

PIMCO NEW YORK MUNICIPAL INCOME FUND II  
Form N-CSR  
August 04, 2006

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 811-21078

PIMCO New York Municipal Income Fund II  
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, New York 10105  
(Address of principal executive offices) (Zip code)

Lawrence G. Altadonna - 1345 Avenue of the Americas, New York, New York 10105  
(Name and address of agent for service)

Registrant's telephone number, including area code: 212-739-3371

Date of fiscal year end: May 31, 2006

Date of reporting period: May 31, 2006

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e -1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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PIMCO Municipal Income Fund II  
PIMCO California Municipal Income Fund II  
PIMCO New York Municipal Income Fund II

Annual Report  
May 31, 2006

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**PIMCO Municipal Income Funds II Letter to Shareholders**

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July 11, 2006

Dear Shareholder:

We are pleased to provide you with the annual report for PIMCO Municipal Income Fund II, PIMCO California Municipal Income Fund II and PIMCO New York Municipal Income Fund II (each a "Fund" and collectively, the "Funds") for the fiscal year ended May 31, 2006.

During the fiscal twelve-month period, the Federal Reserve raised short-term interest rates eight times, a total increase of 2.00%. These actions, coupled with only modest increases in longer-term rates, caused the yield curve to flatten across almost all fixed-income sectors, including national and state-specific municipal bonds.

In this environment, the Funds posted positive returns. For the fiscal year ended May 31, 2006, PIMCO Municipal Income Fund II returned 6.01% on net asset value and 2.63% on market price, compared with 3.29% and 5.99%, respectively, for the Lipper Analytical General Municipal Debt Funds (Leveraged) average. PIMCO California Municipal Income Fund II returned 6.36% on net asset value and 5.50% on market price, compared to the Lipper Analytical California Municipal Debt Funds average, which returned 3.38% and 7.92%, respectively. PIMCO New York Municipal Income Fund II returned 6.75% on net asset value and 1.65% on market price, compared to 3.50% and 6.18%, respectively, for the Lipper Analytical New York Municipal Debt Funds average.

Please refer to the following pages for specific information about each of the Funds. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds' shareholder servicing agent at (800) 331-1710. In addition, a wide range of information and resources are available on our Web site at [www.allianzinvestors.com/closedendfunds](http://www.allianzinvestors.com/closedendfunds).

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Pacific Investment Management Company LLC, the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Robert E. Connor  
*Chairman*

Brian S. Shlissel  
*President & Chief Executive Officer*

**PIMCO Municipal Income Fund II Performance & Statistics**

May 31, 2006 (unaudited)

**Symbol:**  
PML**Primary Investments:**  
Municipal fixed-income securities, the interest from which is exempt from federal income tax.**Inception Date:**  
June 28, 2002**Net Assets<sup>(1)</sup> :**  
**\$1,367.8 million****Objective:**  
To provide current income exempt from federal income tax.**Portfolio Manager:**  
**Mark McCray**

<b>Total Return<sup>(2)</sup>:</b>	<b>Market Price</b>	<b>Net Asset Value (NAV)</b>
1 Year	2.63%	6.01%
3 Years	6.15%	7.11%
Commencement of Operations (6/28/02) to 5/31/06	6.03%	7.76%

**Common Share Market Price/NAV Performance:**  
Commencement of Operations (6/28/02) to 5/31/06**Market Price/NAV:**

Market Price	\$14.45
NAV	\$ 14.71
Discount to NAV	(1.77)%
Market Price Yield <sup>(3)</sup>	5.81%

**Moody's Ratings**  
**(as a % of total investments)**

(1) Inclusive of net assets attributable to market value of Preferred Shares outstanding of \$505 million.

(2) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of each specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends and capital gain distributions have been reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period more than one year represents the average annual total return.

An investment in the Fund involves risk, including the loss of principal. Total return, price, yield and net asset value will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. A portion of the income generated by the Fund may be subject to federal, state and local taxes, and may at times be subject to the alternative minimum tax. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Net asset value is total assets applicable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(3) Market Price Yield is determined by dividing the annualized current monthly per share dividend payable to common shareholders by the market price per common share at May 31, 2006.



**PIMCO California Municipal Income Fund II Performance & Statistics**

May 31, 2006 (unaudited)

**Symbol:**  
PCK

**Primary Investments:**  
Municipal fixed-income securities, the interest from which is exempt from federal and California State income tax.

**Inception Date:**  
June 28, 2002

**Objective:**  
To provide current income exempt from federal and California State income tax.

**Net Assets <sup>(1)</sup>:**  
\$703.4 million

**Portfolio Manager:**  
Mark McCray

<b>Total Return<sup>(2)</sup>:</b>	<b>Market Price</b>	<b>Net Asset Value (NAV)</b>
1 Year	5.50%	6.36%
3 Years	6.49%	6.68%
Commencement of Operations (6/28/02) to 5/31/06	6.04%	7.22%

**Common Share Market Price/NAV Performance:**  
Commencement of Operations (6/28/02) to 5/31/06

<b>Market Price/NAV:</b>	
Market Price	\$14.62
NAV	\$14.58
Premium to NAV	0.27%
Market Price Yield <sup>(3)</sup>	5.75%

**Moody's Ratings**  
**(as a % of total investments)**

(1) Inclusive of net assets attributable to market value of Preferred Shares outstanding of \$260 million.

(2) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of each specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends have been reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period more than one year represents the average annual total return.

An investment in the Fund involves risk, including the loss of principal. Total return, price, yield and net asset value will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. A portion of the income generated by the Fund may be subject to federal, state and local taxes, and may at times be subject to the alternative minimum tax. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Net asset value is total assets applicable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(3) Market Price Yield is determined by dividing the annualized current monthly per share dividend payable to common shareholders by the market price per common share at May 31, 2006.





**PIMCO New York Municipal Income Fund II Performance & Statistics**

May 31, 2006 (unaudited)

**Symbol:**  
PNI

**Primary Investments:**  
Municipal fixed-income securities, the interest from which is exempt from federal, New York State and New York City income tax.

**Inception Date:**  
June 28, 2002

**Objective:**  
To provide current income exempt from federal, New York State and New York City income tax.

**Net Assets <sup>(1)</sup>:**  
\$244.1 million

**Portfolio Manager:**  
**Mark McCray**

<b>Total Return<sup>(2)</sup>:</b>	<b>Market Price</b>	<b>Net Asset Value (NAV)</b>
1 Year	1.65%	6.75%
3 Years	5.40%	7.36%
Commencement of Operations (6/28/02) to 5/31/06	5.09%	7.32%

**Common Share Market Price/NAV Performance:**

Commencement of Operations (6/28/02) to 5/31/06

**Market Price/NAV:**

Market Price	\$14.14
NAV	\$14.66
Discount to NAV	(3.55)%
Market Price Yield <sup>(3)</sup>	5.62%

**Moody's Ratings**  
**(as a % of total investments)**

(1) Inclusive of net assets attributable to market value of Preferred Shares outstanding of \$90 million.

(2) **Past performance is no guarantee of future results.** Total return is calculated by subtracting the value of an investment in the Fund at the beginning of each specified period from the value at the end of the period and dividing the remainder by the value of the investment at the beginning of the period and expressing the result as a percentage. The calculation assumes that all income dividends have been reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return does not reflect broker commissions or sales charges. Total return for a period more than one year represents the average annual total return.

An investment in the Fund involves risk, including the loss of principal. Investment return, price, yield and net asset value will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. A portion of the income generated by the Fund may be subject to federal, state and local taxes, and may at times be subject to the alternative minimum tax. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. Net asset value is total assets applicable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(3) Market Price Yield is determined by dividing the annualized current monthly per share dividend payable to common shareholders by the market price per common share at May 31, 2006.



**PIMCO Municipal Income Fund II Schedule of Investments**

May 31, 2006

Principal Amount (000)		Credit Rating (Moody's/S&P)*	Value
<b>MUNICIPAL BONDS &amp; NOTES 89.9%</b>			
<b>Alabama 4.1%</b>			
\$			
10,000	Birmingham Baptist Medical Centers Special Care Fac. Financing Auth. Rev., 5.00%, 11/15/30, Ser. A	Baa1/NR	\$ 9,847,100
1,145	Birmingham Waterworks & Sewer Board Rev. (MBIA), 5.00%, 1/1/27, Ser. B	Aaa/AAA	1,173,946
10,000	5.00%, 1/1/37, Ser. B	Aaa/AAA	10,167,600
15,000	Daphne Special Care Facs. Financing Auth. Rev., zero coupon, 8/15/28, (Pre-refunded @ \$100, 8/15/08) (a)	Aaa/AAA	13,798,800
1,750	Huntsville Health Care Auth. Rev., 5.75%, 6/1/32, Ser. B	A2/NR	1,856,242
16,580	Jefferson Cnty. Sewer Rev., 4.75%, 2/1/38, Ser. B (Pre-refunded @ \$100, 8/1/12) (FGIC)(a)	Aaa/AAA	17,399,384
			54,243,072
<b>Alaska 0.3%</b>			
3,550	State Housing Finance Corp. Rev., 5.25%, 6/1/32, Ser. C (MBIA)	Aaa/AAA	3,572,081
<b>Arizona 0.1%</b>			
1,300	Health Fac. Auth. Hospital System Rev., 5.75%, 12/1/32	NR/BBB	1,352,052
<b>California 2.3%</b>			
9,610	Alameda Corridor Transportation Auth. Rev., zero coupon, 10/1/16, Ser. A (AMBAC)	Aaa/AAA	6,088,992
3,300	Golden State Tobacco Securitization Corp., Tobacco Settlement Rev., Ser. 2003-A-1	Baa3/BBB	3,591,456
9,000	6.25%, 6/1/33	Baa3/BBB	10,059,840
1,000	6.75%, 6/1/39		
1,000	Rancho Cucamonga Community Facs. Dist., Special Tax, 6.30%, 9/1/23, Ser. A	NR/NR	1,051,890
4,000	Southern California Public Power Auth., Transmission Project Rev., zero coupon, 7/1/13	Aa3/A+	2,973,000
4,430	Univ. of California Rev., 4.75%, 5/15/37, Ser. C (MBIA)	Aaa/AAA	4,401,427
2,900	4.75%, 5/15/38, Ser. B	Aa3/AA-	2,866,998
			31,033,603
<b>Colorado 5.1%</b>			
30,000	Dawson Ridge Dist. No. 1, GO, zero coupon, 10/1/22, Ser. A	Aaa/NR	13,788,000
5,000	Denver City & Cnty., CP, 5.50%, 12/1/25, Ser. B		

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	(Pre-refunded @ \$101, 12/1/10) (AMBAC)(a)	Aaa/AAA	5,415,800
	Health Fac. Auth Rev.,		
25,000	Catholic Health Initiatives, 5.50%, 3/1/32	Aa2/AA	26,496,500
18,305	Exempla, Inc., 5.625%, 1/1/33, Ser. A	A1/A-	18,959,038
6,500	Retirement Fac. Rev., Liberty Height, zero coupon, 7/15/22	Aaa/AAA	3,017,560
			<hr/>
			67,676,898
			<hr/>
	<b>District of Columbia</b> 1.3%		
17,500	Washington D.C. Convention Center Auth. Tax Rev., 4.75%, 10/1/28 (AMBAC)	Aaa/AAA	17,536,925
			<hr/>

**PIMCO Municipal Income Fund II Schedule of Investments**

May 31, 2006

Principal Amount (000)		Credit Rating (Moody's/S&P)*	Value
	<b>Florida 3.9%</b>		
\$ 6,520	Brevard Cnty. Health Facs. Auth. Rev., 5.00%, 4/1/34	A2/A	\$ 6,580,049
2,830	Highlands Cnty. Health Facs. Auth. Rev., Adventist, 5.00%, 11/15/31, Ser. C	A2/A+	2,846,867
8,000	Adventist/Sunbelt, 6.00%, 11/15/31, Ser. A (Pre-refunded @ \$101, 11/15/11) (a)	A2/A+	8,914,880
2,335	Hillsborough Cnty. Industrial Dev. Auth., Pollution Control Rev., Tampa Electric Co. Project, 5.50%, 10/1/23	Baa2/BBB-	2,417,916
635	Hillsborough Cnty. Industrial Dev. Rev., Health Fac. Project, 5.625%, 8/15/23	Baa2/BBB	657,809
7,135	Jacksonville Health Facs. Auth. Rev., 5.25%, 11/15/32, Ser. A	Aa2/AA	7,365,318
11,500	Lakeland Hospital System Rev., Regional Health System, 5.50%, 11/15/32	A2/NR	12,049,930
3,000	Leesburg Hospital Rev., Leesburg Regional Medical Center Project, 5.50%, 7/1/32	Baa1/BBB+	3,069,720
2,550	Orange Cnty. Health Fac. Auth. Rev., Adventist Health System, 5.625%, 11/15/32	A2/A+	2,691,397
5,000	6.25%, 11/15/24	A2/A+	5,499,300
1,500	Winter Springs Water & Sewer Rev., zero coupon, 10/1/29 (FGIC)	Aaa/AAA	482,820
			52,576,006
	<b>Georgia 0.8%</b>		
4,000	Atlanta Water & Wastewater Rev., 5.00%, 11/1/39, Ser. A (MBIA)	Aaa/AAA	4,065,200
1,500	Grantor Trust Gov't, CP, 4.75%, 6/1/28, Ser. A (MBIA)	Aaa/AAA	1,526,745
9,600	Richmond Cnty. Dev. Auth. Rev., zero coupon, 12/1/21	Aaa/NR	4,611,648
			10,203,593
	<b>Hawaii 1.4%</b>		
19,170	Honolulu City & Cnty. Wastewater System Rev., First Board Resolution, 4.75%, 7/1/28 (FGIC)	Aaa/NR	19,338,888
	<b>Illinois 20.2%</b>		
3,610	Central Lake Cnty. Water Agcy. Rev., Ser. A (AMBAC), 5.125%, 5/1/28	Aaa/NR	3,742,343
8,150	5.125%, 5/1/32	Aaa/NR	8,412,104
5,050	Chicago, GO, 5.125%, 1/1/29, Ser. A (FGIC)	Aaa/AAA	5,203,318
	Chicago, Lake Shore East, Special Assessment,		

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3,162	6.625%, 12/1/22	NR/NR	3,387,387
6,700	6.75%, 12/1/32	NR/NR	7,185,281
5,110	Chicago, Neighborhoods Alive 21 Project, GO, 5.00%, 1/1/33 (AMBAC)	Aaa/AAA	5,239,283
15,535	Chicago Board of Education School Reform, GO (FGIC), zero coupon, 12/1/16, Ser. A	Aaa/AAA	9,582,299
5,000	zero coupon, 12/1/28, Ser. A	Aaa/AAA	1,597,000
4,500	zero coupon, 12/1/31	Aaa/AAA	1,216,035

**PIMCO Municipal Income Fund II Schedule of Investments**

May 31, 2006

Principal Amount (000)		Credit Rating (Moody's/S&P)*	Value
<b>Illinois (continued)</b>			
	Chicago City Colleges, GO (FGIC),		
\$			
32,670	zero coupon, 1/1/37	Aaa/AAA	\$ 7,305,012
29,145	zero coupon, 1/1/38	Aaa/AAA	6,186,318
32,670	zero coupon, 1/1/39	Aaa/AAA	6,581,371
7,000	Chicago Midway Airport Rev., 5.00%, 1/1/31, Ser. B (MBIA)	Aaa/AAA	7,116,900
5,000	Cicero, GO, 5.25%, 12/1/31 (MBIA)	Aaa/AAA	5,236,150
	Dev. Finance Auth. Retirement Housing Rev., Regency Park,		
10,000	zero coupon, 7/15/23	NR/AAA	4,397,000
134,650	zero coupon, 7/15/25	NR/AAA	53,583,967
	Health Facs. Auth. Rev.,		
5,000	Condell Medical Center Rev., 5.50%, 5/15/32	Baa2/NR	5,101,300
20,100	Elmhurst Memorial Healthcare, 5.625%, 1/1/28	A2/NR	20,875,257
	Metropolitan Pier & Exposition Auth. Rev. (MBIA),		
60,000	zero coupon, 12/15/30	Aaa/AAA	18,477,600
50,000	zero coupon, 12/15/33	Aaa/AAA	13,189,500
2,460	zero coupon, 6/15/38	Aaa/AAA	512,197
4,500	Schaumburg, GO, 5.00%, 12/1/41, Ser. B (FGIC)	Aaa/AAA	4,584,105
10,000	State, GO, 5.00%, 3/1/34, Ser. A	Aa3/AA	10,250,700
68,470	State Sports Facs. Auth. Rev., zero coupon, 6/15/30 (AMBAC)	Aaa/AAA	59,835,248
			268,797,675
<b>Indiana 0.6%</b>			
	Brownsburg 1999 School Building Corp. Rev.,		
	Ser. A, (Pre-refunded @ \$100, 9/15/13) (FSA)(a),		
1,000	5.00%, 9/15/25	Aaa/AAA	1,067,750
2,000	5.25%, 3/15/25	Aaa/AAA	2,166,880
4,125	Fort Wayne Pollution Control Rev., 6.20%, 10/15/25	B3/B	3,729,082
500	State Bank Rev., Hendricks, 5.25%, 4/1/30, Ser. D (AMBAC)	Aaa/AAA	518,470
			7,482,182
<b>Iowa 3.9%</b>			
46,000	Tobacco Settlement Auth. of Iowa Rev., zero coupon, 6/1/34, Ser. B	Baa3/BBB	43,003,560
8,850	Tobacco Settlement Auth. Rev., 5.60%, 6/1/35, Ser. B, (Pre-refunded @ \$101, 6/1/11) (a)	Baa3/AAA	9,611,631
			52,615,191
<b>Kansas 0.2%</b>			

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2,800	Univ. of Kansas, Hospital Auth. Health Facs. Rev., 5.625%, 9/1/32	NR/A-	2,955,456
<b>Kentucky 0.8%</b>			
2,500	Economic Dev. Finance Auth. Hospital Facs. Rev., Catholic Healthcare Partners, 5.25%, 10/1/30	Aa3/AA-	2,567,400
7,855	St. Luke's Hospital, 6.00%, 10/1/19	A3/A	8,672,863
			<hr/>
			11,240,263
			<hr/>
<b>Louisiana 4.4%</b>			
20,400	Public Facs. Auth. Rev., Ochsner Clinic Foundation, 5.50%, 5/15/32, Ser. B	A3/NR	20,621,952
36,395	Tobacco Settlement Financing Corp. Rev., 5.875%, 5/15/39, Ser. 2001-B	Baa3/BBB	38,204,559
			<hr/>
			58,826,511
			<hr/>



**PIMCO Municipal Income Fund II Schedule of Investments**

May 31, 2006

Principal Amount (000)		Credit Rating (Moody's/S&P)*	Value
<b>Maryland 0.1%</b>			
\$ 1,000	State Health & Higher Educational Fac. Auth. Rev., Adventist Healthcare, 5.75%, 1/1/25, Ser. A	Baa2/NR	\$ 1,048,040
<b>Massachusetts 2.9%</b>			
1,300	Bay Transportation Auth. Rev., General Transportation System, 4.75%, 3/1/21, Ser. A (MBIA)	Aaa/AAA	1,325,207
5,560	State College Building Auth. Project Rev., Ser. B (XLCA), 5.50%, 5/1/28	Aaa/AAA	6,287,304
7,645	5.50%, 5/1/33	Aaa/AAA	8,649,171
5,000	5.50%, 5/1/39	Aaa/AAA	5,703,100
4,295	State Turnpike Auth. Rev., 4.75%, 1/1/34, Ser. A (AMBAC)	Aaa/AAA	4,236,330
12,050	State Water Res. Auth. Rev., 4.75%, 8/1/37, Ser. A (FSA)	Aaa/AAA	11,990,955
			<u>38,192,067</u>
<b>Michigan 2.6%</b>			
	Detroit City School Dist., GO (a),		