

PIMCO CALIFORNIA MUNICIPAL INCOME FUND  
Form N-Q  
March 22, 2013

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

<b>Investment Company Act File Number:</b>	<b>811-10379</b>
<b>Registrant Name:</b>	<b>PIMCO California Municipal Income Fund</b>
Address of Principal Executive Offices:	1633 Broadway, 43 <sup>rd</sup> Floor, New York, NY 10019
Name and Address of Agent for Service:	Lawrence G. Altadonna 1633 Broadway New York, NY 10019
Registrant's telephone number, including area code:	212-739-3371
Date of Fiscal Year End:	April 30, 2013
Date of Reporting Period:	January 31, 2013

**Item 1. Schedule of Investments****PIMCO California Municipal Income Fund**

January 31, 2013 (unaudited)

Principal

Amount

(000s)		Value*
<b>CALIFORNIA MUNICIPAL BONDS &amp; NOTES 91.1%</b>		
\$10,000	Bay Area Toll Auth. Rev., San Francisco Bay Area, 5.00%, 4/1/34, Ser. F-1	\$ 11,341,700
5,000	Chula Vista Rev., San Diego Gas & Electric, 5.875%, 2/15/34, Ser. B	5,859,700
650	City & Cnty. of San Francisco, Capital Improvement Projects, CP, 5.25%, 4/1/31, Ser. A	723,886
720	City & Cnty. of San Francisco Redev. Agcy., Special Tax, 6.125%, 8/1/31, Ser. B	723,960
350	Contra Costa Cnty. Public Financing Auth., Tax Allocation, 5.85%, 8/1/33, Ser. A	350,627
5,000	Desert Community College Dist., GO, 5.00%, 8/1/37, Ser. C (AGM)	5,687,000
310	Dublin Unified School Dist., GO, zero coupon, 8/1/23, Ser. E	210,602
6,300	Eastern Municipal Water Dist., CP, 5.00%, 7/1/35, Ser. H	7,288,155
	Educational Facs. Auth. Rev. (e),	
10,200	Claremont McKenna College, 5.00%, 1/1/39	11,372,184
10,000	Univ. of Southern California, 5.00%, 10/1/39, Ser. A	11,544,400
2,975	El Dorado Irrigation Dist. & El Dorado Water Agcy., CP, 5.75%, 8/1/39, Ser. A (AGC)	3,177,359
14,425	El Monte, Department of Public Social Services Fac., Phase II, CP, 5.25%, 1/1/34 (AMBAC) (a)	14,475,776
1,000	Folsom Redev. Agcy., Tax Allocation, 5.50%, 8/1/36	1,043,160
	Fremont Community Facs. Dist. No. 1, Special Tax,	
165	6.00%, 9/1/18	167,246
505	6.00%, 9/1/19	511,701
3,500	6.30%, 9/1/31	3,531,290
	Golden State Tobacco Securitization Corp. Rev.,	
3,000	5.00%, 6/1/35, Ser. A (FGIC)	3,145,200
6,000	5.00%, 6/1/38, Ser. A (FGIC)	6,262,860
1,600	5.00%, 6/1/45 (AMBAC-TCRS)	1,669,376
8,300	5.125%, 6/1/47, Ser. A-1	7,173,026
25,175	5.75%, 6/1/47, Ser. A-1	23,877,229
	Health Facs. Financing Auth. Rev.,	
4,265	Adventist Health System, 5.00%, 3/1/33, Ser. A	4,279,885
2,000	Adventist Health System, 5.75%, 9/1/39, Ser. A	2,319,340
2,000	Catholic Healthcare West, 6.00%, 7/1/34, Ser. A	2,122,080
4,000	Catholic Healthcare West, 6.00%, 7/1/39, Ser. A	4,653,960
750	Children s Hospital of Los Angeles, 5.25%, 7/1/38 (AGM)	794,752
1,000	Children s Hospital of Orange Cnty., 6.50%, 11/1/38, Ser. A	1,226,430
1,450	Scripps Health, 5.00%, 11/15/36, Ser. A	1,610,631
3,400	Stanford Hospital, 5.25%, 11/15/40, Ser. A-2	3,909,898
1,000	Sutter Health, 5.00%, 8/15/35, Ser. D	1,128,630
1,600	Sutter Health, 5.00%, 11/15/42, Ser. A (IBC-NPFGC)	1,735,456
2,800	Sutter Health, 6.00%, 8/15/42, Ser. B	3,316,656
1,000	Imperial Irrigation Dist. Rev., 5.00%, 11/1/41, Ser. C	1,096,610
10,590	Kern Cnty., Capital Improvements Projects, CP, 5.75%, 8/1/35, Ser. A (AGC)	11,710,634
7,000	La Quinta Redev. Agcy., 5.10%, 9/1/31 (AMBAC)	7,019,320
500	Lancaster Redev. Agcy., Tax Allocation, 6.875%, 8/1/39	565,280
500	Lancaster Redev. Agcy. Rev., Capital Improvements Projects, 5.90%, 12/1/35	546,035
5,500	Long Beach Airport Rev., 5.00%, 6/1/40, Ser. A	5,943,685

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

	Long Beach Bond Finance Auth. Rev., Long Beach Natural Gas, Ser. A,	
1,000	5.50%, 11/15/27	1,197,100
3,900	5.50%, 11/15/37	4,709,913
1,000	Los Angeles Department of Airports Rev., 5.00%, 5/15/40, Ser. D	1,129,150
	Los Angeles Department of Water & Power Rev., Ser. A,	
2,000	5.00%, 7/1/41	2,270,580
3,000	5.375%, 7/1/34 (e)	3,442,350
7,000	5.375%, 7/1/38 (e)	7,950,180
	Los Angeles Dept. of Water & Power Rev.,	
5,000	4.75%, 7/1/30, Ser. A-2 (AGM) (e)	5,303,100
1,500	5.00%, 7/1/43, Ser. B	1,733,580
	Los Angeles Unified School Dist., GO,	
10,000	5.00%, 7/1/29, Ser. I (e)	11,451,900
3,500	5.00%, 1/1/34, Ser. I	3,968,335
5,000	5.00%, 1/1/34, Ser. I (e)	5,669,050
250	5.30%, 1/1/34, Ser. D	287,835
1,900	M-S-R Energy Auth. Rev., 6.50%, 11/1/39, Ser. B	2,609,346
700	Malibu, City Hall Project, CP, 5.00%, 7/1/39, Ser. A	758,093
	Municipal Finance Auth. Rev.,	
1,145	Azusa Pacific Univ. Project, 7.75%, 4/1/31, Ser. B	1,359,573
2,900	Biola Univ., 5.875%, 10/1/34	3,169,236
2,145	Patterson Public Financing Auth. Rev., Waste Water System Financing Project, 5.50%, 6/1/39 (AGC)	2,355,682
1,250	Peralta Community College Dist., GO, 5.00%, 8/1/39, Ser. C	1,359,512
	Pollution Control Financing Auth. Rev.,	
1,250	American Water Capital Corp. Project, 5.25%, 8/1/40 (a)(b)	1,348,575
2,000	San Jose Water Co. Projects, 5.10%, 6/1/40	2,192,840
	San Diego Cnty. Water Auth., CP,	
350	5.00%, 5/1/32, Ser. A (NPFGC)	353,427
6,250	5.00%, 5/1/38, Ser. 2008-A (AGM)	6,970,250
3,285	San Diego Regional Building Auth. Rev., Cnty. Operations Center & Annex, 5.375%, 2/1/36, Ser. A	3,688,694
12,610	San Francisco Public Utilities Commission Water Rev., 5.00%, 11/1/43	14,477,667

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

**PIMCO California Municipal Income Fund**

January 31, 2013 (unaudited) (continued)

Principal

Amount

(000s)		Value*
	San Joaquin Hills Transportation Corridor Agcy. Rev., Ser. A,	
\$ 5,000	5.50%, 1/15/28	\$ 5,001,650
5,000	5.70%, 1/15/19	5,188,450
230	San Jose, Special Assessment, 5.60%, 9/2/17, Ser. 24-Q	238,970
1,500	San Jose Hotel Tax Rev., Convention Center Expansion, 6.50%, 5/1/36	1,831,590
1,200	San Marcos Unified School Dist., GO, 5.00%, 8/1/38, Ser. A	1,348,068
1,815	Santa Clara, Central Park Library Project, CP, 5.00%, 2/1/32 (AMBAC)	1,817,577
3,500	Santa Clara Cnty. Financing Auth. Rev., El Camino Hospital, 5.75%, 2/1/41, Ser. A (AMBAC)	3,810,835
1,300	Santa Cruz Cnty. Redev. Agcy., Tax Allocation, Live Oak/Soquel Community, 7.00%, 9/1/36, Ser. A	1,539,889
	State, GO,	
5,885	5.00%, 9/1/35	6,443,781
100	5.00%, 6/1/37	109,662
3,000	5.00%, 12/1/37	3,321,360
2,400	5.25%, 11/1/40	2,804,640
1,500	5.50%, 3/1/40	1,767,660
2,000	6.00%, 4/1/38	2,397,000
2,000	6.00%, 11/1/39	2,427,420
	State Public Works Board Rev.,	
2,000	5.75%, 10/1/30, Ser. G-1	2,359,900
2,000	California State Univ., 6.00%, 11/1/34, Ser. J	2,395,900
1,500	Judicial Council Projects, 5.00%, 12/1/29, Ser. D	1,720,935
2,000	Regents Univ., 5.00%, 4/1/34, Ser. E	2,217,300
	Statewide Communities Dev. Auth. Rev.,	
1,000	American Baptist Homes West, 6.25%, 10/1/39	1,135,900
900	California Baptist Univ., 5.50%, 11/1/38, Ser. A	967,347
845	Catholic Healthcare West, 5.50%, 7/1/31, Ser. D	935,592
10,000	Cottage Health, 5.00%, 11/1/40	11,080,200
13,050	Henry Mayo Newhall Memorial Hospital, 5.125%, 10/1/30, Ser. A (CA Mtg. Ins.)	13,059,526
1,000	Kaiser Permanente, 5.25%, 3/1/45, Ser. B	1,072,230
1,000	Lancer Student Housing Project, 7.50%, 6/1/42	1,148,580
3,000	Los Angeles Jewish Home, 5.50%, 11/15/33 (CA Mtg. Ins.)	3,035,070
1,870	Methodist Hospital Project, 6.625%, 8/1/29 (FHA)	2,339,576
6,875	Methodist Hospital Project, 6.75%, 2/1/38 (FHA)	8,421,256
100	St. Joseph Health System, 5.125%, 7/1/24 (NPFGC)	112,225
3,200	St. Joseph Health System, 5.75%, 7/1/47, Ser. A (FGIC)	3,541,728
2,000	Sutter Health, 6.00%, 8/15/42, Ser. A	2,369,040
8,000	The Internext Group, CP, 5.375%, 4/1/30	8,025,440
4,000	Univ. of California Irvine E. Campus, 5.125%, 5/15/31	4,445,200
4,500	Univ. of California Irvine E. Campus, 5.375%, 5/15/38	4,972,140
6,300	Torrance Rev., Torrance Memorial Medical Center, 5.00%, 9/1/40, Ser. A	6,712,146
2,000	Turlock, Emanuel Medical Center, CP, 5.50%, 10/15/37, Ser. B	2,155,500
	Univ. of California Rev.,	
2,000	5.00%, 5/15/33, Ser. A (AMBAC)	2,023,580
10,000	5.00%, 5/15/36, Ser. A (AMBAC)	10,103,400
4,000	5.00%, 5/15/42, Ser. G	4,601,560
1,000	Westlake Village, CP, 5.00%, 6/1/39	1,051,740

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

Total California Municipal Bonds & Notes (cost-\$354,975,883)		405,923,250
<b>OTHER MUNICIPAL BONDS &amp; NOTES 6.5%</b>		
<b>Iowa 1.9%</b>		
8,600	Tobacco Settlement Auth. Rev., 5.60%, 6/1/34, Ser. B	8,577,984
<b>Louisiana 0.1%</b>		
250	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	255,897
<b>Ohio 1.0%</b>		
4,000	American Municipal Power, Inc. Rev., Fremont Energy Center Project, 5.00%, 2/15/42	4,428,320
<b>Puerto Rico 2.2%</b>		
Sales Tax Financing Corp. Rev.,		
7,000	5.00%, 8/1/46, Ser. C	7,494,410
2,500	5.25%, 8/1/43, Ser. A-1	2,638,300
		10,132,710
<b>Texas 1.3%</b>		
5,000	Wood Cnty. Central Hospital Dist. Rev., East Texas Medical Center Quitman Project, 6.00%, 11/1/41	5,711,200
Total Other Municipal Bonds & Notes (cost-\$28,115,308)		29,106,111
<b>CALIFORNIA VARIABLE RATE NOTES (a)(b)(c)(d) 2.4%</b>		
Health Facs. Financing Auth. Rev.,		
1,000	8.06%, 11/15/36, Ser. 3193	1,248,440
6,000	9.923%, 11/15/42, Ser. 3255	7,206,480
1,670	Sacramento Cnty. Sanitation Dists. Financing Auth. Rev., 11.582%, 8/1/13, Ser. 1034 (NPFGC)	2,106,755
Total California Variable Rate Notes (cost-\$6,370,816)		10,561,675
<b>Total Investments (cost-\$389,462,007) (f)-100.0%</b>		<b>\$ 445,591,036</b>

**PIMCO California Municipal Income Fund**

January 31, 2013 (unaudited) (continued)

Industry classification of portfolio holdings as a percentage of total investments at January 31, 2013 was as follows:

Revenue Bonds:	
Health, Hospital & Nursing Home Revenue	21.9%
Tobacco Settlement Funded	11.4
College & University Revenue	10.4
Water Revenue	7.5
Highway Revenue Tolls	4.8
Natural Gas Revenue	3.2
Lease (Abatement)	2.9
Electric Power & Light Revenue	2.4
Local or Guaranteed Housing	2.4
Sales Tax Revenue	2.3
Port, Airport & Marina Revenue	1.6
Sewer Revenue	1.0
Hotel Occupancy Tax	0.4
<b>Total Revenue Bonds</b>	<b>72.2%</b>
Certificates of Participation	13.1
General Obligation	11.1
Tax Allocation	2.4
Special Tax	1.1
Special Assessment	0.1
<b>Total Investments</b>	<b>100.0%</b>

**Notes to Schedule of Investments:**

\* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics.

The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial derivative instruments in circumstances where market quotes are not readily available, and has delegated the responsibility for applying the valuation methods to Allianz Global Investors Fund Management LLC (the Investment Manager) and Pacific Investment Management Company LLC (the Sub-Adviser), an affiliate of the Investment Manager. The Fund's Valuation Committee was established by the Board to oversee the implementation of the Fund's valuation methods and to make fair value determinations on behalf of the Board, as instructed. The Sub-Adviser monitors the continued appropriateness of methods applied and determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Sub-Adviser determines that a valuation method may no longer be appropriate, another valuation method may be selected, or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61<sup>st</sup> day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold, and these differences could be material. The Fund's net asset value (NAV) is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$26,386,026, representing 5.9% of total investments.
- (b) 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.
- (c) 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 January 31, 2013.
- (d) 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 January 31, 2013.
- (e) 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.
- (f) At January 31, 2013, the cost basis of portfolio securities for federal income tax purposes was \$358,598,130. Gross unrealized appreciation was \$55,063,010; gross unrealized depreciation was \$22,814; and net unrealized appreciation was \$55,040,196. The difference between book and tax cost basis was attributable to Inverse Floater transactions.

## Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price ) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access

Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and single broker quotes in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with Generally Accepted Accounting Principles.

Municipal Bonds & Notes and Variable Rate Notes Municipal bonds & notes and variable rate notes are valued by independent pricing services based on pricing models that take into account, among other factors, information received from market makers and broker-dealers, current trades, bid-want lists, offerings, market movements, the callability of the bond, state of issuance, benchmark yield curves, and bond or note insurance. To the extent that these inputs are observable, the values of municipal bonds & notes and variable rate notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.



## Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

The valuation techniques used by the Fund to measure fair value during the nine months ended January 31, 2013 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Fund's policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to the fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used. Investments categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

A summary of the inputs used at January 31, 2013 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments for more detailed information on Investments in Securities):

	Level 1 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Value at 1/31/13
<b>Investments in Securities - Assets</b>				
California Municipal Bonds & Notes	\$	\$ 405,923,250	\$	\$ 405,923,250
Other Municipal Bonds & Notes		29,106,111		29,106,111
California Variable Rate Notes		10,561,675		10,561,675
<b>Total Investments in Securities - Assets</b>	<b>\$</b>	<b>\$ 445,591,036</b>	<b>\$</b>	<b>\$ 445,591,036</b>

At January 31, 2013, there were no transfers between Levels 1 and 2.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the nine months January 31, 2013, was as follows:

	Beginning Balance 4/30/12	Purchases	Sales	Accrued Discount (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Transfers into Level 3	Transfers out of Level 3	Ending Balance 1/31/13
<b>Investments in Securities - Assets</b>									
California Municipal Bonds & Notes	\$ 627,900		\$ (355,075)		\$ (554,925)	\$ 282,100			
<b>Totals</b>	<b>\$ 627,900</b>		<b>\$ (355,075)</b>		<b>\$ (554,925)</b>	<b>\$ 282,100</b>			

### Glossary:

AGC insured by Assured Guaranty Corp.

AGM insured by Assured Guaranty Municipal Corp.

AMBAC insured by American Municipal Bond Assurance Corp.

CA Mtg. Ins. insured by California Mortgage Insurance

CP Certificates of Participation

FGIC insured by Financial Guaranty Insurance Co.

FHA insured by Federal Housing Administration

Edgar Filing: PIMCO CALIFORNIA MUNICIPAL INCOME FUND - Form N-Q

GO General Obligation Bond

IBC Insurance Bond Certificate

NPFGC insured by National Public Finance Guarantee Corp.

TCRS Temporary Custodian Receipts

**Item 2. Controls and Procedures**

(a) The registrant's President & Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))), are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits**

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PIMCO California Municipal Income Fund

By: /s/ Brian S. Shlissel  
Brian S. Shlissel,

President & Chief Executive Officer

Date: March 22, 2013

By: /s/ Lawrence G. Altadonna  
Lawrence G. Altadonna,

Treasurer, Principal Financial & Accounting Officer

Date: March 22, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Brian S. Shlissel  
Brian S. Shlissel,

President & Chief Executive Officer

Date: March 22, 2013

By: /s/ Lawrence G. Altadonna  
Lawrence G. Altadonna,

Treasurer, Principal Financial & Accounting Officer

Date: March 22, 2013