

WESTERN ASSET PREMIER BOND FUND  
Form N-CSR  
February 26, 2015

**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 811-10603**

**Western Asset Premier Bond Fund**  
**(Exact name of registrant as specified in charter)**

**620 Eighth Avenue, 49<sup>th</sup> Floor, New York, NY 10018**  
**(Address of principal executive offices) (Zip code)**

**Robert I. Frenkel, Esq.**

**Legg Mason & Co., LLC**

**100 First Stamford Place**

**Stamford, CT 06902**

**(Name and address of agent for service)**

**Registrant's telephone number, including area code: (888) 777-0102**

**Date of fiscal year end: December 31**

**Date of reporting period: December 31, 2014**

ITEM 1. REPORT TO STOCKHOLDERS.

The **Annual** Report to Stockholders is filed herewith.

Annual Report

December 31, 2014

WESTERN ASSET

PREMIER BOND FUND (WEA)

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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## Fund objective

The Fund's investment objective is to provide current income and capital appreciation.

## Letter from the president

### Dear Shareholder,

We are pleased to provide the annual report of Western Asset Premier Bond Fund for the twelve-month reporting period ended December 31, 2014. Please read on for a detailed look at prevailing economic and market conditions during the Fund's reporting period and to learn how those conditions have affected Fund performance.

### Special shareholder notice

On July 10, 2014, Western Asset Premier Bond Fund (the "Fund") announced the final results for its issuer tender offer for up to 100% of its outstanding auction rate preferred shares (ARPS) at a price equal to 97% of the liquidation preference of \$25,000 per share (or \$24,250 per share), plus any unpaid dividends accrued through expiration of the offer. The Fund's tender offer expired on July 3, 2014, at 5:00 p.m. New York City time. All shares that were validly tendered and not withdrawn during the offering period were accepted for payment. The Fund accepted for payment 2,863 ARPS, which represented approximately 99% of its outstanding ARPS.

On August 14, 2014, the Board of Trustees approved the redemption of the remaining Series M ARPS and Series W ARPS, at the liquidation preference of \$25,000 per share, plus any accumulated but unpaid dividends, on September 26, 2014 and September 30, 2014, respectively.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, [www.lmcef.com](http://www.lmcef.com). Here you can gain immediate access to market and investment information, including:

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Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

II Western Asset Premier Bond Fund

We look forward to helping you meet your financial goals.

Sincerely,

Kenneth D. Fuller

President and Chief Executive Officer

January 30, 2015

Western Asset Premier Bond Fund

III

## Investment commentary

### Economic review

Despite weakness in early 2014, the U.S. economy expanded at a solid pace during the twelve months ended December 31, 2014 (the reporting period). The U.S. Department of Commerce reported that in the first quarter of 2014, U.S. gross domestic product (GDP) contracted 2.1%. This was the first negative GDP report in three years and partially attributed to severe winter weather. Thankfully, this setback was very brief, as second quarter GDP growth was 4.6%. The rebound in GDP growth was driven by several factors, including an acceleration in personal consumption expenditures (PCE), increased private inventory investment and exports, as well as an upturn in state and local government spending. The economy then gained further momentum as third quarter GDP growth was 5.0%, its strongest reading since the third quarter of 2003. This was driven by contributions from PCE, exports, nonresidential fixed investment and government spending. After the reporting period ended, the U.S. Department of Commerce's initial estimate showed that fourth quarter 2014 GDP growth was 2.6%. Moderating growth was due to several factors, including an upturn in imports, a downturn in federal government spending and decelerations in nonresidential fixed investment and in exports.

The U.S. manufacturing sector was another tailwind for the economy. Based on figures for the Institute for Supply Management's Purchasing Managers' Index (PMI), U.S. manufacturing expanded during all twelve months of the reporting period (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). After a reading of 56.5 in December 2013, the PMI fell to 51.3 in January 2014, but generally rose over the next several months, reaching a high of 59.0 in August, its best reading since March 2011. While the PMI dipped to 56.6 in September, it rose back to 59.0 in October. Manufacturing activity then moderated over the last two months of the year and the PMI was 55.5 in December. However, for 2014 as a whole the PMI averaged 55.8, the best annual reading since 2010.

The improving U.S. job market was another factor supporting the overall economy during the reporting period. When the period began, unemployment, as reported by the U.S. Department of Labor, was 6.6%. Unemployment generally declined throughout the reporting period and reached a low of 5.6% in December 2014, the lowest level since June 2008.

The Federal Reserve Board (Fed) took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As it has since December 2008, the Fed kept the federal funds rate<sup>iv</sup> at a historically low range between zero and 0.25%. The Fed also ended its asset purchase program that was announced in December 2012. At that time, the Fed said it would continue purchasing \$40 billion per month of agency mortgage-backed securities (MBS), as well as \$45 billion per month of longer-term Treasuries. Following the meeting that concluded on December 18, 2013, the Fed announced that it would begin reducing its monthly asset purchases, saying "Beginning in January 2014, the Committee will add to its holdings of agency MBS at a pace of \$35 billion per month rather than \$40 billion per month, and will add to its holdings of longer-term Treasury securities at a pace of \$40 billion per month rather than \$45 billion



per month. At each of the Fed's next six meetings (January, March, April, June, July and September 2014), it announced further \$10 billion tapering of its asset purchases. At its meeting that ended on October 29, 2014, the Fed announced that its asset purchase program had concluded. During its last meeting of the year that concluded on December 17, 2014, the Fed said that "Based on its current assessment, the Committee judges that it can be patient to maintain the 0 to 1/4 percent target range for the federal funds rate for a considerable time." Finally, at its meeting that ended on January 28, 2015, after the reporting period ended, the Fed said "Based on its current assessment, the Committee judges that it can be patient in beginning to normalize the stance of monetary policy."

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

Kenneth D. Fuller

President and Chief Executive Officer

January 30, 2015

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results.

<sup>i</sup> Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.

<sup>ii</sup> The Institute for Supply Management's PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the U.S. manufacturing sector.

<sup>iii</sup> The Federal Reserve Board (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

<sup>iv</sup> The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

## Fund overview

### Q. What is the Fund's investment strategy?

A. The Fund's investment objective is to provide current income and capital appreciation by investing primarily in a diversified portfolio of investment grade bonds. Under normal market conditions, the Fund expects to invest substantially all (but at least 80%) of its total managed assets<sup>i</sup> in bonds, including corporate bonds, U.S. government and agency securities and mortgage-related securities, and at least 65% of its total managed assets in bonds that, at the time of purchase, are of investment grade quality. The Fund may invest up to 35% of its total managed assets in bonds of below investment grade quality at the time of purchase. The Fund may invest in securities or instruments other than bonds (including preferred stock) and may invest up to 10% of its total managed assets in instruments denominated in currencies other than the U.S. dollar. The Fund expects that the average effective duration<sup>ii</sup> of its portfolio will range between 3.5 and seven years, although this target duration may change from time to time.

At Western Asset Management Company (Western Asset), the Fund's subadviser, we utilize a fixed-income team approach, with decisions derived from interaction among various investment management sector specialists. The sector teams are comprised of Western Asset's senior portfolio management personnel, research analysts and an in-house economist. Under this team approach, management of client fixed-income portfolios will reflect a consensus of interdisciplinary views within the Western Asset organization. The individuals responsible for development of investment strategy, day-to-day portfolio management, oversight and coordination of the Fund are S. Kenneth Leech, Michael C. Buchanan and Christopher F. Kilpatrick.

### Q. What were the overall market conditions during the Fund's reporting period?

A. The U.S. spread sectors (non-Treasuries) generated positive results and largely outperformed equal-duration<sup>iii</sup> Treasuries over the twelve months ended December 31, 2014. Risk aversion was prevalent at times given mixed economic data, questions surrounding the outlook for global growth, changing monetary policy by the Federal Reserve Board (Fed<sup>v</sup>), and numerous geopolitical issues. However, these factors were largely overshadowed by solid demand from investors looking to generate incremental yield in the low interest rate environment.

Short-term Treasury yields moved higher, whereas longer-term Treasury yields declined during the twelve months ended December 31, 2014. Two-year Treasury yields rose from 0.38% at the beginning of the period to 0.67% at the end of the period. Their peak of 0.73% occurred on December 23, December 24 and December 26, 2014, and they were as low as 0.30% in early February 2014. Ten-year Treasury yields were at a peak of 3.04% when the reporting period began and reached a low of 2.07% on December 16, 2014. They ended the reporting period at 2.17%.

All told, the Barclays U.S. Aggregate Index<sup>v</sup> returned 5.97% for the twelve months ended December 31, 2014. Comparatively, riskier fixed-income securities, including high-yield bonds and emerging market debt, produced weaker results. Over the fiscal year, the Barclays U.S. Corporate High Yield 2% Issuer Cap Index<sup>x</sup> gained 2.46%. During this period, as measured by the Index, lower-quality CCC-rated bonds underperformed higher-quality BB-rated securities, as they returned -1.11% and 5.37%, respectively. In contrast, the

## Fund overview (cont'd)

emerging market debt asset class, as measured by the JPMorgan Emerging Markets Bond Index Global (EMBI Global<sup>ii</sup>), returned 5.53% over the same period.

### Q. How did we respond to these changing market conditions?

A. A number of adjustments were made to the Fund during the reporting period. We increased the Fund's allocation to investment grade corporate and, to a lesser extent, its high-yield corporate bond exposure. In contrast, we reduced our allocations to non-agency mortgage-backed securities (MBS), asset-backed securities (ABS) and commercial mortgage-backed securities, as valuations have become less compelling. In addition, we reinvested the principle proceeds from prepayments in our MBS primarily into corporate bonds.

The Fund utilized leverage during the reporting period. This contributed to results given the market's positive results. We ended the period with leverage as a percentage of gross assets of roughly 23%, versus 29% from the beginning of the year. It's worth mentioning that the net leverage change was less dramatic given that we reduced our low-yielding cash position as we decreased the Fund's gross leverage during the reporting period.

We continued to emphasize spread product or credit risk over interest rate risk during the reporting period. We utilized Treasury futures to reduce the Fund's duration and manage yield curve<sup>iii</sup> positioning. These hedges detracted from performance during the reporting period as the U.S. government bond market continued to see strong demand despite fears that the Fed could continue to reduce stimulus and raise interest rates. We ended the period with effective duration of roughly 5.0 years (net basis) which was three-fifths of a year longer than the high yield market and 1.4 years shorter than the investment-grade corporate bond market. Currency forwards were used to hedge the Fund's non-U.S. dollar exposure. These hedges were beneficial to performance as the U.S. dollar strengthened versus the euro as the market priced in a greater probability for additional European quantitative easing.

### Performance review

For the twelve months ended December 31, 2014, Western Asset Premier Bond Fund returned 7.53% based on its net asset value (NAV<sup>x</sup>) and 2.88% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmarks, the Barclays U.S. Corporate High Yield Index<sup>x</sup> and the Barclays U.S. Credit Index<sup>xi</sup>, returned 2.45% and 7.49%, respectively, for the same period. The Lipper Corporate BBB-Rated Debt Closed-End Funds Category Average<sup>xii</sup> returned 6.82% over the same time frame. Please note that Lipper performance returns are based on each fund's NAV.

During the twelve-month period, the Fund made distributions to shareholders totaling \$1.08 per share\*. The performance table shows the Fund's twelve-month total return based on its NAV and market price as of December 31, 2014. **Past performance is no guarantee of future results.**

Performance Snapshot as of December 31, 2014

Price Per Share	12-Month Total Return**
\$14.83 (NAV)	7.53% ..
\$13.89 (Market Price)	2.88%

All figures represent past performance and are not a guarantee of future results.

\*\* Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.

Total return assumes the reinvestment of all distributions at NAV.

Total return assumes the reinvestment of all distributions in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

**Q. What were the leading contributors to performance?**

A. The largest contributor to the Fund's absolute performance during the reporting period was its allocation to investment-grade corporate bonds. In particular, overweight positions in Barclays, Wells Fargo and Verizon Communications were additive for results. Barclays and Wells Fargo performed well as investor sentiment, overall, improved due to continued balance sheet and capital ratio improvement, as well as strengthening fundamental prospects. Additionally the Fund's Barclays exposure performed well as the company sold equity to further strengthen its balance sheet and announced additional cost-cutting initiatives at the company. Fundamental performance at Verizon Communications continued to strengthen, increasing the value of the Fund's positions that we acquired during the company's large new bond offering in September 2013.

The Fund's allocation to non-agency MBS also meaningfully added to the Fund's absolute performance. They were supported by generally solid investor demand, attractive yields, continued principal paydowns and signs of stabilization in the housing market.

The Fund's high-yield bond exposure was also additive. An example of a strong holding was Ally Financial, Inc. The company, previously known as General Motors Acceptance Corporation (GMAC), provides a range of financial services, including auto financing, corporate financing, insurance, mortgage services and online banking. It performed well due to improving financials.

The Fund benefited from the tender and repurchase of approximately 99% of the Fund's outstanding Auction Rate Preferred Shares at 97% of the per share liquidation preference.

**Q. What were the leading detractors from performance?**

A. The Fund generated a strong absolute return during the reporting period. However, our Venezuelan sovereign debt detracted from performance. It was negatively impacted by declining oil prices, coupled with political and economic uncertainties.

A number of the Fund's individual high-yield corporate bond holdings were drags on

\* For the tax character of distributions paid during the fiscal year ended December 31, 2014, please refer to page 44 of this report.

.. The total return based on NAV reflects the impact of the tender and repurchase by the Fund of a portion of its Auction Rate Preferred Shares at 97% of the per share liquidation preference. Absent this transaction, the total return based on NAV would have been 6.22%.

## Fund overview (cont d)

performance, including our positions in Hercules Offshore and Halcon Resources Corp. These energy-related companies were also hurt by falling oil prices. Elsewhere the Fund's position in investment-grade Cliffs Natural Resources detracted from results. This U.S.-based company specializes in the mining and processing of iron ore and the mining of coal. It was negatively impacted by falling iron ore prices, as well as investor concerns regarding a large amount of debt on the company's books that is set to mature in the near future.

### Looking for additional information?

The Fund is traded under the symbol **WEA** and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol **XWEAX** on most financial websites. *Barron's* and the *Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as [www.lmcef.com](http://www.lmcef.com).

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

Thank you for your investment in Western Asset Premier Bond Fund. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

Sincerely,

Western Asset Management Company

January 20, 2015

***RISKS:** Bonds are subject to a variety of risks, including interest rate, credit and inflation risks. As interest rates rise, bond prices fall, reducing the value of a fixed-income investment's price. The Fund may invest in high-yield bonds, which are rated below investment grade and carry more risk than higher-rated securities. To the extent that the Fund invests in asset-backed, mortgage-backed or mortgage related securities, its exposure to prepayment and extension risks may be greater than investments in other fixed-income securities. Leverage may result in greater volatility of NAV and the market price of common shares and increases a shareholder's risk of loss. The Fund may invest, to a limited extent, in foreign securities, including emerging markets, which involve additional risks. The Fund may make significant investments in derivative instruments. Derivative instruments can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance.*

Portfolio holdings and breakdowns are as of December 31, 2014 and are subject to change and may not be representative of the portfolio managers' current or future investments. Please refer to pages 9 through 23 for a list and percentage breakdown of the Fund's holdings.

The mention of sector breakdowns is for informational purposes only and should not be construed as a recommendation to purchase or sell any securities. The information provided regarding such sectors is not a sufficient basis upon which to make an investment decision. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies discussed should consult their financial professional. Portfolio holdings are subject to change at any time and may not be representative of the portfolio managers' current or future investments. The Fund's top five sector holdings (as a percentage of net assets) as of

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December 31, 2014 were: Financials (26.7%), Asset-Backed Securities (17.0%), Collateralized Mortgage Obligations (12.4%), Energy (11.7%) and Industrials (11.3%). The Fund's portfolio composition is subject to change at any time.

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

- <sup>i</sup> Total managed assets equals the total assets of the Fund (including any assets attributable to leverage) minus accrued liabilities (other than liabilities representing leverage).
- <sup>ii</sup> Effective duration measures the expected sensitivity of market price to changes in interest rates, taking into account the effects of structural complexities. (For example, some bonds can be prepaid by the issuer.)
- <sup>iii</sup> Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.
- <sup>iv</sup> The Federal Reserve Board ( Fed ) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.
- <sup>v</sup> The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- <sup>vi</sup> The Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.
- <sup>vii</sup> The JPMorgan Emerging Markets Bond Index Global ( EMBI Global ) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- <sup>viii</sup> The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.
- <sup>ix</sup> Net asset value ( NAV ) is calculated by subtracting total liabilities and outstanding preferred stock (if any) from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total investments) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- <sup>x</sup> The Barclays U.S. Corporate High Yield Index covers the universe of fixed-rate, non-investment grade debt, including corporate and non-corporate sectors. Pay-in-kind ( PIK ) bonds, Eurobonds and debt issues from countries designated as emerging markets are excluded, but Canadian and global bonds (SEC registered) of issuers in non-emerging market countries are included. Original issue zero coupon bonds, step-up coupon structures and 144-A securities are also included.
- <sup>xi</sup> The Barclays U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).

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<sup>xii</sup> Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the twelve-month period ended December 31, 2014, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 9 funds in the Fund's Lipper category.

## Fund at a glance (unaudited)

**Investment breakdown (%)** as a percent of total investments

The bar graph above represents the Fund's portfolio as of December 31, 2014 and December 31, 2013 and does not include derivatives such as futures contracts and forward foreign currency contracts. The Fund's portfolio is actively managed. As a result, the composition of its portfolio holdings and sectors is subject to change at any time.



## Spread duration (unaudited)

Economic exposure December 31, 2014

### Total Spread Duration

WEA 4.67 years  
 Benchmark 6.99 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

ABS	Asset-Backed Securities
Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WEA	Western Asset Premier Bond Fund

## Effective duration (unaudited)

Interest rate exposure December 31, 2014

### Total Effective Duration

WEA 3.83 years  
Benchmark 7.07 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

ABS	Asset-Backed Securities
Benchmark	Barclays U.S. Credit Index
EM	Emerging Markets
HY	High Yield
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WEA	Western Asset Premier Bond Fund

## Schedule of investments

December 31, 2014

### Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
<b>Security</b>				
<b>Corporate Bonds &amp; Notes</b>	<b>81.6%</b>			
<b>Consumer Discretionary</b>	<b>10.8%</b>			
<i>Automobiles 3.7%</i>				
DaimlerChrysler NA Holding Corp., Notes	8.500%	1/18/31	1,000,000	\$ 1,529,494 <sup>(a)</sup>
Ford Motor Credit Co., LLC, Senior Notes	12.000%	5/15/15	1,030,000	1,070,528
Ford Motor Credit Co., LLC, Senior Notes	8.000%	12/15/16	680,000	761,023 <sup>(a)</sup>
Ford Motor Credit Co., LLC, Senior Notes	2.375%	1/16/18	1,000,000	1,005,795
General Motors Co., Senior Notes	6.250%	10/2/43	1,750,000	2,090,550
<i>Total Automobiles</i>				<i>6,457,390</i>
<i>Diversified Consumer Services 0.0%</i>				
Service Corp. International, Senior Notes	7.625%	10/1/18	5,000	5,577 <sup>(a)</sup>
Service Corp. International, Senior Notes	7.500%	4/1/27	60,000	67,500 <sup>(a)</sup>
<i>Total Diversified Consumer Services</i>				<i>73,077</i>
<i>Hotels, Restaurants &amp; Leisure 1.0%</i>				
Caesars Entertainment Operating Co. Inc., Senior Secured Notes	9.000%	2/15/20	160,000	117,600 <sup>(a)</sup>
CCM Merger Inc., Senior Notes	9.125%	5/1/19	570,000	598,500 <sup>(a)(b)</sup>
Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes	8.875%	3/15/19	280,000	279,300 <sup>(a)(b)</sup>
Landry's Holdings II Inc., Senior Notes	10.250%	1/1/18	720,000	741,600 <sup>(a)(b)</sup>
<i>Total Hotels, Restaurants &amp; Leisure</i>				<i>1,737,000</i>
<i>Household Durables 0.2%</i>				
William Lyon Homes Inc., Senior Notes	8.500%	11/15/20	390,000	420,225 <sup>(a)</sup>
<i>Media 5.7%</i>				
21st Century Fox America Inc., Notes	8.875%	4/26/23	400,000	538,844 <sup>(a)</sup>
Comcast Corp., Notes	5.900%	3/15/16	400,000	424,078
Comcast Corp., Notes	7.050%	3/15/33	1,000,000	1,391,361 <sup>(a)</sup>
CSC Holdings LLC, Senior Notes	6.750%	11/15/21	1,000,000	1,105,000 <sup>(a)</sup>
DISH DBS Corp., Senior Notes	7.875%	9/1/19	385,000	436,975 <sup>(a)</sup>
New Cotai LLC/New Cotai Capital Corp., Senior Secured Notes	10.625%	5/1/19	363,293	383,274 <sup>(a)(b)(c)</sup>
Time Warner Cable Inc., Debentures	7.300%	7/1/38	720,000	992,775 <sup>(a)</sup>
Time Warner Cable Inc., Senior Notes	5.850%	5/1/17	500,000	545,774 <sup>(a)</sup>
Time Warner Inc., Senior Debentures	7.700%	5/1/32	980,000	1,384,582 <sup>(a)</sup>
UPC Holding BV, Junior Secured Subordinated Notes	6.375%	9/15/22	1,820,000 <sup>EUR</sup>	2,378,475 <sup>(a)(b)</sup>
WMG Acquisition Corp., Senior Notes	6.750%	4/15/22	530,000	482,300 <sup>(a)(b)</sup>
<i>Total Media</i>				<i>10,063,438</i>
<i>Specialty Retail 0.2%</i>				
Hot Topic Inc., Senior Secured Notes	9.250%	6/15/21	270,000	288,900 <sup>(a)(b)</sup>
<b>Total Consumer Discretionary</b>				<b>19,040,030</b>

See Notes to Financial Statements.

## Schedule of investments (cont d)

December 31, 2014

### Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<b>Consumer Staples 4.4%</b>				
<i>Food &amp; Staples Retailing 2.2%</i>				
CVS Pass-Through Trust, Secured Bonds	5.789%	1/10/26	453,255	\$ 514,333 <sup>(a)(b)</sup>
CVS Pass-Through Trust, Secured Notes	5.880%	1/10/28	458,646	522,138 <sup>(a)</sup>
CVS Pass-Through Trust, Secured Notes	6.036%	12/10/28	456,657	532,511 <sup>(a)</sup>
CVS Pass-Through Trust, Secured Notes	6.943%	1/10/30	439,319	532,673 <sup>(a)</sup>
CVS Pass-Through Trust, Secured Notes	7.507%	1/10/32	428,666	546,669 <sup>(a)(b)</sup>
Kroger Co., Senior Notes	6.400%	8/15/17	1,090,000	1,218,333 <sup>(a)</sup>
<i>Total Food &amp; Staples Retailing</i>				<i>3,866,657</i>
<i>Food Products 2.2%</i>				
Ahold Lease USA Inc., Pass-Through Certificates	8.620%	1/2/25	686,921	854,631 <sup>(a)</sup>
Chiquita Brands International Inc./Chiquita Brands LLC, Senior Secured Notes	7.875%	2/1/21	262,000	281,650 <sup>(a)</sup>
Hearthside Group Holdings LLC/Hearthside Finance Co., Senior Notes	6.500%	5/1/22	500,000	487,500 <sup>(a)(b)</sup>
Wells Enterprises Inc., Senior Secured Notes	6.750%	2/1/20	176,000	180,400 <sup>(a)(b)</sup>
WM Wrigley Jr. Co., Senior Notes	2.000%	10/20/17	2,000,000	2,014,428 <sup>(b)</sup>
<i>Total Food Products</i>				<i>3,818,609</i>
<b>Total Consumer Staples</b>				<b>7,685,266</b>
<b>Energy 11.7%</b>				
<i>Energy Equipment &amp; Services 1.0%</i>				
CGG, Senior Notes	6.500%	6/1/21	750,000	570,000 <sup>(a)</sup>
FTS International Inc., Senior Secured Notes	6.250%	5/1/22	370,000	270,100 <sup>(a)(b)</sup>
Hercules Offshore Inc., Senior Notes	8.750%	7/15/21	410,000	188,600 <sup>(a)(b)</sup>
Hercules Offshore Inc., Senior Notes	6.750%	4/1/22	650,000	279,500 <sup>(b)</sup>
Transocean Inc., Senior Notes	6.800%	3/15/38	500,000	428,453
<i>Total Energy Equipment &amp; Services</i>				<i>1,736,653</i>
<i>Oil, Gas &amp; Consumable Fuels 10.7%</i>				
Anadarko Finance Co., Senior Notes	7.500%	5/1/31	570,000	749,597 <sup>(a)</sup>
Anadarko Petroleum Corp., Senior Notes	4.500%	7/15/44	1,000,000	970,475
Apache Corp., Senior Notes	4.250%	1/15/44	250,000	218,484
Arch Coal Inc., Senior Notes	7.000%	6/15/19	1,080,000	318,600 <sup>(a)</sup>
Burlington Resources Finance Co., Senior Notes	7.400%	12/1/31	450,000	634,325 <sup>(a)</sup>
Calumet Specialty Products Partners LP/Calumet Finance Corp., Senior Notes	6.500%	4/15/21	900,000	801,000 <sup>(a)(b)</sup>
Colorado Interstate Gas Co., Senior Notes	6.800%	11/15/15	150,000	156,901
CONSOL Energy Inc., Senior Notes	8.250%	4/1/20	440,000	456,500 <sup>(a)</sup>
Continental Resources Inc., Senior Notes	4.900%	6/1/44	500,000	433,330
Devon Energy Corp., Debentures	7.950%	4/15/32	310,000	427,320 <sup>(a)</sup>

See Notes to Financial Statements.

## Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Oil, Gas &amp; Consumable Fuels continued</i>				
Ecopetrol SA, Senior Bonds	4.125%	1/16/25	1,000,000	\$ 950,000
Ecopetrol SA, Senior Notes	5.875%	9/18/23	55,000	58,231 <sup>(a)</sup>
Ecopetrol SA, Senior Notes	5.875%	5/28/45	130,000	120,250
El Paso Corp., Medium-Term Notes	7.800%	8/1/31	190,000	231,350 <sup>(a)</sup>
Enterprise Products Operating LLC, Senior Notes	5.100%	2/15/45	1,000,000	1,075,191
EXCO Resources Inc., Senior Notes	8.500%	4/15/22	320,000	234,400 <sup>(a)</sup>
Halcon Resources Corp., Senior Notes	9.750%	7/15/20	670,000	502,500 <sup>(a)</sup>
Hess Corp., Notes	7.875%	10/1/29	350,000	447,870 <sup>(a)</sup>
Lonestar Resources America Inc., Senior Notes	8.750%	4/15/19	180,000	135,000 <sup>(a)(b)</sup>
Magnum Hunter Resources Corp., Senior Notes	9.750%	5/15/20	740,000	584,600 <sup>(a)</sup>
MEG Energy Corp., Senior Notes	7.000%	3/31/24	840,000	760,200 <sup>(a)(b)</sup>
Natural Resource Partners LP/Natural Resource Partners Finance Corp., Senior Notes	9.125%	10/1/18	370,000	358,900 <sup>(a)</sup>
Noble Energy Inc., Senior Notes	5.250%	11/15/43	1,000,000	1,015,547
Parsley Energy LLC/Parsley Finance Corp., Senior Notes	7.500%	2/15/22	150,000	142,125 <sup>(a)(b)</sup>
Petrobras Global Finance BV, Senior Notes	7.250%	3/17/44	1,000,000	987,500
Petroleos Mexicanos, Senior Notes	4.250%	1/15/25	1,500,000	1,490,250 <sup>(b)</sup>
Plains Exploration & Production Co., Senior Notes	6.500%	11/15/20	429,000	464,380
Plains Exploration & Production Co., Senior Notes	6.875%	2/15/23	650,000	723,125 <sup>(a)</sup>
Regency Energy Partners LP/Regency Energy Finance Corp., Senior Notes	5.875%	3/1/22	80,000	79,800 <sup>(a)</sup>
Reliance Holdings USA Inc., Senior Notes	5.400%	2/14/22	1,000,000	1,083,308 <sup>(b)</sup>
Reliance Holdings USA Inc., Senior Notes	5.400%	2/14/22	250,000	270,827 <sup>(d)</sup>
Sanchez Energy Corp., Senior Notes	7.750%	6/15/21	380,000	353,400 <sup>(a)</sup>
Summit Midstream Holdings LLC/Summit Midstream Finance Corp., Senior Notes	7.500%	7/1/21	230,000	241,500 <sup>(a)</sup>
Transocean Inc., Senior Notes	5.050%	12/15/16	1,000,000	1,004,788
Williams Cos. Inc., Debentures	7.500%	1/15/31	413,000	438,215 <sup>(a)</sup>
Williams Cos. Inc., Senior Notes	8.750%	3/15/32	39,000	45,516 <sup>(a)</sup>
<i>Total Oil, Gas &amp; Consumable Fuels</i>				<i>18,965,305</i>
<b>Total Energy</b>				<b>20,701,958</b>
<b>Financials 23.8%</b>				
<i>Banks 16.3%</i>				
Bank of America Corp., Senior Notes	3.750%	7/12/16	1,000,000	1,035,759
Bank of America Corp., Senior Notes	5.000%	5/13/21	1,100,000	1,227,438 <sup>(a)</sup>
Bank of America Corp., Subordinated Notes	4.250%	10/22/26	700,000	698,428
Barclays Bank PLC, Subordinated Notes	10.179%	6/12/21	610,000	818,979 <sup>(a)(b)</sup>
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	2,500,000	2,733,562 <sup>(a)</sup>
BPCE SA, Subordinated Notes	5.150%	7/21/24	1,000,000	1,030,471 <sup>(b)</sup>

See Notes to Financial Statements.

## Schedule of investments (cont d)

December 31, 2014

### Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Banks continued</i>				
Capital One N.A., Senior Notes	1.500%	3/22/18	1,810,000	\$ 1,782,162 <sup>(a)</sup>
Citigroup Inc., Senior Notes	1.700%	7/25/16	1,000,000	1,006,849 <sup>(a)</sup>
Citigroup Inc., Subordinated Notes	3.500%	5/15/23	500,000	486,745
Citigroup Inc., Subordinated Notes	5.500%	9/13/25	200,000	221,301
Citigroup Inc., Subordinated Notes	6.625%	6/15/32	1,000,000	1,245,782 <sup>(a)</sup>
Credit Agricole SA, Junior Subordinated Notes	7.875%	1/23/24	750,000	763,150 <sup>(b)(e)(f)</sup>
Credit Agricole SA, Subordinated Notes	8.375%	10/13/19	1,610,000	1,855,525 <sup>(a)(b)(e)(f)</sup>
HBOS PLC, Subordinated Notes	6.750%	5/21/18	700,000	780,147 <sup>(a)(b)</sup>
HSBC Holdings PLC, Junior Subordinated Bonds	6.375%	9/17/24	2,460,000	2,484,600 <sup>(a)(e)(f)</sup>
Intesa Sanpaolo SpA, Senior Notes	3.625%	8/12/15	300,000	304,052 <sup>(b)</sup>
Intesa Sanpaolo SpA, Senior Notes	3.875%	1/16/18	1,000,000	1,041,154
Intesa Sanpaolo SpA, Subordinated Bonds	5.017%	6/26/24	910,000	883,169 <sup>(b)</sup>
JPMorgan Chase & Co., Junior Subordinated Notes	6.100%	10/1/24	750,000	748,125 <sup>(e)(f)</sup>
Lloyds Banking Group PLC, Subordinated Notes	4.500%	11/4/24	1,000,000	1,009,139
M&T Bank Corp., Junior Subordinated Bonds	6.875%	6/15/16	760,000	777,100 <sup>(f)</sup>
Royal Bank of Scotland Group PLC, Subordinated Notes	6.100%	6/10/23	1,470,000	1,594,355
Royal Bank of Scotland Group PLC, Subordinated Notes	6.000%	12/19/23	150,000	162,360
Royal Bank of Scotland Group PLC, Subordinated Notes	5.125%	5/28/24	1,580,000	1,607,162
Royal Bank of Scotland NV, Subordinated Notes	7.750%	5/15/23	140,000	164,225 <sup>(a)</sup>
Santander UK PLC, Subordinated Notes	5.000%	11/7/23	510,000	538,660 <sup>(b)</sup>
Santander US Debt SA Unipersonal, Senior Notes	3.724%	1/20/15	300,000	300,411 <sup>(b)</sup>
Wachovia Capital Trust III, Junior Subordinated Bonds	5.570%	2/17/15	1,480,000	1,428,940 <sup>(e)(f)</sup>
<i>Total Banks</i>				<i>28,729,750</i>
<i>Capital Markets 2.9%</i>				
Deutsche Bank AG, Subordinated Notes	4.296%	5/24/28	2,000,000	1,931,860 <sup>(a)(e)</sup>
Goldman Sachs Group Inc., Senior Notes	6.150%	4/1/18	1,000,000	1,122,419 <sup>(a)</sup>
Goldman Sachs Group Inc., Senior Notes	5.250%	7/27/21	800,000	902,930 <sup>(a)</sup>
Goldman Sachs Group Inc., Subordinated Notes	6.750%	10/1/37	1,000,000	1,257,375 <sup>(a)</sup>
<i>Total Capital Markets</i>				<i>5,214,584</i>
<i>Consumer Finance 1.1%</i>				
Ally Financial Inc., Senior Notes	8.000%	3/15/20	282,000	332,760
Capital One Financial Corp., Subordinated Notes	6.150%	9/1/16	500,000	537,319
Synchrony Financial, Senior Notes	4.250%	8/15/24	1,000,000	1,026,129
<i>Total Consumer Finance</i>				<i>1,896,208</i>
<i>Diversified Financial Services 2.5%</i>				
General Electric Capital Corp., Notes	5.300%	2/11/21	450,000	513,894 <sup>(a)</sup>
General Electric Capital Corp., Subordinated Debentures	6.375%	11/15/67	500,000	536,250 <sup>(a)(e)</sup>
International Lease Finance Corp., Senior Notes	8.750%	3/15/17	1,380,000	1,528,350 <sup>(a)</sup>

See Notes to Financial Statements.

## Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Diversified Financial Services continued</i>				
International Lease Finance Corp., Senior Notes	5.875%	8/15/22	750,000	\$ 813,750 <sup>(a)</sup>
International Lease Finance Corp., Senior Secured Notes	7.125%	9/1/18	400,000	448,000 <sup>(a)(b)</sup>
ZFS Finance USA Trust II, Bonds	6.450%	12/15/65	500,000	526,835 <sup>(b)(e)</sup>
<i>Total Diversified Financial Services</i>				4,367,079
<i>Insurance 0.6%</i>				
Liberty Mutual Group Inc., Junior Subordinated Bonds	7.800%	3/15/37	200,000	234,000 <sup>(a)(b)</sup>
Metlife Inc., Junior Subordinated Notes	10.750%	8/1/39	500,000	812,500 <sup>(a)</sup>
<i>Total Insurance</i>				1,046,500
<i>Real Estate Management &amp; Development 0.4%</i>				
Howard Hughes Corp., Senior Notes	6.875%	10/1/21	690,000	714,150 <sup>(a)(b)</sup>
<b>Total Financials</b>				<b>41,968,271</b>
<i>Health Care 1.5%</i>				
<i>Health Care Equipment &amp; Supplies 0.5%</i>				
ConvaTec Finance International SA, Senior Notes	8.250%	1/15/19	340,000	345,100 <sup>(a)(b)(c)</sup>
Lantheus Medical Imaging Inc., Senior Notes	9.750%	5/15/17	610,000	585,600 <sup>(a)</sup>
<i>Total Health Care Equipment &amp; Supplies</i>				930,700
<i>Health Care Providers &amp; Services 0.8%</i>				
HCA Inc., Debentures	7.500%	11/15/95	475,000	453,625 <sup>(a)</sup>
HCA Inc., Notes	7.690%	6/15/25	90,000	101,250 <sup>(a)</sup>
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	230,000	241,500 <sup>(a)</sup>
Tenet Healthcare Corp., Senior Notes	8.125%	4/1/22	480,000	536,400 <sup>(a)</sup>
<i>Total Health Care Providers &amp; Services</i>				1,332,775
<i>Pharmaceuticals 0.2%</i>				
Salix Pharmaceuticals Ltd., Senior Notes	6.000%	1/15/21	350,000	357,000 <sup>(b)</sup>
<b>Total Health Care</b>				<b>2,620,475</b>
<i>Industrials 11.2%</i>				
<i>Aerospace &amp; Defense 0.6%</i>				
Boeing Co., Notes	6.125%	2/15/33	600,000	795,908 <sup>(a)</sup>
GenCorp Inc., Secured Notes	7.125%	3/15/21	250,000	261,825 <sup>(a)</sup>
<i>Total Aerospace &amp; Defense</i>				1,057,733
<i>Airlines 6.7%</i>				
Air 2 US, Notes	8.027%	10/1/19	1,213,785	1,298,750 <sup>(a)(b)</sup>
America West Airlines Inc., Pass-Through Certificates, Ambac Assurance Corp.	8.057%	7/2/20	1,448,479	1,644,024 <sup>(a)</sup>
Delta Air Lines Inc., Pass-Through Certificates, Secured Notes	8.021%	8/10/22	122,473	141,456 <sup>(a)</sup>
Northwest Airlines Corp., Pass-Through Certificates	7.575%	3/1/19	352,881	396,991 <sup>(a)</sup>
United Airlines Inc., Pass-Through Certificates	6.900%	1/2/18	526,806	551,145

See Notes to Financial Statements.

## Schedule of investments (cont d)

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### Western Asset Premier Bond Fund

Security	Rate	Maturity Date	Face Amount	Value
<i>Airlines continued</i>				
United Airlines Inc., Pass-Through Certificates	6.820%	5/1/18	587,355	\$ 631,407
United Airlines Inc., Pass-Through Certificates	6.545%	2/2/19	822,877	903,602
United Airlines Inc., Pass-Through Certificates	8.048%	11/1/20	449,357	509,436 (a)
United Airlines Inc., Pass-Through Certificates	6.703%	6/15/21	657,055	709,620
United Airlines Inc., Pass-Through Certificates, Secured Notes	6.250%	4/11/20	847,971	890,369 (a)
US Airways, Pass-Through Trust, Pass-Through Certificates	6.850%	1/30/18	2,030,057	2,151,860
US Airways, Pass-Through Trust, Secured Notes	7.125%	10/22/23	1,630,205	1,899,189 (a)
<i>Total Airlines</i>				<i>11,727,849</i>
<i>Commercial Services &amp; Supplies 0.5%</i>				
Garda World Security Corp., Senior Notes	7.250%	11/15/21	220,000	217,800 (b)
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	590,000	625,400 (a)(b)
Taylor Morrison Communities Inc./Monarch Communities Inc., Senior Notes	7.750%	4/15/20	72,000	76,320 (a)(b)
<i>Total Commercial Services &amp; Supplies</i>				<i>919,520</i>
<i>Construction &amp; Engineering 0.8%</i>				
Ausdrill Finance Pty Ltd., Senior Notes	6.875%	11/1/19	270,000	221,400 (a)(b)
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	610,000	606,950 (a)(b)
Modular Space Corp., Secured Notes	10.250%	1/31/19	360,000	311,400 (a)(b)
OAS Investments GmbH, Senior Notes	8.250%	10/19/19	200,000	68,000 (a)(b)
Odebrecht Offshore Drilling Finance Ltd., Senior Secured Notes	6.625%	10/1/22	192,480	174,194 (b)
<i>Total Construction &amp; Engineering</i>				<i>1,381,944</i>
<i>Electrical Equipment 0.2%</i>				
International Wire Group Holdings Inc., Senior Secured Notes	8.500%	10/15/17	340,000	356,150 (a)(b)
<i>Machinery 0.4%</i>				
SPL Logistics Escrow LLC/SPL Logistics Finance Corp., Senior Secured Notes	8.875%	8/1/20	710,000	752,600 (a)(b)
<i>Marine 1.2%</i>				
Horizon Lines LLC, Senior Secured Notes	11.000%	10/15/16	1,664,000	1,672,320 (a)(g)
Navios Maritime Acquisition Corp./Navios Acquisition Finance U.S. Inc., Senior Secured Notes	8.125%	11/15/21	470,000	458,250 (a)(b)
<i>Total Marine</i>				<i>2,130,570</i>
<i>Road &amp; Rail 0.5%</i>				
Florida East Coast Holdings Corp., Senior Notes	9.750%	5/1/20	620,000	616,900 (a)(b)
Jurassic Holdings III Inc., Secured Notes	6.875%	2/15/21	280,000	260,400 (a)(b)
<i>Total Road &amp; Rail</i>				<i>877,300</i>

See Notes to Financial Statements.



## Western Asset Premier Bond Fund

	Rate	Maturity Date	Face Amount	Value
Security				
<i>Trading Companies &amp; Distributors 0.3%</i>				
H&E Equipment Services Inc., Senior Notes	7.000%	9/1/22	590,000	\$ 606,963 (a)
<b>Total Industrials</b>				<b>19,810,629</b>
<b>Information Technology 1.6%</b>				
<i>Electronic Equipment, Instruments &amp; Components 0.2%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	340,000	343,400
<i>IT Services 1.4%</i>				
Compiler Finance Subordinated Inc., Senior Notes	7.000%	5/1/21	465,000	399,900 (a)(b)
Electronic Data Systems Corp., Notes	7.450%	10/15/29	500,000	631,743 (a)
First Data Corp., Senior Notes	12.625%	1/15/21	940,000	1,116,250 (a)
First Data Corp., Senior Secured Notes	6.750%	11/1/20	98,000	104,615 (a)(b)
First Data Corp., Senior Subordinated Notes	11.750%	8/15/21	208,000	238,680 (a)
<i>Total IT Services</i>				2,491,188
<b>Total Information Technology</b>				<b>2,834,588</b>
<b>Materials 3.8%</b>				
<i>Chemicals 0.3%</i>				
Braskem Finance Ltd., Senior Notes	5.375%	5/2/22	230,000	223,100 (b)
HIG BBC Intermediate Holdings LLC/HIG BBC Holdings Corp., Senior Notes	10.500%	9/15/18	250,000	242,500 (a)(b)(c)
<i>Total Chemicals</i>				465,600
<i>Containers &amp; Packaging 0.7%</i>				
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	9.125%	10/15/20	415,000	439,900 (a)(b)
Ardagh Packaging Finance PLC/Ardagh MP Holdings USA Inc., Senior Notes	7.000%	11/15/20	213,529	215,665 (a)(b)
Coveris Holdings SA, Senior Notes	7.875%	11/1/19	590,000	607,700 (a)(b)
Pactiv LLC, Senior Notes	7.950%	12/15/25	50,000	50,250 (a)
<i>Total Containers &amp; Packaging</i>				1,313,515
<i>Metals &amp; Mining 1.9%</i>				
Barmenco Finance Pty Ltd., Senior Notes	9.000%	6/1/18	430,000	391,300 (a)(b)
Barrick Gold Corp., Senior Notes	6.950%	4/1/19	300,000	341,613 (a)
Cliffs Natural Resources Inc., Senior Notes	5.700%	1/15/18	160,000	104,000
Freeport-McMoRan Inc., Senior Notes	4.550%	11/14/24		