

PIMCO INCOME STRATEGY FUND
Form N-Q
December 27, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act File Number:	811-21374
Registrant Name:	PIMCO Income Strategy Fund
Address of Principal Executive Offices:	1633 Broadway New York, NY 10019
Name and Address of Agent for Service:	William G. Galipeau 650 Newport Center Drive Newport Beach, CA 92660
Registrant's telephone number, including area code:	(844) 337-4626
Date of Fiscal Year End:	July 31
Date of Reporting Period:	October 31, 2016

Item 1. Schedule of Investments

Schedule of Investments

PIMCO Income Strategy Fund

October 31, 2016 (Unaudited)

	PRINCIPAL AMOUNT (000S)	MARKET VALUE (000S)
INVESTMENTS IN SECURITIES 127.8%		
BANK LOAN OBLIGATIONS 2.0%		
iHeartCommunications, Inc.		
7.274% due 01/30/2019	\$ 3,100	\$ 2,362
Sequa Corp.		
5.250% due 06/19/2017	2,515	2,325
Westmoreland Coal Co.		
7.500% due 12/16/2020	1,000	802
Total Bank Loan Obligations (Cost \$6,190)		5,489
CORPORATE BONDS & NOTES 64.5%		
BANKING & FINANCE 31.2%		
Ally Financial, Inc.		
8.000% due 11/01/2031	1,137	1,365
Banco Bilbao Vizcaya Argentaria S.A.		
6.750% due 02/18/2020 (h)	EUR 1,000	1,061
Banco do Brasil S.A.		
6.250% due 04/15/2024 (h)	\$ 1,700	1,254
9.000% due 06/18/2024 (h)	2,219	2,064
Banco Espirito Santo S.A.		
2.625% due 05/08/2017 ^	EUR 1,400	423
4.000% due 01/21/2019 ^	3,800	1,147
4.750% due 01/15/2018 ^	1,200	362
Banco Santander S.A.		
6.250% due 09/11/2021 (h)	500	513
Barclays Bank PLC		
14.000% due 06/15/2019 (h)	GBP 3,700	5,592
Barclays PLC		
6.500% due 09/15/2019 (h)	EUR 200	207
BCD Acquisition, Inc.		
9.625% due 09/15/2023	\$ 1,300	1,349
Blackstone CQP Holdco LP		
9.296% due 03/19/2019	4,503	4,554
BNP Paribas S.A.		
7.375% due 08/19/2025 (h)(k)	3,100	3,185
Cantor Commercial Real Estate Co. LP		

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7.750% due 02/15/2018		750	754
Cantor Fitzgerald LP			
6.500% due 06/17/2022 (k)		3,000	3,247
Co-operative Group Holdings Ltd.			
7.500% due 07/08/2026	GBP	3,050	4,483
Communications Sales & Leasing, Inc.			
8.250% due 10/15/2023	\$	1,500	1,590
Cooperatieve Rabobank UA			
6.625% due 06/29/2021 (h)	EUR	400	470
Credit Agricole S.A.			
7.875% due 01/23/2024 (h)	\$	1,600	1,627
Credit Suisse Group AG			
7.500% due 12/11/2023 (h)		3,740	3,881
Flagstar Bancorp, Inc.			
6.125% due 07/15/2021		1,700	1,772
GSPA Monetization Trust			
6.422% due 10/09/2029		2,305	2,639
HSBC Holdings PLC			
6.000% due 09/29/2023 (h)	EUR	2,000	2,289
Jefferies Finance LLC			
6.875% due 04/15/2022	\$	3,800	3,610
7.375% due 04/01/2020		200	200
7.500% due 04/15/2021		200	196
Lloyds Bank PLC			
12.000% due 12/16/2024 (h)		300	410
MPT Operating Partnership LP			
5.250% due 08/01/2026		618	632
Nationwide Building Society			
10.250% due 06/29/2049 (h)	GBP	6	886
Navient Corp.			
5.500% due 01/15/2019 (k)	\$	4,030	4,122
5.625% due 08/01/2033		100	80
Novo Banco S.A.			
5.000% due 04/04/2019	EUR	101	87
5.000% due 04/23/2019		311	268
5.000% due 05/14/2019		206	178
5.000% due 05/21/2019		115	99
5.000% due 05/23/2019		115	99

Omega Healthcare Investors, Inc.			
4.375% due 08/01/2023	\$	700	715
OneMain Financial Holdings LLC			
6.750% due 12/15/2019		544	565
7.250% due 12/15/2021		30	31
PHH Corp.			
6.375% due 08/15/2021		1,080	1,056
7.375% due 09/01/2019		300	314
Rio Oil Finance Trust			
9.250% due 07/06/2024		4,252	4,124
Royal Bank of Scotland Group PLC			
7.500% due 08/10/2020 (h)(k)		1,600	1,472
8.000% due 08/10/2025 (h)(k)		3,000	2,858
8.625% due 08/15/2021 (h)		800	798
Santander UK Group Holdings PLC			
7.375% due 06/24/2022 (h)	GBP	1,800	2,215
Spirit Realty LP			
4.450% due 09/15/2026	\$	700	691
Springleaf Finance Corp.			
5.250% due 12/15/2019		525	526
8.250% due 12/15/2020		2,120	2,301
Tesco Property Finance PLC			
5.411% due 07/13/2044	GBP	2,148	2,495
6.052% due 10/13/2039		1,259	1,624
TIG FinCo PLC			
8.500% due 03/02/2020		111	140
8.750% due 04/02/2020		4,532	5,076
Vnesheconombank Via VEB Finance PLC			
6.902% due 07/09/2020	\$	300	324
WP Carey, Inc.			
4.250% due 10/01/2026		1,400	1,416
			85,436
INDUSTRIALS 24.8%			
ADT Corp.			
4.875% due 07/15/2032		687	591
Alliance Data Systems Corp.			
5.875% due 11/01/2021		1,400	1,417
Altice Financing S.A.			
7.500% due 05/15/2026		1,700	1,759
BMC Software Finance, Inc.			
8.125% due 07/15/2021		866	797
Boxer Parent Co., Inc.			
9.000% due 10/15/2019 (c)(k)		2,204	2,028
Caesars Entertainment Operating Co., Inc.			
8.500% due 02/15/2020 ^		600	620
9.000% due 02/15/2020 ^		3,855	3,989

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11.250% due 06/01/2017 ^		1,989	2,019
Chesapeake Energy Corp.			
4.130% due 04/15/2019		62	58
6.250% due 01/15/2017	EUR	500	548
Concordia International Corp.			
9.000% due 04/01/2022	\$	200	194
Continental Airlines Pass-Through Trust			
9.798% due 10/01/2022		803	886
Diamond Resorts International, Inc.			
10.750% due 09/01/2024		1,200	1,140
Forbes Energy Services Ltd.			
9.000% due 06/15/2019 ^		612	156
Ford Motor Co.			
7.700% due 05/15/2097 (k)		9,030	10,907
Fresh Market, Inc.			
9.750% due 05/01/2023		400	342
Harvest Operations Corp.			
2.330% due 04/14/2021		2,127	2,099
HCA, Inc.			
4.500% due 02/15/2027		700	693
7.500% due 11/15/2095		1,050	1,066
iHeartCommunications, Inc.			
9.000% due 09/15/2022		1,000	714
Inception Merger Sub, Inc.			
8.625% due 11/15/2024 (b)		3,038	3,049
Intelsat Luxembourg S.A.			
7.750% due 06/01/2021		3,279	1,082
8.125% due 06/01/2023		524	176
Intrepid Aviation Group Holdings LLC			
6.875% due 02/15/2019		3,430	3,121
Kinder Morgan Energy Partners LP			
6.375% due 03/01/2041		200	217
Kinder Morgan, Inc.			
7.750% due 01/15/2032		800	981
7.800% due 08/01/2031 (k)		1,600	1,989
Kinetic Concepts, Inc.			
9.625% due 10/01/2021		3,300	3,193

LG FinanceCo Corp.			
5.875% due 11/01/2024		100	101
N&W Global Vending SpA			
7.000% due 10/15/2023	EUR	1,400	1,568
NXP BV			
3.875% due 09/01/2022	\$	430	454
Prime Security Services Borrower LLC			
9.250% due 05/15/2023		1,800	1,913
Russian Railways via RZD Capital PLC			
7.487% due 03/25/2031	GBP	700	972
Sabine Pass Liquefaction LLC			
5.875% due 06/30/2026	\$	1,200	1,298
Safeway, Inc.			
7.250% due 02/01/2031		70	70
Scientific Games International, Inc.			
10.000% due 12/01/2022		1,600	1,480
Sequa Corp.			
7.000% due 12/15/2017		3,804	2,092
SFR Group S.A.			
7.375% due 05/01/2026		2,558	2,587
Soho House Bond Ltd.			
9.125% due 10/01/2018	GBP	1,300	1,633
Spanish Broadcasting System, Inc.			