

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

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 - 35.9%				874,211	5.93	5/1/35	872,881
Federal Home Loan Mortgage Corporation - 4.7%				492,757	6.00	11/1/34	592,216
96,370	4.00	7/1/25	102,268	140,440	6.00	5/1/37	159,560
793,632	5.00	5/1/42	894,799	57,210	6.00	9/1/37	62,356
1,702,957	5.50	8/1/49	2,006,908	1,686,653	6.00	4/1/38	1,994,435
50,998	5.82	10/1/37	57,194	453,616	6.00	2/1/40	524,200
394,509	6.50	12/1/34	461,424	5,156,362	6.00	5/1/41	6,197,551
1,482,963	6.50	11/1/35	1,700,945	2,034,146	6.03	11/1/43	2,368,398
1,824,977	6.50	9/1/39	2,106,695	1,756	6.50	1/1/22	1,760
185,067	6.88	2/17/31	212,863	1,271,813	6.50	2/1/29	1,424,903
46,069	7.00	8/1/27	47,596	157,383	6.50	3/1/29	169,336
517,574	7.00	4/1/28	565,041	3,217,393	6.50	12/1/30	3,692,242
3,612,765	7.00	12/1/31	4,153,646	253,679	6.50	6/1/31	291,087
432,890	7.00	2/1/37	497,563	368,799	6.50	4/1/32	423,659
314,452	7.00	4/1/37	368,182	52,353	6.50	8/1/34	59,857
4,612,754	7.00	10/1/37	5,352,923	352,734	6.50	11/1/34	403,415
2,270,129	7.00	10/1/38	2,623,638	827,471	6.50	12/1/36	943,623
43,645	7.38	12/17/24	45,289	230,798	6.50	1/1/39	255,354
66,083	7.50	1/1/31	68,047	2,637,246	6.50	6/1/40	3,071,617
377,664	7.50	1/1/32	438,810	1,229,068	6.50	9/1/40	1,410,611
256,483	7.50	8/1/32	283,221	1,075,730	6.75	6/1/32	1,274,918
8,146	7.95	10/1/25	8,179	816,695	6.85	6/1/40	943,854
4,835	7.95	11/1/25	4,852	4,780	7.00	9/1/21	4,838
19,604	8.00	5/1/31	19,685	25,455	7.00	3/1/22	25,962
57,791	8.00	11/1/36	68,383	28,844	7.00	6/1/22	29,482
110,209	8.00	1/1/37	133,544	13,065	7.00	1/1/24	13,176
46,402	8.50	12/1/21	47,567	21,858	7.00	2/1/26	23,470
99,902	8.50	6/20/27	114,591	64,538	7.00	9/1/27	70,210
22,834	8.50	12/1/29	25,079	33,509	7.00	10/1/27	36,762
85,066	8.50	3/1/31	99,366	134,013	7.00	11/1/27	149,280
8,635	9.00	11/1/25	8,669	28,624	7.00	1/1/28	31,229
19,162	9.00	3/20/27	19,290	25,200	7.00	10/1/32	27,592
50,760	9.00	2/17/31	50,989	3,522,466	7.00	12/1/32	4,162,002
39,666	9.00	5/1/31	42,678	87,699	7.00	7/1/33	99,113
1,440	9.50	12/17/21	1,436	100,539	7.00	7/1/34	114,959
120	10.00	3/17/25	119	10,925	7.00	12/1/37	12,394
28	10.00	3/25/25	28	1,940,142	7.00	3/1/39	2,358,470
1,154	10.00	7/1/30	1,156	4,313,226	7.00	1/1/40	4,989,696
			<u>22,632,663</u>	460,294	7.00	9/1/47	496,086
Federal National Mortgage Association - 20.1%				8,104	7.50	6/1/22	8,167
3,100,000	2.48	2/1/35	3,393,482	70	7.50	8/1/22	70
3,100,000	2.68	2/1/35	3,388,890	6,461	7.50	12/1/22	6,521
5,673,162	2.93	12/1/24	5,800,759	14,754	7.50	3/1/23	14,916
3,669,559	4.50	4/1/48	4,019,137	97,619	7.50	4/1/32	111,242
2,034,696	5.00	9/1/43	2,381,497	9,824	7.50	8/1/32	10,134
12,112,494	5.00	2/1/49	14,151,387	138,238	7.50	1/1/34	155,207
616,550	5.00	6/1/51	698,588	3,059,966	7.50	10/1/38	3,640,575
1	5.50	2/15/29	1	1,348,271	7.50	11/1/38	1,595,636
374,945	5.50	6/1/33	417,267	11,045	7.64	7/20/30	11,193
5,190,456	5.50	12/1/41	6,183,048	5,920	7.99	8/20/25	5,993
3,511,941	5.50	1/1/49	4,146,484	24,876	8.00	10/1/23	24,972
2,730,315	5.50	5/1/49	3,050,964	133,013	8.00	6/1/25	143,025
1,724,346	5.50	4/1/50	1,929,845	5,244	8.00	7/20/28	5,318

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
73,206	8.00	2/1/31	85,668	625,793	6.25	4/15/29	698,926
156,518	8.00	1/1/32	171,547	73,145	6.50	11/15/23	77,341
60,340	8.00	11/1/37	72,706	269,167	6.50	4/15/24	284,486
315,587	8.00	3/1/38	394,452	720,787	6.50	2/20/28	826,167
67,436	8.19	11/15/31	76,248	260,711	6.50	2/20/29	281,122
69,487	8.50	11/1/26	73,186	456,973	6.50	7/20/34	537,010
61,748	8.50	3/1/28	64,884	2,530,472	6.50	2/15/35	2,947,962
39,905	8.50	10/1/28	45,286	16,600	6.50	12/20/38	18,079
2,584	8.50	11/1/28	2,589	236,056	6.50	1/20/39	267,620
124,798	8.50	4/1/29	141,732	130,638	6.50	2/20/39	150,468
38,382	8.50	10/1/29	38,775	275,812	6.50	4/20/39	317,879
67,984	8.50	7/1/30	80,822	356,433	6.50	6/20/39	410,635
47,210	8.50	8/1/30	57,987	526,340	6.50	8/20/39	601,350
158,938	8.50	4/1/32	195,484	335,192	6.50	4/20/43	386,011
151,813	8.50	1/1/37	178,301	3,821,948	7.00	8/15/29	4,418,418
9,187	9.00	9/1/24	9,303	3,998,493	7.00	10/15/29	4,632,325
2,551	9.00	6/15/25	2,585	193,985	7.00	10/15/36	219,910
22,674	9.00	5/15/28	23,059				
20,902	9.00	6/1/30	21,382				51,685,074
15	9.00	7/1/30	16				
11,428	9.00	10/1/30	12,593	Small Business Administration - 0.5%			
71,841	9.00	2/1/31	75,081	1,388,517	5.33	8/25/36	1,541,081
19,906	9.00	7/1/31	19,979	693,006	5.33	9/25/36	769,311
28,738	9.00	10/1/31	33,857				2,310,392
64,055	9.00	8/1/37	67,654				
23,195	9.00	1/1/38	23,409	Total Mortgage Pass-Through Securities			
159,532	9.00	2/1/38	176,586	(cost: \$169,189,073)			174,278,927
46	9.24	3/15/22	47	U.S. Treasury / Federal Agency Securities - 9.2%			
17,433	9.50	8/1/24	17,637	U.S. Treasury Bill:			
107,215	9.50	5/1/29	124,117	8,800,000	0.08	1/21/21	8,799,633
16,637	9.50	4/1/30	18,605	U.S. Treasury Bond:			
123,271	9.50	8/1/31	143,238	25,000,000	0.13	4/30/22	25,005,860
26,309	10.00	2/1/28	26,725	1,900,000	2.00	2/15/50	2,063,578
85,833	10.00	6/1/30	98,386	U.S. Treasury Strip Principal:			
				9,800,000	1.05	5/15/30 ⁶	9,055,708
			97,650,798	Total U.S. Treasury / Federal Agency Securities			
				(cost: \$44,731,763)			44,924,779
Government National Mortgage Association - 10.6%				Collateralized Mortgage Obligations - 51.9%			
127,524	4.00	12/15/24	135,351	Federal Home Loan Mortgage Corporation - 12.0%			
455,372	4.00	10/20/30	491,768	221,632	5.00	2/15/23	228,798
8,192,116	4.00	8/20/31	8,845,917	3,898,343	5.00	11/25/50	4,565,934
842,385	4.00	12/20/31	909,341	2,106,723	5.21	7/25/32 ¹	2,389,452
678,235	4.25	10/20/31	736,008	393,735	5.53	5/15/38 ¹	431,707
346,478	4.25	3/20/37	375,862	935	6.00	9/15/21	946
1,828,565	4.75	9/20/31	2,019,952	1,905,566	6.00	1/15/33	2,260,347
7,262,352	5.00	12/15/45	8,707,457	2,106,274	6.00	5/15/36	2,501,657
3,400,355	5.00	7/20/49	3,762,941	2,537,926	6.00	9/15/42	3,014,841
71,743	5.50	9/15/25	78,946	23,832	6.25	5/15/29	26,021
873,546	5.50	5/15/29	961,189	76,338	6.50	5/15/29	80,934
2,022,913	5.75	2/15/29	2,256,438	33,572	6.50	9/15/23	35,990
675,203	5.75	10/20/31	760,665	429,551	6.50	3/15/24	488,553
488,275	6.00	9/15/33	548,994	407,640	6.50	7/15/27	456,716
318,868	6.00	2/20/47	369,945	529,344	6.50	2/15/28	603,083
3,075,379	6.00	7/20/47	3,606,977	13,202	6.50	3/15/29	14,785
38,066	6.25	12/15/23	41,614			2/15/30	

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	
410,890	6.50	1/15/31	470,978	89,232	7.50	11/15/30	105,568	
860,429	6.50	8/15/31	977,057	2,616,168	7.50	6/15/34	3,240,946	
149,053	6.50	1/15/32	170,909	1,327,699	7.50	8/25/42 ¹	1,754,846	
68,600	6.50	3/15/32	79,944	770,689	7.50	9/25/43	915,598	
377,307	6.50	6/25/32	445,755	4,242	8.00	7/15/21	4,260	
213,591	6.50	7/15/32	251,627	246,048	8.00	2/15/23	259,664	
4,456,367	6.50	5/15/33	5,313,145	32,163	8.00	4/25/24	34,046	
893,198	6.50	5/15/35	1,077,736	104,024	8.00	2/15/27	119,929	
464,790	6.50	8/15/39	549,461	121,985	8.00	11/20/29	144,302	
808,616	6.50	2/25/43	985,473	147,163	8.00	1/15/30	175,277	
513,991	6.50	3/25/43	605,026	3,119	8.25	6/15/22	3,246	
660,838	6.50	7/25/43	820,497	84,764	8.50	3/15/25	95,496	
619,707	6.50	10/25/43	736,605	24,594	8.50	3/15/32	29,402	
3,409,220	6.50	8/15/45	4,082,254					
919,369	6.50	2/15/49	1,036,830				58,214,031	
10,976	6.70	9/15/23	11,632	Federal National Mortgage Association - 21.3%				
439,785	6.75	3/15/28	502,085	561,583	1.62	7/25/37 ¹	566,692	
418,771	6.95	3/15/28	474,804	552,637	3.39	8/25/43 ¹	588,571	
32,939	7.00	10/15/22	34,046	228,361	4.55	6/25/43	254,827	
3,126	7.00	11/15/22	3,235	2,582,736	5.00	7/25/40	2,927,187	
108,242	7.00	3/25/23	111,925	470,095	5.00	11/25/41	541,841	
6,307	7.00	4/15/23	6,609	650,846	5.00	6/25/43	729,796	
26,639	7.00	7/15/23	28,193	2,629,353	5.00	11/25/50	3,070,577	
69,827	7.00	1/15/24	74,394	3,912,258	5.00	12/25/50	4,623,358	
39,750	7.00	3/15/24	42,240	625,192	5.36	6/25/42	723,460	
57,233	7.00	8/15/25	63,045	826,204	5.50	9/25/33	948,065	
53,381	7.00	9/15/26	59,270	3,859,139	5.50	6/25/40	4,332,934	
104,797	7.00	6/15/29	120,780	2,458,574	5.50	2/25/42 ¹	2,753,970	
284,959	7.00	8/15/29	330,774	1,576,044	5.57	10/25/42 ¹	1,836,131	
332,949	7.00	10/20/29	387,327	1,118,080	5.59	12/25/53 ¹	1,326,650	
47,201	7.00	12/15/29	47,347	2,757,007	5.66	12/25/42 ¹	3,087,845	
60,250	7.00	1/15/30	70,636	728,590	5.81	8/25/43	833,240	
225,124	7.00	10/15/30	269,840	1,472,946	6.00	5/25/30	1,696,751	
134,352	7.00	7/15/31	158,808	2,272,474	6.00	5/25/36	2,737,018	
74,316	7.00	4/15/32	85,103	202,685	6.00	6/25/36	247,046	
488,206	7.00	5/15/32	584,752	2,095,840	6.00	11/25/43	2,447,551	
2,779,276	7.00	8/15/41	3,302,675	1,051,916	6.00	9/25/46	1,197,221	
3,460,172	7.00	2/25/43	4,253,869	1,925,990	6.00	2/25/48	2,188,084	
686,320	7.00	3/25/43	812,068	1,189,921	6.30	8/25/47 ¹	1,370,792	
905,582	7.00	7/25/43	1,118,320	214,730	6.50	8/20/28	235,333	
1,388,518	7.00	3/15/49	1,629,865	1,101,643	6.50	1/25/32	1,307,245	
4,650	7.50	10/15/21	4,723	172,577	6.50	3/25/32	206,680	
20,582	7.50	7/15/22	21,105	317,211	6.50	6/25/32	373,015	
58,243	7.50	3/15/23	61,295	244,888	6.50	7/25/36	291,461	
218,429	7.50	4/15/23	229,706	82,839	6.50	9/25/36	97,977	
40,026	7.50	9/20/26	45,469	1,944,047	6.50	11/25/41	2,299,538	
210,464	7.50	3/15/28	244,259	271,094	6.50	3/25/42	314,818	
291,003	7.50	9/15/29	346,128	1,280,000	6.50	5/25/42	1,533,212	
103,321	7.50	12/15/29	119,160	5,465,217	6.50	7/25/42	5,948,528	
169,697	7.50	6/15/30	202,669	281,101	6.50	9/25/42	329,871	
251,396	7.50	8/15/30	297,425	699,106	6.50	11/25/42	801,353	
391,559	7.50	9/15/30	472,809	1,742,613	6.50	7/25/44	1,873,752	
				268,125	6.56	2/25/45 ¹	325,144	

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)
377,784	6.65	9/25/37 ¹	462,123	209,463	9.50	12/25/41	255,752
2,791,909	6.75	6/25/32	3,348,898	301,531	11.05	6/25/44 ¹	351,762
594,619	6.75	4/25/37	670,601	959,589	11.28	9/25/42 ¹	1,266,159
69,284	6.85	12/18/27	79,009	16,984	22.27	3/25/39 ¹	26,704
359,798	6.87	8/25/37 ¹	403,334				
2,704	7.00	7/25/22	2,770				103,570,261
7,283	7.00	11/25/22	7,587	Government National Mortgage Association - 17.2%			
10,885	7.00	12/25/22	11,283	3,704,938	5.00	12/20/50	4,432,032
8,952	7.00	6/25/23	9,436	500,000	5.50	9/20/39	608,377
335,052	7.00	4/25/24	355,406	8,317,373	5.50	10/20/50	9,995,317
145,182	7.00	9/18/27	164,600	2,491,070	5.50	11/20/50	2,986,880
2,560,948	7.00	5/25/31	2,869,812	4,036,764	5.50	1/20/51	4,834,025
1,200,695	7.00	12/25/33	1,423,109	2,353,384	5.53	11/20/45 ¹	2,753,812
211,222	7.00	9/25/40	248,009	392,489	5.54	4/20/48 ¹	450,683
463,072	7.00	10/25/41	532,554	5,077,994	5.60	4/20/40 ¹	5,934,093
207,817	7.00	11/25/41	253,552	5,531,239	5.81	3/20/45 ¹	6,421,235
318,917	7.00	12/25/41	376,132	757,669	5.99	11/20/43 ¹	888,256
2,863,025	7.00	1/25/42	3,383,500	1,854,050	6.00	11/20/33	2,049,390
952,195	7.00	7/25/42	1,151,976	543,454	6.00	12/20/35	633,765
2,069,616	7.00	2/25/44	2,460,077	343,598	6.00	3/20/42	405,368
107,213	7.00	8/25/44	129,578	652,237	6.00	3/20/48	736,121
27,597	7.50	8/20/27	31,560	4,798,333	6.00	3/20/49	5,338,400
213,732	7.50	10/25/40	247,598	1,712,346	6.00	5/20/49	1,891,639
1,496,120	7.50	11/25/40	1,609,572	951,556	6.05	10/20/40 ¹	1,133,123
753,138	7.50	6/19/41 ¹	894,444	2,005,404	6.15	1/20/39 ¹	2,406,843
1,432,166	7.50	7/25/41	1,724,587	394,309	6.42	4/20/37 ¹	444,063
874,179	7.50	8/25/41	1,047,445	2,040,154	6.48	6/20/41 ¹	2,404,598
270,732	7.50	11/25/41	330,584	1,232,620	6.50	7/20/32	1,231,114
502,313	7.50	1/25/42	604,216	1,302,548	6.50	2/20/37	1,505,783
3,449,497	7.50	5/25/42	4,173,339	255,319	6.50	9/16/38	291,515
349,039	7.50	6/25/42	417,498	3,226,433	6.50	8/20/48	3,754,929
3,144,799	7.50	8/25/42 ¹	3,917,450	1,579,170	6.50	10/20/48	1,773,780
1,087,676	7.50	2/25/44	1,305,999	2,854,696	6.50	1/20/49	3,182,273
565,769	7.50	3/25/44	662,470	673,883	6.56	7/20/39 ¹	791,064
751,073	7.50	5/25/44	922,458	1,319,287	6.63	9/20/44 ¹	1,550,374
49,426	7.50	10/25/44	59,978	502,193	6.65	4/20/39 ¹	596,947
4,599,660	7.50	1/25/48	5,617,844	1,028,269	6.88	8/20/40 ¹	1,209,635
16,671	8.00	7/25/22	17,290	595,354	6.99	6/20/45 ¹	691,097
41,031	8.00	7/18/27	46,534	128,622	7.00	9/16/33	142,497
524,762	8.00	11/25/37 ¹	629,318	372,924	7.00	5/20/42	447,939
392,765	8.00	7/25/44	457,377	1,519,829	7.00	10/20/48	1,700,217
270,161	8.10	11/25/37 ¹	325,072	667,183	7.13	12/20/33 ¹	778,561
42,817	8.35	10/25/42 ¹	53,184	1,012,194	7.13	12/20/38 ¹	1,191,520
35	8.50	9/25/21	36	1,545,423	7.31	8/20/38 ¹	1,830,705
6,848	8.50	1/25/25	7,579	3,343,443	7.40	7/20/44 ¹	3,928,987
463,407	8.50	6/25/30	560,240				83,346,957
3,515	9.00	8/25/22	3,716	Vendee Mortgage Trust - 1.4%			
47,231	9.00	11/25/28	54,850	1,168,329	6.21	3/15/25 ¹	1,357,752
304,788	9.00	6/25/30	378,403	1,778,522	6.50	8/15/31	2,031,913
51,317	9.00	10/25/30	63,474	856,725	6.50	10/15/31	1,031,369
92,172	9.40	6/25/32 ¹	107,726	632,391	6.75	2/15/26	715,817
70,456	9.50	11/25/31	87,163	732,187	7.00	3/15/28	821,634

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

Sit U.S. Government Securities Fund (Continued)

Principal Amount (\$)	Coupon Rate (%)	Maturity Date	Fair Value (\$)	Quantity	Name of Issuer	Fair Value (\$)
68,210	7.25	9/15/22	70,130	Short-Term Securities - 1.8%		
208,546	7.25	9/15/25	233,813	8,966,003	Fidelity Inst. Money Mkt. Gvt. Fund, 0.01%	8,966,003
202,676	7.75	5/15/22	209,984	(cost: \$8,966,003)		
259,816	7.75	9/15/24	284,515	Total Investments in Securities - 100.2%		
99,963	8.00	2/15/25	108,826	(cost: \$471,631,115)		487,118,257
76,263	8.29	12/15/26	87,396	Call Options Written ^{10, 19} - (0.1%)		
			6,953,149	(premiums received: \$567,972)		(700,782)
Total Collateralized Mortgage Obligations				Other Assets and Liabilities, net - (0.1%)		(454,970)
(cost: \$242,439,682)			252,084,398	Total Net Assets - 100.0%		\$485,962,505
Asset-Backed Securities - 1.4%						
Federal Home Loan Mortgage Corporation - 0.2%						
478	6.09	9/25/29 ¹	478	¹ Variable rate security. Rate disclosed is as of December 31, 2020. 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. ¹⁰ The amount of \$2,500,000 in cash was segregated with the broker to cover margin requirements for derivative transactions as of December 31, 2020. ¹⁴ Step Coupon: A bond that pays a coupon rate that increases on a specified date(s). Rate disclosed is as of December 31, 2020. Numeric footnotes not disclosed are not applicable to this Schedule of Investments.		
840,482	7.16	7/25/29	976,206			
			976,684			
Federal National Mortgage Association - 0.6%						
13,200	1 Mo. Libor + 0.34, 0.52%	11/25/32 ¹	12,934			
332,122	4.67	9/26/33 ¹⁴	371,688			
121,909	4.78	10/25/33 ¹⁴	137,550			
1,923,644	5.69	2/25/33 ¹⁴	2,221,149			
138	6.47	10/25/31 ¹⁴	134			
100,850	6.59	10/25/31 ¹⁴	107,604			
284	6.83	7/25/31 ¹⁴	285			
6,333	6.99	5/25/32 ¹⁴	6,849			
4,661	7.80	6/25/26 ¹	5,290			
			2,863,483			
Small Business Administration - 0.6%						
306,407	5.78	8/1/27	331,611			
1,307,691	5.87	7/1/28	1,436,457			
1,144,226	6.02	8/1/28	1,255,915			
			3,023,983			
Total Asset-Backed Securities						
(cost: \$6,304,594)			6,864,150			

SCHEDULE OF INVESTMENTS (Unaudited)

December 31, 2020

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.