

PCM FUND, INC.  
Form N-Q  
May 26, 2009

OMB APPROVAL

|  |                |
|--|----------------|
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**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 811-07816

**PCM Fund, Inc.**

(Exact name of registrant as specified in charter)

**1345 Avenue of the Americas New York, New York**  
(Address of principal executive offices)

**10105**  
(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: December 31, 2009

Date of reporting period: March 31, 2009

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

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A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to the collection of information contained in Form N-Q 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 the 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.

## Item 1. Schedule of Investments

## PCM Fund, Inc. Schedule of Investments

March 31, 2009 (unaudited)

| Principal Amount (000)                   |  | Credit Rating (Moody s/S&P) | Value*    |
|--|--|-----------------------------|-----------|
| <b>MORTGAGE-BACKED SECURITIES 130.5%</b> |  |                             |           |
|  | Banc of America Commercial Mortgage, Inc., CMO,  |                             |           |
| \$2,000                                  | 5.335%, 3/11/41, VRN (a)(c)  | NR/BBB+                     | \$683,380 |
| 2,000                                    | 5.414%, 9/10/47 (g)  | Aaa/AAA                     | 1,468,862 |
| 700                                      | 6.29%, 6/11/35 (a)(c)  | Ba1/BBB+                    | 371,898   |
| 2,500                                    | 7.224%, 4/15/36, VRN (g)   | A1/NR                       | 1,932,544 |
| 2,800                                    | 7.754%, 11/15/31, VRN (g)  | Aa1/AA+                     | 2,678,408 |
|  | Bear Stearns Commercial Mortgage Securities, Inc., CMO,  |                             |           |
| 2  | 5.06%, 11/15/16  | Aaa/AAA                     | 2,452     |
| 1,000                                    | 5.576%, 2/11/41, VRN (a)(c)  | NR/BBB-                     | 255,199   |
| 1,000                                    | 5.813%, 5/11/39, VRN (a)(c)  | NR/BBB+                     | 382,150   |
| 2,000                                    | 5.991%, 9/11/42, VRN (a)(c)  | NR/A                        | 245,186   |
| 1,332                                    | 6.50%, 2/15/32   | NR/BB                       | 723,674   |
| 1,258                                    | 6.625%, 10/15/32 (a)(c)  | NR/B                        | 158,405   |
|  | Bear Stearns Commercial Mortgage Securities Trust, CMO, VRN (g),                                   |                             |           |
| 2,000                                    | 5.694%, 6/11/50  | NR/AAA                      | 1,485,159 |
| 2,000                                    | 5.717%, 6/11/40  | Aaa/NR                      | 1,492,353 |
|  | Chase Commercial Mortgage Securities Corp., CMO (a)(c),  |                             |           |
| 1,600                                    | 6.65%, 7/15/32   | Ba2/NR                      | 834,535   |
| 1,500                                    | 6.887%, 10/15/32   | NR/BB+                      | 770,569   |
|  | Citigroup/Deutsche Bank Commercial Mortgage Trust, CMO (g),  |                             |           |
| 1,015                                    | 5.226%, 7/15/44, VRN   | Aa2/AA                      | 325,153   |
| 4,012                                    | 5.322%, 12/11/49   | Aaa/AAA                     | 2,683,062 |
| 3,000                                    | Commercial Capital Access One, Inc., 7.953%, 11/15/28, CMO, VRN (a)(c)                             | NR/NR                       | 888,102   |
| 2,500                                    | Commercial Mortgage Asset Trust, 6.975%, 1/17/32, CMO, VRN (g)                                     | Aaa/AAA                     | 2,354,446 |
|  | Commercial Mortgage Pass Through Certificates, CMO (a)(c),   |                             |           |
| 1,500                                    | 6.586%, 7/16/34 (g)  | Aaa/AAA                     | 1,420,925 |
| 1,500                                    | 6.812%, 7/16/34, VRN (g)   | Aa2/A+                      | 698,149   |
| 2,893                                    | 6.83%, 2/14/34, VRN  | Aaa/NR                      | 2,898,062 |
|  | Credit Suisse Mortgage Capital Certificates, CMO,  |                             |           |
| 5,000                                    | 5.467%, 9/15/39 (g)  | Aaa/AAA                     | 3,322,186 |
| 401                                      | 6.50%, 5/25/36   | Caa2/CCC                    | 262,869   |
|  | CS First Boston Mortgage Securities Corp., CMO,  |                             |           |
| 23,246                                   | 0.451%, 12/15/35, IO, VRN (a)(c)(g)  | NR/AAA                      | 703,599   |
| 2,000                                    | 5.322%, 8/15/36, VRN (a)(c)  | Ba1/BB+                     | 458,535   |
| 2,600                                    | 5.745%, 12/15/36, VRN (a)(c)(g)  | NR/BBB+                     | 932,628   |
| 3,000                                    | 6.574%, 12/15/35 (g)   | Aaa/AAA                     | 2,861,510 |
| 2,000                                    | 7.46%, 1/17/35, VRN (g)  | NR/NR                       | 1,938,939 |
| 1,847                                    | CVS Lease Pass-Through, 5.88%, 1/10/28 (a)(c)  | Baa2/BBB+                   | 1,378,092 |
| 68                                       | Federal Housing Administration, 8.36%, 1/1/12 (e)  | NR/NR                       | 68,694    |
| 4,473                                    | FFCA Secured Lending Corp., 1.248%, 9/18/27, CMO, IO, VRN (a)(c)                                   | NR/NR                       | 64,304    |
| 2,000                                    | First Union-Lehman Brothers-Bank of America, 6.778%, 11/18/35, CMO (g)                             | Aaa/AAA                     | 1,973,846 |
| 1,000                                    | First Union-National Bank-Bank of America Commercial Mortgage Trust,<br>6.00%, 1/15/11, CMO (a)(c) | Ba1/NR                      | 665,941   |
|  | GE Capital Commercial Mortgage Corp., CMO, VRN,  |                             |           |
| 1,000                                    | 5.095%, 5/10/43  | NR/A                        | 264,970   |
| 1,000                                    | 5.107%, 7/10/45 (a)(c)   | NR/BBB+                     | 163,423   |
|  | GMAC Commercial Mortgage Securities, Inc., CMO,  |                             |           |

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|       |                                |         |           |
|-------|--------------------------------|---------|-----------|
| 800   | 6.50%, 5/15/35                 | Aaa/AAA | 797,611   |
| 2,000 | 6.50%, 5/15/35 (g)             | NR/BBB  | 1,960,512 |
| 1,500 | 6.956%, 5/15/30, VRN (a)(c)    | NR/NR   | 531,296   |
| 1,500 | 8.057%, 9/15/35, VRN (a)(c)(g) | NR/NR   | 1,246,954 |

**PCM Fund, Inc. Schedule of Investments**

March 31, 2009 (unaudited)

| Principal Amount (000) |   | Credit Rating (Moody s/S&P) | Value*            |
|------------------------|---|-----------------------------|-------------------|
|                        | Greenwich Capital Commercial Funding Corp., CMO (g),                    |                             |                   |
| \$1,500                | 5.419%, 1/5/36, VRN (a)(c)  | A2/A+                       | \$625,392         |
| 2,000                  | 5.444%, 3/10/39   | Aaa/AAA                     | 1,447,421         |
|                        | GS Mortgage Securities Corp. II, CMO,                                   |                             |                   |
| 2,000                  | 1.568%, 3/6/20, FRN (a)(c)  | NR/BBB                      | 1,253,951         |
| 5,750                  | 5.56%, 11/10/39 (g)   | Aaa/NR                      | 4,336,795         |
| 2,000                  | 5.74%, 11/10/39, VRN (g)  | Baa1/NR                     | 225,596           |
| 3,480                  | 7.397%, 8/5/18, VRN (a)(c)(g)   | Baa2/NR                     | 2,187,292         |
|                        | JPMorgan Chase Commercial Mortgage Securities Corp., CMO,               |                             |                   |
| 9,648                  | 0.565%, 3/12/39, IO, VRN (a)(c)(g)                                      | Aaa/NR                      | 287,441           |
| 1,500                  | 5.288%, 5/15/41, VRN (a)(c)   | Baa1/NR                     | 441,946           |
| 2,000                  | 6.162%, 5/12/34 (g)   | Aaa/NR                      | 1,929,533         |
|                        | LB-UBS Commercial Mortgage Trust, CMO (a)(c),                           |                             |                   |
| 1,500                  | 5.683%, 7/15/35   | Ba1/BBB-                    | 608,909           |
| 1,572                  | 6.95%, 3/15/34, VRN (g)   | A1/A                        | 980,949           |
| 2,000                  | 7.29%, 9/15/34 (g)  | A2/NR                       | 1,474,787         |
| 2,000                  | Merrill Lynch/Countrywide Commercial Mortgage Trust,                    |                             |                   |
|                        | 5.957%, 8/12/49, CMO, VRN   | NR/A                        | 246,153           |
| 1,500                  | Merrill Lynch Mortgage Investors, Inc., 6.413%, 12/15/30, CMO, VRN (g)  | A3/AA+                      | 1,403,737         |
|                        | Morgan Stanley Capital I, CMO, VRN,                                     |                             |                   |
| 500                    | 5.208%, 11/14/42 (g)  | A1/A+                       | 126,982           |
| 100                    | 5.379%, 8/13/42 (a)(c)  | NR/A-                       | 25,318            |
| 2,000                  | 5.447%, 2/12/44 (g)   | Aaa/AAA                     | 1,407,406         |
| 2,787                  | Morgan Stanley Dean Witter Capital I, 6.66%, 2/15/33, CMO (g)           | NR/AAA                      | 2,768,304         |
| 464                    | Multi-Family Capital Access One, Inc., 8.82%, 1/15/24, CMO, VRN         | NR/NR                       | 444,135           |
| 2,085                  | Nationslink Funding Corp., 7.105%, 8/20/30, CMO, VRN (a)(c)(g)          | NR/BBB+                     | 1,988,201         |
| 1,000                  | Office Portfolio Trust, 6.778%, 2/3/16, CMO (a)(c)                      | Baa2/NR                     | 661,843           |
|                        | RMF Commercial Mortgage Pass-Through Certificates, CMO (a)(c),          |                             |                   |
| 289                    | 7.471%, 1/15/19   | NR/NR                       | 172,112           |
| 265                    | 9.350%, 1/15/19, VRN (d)  | NR/NR                       | 17,167            |
| 3,000                  | TrizecHahn Office Properties, 7.604%, 5/15/16, CMO (a)(c)(g)            | Baa1/A                      | 1,945,554         |
|                        | Wachovia Bank Commercial Mortgage Trust, CMO (a)(c),                    |                             |                   |
| 46,595                 | 0.248%, 10/15/41, IO, VRN (g)   | Aaa/AAA                     | 672,581           |
| 1,020                  | 4.982%, 2/15/35   | NR/BBB                      | 367,374           |
| 2,500                  | 5.188%, 2/15/41, VRN  | Baa2/BBB                    | 700,053           |
| 1,500                  | 5.351%, 1/15/41, VRN  | Baa2/BBB                    | 413,049           |
|                        | <b>Total Commercial Mortgage-Backed Securities (cost \$116,170,659)</b> |                             | <b>73,508,563</b> |

**CORPORATE BONDS & NOTES 37.7%****Financial Services 35.5%**

|       |   |          |           |
|-------|---|----------|-----------|
| 1,000 | American Express Bank, 0.653%, 5/29/12, FRN (g)         | A1/A+    | 766,335   |
| 2,000 | American Express Credit Corp., 0.716%, 6/16/11, FRN (g) | A1/A     | 1,738,692 |
|       | American International Group, Inc. (g),                 |          |           |
| 2,000 | 4.25%, 5/15/13  | A3/A-    | 809,496   |
| 600   | 4.70%, 10/1/10  | A3/A-    | 341,348   |
| 500   | 5.45%, 5/18/17  | A3/A-    | 198,137   |
| 900   | 5.85%, 1/16/18  | A3/A-    | 352,986   |
| 3,000 | 8.175%, 5/15/68, (converts to FRN on 5/15/38) (a)(c)    | Ba2/BBB  | 255,720   |
| 500   | Bear Stearns Cos., Inc., 1.448%, 8/15/11, FRN (g)       | Aa3/A+   | 462,258   |
| 500   | CIT Group, Inc., 5.80%, 7/28/11 (g)                     | Baa2/BBB | 360,820   |

**PCM Fund, Inc. Schedule of Investments**

March 31, 2009 (unaudited)

| Principal Amount (000)                          |  | Credit Rating (Moody s/S&P) | Value*     |
|---|--|-----------------------------|------------|
| <b>Financial Services (continued)</b>           |  |                             |            |
|   | Citigroup, Inc. (g),   |                             |            |
| \$750   | 1.396%, 5/18/10, FRN   | A3/A                        | \$674,013  |
| 1,000   | 1.445%, 3/16/12, FRN   | A3/A                        | 744,839    |
| 2,000   | 5.00%, 9/15/14   | Baa1/A-                     | 1,328,092  |
| 500   | Ford Motor Credit Co., 8.00%, 12/15/16                           | Caa1/CCC+                   | 329,145    |
|   | General Electric Capital Corp.,                                  |                             |            |
| 500   | 1.451%, 6/12/12, FRN   | Aa2/AA+                     | 430,008    |
| 1,000   | 6.875%, 1/10/39 (g)  | Aa2/AA+                     | 818,753    |
| 1,000   | Goldman Sachs Group, Inc., 1.854%, 1/12/15, FRN (g)              | A1/A                        | 739,116    |
|   | International Lease Finance Corp. (g),                           |                             |            |
| 1,500   | 4.875%, 9/1/10   | Baa2/BBB+                   | 1,096,089  |
| 2,200   | 4.95%, 2/1/11  | Baa2/BBB+                   | 1,454,226  |
| 500   | Merrill Lynch & Co., Inc., 1.37%, 11/1/11, FRN (g)               | A2/A                        | 409,110    |
|   | Morgan Stanley, FRN (g),   |                             |            |
| 1,000   | 1.393%, 1/18/11  | A2/A                        | 902,921    |
| 1,200   | 1.574%, 10/15/15   | A2/A                        | 853,858    |
| 2,000   | 1.593%, 10/18/16   | A2/A                        | 1,343,140  |
| 1,000   | 1.698%, 1/9/14   | A2/A                        | 742,392    |
|   | SLM Corp. (g),   |                             |            |
| 1,000   | 1.389%, 10/25/11, FRN  | Baa2/BBB-                   | 576,253    |
| 1,000   | 8.45%, 6/15/18   | Baa2/BBB-                   | 540,890    |
| 750   | Tenneco Automotive, Inc., 8.625%, 11/15/14                       | Caa2/CCC                    | 142,500    |
| 1,000   | Wachovia Bank, 1.564%, 11/3/14, FRN (g)                          | Aa3/AA                      | 754,286    |
| 1,000   | Wachovia Corp., 1.224%, 10/15/11, FRN (g)                        | A1/AA                       | 887,152    |
|   |  |                             | 20,052,575 |
| <b>Industrial 2.2%</b>                          |  |                             |            |
| 500   | Bon-Ton Stores, Inc., 10.25%, 3/15/14                            | Caa3/CCC                    | 87,500     |
| 250   | Dynegy Holdings, Inc., 7.125%, 5/15/18                           | B2/B                        | 133,750    |
| 950   | RH Donnelley Corp., 8.875%, 1/15/16                              | Caa3/CCC-                   | 59,375     |
| 500   | SemGroup L.P., 8.75%, 11/15/15 (a)(c)(d)                         | NR/NR                       | 20,000     |
| 931   | United Air Lines, Inc., 6.636%, 1/2/24                           | Ba1/BBB-                    | 614,480    |
| 800   | Verso Paper Holdings LLC and Verso Paper, Inc., 9.125%, 8/1/14   | B2/B+                       | 304,000    |
|   |  |                             | 1,219,105  |
|   | Total Corporate Bonds & Notes (cost \$27,978,322)                |                             | 21,271,680 |
| <b>REAL ESTATE ASSET-BACKED SECURITIES 9.8%</b> |  |                             |            |
| 372   | Ameriquest Mortgage Securities, Inc., 6.147%, 2/25/33, FRN (d)   | Ca/D                        | 29,658     |
| 168   | Asset-Backed Securities Corp. Home Equity, 3.272%, 6/21/29, FRN  | Caa1/NR                     | 21,237     |
| 462   | Banc of America Alternative Loan Trust, 6.25%, 1/25/37, CMO (g)  | Ca/NR                       | 229,384    |
|   | Bear Stearns Alt-A Trust, CMO,                                   |                             |            |
| 372   | 5.458%, 7/25/35, FRN   | Ba1/AAA                     | 197,098    |
| 416   | 5.925%, 5/25/36, VRN   | Caa2/AAA                    | 202,671    |
| 974   | 6.25%, 8/25/36, VRN (g)  | Caa2/BB                     | 409,838    |
| 392   | Bear Stearns Asset Backed Securities Trust, 5.50%, 12/25/35, CMO | Caa1/AAA                    | 291,973    |
| 122   | CDC Mortgage Capital Trust, 5.622%, 3/25/33, FRN (d)             | C/D                         | 1,886      |

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|     |   |          |         |
|-----|---|----------|---------|
| 426 | Countrywide Alternative Loan Trust, 6.00%, 11/25/35, CMO                    | Caa2/AA  | 254,358 |
| 500 | Credit Suisse Mortgage Capital Certificates, 5.896%, 4/25/36, CMO           | Caa1/AAA | 338,316 |
| 243 | CS First Boston Mortgage Securities Corp., 7.00%, 2/25/33, CMO              | Aaa/AAA  | 236,535 |
| 457 | First Horizon Alternative Mortgage Securities,<br>5.386%, 8/25/35, CMO, FRN | B1/AAA   | 129,916 |
| 336 | GSAA Trust, 0.792%, 6/25/35, FRN (g)  | Aa3/AAA  | 142,632 |
| 91  | Keystone Owner Trust, 9.00%, 1/25/29 (a)(c)                                 | Baa3/NR  | 82,358  |

**PCM Fund, Inc. Schedule of Investments**

March 31, 2009 (unaudited)

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|------------------------|---|-----------------------------|------------------|
| \$797                  | Morgan Stanley Mortgage Loan Trust, 5.444%, 1/25/35, CMO, VRN       | NR/AA                       | \$191,745        |
| 1,000                  | Oakwood Mortgage Investors, Inc., 6.89%, 11/15/32, VRN              | Ca/CCC-                     | 321,912          |
|                        | Ocwen Residential MBS Corp., CMO, VRN (a)(c),                       |                             |                  |
| 458                    | 6.895%, 6/25/39   | NR/NR                       | 9,436            |
| 3,314                  | 7.00%, 10/25/40   | B3/NR                       | 409,997          |
| 872                    | Residential Accredited Loans, Inc., 6.00%, 8/25/35, CMO (g)         | NR/AAA                      | 607,081          |
| 862                    | Residential Asset Securitization Trust, 6.00%, 3/25/37, CMO         | NR/B                        | 524,503          |
| 68                     | Structured Asset Investment Loan Trust, 5.022%, 10/25/33, FRN       | Caa2/CCC                    | 3,138            |
| 441                    | TBW Mortgage, 6.00%, 7/25/36, CMO                                   | NR/B                        | 263,195          |
| 1,000                  | UCFC Manufactured Housing Contract, 7.90%, 1/15/28, VRN             | Ca/NR                       | 617,233          |
|                        | <b>Total Real Estate Asset-Backed Securities (cost \$8,486,566)</b> |                             | <b>5,516,100</b> |

**MUNICIPAL BONDS & NOTES 3.9%****Arkansas 1.3%**

|     |   |       |         |
|-----|---|-------|---------|
| 970 | Little Rock Municipal Property Owners Multipurpose Improvement Dist.,<br>Special Tax, 7.20%, 3/1/32, Ser. B | NR/NR | 719,527 |
|-----|---|-------|---------|

**Iowa 0.7%**

|     |  |       |         |
|-----|--|-------|---------|
| 345 | Dickinson Cnty. Rev., 7.75%, 12/1/12, Ser. B | NR/NR | 361,660 |
|-----|--|-------|---------|

**Virginia 1.0%**

|     |   |       |         |
|-----|---|-------|---------|
| 620 | Lexington Industrial Dev. Auth. Rev., 8.00%, 1/1/15, Ser. C | NR/NR | 577,487 |
|-----|---|-------|---------|

**West Virginia 0.9%**

|     |   |          |         |
|-----|---|----------|---------|
| 985 | Tobacco Settlement Finance Auth. Rev., 7.467%, 6/1/47, Ser. A | Baa3/BBB | 531,801 |
|-----|---|----------|---------|

Total Municipal Bonds & Notes (cost \$2,849,540) 2,190,475

**OTHER BONDS & NOTES 2.4%**

|       |  |       |           |
|-------|--|-------|-----------|
| 1,425 | Denver Arena Trust, 6.94%, 11/15/19 (a)(c)             | NR/NR | 1,216,261 |
| 1,856 | First International Bank NA, 6.306%, 4/15/26, ABS, FRN | C/NR  | 75,404    |
| 137   | PPM America High Yield CBO Ltd., 3.394%, 6/1/11 (b)(e) | NR/NR | 83,629    |

Total Other Bonds & Notes (cost \$3,308,830) 1,375,294

**SHORT-TERM INVESTMENTS 30.6%****U.S. Treasury Bills (f) 21.0%**

|        |   |  |            |
|--------|---|--|------------|
| 11,830 | 0.08%-0.22%, 4/9/09-6/11/09 (cost \$11,827,916) |  | 11,828,282 |
|--------|---|--|------------|

**Repurchase Agreements 5.0%**

|       |   |  |           |
|-------|---|--|-----------|
| 2,300 | JPMorgan Chase Bank, dated 3/31/09, 0.19%, due 4/1/09, proceeds \$2,300,012; collateralized by Freddie Mac, 2.375%, due 5/28/10, valued at \$2,344,009 including accrued interest |  | 2,300,000 |
|-------|---|--|-----------|



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|     |  |           |
|-----|--|-----------|
| 530 | State Street Bank & Trust Co., dated 3/31/09, 0.08%, due 4/1/09, proceeds \$530,001; collateralized by U.S. Treasury Bills, 0.196%, due 7/2/09, valued at \$544,728 including accrued interest | 530,000   |
|     | Total Repurchase Agreements (cost \$2,830,000)   | 2,830,000 |

**PCM Fund, Inc. Schedule of Investments**

March 31, 2009 (unaudited)

| Principal Amount (000)             |  | Credit Rating (Moody s/S&P) | Value*              |
|------------------------------------|--|-----------------------------|---------------------|
| <b>Corporate Notes 4.6%</b>        |  |                             |                     |
| <b>Financial Services (g) 4.6%</b> |  |                             |                     |
| \$2,000                            | CIT Group, Inc., 1.451%, 3/12/10, FRN                | Baa2/BBB                    | \$1,591,300         |
| 1,000                              | Goldman Sachs Group, Inc., 1.318%, 11/16/09, FRN     | A1/A                        | 977,032             |
|                                    | Total Corporate Notes (cost \$2,626,046)             |                             | 2,568,332           |
|                                    | Total Short-Term Investments (cost \$17,283,962)     |                             | 17,226,614          |
|                                    | <b>Total Investments (cost \$176,077,879) 214.9%</b> |                             | <b>121,088,726</b>  |
|                                    | Liabilities in excess of other assets (114.9%)       |                             | (64,752,526)        |
|                                    | <b>Net Assets 100%</b>                               |                             | <b>\$56,336,200</b> |

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**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, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees or persons acting at their discretion pursuant to procedures established by the Board of Trustees, including certain fixed income securities which may be valued with reference to securities whose prices are more readily available. The Fund's investments, including over-the-counter options, 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 last quoted mean for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. 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. Exchange traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange. 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 61st 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 NAV is normally determined daily 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 \$32,569,023, representing 57.8% of net assets.

(b) Illiquid security.

(c) 144A Security Security 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.

(d) In default.

(e) Fair valued Securities with an aggregate value of \$152,323, representing 0.3% of net assets.

(f) All or partial amount segregated as collateral for swaps.

(g) All or partial amount segregated as collateral for reverse repurchase agreements.

**Glossary:**

ABS Asset Backed Securities

CBO Collateralized Bond Obligation

CMO Collateralized Mortgage Obligation

FRN Floating Rate Note. The interest rate disclosed reflects the rate in effect on March 31, 2009.

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IO Interest Only

MBS Mortgage-Backed Securities

NR Not Rated

VRN Variable Rate Note. 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 March 31, 2009.

**Other Investments:**

(1) Credit Default Sell Protection swap agreements outstanding at March 31, 2009<sup>(1)</sup>:

| Swap Counterparty/<br>Referenced Debt Issuer | Notional Amount<br>Payable on Default<br>(000) <sup>(3)</sup> | Credit<br>Spread <sup>(2)</sup> | Termination<br>Date | Payments<br>Received<br>by Fund | Market<br>Value <sup>(4)</sup> | Upfront<br>Premiums<br>Received | Unrealized<br>Appreciation<br>(Depreciation) |
|--|---|---------------------------------|---------------------|---------------------------------|--------------------------------|---------------------------------|--|
| <b>Bank of America:</b>                      |   |                                 |                     |                                 |                                |                                 |  |
| ABS Home Equity Index                        | \$2,000   | 37.165%                         | 8/25/37             | 0.15%                           | \$(1,940,000)                  | \$(1,775,000)                   | \$(164,717)                                  |
| <b>Barclays Bank:</b>                        |   |                                 |                     |                                 |                                |                                 |  |
| CIT Group                                    | 3,000   | 11.616%                         | 3/20/14             | 6.80%                           | (435,524)                      |                                 | (428,724)                                    |
| <b>Bear Stearns:</b>                         |   |                                 |                     |                                 |                                |                                 |  |
| Home Equity Index                            | 1,000   | 37.165%                         | 8/25/37             | 0.15%                           | (970,000)                      | (610,000)                       | (359,858)                                    |
| Home Equity Index                            | 1,000   | 48.731%                         | 1/25/38             | 1.92%                           | (960,000)                      | (620,000)                       | (338,240)                                    |
| Home Equity Index                            | 1,000   | 18.218%                         | 5/25/46             | 0.17%                           | (920,000)                      | (420,000)                       | (499,835)                                    |
| <b>BNP Paribas:</b>                          |   |                                 |                     |                                 |                                |                                 |  |
| General Electric                             | 1,000   | 7.44%                           | 12/20/13            | 4.70%                           | (92,354)                       |                                 | (90,787)                                     |
| <b>Citigroup:</b>                            |   |                                 |                     |                                 |                                |                                 |  |
| American Express                             | 1,700   | 6.375%                          | 12/20/13            | 4.25%                           | (126,650)                      |                                 | (124,242)                                    |
| SLM  | 1,000   | 25.406%                         | 12/20/13            | 5.00%                           | (371,043)                      | (157,500)                       | (211,877)                                    |
| <b>Credit Suisse First Boston:</b>           |   |                                 |                     |                                 |                                |                                 |  |
| ABS Home Equity Index                        | 3,500   | 37.165%                         | 8/25/37             | 0.15%                           | (3,395,000)                    | (2,495,000)                     | (899,489)                                    |
| Home Equity Index                            | 1,418   | 14.516%                         | 7/25/45             | 0.18%                           | (510,340)                      | (63,793)                        | (446,316)                                    |
| <b>Deutsche Bank:</b>                        |   |                                 |                     |                                 |                                |                                 |  |
| <b>American International Group</b>          |   |                                 |                     |                                 |                                |                                 |  |
| CIT Group                                    | 2,000   | 22.909%                         | 3/20/13             | 2.10%                           | (849,302)                      |                                 | (847,901)                                    |
| CIT Group                                    | 1,000   | 11.765%                         | 12/20/13            | 5.00%                           | (197,208)                      | (265,000)                       | 69,459                                       |
| General Electric                             | 700   | 7.44%                           | 12/20/13            | 4.70%                           | (64,648)                       |                                 | (63,551)                                     |
| SLM  | 1,000   | 25.406%                         | 12/20/13            | 5.00%                           | (371,043)                      | (122,500)                       | (246,877)                                    |
| SLM  | 3,000   | 18.952%                         | 3/20/19             | 5.35%                           | (1,067,150)                    |                                 | (1,061,800)                                  |
| <b>Merrill Lynch &amp; Co.:</b>              |   |                                 |                     |                                 |                                |                                 |  |
| SLM  | 700   | 25.406%                         | 12/20/13            | 5.00%                           | (259,730)                      | (98,000)                        | (160,564)                                    |
|  |   |                                 |                     |                                 | \$(12,529,992)                 | \$(6,626,793)                   | \$(5,875,319)                                |

(1) If the Fund is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(2) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements as of period end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

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(3) The maximum potential amount the Fund could be required to make as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(4) The quoted market prices and resulting values for credit default swap agreements serve as an indicator of the status at March 31, 2009 of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement been closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(2) Open reverse repurchase agreements at March 31, 2009:

| Counterparty    | Rate  | Trade Date | Maturity Date | Principal & Interest | Principal    |
|-----------------|-------|------------|---------------|----------------------|--------------|
| Bank of America | 2.56% | 3/18/09    | 4/20/09       | \$2,120,109          | \$2,118,000  |
| Barclays Bank   | 0.95% | 3/12/09    | 4/9/09        | 8,950,721            | 8,946,000    |
|                 | 0.95% | 3/18/09    | 4/17/09       | 7,074,613            | 7,072,000    |
|                 | 2.02% | 3/23/09    | 4/23/09       | 4,654,093            | 4,651,742    |
|                 | 2.06% | 3/12/09    | 4/13/09       | 1,242,417            | 1,241,000    |
| Credit Suisse   | 0.95% | 3/6/09     | 4/6/09        | 2,536,739            | 2,535,000    |
|                 | 1.75% | 3/11/09    | 4/13/09       | 7,807,963            | 7,800,000    |
|                 | 1.75% | 3/25/09    | 4/24/09       | 10,353,522           | 10,350,000   |
| JPMorgan        | 1.50% | 3/16/09    | 4/15/09       | 2,062,374            | 2,061,000    |
|                 | 1.50% | 3/31/09    | 4/30/09       | 3,033,126            | 3,033,000    |
|                 |       |            |               |                      | \$49,807,742 |

The Fund received \$185,081 in U.S. Government Agency securities and \$2,710,000 in cash as collateral for reverse repurchase agreements.

**Fair Value Measurements** The Fund has adopted FASB Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( SFAS 157 ). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of the fair value measurements. Under this standard, 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 under SFAS 157 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 (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.), or quotes from inactive exchanges
- Level 3 valuations based on significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The valuation techniques used by the Fund to measure fair value during the three months ended March 31, 2009 maximized the use of observable inputs and minimized the use of unobservable inputs. The Fund utilized the following fair value techniques on Level 3 investments: multi-dimensional relational pricing models and option adjusted spread pricing.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used at March 31, 2009 in valuing the Fund's investments carried at value:

| Valuation Inputs                            | Investments in Securities |             | Other Financial Instruments |
|---|---------------------------|-------------|-----------------------------|
|   | Assets                    | Liabilities |                             |
| Level 1 Quoted Prices                       | \$                        | \$          | \$                          |
| Level 2 Other Significant Observable Inputs | 120,321,923               |             | (5,875,319)                 |
| Level 3 Significant Unobservable Inputs     | 766,803                   |             |                             |
| Total                                       | \$121,088,726             | \$          | \$(5,875,319)               |

A roll forward of fair value measurements using significant unobservable inputs (Level 3) at March 31, 2009, is as follows:

| Valuation Inputs                       | Investments in Securities |             | Other Financial Instruments |
|--|---------------------------|-------------|-----------------------------|
|  | Assets                    | Liabilities |                             |
| Beginning balance, 12/31/08            | \$160,819                 | \$          | \$1,024,699                 |
| Net purchases (sales) and settlements  | (27,695)                  |             | (1,024,699)                 |
| Accrued discounts (premiums)           | 2,386                     |             |                             |
| Total realized gain (loss)             | (51)                      |             |                             |
| Total change in unrealized gain (loss) | 68,199                    |             |                             |
| Transfers in and/or out of Level 3     | 563,145                   |             |                             |
| Ending balance, 3/31/09                | \$766,803                 | \$          | \$                          |

**Disclosures about Derivative Instruments and Hedging Activities** Effective January 1, 2009, the Fund adopted FASB Statement of Financial Standards No. 161 Disclosures about Derivative Instruments and Hedging Activities ( SFAS 161 ). This standard is an amendment to FASB Statement No. 133 ( FASB 133 ), which expands the disclosure requirements of FAS 133 regarding an entity's derivative instruments and hedging activities.

The following is a summary of the fair valuations of the Fund's derivative instruments categorized by risk exposure at March 31, 2009:

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|                            | Derivatives at Value |
|----------------------------|----------------------|
|                            | 3/31/09              |
| Interest rate contracts    | \$                   |
| Foreign exchange contracts |                      |
| Credit contracts           | (5,875,319)          |
| Total                      | \$(5,875,319)        |

**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 controls 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.

Registrant: PCM Fund, Inc.

By /s/ Brian S. Shlissel  
President & Chief Executive Officer  
Date: May 26, 2009

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer  
Date: May 26, 2009

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  
President & Chief Executive Officer  
Date: May 26, 2009

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer  
Date: May 26, 2009