

PIMCO NEW YORK MUNICIPAL INCOME FUND II
Form N-CSR
August 05, 2014

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 811-21078

PIMCO New York Municipal Income Fund II
(Exact name of registrant as specified in charter)

1633 Broadway, New York,
(Address of principal executive offices)

New York 10019
(Zip code)

Lawrence G. Altadonna - 1633 Broadway, New York, New York 10019

(Name and address of agent for service)

Registrant's telephone number, including area code: 212-739-3371

Date of fiscal year end: May 31, 2014

Date of reporting period: May 31, 2014

Item 1. Report to Shareholders

PIMCO Municipal Income Fund II

PIMCO California Municipal Income Fund II

PIMCO New York Municipal Income Fund II

Annual Report

May 31, 2014

Table of Contents

2	3	<u>Letter from Chairman of the Board & President</u>
4		<u>Fund Insights</u>
6	9	<u>Performance & Statistics</u>
10	30	<u>Schedules of Investments</u>
	31	<u>Statements of Assets and Liabilities</u>
	32	<u>Statements of Operations</u>
34	35	<u>Statements of Changes in Net Assets</u>
36	49	<u>Notes to Financial Statements</u>
50	52	<u>Financial Highlights</u>
	53	<u>Report of Independent Registered Public Accounting Firm</u>
	54	<u>Tax Information</u>
	55	<u>Annual Shareholder Meeting Results/Corporate Change</u>
56	67	<u>Matters Relating to the Trustees Consideration of the Investment Management Agreement</u>
68	69	<u>Privacy Policy/Proxy Voting Policies & Procedures</u>
70	71	<u>Dividend Reinvestment Plan</u>
72	73	<u>Board of Trustees</u>
	74	<u>Fund Officers</u>

Letter from Chairman of the Board & President

Hans W. Kertess

Chairman

Julian Sluyters

President & CEO

Dear Shareholder:

After three years of generally moderate growth, the US economy contracted toward the end of the 12-month fiscal reporting period ended May 31, 2014. The US taxable bond market posted a positive return. The overall municipal bond market overcame a weak start and outperformed the US taxable bond market during the reporting period.

For the fiscal twelve-month period ended May 31, 2014:

n PIMCO Municipal Income Fund II returned 5.22% on net asset value (NAV) and 7.76% on market price.

n PIMCO California Municipal Income Fund II returned 5.77% on NAV and -1.76% on market price.

n PIMCO New York Municipal Income Fund II returned 4.88% on NAV and 7.83% on market price.

Twelve Months in Review

After several years of positive growth, severe winter weather in parts of the United States constrained the US economy throughout the reporting period. Gross domestic product (GDP), the value of goods and services produced

in the country, the broadest measure of economic activity, expanded at an annual pace of 2.5% during the second quarter of 2013. Annual GDP growth then rose 4.1% during the third quarter, the best reading since the fourth quarter of 2011. Fourth quarter 2013 GDP then expanded at a 2.6% annual pace, but contracted at an annual pace of 2.9% during the first quarter of 2014.

The Federal Reserve (the Fed) maintained an accommodative monetary stance during the reporting period. Announcements and actions related to the reduction of the Fed s monthly asset purchase program contributed to bond-yield volatility over the reporting period. The markets have also been scrutinizing Fed statements related to when interest rates would begin to rise. In April, the Fed repeated that it would not raise rates in the near future, saying that it likely will be appropriate to maintain the current target range for the federal funds rate for a considerable

time after the asset purchase program ends, especially if projected inflation continues to run below the Committee's 2 percent longer-run goal, and provided that longer-term inflation expectations remain well anchored.

2 Annual Report | May 31, 2014

Outlook

We remain positive on the US economic recovery and expect the first-quarter GDP decline to be followed by a meaningful bounce during the second quarter. Federal Reserve officials have tied the outlook for monetary policy to incoming economic data. Based on our forecasts for growth we believe that Fed asset purchases will end in the fourth quarter of 2014, with lift-off in the Fed funds rate possible in mid-2015.

Receive this report electronically and eliminate paper mailings.

To enroll, visit;

us.allianzgi.com/edelivery.

For specific information on the Funds and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources is available on our website, us.allianzgi.com/closedendfunds.

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Pacific Investment Management Company LLC (PIMCO), the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess
Chairman of the Board of Trustees

Julian Sluyters
President & Chief Executive Officer

Fund Insights

PIMCO Municipal Income Fund II

PIMCO California Municipal Income Fund II

PIMCO New York Municipal Income Fund II

May 31, 2014 (unaudited)

For the twelve-months ended May 31, 2014, PIMCO Municipal Income Fund II (Municipal II) returned 5.22% on net asset value (NAV) and 7.76% on market price.

For the twelve-months ended May 31, 2014, PIMCO California Municipal Income Fund II (California Municipal II) returned 5.77% on NAV and -1.76% on market price.

For the twelve-months ended May 31, 2014, PIMCO New York Municipal Income Fund II (New York Municipal II) returned 4.88% on NAV and 7.83% on market price.

After a challenging start, the municipal bond market rallied and generated a positive return during the 12-month reporting period ended May 31, 2014. The overall municipal market, as measured by the Barclays Municipal Bond Index (the Index), posted negative returns during the first three months of the reporting period. Negatively impacting the municipal market were rising interest rates, as well as generally weak demand given concerns over the city of Detroit's bankruptcy filing and credit issues in Puerto Rico. However, the municipal bond market then strengthened and generated positive returns during seven of the last nine months of the reporting period. This turnaround was due to several factors, including improving fundamentals, attractive valuations and generally falling interest rates. In addition, investor demand improved, while new municipal supply fell sharply over the first five months of 2014. All told, the Index gained 3.05% during the 12-month reporting period. In comparison, the overall taxable fixed income market, as measured by the Barclays US Aggregate Index, returned 2.71%.

Municipal II's overweighting to the Revenue-Backed, High Yield Tobacco and Industrial Revenue sectors enhanced its results as all three sectors outperformed the Index. An overweight duration relative to the Index detracted from Municipal II's performance as municipal yields moved higher during the 12 months ended May 31, 2014. Municipal II's underweighting to the Transportation and Education sectors hindered results as they outperformed the Index.

California Municipal II's overweighting to the Revenue-Backed, High Yield Tobacco and Industrial Revenue sectors enhanced its results as all three sectors outperformed the Index. An overweight duration relative to the Index detracted from California Municipal II's performance as municipal yields moved higher during the 12 months ended May 31, 2014. California Municipal II's underweighting to the Transportation and Education sectors hindered results as they outperformed the Index.

New York Municipal II's overweighting to the Revenue-Backed, High Yield Tobacco, Industrial Revenue and Health Care sectors enhanced its results as all four sectors outperformed the Index. An overweight duration relative to the Index detracted from New York Municipal II's performance as municipal yields moved higher during the 12 months ended May 31, 2014. New York Municipal II's underweighting to the Transportation and Water and Sewer sectors hindered results as they outperformed the Index.

4 Annual Report | May 31, 2014

[THIS PAGE INTENTIONALLY LEFT BLANK]

May 31, 2014 | Annual Report **5**

Performance & Statistics

PIMCO Municipal Income Fund II

May 31, 2014 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
1 Year	7.76%	5.22%
5 Year	12.76%	13.77%
10 Year	6.16 %	5.38%
Commencement of Operations (6/28/02) to 5/31/14	5.25%	5.46%

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 5/31/14

Market Price/NAV:

Market Price	\$12.25
NAV	\$11.94
Premium to NAV	2.60%
Market Price Yield ⁽²⁾	6.37%
Leverage Ratio ⁽³⁾	36.04%

Moody's Rating*

(as a % of total investments)

Performance & Statistics

PIMCO California Municipal Income Fund II

May 31, 2014 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
1 Year	-1.76%	5.77%
5 Year	10.39%	13.01%
10 Year	4.32%	3.70%
Commencement of Operations (6/28/02) to 5/31/14	3.62%	3.67%

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 5/31/14

Market Price/NAV:

Market Price	\$9.52
NAV	\$8.61
Premium to NAV	10.57%
Market Price Yield ⁽²⁾	6.03%
Leverage Ratio ⁽³⁾	42.39%

Moody's Rating*

(as a % of total investments)

Performance & Statistics

PIMCO New York Municipal Income Fund II

May 31, 2014 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
1 Year	7.83%	4.88%
5 Year	10.91%	10.83%
10 Year	6.15%	4.98%
Commencement of Operations (6/28/02) to 5/31/14	4.99%	4.74%

Market Price/NAV Performance:

Commencement of Operations (6/28/02) to 5/31/14

Market Price/NAV:

Market Price	\$12.01
NAV	\$10.98
Premium to NAV	9.38%
Market Price Yield ⁽²⁾	6.62%
Leverage Ratio ⁽³⁾	41.98%

Moody's Rating*

(as a % of total investments)

Performance & Statistics

PIMCO Municipal Income Funds II

May 31, 2014 (unaudited) (continued)

* Bond ratings apply to the underlying holdings of the Funds and not the Funds themselves and are divided into categories ranging from highest to lowest credit quality, determined for purposes of this presentation by using ratings provided by Moody's Investors Service, Inc. (Moody's). The Funds use ratings provided by Moody's for this purpose, among other reasons, because of the access to background information and other materials provided by Moody's, as well as the Funds' consideration of industry practice. When a bond is not rated by Moody's, it is designated in the chart above as "NR" for not rated. Credit quality ratings assigned by a rating agency are subjective opinions, not statements of fact, and are subject to change periodically, even as frequently as daily. Ratings assigned by Moody's or another rating agency are not absolute standards of credit quality and do not evaluate market risk. Rating agencies may fail to make timely changes in credit ratings, and an issuer's current financial condition may be better or worse than a rating indicates. In formulating investment decisions for the Funds, Pacific Investment Management Company LLC, the sub-adviser to the Funds, develops its own analysis of the credit quality and risks associated with individual debt instruments, rather than relying exclusively on rating agencies or third-party research.

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Total return for a period of more than one year represents the average annual total return.

Performance at market price will differ from results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Funds, market conditions, supply and demand for each Fund's shares, or changes in each Fund's dividends.

An investment in the Funds involves risk, including the loss of principal. Total return, market price, market price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one time public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly dividend per common share (comprised of net investment income) by the market price per common share at May 31, 2014.

(3) Represents Floating Rate Notes issued in tender option bond transactions and Preferred Shares outstanding (collectively Leverage), as a percentage of total managed assets. Total managed assets refer to total assets (including assets attributable to Leverage) minus accrued liabilities (other than liabilities representing Leverage).

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014

Principal Amount (000s)		Value
Municipal Bonds & Notes 95.8%		
Alabama 3.0%		
\$1,000	Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.00%, 11/15/30, Ser. A	\$1,006,630
21,000	Jefferson Cnty. Sewer Rev., zero coupon, 10/1/50, Ser. F (i)	12,122,040
16,000	6.50%, 10/1/53, Ser. D	18,196,640
2,000	State Docks Department Rev., 6.00%, 10/1/40	2,280,160
		33,605,470
Arizona 8.1%		
3,500	Health Facs. Auth. Rev., Banner Health, 5.00%, 1/1/35, Ser. A	3,662,890
2,860	5.50%, 1/1/38, Ser. D	3,060,486
29,700	Pima Cnty. Industrial Dev. Auth. Rev., 5.00%, 9/1/39	30,836,025
1,500	Tucson Electric Power Co., 5.25%, 10/1/40, Ser. A	1,580,640
1,750	Pinal Cnty. Electric Dist. No. 3 Rev., 5.25%, 7/1/36	1,928,885
3,700	5.25%, 7/1/41	4,044,396
10,000	Salt River Project Agricultural Improvement & Power Dist. Rev., 5.00%, 1/1/39, Ser. A (h)	10,983,400
9,000	Salt Verde Financial Corp. Rev., 5.00%, 12/1/32	10,080,270
22,400	5.00%, 12/1/37	24,987,872
		91,164,864
California 12.8%		
5,000	Bay Area Toll Auth. Rev., 5.25%, 4/1/48, Ser. S-4	5,523,200
6,000	San Francisco Bay Area, 5.00%, 10/1/29	6,660,840
1,430	San Francisco Bay Area, 5.00%, 4/1/34, Ser. F-1	1,556,312
1,535	Golden State Tobacco Securitization Corp. Rev., 5.75%, 6/1/47, Ser. A-1	1,289,200
2,000	Hayward Unified School Dist., GO, 5.00%, 8/1/33	2,151,180
1,500	Health Facs. Financing Auth. Rev., Scripps Health, 5.00%, 11/15/36, Ser. A	1,625,385
6,300	Sutter Health, 5.00%, 11/15/42, Ser. A (IBC-NPFGC)	6,552,693
3,000	Sutter Health, 6.00%, 8/15/42, Ser. B	3,490,620
1,500	Indian Wells Redev. Agcy., Tax Allocation, Whitewater Project, 4.75%, 9/1/34, Ser. A (AMBAC)	1,467,435
2,000	Los Angeles Community College Dist., GO, 5.00%, 8/1/32, Ser. A (FGIC-NPFGC)	2,220,340

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

4,000	Los Angeles Department of Water & Power Rev., 5.00%, 7/1/39, Ser. A-1 (AMBAC)	4,294,120
5,000	Los Angeles Unified School Dist., GO, 5.00%, 7/1/30, Ser. E (AMBAC)	5,228,150
1,750	M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B	2,334,903
2,000	Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM)	2,190,440
2,875	Municipal Finance Auth. Rev., Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B Newport Beach Rev., Hoag Memorial Hospital Presbyterian, 5.875%, 12/1/30	3,370,650
3,000	(Pre-refunded @ \$100, 12/1/21) (c)	3,853,200
500	Peralta Community College Dist., GO, 5.00%, 8/1/39, Ser. C	524,020
2,000	San Diego Cnty. Water Auth., CP, 5.00%, 5/1/38, Ser. 2008-A (AGM)	2,195,200

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	California (continued)	
\$3,300	San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A	\$3,608,715
2,000	Santa Clara Cnty. Financing Auth. Rev., El Camino Hospital, 5.75%, 2/1/41, Ser. A (AMBAC)	2,154,440
2,925	State, GO, 5.00%, 11/1/32	3,214,604
1,590	5.00%, 6/1/37	1,705,259
5,200	5.125%, 8/1/36	5,709,860
2,500	5.25%, 3/1/38	2,723,475
5,945	5.25%, 11/1/40	6,667,853
5,750	5.50%, 3/1/40	6,538,497
9,500	6.00%, 4/1/38	11,200,880
2,510	Statewide Communities Dev. Auth. Rev., California Baptist Univ., 5.75%, 11/1/17, Ser. B (a)(b)(d)(j) (acquisition cost-\$2,510,000; purchased 6/22/07)	2,775,734
710	California Baptist Univ., 6.50%, 11/1/21	836,756
1,000	Cottage Health, 5.00%, 11/1/40	1,081,830
4,890	Methodist Hospital Project, 6.625%, 8/1/29 (FHA)	5,821,154
17,415	Methodist Hospital Project, 6.75%, 2/1/38 (FHA)	20,687,627
5,690	Sutter Health, 6.00%, 8/15/42, Ser. A	6,620,543
1,000	Trinity Health, 5.00%, 12/1/41	1,062,850
4,725	Torrance Rev., Torrance Memorial Medical Center, 5.00%, 9/1/40, Ser. A	4,935,640
		143,873,605
	Colorado 1.5%	
5,800	Aurora Rev., Children's Hospital Assoc., 5.00%, 12/1/40	6,103,108
1,000	Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40	1,079,640
1,000	Health Facs. Auth. Rev., Ser. A, American Baptist Homes, 5.90%, 8/1/37	1,001,620
500	Evangelical Lutheran, 6.125%, 6/1/38 (Pre-refunded @ \$100, 6/1/14) (c)	500,000
6,045	Sisters of Charity of Leavenworth Health System, 5.00%, 1/1/40	6,443,728
1,430	Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38	1,892,519
		17,020,615
	Connecticut 0.2%	
1,250	Harbor Point Infrastructure Improvement Dist., Tax Allocation, 7.875%, 4/1/39, Ser. A	1,454,913
1,000	State Health & Educational Fac. Auth. Rev., Hartford Healthcare, 5.00%, 7/1/41, Ser. A	1,069,960
		2,524,873
	Florida 5.1%	

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

1,000	Brevard Cnty. Health Facs. Auth. Rev., Health First, Inc. Project, 7.00%, 4/1/39	1,145,960
	Broward Cnty. Airport System Rev.,	
12,100	5.00%, 10/1/42, Ser. Q-1	13,118,336
600	5.375%, 10/1/29, Ser. O	688,710
8,500	Broward Cnty. Water & Sewer Utility Rev., 5.25%, 10/1/34, Ser. A (h)	9,500,365
1,000	Clearwater Water & Sewer Rev., 5.25%, 12/1/39, Ser. A	1,064,630
340	Dev. Finance Corp. Rev., Renaissance Charter School, 6.50%, 6/15/21, Ser. A	362,246
	Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System,	
3,000	5.625%, 11/15/37, Ser. B	3,364,140
3,000	Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32	3,002,010
10,000	Orlando-Orange Cnty. Expressway Auth. Rev., 5.00%, 7/1/40, Ser. A	10,701,200

May 31, 2014 | Annual Report 11

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
Florida (continued)		
\$500	Sarasota Cnty. Health Facs. Auth. Rev., 5.75%, 7/1/37	\$483,860
7,900	State Board of Education, GO, 5.00%, 6/1/38, Ser. D (h)	8,742,851
5,000	Sumter Landing Community Dev. Dist. Rev., 4.75%, 10/1/35, Ser. A (NPFGC)	4,973,150
		57,147,458
Georgia 0.4%		
1,500	Atlanta Airport Rev., 5.00%, 1/1/40, Ser. A	1,595,820
2,775	Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37	2,785,823
		4,381,643
Illinois 5.8%		
2,444	Chicago, Special Assessment, Lake Shore East, 6.625%, 12/1/22	2,472,497
5,438	6.75%, 12/1/32	5,495,806
1,250	Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC) Finance Auth. Rev.,	1,278,662
2,500	Christian Homes, Inc., 5.75%, 5/15/31, Ser. A	2,569,300
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	833,595
2,000	Provena Health, 6.00%, 5/1/28, Ser. A	2,188,740
5,000	Univ. of Chicago, 5.50%, 7/1/37, Ser. B (h)	5,654,250
37,000	Sports Facs. Auth. Rev., 5.50%, 6/15/30 (AMBAC) Village of Hillside, Tax Allocation, Mannheim Redev. Project,	38,397,860
3,495	6.55%, 1/1/20	3,725,216
2,900	7.00%, 1/1/28	2,978,938
		65,679,864
Indiana 0.4%		
1,500	Finance Auth. Rev., Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc.,	1,656,870
990	5.80%, 9/1/47 (a)(b)(d)(j) (acquisition cost-\$960,082; purchased 9/7/07)	968,487
1,900	7.50%, 9/1/22	2,314,352
		4,939,709
Iowa 2.3%		
	Finance Auth. Rev.,	
144	Deerfield Retirement Community, Inc., 2.00%, 5/15/56, Ser. B, PIK	1,442
4,500	Edgewater LLC Project, 6.75%, 11/15/42	4,681,440
6,000	Fertilizer Company Project, 5.25%, 12/1/25	6,264,360
5,000	Fertilizer Company Project, 5.50%, 12/1/22	5,236,450

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

10,350	Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B	9,554,809
		25,738,501
	Kansas 0.1%	
500	Dev. Finance Auth. Rev., Adventist Health, 5.75%, 11/15/38	557,180
850	Manhattan Rev., Meadowlark Hills Retirement, 5.00%, 5/15/36, Ser. A (b)	821,406
		1,378,586
	Kentucky 0.1%	
1,000	Economic Dev. Finance Auth. Rev., Owensboro Medical Healthcare Systems, 6.375%, 6/1/40, Ser. A	1,119,600

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	Louisiana 0.7%	
	Local Gov t Environmental Facs. & Community Dev. Auth Rev.,	
\$450	Westlake Chemical Corp., 6.50%, 11/1/35, Ser. A-2	\$519,341
750	Woman s Hospital Foundation, 5.875%, 10/1/40, Ser. A	855,262
1,000	Woman s Hospital Foundation, 6.00%, 10/1/44, Ser. A	1,146,800
	Public Facs. Auth. Rev., Ochsner Clinic Foundation Project,	
3,300	5.50%, 5/15/47, Ser. B	3,469,059
2,000	6.50%, 5/15/37	2,345,600
		8,336,062
	Maryland 0.7%	
	Health & Higher Educational Facs. Auth. Rev.,	
1,400	Charlestown Community, 6.25%, 1/1/41	1,522,290
2,380	Medstar Health, 5.00%, 8/15/41	2,521,324
4,050	Washington Cnty. Hospital, 6.00%, 1/1/43	4,167,572
		8,211,186
	Massachusetts 0.9%	
	Dev. Finance Agcy. Rev.,	
4,610	Adventcare Project, 6.75%, 10/15/37, Ser. A	4,807,354
570	Adventcare Project, 7.625%, 10/15/37	631,024
1,000	Foxborough Regional Charter School, 7.00%, 7/1/42, Ser. A	1,123,140
2,900	State College Building Auth. Rev., 5.50%, 5/1/39, Ser. A	3,269,431
		9,830,949
	Michigan 0.5%	
1,000	Detroit, GO, 5.25%, 11/1/35	1,069,430
	Public Educational Facs. Auth. Rev., Bradford Academy, 6.50%, 9/1/37 (a)(b)(d)(j)	
800	(acquisition cost-\$800,000; purchased 9/21/07)	456,000
	Royal Oak Hospital Finance Auth. Rev., William Beaumont Hospital, 8.25%,	
3,000	9/1/39 (Pre-refunded @ \$100, 9/1/18) (c)	3,912,660
		5,438,090
	Minnesota 0.3%	
2,640	North Oaks Rev., Presbyterian Homes North Oaks, 6.00%, 10/1/33	2,759,170
400	St. Louis Park Rev., Nicollett Health Services, 5.75%, 7/1/39	434,720
		3,193,890
	Mississippi 0.0%	
	Dev. Bank Special Obligation Rev., Capital Projects and Equipment Acquisition,	
40	5.00%, 7/1/24, Ser. A-2 (AMBAC)	40,156
	Missouri 1.0%	
550	Lee s Summit, Tax Allocation, Summit Fair Project, 5.625%, 10/1/23	575,558
10,000	State Health & Educational Facs. Auth. Rev., CoxHealth, 5.00%, 11/15/44, Ser. A	10,674,600

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

		11,250,158
	Nevada 0.9%	
10,000	Clark Cnty., GO, 4.75%, 11/1/35 (FGIC-NPFGC) (h)	10,489,200
	New Hampshire 0.2%	
2,000	Business Finance Auth. Rev., Elliot Hospital, 6.125%, 10/1/39, Ser. A	2,134,680
	New Jersey 4.0%	
950	Burlington Cnty. Bridge Commission Rev., The Evergreens Project, 5.625%, 1/1/38	928,729
4,000	Economic Dev. Auth., Special Assessment, Kapkowski Road Landfill Project, 5.75%, 10/1/21	4,421,120

May 31, 2014 | Annual Report **13**

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	New Jersey (continued)	
	Economic Dev. Auth. Rev.,	
\$525	Arbor Glen, 6.00%, 5/15/28, Ser. A	\$368,634
2,000	MSU Student Housing Project, 5.875%, 6/1/42	2,188,000
	Health Care Facs. Financing Auth. Rev.,	
1,500	AHS Hospital Corp., 6.00%, 7/1/37	1,741,320
4,000	Robert Wood Johnson Univ. Hospital, 5.50%, 7/1/43, Ser. A	4,420,680
1,500	St. Peters Univ. Hospital, 5.75%, 7/1/37	1,523,835
2,000	State Turnpike Auth. Rev., 5.25%, 1/1/40, Ser. E	2,170,500
	Tobacco Settlement Financing Corp. Rev., Ser. 1-A,	
3,300	4.75%, 6/1/34	2,587,596
31,305	5.00%, 6/1/41	24,605,730
		44,956,144
	New Mexico 0.2%	
2,000	Farmington Pollution Control Rev., 5.90%, 6/1/40, Ser. D	2,210,760
	New York 12.6%	
33,500	Hudson Yards Infrastructure Corp. Rev., 5.25%, 2/15/47, Ser. A	36,367,265
3,880	Metropolitan Transportation Auth. Rev., 5.00%, 11/15/36, Ser. D	4,205,649
	Nassau Cnty. Industrial Dev. Agcy. Rev., Amsterdam at Harborside, 6.70%,	
1,100	1/1/43, Ser. A	571,912
	New York City Water & Sewer System Rev.,	
2,830	5.00%, 6/15/37, Ser. D (h)	2,931,795
4,000	Second Generation Resolutions, 4.75%, 6/15/35, Ser. DD (h)	4,225,080
2,000	Second Generation Resolutions, 5.00%, 6/15/39, Ser. GG-1	2,194,280
	New York Liberty Dev. Corp. Rev.,	
10,000	1 World Trade Center Project, 5.00%, 12/15/41	10,725,200
54,000	4 World Trade Center Project, 5.75%, 11/15/51	60,327,720
1,000	Bank of America Tower at One Bryant Park Project, 5.125%, 1/15/44	1,065,860
2,500	Bank of America Tower at One Bryant Park Project, 5.625%, 7/15/47	2,756,475
1,250	Bank of America Tower at One Bryant Park Project, 6.375%, 7/15/49	1,380,700
1,505	Goldman Sachs Headquarters, 5.25%, 10/1/35	1,761,196
10,000	Goldman Sachs Headquarters, 5.25%, 10/1/35 (h)	11,702,300
1,750	State Dormitory Auth. Rev., The New School, 5.50%, 7/1/40	1,912,960
		142,128,392
	North Carolina 0.1%	
550	Medical Care Commission Rev., Salemtowne, 5.10%, 10/1/30	551,513
	North Dakota 0.3%	
3,710	Stark Cnty. Healthcare Rev., Benedictine Living Communities, 6.75%, 1/1/33	3,929,595
	Ohio 5.2%	

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

	Buckeye Tobacco Settlement Financing Auth. Rev., Ser. A-2,	
10,000	5.875%, 6/1/47	8,199,500
33,740	6.50%, 6/1/47	29,785,335
3,900	Hamilton Cnty. Sales Tax Rev., 5.00%, 12/1/30, Ser. A	4,285,281
	Higher Educational Fac. Commission Rev., Univ. Hospital Health Systems,	
1,000	6.75%, 1/15/39, Ser. 2009-A (Pre-refunded @ \$100, 1/15/15) (c)	1,040,290
	Montgomery Cnty. Rev., Miami Valley Hospital, 6.25%, 11/15/39, Ser. A	
1,000	(Pre-refunded @ \$100, 11/15/14) (c)	1,027,260
3,000	State Rev., Cleveland Clinic Health System, 5.50%, 1/1/39, Ser. B	3,350,940
10,000	State Turnpike Commission Rev., 5.00%, 2/15/48, Ser. A-1	10,804,200
		58,492,806

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	Oregon 0.2%	
\$1,000	Clackamas Cnty. Hospital Fac. Auth. Rev., Legacy Health System, 5.50%, 7/15/35, Ser. A	\$1,084,580
1,155	State Department of Administrative Services, CP, 5.25%, 5/1/39, Ser. A	1,242,699
		2,327,279
	Pennsylvania 5.4%	
7,500	Berks Cnty. Municipal Auth. Rev., Reading Hospital Medical Center, 5.00%, 11/1/44, Ser. A	8,035,425
750	Cumberland Cnty. Municipal Auth. Rev., Messiah Village Project, Ser. A, 5.625%, 7/1/28	779,085
670	6.00%, 7/1/35	698,904
3,250	Harrisburg Auth. Rev., Harrisburg Univ. of Science, 6.00%, 9/1/36, Ser. B (e) Higher Educational Facs. Auth. Rev.,	1,496,332
850	Edinboro Univ. Foundation, 6.00%, 7/1/43	894,480
400	Thomas Jefferson Univ., 5.00%, 3/1/40	423,260
500	Luzerne Cnty. Industrial Dev. Auth. Rev., Pennsylvania American Water Co., 5.50%, 12/1/39	553,250
8,465	Montgomery Cnty. Industrial Dev. Auth. Rev., New Regional Medical Center, 5.375%, 8/1/38 (FHA)	9,398,436
17,000	Philadelphia, GO, 5.25%, 12/15/32, Ser. A (AGM)	18,258,340
1,000	Philadelphia Hospitals & Higher Education Facs. Auth. Rev., Temple Univ. Health System, Ser. A, 5.625%, 7/1/36	1,021,080
7,000	5.625%, 7/1/42	7,060,620
500	Philadelphia Water & Wastewater Rev., 5.25%, 1/1/36, Ser. A	537,995
10,000	Turnpike Commission Rev., 5.00%, 12/1/43, Ser. C	10,907,100
1,000	Westmoreland Cnty. Industrial Dev. Auth. Rev., Excelsa Health Project, 5.125%, 7/1/30	1,059,560
		61,123,867
	Rhode Island 5.0%	
56,200	Tobacco Settlement Financing Corp. Rev., 6.25%, 6/1/42, Ser. 2002-A	56,214,050
	South Carolina 1.1%	
1,000	Greenwood Cnty. Rev., Self Regional Healthcare, 5.375%, 10/1/39	1,085,260
10,000	State Public Service Auth. Rev., 5.50%, 12/1/53, Ser. E	11,149,900
		12,235,160
	Tennessee 1.2%	
1,750	Claiborne Cnty. Industrial Dev. Board Rev., Lincoln Memorial Univ. Project, 6.625%, 10/1/39	1,930,302
1,000		1,121,190

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

Johnson City Health & Educational Facs. Board Rev., Mountain States Health Alliance, 6.00%, 7/1/38, Ser. A

500	Sullivan Cnty. Health Educational & Housing Facs. Board Rev., Wellmont Health Systems Project, 5.25%, 9/1/36, Ser. C	519,995
3,000	Tennessee Energy Acquisition Corp. Rev., Ser. C, 5.00%, 2/1/23	3,405,420
6,000	5.00%, 2/1/27	6,750,060
		13,726,967
	Texas 13.5%	
130	Aubrey Independent School Dist., GO, 5.50%, 2/15/33 (GTD-PSF)	130,761
6,500	Brazos Cnty. Health Facs. Dev. Corp. Rev., 5.375%, 1/1/32	6,511,310
2,500	Dallas Rev., Dallas Civic Center, 5.25%, 8/15/38 (AGC)	2,695,025
21,000	Grand Parkway Transportation Corp. Rev., 5.00%, 4/1/53, Ser. B	22,451,310

May 31, 2014 | Annual Report 15

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	Texas (continued)	
	Harris Cnty. Cultural Education Facs. Finance Corp. Rev., Texas Children's Hospital Project,	
\$3,750	5.25%, 10/1/29	\$4,221,188
12,700	5.50%, 10/1/39	14,132,306
700	HFDC of Central Texas, Inc. Rev., Village at Gleannloch Farms, 5.50%, 2/15/37, Ser. A	671,062
10,300	North Harris Cnty. Regional Water Auth. Rev., 5.25%, 12/15/33	11,165,715
10,300	5.50%, 12/15/38	11,214,537
5,750	North Texas Tollway Auth. Rev., 5.00%, 1/1/38	6,158,307
1,300	5.50%, 9/1/41, Ser. A	1,490,931
5,000	5.625%, 1/1/33, Ser. B	5,545,550
1,200	5.75%, 1/1/33, Ser. F	1,335,600
250	San Juan Higher Education Finance Auth. Rev., 6.70%, 8/15/40, Ser. A	294,360
	State, Mobility Fund, GO (h),	
10,025	4.75%, 4/1/35, Ser. A	10,290,061
17,500	4.75%, 4/1/36	18,558,925
1,000	State Public Finance Auth. Charter School Finance Corp. Rev., 5.875%, 12/1/36, Ser. A	1,088,050
3,000	Tarrant Cnty. Cultural Education Facs. Finance Corp. Rev., Baylor Health Care Systems Project, 6.25%, 11/15/29	3,487,140
19,380	Texas Municipal Gas Acquisition & Supply Corp. I Rev., 6.25%, 12/15/26, Ser. D	23,751,934
5,000	Texas Municipal Gas Acquisition & Supply Corp. III Rev., 5.00%, 12/15/26	5,517,900
1,000	Wise Cnty. Rev., Parker Cnty. Junior College Dist., 8.00%, 8/15/34	1,176,720
		151,888,692
	Virginia 0.2%	
1,000	Fairfax Cnty. Industrial Dev. Auth. Rev., Inova Health Systems, 5.50%, 5/15/35, Ser. A	1,138,780
412	James City Cnty. Economic Dev. Auth. Rev., United Methodist Home, Ser. A, 2.00%, 10/1/48 (e)	10,900
1,273	6.00%, 6/1/43	1,154,094
		2,303,774
	Washington 1.5%	
1,300	Health Care Facs. Auth. Rev., Multicare Health Systems, 6.00%, 8/15/39, Ser. B (AGC)	1,527,344
1,000	Seattle Cancer Care Alliance, 7.375%, 3/1/38	1,208,680

Edgar Filing: PIMCO NEW YORK MUNICIPAL INCOME FUND II - Form N-CSR

13,000	Virginia Mason Medical Center, 6.125%, 8/15/37, Ser. A	13,836,550
		16,572,574
	West Virginia 0.2%	
2,000	Hospital Finance Auth. Rev., Highland Hospital, 9.125%, 10/1/41	2,016,380
	Wisconsin 0.1%	
1,000	Health & Educational Facs. Auth. Rev., Prohealth Care, Inc., 6.625%, 2/15/39	1,174,430
	Total Municipal Bonds & Notes (cost-\$988,744,527)	1,079,351,542
	Variable Rate Notes 1.5%	
	California 0.5%	
5,000	Health Facs. Financing Auth. Rev., 8.07%, 11/15/36, Ser. 3193 (a)(b)(d)(f)(g)(j) (acquisition cost -\$4,860,300; purchased 6/7/10)	5,912,050

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

Principal Amount (000s)		Value
	Florida 0.2%	
\$1,830	Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.00%, 11/15/31, Ser. C (g)	\$1,889,310
	Iowa 0.1%	
769	Finance Auth. Rev., Deerfield Retirement Community, Inc., 2.70%, 11/15/46, Ser. A (g)(i)	495,583
	Texas 0.5%	
5,365	State, GO, 7.663%, 4/1/37, Ser. 3197 (a)(d)(f)(g)	6,020,925
	West Virginia 0.2%	
2,000	Economic Dev. Auth. Rev., Appalachian Power, 5.375%, 12/1/38, Ser. A (g)	2,179,700
	Total Variable Rate Notes (cost-\$14,967,655)	16,497,568
	Corporate Bonds & Notes 0.1%	
	Commercial Services 0.1%	
900	ADT Corp., 4.125%, 6/15/23 (cost-\$805,149)	843,750
	Short-Term Investments 2.6%	
	U.S. Government Agency Securities (k) 2.3%	
	Fannie Mae Discount Notes,	
1,800	0.051%, 8/26/14	1,799,785
9,200	0.056%, 9/8/14	9,198,608
	Federal Home Loan Bank Discount Notes,	
1,300	0.061%, 7/9/14	1,299,918
8,900	0.079%, 10/8/14	8,897,528
1,900	0.101%, 8/1/14	1,899,678
3,400	0.132%, 7/25/14	3,399,337
	Total U.S. Government Agency Securities (cost-\$26,494,854)	26,494,854
	U.S. Treasury Obligations 0.3%	
1,300	U.S. Treasury Bills, 0.046%-0.056%, 10/23/14-10/30/14 (k)	1,299,720
	U.S. Treasury Notes,	
800	0.25%, 1/31/15	800,938
1,000	0.50%, 8/15/14	1,000,957
	Total U.S. Treasury Obligations (cost-\$3,101,052)	3,101,615
	Total Short-Term Investments (cost-\$29,595,906)	29,596,469
	Total Investments (cost-\$1,034,113,237) 100.0%	\$1,126,289,329

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

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

Revenue Bonds:	
Health, Hospital & Nursing Home Revenue	23.0%
Miscellaneous Revenue	7.9
Industrial Revenue	7.0
Natural Gas Revenue	7.0
Highway Revenue Tolls	6.9
Tobacco Settlement Funded	6.7
Miscellaneous Taxes	6.6
Water Revenue	3.9
Electric Power & Light Revenue	3.2
Lease (Appropriation)	2.7
Sewer Revenue	2.7
Port, Airport & Marina Revenue	2.5
College & University Revenue	2.3
Sales Tax Revenue	0.4
Transit Revenue	0.4
Resource Recovery Revenue	0.2
Fuel Sales Tax Revenue	0.1
Lease Revenue	0.1
Total Revenue Bonds	83.6%
General Obligation	11.4
U.S. Government Agency Securities	2.3
Special Assessment	1.1
Tax Allocation	0.9
Certificates of Participation	0.3
U.S. Treasury Obligations	0.3
Commercial Services	0.1
Total Investments	100.0%

Notes to Schedule of Investments:

(a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$16,133,196, 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 May 31, 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 May 31, 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 \$9,130,382. The aggregate value is \$10,112,271, representing 0.9% of total investments.

Schedule of Investments

PIMCO Municipal Income Fund II

May 31, 2014 (continued)

(k) Rates reflect the effective yields at purchase date.

(l) Floating Rate Notes The weighted average daily balance of Floating Rate Notes outstanding during the year ended May 31, 2014 was \$44,385,770 at a weighted average interest rate, including fees, of 0.71%.

(m) Fair Value Measurements-See Note 1(b) in the Notes to Financial Statements.

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 5/31/14
Investments in Securities				
Assets				
Municipal Bonds & Notes:				
Illinois	\$	\$65,594,864	\$85,000	\$65,679,864
Iowa		25,737,059	1,442	25,738,501
Michigan		4,982,090	456,000	5,438,090
Virginia		2,292,874	10,900	