

PIMCO MUNICIPAL INCOME FUND II  
Form N-Q  
October 25, 2010

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

OMB APPROVAL  
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**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: 1345 Avenue of the Americas New York, New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna 1345 Avenue of the Americas New York, New York 10105

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

Date of Fiscal Year End: May 31, 2011

Date of Reporting Period: August 31, 2010

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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Item 1. Schedule of Investments

**PIMCO Municipal Income Fund II Schedule of Investments**

August 31, 2010 (unaudited)

Principal Amount (000s)		Credit Rating (Moody s/S&P)	Value*
<b>MUNICIPAL BONDS &amp; NOTES 96.6%</b>			
<b>Alabama 1.2%</b>			
\$10,000	Birmingham-Baptist Medical Centers Special Care Facs. Financing Auth. Rev., Baptist Health Systems, Inc., 5.00%, 11/15/30, Ser. A	Baa2/NR	\$9,065,500
1,235	Montgomery BMC Special Care Facs. Financing Auth. Rev., 5.00%, 11/15/29, Ser. B (NPFGC)	A3/A	1,177,721
2,650	Tuscaloosa Public Educational Building Auth. Rev., Stillman College Project, 5.00%, 6/1/26, Ser. A	NR/BBB-	2,582,160
			12,825,381
<b>Alaska 0.7%</b>			
3,550	Housing Finance Corp. Rev., 5.25%, 6/1/32, Ser. C (NPFGC)	Aa2/AA	3,601,440
5,900	Northern Tobacco Securitization Corp. Rev., 5.00%, 6/1/46, Ser. A	Baa3/NR	3,984,801
			7,586,241
<b>Arizona 9.5%</b>			
3,500	Health Facs. Auth. Rev., Banner Health, 5.00%, 1/1/35, Ser. A	NR/A+	3,525,375
2,860	5.50%, 1/1/38, Ser. D	NR/A+	2,985,840
5,000	Maricopa Cnty. Pollution Control Corp. Rev., 5.00%, 6/1/35, Ser. A	A1/A	5,175,150
29,700	Pima Cnty. Industrial Dev. Auth. Rev., 5.00%, 9/1/39	Aa1/AA	30,351,321
41,100	Salt River Project Agricultural Improvement & Power Dist. Rev., Ser. A (h), 5.00%, 1/1/37	Aa1/AA	43,395,435
10,000	5.00%, 1/1/39	Aa1/AA	10,812,200
10,500	Salt Verde Financial Corp. Rev., 5.00%, 12/1/37	A3/A	10,047,660
			106,292,981
<b>Arkansas 0.2%</b>			
13,000	Dev. Finance Auth. Rev., Arkansas Cancer Research Center Project, zero coupon, 7/1/46 (AMBAC)	Aa2/NR	2,160,340
<b>California 5.3%</b>			
6,000	Golden State Tobacco Securitization Corp. Rev., 5.00%, 6/1/33, Ser. A-1	Baa3/BBB	4,746,540
2,500	Los Angeles Department of Water & Power Rev., 5.00%, 7/1/39, Ser. A-1 (AMBAC)	Aa3/AA-	2,647,950
1,365	Lynwood Utility Auth. Rev., 5.00%, 6/1/29, Ser. A (AGC)	Aa3/AAA	1,430,902
2,000	Montebello Unified School Dist., GO, 5.00%, 8/1/33 (AGM)	Aa3/AAA	2,103,920
2,000	San Diego Cnty. Water Auth., CP, 5.00%, 5/1/38, Ser. 2008-A (AGM)	Aa2/AAA	2,098,440
2,000	Santa Clara Cnty. Financing Auth. Rev., 5.75%, 2/1/41, Ser. A (AMBAC)	A1/A+	2,147,000
10,500	State, GO, 6.00%, 4/1/38	A1/A-	11,665,395
4,305	Statewide Communities Dev. Auth. Rev., California Baptist Univ., 9.00%, 11/1/17, Ser. B (a)(b)	NR/NR	3,847,637
5,500	Methodist Hospital Project (FHA), 6.625%, 8/1/29	Aa2/NR	6,438,080
19,500	6.75%, 2/1/38	Aa2/NR	22,690,785
			59,816,649

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<b>Colorado 2.0%</b>			
5,800	Aurora Rev., Children s Hospital Assoc., 5.00%, 12/1/40	A1/A+	5,900,746
11,250	City & Cnty. of Denver Airport Rev., 5.00%, 11/15/25, Ser. B (AGM)	Aa3/AAA	11,295,337
1,000	Denver Health & Hospital Auth. Rev., 5.625%, 12/1/40	NR/BBB	1,013,510

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	<b>Colorado (continued)</b>		
	Health Facs. Auth. Rev.,		
\$1,000	American Baptist Homes, 5.90%, 8/1/37, Ser. A	NR/NR	\$887,220
500	Evangelical Lutheran, 6.125%, 6/1/38, Ser. A	A3/A-	512,770
2,000	Housing & Finance Auth. Rev., Evergreen Country Day School, Inc. Project, 5.875%, 6/1/37 (a)(b)	NR/BB	1,420,300
1,430	Public Auth. for Colorado Energy Rev., 6.50%, 11/15/38	A2/A	1,647,160
			22,677,043
	<b>Connecticut 0.1%</b>		
1,250	Harbor Point Infrastructure Improvement Dist., Tax Allocation, 7.875%, 4/1/39, Ser. A	NR/NR	1,343,712
	<b>Delaware 0.1%</b>		
1,000	State Economic Dev. Auth. Rev., Delmarva Power & Light Co., 5.40%, 2/1/31	Baa2/BBB+	1,051,670
	<b>Florida 5.6%</b>		
1,000	Brevard Cnty. Health Facs. Auth. Rev., Health First, Inc. Project, 7.00%, 4/1/39	A3/A-	1,136,580
600	Broward Cnty. Airport Rev., 5.375%, 10/1/29, Ser. O	A1/A+	650,382
8,500	Broward Cnty. Water & Sewer Rev., 5.25%, 10/1/34, Ser. A (h)	Aa2/AA	9,214,765
1,000	Clearwater Rev., 5.25%, 12/1/39, Ser. A	Aa3/AA-	1,080,490
6,205	Governmental Utility Auth. Rev., Barefoot Bay Utilities System, 5.00%, 10/1/29 (AMBAC)	WR/NR	6,213,749
3,000	Highlands Cnty. Health Facs. Auth. Rev., Adventist Health System, 5.625%, 11/15/37, Ser. B	Aa3/AA-	3,186,690
2,335	Hillsborough Cnty. Industrial Dev. Auth. Pollution Control Rev., Tampa Electric Co. Project, 5.50%, 10/1/23	Baa1/BBB	2,397,998
7,135	Jacksonville Health Facs. Auth. Rev., Ascension Health, 5.25%, 11/15/32, Ser. A	Aa1/AA	7,350,192
3,000	Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32	Baa1/BBB+	3,002,340
3,490	Miami-Dade Cnty. Airport Rev., 5.50%, 10/1/36, Ser. A	A2/A-	3,726,168
500	Sarasota Cnty. Health Facs. Auth. Rev., 5.75%, 7/1/37	NR/NR	431,200
7,900	State Board of Education, GO, 5.00%, 6/1/38, Ser. D (h)	Aa1/AAA	8,477,648
5,000	Sumter Landing Community Dev. Dist. Rev., 4.75%, 10/1/35, Ser. A (NPFGC)	Baa1/A	4,480,350
10,000	Tallahassee Rev., 5.00%, 10/1/37 (h)	Aa1/AA	10,447,700
1,500	Winter Springs Water & Sewer Rev., zero coupon, 10/1/29 (FGIC-NPFGC)	WR/A+	672,435
			62,468,687
	<b>Georgia 0.2%</b>		
2,775	Medical Center Hospital Auth. Rev., Spring Harbor Green Island Project, 5.25%, 7/1/37	NR/NR	2,324,756
	<b>Illinois 14.4%</b>		
2,435	Central Lake Cnty. JT Action Water Agcy. Rev.,		

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	5.125%, 5/1/28, Ser. A (AMBAC)	Aa2/NR	2,549,688
	Chicago, GO, Ser. C,		
10,000	5.00%, 1/1/34 (h)	Aa3/AA-	10,392,800
4,065	5.50%, 1/1/40 (FGIC-NPFGC)	Aa3/AA-	4,120,081
	Chicago, Special Assessment, Lake Shore East,		
3,162	6.625%, 12/1/22	NR/NR	3,118,649
6,700	6.75%, 12/1/32	NR/NR	6,482,250

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	<b>Illinois (continued)</b>		
\$1,250	Chicago Motor Fuel Tax Rev., 5.00%, 1/1/38, Ser. A (AGC)	Aa3/AAA	\$1,297,262
5,000	Cicero, GO, 5.25%, 12/1/31 (NPFGC)	Baa1/A	5,164,150
5,275	Cook Cnty. Capital Improvements, GO, 5.00%, 11/15/28, Ser. A (FGIC-NPFGC) Finance Auth. Rev.,	Aa2/AA	5,286,974
2,500	Christian Homes, Inc., 5.75%, 5/15/31, Ser. A	NR/NR	2,328,275
250	Leafs Hockey Club Project, 6.00%, 3/1/37, Ser. A (d)	NR/NR	63,233
1,000	Memorial Health Systems, 5.50%, 4/1/39	A1/A+	1,024,670
700	OSF Healthcare System, 7.125%, 11/15/37, Ser. A	A3/A	788,046
2,000	Provena Health, 6.00%, 5/1/28, Ser. A	Baa1/BBB+	2,066,420
1,500	Sedgebrook, Inc., 6.00%, 11/15/42, Ser. A (d) Univ. of Chicago, Ser. B,	NR/NR	420,000
10,000	5.50%, 7/1/37	Aa1/AA	11,285,500
5,000	5.50%, 7/1/37 (h)	NR/NR	5,613,500
20,100	Health Facs. Auth. Rev., Elmhurst Memorial Healthcare, 5.625%, 1/1/28	Baa1/NR	20,187,234
68,470	Sports Facs. Auth. Rev., 5.50%, 6/15/30 (AMBAC) Village of Hillside, Tax Allocation, Mannheim Redev. Project,	WR/A	73,062,283
4,500	6.55%, 1/1/20	NR/NR	4,323,780
2,900	7.00%, 1/1/28	NR/NR	2,630,155
			162,204,950
	<b>Indiana 0.5%</b>		
	Finance Auth. Rev.,		
1,500	Duke Energy Indiana, Inc., 6.00%, 8/1/39, Ser. B	NR/A	1,663,605
2,500	United States Steel Corp., 6.00%, 12/1/26	Ba2/BB	2,666,700
990	Vigo Cnty. Hospital Auth. Rev., Union Hospital, Inc., 5.80%, 9/1/47 (a)(b)	NR/NR	942,411
			5,272,716
	<b>Iowa 4.1%</b>		
	Finance Auth. Rev.,		
	Deerfield Retirement Community, Inc., Ser. A,		
250	5.50%, 11/15/27	NR/NR	187,192
1,075	5.50%, 11/15/37	NR/NR	737,042
4,500	Edgewater LLC Project, 6.75%, 11/15/42	NR/NR	4,322,925
850	Wedum Walnut Ridge LLC Project, 5.625%, 12/1/45, Ser. A		