

PIMCO MUNICIPAL INCOME FUND II
Form N-Q
April 15, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

| | |
|---|--|
| Investment Company Act File Number: | 811-21076 |
| Registrant Name: | PIMCO Municipal Income Fund II |
| Address of Principal Executive Offices: | 1633 Broadway New York, NY 10019 |
| Name and Address of Agent for Service: | Lawrence G. Altadonna 1633 Broadway New York, NY 10019 |
| Registrant's telephone number, including area code: | 212-739-3371 |
| Date of Fiscal Year End: | May 31, 2014 |
| Date of Reporting Period: | February 28, 2014 |

Item 1. Schedule of Investments**PIMCO Municipal Income Fund II Schedule of Investments**

February 28, 2014 (unaudited)

Principal

Amount

| (000s) | | Value* |
|--|--|------------|
| MUNICIPAL BONDS & NOTES 92.9% | | |
| Alabama 2.7% | | |
| \$ 1,000 | Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.00%, 11/15/30, Ser. A | \$ 984,360 |
| 20,000 | Jefferson Cnty. Sewer Rev., zero coupon, 10/1/50, Ser. F (i) | 10,200,000 |
| 16,000 | 6.50%, 10/1/53, Ser. D | 16,393,440 |
| 2,000 | State Docks Department Rev., 6.00%, 10/1/40 | 2,236,460 |
| | | 29,814,260 |
| Arizona 7.9% | | |
| 3,500 | Health Facs. Auth. Rev., Banner Health, 5.00%, 1/1/35, Ser. A | 3,586,555 |
| 2,860 | 5.50%, 1/1/38, Ser. D | 3,027,110 |
| 29,700 | Pima Cnty. Industrial Dev. Auth. Rev., 5.00%, 9/1/39 | 30,258,360 |
| 1,500 | Tucson Electric Power Co., 5.25%, 10/1/40, Ser. A | 1,534,215 |
| 1,750 | Pinal Cnty. Electric Dist. No. 3 Rev., 5.25%, 7/1/36 | 1,886,412 |
| 3,700 | 5.25%, 7/1/41 | 3,947,308 |
| 10,000 | Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (h) | 10,577,900 |
| 9,000 | Salt Verde Financial Corp. Rev., 5.00%, 12/1/32 | 9,553,230 |
| 22,400 | 5.00%, 12/1/37 | 23,617,888 |
| | | 87,988,978 |
| California 12.6% | | |
| 5,000 | Bay Area Toll Auth. Rev., 5.25%, 4/1/48, Ser. S-4 | 5,303,400 |
| 6,000 | San Francisco Bay Area, 5.00%, 10/1/29 | 6,502,200 |
| 1,430 | San Francisco Bay Area, 5.00%, 4/1/34, Ser. F-1 | 1,534,290 |
| 1,535 | Golden State Tobacco Securitization Corp. Rev., 5.75%, 6/1/47, Ser. A-1 | 1,255,123 |
| 2,000 | Hayward Unified School Dist., GO, 5.00%, 8/1/33 | 2,096,860 |
| 1,500 | Health Facs. Financing Auth. Rev., Scripps Health, 5.00%, 11/15/36, Ser. A | 1,569,405 |
| 6,300 | Sutter Health, 5.00%, 11/15/42, Ser. A (IBC-NPFGC) | 6,391,476 |
| 3,000 | Sutter Health, 6.00%, 8/15/42, Ser. B | 3,412,590 |
| 1,500 | Indian Wells Redev. Agcy., Tax Allocation, Whitewater Project, 4.75%, 9/1/34, Ser. A (AMBAC) | 1,388,790 |
| 2,000 | Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC) | 2,193,080 |
| 4,000 | Los Angeles Department of Water & Power Rev., 5.00%, 7/1/39, Ser. A-1 (AMBAC) | 4,258,840 |
| 5,000 | Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC) | 5,283,800 |
| 1,750 | M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B | 2,204,300 |

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| | | |
|--------|--|------------|
| 2,000 | Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM) | 2,115,580 |
| 2,985 | Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B | 3,346,125 |
| 3,000 | Newport Beach Rev., Hoag Memorial Hospital Presbyterian, 5.875%, 12/1/30 (Pre-refunded @ \$100, 12/1/21) (c) | 3,856,860 |
| 500 | Peralta Community College Dist., GO, 5.00%, 8/1/39, Ser. C | 514,275 |
| 2,000 | San Diego Cnty. Water Auth., CP, 5.00%, 5/1/38, Ser. 2008-A (AGM) | 2,117,380 |
| 3,300 | San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A | 3,455,694 |
| 2,000 | Santa Clara Cnty. Financing Auth. Rev., El Camino Hospital, 5.75%, 2/1/41, Ser. A (AMBAC) | 2,126,040 |
| | State, GO, | |
| 2,925 | 5.00%, 11/1/32 | 3,187,402 |
| 1,590 | 5.00%, 6/1/37 | 1,669,818 |
| 5,200 | 5.125%, 8/1/36 | 5,605,912 |
| 2,500 | 5.25%, 3/1/38 | 2,662,500 |
| 5,945 | 5.25%, 11/1/40 | 6,542,829 |
| 5,750 | 5.50%, 3/1/40 | 6,353,405 |
| 9,500 | 6.00%, 4/1/38 | 10,898,875 |
| | Statewide Communities Dev. Auth. Rev., | |
| 2,510 | California Baptist Univ., 5.75%, 11/1/17, Ser. B (a)(b)(d)(j) (acquisition cost \$2,510,000; purchased 6/22/07) | 2,725,433 |
| 710 | California Baptist Univ., 6.50%, 11/1/21 | 795,683 |
| 1,000 | Cottage Health, 5.00%, 11/1/40 | 1,016,340 |
| 4,890 | Methodist Hospital Project, 6.625%, 8/1/29 (FHA) | 5,768,293 |
| 17,415 | Methodist Hospital Project, 6.75%, 2/1/38 (FHA) | 20,413,689 |

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

Principal

Amount

| (000s) | | Value* |
|-------------------------|--|--------------|
| \$5,690 | Sutter Health, 6.00%, 8/15/42, Ser. A | \$ 6,472,546 |
| 1,000 | Trinity Health, 5.00%, 12/1/41 | 1,035,610 |
| 4,725 | Torrance Rev., Torrance Memorial Medical Center, 5.00%, 9/1/40, Ser. A | 4,864,671 |
| | | 140,939,114 |
| Colorado 1.5% | | |
| 5,800 | Aurora Rev., Children s Hospital Assoc., 5.00%, 12/1/40 | 5,930,500 |
| 1,000 | Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40 | 1,018,690 |
| | Health Facs. Auth. Rev., Ser. A, | |
| 1,000 | American Baptist Homes, 5.90%, 8/1/37 | 806,950 |
| 500 | Evangelical Lutheran, 6.125%, 6/1/38 (Pre-refunded @ \$100, 6/1/14) (c) | 507,105 |
| 6,045 | Sisters of Charity of Leavenworth Health System, 5.00%, 1/1/40 | 6,247,991 |
| 1,430 | Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38 | 1,796,309 |
| | | 16,307,545 |
| Connecticut 0.2% | | |
| 1,250 | Harbor Point Infrastructure Improvement Dist., Tax Allocation, 7.875%, 4/1/39, Ser. A | 1,371,113 |
| 1,000 | State Health & Educational Fac. Auth. Rev., Hartford Healthcare, 5.00%, 7/1/41, Ser. A | 1,016,480 |
| | | 2,387,593 |
| Florida 5.0% | | |
| 1,000 | Brevard Cnty. Health Facs. Auth. Rev., Health First, Inc. Project, 7.00%, 4/1/39 | 1,104,100 |
| | Broward Cnty. Airport System Rev., | |
| 12,100 | 5.00%, 10/1/42, Ser. Q-1 | 12,447,875 |
| 600 | 5.375%, 10/1/29, Ser. O | 662,880 |
| 8,500 | Broward Cnty. Water & Sewer Utility Rev., 5.25%, 10/1/34, Ser. A (h) | 9,235,505 |
| 1,000 | Clearwater Water & Sewer Rev., 5.25%, 12/1/39, Ser. A | 1,054,030 |
| 340 | Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A | 353,726 |
| 3,000 | Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.625%, 11/15/37, Ser. B | 3,279,420 |
| 3,000 | Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32 | 3,000,960 |
| 10,000 | Orlando-Orange Cnty. Expressway Auth. Rev., 5.00%, 7/1/40, Ser. A | 10,411,400 |
| 500 | Sarasota Cnty. Health Facs. Auth. Rev., 5.75%, 7/1/37 | 451,250 |
| 7,900 | State Board of Education, GO, 5.00%, 6/1/38, Ser. D (h) | 8,564,153 |
| 5,000 | Sumter Landing Community Dev. Dist. Rev., 4.75%, 10/1/35, Ser. A (NPFGC) | 4,797,750 |
| | | 55,363,049 |
| Georgia 0.4% | | |
| 1,500 | Atlanta Airport Rev., 5.00%, 1/1/40, Ser. A | 1,550,370 |
| 2,775 | Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37 | 2,547,811 |

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4,098,181

| Illinois 5.9% | | |
|----------------------|---|------------|
| | Chicago, Special Assessment, Lake Shore East, | |
| 2,444 | 6.625%, 12/1/22 | 2,471,813 |
| 5,439 | 6.75%, 12/1/32 | 5,499,808 |
| 1,250 | Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC) Finance Auth. Rev., | 1,254,225 |
| 2,500 | Christian Homes, Inc., 5.75%, 5/15/31, Ser. A | 2,537,575 |
| 250 | Leafs Hockey Club Project, 6.00%, 3/1/37, Ser. A (b)(e) | 85,000 |
| 700 | OSF Healthcare System, 7.125%, 11/15/37, Ser. A | 805,525 |
| 2,000 | Provena Health, 6.00%, 5/1/28, Ser. A | 2,142,960 |
| 5,000 | Univ. of Chicago, 5.50%, 7/1/37, Ser. B (h) | 5,541,450 |
| 37,000 | Sports Facs. Auth. Rev., 5.50%, 6/15/30 (AMBAC) | 38,453,360 |
| | Village of Hillside, Tax Allocation, Mannheim Redev. Project, | |
| 3,495 | 6.55%, 1/1/20 | 3,687,574 |
| 2,900 | 7.00%, 1/1/28 | 2,928,507 |
| | | 65,407,797 |

| Indiana 0.4% | | |
|---------------------|---|-----------|
| 1,500 | Finance Auth. Rev., Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B | 1,629,285 |
| | Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., | |
| 990 | 5.80%, 9/1/47 (a)(b)(d)(j) (acquisition cost \$960,082; purchased 9/7/07) | 923,858 |
| 1,900 | 7.50%, 9/1/22 | 2,273,673 |
| | | 4,826,816 |

| Iowa 1.8% | | |
|------------------|---|------------|
| | Finance Auth. Rev., | |
| 250 | Deerfield Retirement Community, Inc., 5.50%, 11/15/27, Ser. A (e) | 102,500 |
| 1,075 | Deerfield Retirement Community, Inc., 5.50%, 11/15/37, Ser. A (e) | 440,750 |
| 4,500 | Edgewater LLC Project, 6.75%, 11/15/42 | 4,615,830 |
| 6,000 | Fertilizer Company Project, 5.25%, 12/1/25 | 5,815,560 |
| 5,000 | Fertilizer Company Project, 5.50%, 12/1/22 | 4,979,000 |
| 5,350 | Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B | 4,707,839 |
| | | 20,661,479 |

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

Principal

Amount

| (000s) | | Value* |
|---------------------------|---|------------|
| Kansas 0.1% | | |
| \$500 | Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38 | \$ 547,595 |
| 850 | Manhattan Rev., Meadowlark Hills Retirement, 5.00%, 5/15/36, Ser. A (b) | 771,554 |
| | | 1,319,149 |
| Kentucky 0.1% | | |
| 1,000 | Economic Dev. Finance Auth. Rev., Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A | 1,050,960 |
| Louisiana 0.7% | | |
| | Local Gov t Environmental Facs. & Community Dev. Auth Rev., | |
| 450 | Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2 | 494,451 |
| 750 | Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A | 794,955 |
| 1,000 | Woman s Hospital Foundation, 6.00%, 10/1/44, Ser. A | 1,064,020 |
| | Public Facs. Auth. Rev., Ochsner Clinic Foundation Project, | |
| 3,300 | 5.50%, 5/15/47, Ser. B | 3,329,469 |
| 2,000 | 6.50%, 5/15/37 | 2,179,240 |
| | | 7,862,135 |
| Maryland 0.7% | | |
| | Health & Higher Educational Facs. Auth. Rev., | |
| 1,400 | Charlestown Community, 6.25%, 1/1/41 | 1,485,876 |
| 2,380 | Medstar Health, 5.00%, 8/15/41 | 2,428,838 |
| 4,050 | Washington Cnty. Hospital, 6.00%, 1/1/43 | 4,110,223 |
| | | 8,024,937 |
| Massachusetts 0.9% | | |
| | Dev. Finance Agcy. Rev., | |
| 4,610 | Adventcare Project, 6.75%, 10/15/37, Ser. A | 4,748,945 |
| 570 | Adventcare Project, 7.625%, 10/15/37 | 617,624 |
| 1,000 | Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A | 1,097,580 |
| 2,900 | State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A | 3,191,392 |
| | | 9,655,541 |
| Michigan 0.5% | | |
| 1,000 | Detroit, GO, 5.25%, 11/1/35 | 1,019,610 |
| 800 | Public Educational Facs. Auth. Rev., Bradford Academy, 6.50%, 9/1/37 (a)(b)(d)(j) (acquisition cost \$800,000; purchased 9/21/07) | 456,000 |
| 3,000 | Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%, 9/1/39 | 3,616,260 |
| | | 5,091,870 |

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Minnesota 0.3%

| | | |
|-------|--|-----------|
| 2,640 | North Oaks Rev., Presbyterian Homes North Oaks, 6.00%, 10/1/33 | 2,723,530 |
| 400 | St. Louis Park Rev., Nicollet Health Services, 5.75%, 7/1/39 | 427,892 |
| | | 3,151,422 |

Mississippi 0.0%

| | | |
|----|--|--------|
| 40 | Dev. Bank Special Obligation Rev., Capital Projects and Equipment Acquisition, 5.00%, 7/1/24, Ser. A-2 (AMBAC) | 39,364 |
|----|--|--------|

Missouri 1.0%

| | | |
|--------|---|------------|
| 645 | Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23 | 665,169 |
| 10,000 | State Health & Educational Facs. Auth. Rev., CoxHealth, 5.00%, 11/15/44, Ser. A | 10,168,400 |
| | | 10,833,569 |

Nevada 0.9%

| | | |
|--------|--|------------|
| 10,000 | Clark Cnty., GO, 4.75%, 11/1/35 (FGIC-NPFGC) (h) | 10,202,700 |
|--------|--|------------|

New Hampshire 0.2%

| | | |
|-------|---|-----------|
| 2,000 | Business Finance Auth. Rev., Elliot Hospital, 6.125%, 10/1/39, Ser. A | 2,092,340 |
|-------|---|-----------|

New Jersey 3.9%

| | | |
|-------|--|-----------|
| 950 | Burlington Cnty. Bridge Commission Rev., The Evergreens Project, 5.625%, 1/1/38 | 862,666 |
| 4,000 | Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 10/1/21 | 4,338,480 |
| | Economic Dev. Auth. Rev., | |
| 525 | Arbor Glen, 6.00%, 5/15/28, Ser. A | 468,636 |
| 2,000 | MSU Student Housing Project, 5.875%, 6/1/42 | 2,092,620 |
| | Health Care Facs. Financing Auth. Rev., | |
| 1,500 | AHS Hospital Corp., 6.00%, 7/1/37 | 1,707,060 |
| 4,000 | Robert Wood Johnson Univ. Hospital, 5.50%, 7/1/43 | 4,288,960 |
| 1,500 | St. Peters Univ. Hospital, 5.75%, 7/1/37 | 1,480,905 |
| 2,000 | State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E | 2,139,300 |
| | Tobacco Settlement Financing Corp. Rev., Ser. 1-A, | |
| 3,300 | 4.75%, 6/1/34 | 2,511,267 |

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

| Principal Amount (000s) | | Value* |
|-------------------------------|---|---------------|
| \$ 31,305 | 5.00%, 6/1/41 | \$ 23,946,447 |
| | | 43,836,341 |
| New Mexico 0.2% | | |
| 2,000 | Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D | 2,123,880 |
| New York 12.3% | | |
| 33,500 | Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A | 35,207,495 |
| | Liberty Dev. Corp. Rev., | |
| 1,000 | Bank of America Tower at One Bryant Park Project, 5.125%, 1/15/44 | 1,041,240 |
| 2,500 | Bank of America Tower at One Bryant Park Project, 5.625%, 7/15/47 | 2,689,975 |
| 1,250 | Bank of America Tower at One Bryant Park Project, 6.375%, 7/15/49 | 1,344,825 |
| 1,505 | Goldman Sachs Headquarters, 5.25%, 10/1/35 | 1,648,758 |
| 10,000 | Goldman Sachs Headquarters, 5.25%, 10/1/35 (h) | 10,955,200 |
| 3,880 | Metropolitan Transportation Auth. Rev., 5.00%, 11/15/36, Ser. D | 4,069,033 |
| 1,100 | Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%, 1/1/43, Ser. A | 583,088 |
| | New York City Water & Sewer System Rev., | |
| 2,830 | 5.00%, 6/15/37, Ser. D (h) | 2,913,259 |
| 4,000 | Second Generation Resolutions, 4.75%, 6/15/35, Ser. DD (h) | 4,102,200 |
| 2,000 | Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1 | 2,115,640 |
| | New York Liberty Dev. Corp. Rev., | |
| 10,000 | 1WorldTradeCenterProject,5.00%,12/15/41 | 10,444,500 |
| 54,000 | 4WorldTradeCenterProject,5.75%,11/15/51 | 58,235,760 |
| 1,750 | State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40 | 1,865,062 |
| | | 137,216,035 |
| North Carolina 0.0% | | |
| 550 | Medical Care Commission Rev., Salemtowne, 5.10%, 10/1/30 | 527,984 |
| North Dakota 0.3% | | |
| 3,710 | Stark Cnty. Healthcare Rev., Benedictine Living Communities, 6.75%, 1/1/33 | 3,889,935 |
| Ohio 4.8% | | |
| 33,740 | Buckeye Tobacco Settlement Financing Auth. Rev., 6.50%, 6/1/47, Ser. A-2 | 30,035,685 |
| 4,000 | Hamilton Cnty. Healthcare Rev., Christ Hospital Project, 5.00%, 6/1/42 | 4,031,960 |
| 3,900 | Hamilton Cnty. Sales Tax Rev., 5.00%, 12/1/30, Ser. A | 4,165,161 |
| | Higher Educational Fac. Commission Rev., Univ. Hospital Health Systems, 6.75%, 1/15/39, Ser. 2009-A | |
| 1,000 | (Pre-refunded @ \$100, 1/15/15) (c) | 1,056,320 |
| | Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A | |
| 1,000 | (Pre-refunded @ \$100, 11/15/14) (c) | 1,042,180 |
| 3,000 | State Rev., Cleveland Clinic Health System, 5.50%, 1/1/39, Ser. B | 3,234,960 |
| 10,000 | State Turnpike Commission Rev., 5.00%, 2/15/48, Ser. A-1 | 10,349,700 |

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53,915,966

| | | |
|----------------------------|---|------------|
| Oregon 0.2% | | |
| 1,000 | Clackamas Cnty. Hospital Fac. Auth. Rev., Legacy Health System, 5.50%, 7/15/35, Ser. A | 1,068,200 |
| 1,155 | State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A | 1,222,706 |
| | | 2,290,906 |
| Pennsylvania 5.3% | | |
| 7,500 | Berks Cnty. Municipal Auth. Rev., Reading Hospital Medical Center, 5.00%, 11/1/44, Ser. A | 7,758,375 |
| 750 | Cumberland Cnty. Municipal Auth. Rev., Messiah Village Project, Ser. A, 5.625%, 7/1/28 | 765,915 |
| 670 | 6.00%, 7/1/35 | 687,326 |
| 3,250 | Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B (e) | 1,659,385 |
| 850 | Higher Educational Facs. Auth. Rev., Edinboro Univ. Foundation, 6.00%, 7/1/43 | 853,018 |
| 400 | Thomas Jefferson Univ., 5.00%, 3/1/40 | 412,300 |
| 500 | Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39 | 543,425 |
| 8,500 | Montgomery Cnty. Industrial Dev. Auth. Rev., New Regional Medical Center, 5.375%, 8/1/38 (FHA) | 9,113,700 |
| 17,000 | Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM) | 18,005,720 |
| 1,000 | Philadelphia Hospitals & Higher Education Facs. Auth. Rev., Temple Univ. Health System, Ser. A, 5.625%, 7/1/36 | 884,720 |
| 7,000 | 5.625%, 7/1/42 | 6,049,820 |
| 500 | Philadelphia Water & Wastewater Rev., 5.25%, 1/1/36, Ser. A | 529,160 |
| 10,000 | Turnpike Commission Rev., 5.00%, 12/1/43, Ser. C | 10,382,100 |
| 1,000 | Westmoreland Cnty. Industrial Dev. Auth. Rev., Excelsa Health Project, 5.125%, 7/1/30 | 1,026,250 |
| | | 58,671,214 |
| Rhode Island 5.0% | | |
| 56,200 | Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A | 56,203,372 |
| South Carolina 1.0% | | |
| 1,000 | Greenwood Cnty. Rev., Self Regional Healthcare, 5.375%, 10/1/39 | 1,046,680 |
| 10,000 | State Public Service Auth. Rev., 5.50%, 12/1/53, Ser. E | 10,675,100 |
| | | 11,721,780 |

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

Principal

Amount

| (000s) | | Value* |
|----------|--|--------------|
| | Tennessee 1.2% | |
| \$ 1,750 | Claiborne Cnty. Industrial Dev. Board Rev., Lincoln Memorial Univ. Project, 6.625%, 10/1/39 | \$ 1,858,798 |
| 1,000 | Johnson City Health & Educational Facs. Board Rev., Mountain States Health Alliance, 6.00%, 7/1/38, Ser. A | 1,087,400 |
| 500 | Sullivan Cnty. Health Educational & Housing Facs. Board Rev., Wellmont Health Systems Project, 5.25%, 9/1/36, Ser. C | 501,495 |
| | Tennessee Energy Acquisition Corp. Rev., Ser. C, | |
| 3,000 | 5.00%, 2/1/23 | 3,293,490 |
| 6,000 | 5.00%, 2/1/27 | 6,437,040 |
| | | 13,178,223 |
| | Texas 13.0% | |
| 130 | Aubrey Independent School Dist., GO, 5.50%, 2/15/33 (GTD-PSF) | 131,310 |
| 6,500 | Brazos Cnty. Health Facs. Dev. Corp. Rev., 5.375%, 1/1/32 | 6,502,340 |
| 2,500 | Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC) | 2,650,225 |
| 21,000 | Grand Parkway Transportation Corp. Rev., 5.00%, 4/1/53, Ser. B | 21,561,960 |
| | Harris Cnty. Cultural Education Facs. Finance Corp. Rev., Texas Children's Hospital Project, | |
| 3,750 | 5.25%, 10/1/29 | 4,169,738 |
| 12,700 | 5.50%, 10/1/39 | 13,754,735 |
| 700 | HFDC of Central Texas, Inc. Rev., Village at Gleannloch Farms, 5.50%, 2/15/37, Ser. A | 612,584 |
| 5,000 | Municipal Gas Acquisition & Supply Corp. III Rev., 5.00%, 12/15/26 | 5,272,050 |
| | North Harris Cnty. Regional Water Auth. Rev., | |
| 10,300 | 5.25%, 12/15/33 | 11,015,953 |
| 10,300 | 5.50%, 12/15/38 | 11,062,509 |
| | North Texas Tollway Auth. Rev., | |
| 5,750 | 5.00%, 1/1/38 | 5,954,527 |
| 1,300 | 5.50%, 9/1/41, Ser. A | 1,432,184 |
| 5,000 | 5.625%, 1/1/33, Ser. B | 5,502,700 |
| 1,200 | 5.75%, 1/1/33, Ser. F | 1,276,296 |
| 250 | San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A | 274,893 |
| | State, Mobility Fund, GO (h), | |
| 10,025 | 4.75%, 4/1/35, Ser. A | 10,238,432 |
| 17,500 | 4.75%, 4/1/36 | 18,171,300 |
| 1,000 | State Public Finance Auth. Charter School Finance Corp. Rev., 5.875%, 12/1/36, Ser. A | 1,033,540 |
| 3,000 | Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29 | 3,391,530 |
| 16,800 | Texas Municipal Gas Acquisition & Supply Corp. I Rev., 6.25%, 12/15/26, Ser. D | 20,158,992 |
| 1,000 | Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34 | 1,121,170 |
| | | 145,288,968 |
| | Virginia 0.2% | |
| 1,000 | Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A | 1,100,170 |
| | James City Cnty. Economic Dev. Auth. Rev., United Methodist Home, Ser. A, | |
| 412 | 2.00%, 10/1/48 (e) | 10,900 |
| 1,273 | 6.00%, 6/1/43 | 1,085,142 |

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| | | |
|---------------------------------|--|---------------|
| | | 2,196,212 |
| Washington 1.4% | | |
| | Health Care Facs. Auth. Rev., | |
| 1,300 | Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC) | 1,407,536 |
| 1,000 | Seattle Cancer Care Alliance, 7.375%, 3/1/38 | 1,196,190 |
| 13,000 | Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A | 13,390,780 |
| | | 15,994,506 |
| West Virginia 0.2% | | |
| 2,000 | Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41 | 2,416,820 |
| Wisconsin 0.1% | | |
| 1,000 | Health & Educational Facs. Auth. Rev., Prohealth Care, Inc., 6.625%, 2/15/39 | 1,109,110 |
| | Total Municipal Bonds & Notes (cost \$977,784,178) | 1,037,700,051 |
| VARIABLE RATE NOTES 1.4% | | |
| California 0.5% | | |
| 5,000 | Health Facs. Financing Auth. Rev., 12.446%, 11/15/36, Ser. 3193 (a)(b)(d)(f)(g)(j) (acquisition cost \$4,860,300; purchased 6/7/10) | 5,407,850 |
| Florida 0.2% | | |
| 1,830 | Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.00%, 11/15/31, Ser. C (g) | 1,887,187 |
| Texas 0.5% | | |
| 5,365 | State, GO, 11.819%, 4/1/37, Ser. 3197 (a)(b)(d)(f)(g)(j) (acquisition cost \$5,289,890; purchased 6/23/10) | 5,969,421 |
| West Virginia 0.2% | | |
| 2,000 | Economic Dev. Auth. Rev., Appalachian Power, 5.375%, 12/1/38, Ser. A (g) | 2,097,060 |
| | Total Variable Rate Notes (cost \$13,984,285) | 15,361,518 |

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

Principal

Amount

(000s)

Value*

CORPORATE BONDS & NOTES 0.1%**Commercial Services 0.1%**

| | | |
|-------|---|------------|
| \$900 | ADT Corp., 4.125%, 6/15/23 (cost \$803,130) | \$ 847,818 |
|-------|---|------------|

SHORT-TERM INVESTMENTS 5.6%**U.S. Treasury Obligations 3.6%**

| | | |
|--------|--|------------|
| 21,100 | U.S. Treasury Bills, 0.046%-0.087%, 5/8/14-7/17/14 (k) | 21,097,680 |
| | U.S. Treasury Notes, | |
| 200 | 0.125%, 7/31/14 | 200,043 |
| 1,800 | 0.25%, 5/31/14 | 1,800,878 |
| 100 | 0.25%, 6/30/14 | 100,061 |
| 800 | 0.25%, 1/31/15 | 800,859 |
| 7,000 | 0.50%, 8/15/14 | 7,013,538 |
| 8,900 | 2.25%, 5/31/14 | 8,947,802 |

| | | |
|--|---|------------|
| | Total U.S. Treasury Obligations (cost \$39,957,488) | 39,960,861 |
|--|---|------------|

Repurchase Agreements 1.6%

| | | |
|--------|---|------------|
| 17,700 | Citigroup Global Markets, Inc., dated 2/28/14, 0.06%, due 3/3/14, proceeds \$17,700,089; collateralized by U.S. Treasury Notes, 0.75%, due 12/31/17, valued at \$18,067,186 including accrued interest (cost \$17,700,000) | 17,700,000 |
|--------|---|------------|

U.S. Government Agency Securities (k) 0.4%

| | | |
|-------|--|-----------|
| | Federal Home Loan Bank Discount Notes, | |
| 1,900 | 0.101%, 8/1/14 | 1,899,193 |
| 3,400 | 0.132%, 7/25/14 | 3,398,207 |

| | | |
|--|--|-----------|
| | Total U.S. Government Agency Securities (cost \$5,297,400) | 5,297,400 |
|--|--|-----------|

| | | |
|--|--|------------|
| | Total Short-Term Investments (cost \$62,954,888) | 62,958,261 |
|--|--|------------|

| | | |
|--|--|-------------------------|
| | Total Investments (cost \$1,055,526,481) (l) 100.0% | \$ 1,116,867,648 |
|--|--|-------------------------|

PIMCO Municipal Income Fund II Schedule of Investments

February 28, 2014 (unaudited) (continued)

Industry classification of portfolio holdings as a percentage of total investments was as follows:

| | |
|---|--------|
| Revenue Bonds: | |
| Health, Hospital & Nursing Home Revenue | 22.9% |
| Miscellaneous Revenue | 7.8 |
| Industrial Revenue | 6.8 |
| Highway Revenue Tolls | 6.7 |
| Miscellaneous Taxes | 6.6 |
| Natural Gas Revenue | 6.5 |
| Tobacco Settlement Funded | 5.6 |
| Water Revenue | 3.8 |
| Electric Power & Light Revenue | 3.1 |
| Lease (Appropriation) | 2.7 |
| Port, Airport & Marina Revenue | 2.4 |
| Sewer Revenue | 2.4 |
| College & University Revenue | 2.3 |
| Sales Tax Revenue | 0.4 |
| Transit Revenue | 0.3 |
| Resource Recovery Revenue | 0.2 |
| Fuel Sales Tax Revenue | 0.1 |
| Lease Revenue | 0.1 |
| | |
| Total Revenue Bonds | 80.7% |
| General Obligation | 11.2 |
| U.S. Treasury Obligations | 3.6 |
| Repurchase Agreements | 1.6 |
| Special Assessment | 1.2 |
| Tax Allocation | 0.9 |
| U.S. Government Agency Securities | 0.4 |
| Certificates of Participation | 0.3 |
| Commercial Services | 0.1 |
| | |
| Total Investments | 100.0% |

Notes to Schedule of Investments:

* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics.

The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial instruments in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to Allianz Global Investors Fund Management LLC (the Investment Manager) and Pacific Investment Management Company LLC (the Sub-Adviser). The Fund's Valuation Committee was established by the Board to oversee the implementation of the Fund's valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Sub-Adviser monitors the continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Sub-Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Fund to value investments may differ from the value that would be realized if the investments were sold, and these differences could be material. Fund's net asset value (NAV) is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$15,482,562, representing 1.4% of total investments.
- (b) Illiquid.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date).
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) In default.
- (f) Inverse Floater The interest rate shown bears an inverse relationship to the interest rate on another security or the value of an index. The interest rate disclosed reflects the rate in effect on February 28, 2014.
- (g) Variable Rate Notes Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on February 28, 2014.
- (h) Residual Interest Bonds held in Trust Securities represent underlying bonds transferred to a separate securitization trust established in a tender option bond transaction in which the Fund acquired the residual interest certificates. These securities serve as collateral in a financing transaction.
- (i) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (j) Restricted. The aggregate acquisition cost of such securities is \$14,420,272. The aggregate value is \$15,482,562, representing 1.4% of total investments.
- (k) Rates reflect the effective yields at purchase date.
- (l) At February 28, 2014, the cost basis of portfolio securities for federal income tax purposes was \$1,009,717,400. Gross unrealized appreciation was \$71,951,581; gross unrealized depreciation was \$9,312,154; and net unrealized appreciation was \$62,639,427. The difference between book and tax cost was attributable to the differing treatment of Inverse Floater transactions.

Glossary:

AGC insured by Assured Guaranty Corp.

AGM insured by Assured Guaranty Municipal Corp.

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AMBAC insured by American Municipal Bond Assurance Corp.

CP Certificates of Participation

FGIC insured by Financial Guaranty Insurance Co.

FHA insured by Federal Housing Administration

GO General Obligation Bond

GTD Guaranteed

IBC Insurance Bond Certificate

NPFGC insured by National Public Finance Guarantee Corp.

PSF Public School Fund

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access

Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and securities whose price was determined by using a single broker's quote)

The valuation techniques used by the Fund to measure fair value during the nine months ended February 28, 2014 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Fund's policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to the fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used. Investments categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with Generally Accepted Accounting Principles.

U.S. Treasury Obligations U.S. Treasury obligations are valued by independent pricing services based on pricing models that evaluate the mean between the most recently quoted bid and ask price. The models also take into consideration data received from active market makers and broker-dealers, yield curves, and the spread over comparable U.S. Treasury issues. The spreads change daily in response to market conditions and are generally obtained from the new issue market and broker-dealer sources. To the extent that these inputs are observable, the values of U.S. Treasury obligations are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Government Sponsored Enterprise and Mortgage-Backed Securities Government sponsored enterprise and mortgage-backed securities are valued by independent pricing services using pricing models based on inputs that include issuer type, coupon, cash flows, mortgage prepayment projection tables and Adjustable Rate Mortgage evaluations that incorporate index data, periodic life caps and the next coupon reset date. To the extent that these inputs are observable, the values of government sponsored enterprise and mortgage-backed securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Municipal Bonds & Notes and Variable Rate Notes Municipal bonds & notes and variable rate notes are valued by independent pricing services based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-want lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond or note insurance. To the extent that these inputs are observable, the values of municipal bonds & notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

Corporate Bonds & Notes Corporate bonds & notes are generally comprised of two main categories: investment grade bonds and high yield bonds. Investment grade bonds are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and option adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. High yield bonds are valued by independent pricing services based primarily on broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading

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activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds & notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

A summary of the inputs used at February 28, 2014 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments for more detailed information on Investments in Securities):

| | Level 1 - Quoted Prices | Level 2 - Other Significant Observable Inputs | Level 3 - Significant Unobservable Inputs | Value at 2/28/14 |
|---|----------------------------|--|--|---------------------|
| Investments in Securities Assets | | | | |
| Municipal Bonds & Notes | \$ | \$ 1,037,700,051 | \$ | \$ 1,037,700,051 |
| Variable Rate Notes | | 15,361,518 | | 15,361,518 |
| Corporate Bonds & Notes | | 847,818 | | 847,818 |
| Short-Term Investments | | 62,958,261 | | 62,958,261 |
| Totals | \$ | \$ 1,116,867,648 | \$ | \$ 1,116,867,648 |

At February 28, 2014, there were no transfers between Levels 1 and 2.

Item 2. Controls and Procedures

(a) The registrant's President & Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))), are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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.

PIMCO Municipal Income Fund II

By: /s/ Julian Sluyters

Julian Sluyters, President & Chief Executive Officer

Date: April 15, 2014

By: /s/ Lawrence G. Altadonna

Lawrence G. Altadonna, Treasurer, Principal Financial & Accounting Officer

Date: April 15, 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: /s/ Julian Sluyters

Julian Sluyters, President & Chief Executive Officer

Date: April 15, 2014

By: /s/ Lawrence G. Altadonna

Lawrence G. Altadonna, Treasurer, Principal Financial & Accounting Officer

Date: April 15, 2014