued in expenses. It also describes any gains and/or losses generated by fund operations.

Net investment income	
Income	
Interest	\$10,800,090
Dividends from underlying affiliated funds	8,230
Total investment income	\$10,808,320
Expenses	
Management fee	\$1,436,712
Transfer agent and dividend disbursing costs	24,847
Administrative services fee	28,290
Independent Trustees' compensation	19,396
Stock exchange fee	18,306
ARPS service fee	4,412
Custodian fee	18,273
Shareholder communications	21,371
Audit and tax fees	40,056
Legal fees	5,112
Amortization of VMTPS offering costs	32,023
Interest expense and fees	768,036
Miscellaneous	52,086
Total expenses	\$2,468,920
Fees paid indirectly	(7)
Reduction of expenses by investment adviser	(201)
Net expenses	\$2,468,712
Net investment income	\$8,339,608
Realized and unrealized gain (loss) on investments	
Realized gain (loss) (identified cost basis)	
Investments	\$(779,351)
Futures contracts	(346,883)
Net realized gain (loss) on investments	\$(1,126,234)
Change in unrealized appreciation (depreciation)	
Investments	\$14,771,990
Futures contracts	98,900
Net unrealized gain (loss) on investments	\$14,870,890
Net realized and unrealized gain (loss) on investments	\$13,744,656
Distributions declared to shareholders of ARPS	\$(3,810)
Change in net assets from operations	\$22,080,454
See Notes to Financial Statements	

Table of Contents*Financial Statements***STATEMENTS OF CHANGES IN NET ASSETS**

These statements describe the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

	Six months ended 4/30/14 (unaudited)	Year ended 10/31/13
Change in net assets		
From operations		
Net investment income	\$8,339,608	\$17,890,847
Net realized gain (loss) on investments	(1,126,234)	(2,894,992)
Net unrealized gain (loss) on investments	14,870,890	(29,386,436)
Distributions declared to shareholders of ARPS	(3,810)	(13,606)
Change in net assets from operations	\$22,080,454	\$(14,404,187)
Distributions declared to common shareholders		
From net investment income	\$(8,628,809)	\$(18,276,611)
Share transactions applicable to common shares		
Net asset value of shares issued to common shareholders in reinvestment of distributions	\$	\$620,030
Total change in net assets	\$13,451,645	\$(32,060,768)
Net assets applicable to common shares		
At beginning of period	275,950,414	308,011,182
At end of period (including undistributed net investment income of \$2,123,933 and \$2,416,944, respectively)	\$289,402,059	\$275,950,414
See Notes to Financial Statements		

Table of Contents*Financial Statements***STATEMENT OF CASH FLOWS**

Six months ended 4/30/14 (unaudited)

This statement provides a summary of cash flows from investment activity for the fund.

Cash flows from operating activities:	
Change in net assets from operations	\$22,080,454
Distributions to shareholders of ARPS	3,810
Change in net assets from operations excluding distributions declared to shareholders of ARPS	\$22,084,264
Adjustments to reconcile change in net assets from operations to net cash provided by operating activities:	
Purchase of investment securities	(41,858,370)
Proceeds from disposition of investment securities	31,895,518
Payments for futures contracts	(346,883)
Proceeds from disposition of short-term investments, net	10,393,798
Realized gain/loss on investments	779,351
Realized gain/loss on futures contracts	346,883
Unrealized appreciation/depreciation on investments	(14,771,990)
Net amortization/accretion of income	(20,007)
Amortization of VMTPS offering costs	32,023
Decrease in interest receivable	55,077
Decrease in accrued expenses and other liabilities	(24,397)
Decrease in receivable for daily variation margin on open futures contracts	12,500
Increase in payable for daily variation margin on open futures contracts	45,000
Decrease in restricted cash	32,000
Increase in other assets	(19,629)
Decrease in payable for interest expense and fees	(2,107)
Net cash provided by operating activities	\$8,633,031
Cash flows from financing activities:	
Cash distributions paid on common shares	(8,646,471)
Cash distributions paid on ARPS	(3,810)
Net cash used by financing activities	\$(8,650,281)
Net decrease in cash	\$(17,250)
Cash:	
Beginning of period	\$17,250
End of period	\$
Supplemental disclosure of cash flow information:	

Cash paid during the six months ended April 30, 2014 for interest was \$770,143.

See Notes to Financial Statements

Table of Contents*Financial Statements***FINANCIAL HIGHLIGHTS**

The financial highlights table is intended to help you understand the fund's financial performance for the semiannual period and the past 5 fiscal years. Certain information reflects financial results for a single fund share. The total returns in the table represent the rate by which an investor would have earned (or lost) on an investment in the fund share class (assuming reinvestment of all distributions) held for the entire period.

Common Shares	Six months	Years ended 10/31				
	ended 4/30/14 (unaudited)	2013	2012	2011	2010	2009
Net asset value, beginning of period	\$6.70	\$7.49	\$6.62	\$6.89	\$6.54	\$5.71
Income (loss) from investment operations						
Net investment income (d)	\$0.20	\$0.43	\$0.47	\$0.52	\$0.53	\$0.53
Net realized and unrealized gain (loss) on investments	0.34	(0.78)	0.77	(0.28)	0.33	0.81
Distributions declared to shareholders of ARPS	(0.00)(w)	(0.00)(w)	(0.01)	(0.01)	(0.01)	(0.02)
Total from investment operations	\$0.54	\$(0.35)	\$1.23	\$0.23	\$0.85	\$1.32
Less distributions declared to common shareholders						
From net investment income	\$(0.21)	\$(0.44)	\$(0.49)	\$(0.50)	\$(0.50)	\$(0.49)
Net increase resulting from tender and repurchase of ARPS	\$	\$	\$0.13	\$	\$	\$
Net asset value, end of period (x)	\$7.03	\$6.70	\$7.49	\$6.62	\$6.89	\$6.54
Market value, end of period	\$6.62	\$6.28	\$7.81	\$6.88	\$7.23	\$6.44
Total return at market value (%) (p)	8.94(n)	(14.31)	21.52	2.85	21.01	43.37
Total return at net asset value (%) (j)(r)(s)(x)	8.44(n)	(4.67)	20.94(y)	3.84	13.56	25.19
Ratios (%) (to average net assets applicable to common shares) and Supplemental data:						
Expenses before expense reductions (f)(p)	1.78(a)	1.73	1.42	1.44	1.43	1.66
Expenses after expense reductions (f)(p)	1.78(a)	1.73	1.42	1.42	1.43	1.66
Net investment income (p)	6.02(a)	6.02	6.70	7.97	7.87	9.39
Portfolio turnover	8(n)	22	22	22	13	10
Net assets at end of period (000 omitted)	\$289,402	\$275,950	\$308,011	\$271,034	\$280,211	\$264,542
Supplemental Ratios (%):						
Ratio of expenses to average net assets applicable to common shares after expense reductions and excluding interest expense and fees (f)(l)(p)	1.23(a)	1.20	1.25	1.38	1.39	1.61
Ratio of expenses to average net assets applicable to common shares, ARPS, and VMTPS after expense reductions and excluding interest expense and fees (f)(l)(p)	0.87(a)	0.87	0.89	0.97	0.98	1.08
Net investment income available to common shares	6.02	6.02	6.62	7.83	7.70	8.99

Table of Contents*Financial Highlights continued*

	Six months ended 4/30/14 (unaudited)	2013	2012	Years ended 10/31		
				2011	2010	2009
Senior Securities:						
ARPS	291	291	291	4,550	4,550	4,550
VMTPS	4,259	4,259	4,259			
Total preferred shares outstanding	4,550	4,550	4,550	4,550	4,550	4,550
Asset coverage per preferred share (k)	\$88,605	\$85,648	\$92,695	\$84,568	\$86,585	\$83,141
Involuntary liquidation preference per preferred share (m)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Average market value per preferred share (m)(u)	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000

- (a) Annualized.
- (d) Per share data is based on average shares outstanding.
- (f) Ratios do not reflect reductions from fees paid indirectly, if applicable.
- (j) Total return at net asset value is calculated using the net asset value of the fund, not the publicly traded price and therefore may be different than the total return at market value.
- (k) Calculated by subtracting the fund's total liabilities (not including liquidation preference of ARPS and VMTPS) from the fund's total assets and dividing this number by the total number of preferred shares outstanding.
- (l) Interest expense and fees relate to payments made to the holders of the floating rate certificates from trust assets and interest expense paid to shareholders of VMTPS. For the year ended October 31, 2012, the expense ratio also excludes fees and expenses related to the tender and repurchase of a portion of the fund's ARPS.
- (m) Amount excludes accrued unpaid distributions on ARPS and accrued interest on VMTPS.
- (n) Not annualized.
- (p) Ratio excludes dividend payment on ARPS.
- (r) Certain expenses have been reduced without which performance would have been lower.
- (s) From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.
- (u) Average market value represents the approximate fair value of each of the fund's ARPS and VMTPS.
- (w) Per share amount was less than \$0.01.
- (x) The net asset values per share and total returns at net asset value per share have been calculated on net assets which include adjustments made in accordance with U.S. generally accepted accounting principles required at period end for financial reporting purposes.
- (y) Included in the total return at net asset value is the impact of the tender and repurchase by the fund of a portion of its ARPS at 95% of the ARPS' per share liquidation preference. Had this transaction not occurred, the total return at net asset value for the year ended October 31, 2012 would have been lower by 1.70%.

See Notes to Financial Statements

Table of Contents

NOTES TO FINANCIAL STATEMENTS

(unaudited)

(1) Business and Organization

MFS Municipal Income Trust (the fund) is organized as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended, as a diversified closed-end management investment company.

The fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services – Investment Companies.

(2) Significant Accounting Policies

General The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. In the preparation of these financial statements, management has evaluated subsequent events occurring after the date of the fund's Statement of Assets and Liabilities through the date that the financial statements were issued. The fund invests primarily in municipal instruments. The value of municipal instruments can be affected by changes in their actual or perceived credit quality. The credit quality of municipal instruments can be affected by, among other things, the financial condition of the issuer or guarantor, the issuer's future borrowing plans and sources of revenue, the economic feasibility of the revenue bond project or general borrowing purpose, political or economic developments in the region where the instrument is issued and the liquidity of the security. Municipal instruments generally trade in the over-the-counter market. Municipal instruments backed by current and anticipated revenues from a specific project or specific assets can be negatively affected by the discontinuance of the taxation supporting the projects or assets or the inability to collect revenues for the project or from the assets. If the Internal Revenue Service determines an issuer of a municipal instrument has not complied with the applicable tax requirements, interest from the security could become taxable, the security could decline in value, and distributions made by the fund could be taxable to shareholders. The fund invests in high-yield securities rated below investment grade. Investments in high-yield securities involve greater degrees of credit and market risk than investments in higher-rated securities and tend to be more sensitive to economic conditions.

In this reporting period, the fund adopted the disclosure provisions of FASB Accounting Standards Update 2011-11 (ASU 2011-11), Balance Sheet (Topic 210) – Disclosures about Offsetting Assets and Liabilities along with the related scope clarification provisions of FASB Accounting Standards Update 2013-01 (ASU 2013-01) entitled Balance Sheet (Topic 210) – Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities. ASU 2011-11 is intended to enhance disclosures on the offsetting of financial assets and liabilities by requiring entities to disclose both gross and net information about financial instruments and transactions that are either offset in the statement of financial position or subject to an enforceable Master Netting Agreement or similar arrangement. ASU 2013-01 limits the scope of ASU 2011-11's disclosure

Table of Contents

Notes to Financial Statements (unaudited) continued

requirements on offsetting to financial assets and financial liabilities related to derivatives, repurchase and reverse repurchase agreements, and securities lending and securities borrowing transactions. The disclosures required by ASU 2011-11, to the extent applicable to the fund, have been included in the fund's Significant Accounting Policies note under the captions for each of the fund's in-scope financial instruments and transactions.

The fund's accounting policy with respect to balance sheet offsetting is that, absent an event of default by the counterparty or a termination of the agreement, the ISDA Master Agreement does not result in an offset of reported amounts of financial assets and financial liabilities in the Statement of Assets and Liabilities across transactions between the fund and the applicable counterparty. The fund's right to setoff may be restricted or prohibited by the bankruptcy or insolvency laws of the particular jurisdiction to which a specific master netting agreement counterparty is subject. Balance sheet offsetting disclosures, to the extent applicable to the fund, have been included in the fund's Significant Accounting Policies note under the captions for each of the fund's in-scope financial instruments and transactions.

Investment Valuations Debt instruments and floating rate loans (other than short-term instruments), including restricted debt instruments, are generally valued at an evaluated or composite bid as provided by a third-party pricing service. Short-term instruments with a maturity at issuance of 60 days or less generally are valued at amortized cost, which approximates market value. Futures contracts are generally valued at last posted settlement price as provided by a third-party pricing service on the market on which they are primarily traded. Futures contracts for which there were no trades that day for a particular position are generally valued at the closing bid quotation as provided by a third-party pricing service on the market on which such futures contracts are primarily traded. Open-end investment companies are generally valued at net asset value per share. Securities and other assets generally valued on the basis of information from a third-party pricing service may also be valued at a broker/dealer bid quotation. Values obtained from third-party pricing services can utilize both transaction data and market information such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, and other market data.

The Board of Trustees has delegated primary responsibility for determining or causing to be determined the value of the fund's investments (including any fair valuation) to the adviser pursuant to valuation policies and procedures approved by the Board. If the adviser determines that reliable market quotations are not readily available, investments are valued at fair value as determined in good faith by the adviser in accordance with such procedures under the oversight of the Board of Trustees. Under the fund's valuation policies and procedures, market quotations are not considered to be readily available for most types of debt instruments and floating rate loans and many types of derivatives. These investments are generally valued at fair value based on information from third-party pricing services. In addition, investments may be valued at fair value if the adviser determines that an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (such as foreign exchange or market) and prior to the determination of the fund's net asset value, or after the halting of trading of a specific security where trading does not resume prior to the close of the exchange or market on which the

Table of Contents*Notes to Financial Statements (unaudited) continued*

security is principally traded. The adviser generally relies on third-party pricing services or other information (such as the correlation with price movements of similar securities in the same or other markets; the type, cost and investment characteristics of the security; the business and financial condition of the issuer; and trading and other market data) to assist in determining whether to fair value and at what value to fair value an investment. The value of an investment for purposes of calculating the fund's net asset value can differ depending on the source and method used to determine value. When fair valuation is used, the value of an investment used to determine the fund's net asset value may differ from quoted or published prices for the same investment. There can be no assurance that the fund could obtain the fair value assigned to an investment if it were to sell the investment at the same time at which the fund determines its net asset value per share.

Various inputs are used in determining the value of the fund's assets or liabilities. These inputs are categorized into three broad levels. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fund's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. Level 1 includes unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 includes other significant observable market-based inputs (including quoted prices for similar securities, interest rates, prepayment speed, and credit risk). Level 3 includes unobservable inputs, which may include the adviser's own assumptions in determining the fair value of investments. Other financial instruments are derivative instruments not reflected in total investments, such as futures contracts. The following is a summary of the levels used as of April 30, 2014 in valuing the fund's assets or liabilities:

Investments at Value	Level 1	Level 2	Level 3	Total
Municipal Bonds	\$	\$406,870,219	\$	\$406,870,219
Mutual Funds	8,349,398			8,349,398
Total Investments	\$8,349,398	\$406,870,219	\$	\$415,219,617

Other Financial Instruments

Futures Contracts	\$(208,416)	\$	\$	\$(208,416)
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For further information regarding security characteristics, see the Portfolio of Investments.

Derivatives The fund uses derivatives for different purposes, primarily to increase or decrease exposure to a particular market or segment of the market, or security, to increase or decrease interest rate exposure, or as alternatives to direct investments. Derivatives are used for hedging or non-hedging purposes. While hedging can reduce or eliminate losses, it can also reduce or eliminate gains. When the fund uses derivatives as an investment to increase market exposure, or for hedging purposes, gains and losses from derivative instruments may be substantially greater than the derivative's original cost.

The derivative instruments used by the fund were futures contracts. The fund's period end derivatives, as presented in the Portfolio of Investments and the associated Derivative Contract tables, generally are indicative of the volume of its derivative activity during the period.

Table of Contents

Notes to Financial Statements (unaudited) continued

The following table presents, by major type of derivative contract, the fair value, on a gross basis, of the asset and liability components of derivatives held by the fund at April 30, 2014 as reported in the Statement of Assets and Liabilities:

Risk	Derivative Contracts	Fair Value (a) Liability Derivatives
Interest Rate	Interest Rate Futures	\$(208,416)

(a) The value of futures contracts outstanding includes cumulative appreciation (depreciation) as reported in the fund's Portfolio of Investments. Only the current day variation margin for futures contracts is separately reported within the fund's Statement of Assets and Liabilities.

The following table presents, by major type of derivative contract, the realized gain (loss) on derivatives held by the fund for the six months ended April 30, 2014 as reported in the Statement of Operations:

Risk	Futures Contracts
Interest Rate	\$(346,883)

The following table presents, by major type of derivative contract, the change in unrealized appreciation (depreciation) on derivatives held by the fund for the six months ended April 30, 2014 as reported in the Statement of Operations:

Risk	Futures Contracts
Interest Rate	\$98,900

Derivative counterparty credit risk is managed through formal evaluation of the creditworthiness of all potential counterparties. On certain, but not all, over-the-counter derivatives, the fund attempts to reduce its exposure to counterparty credit risk whenever possible by entering into an International Swaps and Derivatives Association (ISDA) Master Agreement on a bilateral basis with each of the counterparties with whom it undertakes a significant volume of transactions. The ISDA Master Agreement gives each party to the agreement the right to terminate all transactions traded under such agreement if there is a certain deterioration in the credit quality of the other party. Upon an event of default or a termination of the ISDA Master Agreement, the non-defaulting party has the right to close out all transactions traded under such agreement and to net amounts owed under each transaction to one net amount payable by one party to the other. This right to close out and net payments across all transactions traded under the ISDA Master Agreement could result in a reduction of the fund's credit risk to such counterparty equal to any amounts payable by the fund under the applicable transactions, if any. The fund's right to setoff may be restricted or prohibited by the bankruptcy or insolvency laws of the particular jurisdiction to which a specific ISDA counterparty is subject.

Collateral and margin requirements differ by type of derivative. Margin requirements are set by the broker or clearing house for cleared derivatives (i.e., futures contracts, cleared swaps, and exchange-traded options) while collateral terms are contract specific for over-the-counter traded derivatives (i.e., forward foreign currency exchange contracts, uncleared swap agreements, and over-the-counter options). For derivatives traded under an ISDA Master Agreement, the collateral requirements are netted across all transactions traded under such agreement and one amount is posted from one party to the other to collateralize such obligations. Cash that has been segregated to

Table of Contents

Notes to Financial Statements (unaudited) continued

cover the fund's collateral or margin obligations under derivative contracts, if any, will be reported separately in the Statement of Assets and Liabilities as Restricted cash or Deposits with brokers. Securities pledged as collateral or margin for the same purpose, if any, are noted in the Portfolio of Investments.

Futures Contracts The fund entered into futures contracts which may be used to hedge against or obtain broad market exposure, interest rate exposure, or to manage duration. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the fund is required to deposit with the broker, either in cash or securities, an initial margin in an amount equal to a certain percentage of the notional amount of the contract. Subsequent payments (variation margin) are made or received by the fund each day, depending on the daily fluctuations in the value of the contract, and are recorded for financial statement purposes as unrealized gain or loss by the fund until the contract is closed or expires at which point the gain or loss on futures contracts is realized.

The fund bears the risk of interest rates or securities prices moving unexpectedly, in which case, the fund may not achieve the anticipated benefits of the futures contracts and may realize a loss. While futures contracts may present less counterparty risk to the fund since the contracts are exchange traded and the exchange's clearinghouse guarantees payments to the broker, there is still counterparty credit risk due to the insolvency of the broker. The fund's maximum risk of loss due to counterparty credit risk is equal to the margin posted by the fund to the broker plus any gains or minus any losses on the outstanding futures contracts.

Inverse Floaters The fund invests in municipal inverse floating rate securities which are structured by the issuer (known as primary market inverse floating rate securities) or by an investment banker utilizing municipal bonds which have already been issued (known as secondary market inverse floating rate securities) to have variable rates of interest which typically move in the opposite direction of short term interest rates. A secondary market inverse floating rate security is created when an investment banker transfers a fixed rate municipal bond to a special purpose trust, and causes the trust to (a) issue floating rate certificates to third parties, in an amount equal to a fraction of the par amount of the deposited bonds (these certificates usually pay tax-exempt interest at short-term interest rates that typically reset weekly; and the certificate holders typically, on seven days notice, have the option to tender their certificates to the investment banker or another party for redemption at par plus accrued interest), and (b) issue inverse floating rate certificates (sometimes referred to as inverse floaters). If the holders of the inverse floaters transfer the municipal bonds to an investment banker for the purpose of depositing the municipal bonds into the special purpose trust, the inverse floating rate certificates that are issued by the trust are referred to as self-deposited inverse floaters. If the bonds held by the trust are purchased by the investment banker for deposit into the trust from someone other than the purchasers of the inverse floaters, the inverse floating rate certificates that are issued by the trust are referred to as externally deposited inverse floaters. Such self-deposited inverse floaters held by the fund are accounted for as secured borrowings, with the municipal bonds reflected in the investments of the fund and amounts owed to the holders of the floating rate certificates under the provisions of

Table of Contents

Notes to Financial Statements (unaudited) continued

the trust, which amounts are paid solely from the assets of the trust, reflected as liabilities of the fund in the Statement of Assets and Liabilities under the caption, Payable to the holders of the floating rate certificates from trust assets. The carrying value of the fund's payable to the holders of the floating rate certificates from trust assets as reported in the fund's Statement of Assets and Liabilities approximates its fair value. The value of the payable to the holders of the floating rate certificates from trust assets as of the reporting date is considered level 2 under the fair value hierarchy disclosure. At April 30, 2014, the fund's payable to the holders of the floating rate certificates from trust assets was \$16,298,100 and the interest rate on the floating rate certificates issued by the trust was 0.26%. For the six months ended April 30, 2014, the average payable to the holders of the floating rate certificates from trust assets was \$16,291,900 at a weighted average interest rate of 0.14%. Interest expense and fees relate to interest payments made to the holders of certain floating rate certificates and associated fees, both of which are made from trust assets. Interest expense and fees are recorded as incurred. For the six months ended April 30, 2014, interest expense and fees in connection with self-deposited inverse floaters were \$51,843. Primary and externally deposited inverse floaters held by the fund are not accounted for as secured borrowings.

Statement of Cash Flows Information on financial transactions which have been settled through the receipt or disbursement of cash is presented in the Statement of Cash Flows. The cash amount shown in the Statement of Cash Flows is the amount included within the fund's Statement of Assets and Liabilities and includes cash on hand at its custodian bank and does not include any short term investments.

Indemnifications Under the fund's organizational documents, its officers and Trustees may be indemnified against certain liabilities and expenses arising out of the performance of their duties to the fund. Additionally, in the normal course of business, the fund enters into agreements with service providers that may contain indemnification clauses. The fund's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the fund that have not yet occurred.

Investment Transactions and Income Investment transactions are recorded on the trade date. Interest income is recorded on the accrual basis. All premium and discount is amortized or accreted for financial statement purposes in accordance with U.S. generally accepted accounting principles. Interest payments received in additional securities are recorded on the ex-interest date in an amount equal to the value of the security on such date. Debt obligations may be placed on non-accrual status or set to accrue at a rate of interest less than the contractual coupon when the collection of all or a portion of interest has become doubtful. Interest income for those debt obligations may be further reduced by the write-off of the related interest receivables when deemed uncollectible.

The fund may receive proceeds from litigation settlements. Any proceeds received from litigation involving portfolio holdings are reflected in the Statement of Operations in realized gain/loss if the security has been disposed of by the fund or in unrealized gain/loss if the security is still held by the fund. Any other proceeds from litigation not related to portfolio holdings are reflected as other income in the Statement of Operations.

Table of Contents*Notes to Financial Statements (unaudited) continued*

Legal fees and other related expenses incurred to preserve and protect the value of a security owned are added to the cost of the security; other legal fees are expensed. Capital infusions made directly to the security issuer, which are generally non-recurring, incurred to protect or enhance the value of high-yield debt securities, are reported as additions to the cost basis of the security. Costs that are incurred to negotiate the terms or conditions of capital infusions or that are expected to result in a plan of reorganization are reported as realized losses. Ongoing costs incurred to protect or enhance an investment, or costs incurred to pursue other claims or legal actions, are expensed.

Fees Paid Indirectly The fund's custody fee may be reduced according to an arrangement that measures the value of cash deposited with the custodian by the fund. This amount, for the six months ended April 30, 2014, is shown as a reduction of total expenses in the Statement of Operations.

Tax Matters and Distributions The fund intends to qualify as a regulated investment company, as defined under Subchapter M of the Internal Revenue Code, and to distribute all of its taxable and tax-exempt income, including realized capital gains. As a result, no provision for federal income tax is required. The fund's federal tax returns, when filed, will remain subject to examination by the Internal Revenue Service for a three year period. Management has analyzed the fund's tax positions taken on federal and state tax returns for all open tax years and does not believe that there are any uncertain tax positions that require recognition of a tax liability.

Distributions to shareholders are recorded on the ex-dividend date. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. generally accepted accounting principles. Certain capital accounts in the financial statements are periodically adjusted for permanent differences in order to reflect their tax character. These adjustments have no impact on net assets or net asset value per share. Temporary differences which arise from recognizing certain items of income, expense, gain or loss in different periods for financial statement and tax purposes will reverse at some time in the future. Distributions in excess of net investment income or net realized gains are temporary overdistributions for financial statement purposes resulting from differences in the recognition or classification of income or distributions for financial statement and tax purposes.

Book/tax differences primarily relate to expiration of capital loss carryforwards, amortization and accretion of debt securities, defaulted bonds, derivative transactions, secured borrowings, and non-deductible expenses that result from the treatment of VMTPS as equity for tax purposes.

The tax character of distributions made during the current period will be determined at fiscal year end. The tax character of distributions declared to shareholders for the last fiscal year is as follows:

	10/31/13
Ordinary income (including any short-term capital gains)	\$326,571
Tax-exempt income	19,411,414
Total distributions	\$19,737,985

Table of Contents*Notes to Financial Statements (unaudited) continued*

The federal tax cost and the tax basis components of distributable earnings were as follows:

As of 4/30/14	
Cost of investments	\$384,178,507
Gross appreciation	24,310,529
Gross depreciation	(9,567,519)
Net unrealized appreciation (depreciation)	\$14,743,010
As of 10/31/13	
Undistributed ordinary income	624,100
Undistributed tax-exempt income	2,502,490
Capital loss carryforwards	(27,168,625)
Other temporary differences	(709,646)
Net unrealized appreciation (depreciation)	(32,863)

The aggregate cost above includes prior fiscal year end tax adjustments, if applicable.

Under the Regulated Investment Company Modernization Act of 2010 (the Act), net capital losses recognized for fund fiscal years beginning after October 31, 2011 may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses (post-enactment losses). Previously, net capital losses were carried forward for eight years and treated as short-term losses (pre-enactment losses). As a transition rule, the Act requires that all post-enactment net capital losses be used before pre-enactment net capital losses.

As of October 31, 2013, the fund had capital loss carryforwards available to offset future realized gains as follows:

Pre-enactment losses which expire as follows:	
10/31/16	\$(3,401,503)
10/31/17	(6,820,113)
10/31/18	(7,829,561)
10/31/19	(5,299,510)
Total	\$(23,350,687)
Post-enactment losses which are characterized as follows:	
Short-Term	\$(2,290,019)
Long-Term	(1,527,919)
Total	\$(3,817,938)

(3) Transactions with Affiliates

Investment Adviser The fund has an investment advisory agreement with MFS to provide overall investment management and related administrative services and facilities to the fund. The management fee is computed daily and paid monthly at an annual rate of 0.40% of the fund's average weekly net assets (including the value of the auction rate preferred shares and variable rate municipal term preferred shares) and 6.32% of gross income. Gross income is calculated based on tax elections that

Table of Contents

Notes to Financial Statements (unaudited) continued

generally include the amortization of premium and exclude the accretion of discount, which may differ from investment income reported in the Statement of Operations. The management fee, from net assets and gross income, incurred for the six months ended April 30, 2014 was equivalent to an annual effective rate of 0.74% of the fund's average daily net assets (including the value of the auction rate preferred shares and variable rate municipal term preferred shares).

The investment adviser has agreed in writing to pay a portion of the fund's total annual operating expenses, exclusive of interest, taxes, extraordinary expenses, brokerage and transaction costs and investment-related expenses other than auction rate preferred shares service fee such that fund operating expenses do not exceed 0.90% of the fund's average daily net assets (including the value of auction rate preferred shares and variable rate municipal term preferred shares). This written agreement will continue until modified by the fund's Board of Trustees, but such agreement will continue at least until October 31, 2014. For the six months ended April 30, 2014, the fund's actual operating expenses did not exceed the limit and therefore, the investment adviser did not pay any portion of the fund's expenses related to this agreement.

Transfer Agent The fund engages Computershare Trust Company, N.A. (Computershare) as the sole transfer agent for the fund's common shares. MFS Service Center, Inc. (MFSC) monitors and supervises the activities of Computershare for an agreed upon fee approved by the Board of Trustees. For the six months ended April 30, 2014, these fees paid to MFSC amounted to \$5,943.

Administrator MFS provides certain financial, legal, shareholder communications, compliance, and other administrative services to the fund. Under an administrative services agreement, the fund partially reimburses MFS the costs incurred to provide these services. The fund is charged an annual fixed amount of \$17,500 plus a fee based on average daily net assets (including the value of the auction rate preferred shares and variable rate municipal term preferred shares). The administrative services fee incurred for the six months ended April 30, 2014 was equivalent to an annual effective rate of 0.0145% of the fund's average daily net assets (including the value of the auction rate preferred shares and variable rate municipal term preferred shares).

Trustees and Officers Compensation The fund pays compensation to independent Trustees in the form of a retainer, attendance fees, and additional compensation to Board and Committee chairpersons. The fund does not pay compensation directly to Trustees or officers of the fund who are also officers of the investment adviser, all of whom receive remuneration for their services to the fund from MFS. Certain officers and Trustees of the fund are officers or directors of MFS and MFSC.

Prior to December 31, 2001, the fund had an unfunded defined benefit plan (DB plan) for independent Trustees. As of December 31, 2001, the Board took action to terminate the DB plan with respect to then-current and any future independent Trustees, such that the DB plan covers only certain of those former independent Trustees who retired on or before December 31, 2001. The DB plan resulted in a pension expense of \$1,958 and is included in independent Trustees' compensation for the six months ended April 30, 2014. The liability for deferred retirement benefits

Table of Contents

Notes to Financial Statements (unaudited) continued

payable to certain independent Trustees under the DB plan amounted to \$30,307 at April 30, 2014, and is included in Payable for independent Trustees compensation in the Statement of Assets and Liabilities.

Other This fund and certain other funds managed by MFS (the funds) have entered into services agreements (the Agreements) which provide for payment of fees by the funds to Tarantino LLC and Griffin Compliance LLC in return for the provision of services of an Independent Chief Compliance Officer (ICCO) and Assistant ICCO, respectively, for the funds. The ICCO and Assistant ICCO are officers of the funds and the sole members of Tarantino LLC and Griffin Compliance LLC, respectively. The funds can terminate the Agreements with Tarantino LLC and Griffin Compliance LLC at any time under the terms of the Agreements. For the six months ended April 30, 2014, the aggregate fees paid by the fund to Tarantino LLC and Griffin Compliance LLC were \$867 and are included in Miscellaneous expense in the Statement of Operations. MFS has agreed to reimburse the fund for a portion of the payments made by the fund in the amount of \$201, which is included in the reduction of total expenses in the Statement of Operations. Additionally, MFS has agreed to bear all expenses associated with office space, other administrative support, and supplies provided to the ICCO and Assistant ICCO.

The fund invests in the MFS Institutional Money Market Portfolio which is managed by MFS and seeks current income consistent with preservation of capital and liquidity. Income earned on this investment is included in Dividends from underlying affiliated funds in the Statement of Operations. This money market fund does not pay a management fee to MFS.

(4) Portfolio Securities

Purchases and sales of investments, other than short-term obligations, aggregated \$42,954,108 and \$30,104,677, respectively.

(5) Shares of Beneficial Interest

The fund's Declaration of Trust permits the Trustees to issue an unlimited number of full and fractional shares of beneficial interest. The fund reserves the right to repurchase shares of beneficial interest of the fund subject to Trustee approval. During the six months ended April 30, 2014 and the year ended October 31, 2013, the fund did not repurchase any shares. Other transactions in fund shares were as follows:

	Six months ended 4/30/14		Year ended 10/31/13	
	Shares	Amount	Shares	Amount
Shares issued to shareholders in reinvestment of distributions		\$	82,309	\$620,030

(6) Line of Credit

The fund and certain other funds managed by MFS participate in a \$1.1 billion unsecured committed line of credit, subject to a \$1 billion sublimit, provided by a syndication of banks under a credit agreement. Borrowings may be made for temporary financing needs. Interest is charged to each fund, based on its borrowings, generally at a rate equal to the higher of the Federal Reserve funds rate or one month LIBOR plus an agreed upon spread. A commitment fee, based on the average daily, unused portion of the committed line of credit, is allocated among the participating

Table of Contents

Notes to Financial Statements (unaudited) continued

funds at the end of each calendar quarter. In addition, the fund and other funds managed by MFS have established unsecured uncommitted borrowing arrangements with certain banks for temporary financing needs. Interest is charged to each fund, based on its borrowings, at a rate equal to the Federal Reserve funds rate plus an agreed upon spread. For the six months ended April 30, 2014, the fund's commitment fee and interest expense were \$609 and \$0, respectively, and are included in Miscellaneous expense in the Statement of Operations.

(7) Transactions in Underlying Affiliated Funds-Affiliated Issuers

An affiliated issuer may be considered one in which the fund owns 5% or more of the outstanding voting securities, or a company which is under common control. For the purposes of this report, the fund assumes the following to be an affiliated issuer:

Underlying Affiliated Fund	Beginning Shares/Par Amount	Acquisitions Shares/Par Amount	Dispositions Shares/Par Amount	Ending Shares/Par Amount
MFS Institutional Money Market Portfolio	18,743,196	33,096,682	(43,490,480)	8,349,398

Underlying Affiliated Fund	Realized Gain (Loss)	Capital Gain Distributions	Dividend Income	Ending Value
MFS Institutional Money Market Portfolio	\$	\$	\$8,230	\$8,349,398

(8) Preferred Shares

The fund has 157 shares issued and outstanding of Auction Rate Preferred Shares (ARPS), series T, and 134 shares of ARPS, series TH. Dividends are cumulative at a rate that is reset every seven days for both series through an auction process. If the ARPS are unable to be remarketed on a remarketing date as part of the auction process, the fund would be required to pay the maximum applicable rate on ARPS to holders of such shares for successive dividend periods until such time when the shares are successfully remarketed. The maximum rate on ARPS rated aa3/AA- or better is equal to 110% of the higher of (i) the Taxable Equivalent of the Short-Term Municipal Bond Rate or (ii) the AA Composite Commercial Paper Rate.

Since February 2008, regularly scheduled auctions for ARPS issued by closed end funds, including this fund, have consistently failed because of insufficient demand (bids to buy shares) to meet the supply (shares offered for sale) at each auction. In a failed auction, ARPS holders cannot sell their shares tendered for sale. While repeated auction failures have affected the liquidity for ARPS, they do not constitute a default or automatically alter the credit quality of the ARPS, and ARPS holders have continued to receive dividends at the previously defined maximum rate. During the six months ended April 30, 2014, the ARPS dividend rates ranged from 0.07% to 0.23% for series T and from 0.07% to 0.21% for series TH. For the six months ended April 30, 2014, the average dividend rate was 0.11% for series T and 0.10% for series TH. These developments with respect to ARPS do not affect the management or investment policies of the fund. However, one implication of these auction failures for common shareholders is that the fund's cost of leverage will be higher than it otherwise would have been had the auctions continued to be successful. As a result, the fund's future common share earnings may be lower than they otherwise would have been.

Table of Contents

Notes to Financial Statements (unaudited) continued

The fund pays an annual service fee to broker-dealers with customers who are beneficial owners of the ARPS. The service fee is equivalent to 0.25% of the applicable ARPS liquidation value while the ARPS auctions are successful or to 0.15% or less, varying by broker-dealer, while the auctions are failing. The outstanding ARPS are redeemable at the option of the fund in whole or in part at the liquidation preference of \$25,000 per share, plus accumulated and unpaid dividends. The ARPS are also subject to mandatory redemption if certain requirements relating to its asset maintenance coverage are not satisfied.

In addition to ARPS, the fund has 4,259 shares issued and outstanding of Variable Rate Municipal Term Preferred Shares (VMTPS), series 2016/9. The outstanding VMTPS are redeemable at the option of the fund in whole or in part at the liquidation preference of \$25,000 per share, plus accumulated and unpaid dividends, but generally solely for the purpose of decreasing the leverage of the fund. The VMTPS are subject to a mandatory term redemption date of September 30, 2016 unless extended through negotiation with the private investors. Dividends on the VMTPS are cumulative and are set weekly to a fixed spread against the Securities Industry and Financial Markets Association Municipal Swap Index. During the six months ended April 30, 2014, the VMTPS dividend rates ranged from 1.28% to 1.37%. For the six months ended April 30, 2014, the average dividend rate was 1.30%.

In the fund's Statement of Assets and Liabilities, the VMTPS aggregate liquidation preference is shown as a liability since they have a stated mandatory redemption date. Dividends paid to VMTPS are treated as interest expense and recorded as incurred. For the six months ended April 30, 2014, interest expense related to VMTPS amounted to \$716,193 and is included in Interest expense and fees in the Statement of Operations. Costs directly related to the issuance of the VMTPS are considered debt issuance costs which have been deferred and are being amortized into expense over the life of the VMTPS. The period-end carrying value for the VMTPS in the fund's Statement of Assets and Liabilities is its liquidation value which approximates its fair value and would be considered level 2 under the fair value hierarchy.

Under the terms of a purchase agreement between the fund and the investor in VMTPS, there are investment-related requirements that are in various respects more restrictive than those to which the fund is otherwise subject in accordance with its investment objectives and policies, and may limit the investment flexibility that might otherwise be pursued by the fund if the VMTPS were not outstanding.

The fund is required to maintain certain asset coverage with respect to the ARPS and VMTPS as defined in the fund's By-Laws and the Investment Company Act of 1940 and, as such, is not permitted to declare common share dividends unless the fund's ARPS and VMTPS have a minimum asset coverage ratio of 200% after declaration of the common share dividends. With respect to the payment of dividends and as to the distribution of assets of the fund, ARPS and VMTPS rank on parity with each other, and are both senior in priority to the fund's outstanding common shares. To the extent that investments are purchased by the fund with proceeds from the issuance of preferred shares, including ARPS and VMTPS, the fund's net asset value will increase or decrease at a greater rate than a comparable unleveraged fund.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustees and Shareholders of MFS Municipal Income Trust:

We have reviewed the accompanying statement of assets and liabilities of MFS Municipal Income Trust (the Fund), including the portfolio of investments, as of April 30, 2014, and the related statement of operations, changes in net assets, and financial highlights for the six-month period ended April 30, 2014. These interim financial statements and financial highlights are the responsibility of the Fund's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements and financial highlights referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the financial statements of the Fund for the year ended October 31, 2013, including the statement of changes in net assets for the year ended October 31, 2013, and the financial highlights for each of the five years in the period ended October 31, 2013, presented herein, and in our report dated December 16, 2013, we expressed an unqualified opinion on such financial statements of the Fund.

DELOITTE & TOUCHE LLP

Boston, Massachusetts

June 13, 2014

Table of Contents

BOARD REVIEW OF INVESTMENT ADVISORY AGREEMENT

A discussion regarding the Board's most recent review and renewal of the fund's Investment Advisory Agreement with MFS is available by clicking on the fund's name under "Closed-End Funds" in the "Products" section of the MFS Web site (*mfs.com*).

PROXY VOTING POLICIES AND INFORMATION

MFS votes proxies on behalf of the fund pursuant to proxy voting policies and procedures that are available without charge, upon request, by calling 1-800-225-2606, by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

Information regarding how the fund voted proxies relating to portfolio securities during the twelve-month period ended June 30, 2013 is available without charge by visiting the Proxy Voting section of *mfs.com* or by visiting the SEC's Web site at <http://www.sec.gov>.

QUARTERLY PORTFOLIO DISCLOSURE

The fund will file a complete schedule of portfolio holdings with the Securities and Exchange Commission (the Commission) for the first and third quarters of each fiscal year on Form N-Q. A shareholder can obtain the quarterly portfolio holdings report at *mfs.com*. The fund's Form N-Q is also available on the EDGAR database on the Commission's Internet Web site at <http://www.sec.gov>, and may be reviewed and copied at the:

Public Reference Room

Securities and Exchange Commission

100 F Street, NE, Room 1580

Washington, D.C. 20549

Information on the operation of the Public Reference Room may be obtained by calling the Commission at 1-800-SEC-0330. Copies of the Fund's Form N-Q also may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov or by writing the Public Reference Section at the above address.

FURTHER INFORMATION

From time to time, MFS may post important information about the fund or the MFS funds on the MFS web site (*mfs.com*). This information is available by visiting the "Commentary & Announcements" and "Market Outlooks" sections of *mfs.com* or by clicking on the fund's name under "Closed-End Funds" in the "Products" section of *mfs.com*.

Table of Contents

CONTACT US

TRANSFER AGENT, REGISTRAR, AND

DIVIDEND DISBURSING AGENT

CALL

1-800-637-2304

9 a.m. to 5 p.m. Eastern time

WRITE

Computershare Trust Company, N.A.

P.O. Box 43078

Providence, RI 02940-3078

New York Stock Exchange Symbol: **MFM**

Table of Contents

ITEM 2. CODE OF ETHICS.

During the period covered by this report, the Registrant has not amended any provision in its Code of Ethics (the Code) that relates to an element of the Code s definitions enumerated in paragraph (b) of Item 2 of this Form N-CSR. During the period covered by this report, the Registrant did not grant a waiver, including an implicit waiver, from any provision of the Code.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable for semi-annual reports.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable for semi-annual reports.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable for semi-annual reports.

ITEM 6. SCHEDULE OF INVESTMENTS

A schedule of investments for each series of the Registrant is included as part of the report to shareholders of such series under Item 1 of this Form N-CSR.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable for semi-annual reports.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

There were no changes during this period.

Table of Contents**ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.****MFS Municipal Income Trust**

Period	(a) Total number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased under the Plans or Programs
11/01/13-11/30/13	0	N/A	0	4,114,618
12/01/13-12/31/13	0	N/A	0	4,114,618
1/01/14-1/31/14	0	N/A	0	4,114,618
2/01/14-2/28/14	0	N/A	0	4,114,618
3/01/14-3/31/14	0	N/A	0	4,118,763
4/01/14-4/30/14	0	N/A	0	4,118,763
Total	0		0	

Note: The Board of Trustees approves procedures to repurchase shares annually. The notification to shareholders of the program is part of the semi-annual and annual reports sent to shareholders. These annual programs begin on March 1st of each year. The programs conform to the conditions of Rule 10b-18 of the securities Exchange Act of 1934 and limit the aggregate number of shares that may be purchased in each annual period (March 1 through the following February 28) to 10% of the Registrant's outstanding shares as of the first day of the plan year (March 1). The aggregate number of shares available for purchase for the March 1, 2014 plan year is 4,118,763.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

There were no material changes to the procedures by which shareholders may send recommendations to the Board for nominees to the Registrant's Board since the Registrant last provided disclosure as to such procedures in response to the requirements of

Item 407 (c)(2)(iv) of Regulation S-K or this Item.

ITEM 11. CONTROLS AND PROCEDURES.

- (a) Based upon their evaluation of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as conducted within 90 days of the filing date of this Form N-CSR, the registrant's principal financial officer and principal executive officer have concluded that those disclosure controls and procedures provide reasonable assurance that the material information required to be disclosed by the registrant on this report is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

Table of Contents

- (b) There were no changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the second fiscal quarter covered by the report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

- (a) File the exhibits listed below as part of this form. Letter or number the exhibits in the sequence indicated.
- (1) Any code of ethics, or amendment thereto, that is the subject of the disclosure required by Item 2, to the extent that the registrant intends to satisfy the Item 2 requirements through filing of an exhibit.
- (2) A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2): Attached hereto.
- (b) If the report is filed under Section 13(a) or 15(d) of the Exchange Act, provide the certifications required by Rule 30a-2(b) under the Act (17 CFR 270.30a-2(b)), Rule 13a-14(b) or Rule 15d-14(b) under the Exchange Act (17 CFR 240.13a-14(b) or 240.15d-14(b)) and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350) as an exhibit. A certification furnished pursuant to this paragraph will not be deemed filed for the purposes of Section 18 of the Exchange Act (15 U.S.C. 78r), or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference: Attached hereto.

Table of Contents

Notice

A copy of the Amended and Restated Declaration of Trust of the Registrant is on file with the Secretary of State of the Commonwealth of Massachusetts and notice is hereby given that this instrument is executed on behalf of the Registrant by an officer of the Registrant as an officer and not individually and the obligations of or arising out of this instrument are not binding upon any of the Trustees or shareholders individually, but are binding only upon the assets and property of the respective constituent series of the Registrant.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant MFS MUNICIPAL INCOME TRUST

By (Signature and Title)* JOHN M. CORCORAN
John M. Corcoran, President

Date: June 13, 2014

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)* JOHN M. CORCORAN
John M. Corcoran, President
(Principal Executive Officer)

Date: June 13, 2014

By (Signature and Title)* DAVID L. DILORENZO
David L. DiLorenzo, Treasurer
(Principal Financial Officer
and Accounting Officer)

Date: June 13, 2014

* Print name and title of each signing officer under his or her signature.