

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Form N-Q

March 27, 2013

**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: 811-21331

**Wells Fargo Advantage Multi-Sector Income Fund**

(Exact name of registrant as specified in charter)

525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

**C. David Messman**

**Wells Fargo Funds Management, LLC**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**

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

**Registrant's telephone number, including area code: 800-222-8222**

**Date of fiscal year end: October 31, 2012**

**Date of reporting period: January 31, 2013**

ITEM 1. PORTFOLIO OF INVESTMENTS

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND  
(UNAUDITED)

PORTFOLIO OF INVESTMENTS January 31, 2013

Security name	Interest rate	Maturity date	Principal	Value
<b>Agency Securities : 2.69%</b>				
FHLMC	8.50%	4-1-2015	\$ 318	\$ 318
FHLMC	8.50	7-1-2028	104,545	127,842
FHLMC	8.50	3-1-2030	61,888	65,070
FHLMC Series 0196 Class A ±	1.05	12-15-2021	69,183	69,853
FHLMC Series 1383 ±	5.83	2-1-2037	1,101,164	1,185,536
FHLMC Series 2011-K16 Class B ±144A	4.59	11-25-2046	1,000,000	1,045,202
FHLMC Series 2011-K701 Class B ±144A	4.29	7-25-2048	165,000	175,659
FHLMC Series 2011-K702 Class B ±144A	4.77	4-25-2044	740,000	806,185
FHLMC Series 2012-K17 Class B ±144A	4.35	12-25-2044	675,000	701,885
FHLMC Series 2012-K18 Class B ±144A	4.26	1-25-2045	810,000	817,971
FHLMC Series 2012-K19 Class B ±144A	4.04	5-25-2045	1,000,000	998,809
FHLMC Series 2012-K501 Class C ±144A	3.49	11-25-2046	800,000	808,609
FHLMC Series 2012-K705 Class B ±144A	4.16	9-25-2044	1,000,000	1,058,469
FHLMC Series 2012-K706 Class B ±144A	4.02	11-25-2044	500,000	525,749
FHLMC Series 2012-K706 Class C ±144A	4.02	11-25-2044	805,000	810,973
FHLMC Series 2012-K707 Class B ±144A	3.88	1-25-2047	930,000	969,841
FHLMC Series 2012-K709 Class B ±144A	3.74	4-25-2045	1,000,000	1,033,287
FHLMC Series 2012-K710 Class B ±144A	3.82	6-25-2047	1,000,000	1,036,189
FHLMC Series 2390 Class FD ±	0.66	12-15-2031	63,274	63,623
FHLMC Series 2567 Class FH ±	0.61	2-15-2033	163,824	163,691
FHLMC Series K007 Class XI ±(c)	1.23	4-25-2020	1,037,917	69,066
FHLMC Series K016 Class XI ±(c)	1.58	10-25-2021	392,203	42,500
FHLMC Series K020 Class XI ±(c)	1.48	5-25-2022	6,985,691	740,644
FHLMC Series K021 Class XI ±(c)	1.51	6-25-2022	9,285,898	1,026,073
FNMA ±	4.68	9-1-2032	1,875,171	2,005,929
FNMA	6.00	4-1-2033	177,798	198,490
FNMA ±	6.45	9-1-2037	1,122,903	1,225,437
FNMA	6.50	11-1-2032	64,293	72,460
FNMA	7.50	7-1-2017	79,875	86,393
FNMA	7.50	10-1-2028	10,398	10,423
FNMA	7.50	11-1-2028	159,130	172,534
FNMA	7.50	2-1-2030	40,859	41,537
FNMA	7.50	9-1-2030	95,829	103,048
FNMA	8.00	12-1-2024	1,433	1,436
FNMA	8.00	6-1-2030	30,710	31,307
FNMA	12.00	1-1-2016	8,628	9,474
FNMA Series 1996-46 Class FA ±	0.72	8-25-2021	37,595	37,725
FNMA Series 2001-25 Class Z	6.00	6-25-2031	367,060	410,384
FNMA Series 2001-35 Class F ±	0.80	7-25-2031	16,978	17,133
FNMA Series 2001-57 Class F ±	0.70	6-25-2031	17,092	17,220
FNMA Series 2002-77 Class FH ±	0.61	12-18-2032	123,894	124,360
FNMA Series 2002-97 Class FR ±	0.75	1-25-2033	35,012	35,151
FNMA Series G91-16 Class F ±	0.67	6-25-2021	46,202	46,316
FNMA Series G92-17 Class F ±	1.27	3-25-2022	99,526	101,091
GNMA	6.50	6-15-2028	64,813	75,053
GNMA	7.25	7-15-2017	21,499	23,610
GNMA	7.25	8-15-2017	46,886	51,907
GNMA	7.25	8-15-2017	24,190	26,706
GNMA	7.25	9-15-2017	35,477	39,416
GNMA	7.25	10-15-2017	65,958	72,989
GNMA	7.25	10-15-2017	37,523	41,449

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

<i>GNMA</i>	7.25	11-15-2017	29,835	32,852
<i>GNMA</i>	7.25	1-15-2018	10,928	12,104
<i>GNMA</i>	7.25	1-15-2018	26,221	29,221
<i>GNMA</i>	7.25	2-15-2018	26,723	29,682
<i>GNMA</i>	7.25	5-15-2018	13,954	15,305

**Total Agency Securities (Cost \$18,347,420)** 19,541,186

**Asset-Backed Securities : 0.13%**

Bear Stearns Asset Backed Securities Series 2006 Class 1A2 ±	0.42	12-25-2035	205,470	202,576
CVS Pass-Through Trust Series T	6.04	12-10-2028	628,944	727,875

**Total Asset-Backed Securities (Cost \$909,548)** 930,451

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Security name	Shares	Value
<b>Common Stocks : 0.09%</b>		
<b>Consumer Discretionary : 0.00%</b>		
<b>Hotels, Restaurants &amp; Leisure : 0.00%</b>		
<i>Trump Entertainment Resorts Incorporated (i)</i>	1,161	\$ 1,161
<b>Telecommunication Services : 0.09%</b>		
<b>Diversified Telecommunication Services : 0.09%</b>		
<i>Fairpoint Communications Incorporated</i>	70,442	652,293
<b>Total Common Stocks (Cost \$1,617,838)</b>		653,454

	Interest rate	Maturity date	Principal	
<b>Corporate Bonds and Notes : 58.39%</b>				
<b>Consumer Discretionary : 12.76%</b>				
<b>Auto Components : 1.20%</b>				
<i>Allison Transmission Incorporated 144A</i>	7.13%	5-15-2019	\$ 3,050,000	3,309,209
<i>Cooper Tire &amp; Rubber Company</i>	7.63	3-15-2027	1,895,000	1,980,275
<i>Cooper Tire &amp; Rubber Company</i>	8.00	12-15-2019	450,000	506,250
<i>Goodyear Tire &amp; Rubber Company</i>	7.00	5-15-2022	400,000	429,000
<i>Goodyear Tire &amp; Rubber Company</i>	8.75	8-15-2020	468,000	542,880
<i>Penske Automotive Group Incorporated 144A</i>	5.75	10-1-2022	140,000	143,850
<i>United Rentals Financing Escrow Corporation</i>	5.75	7-15-2018	1,685,000	1,811,375
				8,722,839

<b>Diversified Consumer Services : 1.46%</b>				
<i>Service Corporation International</i>	4.50	11-15-2020	325,000	329,469
<i>Service Corporation International</i>	6.75	4-1-2016	475,000	533,781
<i>Service Corporation International</i>	7.00	6-15-2017	1,410,000	1,619,738
<i>Service Corporation International</i>	7.00	5-15-2019	650,000	714,188
<i>Service Corporation International</i>	7.50	4-1-2027	3,965,000	4,371,413
<i>Service Corporation International</i>	7.63	10-1-2018	680,000	810,900
<i>Service Corporation International</i>	8.00	11-15-2021	475,000	580,688
<i>Sotheby's 144A</i>	5.25	10-1-2022	1,615,000	1,659,413
				10,619,590

<b>Hotels, Restaurants &amp; Leisure : 3.76%</b>				
<i>Ameristar Casinos Incorporated</i>	7.50	4-15-2021	2,150,000	2,338,125
<i>Burger King Corporation</i>	9.88	10-15-2018	850,000	971,125
<i>CCM Merger Incorporated 144A</i>	9.13	5-1-2019	6,270,000	6,285,675
<i>CityCenter Holdings LLC</i>	7.63	1-15-2016	600,000	647,250
<i>CityCenter Holdings LLC ¥</i>	10.75	1-15-2017	2,051,822	2,264,699
<i>DineEquity Incorporated</i>	9.50	10-30-2018	3,475,000	3,952,813
<i>Greektown Superholdings Incorporated Series A</i>	13.00	7-1-2015	4,125,000	4,429,219
<i>NAI Entertainment Holdings LLC 144A</i>	8.25	12-15-2017	1,620,000	1,773,900
<i>Penn National Gaming Incorporated</i>	8.75	8-15-2019	250,000	285,000
<i>Ruby Tuesday Incorporated 144A</i>	7.63	5-15-2020	2,200,000	2,156,000
<i>Scientific Games Corporation</i>	9.25	6-15-2019	485,000	541,988

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

<i>Speedway Motorsports Incorporated 144A</i>	6.75	2-1-2019	200,000	212,000
<i>Speedway Motorsports Incorporated</i>	6.75	2-1-2019	325,000	344,500
<i>Speedway Motorsports Incorporated</i>	8.75	6-1-2016	980,000	1,043,700
				27,245,994
<b>Household Durables : 0.10%</b>				
<i>American Greetings Corporation</i>	7.38	12-1-2021	475,000	483,906

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

Security name	Interest rate	Maturity date	Principal	Value
<b>Household Durables (continued)</b>				
<i>Tempur-Pedic International Incorporated 144A</i>	6.88%	12-15-2020	\$ 200,000	\$ 212,500
				696,406
<b>Internet &amp; Catalog Retail : 0.11%</b>				
<i>Expedia Incorporated</i>	5.95	8-15-2020	750,000	826,676
<b>Media : 4.93%</b>				
<i>Cablevision Systems Corporation</i>	8.63	9-15-2017	1,310,000	1,535,975
<i>CBS Corporation</i>	8.88	5-15-2019	750,000	1,008,989
<i>CCO Holdings LLC</i>	6.50	4-30-2021	900,000	963,000
<i>CCO Holdings LLC</i>	7.00	1-15-2019	500,000	540,625
<i>CCO Holdings LLC</i>	8.13	4-30-2020	450,000	505,125
<i>Cinemark USA Incorporated 144A</i>	5.13	12-15-2022	575,000	582,188
<i>Cinemark USA Incorporated</i>	7.38	6-15-2021	775,000	858,313
<i>Cinemark USA Incorporated</i>	8.63	6-15-2019	350,000	387,625
<i>CSC Holdings LLC</i>	7.63	7-15-2018	325,000	378,625
<i>CSC Holdings LLC</i>	7.88	2-15-2018	1,100,000	1,281,500
<i>CSC Holdings LLC</i>	8.50	4-15-2014	400,000	432,500
<i>DIRECTV Holdings LLC</i>	3.80	3-15-2022	750,000	756,717
<i>DISH DBS Corporation</i>	7.88	9-1-2019	480,000	567,600
<i>EchoStar DBS Corporation</i>	7.13	2-1-2016	125,000	139,375
<i>EchoStar DBS Corporation</i>	7.75	5-31-2015	350,000	391,125
<i>Gray Television Incorporated</i>	7.50	10-1-2020	3,270,000	3,400,800
<i>Interpublic Group of Companies</i>	4.00	3-15-2022	750,000	758,955
<i>Lamar Media Corporation</i>	5.88	2-1-2022	690,000	759,000
<i>Lamar Media Corporation</i>	7.88	4-15-2018	2,250,000	2,466,563
<i>Lamar Media Corporation Series C</i>	9.75	4-1-2014	500,000	545,000
<i>LIN Television Corporation 144A</i>	6.38	1-15-2021	275,000	292,875
<i>LIN Television Corporation</i>	8.38	4-15-2018	1,625,000	1,771,250
<i>Local TV Finance LLC 144A ¥</i>	9.25	6-15-2015	4,775,000	4,810,813
<i>National CineMedia LLC</i>	6.00	4-15-2022	1,860,000	1,985,550
<i>National CineMedia LLC</i>	7.88	7-15-2021	650,000	721,500
<i>Nexstar Broadcasting Group Incorporated 144A</i>	6.88	11-15-2020	1,000,000	1,042,500
<i>Regal Cinemas Corporation</i>	8.63	7-15-2019	2,650,000	2,934,875
<i>Salem Communications Corporation</i>	9.63	12-15-2016	2,861,000	3,147,100
<i>Time Warner Cable Incorporated</i>	4.00	1-15-2022	750,000	810,095
				35,776,158
<b>Multiline Retail : 0.09%</b>				
<i>Macy's Retail Holdings Incorporated</i>	3.88	1-15-2022	600,000	621,169
<b>Specialty Retail : 1.11%</b>				
<i>Advance Auto Parts Incorporated</i>	4.50	1-15-2022	600,000	613,755
<i>Gap Incorporated</i>	5.95	4-12-2021	600,000	677,245
<i>Limited Brands Incorporated</i>	6.63	4-1-2021	800,000	910,000
<i>RadioShack Corporation</i>	6.75	5-15-2019	2,160,000	1,458,000
<i>Rent-A-Center Incorporated</i>	6.63	11-15-2020	1,400,000	1,524,250
<i>Toys 'R Us Property Company I LLC</i>	10.75	7-15-2017	795,000	854,625
<i>Toys 'R Us Property Company II LLC</i>	8.50	12-1-2017	1,905,000	2,005,013
				8,042,888



Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

**Consumer Staples : 0.73%**

**Food & Staples Retailing : 0.09%**

SABMiller Holdings Incorporated 144A	3.75	1-15-2022	600,000	637,342
--------------------------------------	------	-----------	---------	---------

**Food Products : 0.53%**

B&G Foods Incorporated	7.63	1-15-2018	1,408,000	1,518,880
Dole Food Company Incorporated	13.88	3-15-2014	1,452,000	1,562,715

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Security name	Interest rate	Maturity date	Principal	Value
<b>Food Products (continued)</b>				
<i>Kraft Foods Group Incorporated</i>	3.50%	6-6-2022	\$ 750,000	\$ 784,490
				3,866,085
<b>Tobacco : 0.11%</b>				
<i>Lorillard Tobacco Company</i>	6.88	5-1-2020	650,000	787,639
<b>Energy : 10.56%</b>				
<b>Energy Equipment &amp; Services : 2.85%</b>				
<i>Cleaver Brooks Incorporated 144A</i>	8.75	12-15-2019	275,000	294,594
<i>Dresser-Rand Group Incorporated</i>	6.50	5-1-2021	925,000	980,500
<i>Era Group Incorporated Company 144A</i>	7.75	12-15-2022	1,250,000	1,237,500
<i>Gulfmark Offshore Incorporated 144A</i>	6.38	3-15-2022	2,850,000	2,942,625
<i>Hornbeck Offshore Services Incorporated</i>	5.88	4-1-2020	50,000	52,500
<i>Hornbeck Offshore Services Incorporated Series B</i>	8.00	9-1-2017	3,630,000	3,875,025
<i>NGPL PipeCo LLC 144A</i>	7.12	12-15-2017	375,000	408,750
<i>NGPL PipeCo LLC 144A</i>	7.77	12-15-2037	2,700,000	2,862,000
<i>NGPL PipeCo LLC 144A</i>	9.63	6-1-2019	3,155,000	3,644,025
<i>Northern Tier Energy LLC 144A</i>	7.13	11-15-2020	480,000	504,000
<i>Oil States International Incorporated 144A</i>	5.13	1-15-2023	175,000	177,188
<i>Oil States International Incorporated</i>	6.50	6-1-2019	1,230,000	1,313,025
<i>PHI Incorporated</i>	8.63	10-15-2018	2,190,000	2,395,313
				20,687,045
<b>Oil, Gas &amp; Consumable Fuels : 7.71%</b>				
<i>Coffeyville Resources LLC 144A</i>	10.88	4-1-2017	1,350,000	1,471,500
<i>CVR Refining LLC 144A</i>	6.50	11-1-2022	1,675,000	1,687,563
<i>Denbury Resources Incorporated %%</i>	4.63	7-15-2023	400,000	392,000
<i>Denbury Resources Incorporated</i>	6.38	8-15-2021	50,000	54,375
<i>Denbury Resources Incorporated</i>	8.25	2-15-2020	1,010,000	1,126,150
<i>El Paso Corporation</i>	6.50	9-15-2020	445,000	497,751
<i>El Paso Corporation</i>	7.00	6-15-2017	850,000	974,457
<i>El Paso Corporation</i>	7.25	6-1-2018	1,585,000	1,841,079
<i>El Paso Corporation</i>	7.42	2-15-2037	800,000	833,065
<i>El Paso Corporation</i>	7.80	8-1-2031	1,850,000	2,159,485
<i>El Paso Pipeline Partners LP</i>	6.50	4-1-2020	750,000	905,371
<i>Encore Acquisition Company</i>	9.50	5-1-2016	375,000	400,725
<i>Energy Transfer Equity LP</i>	7.50	10-15-2020	3,100,000	3,572,750
<i>Energy Transfer Partners LP</i>	5.20	2-1-2022	750,000	837,353
<i>Ferrellgas LP</i>	9.13	10-1-2017	2,450,000	2,646,000
<i>HollyFrontier Corporation</i>	9.88	6-15-2017	1,895,000	2,041,863
<i>Inergy Midstream LP 144A</i>	6.00	12-15-2020	795,000	820,838
<i>Kinder Morgan Energy Partners LP</i>	3.95	9-1-2022	750,000	782,545
<i>Nabors Industries Incorporated</i>	4.63	9-15-2021	750,000	769,910
<i>Overseas Shipholding Group Incorporated (s)</i>	7.50	2-15-2024	525,000	200,813
<i>Petrohawk Energy Corporation</i>	7.88	6-1-2015	790,000	824,939
<i>Petrohawk Energy Corporation</i>	10.50	8-1-2014	495,000	523,997
<i>Phillips 66</i>	4.30	4-1-2022	625,000	685,251
<i>Pioneer Natural Resources Company</i>	3.95	7-15-2022	750,000	779,162
<i>Pioneer Natural Resources Company</i>	7.50	1-15-2020	1,220,000	1,535,398
<i>Plains Exploration &amp; Production Company</i>	8.63	10-15-2019	2,885,000	3,288,900
<i>Rockies Express Pipeline LLC 144A</i>	3.90	4-15-2015	2,000,000	2,000,000

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

<i>Rockies Express Pipeline LLC 144A</i>	5.63	4-15-2020	400,000	376,000
<i>Rockies Express Pipeline LLC 144A</i>	6.00	1-15-2019	2,700,000	2,646,000
<i>Rockies Express Pipeline LLC 144A</i>	6.88	4-15-2040	5,388,000	4,741,440
<i>Rockies Express Pipeline LLC 144A</i>	7.50	7-15-2038	775,000	693,625
<i>Sabine Pass LNG LP 144A</i>	6.50	11-1-2020	4,180,000	4,284,500
<i>Sabine Pass LNG LP</i>	7.50	11-30-2016	3,750,000	4,162,500
<i>Suburban Propane Partners LP</i>	7.38	3-15-2020	275,000	297,688
<i>Suburban Propane Partners LP</i>	7.38	8-1-2021	420,000	457,800
<i>Suburban Propane Partners LP</i>	7.50	10-1-2018	422,000	455,760
<i>Susser Holdings LLC</i>	8.50	5-15-2016	975,000	1,031,063

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

Security name	Interest rate	Maturity date	Principal	Value
<b>Oil, Gas &amp; Consumable Fuels (continued)</b>				
<i>Tesoro Corporation</i>	9.75%	6-1-2019	\$ 945,000	\$ 1,072,575
<i>Weatherford International Incorporated</i>	6.35	6-15-2017	650,000	748,960
<i>Western Gas Partners</i>	5.38	6-1-2021	503,000	566,690
<i>Williams Partners LP</i>	3.35	8-15-2022	750,000	744,972
				55,932,813

**Financials : 11.31%**

**Capital Markets : 0.26%**

<i>Ace Securities Corporation ±</i>	0.60	8-25-2045	317,017	310,534
<i>Ace Securities Corporation ±</i>	2.83	6-25-2033	703,010	698,749
<i>Goldman Sachs Group Incorporated</i>	5.75	1-24-2022	750,000	874,349
				1,883,632

**Commercial Banks : 1.06%**

<i>CIT Group Incorporated 144A</i>	4.75	2-15-2015	110,000	115,500
<i>CIT Group Incorporated</i>	5.00	5-15-2017	250,000	266,875
<i>CIT Group Incorporated</i>	5.25	3-15-2018	500,000	535,000
<i>CIT Group Incorporated 144A</i>	5.50	2-15-2019	1,275,000	1,364,250
<i>CIT Group Incorporated 144A</i>	6.63	4-1-2018	550,000	616,000
<i>City National Bank</i>	5.38	7-15-2022	500,000	531,250
<i>Emigrant Bancorp Incorporated 144A</i>	6.25	6-15-2014	3,650,000	3,492,075
<i>HSBC Bank USA</i>	6.00	8-9-2017	650,000	753,975
				7,674,925

**Consumer Finance : 5.22%**

<i>Ally Financial Incorporated</i>	3.13	1-15-2016	325,000	328,305
<i>Ally Financial Incorporated</i>	5.50	2-15-2017	750,000	806,338
<i>Ally Financial Incorporated</i>	8.30	2-12-2015	2,055,000	2,288,756
<i>American General Finance Corporation</i>	5.40	12-1-2015	1,625,000	1,596,563
<i>American General Finance Corporation</i>	5.75	9-15-2016	1,100,000	1,058,750
<i>American General Finance Corporation</i>	6.50	9-15-2017	200,000	188,000
<i>Clearwire Communications Finance Corporation 144A</i>	12.00	12-1-2015	940,000	1,017,550
<i>Clearwire Communications Finance Corporation 144A</i>	12.00	12-1-2015	1,450,000	1,571,438
<i>Discover Financial Services</i>	5.20	4-27-2022	750,000	849,575
<i>Ford Motor Credit Company LLC</i>	5.00	5-15-2018	650,000	712,624
<i>Ford Motor Credit Company LLC</i>	8.00	12-15-2016	250,000	299,542
<i>General Motors Financial Company Incorporated 144A</i>	4.75	8-15-2017	275,000	287,410
<i>General Motors Financial Company Incorporated</i>	6.75	6-1-2018	1,415,000	1,637,863
<i>GMAC LLC</i>	6.75	12-1-2014	1,298,000	1,401,840
<i>GMAC LLC</i>	7.50	12-31-2013	3,620,000	3,801,000
<i>Homer City Funding LLC ¥</i>	8.73	10-1-2026	1,292,308	1,421,539
<i>International Lease Finance Corporation</i>	6.38	3-25-2013	460,000	462,875
<i>International Lease Finance Corporation 144A</i>	6.75	9-1-2016	100,000	112,750
<i>International Lease Finance Corporation 144A</i>	7.13	9-1-2018	75,000	87,750
<i>International Lease Finance Corporation</i>	8.63	9-15-2015	900,000	1,022,625
<i>JBS USA Finance Incorporated</i>	11.63	5-1-2014	3,745,000	4,170,994
<i>Level 3 Financing Incorporated</i>	10.00	2-1-2018	2,010,000	2,236,125
<i>Nielsen Finance LLC Company 144A</i>	4.50	10-1-2020	175,000	172,375
<i>Nielsen Finance LLC Company</i>	7.75	10-15-2018	5,350,000	5,958,563
<i>Springleaf Finance Corporation</i>	6.90	12-15-2017	4,620,000	4,401,705

37,892,855

**Diversified Financial Services : 2.00%**

<i>Bank of America Corporation</i>	3.70	9-1-2015	650,000	685,641
<i>Bank of America Corporation</i>	5.70	1-24-2022	250,000	293,221
<i>Blackstone Holdings Finance Company LLC 144A</i>	5.88	3-15-2021	750,000	836,490
<i>Citigroup Incorporated</i>	4.50	1-14-2022	250,000	273,812
<i>Citigroup Incorporated</i>	6.00	8-15-2017	650,000	758,605
<i>Fidelity National Information Services Incorporated</i>	5.00	3-15-2022	275,000	297,688

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Security name	Interest rate	Maturity date	Principal	Value
<b>Diversified Financial Services (continued)</b>				
<i>General Electric Capital Corporation</i>	4.65%	10-17-2021	\$ 650,000	\$ 722,983
<i>HUB International Limited Company 144A</i>	8.13	10-15-2018	2,860,000	2,960,100
<i>ING US Incorporated 144A</i>	5.50	7-15-2022	750,000	818,444
<i>Moody's Corporation</i>	5.50	9-1-2020	1,302,000	1,443,441
<i>Neuberger Berman Group LLC 144A</i>	5.63	3-15-2020	500,000	525,000
<i>Neuberger Berman Group LLC 144A</i>	5.88	3-15-2022	650,000	689,000
<i>Nuveen Investments Incorporated</i>	5.50	9-15-2015	3,560,000	3,453,200
<i>Nuveen Investments Incorporated 144A</i>	9.13	10-15-2017	730,000	739,125
				14,496,750
<b>Insurance : 0.49%</b>				
<i>American International Group Incorporated</i>	4.88	6-1-2022	750,000	836,255
<i>Hartford Financial Services Group</i>	5.13	4-15-2022	650,000	734,414
<i>Liberty Mutual Group Incorporated 144A</i>	4.95	5-1-2022	750,000	814,619
<i>Prudential Covered Trust Company 144A</i>	3.00	9-30-2015	456,000	471,704
<i>WR Berkley Corporation</i>	4.63	3-15-2022	650,000	691,824
				3,548,816
<b>Real Estate Management &amp; Development : 0.34%</b>				
<i>Ashtead Capital Incorporated 144A</i>	6.50	7-15-2022	1,825,000	1,980,125
<i>Onex Corporation 144A</i>	7.75	1-15-2021	515,000	504,700
				2,484,825
<b>REITs : 1.94%</b>				
<i>Alexandria Real Estate Company</i>	4.60	4-1-2022	650,000	694,902
<i>American Tower Corporation</i>	5.90	11-1-2021	650,000	765,307
<i>Dupont Fabros Technology Incorporated</i>	8.50	12-15-2017	5,560,000	6,032,600
<i>Essex Portfolio LP 144A</i>	3.63	8-15-2022	750,000	737,639
<i>Health Care Incorporated</i>	5.25	1-15-2022	650,000	727,006
<i>Host Hotels &amp; Resorts LP</i>	9.00	5-15-2017	235,000	249,688
<i>Omega Healthcare Investors Incorporated</i>	6.75	10-15-2022	1,775,000	1,939,188
<i>Sabra Health Care Incorporated</i>	8.13	11-1-2018	1,450,000	1,562,375
<i>Ventas Realty LP</i>	4.25	3-1-2022	650,000	687,596
<i>WEA Finance LLC 144A</i>	4.63	5-10-2021	650,000	718,554
				14,114,855
<b>Health Care : 2.97%</b>				
<b>Biotechnology : 0.11%</b>				
<i>Amgen Incorporated</i>	3.63	5-15-2022	750,000	793,952
<b>Health Care Equipment &amp; Supplies : 0.47%</b>				
<i>Boston Scientific Corporation</i>	6.00	1-15-2020	750,000	868,042
<i>CareFusion Corporation</i>	6.38	8-1-2019	750,000	889,931
<i>Hologic Incorporated 144A</i>	6.25	8-1-2020	1,530,000	1,644,750
				3,402,723
<b>Health Care Providers &amp; Services : 2.00%</b>				
<i>Apria Healthcare Group Incorporated</i>	11.25	11-1-2014	590,000	603,275

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

<i>Aviv HealthCare Properties LP</i>	7.75	2-15-2019	1,025,000	1,099,313
<i>Centene Corporation</i>	5.75	6-1-2017	1,000,000	1,067,500
<i>Community Health Systems Incorporated</i>	5.13	8-15-2018	425,000	447,313
<i>Community Health Systems Incorporated</i>	7.13	7-15-2020	775,000	837,000
<i>Coventry Health Care Incorporated</i>	5.45	6-15-2021	750,000	878,729
<i>DaVita HealthCare Partners Incorporated</i>	5.75	8-15-2022	525,000	551,250
<i>Express Scripts Holding Company</i>	3.90	2-15-2022	665,000	704,833
<i>HCA Incorporated</i>	4.75	5-1-2023	325,000	327,031
<i>HCA Incorporated</i>	6.50	2-15-2020	1,875,000	2,085,938

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

Security name	Interest rate	Maturity date	Principal	Value
<b>Health Care Providers &amp; Services (continued)</b>				
<i>HCA Incorporated</i>	7.50%	11-15-2095	\$ 800,000	\$ 714,000
<i>HCA Incorporated</i>	8.50	4-15-2019	375,000	417,188
<i>Health Management Associates Incorporated</i>	6.13	4-15-2016	175,000	192,500
<i>HealthSouth Corporation</i>	5.75	11-1-2024	800,000	812,000
<i>HealthSouth Corporation</i>	7.25	10-1-2018	360,000	390,600
<i>HealthSouth Corporation</i>	7.75	9-15-2022	360,000	395,100
<i>Humana Incorporated</i>	7.20	6-15-2018	750,000	918,165
<i>MPT Operating Partnership LP</i>	6.38	2-15-2022	475,000	509,438
<i>MPT Operating Partnership LP</i>	6.88	5-1-2021	775,000	850,563
<i>PSS World Medical Incorporated</i>	6.38	3-1-2022	320,000	392,800
<i>Tenet Healthcare Corporation 144A</i>	4.75	6-1-2020	210,000	211,313
<i>Tenet Healthcare Corporation</i>	10.00	5-1-2018	75,000	87,281
				14,493,130
<b>Life Sciences Tools &amp; Services : 0.11%</b>				
<i>Life Technologies Corporation</i>	6.00	3-1-2020	750,000	828,795
<b>Pharmaceuticals : 0.28%</b>				
<i>Mylan Incorporated 144A</i>	7.63	7-15-2017	1,125,000	1,259,040
<i>Watson Pharmaceuticals Incorporated</i>	3.25	10-1-2022	750,000	748,561
				2,007,601
<b>Industrials : 3.10%</b>				
<b>Aerospace &amp; Defense : 0.23%</b>				
<i>GeoEye Incorporated</i>	9.63	10-1-2015	485,000	534,713
<i>TransDigm Group Incorporated 144A</i>	5.50	10-15-2020	300,000	312,750
<i>TransDigm Group Incorporated</i>	7.75	12-15-2018	750,000	833,438
				1,680,901
<b>Air Freight &amp; Logistics : 0.33%</b>				
<i>Bristow Group Incorporated</i>	6.25	10-15-2022	2,225,000	2,403,000
<b>Airlines : 0.40%</b>				
<i>Aviation Capital Group Corporation 144A</i>	4.63	1-31-2018	150,000	151,970
<i>Aviation Capital Group Corporation 144A</i>	6.75	4-6-2021	1,090,000	1,183,816
<i>Aviation Capital Group Corporation 144A</i>	7.13	10-15-2020	720,000	788,738
<i>Delta Air Lines Incorporated</i>	4.75	5-7-2021	740,000	801,050
				2,925,574
<b>Commercial Services &amp; Supplies : 1.31%</b>				
<i>ADT Corporation 144A</i>	3.50	7-15-2022	750,000	729,194
<i>Corrections Corporation of America</i>	7.75	6-1-2017	1,270,000	1,339,850
<i>Covanta Holding Corporation</i>	6.38	10-1-2022	225,000	245,574
<i>Covanta Holding Corporation</i>	7.25	12-1-2020	230,000	253,382
<i>Geo Group Incorporated</i>	6.63	2-15-2021	105,000	116,288
<i>Geo Group Incorporated</i>	7.75	10-15-2017	2,250,000	2,418,750
<i>Interface Incorporated</i>	7.63	12-1-2018	125,000	135,625
<i>Iron Mountain Incorporated</i>	8.38	8-15-2021	1,385,000	1,526,963



Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

<i>KAR Holdings Incorporated ±</i>	4.31	5-1-2014	1,150,000	1,151,449
<i>Penske Truck Leasing Company 144A</i>	3.75	5-11-2017	750,000	789,531
<i>Republic Services Incorporated</i>	3.55	6-1-2022	750,000	775,091
				9,481,697

**Machinery : 0.16%**

<i>Columbus McKinnon Corporation</i>	7.88	2-1-2019	725,000	777,563
--------------------------------------	------	----------	---------	---------

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Security name	Interest rate	Maturity date	Principal	Value
<b>Machinery (continued)</b>				
<i>Titan International Incorporated</i>	7.88%	10-1-2017	\$ 375,000	\$ 402,656
				1,180,219
<b>Professional Services : 0.28%</b>				
<i>Interactive Data Corporation</i>	10.25	8-1-2018	1,250,000	1,415,625
<i>Verisk Analytics Incorporated</i>	5.80	5-1-2021	530,000	600,220
				2,015,845
<b>Trading Companies &amp; Distributors : 0.39%</b>				
<i>H&amp;E Equipment Services Incorporated 144A</i>	7.00	9-1-2022	2,565,000	2,802,263
<b>Information Technology : 4.04%</b>				
<b>Communications Equipment : 0.21%</b>				
<i>Avaya Incorporated</i>	9.75	11-1-2015	575,000	547,688
<i>Lucent Technologies Incorporated</i>	6.45	3-15-2029	1,285,000	1,002,300
				1,549,988
<b>Computers &amp; Peripherals : 0.48%</b>				
<i>Hewlett Packard Company</i>	4.05	9-15-2022	750,000	727,688
<i>NCR Corporation 144A</i>	4.63	2-15-2021	10,000	10,013
<i>NCR Corporation 144A</i>	5.00	7-15-2022	2,675,000	2,708,438
				3,446,139
<b>Electronic Equipment, Instruments &amp; Components : 1.20%</b>				
<i>CDW Financial Corporation</i>	12.54	10-12-2017	1,486,000	1,590,020
<i>Jabil Circuit Incorporated</i>	8.25	3-15-2018	5,275,000	6,303,625
<i>L-3 Communications Corporation</i>	4.95	2-15-2021	750,000	835,916
				8,729,561
<b>Internet Software &amp; Services : 0.18%</b>				
<i>Equinix Incorporated</i>	7.00	7-15-2021	75,000	83,625
<i>Equinix Incorporated</i>	8.13	3-1-2018	1,085,000	1,190,788
				1,274,413
<b>IT Services : 1.72%</b>				
<i>Audatex North American Incorporated 144A</i>	6.75	6-15-2018	750,000	804,375
<i>CyrusOne LLC 144A</i>	6.38	11-15-2022	300,000	320,250
<i>Fidelity National Information Services Incorporated</i>	7.63	7-15-2017	400,000	432,000
<i>Fidelity National Information Services Incorporated</i>	7.88	7-15-2020	1,000,000	1,131,250
<i>First Data Corporation 144A</i>	7.38	6-15-2019	625,000	657,813
<i>First Data Corporation</i>	11.25	3-31-2016	3,995,000	3,975,025
<i>SunGard Data Systems Incorporated 144A</i>	6.63	11-1-2019	1,375,000	1,419,688
<i>SunGard Data Systems Incorporated</i>	7.38	11-15-2018	3,287,000	3,492,438
<i>SunGard Data Systems Incorporated</i>	7.63	11-15-2020	250,000	272,500
				12,505,339

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

**Software : 0.25%**

<i>CA Incorporated</i>	5.38	12-1-2019	750,000	853,616
<i>Nuance Communications Incorporated 144A</i>	5.38	8-15-2020	925,000	952,750
				1,806,366

Edgar Filing: WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND - Form N-Q

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS January 31, 2013 (UNAUDITED)

Security name	Interest rate	Maturity date	Principal	Value
<b>Materials : 1.11%</b>				
<b>Chemicals : 0.29%</b>				
<i>Dow Chemical Company</i>	4.13%	11-15-2021	\$ 750,000	\$ 809,959
<i>Tronox Finance LLC 144A</i>	6.38	8-15-2020	1,240,000	1,246,200
				2,056,159
<b>Containers &amp; Packaging : 0.44%</b>				
<i>Crown Americas LLC 144A</i>	4.50	1-15-2023	650,000	640,250
<i>Crown Americas LLC</i>	7.63	5-15-2017	450,000	476,186
<i>Crown Cork &amp; Seal Company Incorporated (i)</i>	7.50	12-15-2096	600,000	581,250
<i>Owens-Illinois Incorporated</i>	7.80	5-15-2018	1,295,000	1,505,438
				3,203,124
<b>Metals &amp; Mining : 0.08%</b>				
<i>Freeport-McMoRan Copper &amp; Gold Incorporated</i>	3.55	3-1-2022	600,000	584,832
<i>Indalex Holdings Corporation (a)(s)(i)</i>	11.50	2-1-2014	3,170,000	0
				584,832
<b>Paper &amp; Forest Products : 0.30%</b>				
<i>Clearwater Paper Corporation</i>	10.63	6-15-2016	545,000	591,325
<i>Georgia-Pacific LLC</i>	8.88	5-15-2031	1,080,000	1,597,728
				2,189,053
<b>Telecommunication Services : 8.22%</b>				
<b>Diversified Telecommunication Services : 3.33%</b>				
<i>CenturyLink Incorporated</i>	5.80	3-15-2022	600,000	627,907
<i>Citizens Communications Company</i>	7.88	1-15-2027	1,805,000	1,850,125
<i>Frontier Communications Corporation</i>	8.13	10-1-2018	845,000	978,088
<i>Frontier Communications Corporation</i>	8.25	5-1-2014	4,000	4,300
<i>Frontier Communications Corporation</i>	8.25	4-15-2017	1,040,000	1,203,800
<i>Frontier Communications Corporation</i>	8.50	4-15-2020	525,000	606,375
<i>GCI Incorporated</i>	6.75	6-1-2021	425,000	412,250
<i>GCI Incorporated</i>	8.63	11-15-2019	5,625,000	5,948,438
<i>Qwest Corporation</i>	7.13	11-15-2043	795,000	824,812
<i>Qwest Corporation</i>	7.25	9-15-2025	1,040,000	1,195,373
<i>Qwest Corporation</i>	7.63	8-3-2021	230,000	251,661
<i>SBA Telecommunications Incorporated 144A</i>	5.75	7-15-2020		