MFS MULTIMARKET INCOME TRUST
Form N-30D
June 24, 2002

[logo] M F S(R)
INVESTMENT MANAGEMENT

MFS(R) MULTIMARKET INCOME TRUST

SEMIANNUAL REPORT o APRIL 30, 2002

TABLE OF CONTENTS

MFS(R) PRIVACY POLICY

At MFS(R), we are committed to protecting your privacy.

On behalf of the MFS Family of Funds(R), the MFS(R) Institutional Trusts, the Vertex(SM) Funds, Massachusetts Financial Services Company, and certain affiliates(1) (collectively, "MFS," "we," "us" or "our"), this privacy policy outlines certain of our policies designed to maintain the privacy of your nonpublic personal information.

Nonpublic personal information includes much of the information you provide to us and the related information about you and your transactions involving your MFS investment product or service. Examples of nonpublic personal information include the information you provide on new account applications for MFS investment products or services, your share balance or transactional history, and the fact that you are a customer of MFS.

We may collect nonpublic personal information about you from the following sources:

o information we receive from you on applications or other forms

o information about your transactions with us, our affiliates, or others, and

o information we receive from a consumer reporting agency

We do not disclose any nonpublic personal information about our customers or former customers to anyone except as permitted by law. We may disclose all of the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing arrangements.

We restrict access to nonpublic personal information about you to personnel who are necessary or appropriate to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Our privacy policy applies only to individual MFS investors who have a direct relationship with us. If you own MFS products or receive MFS investment services in the name of a third-party broker-dealer, bank, investment adviser or other financial service provider, that third-party's privacy policies may apply to you and our privacy policy may not.

If you have any questions with respect to MFS' privacy policy, please call 1-800-225-2606 any business day between 8 a.m. and 8 p.m. Eastern time.

(1) MFS Institutional Advisors, Inc., Vertex Investment Management, Inc., MFS Original Research Advisors, LLC, MFS Original Research Partners, LLC, and MFS(R) Heritage Trust Company(SM).

LETTER FROM THE CHAIRMAN

[Photo of Jeffrey L. Shames]
Jeffrey L. Shames

Dear Shareholders,
Despite a fourth-quarter rally in 2001, the market volatility we witnessed over the past two years has continued into 2002. As I write this in mid-May, many U.S. equity indices have retreated since December; bond performance has been decidedly mixed year to date; and many international equity indices have outperformed the U.S. market this year. Federal Reserve Board (Fed) Chairman Alan Greenspan has declared that, in fact, the recession is over, and many financial experts have agreed with him. We think the questions on many investors' minds are:

- Is the recession genuinely over?

- If it is, should I change my portfolio to prepare for a recovery?

THE WORST SEEMS TO BE OVER
According to many economists, the recession is technically over. We are beginning to see growth again in the U.S. economy and in economies around the globe. But we would qualify that with a caution that the exciting growth rates of the 1990s are not coming back any time soon.

Our view of the situation is that corporate profits still look weak, despite the recession being over. We think the markets may be bumping along the bottom for a bit longer before a recovery gathers steam. Firms in many industries are still dogged by excess capacity built up in the 1990s, and we think that may slow the growth of corporate profits for a while longer. Our analysts and fund managers talk frequently with corporate managements; a common theme they have seen lately is a wait-and-see attitude. Corporations are postponing spending decisions until their own business improves.

SHOULD I CHANGE MY PORTFOLIO?
Should you be adjusting your portfolio to anticipate an eventual recovery? This is a question best discussed with your investment professional. However, we would contend that changing one's portfolio in response to short-term events, known as market timing, is a strategy that few investors have been able to execute successfully over the long term. Our experience has been that a long-term financial plan, developed with the help of an investment professional, may offer a better chance of riding out economic cycles and working toward your long-term investment goals.

Recent events, we think, offer evidence to support that view. For example, two traditional elements of a long-term financial plan are setting reasonable expectations and diversifying among asset classes -- such as growth stocks, value stocks, and bonds.

In the late 1990s, it was tempting to raise our long-term expectations as we experienced several years of over-20% growth in equity markets. News stories often suggested this was the new norm, declaring that a "new economy" had vanquished the "old economy" -- and its historical average annual returns that had been closer to 10% for stocks.

Adjusting one's financial plan to agree with that view, however, could have proven disastrous over the past few years. Yes, the Standard & Poor's 500 Stock Index (the S&P 500), a commonly used measure of the broad stock market, returned an average of 28.6% per year for the years 1995 through 1999. But the same index returned -10.5% annually for the years 2000 through 2001.(1) A look at history might have prepared an investor for more realistic long-term returns. For example, for the 50-year period ended March 31, 2002, which includes the up and down periods just mentioned, the average annual return for the S&P 500 was 11.9%.(2)

In addition to unrealistic expectations, another investment trap of the 1990s was believing that growth stocks would always reign supreme. A financial plan that included a range of asset classes, however -- recognizing that individual asset classes frequently go in and out of favor -- could have helped an investor over the past two difficult years, when both bonds and value stocks significantly outperformed growth stocks.(3)

We should, however, note that if your personal situation or financial goals change, your financial plan may need to change as well. For that reason, we suggest that you and your investment professional revisit your long-term plan regularly to assess your progress and make course corrections as necessary.

DEJA VU

The points we've just made, of course, are familiar to most investors. As baseball great Yogi Berra said, "This is like deja vu all over again." What's new, however, is the historical context that validates the old familiar strategies.

This spring marks the second anniversary of the start of a severe market downturn that generally is recognized as the worst time for investors since the 1970s. But the downturn also demonstrated, in our opinion, that short-term events are significantly less important for investors than tried-and-true strategies, including sticking to a long-term plan, setting realistic expectations, and diversifying among asset classes.

As always, we appreciate your confidence in MFS and welcome any questions or comments you may have.

Respectfully,

/s/ Jeffrey L. Shames

Jeffrey L. Shames
Chairman and Chief Executive Officer
MFS Investment Management(R)

May 15, 2002

(1) Source: Lipper Inc.

(2) Source: Weisenberger.

(3) For the two-year period ended March 31, 2002, bonds, as represented by the Lehman Brothers Aggregate Bond Index, delivered an average annual return of 8.88%; value stocks, as represented by the Russell 1000 Value Index, delivered an average annual return of 2.31%; and growth stocks, as represented by the Russell 1000 Growth Index, delivered an average annual return of -25.08%. Source: Lipper Inc.

The Lehman Brothers Aggregate Bond Index is unmanaged and is composed of all publicly issued obligations of the U.S. Treasury and government agencies, all corporate debt guaranteed by the U.S. government, all fixed-rate nonconvertible investment-grade domestic corporate debt, and all fixed-rate securities backed by mortgage pools of the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), and the Federal National Mortgage Association (FNMA). The Russell 1000 Value Index measures the performance of large-cap U.S. value stocks. The Russell 1000 Growth Index measures the performance of large-cap U.S. growth stocks.

The opinions expressed in this letter are those of MFS, and no forecasts can be guaranteed. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

It is not possible to invest directly in an index.

MANAGEMENT REVIEW AND OUTLOOK

[Photo of Peter C. Vaream]
Peter C. Vaream

Dear Shareholders,
For the six months ended April 30, 2002, the trust provided a total return of 4.45% based on its beginning and ending stock market prices and assuming the reinvestment of any distributions paid during the period. The trust's total return based on its net asset value (NAV) was 0.46%. The trust's results compare to returns over the same period for the following benchmarks: -2.19% for the J.P. Morgan Non-Dollar Government Bond Index (the Morgan Index), -4.09% for the Lehman Brothers Government Bond Index, and -6.64% for the Lehman Brothers High Yield Bond Index. The Morgan Index is an unmanaged aggregate of actively traded government bonds issued by 12 countries (excluding the United States) with remaining maturities of at least one year. The Lehman Brothers Government Bond Index is unmanaged and is composed of all publicly issued debt obligations of the U.S. Treasury, U.S. government agencies, quasi-federal corporations, and corporate debt guaranteed by the U.S. government. The Lehman Brothers High Yield Bond Index includes all fixed- income securities having a maximum quality rating from Moody's Investors Service of "Ba1," a minimum amount outstanding of $150 million, and at least one year to maturity.

At the beginning of the period, we saw short-term interest rates fall to 40-year lows. This followed the Federal Reserve Board's (the Fed's) series of interest rate cuts designed to avoid recession. After the tragic events of September 11, the Fed stepped in again to steady the global financial markets and moderate the severity of the downturn. With interest rates so low, bond yields initially moved lower and their prices higher. However, toward the end of the year, interest rates and bond yields grew more volatile, based on changing sentiment regarding the strength of the economy and the future direction of interest rates. Although the last six months have been challenging for the fixed-income markets, the trust performed well against its benchmarks.

Mortgages and government agency securities contributed positively to performance over the period. We believe that mortgages will continue to perform well, now that there has been upward pressure on interest rates and homeowner refinancings and prepayments were less prevalent. Prepayments occur when homeowners refinance their mortgages, causing the mortgage pools that make up the securities to prepay. Investors generally dislike prepayments because they potentially force them to reinvest at lower interest rates. In our opinion, we have been experiencing an environment in which investors were more risk averse and were seeking higher-quality investment options. Both mortgages and the agency market benefited from this trend.

Our high-grade and high-yield corporate exposure was a plus for performance. During the period, we selectively increased our allocation of high-grade corporate bonds, favoring companies with very positive fundamentals, particularly those that were paying down debt and had the chance for an upgrade. On the high-yield side, our investments in the manufacturing sector helped performance, while some of our high-yield securities in the cable industry underperformed. There has been a heightened awareness of the need for corporate governance and this trend has impacted those companies who have not been as diligent as others.

Abroad, we continued to favor bonds offered by the dollar-bloc countries, due to their more stable economies. These holdings contributed positively to performance and included the United States and Canada. Emerging market bonds also were strong performers over the period, particularly those from Russia, Mexico and Panama. Emerging market countries such as these have shown greater fiscal discipline and their economies have not shown as significant a decline as the U.S.

Over the past six months, we primarily owned shorter-maturity securities which performed well, given how steep the yield curve -- a representation of the difference between short- and long-term rates -- had become and the better performance of shorter maturities. Going forward, we expect the opposite to occur. As anticipation of a Fed interest rate hike begins to be a factor, we see longer maturities outperforming. We will adjust the portfolio accordingly, repositioning our holdings to longer maturities to try to take advantage of this shift.

In our opinion, the economic recovery will be sluggish and therefore we anticipate that our strategy will be to remain well diversified in this environment. We plan to grow our mortgage-backed and agency holdings, on an opportunistic basis as valuations become attractive. We also plan to continue to invest in a good balance of high-grade and high-yield corporate bonds. We think large manufacturing companies will perform well, now that the U.S. economy has begun to show signs of strengthening. In an uncertain corporate environment, we will continue to remain fo