MFS GOVERNMENT MARKETS INCOME TRUST Form N-Q April 28, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF

REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-05078

MFS GOVERNMENT MARKETS 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: November 30

Date of reporting period: February 28, 2014

ITEM 1. SCHEDULE OF INVESTMENTS.

QUARTERLY REPORT

February 28, 2014

MFS® GOVERNMENT MARKETS INCOME TRUST

PORTFOLIO OF INVESTMENTS

2/28/14 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

Bonds - 06-4%	Issuer	Shares/Par	Value (\$)
Agency - Other - 9.3% 5.446.506 Financing Corp., 10.7%, 1000/17 \$ 4,409.5000 \$ 5.446.506 Financing Corp., 10.7%, 1000/17 \$ 6,820,000 9.351,352 Aset-Backed & Securitized - 4.6% \$ 18,809.244 Aset-Backed & Securitized - 4.6% \$ 1,800,000 \$ 1,119,730 Cifigroup/Deutsche Bank Commercial Mortgage Trust, 5,72%, 1/211/49 1,200,000 \$ 1,214,530 Commercial Mortgage Trust, 5,72%, 1/574 502,644 553,488 Credit Suise Commercial Mortgage Trust, 5,77%, 5/1546 538,472 710,214 Credit Suise Commercial Mortgage Trust, 7,87,87,576,5746 538,472 710,214 Credit Suise Commercial Mortgage Securities Corp., RN, 5,819%, 8/10/45 778,598 559,463 PMorgan Chase Commercial Mortgage Securities Corp., A 4, FRN, 5,819%, 6/15/49 1,000,000 1,115,247 Time Warner Chible, Inc., 8,25%, 4/01/19 \$ 1,000,000 \$ 1,125,217 Time Warner Chible, Inc., 8,25%, 5/15/19 \$ 30,000 \$ 1,259,153 Chemical Co., 8,5%, 5/15/19 \$ 30,000 \$ 1,259,153 Chemical Co., 8,5%, 5/15/19 \$ 30,000 \$ 1,259,153 Chemical Co., 8,5%, 5/15/19 \$ 30,000	Bonds - 96.4%		
Financing Corp., 10.7%, 1006/17 \$ 4.005,000 \$ 5.446,508 Financing Corp., 94%, 208/18 \$ 6.820,000 9.351,352 Asset-Backed & Scentrized - 4.6% \$ 18,809,244 Chigroup Commercial Mortgage Trust, FRN, 5.706%, 12/10/49 \$ 1.000,000 \$ 1.119,730 Control End & Control Mortgage Trust, FRN, 5.706%, 12/10/49 \$ 1.000,000 \$ 1.113,730 Control State Control Mortgage Trust, FRN, 5.706%, 12/10/49 \$ 1.000,000 \$ 1.133,450 Control State Control Mortgage Trust, FRN, 5.756%, 9/15/39 \$ 502,644 \$ 1.383,530 Control State Control Mortgage Trust, A. F.18, 5.756%, 9/15/39 \$ 502,644 \$ 1.889,244 OvCapital Lick, Jak, FRN, 5.77%, 5/15/46 \$ 608,472 \$ 710,214 OvCapital Control Lick, Jak, FRN, 5.75%, 9/15/36 \$ 728,58 \$ 573,483 PMorgan Chase Commercial Mortgage Scentrities Corp., A&, FRN, 5.919%, 2/15/51 \$ 405,782 \$ 408,772 Ordina State Mortgage Scentrities Corp., A FRN, 5.919%, 2/15/51 \$ 405,782 \$ 408,772 Cable TV - 0.6% \$ 1.000,000 \$ 1.118,724 Cable TV - 0.6% \$ 9,206,846 \$ 9,206,846 Cable TV - 0.6% \$ 1.29,153 \$ 1.29,153	U.S. Bonds - 88.6%		
Financing Corp., 9.4%, 208/18 3.085,000 4.011.296 Financing Corp., 10.35%, 803/18 6.820,000 9.351,352 Aset-Backel & Securitied - 4.6% \$18,809,244 Aset-Backel & Securitied - 4.6% \$1,107,300 Citigroup/Deutsch Bnak Commercial Morgage Trust, 5.322%, 12/11/49 1.200,000 Citigroup/Deutsch Bnak Commercial Morgage Trust, 4., 5.306%, 12/10/46 1.324,500 Contentical Morgage Parse, 7A. 4, PNR, 5.756%, 701/59 502,644 Credit Suise Commercial Morgage Trust, 4., 1978, 5.176%, 71/59 502,644 Coldman Saths Morgage Capital Certificate, 5.11%, 12/15/9 503,000 Coldman Saths Morgage Securities Corp., FRN, 5.819%, 8/10/45 778,595 PMorgan Chase Commercial Morgage Securities Corp., A , FRN, 5.939%, 2/15/51 405,782 PMorgan Chase Commercial Morgage Securities Corp., A , FRN, 5.813%, 6/15/49 1.000,000 Time Warmer Cable, Inc., 8.25%, 5/15/19 \$1,000,000 \$1,115,273 Cole TV - 0.6% \$1,000,000 \$1,115,273 Chemical Co., 8.55%, 5/15/19 \$3,0000 \$1,250,153 Chemical Co., 8.55%, 5/15/19 \$3,0000 \$1,250,153 Chemical Co., 8.55%, 5/15/19 \$3,0000 \$1,250,153 <td>Agency - Other - 9.3%</td> <td></td> <td></td>	Agency - Other - 9.3%		
Financing Corp., 10.35%, 803/18 6,820,000 9,351,352 Asset-Backel & Scuritized - 4.6% \$18,809,244 Cifigroup Commercial Mortgage Trust, FRN, 5.706%, 12/1049 \$1,000,000 \$1,119,730 Cifigroup/Deutsche Bank Commercial Mortgage Trust, A 3,300%, 12/1049 \$1,000,000 \$1,245,50 Commercial Mortgage Vast-Through Certificates, 4,311%, 12/1349 \$000,000 \$1,245,50 Commercial Mortgage Vast-Through Certificates, 4,4 \$1,80,179 \$000,000 \$41,498 CWCapital Cobalt Lid., A4, FRN, 5.786%, 91/579 \$000,000 \$44,398 CWCapital Cobalt Lid., A4, FRN, 5.786%, 91/579 \$000,000 \$44,398 Goldman Sachs Mortgage Securities Corp., FNN, 5.819%, 81/045 \$778,598 \$89,463 PMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5.813%, 61/5/49 \$1,000,000 \$1,115,247 Cable TV - 0.6% \$9,206,846 \$1,259,153 \$408,726 Time Warner Cable, Inc., 8.25%, 51/5/19 \$5,00000 \$6,6706 Energy - Independent - 0.0% \$9,0000 \$1,126,528 Kraft Foods Group, Inc, 6.125%, 8/23/18 \$9,60,000 \$1,126,528 Load Authorities - 1.9% Nashidle Abardes Bonds), 76, 74,44%, 101/40 \$2,000,00 \$1,126,528 Load Authorities - 1.9% Nashidle America Bonds), 5,77%, 5/15/43 \$3,0000 \$2,11,750 Mayor Banks		\$ 4,095,000	\$ 5,446,596
Aset-Backed & Sccuritized - 4.6% \$ 18,809,244 Aset-Backed & Sccuritized - 4.6% \$ 1,000,000 \$ 1,119,730 Crifgroup/Deutsche Back Commercial Morgage Trust, 5.322%, 12/11/49 1,200,000 1,224,550 Commercial Morgage Parst, A. 4, 5306%, 12/10/46 1,386,646 1,480,142 Credit Suiss Commercial Morgage Trust, A. 1,78,576%, 91/5/9 502,644 553,488 Credit Suiss Commercial Morgage Trust, A. 1,78,576%, 91/5/9 500,000 544,498 WCApital LCD, A. 1, FRN, 5778, 51/5/4 638,472 710,214 CWCapital Cobat Ld, A. 4, FRN, 578, 51/5/4 1,000,000 1,081,788 Goldman Sachs Morgage Sccurities Corp., RJ, J. FRN, 5939%, 2/15/51 405,782 408,726 IPMorgan Chase Commercial Morgage Sccurities Corp., A4, FRN, 5813%, 6/15/49 1,000,000 \$ 1,115,247 Cable TV - 0.6% \$ 90,0000 \$ 1,259,153 Cable TV - 0.6% \$ 90,0000 \$ 1,259,153 Dew Chemical Co., 8,55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% \$ 80,000 \$ 1,255,28 Local Auborities - 1.9% Nabitie & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6%, 11/01/40 <t< td=""><td></td><td>3,085,000</td><td>4,011,296</td></t<>		3,085,000	4,011,296
Asset-Backed & Securitized - 4.6% 5 \$1,000,000 \$1,119,730 Citigroup Chemical Morgage Trust, FRN, 5,706%, 12/10/49 1,200,000 \$1,124,550 Commarcial Morgage Parst, FNN, 5,706%, 12/10/49 1,200,000 \$1,24,550 Commarcial Morgage Parst, FNN, 5,776%, 9/15/39 502,644 553,488 Credit Suisse Commercial Morgage Trust, FNN, 5,776%, 9/15/39 500,000 \$44,498 Credit Suisse Commercial Morgage Securities Corp., 74,9 (70,214) (70,214) CWCapital Could Lul, A,4, FNN, 5,776%, 5/15/40 (78,724) (71,0214) CWCapital Could Lul, A,4, FNN, 5,776%, 5/15/40 (78,724) (71,0214) CWCapital Could Lul, A,4, FNN, 5,776%, 5/15/40 (78,724) (71,0214) CWCapital Could Lul, A,4, FNN, 5,776%, 5/15/40 (78,724) (70,214) PMorgan Chase Commercial Mortgage Securities Corp., A4, FNN, 5,813%, 6/15/49 1,000,000 1,125,247 Cable TV - 0.6% \$9,206,846 \$9,206,846 \$1,259,153 Chemicals - 0.3% \$9,0000 \$\$1,259,153 \$1,259,153 Chemicals - 0.3% \$9,0000 \$\$1,269,153 Chemicals - 0.3% \$9,0000 \$\$\$1,265,28 <	Financing Corp., 10.35%, 8/03/18	6,820,000	9,351,352
Citigroup Commercial Mortgage Trust, 51276, 12/11/49 \$1,000,000 \$1,119,730 Citigroup/Deutsche Bank Commercial Mortgage Trust, 53227, 12/11/49 1,200,000 \$1,2324,550 Commercial Mortgage Pass-Through Certificates, A4, 5,306%, 12/10/46 1,366,646 1,489,142 Credit Suiss Mortgage Capital Continue, 5,31278, 12/11/39 500,000 544,4498 CWCapital Cobat Ltd., A4, FRN, 57766, 915/39 500,200 544,498 CWCapital Cobat Ltd., A4, FRN, 57766, 915/39 608,472 710,214 Mortgage Securities Corp., RN, 5,8198, 810/45 778,598 859,463 BrMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5,9398, 2/15/51 408,752 408,752 JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5,813%, 6/15/49 1,000,000 1,115,247 Time Warmer Cable, Inc., 8,25%, 4/01/19 \$1,000,000 \$1,259,153 Chemicals - 0.3% \$1,000,000 \$1,259,153 Dow Chemical Co., 8,55%, 5/15/19 \$30,000 \$37,895 Food & Breverages - 0.6% Kraft Foods Group, Inc., 6,125%, 8/23/18 \$960,000 \$1,265,28 Local Authorities - 1.9% Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 65, 11,01,400 \$20,000 \$52,103 <tr< td=""><td></td><td></td><td>\$ 18,809,244</td></tr<>			\$ 18,809,244
Citigrop/Deutsche Bank Commercial Mortgage Trust, 53:22%, 12/11/49 1,200,000 1,324,550 Commercial Mortgage Pass-Though Certificates, 53:11%, 12/15/39 502,644 553,488 Credit Suisse Mortgage Pass-Though Certificates, 53:11%, 12/15/39 500,000 \$44,498 CWCapital Cobalt Lal, A4, FRN, 5.77%, 5/15/46 638,472 710,214 CWCapital Cobalt Lal, A4, FRN, 5.77%, 5/15/46 638,472 710,214 CWCapital Cobalt Lal, A4, FRN, 5.71%, 5/15/46 638,472 710,214 CWCapital Cobalt Lal, A4, FRN, 5.71%, 5/15/46 638,472 710,214 CWCapital Cobalt Lal, A4, FRN, 5.819%, 8/10/45 778,598 859,463 PMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5.813%, 6/15/49 1,000,000 1,115,247 Cable TV - 0.6% \$ \$ 2,006,846 \$ Cable TV - 0.6% \$ 500,000 \$ 1,259,153 Cable Severages - 0.6% \$ 500,000 <			
Commercial Mortgage Pass-Through Certificates, A4, 5306%, 12/10/46 1.489, 142 Credit Suisse Commercial Mortgage Tust, A4, FRN, 5576%, 9/15/39 502, 644 553, 488 Credit Suisse Commercial Mortgage Tust, A4, FRN, 5576%, 9/15/39 500,000 544, 498 CWCapital Ldc, A4, FRN, 577%, 5/15/46 638, 472 710,214 CWCapital Ldc, 52, 223%, 8/15/48 100,000 1.081, 788 Goldman Sachs Mortgage Securities Corp., FRN, 5, 819%, 8/10/45 778, 599%, 2/15/51 405, 782 408, 726 PMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5, 939%, 2/15/51 405, 782 408, 726 PMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5, 939%, 2/15/51 405, 782 408, 726 PMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5, 813%, 6/15/49 1,000,000 1,115, 247 Cable TV - 0.6% Time Warmer Cable, Inc., 8, 25%, 4/01/19 \$1,000,000 \$1,259, 153 Chemicals - 0.3% Dow Chemical Co., 8, 55%, 5/15/19 \$5,000,00 \$6,646, 706 Energy - Independent - 0.0% Hess Corp., 8, 125%, 8/23/18 \$960,000 \$1,126, 528 Local Authorities - 1.9% NashVille & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6, 51,300,000 \$6, 605, 70 New Jersey Tumpike Authority Rev. (Build America Bonds), F, 7,414%, 1/01/40 \$2,000 \$5, 090,000 \$6, 092, 101 Sate of California (Rouid America Bonds), 7, 74,14%, 1/01/40 \$2,000 \$5, 092, 101 Sate of California (Rouid America Bonds), 7, 7, 4, 14%, 1/01/40 \$2,000 \$5, 229, 101 Sate of California (Rouid America Bonds), 7, 7, 5, 5/15/43 \$5, 00,000 \$2, 210, 125, 228 Major Banks - 0.7% Bank of America Corp., 7, 76, 25%, 601/19 \$170,000 \$2, 211, 750 Bank of America Corp., 7, 6, 25%, 3/15/23 \$5, 00,000 \$2, 210, 211, 750 Bank of America Corp., 7, 6, 25%, 5/16/16 \$5, 00,000 \$2, 210, 211, 750 Bank of America Corp., 7, 6, 25%, 5/16/16 \$5, 00,000 \$2, 210, 211, 750 Bank of America Corp., 7, 6, 25%, 601/19 Goldman Satesh Corp. & Gold, Inc., 3, 875%, 3/15/23 \$5, 00,000 \$2, 483, 867 Mortgage-Backed - 44, 9% Fennie Mee, 4, 778, 701/14 \$6, 265, 812, 212, 223 Metals & Mining - 0.3% Freeport-McMok	61 66		
Credit Suisse Commercial Morgage Entraits, 1/21/3/9 502,644 \$53,488 Credit Suisse Morgage Capital Cortificate, 5.31/88, 21/3/39 500,000 \$44,498 CWCapital LCG, 5,223%, 8/15/46 638,472 710,214 CWCapital LCG, 5,223%, 8/15/48 1,000,000 1,081,788 Goldman Sach Morgage Securities Corp., A3, FRN, 5,819%, 8/10/45 778,598 889,463 PMorgan Chase Commercial Morgage Securities Corp., A4, FRN, 5,813%, 6/15/49 1,000,000 1,115,247 Cable TV - 0.6% \$ 9,206,846 \$ 1,000,000 \$ 1,115,247 Chemical - 0.3% Dow Chemical Co., 8,55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% \$ 30,000 \$ 37,895 Food & Bevergase - 0.6% Kraft Foods Group, Inc., 6,125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% Nature Constitue Convention Center Authority (Build America Bonds), 6, 7,174, 57,000 \$ 580,000 \$ 640,670 New Views Outloon County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6, 7,116,528 \$ 580,000 \$ 1,126,528 Local Authorities - 1.9% Nature Rev. (Build America Bonds), 7,74,54,1701/40 32,000 \$ 59,101 New Viewsty Orangite Authority Rev. (Build America Bonds), 7,76,511/543 <td></td> <td></td> <td></td>			
Credit Suisse Mortgage Capital Centrificate, 5.311%, 1215/29 \$500.000 \$44.498 CWCapital Cohal Lid, A. 4, FRN, 5.77%, 5/15/46 \$638.472 710.214 CWCapital LLC, 5.223%, 8/15/48 1,000.000 1,081.788 Goldman Sachs Mortgage Scurities Corp., RN, 5.819%, 8/10/45 778,598 859,463 JPMorgan Chase Commercial Mortgage Scurities Corp., A3, FRN, 5.939%, 2/15/51 405,782 408,726 JPMorgan Chase Commercial Mortgage Scurities Corp., A4, FRN, 5.813%, 6/15/49 1,000,000 1,115,247 Cable TV - 0.6% \$1,000,000 \$1,1259,153 Chemicals - 0.3% Dow Chemical Co., 8.25%, 5/15/19 \$500,000 \$1,259,153 Chemicals - 0.3% \$30,000 \$37,895 Food & Beverages - 0.6% \$30,000 \$37,895 Food & Beverages - 0.6% \$\$1,126,528 \$200,600 \$1,126,528 Local Authorities - 1.9% Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6,731 %, 7101/40 \$580,000 \$6,6070 Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6,76,7104,700 \$2,000 \$2,9101 Naw Terex Drunpike Authority Rev. (Build America Bonds), 5,77			
CWCapital LCbalt Lid., A4 , FEN, 5.77%, 5/15/46 638,472 710.214 CWCapital LCb, 5223%, 8/15/48 1,000,000 1,081,788 Goldman Sacha Mortgage Securities Corp., FAN, 5.819%, 8/10/45 778,598 889,763 JPMorgan Chase Commercial Mortgage Securities Corp., A3 , FRN, 5.813%, 6/15/9 1,000,000 1,115,247 Cable TV - 0.6% \$ 9,206,846 \$ 9,206,846 Cable TV - 0.6% \$ 1,000,000 \$ 1,152,9173 Dow Chemical Co., 8.55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% # # Hess Corp., 8.125%, 2/15/19 \$ 30,000 \$ 37,895 Food & Beverages - 0.6% # # Kraft Foods Group, Inc., 6.125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% Nativitle & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6/3, 11/01/40 32,000 45,301 State of California (Build America Bonds), F, 7,414%, 1/01/40 \$ 32,000 \$ 92,013 University of California Rev. (Build America Bonds), 5.77%, 5/15/43 \$ 170,000 \$ 21,175 Goldman Stack Group, Inc., 6,65%, 5/16/16 \$ 170,000 \$ 22,103 <			,
CWCapital LLC, 522%, 8/15/48 1,000,000 1,081,788 Goldman Sachs Mortgage Sccurities Corp., FRN, 5.819%, 8/10/45 778,598 859,463 JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5939%, 2/15/51 405,782 408,726 JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5.813%, 6/15/49 1,000,000 1,115,247 Imme Warner Cable, Inc., 8.25%, 4/01/19 \$ 9,206,846 \$ 9,206,846 Cable TV - 0.6% \$ 1,000,000 \$ 1,259,153 Chemicals - 0.3% \$ 500,000 \$ 646,706 Dow Chemical Co, 8,55%, 5/15/19 \$ 500,000 \$ 646,706 Eaergy - Independent - 0.0% \$ 30,000 \$ 1,125,218 Food & Beverages - 0.6% \$ 30,000 \$ 1,126,528 Local Authoritis - 1.9% \$ 1,000,000 \$ 1,126,528 Local Authoritis - 1.9% \$ 580,000 \$ 60,670 Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 67,31%, 7/01/43 \$ 580,000 \$ 690,670 New Jerse TUmpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 1,650,000 1,968,021 State of California Rev. (Build America Bonds), 5,77%, 5/15/43 450,000 \$			
Goldman Sachs Mortgage Securities Corp., FRN 5, 819%, 8/10/45 778,598 859,463 PMorgan Chase Commercial Mortgage Securities Corp., A4 , FRN, 5,93%, 2/15/51 405,782 408,726 PMorgan Chase Commercial Mortgage Securities Corp., A4 , FRN, 5,813%, 6/15/49 1,000,000 1,115,247 Cable TV - 0.6% \$ 9,206,846 \$ 9,206,846 Cable TV - 0.6% \$ 1,000,000 \$ 1,259,153 Chemicals - 0.3% \$ 500,000 \$ 1,259,153 Chemical Co., 8,55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% \$ 800,000 \$ 1,126,528 Local Authorities - 1.9% \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% \$ 580,000 \$ 1,126,528 Local Authorities - 1.9% \$ 580,000 \$ 1,126,528 Local Authorities - 0.6% \$ 580,000 \$ 5,139,130 San Fracisco, CA, City & County Rev. (Build America Bonds), F - 7,414%, 1/01/40 \$ 2,000 \$ 52,103 San Fracisco, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40		,	
JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5.939%, 2/15/51 405,782 405,782 405,782 JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5.813%, 6/15/49 1,000,000 1,115,247 Cable TV - 0.6% \$ 9,206,846 Cable TV - 0.6% \$ 1,000,000 \$ 1,259,153 Chemical Co., 8,55%, 5/15/19 \$ 500,000 \$ 12,59,153 Chemical Co., 8,55%, 5/15/19 \$ 500,000 \$ 646,076 Energy - Independent - 0.0% # # Hess Corp., 8,125%, 2/15/19 \$ 30,000 \$ 1,126,528 Food & Reverages - 0.6% \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% \$ 960,000 \$ 1,126,528 Nachville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6,731%, 7/01/40 \$ 580,000 \$ 690,670 New Jersey Turnpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 \$ 580,000 \$ 529,103 State of California (Build America Bonds), F , 7,7414%, 1/01/40 \$ 20,000 \$ 529,103 University of California Rev. (Build America Bonds), F, 7,7414%, 1/01/40 \$ 20,000 \$ 529,103 University of California Rev. (Build America Bonds), F, 7,7414%, 1/01/40 \$ 20,000 \$ 529,103 Univ	1		
JPMorgan Chase Commercial Morgage Securities Corp., A4 , FRN, 5.813%, 6/15/49 1,000,000 1,115,247 S 9,206,846 Cable TV - 0.6% Time Warner Cable, Inc., 8.25%, 4/01/19 \$ 1,000,000 \$ 1,259,153 Chemical Co., 8.55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% Hess Corp., 8.125%, 2/15/19 \$ 500,000 \$ 3,7895 Food & Beverages - 0.6% Kraft Foods Group, Inc., 6.125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6,71%, 7/10/43 \$ 580,000 \$ 5,125,200 45,391 State of California (Build America Bonds), 7.6%, 11/01/40 32,000 45,391 State of California (Build America Bonds), 5.77%, 5/15/1/3 \$ 580,000 \$ 211,750 Goldman Sachs Group, Inc., 6,25%, 5/16/16 \$ 170,000 \$ 211,750 Goldman Sachs Group, Inc., 6,05%, 5/16/16 \$ 5,757%, 5/15/13 \$ 500,000 \$ 212,750 Metals & Mining - 0.3% Freeport-McMoRan Copper & Gold, Inc., 3.875%, 3/15/23 \$ 500,000 \$ 433,867 Mortgage-Backed - 4,49% Fannie Mae, 4,77%, 7/01/14 \$ 425,388 \$ 426,698 Fannie Mae, 4,718%, 7/01/14 \$ 700,014 \$ 700,014 Fannie Mae, 4,718%, 7/01/14 \$ 700,014 Fannie Mae, 4,77%, 7/01/14 \$ 700,014 Fannie Mae, 4,77%, 7/01/14 \$ 700,014 \$ 700,014 Fannie Mae, 4,77%, 7/01/14 \$ 700,014 \$ 700,014 \$ 700,014 \$ 700,014 \$ 700,014 \$ 700,015 \$ 700,014 \$ 700,015 \$ 700,014 \$ 700,014 \$ 700,015 \$ 700,014 \$ 700,014 \$ 700,01			
Cable TV - 0.6% \$ 9,206,846 Time Warner Cable, Inc., 8.25%, 4/01/19 \$ 1,000,000 \$ 1,259,153 Chemicals - 0.3% Dow Chemical Co., 8.55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% Hess Corp., 8.125%, 2/15/19 \$ 30,000 \$ 37,895 Food & Beverages - 0.6% Kraft Foods Group, Inc., 6.125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6,731%, 7/01/43 \$ 580,000 \$ 690,670 New Jersey Tumpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 \$ 580,000 \$ 690,670 New Jersey Tumpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 \$ 20,000 \$ 522,103 San Francisco, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 \$ 20,000 \$ 529,101 Sate of California Rev. (Build America Bonds), 7.6%, 11/01/40 \$ 3,825,286 \$ 3,825,286 Major Banks - 0.7% Bank of America Corp., 7,625%, 6/01/19 \$ 1,70,000 \$ 211,750 Goldman Sachs Group, Inc., 3,625%, 1/22/23 \$ 466,000 \$ 439,816 Metril & Lynch & Co., Inc., 6.05%, 5/16/16 750,000 \$ 22,633 Freeport-McMoRan Coppe		,	
Cable TV - 0.6% S 1,000,000 \$ 1,259,153 Time Warner Cable, Inc., 8.25%, 4/01/19 S 500,000 \$ 646,706 Dow Chemical Co., 8.55%, 5/15/19 \$ 500,000 \$ 646,706 Energy - Independent - 0.0% Hess Corp., 8.125%, 2/15/19 \$ 30,000 \$ 37,895 Food & Beverages - 0.6% Kraft Foods Group, Inc., 6.125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authorities - 1.9% Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6.731%, 7/01/43 \$ 580,000 \$ 690,670 New Jersey Tumpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 32,000 45,391 San Francisso, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 1,650,000 1,968,021 San Francisso, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 1,650,000 1,968,021 San Francisso, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 1,650,000 1,968,021 San Francisso, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 1,860,000 529,103 University of California Rev. (Build America Bonds), 5,77%, 5/15/43 500,000 \$ 211,750 Goldman Sachs Group, Inc., 3	JPMorgan Chase Commercial Morigage Securities Corp., A4, FKN, 5.815%, 6/15/49	1,000,000	1,115,247
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Chemicals - 0.3% \$ 500,000 \$ 646,706 Energy - Independent - 0.0% # Hess Corp., 8.125%, 2/15/19 \$ 30,000 \$ 37,895 Food & Beverages - 0.6% * Kraft Foods Group, Inc., 6.125%, 8/23/18 \$ 960,000 \$ 1,126,528 Local Authoritis - 1.9% * * Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), \$ 580,000 \$ 690,670 S 731%, 7/01/43 \$ 580,000 \$ 690,670 \$ 690,670 New Jersey Turnpike Authority Rev. (Build America Bonds), F , 7,414%, 1/01/40 \$ 580,000 \$ 690,670 Sur Francisco, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 11/01/40 \$ 420,000 \$ 592,103 University of California (Build America Bonds), 5,77%, 5/15/43 450,000 \$ 592,103 University of California Rev. (Build America Bonds), 5,77%, 5/15/43 \$ 170,000 \$ 211,750 Goldman Sachs Group, Inc., 3,625%, 1/22/23 446,000 439,816 Merrial Lynch & Co, Inc., 6,05%, 5/16/16 \$ 500,000 \$ 483,867 Mortgage-Backed - 44.9% \$ 500,000 \$ 483,867 Mortgage-Backed - 44.9% \$ 425,388 \$ 426,698 <t< td=""><td></td><td>¢ 1 000 000</td><td>¢ 1.050.152</td></t<>		¢ 1 000 000	¢ 1.050.152
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Mortgage-Backed - 44.9% Fannie Mae, 4.77%, 7/01/14 \$ 425,388 Fannie Mae, 4.718%, 8/01/14 607,616 609,531	6	\$ 500,000	\$ 483.867
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Fannie Mae, 4.718%, 8/01/14 607,616 609,531		_	
Fannie Mae, 5.1%, 9/01/14 466,474 467,866			,
	Fannie Mae, 5.1%, 9/01/14	466,474	467,866

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
Mortgage-Backed - continued		
Fannie Mae, 4.82%, 1/01/15	\$ 855,855	\$ 870,310
Fannie Mae, 4.86%, 1/01/15	135,779	138,061
Fannie Mae, 4.85%, 2/01/15	302,723	308,861
Fannie Mae, 4.89%, 3/01/15	359,044	367,592
Fannie Mae, 4.74%, 4/01/15	344,918	354,163
Fannie Mae, 4.87%, 5/01/15	320,116	329,839
Fannie Mae, 4.815%, 6/01/15	513,430	529,334
Fannie Mae, 4.78%, 8/01/15	479,484	497,357
Fannie Mae, 5.463%, 11/01/15	772,924	815,555
Fannie Mae, 5.432%, 2/01/16	614,865	659,784
Fannie Mae, 5.845%, 6/01/16	161,434	169,559
Fannie Mae, 5.5%, 11/01/16 - 2/01/37	1,445,507	1,620,332
Fannie Mae, 5.09%, 12/01/16	492,556	540,382
Fannie Mae, 5.05%, 1/01/17	495,405	535,292
Fannie Mae, 5.3%, 4/01/17	540,489	586,787
Fannie Mae, 5.5%, 4/01/17 Fannie Mae, 1.9%, 6/01/17	164,509	167,192
	2,744,123	3,022,897
Fannie Mae, 6%, 8/01/17 - 7/01/37 Fannie Mae, 5.5%, 9/01/17 - 3/01/38	8,789,857	9,732,602
Fannie Mae, 4.88%, 3/01/20	195.837	213,708
Fannie Mae, 2.41%, 5/01/23	136,313	130,766
Fannie Mae, 2.55%, 5/01/23	117,501	113,956
Fannie Mae, 2.59%, 5/01/23	74,116	72,043
Fannie Mae, 3%, 4/01/27 Fannie Mae, 2.5%, 5/01/28	787,313	816,108
	248,986	250,679
Fannie Mae, 5%, 6/01/35 - 3/01/40	1,324,088	1,452,602
Fannie Mae, 4%, 2/01/41	2,135,313	2,240,560
Fannie Mae, 4.5%, 2/01/41 - 4/01/41	1,157,406	1,247,546
Fannie Mae, 3.5%, 4/01/43	860,376	873,319
Fannie Mae, TBA, 3%, 3/01/29	814,000	842,617
Fannie Mae, TBA, 4%, 3/01/44	4,726,000	4,953,439
Fannie Mae, TBA, 4.5%, 5/01/44	4,915,000	5,247,530
Freddie Mac, 3.034%, 10/25/20	291,000	301,911
Freddie Mac, 1.426%, 8/25/17	1,112,000	1,120,652
Freddie Mac, 2.699%, 5/25/18	800,000	833,624
Freddie Mac, 2.412%, 8/25/18	1,152,000	1,186,440
Freddie Mac, 2.303%, 9/25/18	275,000	281,396
Freddie Mac, 2.323%, 10/25/18	499,000	510,307
Freddie Mac, 2.13%, 1/25/19	1,575,000	1,591,342
Freddie Mac, 5.085%, 3/25/19	752,000	856,165
Freddie Mac, 4.186%, 8/25/19	600,000	660,648
Freddie Mac, 6%, 5/01/21 - 10/01/38	1,460,701	1,633,291
Freddie Mac, 2.682%, 10/25/22	189,000	184,358
Freddie Mac, 3.32%, 2/25/23	433,000	441,015
Freddie Mac, 3.3%, 4/25/23	429,471	437,097
Freddie Mac, 3.06%, 7/25/23	181,000	179,683
Freddie Mac, 3.458%, 8/25/23	367,000	375,695
Freddie Mac, 4.5%, 9/01/24 - 8/01/40	1,500,133	1,610,674
Freddie Mac, 5.5%, 10/01/24 - 6/01/36	1,872,392	2,079,516
Freddie Mac, 2.5%, 5/01/28 - 7/01/28	5,501,797	5,541,443
Freddie Mac, 6.5%, 5/01/37	390,717	438,603
Freddie Mac, 5%, 4/01/40	4,277,491	4,670,279
Freddie Mac, 3.5%, 5/01/42 - 7/01/43	6,688,570	6,773,690
Freddie Mac, 3%, 4/01/43 - 5/01/43	2,539,431	2,467,689

2

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
Mortgage-Backed - continued		
Freddie Mac, 4%, 11/01/43	\$ 643,774	\$ 673,842
Freddie Mac, TBA, 4%, 3/01/44	249,000	260,331
Ginnie Mae, 5.5%, 7/15/33 - 1/20/42	2,247,103	2,499,364
Ginnie Mae, 4%, 8/15/40 - 4/20/41	428,331	455,012
Ginnie Mae, 4.5%, 9/20/41	474,140	516,389
Ginnie Mae, 3.5%, 4/15/42 - 7/20/43	5,285,133	5,451,828
Ginnie Mae, 3%, 7/20/43	1,430,721	1,421,087
Ginnie Mae, 5.612%, 4/20/58	499,615	520,849
Ginnie Mae, 6.357%, 4/20/58	386,821	407,576
Ginnie Mae, TBA, 4%, 3/01/44	3,000,000	3,181,406
Natural Gas - Pipeline - 0.7%		\$ 90,768,069
Energy Transfer Partners LP, 8.5%, 4/15/14	\$ 17,000	\$ 17,149
Energy Transfer Partners LP, 8.3%, 4/15/14 Enterprise Products Operating LLC, 3.9%, 2/15/24	\$ 17,000 29,000	⁵ 17,149 29,186
Kinder Morgan Energy Partners LP, 6.85%, 2/15/20	1,000,000	1,190,672
Williams Partners LP, 5.4%, 3/04/44	58,000	58,635
	50,000	\$ 1,295,642
Network & Telecom - 0.2%		
Verizon Communications, Inc., 8.75%, 11/01/18	\$ 292,000	\$ 375,109
Other Banks & Diversified Financials - 0.2%		
Capital One Bank (USA) N.A., 3.375%, 2/15/23	\$ 336,000	\$ 325,995
Citigroup, Inc., 8.5%, 5/22/19	\$0,000	103,044
		\$ 429,039
Real Estate - 0.4%	¢ 750.000	¢ 044.722
Simon Property Group, Inc., REIT, 5.875%, 3/01/17	\$ 750,000	\$ 844,732
Supranational - 0.1%		
Inter-American Development Bank, 4.375%, 1/24/44	\$ 158,000	\$ 162,703
Tobacco - 0.6%	¢ 111.000	¢ 147595
Altria Group, Inc., 9.7%, 11/10/18	\$ 111,000	\$ 147,585
Altria Group, Inc., 9.25%, 8/06/19	55,000	73,206
Altria Group, Inc., 4%, 1/31/24 Lorillard Tobacco Co., 8.125%, 6/23/19	14,000 796,000	13,997 992,630
Lonnard Tobaco Co., 6.125%, 0/25/19	790,000	992,030
U.S. Government Agencies and Equivalents - 3.0%		\$ 1,227,418
Aid-Egypt, 4.45%, 9/15/15	\$ 1,755,000	\$ 1,863,750
Hashemite Kingdom of Jordan, 2.503%, 10/30/20	418,000	420,239
Private Export Funding Corp., 1.875%, 7/15/18	460,000	466,065
Small Business Administration, 6.35%, 4/01/21	213,201	233,846
Small Business Administration, 6.34%, 5/01/21	172,473	188,423
Small Business Administration, 6.44%, 6/01/21	185,223	204,706
Small Business Administration, 6.625%, 7/01/21	197,772	217,849
Small Business Administration, 5.52%, 6/01/24	367,311	402,199
Small Business Administration, 2.21%, 2/01/33	313,219	295,838
Small Business Administration, 2.22%, 3/01/33	534,691	505,143
Small Business Administration, 3.15%, 7/01/33	446,858	448,757
Small Business Administration, 3.62%, 9/01/33	400,000	412,412
Tennessee Valley Authority, 1.75%, 10/15/18	292,000	294,176
······································	2,2,000	

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
U.S. Government Agencies and Equivalents - continued		
U.S. Department of Housing & Urban Development, 6.36%, 8/01/16	\$ 70,000	\$ 70,608
U.S. Department of Housing & Urban Development, 6.59%, 8/01/16	113,000	113,788
		,
		\$ 6,137,799
U.S. Treasury Obligations - 20.2%		
U.S. Treasury Bonds, 5.25%, 2/15/29	\$ 1,448,000	\$ 1,814,978
U.S. Treasury Bonds, 4.75%, 2/15/37	2,000,000	2,425,000
U.S. Treasury Bonds, 4.375%, 2/15/38	4,842,000	5,566,789
U.S. Treasury Bonds, 4.5%, 8/15/39	5,097,100	5,977,145
U.S. Treasury Bonds, 3.125%, 2/15/43	453,700	414,994
U.S. Treasury Notes, 4%, 2/15/15	4,140,000	4,292,178
U.S. Treasury Notes, 0.875%, 12/31/16	2,887,000	2,906,173
U.S. Treasury Notes, 4.75%, 8/15/17 (f)	3,389,000	3,829,834
U.S. Treasury Notes, 2.625%, 4/30/18	2,272,000	2,403,172
U.S. Treasury Notes, 2.75%, 2/15/19	1,654,000	1,752,206
U.S. Treasury Notes, 3.125%, 5/15/19	300,000	323,133
U.S. Treasury Notes, 2.625%, 8/15/20	162,000	168,328
U.S. Treasury Notes, 3.125%, 5/15/21	240,000	255,469
U.S. Treasury Notes, 1.75%, 5/15/22	6,133,000	5,834,495
U.S. Treasury Notes, 2.5%, 8/15/23	2,903,000	2,880,092
		\$ 40,843,986
Total U.S. Bonds		\$ 178,956,851
Foreign Bonds - 7.8%		
Brazil - 0.8%		
Banco do Nordeste do Brasil (BNB), 3.625%, 11/09/15 (n)	\$ 253,000	\$ 256,479
BNDES Participacoes S.A., 6.5%, 6/10/19 (n)	475,000	524,875
Federative Republic of Brazil, 11%, 8/17/40	183,000	208,254
Federative Republic of Brazil, 5.625%, 1/07/41	323,000	317,348
Vale Overseas Ltd., 6.875%, 11/10/39	165,000	177,275
Vale Overseas Ltd., 4.625%, 9/15/20	104,000	109,276
Canada - 1.2%		\$ 1,593,507
Barrick North America Finance LLC, 5.75%, 5/01/43	\$ 108.000	\$ 105.947
Kinross Gold Corp., 5.95%, 3/15/24 (n)	413,000	414,169
Rogers Communications, Inc., 6.8%, 8/15/18	1,000,000	1,199,762
Talisman Energy, Inc., 7.75%, 6/01/19	650,000	791,854
Chile 0.8%		\$ 2,511,732
Chile - 0.8%	\$ 209,000	\$ 214,054
Corporacion Nacional del Cobre de Chile, 3.75%, 11/04/20 (n) E.CL S.A., 5.625%, 1/15/21	\$ 209,000 566,000	\$ 214,054 600,792
ECE 3.A., 5.025%, 1/15/21 Empresa Nacional del Petroleo, 6.25%, 7/08/19	214,000	237,246
Sociedad Quimica y Minera de Chile S.A., 6.125%, 4/15/16	429,000	457,922
Sociedad Quinica y Minera de Cinie S.A., 0.12570, 4/15/10	429,000	437,922
		\$ 1,510,014
China - 0.2%		
Baidu, Inc., 3.25%, 8/06/18	\$ 240,000	\$ 245,243
CNPC (HK) Overseas Capital Ltd., 4.5%, 4/28/21 (n)	226,000	234,662
		A 170 00-
Colombia - 0.1%		\$ 479,905
Republic of Colombia, 6.125%, 1/18/41	\$ 104,000	\$ 113,620
repuene of Colombia, 0.12570, 1/10/71	φ 107,000	φ 115,020

Issuer	Shares/Par	Value (\$)
Bonds - continued		
Foreign Bonds - continued		
France - 0.3%		
Electricite de France, FRN, 5.25%, 1/29/49 (n)	\$ 650,000	\$ 654,550
Iceland - 0.4%		
Republic of Iceland, 4.875%, 6/16/16 (n)	\$ 667,000	\$ 702,851
Republic of Iceland, 5.875%, 5/11/22 (n)	101,000	107,944
		\$ 810,795
Malaysia - 0.2%		
Petronas Capital Ltd., 7.875%, 5/22/22	\$ 370,000	\$ 482,809
Mexico - 1.3%		
Pemex Project Funding Master Trust, 5.75%, 3/01/18	\$ 160,000	\$ 177,600
Petroleos Mexicanos, 4.875%, 1/18/24 (z)	49,000	50,370
Petroleos Mexicanos, 8%, 5/03/19	228,000	278,730
Petroleos Mexicanos, 4.875%, 1/24/22	261,000	272,745
Petroleos Mexicanos, 5.5%, 6/27/44	21,000	19,857
Petroleos Mexicanos, 4.875%, 1/18/24	46,000	47,286
Petroleos Mexicanos, 6%, 3/05/20	404,000	455,510
Petroleos Mexicanos, 5.5%, 1/21/21	130,000	141,700
United Mexican States, 3.625%, 3/15/22	1,164,000	1,172,730
		\$ 2,616,528
Netherlands - 0.2%	¢ 438.000	¢ 457.770
ING Bank N.V., 5.8%, 9/25/23 (n)	\$ 428,000	\$ 457,770
Peru - 0.1%		
Republic of Peru, 8.75%, 11/21/33	\$ 180,000	\$ 259,200
Romania - 0.1%		
Republic of Romania, 4.375%, 8/22/23 (n)	\$ 36,000	\$ 35,640
Republic of Romania, 4.875%, 1/22/24 (n)	58,000	59,233
		\$ 94,873
Russia - 1.2%		
Gaz Capital S.A., 3.85%, 2/06/20 (n)	\$ 200,000	\$ 194,000
Gaz Capital S.A., 8.125%, 7/31/14 (n)	509,000	522,997
Gaz Capital S.A., 5.999%, 1/23/21 (n)	796,000	834,805
LUKOIL International Finance B.V., 4.563%, 4/24/23 (n)	226,000	211,027
LUKOIL International Finance B.V., 4.563%, 4/24/23	213,000	198,889
Rosneft, 4.199%, 3/06/22 (n)	200,000	182,500
Russian Federation, 4.875% , $9/16/23$ (n) VTP. Conital S A 6.465% , $2/04/15$ (n)	200,000	203,100
VTB Capital S.A., 6.465%, 3/04/15 (n)	154,000	160,915
		\$ 2,508,233
Slovakia - 0.5%	¢ 000 000	¢ 074.000
Republic of Slovakia, 4.375%, 5/21/22 (n)	\$ 909,000	\$ 974,903
United Kingdom - 0.4%		
Diageo Capital PLC, 5.75%, 10/23/17	\$ 520,000	\$ 599,932
Royal Bank of Scotland PLC, 6%, 12/19/23	124,000	127,725
		\$ 727,657
		. ,

5

Issuer	Sł	ares/Par		Value (\$)
Bonds - continued				
Foreign Bonds - continued				
Uruguay - 0.0%				
Oriental Republic of Uruguay, 4.5%, 8/14/24	\$	71,000	\$	72,278
Total Foreign Bonds			\$ 1	5,868,374
Total Bonds			\$ 19	4,825,225
Money Market Funds - 10.4%				
MFS Institutional Money Market Portfolio, 0.08%, at Net Asset Value (v)	20	0,948,075	\$ 2	0,948,075
Total Investments			\$ 21	5,773,300
Other Assets, Less Liabilities - (6.8)%			(1	3,726,834)
Net Assets - 100.0%			\$ 20	2,046,466

(f) All or a portion of the security has been segregated as collateral for open futures contracts.

(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 \$6,946,474, representing 3.4% of net assets.

(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.

(z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

	Acquisition		
Restricted Securities	Date	Cost	Value
Petroleos Mexicanos, 4.875%, 1/18/24	1/15/14	\$48,732	\$50,370
% of Net assets			0.0%
The following abbreviations are used in this report and are defined:			

FRN Floating Rate Note. Interest rate resets periodically and may not be the rate reported at period end.

PLC Public Limited Company

REIT Real Estate Investment Trust

TBA To Be Announced

Derivative Contracts at 2/28/14

Futures Contracts Outstanding at 2/28/14

Description Asset Derivatives	Currency	Contracts	Value	Expiration Date	Unrealized Appreciation (Depreciation)
Interest Rate Futures Contracts					
U.S. Treasury Ultra Bond (Long)	USD	11	\$1,579,531	June - 2014	\$734
U.S. Treasury Note 5 yr (Short)	USD	70	8,390,156	June - 2014	6,530

\$7,264

Liability Derivatives Interest Rate Futures Contracts

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U.S. Treasury Bond 30 yr (Short) USD 24 \$3,193,500 June - 2014 \$(17,525)

At February 28, 2014, the fund had liquid securities with an aggregate value of \$97,187 to cover any commitments for certain derivative contracts.

See attached supplemental information. For more information see notes to financial statements as disclosed in the most recent semiannual or annual report.

Supplemental Information

2/28/14 (unaudited)

(1) 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 values of foreign securities and other assets and liabilities expressed in foreign currencies are converted to U.S. dollars using the mean of bid and asked prices for rates provided by a third-party pricing service.

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 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 February 28, 2014 in valuing the fund s assets or liabilities:

Investments at Value	Level 1	Level 2	Level 3	Total
U.S. Treasury Bonds & U.S. Government Agency & Equivalents	\$	\$65,791,027	\$	\$65,791,027
Non-U.S. Sovereign Debt		10,333,493		10,333,493
U.S. Corporate Bonds		13,028,206		13,028,206
Residential Mortgage-Backed Securities		90,768,068		90,768,068
Commercial Mortgage-Backed Securities		9,206,847		9,206,847
Foreign Bonds		5,697,584		5,697,584
Mutual Funds	20,948,075			20,948,075
Total Investments	\$20,948,075	\$194,825,225	\$	\$215,773,300
Other Financial Instruments				
Futures Contracts	\$(10,261)	\$	\$	\$(10,261)

For further information regarding security characteristics, see the Portfolio of Investments.

Supplemental Information (unaudited) continued

(2) Portfolio Securities

The cost and unrealized appreciation and depreciation in the value of the investments owned by the fund, as computed on a federal income tax basis, are as follows:

Aggregate cost	\$209,120,175
Gross unrealized appreciation	10,169,310
Gross unrealized depreciation	(3,516,185)
Net unrealized appreciation (depreciation)	\$6,653,125

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

(3) 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	Acquisitions	Dispositions	Ending
	Shares/Par	Shares/Par	Shares/Par	Shares/Par
	Amount	Amount	Amount	Amount
MFS Institutional Money Market Portfolio	14,354,981	13,802,957	(7,209,863)	20,948,075
Underlying Affiliated Fund	Realized	Capital Gain	Dividend	Ending
	Gain (Loss)	Distributions	Income	Value
MFS Institutional Money Market Portfolio	\$	\$	\$3,813	\$20,948,075

ITEM 2. CONTROLS AND PROCEDURES.

- (a) Based upon their evaluation of the effectiveness 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-Q, 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.
- (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 registrant s last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant s internal control over financial reporting.

ITEM 3. EXHIBITS.

File as exhibits as part of this Form 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.

<u>Notice</u>

A copy of the Amended and Restated Declaration of Trust, as amended, 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.

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 GOVERNMENT MARKETS INCOME TRUST

By (Signature and Title)*	JOHN M. CORCORAN
	John M. Corcoran, President
Date: April 14, 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: April 14, 2014	

By (Signature and Title)*	DAVID L. DILORENZO
	David L. DiLorenzo, Treasurer
	(Principal Financial Officer
	and Accounting Officer)
Date: April 14, 2014	

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