

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
Mortgage Pass-Through Securities - 34.9%				Federal National Mortgage Association - 16.1%			
Federal Home Loan Mortgage Corporation - 5.9%				5,406,675	4.50	4/1/48	5,801,026
156,039	4.00	7/1/25	162,593	876,615	5.00	6/1/51	971,169
956,078	5.00	5/1/42	1,043,268	400,203	5.50	6/1/33	432,146
1,206,893	5.00	9/1/43	1,319,257	15,683	5.61	11/1/22	15,676
53,282	5.82	10/1/37	58,606	919,407	5.93	5/1/35	938,397
418,904	6.50	12/1/34	476,070	634,244	6.00	11/1/34	729,447
1,820,927	6.50	11/1/35	2,059,945	187,697	6.00	5/1/37	211,158
207,314	6.88	2/17/31	234,078	94,159	6.00	9/1/37	103,536
59,010	7.00	8/1/27	61,082	250,682	6.00	11/1/37	264,136
775,193	7.00	4/1/28	835,047	2,015,452	6.00	4/1/38	2,319,827
4,839,111	7.00	12/1/31	5,444,337	469,999	6.00	2/1/40	530,902
501,538	7.00	2/1/37	561,288	6,598,499	6.00	5/1/41	7,592,959
407,881	7.00	4/1/37	466,930	2,193,745	6.05	11/1/43	2,468,045
5,646,047	7.00	10/1/37	6,664,846	11,666	6.50	1/1/22	11,728
2,863,905	7.00	10/1/38	3,341,896	1,734,941	6.50	2/1/29	1,932,900
69,822	7.38	12/17/24	73,267	292,337	6.50	3/1/29	315,226
92,708	7.50	1/1/31	95,723	4,314,493	6.50	12/1/30	4,833,335
508,786	7.50	1/1/32	578,011	312,455	6.50	6/1/31	352,699
297,212	7.50	8/1/32	320,825	413,076	6.50	4/1/32	464,244
11,123	7.95	10/1/25	11,146	61,788	6.50	8/1/34	68,139
11,280	7.95	11/1/25	11,302	386,767	6.50	11/1/34	428,759
64,427	8.00	5/1/31	69,398	997,847	6.50	12/1/36	1,146,772
63,246	8.00	11/1/36	72,872	302,948	6.50	1/1/39	339,802
121,995	8.00	1/1/37	140,025	3,318,803	6.50	6/1/40	3,842,300
125,483	8.50	12/1/21	130,334	1,574,609	6.50	9/1/40	1,785,624
143,894	8.50	6/20/27	164,947	1,091,314	6.75	6/1/32	1,249,892
33,415	8.50	12/1/29	36,296	1,079,427	6.90	6/1/40	1,224,480
94,553	8.50	3/1/31	108,141	22,613	1 Mo. Libor + 2.26, 6.95%	8/1/21 ¹	22,240
13,815	9.00	11/1/25	13,996	18,966	7.00	9/1/21	19,379
37,583	9.00	3/20/27	37,770	68,613	7.00	3/1/22	70,544
99,536	9.00	2/17/31	102,004	85,919	7.00	6/1/22	88,101
95,085	9.00	5/1/31	106,357	50,644	7.00	1/1/24	53,014
14,402	9.50	12/17/21	14,406	31,893	7.00	2/1/26	33,650
1,615	10.00	9/1/20	1,618	75,620	7.00	9/1/27	80,716
3,071	10.00	3/1/21	3,084	43,028	7.00	10/1/27	46,360
13,113	10.00	3/17/25	13,128	191,888	7.00	11/1/27	213,784
1,225	10.00	3/25/25	1,241	37,183	7.00	1/1/28	39,939
12,905	10.00	7/1/30	13,026	36,038	7.00	10/1/32	39,146
317	11.00	8/25/20	319	4,411,929	7.00	12/1/32	5,129,764
			<u>24,848,479</u>	97,540	7.00	7/1/33	108,452
				119,386	7.00	7/1/34	135,895
				11,305	7.00	12/1/37	12,364
				2,416,013	7.00	3/1/39	2,887,360
				5,512,419	7.00	1/1/40	6,396,592
				594,646	7.00	9/1/47	634,597
				21,620	7.50	6/1/22	22,192
				4,899	7.50	8/1/22	4,916
				26,578	7.50	12/1/22	26,740
				31,765	7.50	3/1/23	32,017
				186,900	7.50	4/1/32	211,782
				10,382	7.50	8/1/32	10,611
				189,415	7.50	1/1/34	210,732

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
3,977,948	7.50	10/1/38	4,780,712	Government National Mortgage Association - 11.8%			
1,723,287	7.50	11/1/38	2,024,333	170,027	4.00	12/15/24	176,816
17,047	7.57	7/20/30	17,192	616,298	4.00	10/20/30	646,139
59,870	8.00	10/1/23	61,523	9,940,836	4.00	8/20/31	10,422,385
199,546	8.00	6/1/25	212,606	954,573	4.00	12/20/31	1,000,873
7,254	8.00	7/20/28	7,323	764,477	4.25	10/20/31	805,592
95,018	8.00	2/1/31	109,066	490,000	4.25	3/20/37	515,987
279,263	8.00	1/1/32	309,517	2,225,173	4.75	9/20/31	2,376,324
208,337	8.00	11/1/37	244,627	87,099	5.50	9/15/25	93,490
326,351	8.00	3/1/38	394,097	1,149,728	5.50	5/15/29	1,233,843
99,285	8.09	11/15/31	111,371	2,571,505	5.75	2/15/29	2,803,891
514	8.33	7/15/20	515	864,605	5.75	10/20/31	951,354
81,523	8.50	11/1/26	85,353	585,541	6.00	9/15/33	650,817
102,186	8.50	3/1/28	114,006	449,860	6.00	2/20/47	518,190
59,831	8.50	10/1/28	68,408	4,325,128	6.00	7/20/47	4,864,010
23,642	8.50	11/1/28	26,129	69,390	6.25	12/15/23	75,892
191,021	8.50	4/1/29	214,607	836,804	6.25	4/15/29	928,096
45,412	8.50	10/1/29	45,831	127,576	6.50	11/15/23	134,766
83,816	8.50	7/1/30	96,734	534,750	6.50	4/15/24	563,758
61,388	8.50	8/1/30	74,234	959,491	6.50	2/20/28	1,079,055
221,823	8.50	4/1/32	268,717	539,924	6.50	2/20/29	586,487
261,536	8.50	1/1/37	303,242	3,354,313	6.50	2/15/35	3,813,733
12,818	8.59	8/20/25	12,960	17,157	6.50	12/20/38	18,055
18,326	9.00	9/1/24	18,507	349,762	6.50	1/20/39	398,793
9,627	9.00	6/15/25	9,743	218,089	6.50	2/20/39	252,086
27,036	9.00	5/15/28	27,497	385,406	6.50	4/20/39	440,368
42,526	9.00	6/1/30	46,644	483,537	6.50	6/20/39	551,416
97	9.00	7/1/30	97	707,375	6.50	8/20/39	808,217
24,045	9.00	10/1/30	26,171	489,788	6.50	4/20/43	560,540
123,289	9.00	2/1/31	133,005	5,219,894	7.00	8/15/29	5,921,601
21,345	9.00	7/1/31	21,396	5,487,153	7.00	10/15/29	6,252,556
40,606	9.00	10/1/31	47,127	282,113	7.00	10/15/36	326,927
70,483	9.00	8/1/37	73,789				<u>49,772,057</u>
23,777	9.00	1/1/38	23,975	Small Business Administration - 1.1%			
164,024	9.00	2/1/38	179,025	1,457,753	5.33	8/25/36	1,593,816
6,017	9.24	3/15/22	6,086	2,888,393	5.33	9/25/36	3,151,716
800	9.50	3/1/20	801				<u>4,745,532</u>
4,809	9.50	7/1/20	4,830	Total Mortgage Pass-Through Securities			
154	9.50	12/15/20	155	(cost: \$144,681,609)			
395	9.50	4/15/21	398				<u>147,012,221</u>
22,140	9.50	8/1/24	22,474	U.S. Treasury / Federal Agency Securities - 0.9%			
141,590	9.50	5/1/29	162,222	U.S. Treasury Note:			
28,437	9.50	4/1/30	31,977	1,000,000	1.63	8/15/29	995,391
146,137	9.50	8/1/31	167,565	United States Treasury Strip Principal:			
132	10.00	8/15/20	132	3,300,000	2.91	11/15/27 ⁶	2,894,272
31,947	10.00	2/1/28	32,515	Total U.S. Treasury / Federal Agency Securities			
104,545	10.00	6/1/30	118,889	(cost: \$3,589,656)			
2,812	10.50	6/1/28	2,819				<u>3,889,663</u>
			<u>67,646,153</u>				

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
Collateralized Mortgage Obligations - 59.6%				2,713,431	7.00	3/15/49	3,111,107
Federal Home Loan Mortgage Corporation - 15.9%				14,692	7.50	10/15/21	15,154
456,130	5.00	2/15/23	472,924	61,115	7.50	7/15/22	63,588
1,874,242	5.41	7/25/32 ¹	2,074,687	117,874	7.50	3/15/23	124,974
528,987	5.51	5/15/38 ¹	569,639	434,957	7.50	4/15/23	461,242
3,792	6.00	9/15/21	3,880	61,190	7.50	9/20/26	69,096
1,786,890	6.00	1/15/33	2,134,751	300,285	7.50	3/15/28	343,203
1,717,232	6.00	5/15/36	1,983,174	375,184	7.50	9/15/29	437,512
3,812,650	6.00	9/15/42	4,357,501	148,431	7.50	12/15/29	168,766
34,427	6.25	5/15/29	37,331	229,690	7.50	6/15/30	269,385
131,728	6.50	9/15/23	139,903	323,140	7.50	8/15/30	371,802
55,289	6.50	3/15/24	59,326	507,337	7.50	9/15/30	599,881
18,397	6.50	2/15/30	20,493	122,325	7.50	11/15/30	142,090
1,101,862	6.50	8/15/31	1,250,883	2,963,226	7.50	6/15/34	3,560,571
187,490	6.50	1/15/32	209,634	1,200,330	7.50	8/25/42 ¹	1,508,502
80,264	6.50	3/15/32	89,390	888,919	7.50	9/25/43	1,040,340
467,898	6.50	6/25/32	532,553	26,355	8.00	7/15/21	26,749
232,001	6.50	7/15/32	263,868	463,799	8.00	2/15/23	493,725
5,801,103	6.50	5/15/33	6,677,591	33,672	8.00	4/25/24	35,950
963,764	6.50	5/15/35	1,131,467	142,070	8.00	2/15/27	162,351
568,470	6.50	8/15/39	657,334	154,571	8.00	11/20/29	180,280
810,956	6.50	2/25/43	974,555	197,858	8.00	1/15/30	231,464
618,461	6.50	3/25/43	705,212	8,520	8.25	6/15/22	9,035
735,551	6.50	7/25/43	875,264	13,523	8.30	11/15/20	13,865
641,996	6.50	10/25/43	770,143	2,253	8.50	10/15/22	2,268
5,046,265	6.50	8/15/45	6,124,733	117,427	8.50	3/15/25	132,372
1,856,392	6.50	2/15/49	2,130,086	31,979	8.50	3/15/32	36,991
19,034	6.70	9/15/23	20,305	43	9.15	10/15/20	43
524,127	6.95	3/15/28	582,872				
30,783	7.00	10/15/22	32,221				67,081,372
7,946	7.00	11/15/22	8,290	Federal National Mortgage Association - 24.0%			
258,383	7.00	3/25/23	269,945	778,529	3.82	7/25/37 ¹	751,138
11,354	7.00	4/15/23	11,984	672,430	3.95	8/25/43 ¹	690,579
49,694	7.00	7/15/23	52,987	270,945	4.55	6/25/43	292,232
116,976	7.00	1/15/24	125,204	768,221	5.00	6/25/43	834,120
65,572	7.00	3/15/24	69,969	726,101	5.36	6/25/42	810,975
88,937	7.00	8/15/25	97,420	1,048,010	5.50	9/25/33	1,162,413
81,723	7.00	9/15/26	89,930	4,623,453	5.50	6/25/40	5,260,421
135,029	7.00	6/15/29	152,753	1,351,349	5.56	12/25/53 ¹	1,551,890
891,053	7.00	8/15/29	954,257	2,882,561	5.70	2/25/42 ¹	3,134,265
435,963	7.00	10/20/29	502,040	1,816,904	5.70	10/25/42 ¹	2,045,904
554,387	7.00	11/15/29	565,991	869,647	5.81	8/25/43	963,471
1,346,023	7.00	12/15/29	1,372,262	1,027,557	5.82	12/25/42 ¹	1,140,935
104,803	7.00	1/15/30	120,640	2,004,608	6.00	5/25/30	2,260,342
275,620	7.00	10/15/30	321,880	2,947,020	6.00	5/25/36	3,453,118
159,019	7.00	7/15/31	183,086	202,685	6.00	6/25/36	248,430
110,162	7.00	4/15/32	124,368	2,528,394	6.00	11/25/43	2,869,509
623,987	7.00	5/15/32	726,896	791,412	6.00	9/25/46	872,205
3,716,321	7.00	8/15/41	4,248,867	3,129,522	6.00	2/25/48	3,715,228
3,758,368	7.00	2/25/43	4,483,562	1,296,634	6.31	8/25/47 ¹	1,448,160
787,029	7.00	3/25/43	901,558	286,948	6.50	8/20/28	309,618
924,191	7.00	7/25/43	1,121,730	170,085	6.50	3/25/32	197,881
1,790,818	7.00	9/25/43	2,081,727	410,729	6.50	6/25/32	471,213
				310,364	6.50	7/25/36	358,392

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
113,075	6.50	9/25/36	127,718	5,866	8.50	9/25/21	6,027
260,554	6.50	3/25/42	295,920	14,600	8.50	1/25/25	16,163
1,663,319	6.50	5/25/42	1,931,983	594,032	8.50	6/25/30	703,312
4,457,487	6.50	7/25/42	5,036,243	50,611	8.55	10/25/42 ¹	61,411
321,702	6.50	9/25/42	367,894	157	8.70	12/25/19	157
821,352	6.50	11/25/42	920,180	378	8.75	9/25/20	385
3,905,010	6.50	7/25/44	4,388,779	2,776	8.95	10/25/20	2,835
467,904	6.53	9/25/37 ¹	531,619	303	9.00	12/25/19	303
338,827	6.63	2/25/45 ¹	396,638	46	9.00	3/25/20	46
3,558,003	6.75	6/25/32	4,157,876	4,861	9.00	5/25/20	4,915
643,901	6.75	4/25/37	713,848	327	9.00	6/25/20	332
91,643	6.85	12/18/27	102,650	282	9.00	7/25/20	286
460,050	6.91	8/25/37 ¹	497,271	1,891	9.00	9/25/20	1,930
1,014	7.00	1/25/21	1,029	1,456	9.00	10/25/20	1,490
7,618	7.00	7/25/22	7,901	27,582	9.00	1/25/21	28,341
14,324	7.00	11/25/22	15,054	6,530	9.00	8/25/22	6,999
27,172	7.00	12/25/22	28,655	67,500	9.00	11/25/28	76,825
21,173	7.00	6/25/23	22,288	425,244	9.00	6/25/30	521,155
616,095	7.00	4/25/24	654,437	76,619	9.00	10/25/30	93,438
192,249	7.00	9/18/27	214,693	139,553	9.38	6/25/32 ¹	159,276
4,137,546	7.00	5/25/31	4,666,612	851	9.50	3/25/20	858
1,417,874	7.00	12/25/33	1,630,382	97	9.50	4/25/20	98
312,933	7.00	9/25/40	372,758	2,364	9.50	11/25/20	2,420
580,705	7.00	10/25/41	656,988	86,182	9.50	11/25/31	102,995
283,121	7.00	11/25/41	335,683	252,253	9.50	12/25/41	301,241
375,469	7.00	12/25/41	430,338	1,340	9.60	3/25/20	1,349
1,065,015	7.00	1/25/42	1,230,005	1,145,280	11.34	9/25/42 ¹	1,482,234
1,075,180	7.00	7/25/42	1,259,705	383,845	11.38	6/25/44 ¹	440,950
2,607,518	7.00	2/25/44	3,010,436	22,412	21.14	3/25/39 ¹	34,842
125,250	7.00	8/25/44	146,835				
36,962	7.50	8/20/27	41,887				100,896,310
258,378	7.50	10/25/40	295,476	Government National Mortgage Association - 17.5%			
737,482	7.50	11/25/40	823,901	500,000	5.50	9/20/39	609,882
851,905	7.50	6/19/41 ¹	992,888	3,150,670	5.53	11/20/45 ¹	3,595,763
1,728,725	7.50	7/25/41	2,025,574	6,419,211	5.64	4/20/40 ¹	7,434,196
1,025,955	7.50	8/25/41	1,203,394	866,642	5.99	11/20/43 ¹	983,440
302,824	7.50	11/25/41	357,854	2,449,032	6.00	11/20/33	2,734,576
584,981	7.50	1/25/42	686,327	702,085	6.00	12/20/35	805,706
3,896,538	7.50	5/25/42	4,661,498	452,686	6.00	3/20/42	516,000
420,392	7.50	6/25/42	488,622	7,651,191	6.00	3/20/49	8,628,735
3,583,014	7.50	8/25/42 ¹	4,325,428	4,957,659	6.00	5/20/49	5,600,794
1,254,364	7.50	2/25/44	1,478,019	1,197,990	6.07	10/20/40 ¹	1,371,563
741,596	7.50	3/25/44	846,385	2,644,500	6.13	1/20/39 ¹	3,107,784
833,287	7.50	5/25/44	994,940	539,145	6.40	4/20/37 ¹	606,466
59,884	7.50	10/25/44	70,345	2,796,434	6.48	6/20/41 ¹	3,213,954
5,522,147	7.50	1/25/48	6,566,144	317,705	6.50	5/16/32	319,624
704,429	7.99	11/25/37 ¹	831,254	1,358,790	6.50	7/20/32	1,360,343
40,421	8.00	7/25/22	42,598	561,047	6.50	2/20/37	636,813
61,835	8.00	7/18/27	69,685	253,958	6.50	9/16/38	285,436
515,985	8.00	7/25/44	600,606	4,525,523	6.50	8/20/48	5,388,269
372,537	8.09	11/25/37 ¹	439,871	4,872,010	6.50	1/20/49	5,620,977
6,100	8.50	1/25/21	6,144	894,315	6.58	7/20/39 ¹	1,033,304
				597,570	6.65	4/20/39 ¹	701,120

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
1,777,230	6.65	9/20/44 ¹	2,070,000	Small Business Administration - 1.1%			
1,395,998	6.90	8/20/40 ¹	1,634,948	412,462	5.78	8/1/27	445,183
896,940	6.99	6/20/45 ¹	1,034,039	1,770,089	5.87	7/1/28	1,927,217
603,886	7.00	6/20/26	603,833	1,482,993	6.02	8/1/28	1,617,984
162,057	7.00	9/16/33	186,572	187,390	7.13	10/1/20	188,885
526,023	7.00	5/20/42	607,247	123,130	7.33	8/1/20	124,545
2,904,840	7.00	10/20/48	3,369,776	121,686	8.03	5/1/20	122,684
887,719	7.15	12/20/33 ¹	1,014,647				4,426,498
1,948,586	7.30	8/20/38 ¹	2,255,631	Total Asset-Backed Securities			
4,796,360	7.45	7/20/44 ¹	5,520,426	(cost: \$7,480,642)			
623,836	7.49	7/16/24	706,727				7,787,859
57,274	7.50	5/16/27	57,204	Quantity Name of Issuer Fair Value (\$)			
			73,615,795	Short-Term Securities - 2.3%			
Vendee Mortgage Trust - 2.2%				9,657,958	Fidelity Inst. Money Mkt. Gvt. Fund, 1.86%		9,657,958
2,264,453	6.50	8/15/31	2,632,580	(cost: \$9,657,958)			
1,074,869	6.50	10/15/31	1,246,699	Total Investments in Securities - 99.6%			
1,472,279	6.55	3/15/25 ¹	1,670,676	(cost: \$410,037,149)			
880,487	6.75	2/15/26	980,784	Other Assets and Liabilities, net - 0.4%			
964,924	7.00	3/15/28	1,093,412	1,535,832			
147,501	7.25	9/15/22	151,703	Total Net Assets - 100.0%			
319,341	7.25	9/15/25	354,640	\$420,874,469			
517,938	7.75	5/15/22	543,683				
402,772	7.75	9/15/24	439,122				
154,128	8.00	2/15/25	172,385				
98,681	8.29	12/15/26	111,775				
			9,397,459				
Total Collateralized Mortgage Obligations							
(cost: \$244,627,284)				250,990,936			
Asset-Backed Securities - 1.9%							
Federal Home Loan Mortgage Corporation - 0.3%							
568	6.09	9/25/29 ¹	561				
1,194,396	7.16	7/25/29	1,346,634				
			1,347,195				
Federal National Mortgage Association - 0.5%							
15,204	1 Mo. Libor + 0.34, 2.57%	11/25/32 ¹	14,897				
465,846	4.68	9/26/33 ¹⁴	523,895				
158,594	4.69	10/25/33 ¹⁴	165,512				
1,028,120	5.68	2/25/33 ¹⁴	1,110,318				
2,884	6.47	10/25/31 ¹⁴	2,960				
13,117	6.48	5/25/32 ¹⁴	13,831				
163,772	6.59	10/25/31 ¹⁴	173,007				
1,027	6.83	7/25/31 ¹⁴	1,028				
7,698	7.80	6/25/26 ¹	8,718				
			2,014,166				

¹ Variable rate security. Rate disclosed is as of September 30, 2019. Certain variable rate securities are not based on a published reference rate and spread but are determined by the issuer or agent and are based on current market conditions, or, for mortgage-backed securities, are impacted by the individual mortgages which are paying off over time. These securities do not indicate a reference rate and spread in their descriptions.

⁶ Zero coupon or convertible capital appreciation bond, for which the rate disclosed is either the effective yield on purchase date or the coupon rate to be paid upon conversion to coupon paying.

¹⁴ Step Coupon: A bond that pays a coupon rate that increases on a specified date(s). Rate disclosed is as of September 30, 2019.

Numeric footnotes not disclosed are not applicable to this Schedule of Investments.

SCHEDULE OF INVESTMENTS (Unaudited)

September 30, 2019

Sit U.S. Government Securities Fund (Continued)

The Fund's portfolio's holdings are expressed as a percentage of net assets as of the date given, and may vary over time. They are provided for informational purposes only and should not be deemed as a recommendation to buy or sell any securities.

Carefully consider the Fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other important Fund information and may be obtained by calling Sit Mutual Funds at 1-800-332-5580 or at www.sitfunds.com. Read the prospectus carefully before investing. Investment return and principal value of an investment will fluctuate so that an investor's shares when redeemed may be worth more or less than their original cost.

Investments in securities traded on national or international securities exchanges are valued at the last reported sales price prior to the time when assets are valued. Securities traded on the over-the-counter market are valued at the last reported sales price or if the last sales price is not available at the last reported bid price. The sale and bid prices or prices deemed best to reflect fair value quoted by dealers who make markets in these securities are obtained from independent pricing services. Debt securities maturing in more than 60 days are priced by an independent pricing service. The pricing service may use models that price securities based on current yields and relative security characteristics, such as coupon rate, maturity date, issuer credit quality, and prepayment speeds as applicable. When market quotations are not readily available, or when the Adviser becomes aware that a significant event impacting the value of a security or group of securities has occurred after the closing of the exchange on which the security or securities principally trade, but before the calculation of the daily net asset value, securities are valued at fair value as determined in good faith using procedures established by the Board of Directors. The procedures consider, among others, the following factors to determine a security's fair value: the nature and pricing history (if any) of the security; whether any dealer quotations for the security are available; and possible valuation methodologies that could be used to determine the fair value of the security. Debt securities of sufficient credit quality maturing in less than 60 days when acquired, or which subsequently are within 60 days of maturity, are valued at amortized cost, which approximates fair value.

Security transactions are accounted for on the date the securities are purchased or sold. Securities gains and losses are calculated on the identified-cost basis. Dividend income is recorded on the ex-dividend date or upon the receipt of ex-dividend notification in the case of certain foreign securities. Interest, including level-yield amortization of long-term bond premium and discount, is recorded on the accrual basis.