

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

Form N-Q

September 28, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-21331

Wells Fargo Advantage Multi-Sector Income Fund

(Exact name of registrant as specified in charter)

525 Market Street, 12th Floor, San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

C. David Messman

Wells Fargo Funds Management, LLC

525 Market Street, 12th Floor, San Francisco, CA 94105

(Name and address of agent for service)

Registrant's telephone number, including area code: 800-643-9691

Date of fiscal year end: **October 31, 2010**

Date of reporting period: **July 31, 2011**

ITEM 1. SCHEDULE OF INVESTMENTS

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|----------------------------------|---------------|---------------|--------------|--------------|
| Agency Securities: 29.87% | | | | |
| FHLB± | 2.53% | 12/01/2034 | \$ 6,993,069 | \$ 7,332,451 |
| FHLB± | 2.59 | 06/01/2035 | 2,982,193 | 3,151,724 |
| FHLB± | 2.65 | 11/01/2030 | 371,329 | 391,167 |
| FHLB± | 2.80 | 07/01/2033 | 288,950 | 290,058 |
| FHLMC± | 2.42 | 08/01/2035 | 1,763,164 | 1,854,489 |
| FHLMC± | 2.49 | 09/01/2035 | 5,210,252 | 5,477,000 |
| FHLMC± | 2.49 | 06/01/2036 | 3,216,143 | 3,378,013 |
| FHLMC± | 2.50 | 01/01/2036 | 6,601,844 | 6,937,776 |
| FHLMC± | 2.50 | 12/01/2035 | 4,733,889 | 4,969,091 |
| FHLMC± | 2.51 | 04/01/2034 | 14,179,958 | 14,919,309 |
| FHLMC± | 2.52 | 08/01/2035 | 4,994,381 | 5,265,718 |
| FHLMC± | 2.54 | 07/01/2032 | 421,426 | 422,688 |
| FHLMC± | 2.56 | 09/01/2032 | 481,326 | 507,381 |
| FHLMC± | 2.60 | 10/01/2033 | 187,922 | 197,771 |
| FHLMC± | 2.64 | 10/01/2030 | 328,500 | 346,983 |
| FHLMC± | 2.72 | 01/01/2038 | 3,424,491 | 3,591,228 |
| FHLMC± | 2.73 | 06/01/2033 | 192,426 | 194,638 |
| FHLMC± | 2.75 | 09/01/2038 | 6,275,729 | 6,589,649 |
| FHLMC± | 2.79 | 10/01/2030 | 17,857 | 18,482 |
| FHLMC± | 2.81 | 08/01/2030 | 392,626 | 413,719 |
| FHLMC± | 2.88 | 12/01/2026 | 69,308 | 70,606 |
| FHLMC± | 3.53 | 06/01/2018 | 54,037 | 54,120 |
| FHLMC± | 3.57 | 05/01/2019 | 3,981 | 3,995 |
| FHLMC± | 3.89 | 10/01/2022 | 69,474 | 69,867 |
| FHLMC± | 4.07 | 10/01/2037 | 2,849,880 | 2,928,256 |
| FHLMC± | 4.40 | 01/01/2027 | 139,303 | 146,501 |
| FHLMC± | 5.00 | 07/01/2035 | 331,350 | 349,148 |
| FHLMC± | 5.65 | 11/01/2036 | 1,374,495 | 1,444,195 |
| FHLMC | 8.50 | 04/01/2015 | 23,621 | 24,175 |
| FHLMC | 8.50 | 07/01/2028 | 137,801 | 165,844 |
| FHLMC | 8.50 | 03/01/2030 | 76,411 | 87,963 |
| FHLMC Series 0196 Class A± | 0.99 | 12/15/2021 | 95,002 | 95,040 |
| FHLMC Series 1383± | 5.81 | 02/01/2037 | 2,122,768 | 2,290,443 |
| FHLMC Series 2390 Class FD± | 0.64 | 12/15/2031 | 94,722 | 94,576 |
| FHLMC Series 2411 Class F± | 0.74 | 02/15/2032 | 123,353 | 123,477 |
| FHLMC Series 2431 Class F± | 0.69 | 03/15/2032 | 3,864,324 | 3,865,124 |
| FHLMC Series 2567 Class FH± | 0.59 | 02/15/2033 | 200,630 | 200,329 |
| FNMA± | 1.35 | 04/01/2028 | 107,796 | 110,828 |
| FNMA± | 1.68 | 10/01/2034 | 296,987 | 304,237 |
| FNMA± | 2.00 | 04/01/2019 | 6,645 | 6,662 |
| FNMA± | 2.21 | 10/01/2035 | 1,499,203 | 1,545,499 |
| FNMA± | 2.25 | 01/01/2017 | 44,765 | 46,288 |
| FNMA± | 2.26 | 12/01/2035 | 1,815,494 | 1,873,895 |
| FNMA± | 2.26 | 12/01/2031 | 57,103 | 57,618 |
| FNMA± | 2.32 | 06/01/2035 | 3,464,765 | 3,634,438 |

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| | | | | |
|-------|------|------------|-----------|-----------|
| FNMA± | 2.36 | 03/01/2033 | 164,073 | 171,981 |
| FNMA± | 2.39 | 01/01/2036 | 2,781,183 | 2,914,201 |
| FNMA± | 2.39 | 03/01/2035 | 5,699,073 | 5,987,090 |
| FNMA± | 2.40 | 06/01/2024 | 149,709 | 156,421 |
| FNMA± | 2.41 | 03/01/2034 | 532,529 | 558,330 |
| FNMA± | 2.43 | 08/01/2036 | 2,406,169 | 2,494,760 |
| FNMA± | 2.44 | 12/01/2026 | 114,326 | 119,959 |
| FNMA± | 2.45 | 04/01/2034 | 4,788,684 | 5,029,058 |
| FNMA± | 2.46 | 07/01/2038 | 230,200 | 241,414 |
| FNMA± | 2.48 | 06/01/2029 | 178,289 | 187,770 |
| FNMA± | 2.48 | 07/01/2038 | 2,439,852 | 2,574,207 |
| FNMA± | 2.48 | 02/01/2035 | 336,173 | 354,733 |
| FNMA± | 2.49 | 12/01/2028 | 43,292 | 43,851 |
| FNMA± | 2.50 | 07/01/2033 | 40,020 | 40,321 |
| FNMA± | 2.50 | 01/01/2026 | 236,748 | 250,606 |
| FNMA± | 2.53 | 01/01/2035 | 1,740,517 | 1,826,979 |
| FNMA± | 2.53 | 08/01/2039 | 5,843,396 | 6,164,765 |
| FNMA± | 2.55 | 07/01/2048 | 325,307 | 342,534 |

The Portfolio of Investments should be read in conjunction with the Financial Statements and Notes to Financial Statements which are included in the Fund's audited Annual Report and Semi-Annual Report. These reports include additional information about the Fund's security valuation policies and about certain security types invested in by the Fund.

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--------------------------------------|---------------|---------------|------------|------------|
| Agency Securities (continued) | | | | |
| FNMA± | 2.56% | 12/01/2029 | \$ 55,829 | \$ 59,108 |
| FNMA± | 2.57 | 06/01/2031 | 97,437 | 98,528 |
| FNMA± | 2.57 | 07/01/2026 | 35,959 | 38,076 |
| FNMA± | 2.58 | 06/01/2038 | 3,919,989 | 4,136,230 |
| FNMA± | 2.60 | 05/01/2030 | 233,289 | 245,208 |
| FNMA±¤ | 2.61 | 02/01/2036 | 1,463,780 | 1,552,631 |
| FNMA± | 2.61 | 08/01/2030 | 157,832 | 166,708 |
| FNMA±¤ | 2.62 | 10/01/2034 | 11,025,925 | 11,564,387 |
| FNMA± | 2.62 | 08/01/2028 | 71,747 | 75,313 |
| FNMA± | 2.65 | 04/01/2017 | 1,863,427 | 1,925,123 |
| FNMA± | 2.69 | 03/01/2034 | 14,885 | 15,697 |
| FNMA± | 2.71 | 06/01/2036 | 4,794,829 | 5,050,025 |
| FNMA±¤ | 2.75 | 01/01/2038 | 3,382,035 | 3,479,322 |
| FNMA± | 2.75 | 12/01/2016 | 8,454 | 8,521 |
| FNMA±¤ | 2.77 | 07/01/2036 | 1,354,013 | 1,428,110 |
| FNMA±¤ | 2.77 | 04/01/2036 | 2,023,573 | 2,098,760 |
| FNMA± | 2.78 | 04/01/2033 | 119,202 | 125,291 |
| FNMA±¤ | 2.79 | 05/01/2035 | 3,525,465 | 3,719,342 |
| FNMA± | 2.80 | 11/01/2035 | 2,373,419 | 2,500,035 |
| FNMA± | 2.80 | 05/01/2036 | 10,571,412 | 11,179,277 |
| FNMA± | 2.84 | 09/01/2032 | 198,527 | 200,025 |
| FNMA± | 2.84 | 12/01/2017 | 678,178 | 700,587 |
| FNMA± | 2.85 | 09/01/2027 | 178,566 | 189,059 |
| FNMA± | 2.87 | 05/01/2036 | 920,908 | 948,409 |
| FNMA± | 2.88 | 04/01/2035 | 2,788,439 | 2,946,092 |
| FNMA± | 2.92 | 08/01/2035 | 2,820,680 | 2,991,874 |
| FNMA± | 2.93 | 10/01/2033 | 3,959,382 | 4,180,763 |
| FNMA± | 3.09 | 02/01/2017 | 1,574,022 | 1,633,897 |
| FNMA±¤ | 3.10 | 07/01/2038 | 2,333,332 | 2,447,804 |
| FNMA± | 3.12 | 07/01/2030 | 99,814 | 100,008 |
| FNMA± | 3.22 | 10/01/2029 | 101,635 | 105,632 |
| FNMA± | 3.78 | 01/01/2015 | 17,579 | 17,603 |
| FNMA± | 3.82 | 01/01/2030 | 64,837 | 65,276 |
| FNMA± | 4.12 | 07/01/2035 | 2,142,006 | 2,258,634 |
| FNMA±¤ | 4.29 | 02/01/2035 | 5,605,631 | 5,785,792 |
| FNMA± | 4.31 | 04/01/2025 | 86,054 | 86,916 |
| FNMA± | 4.44 | 08/01/2027 | 213,849 | 216,217 |
| FNMA± | 4.55 | 12/01/2036 | 43,422 | 45,439 |
| FNMA± | 4.61 | 04/01/2031 | 670,195 | 705,705 |
| FNMA± | 4.78 | 12/01/2034 | 1,401,945 | 1,491,891 |
| FNMA±¤ | 4.85 | 04/01/2034 | 3,058,782 | 3,190,416 |
| FNMA± | 4.89 | 11/01/2024 | 194,309 | 205,964 |
| FNMA± | 4.95 | 01/01/2034 | 462,808 | 466,854 |
| FNMA± | 5.11 | 12/01/2022 | 13,439 | 13,472 |
| FNMA±¤ | 5.28 | 09/01/2032 | 2,617,784 | 2,797,411 |
| FNMA± | 6.00 | 05/01/2021 | 5,471 | 5,481 |

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| | | | | |
|-------------------------------|-------|------------|-----------|-----------|
| FNMA± | 6.00 | 08/01/2021 | 9,481 | 9,510 |
| FNMA | 6.00 | 04/01/2033 | 192,787 | 214,647 |
| FNMA± | 6.10 | 12/01/2013 | 176,860 | 179,134 |
| FNMA± | 6.14 | 12/01/2020 | 100,384 | 100,284 |
| FNMA± [Ⓢ] | 6.24 | 09/01/2037 | 2,066,004 | 2,227,537 |
| FNMA | 6.50 | 11/01/2032 | 66,695 | 75,928 |
| FNMA | 7.50 | 07/01/2017 | 168,196 | 186,018 |
| FNMA | 7.50 | 10/01/2028 | 13,338 | 13,395 |
| FNMA | 7.50 | 11/01/2028 | 166,486 | 195,849 |
| FNMA | 7.50 | 02/01/2030 | 44,685 | 52,073 |
| FNMA | 7.50 | 09/01/2030 | 103,211 | 117,604 |
| FNMA | 7.50 | 07/01/2032 | 22,183 | 22,942 |
| FNMA | 8.00 | 12/01/2024 | 12,631 | 12,799 |
| FNMA | 8.00 | 06/01/2030 | 125,867 | 144,160 |
| FNMA | 12.00 | 01/01/2016 | 18,226 | 20,086 |
| FNMA Series 1996-46 Class FA± | 0.72 | 08/25/2021 | 55,892 | 55,890 |
| FNMA Series 2001-25 Class Z | 6.00 | 06/25/2031 | 607,674 | 686,190 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|---|---------------|---------------|-----------|-------------|
| Agency Securities (continued) | | | | |
| <i>FNMA Series 2001-35 Class F±</i> | 0.79% | 07/25/2031 | \$ 29,286 | \$ 29,364 |
| <i>FNMA Series 2001-57 Class F±</i> | 0.69 | 06/25/2031 | 29,484 | 29,492 |
| <i>FNMA Series 2001-T10 Class A2</i> | 7.50 | 12/25/2041 | 270,946 | 302,563 |
| <i>FNMA Series 2002-77 Class FH±</i> | 0.59 | 12/18/2032 | 190,440 | 189,761 |
| <i>FNMA Series 2002-95 Class FK±</i> | 0.69 | 01/25/2033 | 4,344,342 | 4,349,135 |
| <i>FNMA Series 2002-97 Class FR±</i> | 0.74 | 01/25/2033 | 63,156 | 63,124 |
| <i>FNMA Series 2003-W8 Class 3F2±</i> | 0.54 | 05/25/2042 | 1,376,972 | 1,371,021 |
| <i>FNMA Series G91-16 Class F±</i> | 0.67 | 06/25/2021 | 64,225 | 64,165 |
| <i>FNMA Series G92-17 Class F±</i> | 1.27 | 03/25/2022 | 127,938 | 129,361 |
| <i>GNMA</i> | 6.50 | 06/15/2028 | 81,944 | 93,941 |
| <i>GNMA</i> | 7.25 | 07/15/2017 | 39,688 | 44,265 |
| <i>GNMA</i> | 7.25 | 08/15/2017 | 59,909 | 66,595 |
| <i>GNMA</i> | 7.25 | 08/15/2017 | 47,304 | 52,519 |
| <i>GNMA</i> | 7.25 | 08/15/2017 | 15,976 | 17,818 |
| <i>GNMA</i> | 7.25 | 09/15/2017 | 61,006 | 68,041 |
| <i>GNMA</i> | 7.25 | 10/15/2017 | 110,993 | 123,447 |
| <i>GNMA</i> | 7.25 | 10/15/2017 | 51,061 | 56,570 |
| <i>GNMA</i> | 7.25 | 11/15/2017 | 40,963 | 45,223 |
| <i>GNMA</i> | 7.25 | 01/15/2018 | 30,470 | 34,009 |
| <i>GNMA</i> | 7.25 | 01/15/2018 | 32,511 | 36,534 |
| <i>GNMA</i> | 7.25 | 02/15/2018 | 33,126 | 36,971 |
| <i>GNMA</i> | 7.25 | 05/15/2018 | 17,156 | 18,899 |
| <i>GNMA Series 2001-61 Class FA±</i> | 0.69 | 09/20/2030 | 1,348 | 1,348 |
| Total Agency Securities (Cost \$206,372,874) | | | | 210,102,564 |

Shares

Common Stocks: 0.08%**Consumer Discretionary: 0.00%****Hotels, Restaurants & Leisure: 0.00%**

| | | |
|--|-------|---|
| <i>Trump Entertainment Resorts Incorporated(a)</i> | 1,161 | 0 |
|--|-------|---|

Telecommunication Services: 0.08%**Diversified Telecommunication Services: 0.08%**

| | | |
|--|--------|---------|
| <i>Fairpoint Communications Incorporated</i> | 70,442 | 535,359 |
|--|--------|---------|

Total Common Stocks (Cost \$1,617,838)

535,359

| | Interest Rate | Maturity Date | Principal |
|--|---------------|---------------|-----------|
| Convertible Debentures: 0.16% | | | |
| Information Technology: 0.16% | | | |
| Communications Equipment: 0.16% | | | |

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|--|------|------------|--------------|------------------|
| <i>Lucent Technologies Incorporated Series B</i> | 2.88 | 06/15/2025 | \$ 1,145,000 | 1,110,650 |
| Total Convertible Debentures (Cost \$765,113) | | | | 1,110,650 |
| Corporate Bonds and Notes: 54.06% | | | | |
| Consumer Discretionary: 9.99% | | | | |
| Auto Components: 1.14% | | | | |
| <i>Allison Transmission Incorporated</i> | 7.13 | 05/15/2019 | 3,050,000 | 2,989,000 |
| <i>Cooper Tire & Rubber Company</i> | 7.63 | 03/15/2027 | 1,895,000 | 1,835,781 |
| <i>Cooper Tire & Rubber Company</i> | 8.00 | 12/15/2019 | 450,000 | 469,125 |
| <i>Goodyear Tire & Rubber Company</i> | 8.75 | 08/15/2020 | 468,000 | 524,160 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|--------------|--------------|
| Auto Components (continued) | | | | |
| <i>Goodyear Tire & Rubber Company</i> | 10.50% | 05/15/2016 | \$ 1,957,000 | \$ 2,204,071 |
| | | | | 8,022,137 |
| Diversified Consumer Services: 1.56% | | | | |
| <i>Carriage Services Incorporated</i> | 7.88 | 01/15/2015 | 1,795,000 | 1,817,438 |
| <i>Service Corporation International</i> | 6.75 | 04/01/2016 | 475,000 | 513,000 |
| <i>Service Corporation International</i> | 7.00 | 05/15/2019 | 650,000 | 693,875 |
| <i>Service Corporation International</i> | 7.50 | 04/01/2027 | 3,965,000 | 3,846,050 |
| <i>Service Corporation International</i> | 8.00 | 11/15/2021 | 475,000 | 524,875 |
| <i>Service Corporation International Series WI</i> | 7.00 | 06/15/2017 | 1,610,000 | 1,746,850 |
| <i>StoneMor Operating LP</i> | 10.25 | 12/01/2017 | 1,815,000 | 1,815,000 |
| | | | | 10,957,088 |
| Hotels, Restaurants & Leisure: 2.52% | | | | |
| <i>American Casinos Incorporated</i> | 7.50 | 04/15/2021 | 1,000,000 | 1,040,000 |
| <i>Blue Merger Sub Incorporated</i> | 7.63 | 02/15/2019 | 500,000 | 514,375 |
| <i>Burger King Corporation</i> | 9.88 | 10/15/2018 | 850,000 | 928,625 |
| <i>Chukchansi Economic Development Authority±</i> | 3.92 | 11/15/2012 | 1,375,000 | 1,113,750 |
| <i>Citycenter Holdings LLC</i> | 7.63 | 01/15/2016 | 175,000 | 182,875 |
| <i>Citycenter Holdings LLC ¥</i> | 11.50 | 01/15/2017 | 976,414 | 1,049,645 |
| <i>DineEquity Incorporated</i> | 9.50 | 10/30/2018 | 1,575,000 | 1,730,531 |
| <i>Greektown Superholdings</i> | 13.00 | 07/01/2015 | 4,125,000 | 4,614,844 |
| <i>NAI Entertainment Holdings LLC</i> | 8.25 | 12/15/2017 | 1,000,000 | 1,081,250 |
| <i>Pinnacle Entertainment Incorporated</i> | 7.50 | 06/15/2015 | 1,250,000 | 1,287,500 |
| <i>Scientific Games Corporation</i> | 9.25 | 06/15/2019 | 485,000 | 526,225 |
| <i>Speedway Motorsports Incorporated</i> | 6.75 | 02/01/2019 | 225,000 | 225,563 |
| <i>Speedway Motorsports Incorporated</i> | 8.75 | 06/01/2016 | 950,000 | 1,035,500 |
| <i>Yonkers Racing Corporation</i> | 11.38 | 07/15/2016 | 2,200,000 | 2,387,000 |
| | | | | 17,717,683 |
| Household Durables: 0.01% | | | | |
| <i>Sealy Corporation</i> | 10.88 | 04/15/2016 | 66,000 | 73,755 |
| Media: 4.03% | | | | |
| <i>Cablevision Systems Corporation</i> | 8.63 | 09/15/2017 | 1,310,000 | 1,447,550 |
| <i>CCH II Capital LLC</i> | 13.50 | 11/30/2016 | 7,535,929 | 8,892,396 |
| <i>Charter Communications Incorporated Step Bond</i> | 10.88 | 09/15/2014 | 5,140,000 | 5,666,850 |
| <i>Cinemark USA Incorporated</i> | 7.38 | 06/15/2021 | 775,000 | 775,000 |
| <i>Cinemark USA Incorporated</i> | 8.63 | 06/15/2019 | 250,000 | 273,125 |
| <i>CSC Holdings LLC</i> | 7.88 | 02/15/2018 | 600,000 | 658,500 |
| <i>CSC Holdings LLC</i> | 8.50 | 04/15/2014 | 400,000 | 446,000 |
| <i>DISH DBS Corporation</i> | 7.88 | 09/01/2019 | 480,000 | 527,400 |
| <i>EchoStar DBS Corporation</i> | 6.63 | 10/01/2014 | 1,000,000 | 1,066,250 |
| <i>EchoStar DBS Corporation</i> | 7.13 | 02/01/2016 | 125,000 | 133,438 |
| <i>EchoStar DBS Corporation</i> | 7.75 | 05/31/2015 | 350,000 | 382,813 |
| <i>Gray Television Incorporated</i> | 10.50 | 06/29/2015 | 675,000 | 700,313 |

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|---|-------|------------|-----------|------------|
| <i>Interactive Data Corporation</i> | 10.25 | 08/01/2018 | 1,250,000 | 1,393,750 |
| <i>Lamar Media Corporation Series C</i> | 9.75 | 04/01/2014 | 375,000 | 433,594 |
| <i>LIN Television Corporation</i> | 8.38 | 04/15/2018 | 775,000 | 827,313 |
| <i>Regal Cinemas Corporation</i> | 8.63 | 07/15/2019 | 2,475,000 | 2,660,625 |
| <i>Salem Communications Corporation</i> | 9.63 | 12/15/2016 | 1,456,000 | 1,543,360 |
| <i>Sirius XM Radio Incorporated</i> | 13.00 | 08/01/2014 | 425,000 | 498,313 |
| | | | | 28,326,590 |
| Multiline Retail: 0.08% | | | | |
| <i>Saks Incorporated</i> | 9.88 | 10/01/2011 | 585,000 | 591,636 |

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PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|---|---------------|---------------|------------|------------|
| Specialty Retail: 0.35% | | | | |
| <i>Gap Incorporated</i> | 5.95% | 04/12/2021 | \$ 600,000 | \$ 592,217 |
| <i>Limited Brands Incorporated</i> | 6.63 | 04/01/2021 | 50,000 | 51,750 |
| <i>Radioshack Corporation</i> | 6.75 | 05/15/2019 | 650,000 | 632,125 |
| <i>Rent-A-Center Incorporated</i> | 6.63 | 11/15/2020 | 375,000 | 379,688 |
| <i>Toys R Us Property Company LLC</i> | 8.50 | 12/01/2017 | 780,000 | 834,600 |
| | | | | 2,490,380 |
| Textiles, Apparel & Luxury Goods: 0.30% | | | | |
| <i>Oxford Industries Incorporated</i> | 11.38 | 07/15/2015 | 1,865,000 | 2,109,781 |
| Consumer Staples: 0.76% | | | | |
| Beverages: 0.26% | | | | |
| <i>Anheuser-Busch InBev SA</i> | 6.88 | 11/15/2019 | 1,475,000 | 1,852,171 |
| Food Products: 0.50% | | | | |
| <i>Darling International Incorporated</i> | 8.50 | 12/15/2018 | 125,000 | 137,656 |
| <i>Dole Food Company Incorporated</i> | 13.88 | 03/15/2014 | 1,452,000 | 1,742,400 |
| <i>Smithfield Foods Incorporated</i> | 10.00 | 07/15/2014 | 1,370,000 | 1,601,188 |
| | | | | 3,481,244 |
| Energy: 7.90% | | | | |
| Energy Equipment & Services: 1.61% | | | | |
| <i>Bristow Group Incorporated</i> | 7.50 | 09/15/2017 | 985,000 | 1,031,788 |
| <i>Cleaver-Brooks Incorporated</i> | 12.25 | 05/01/2016 | 630,000 | 648,900 |
| <i>GulfMark Offshore Incorporated</i> | 7.75 | 07/15/2014 | 1,625,000 | 1,639,219 |
| <i>Hornbeck Offshore Services Incorporated Series B</i> | 6.13 | 12/01/2014 | 2,345,000 | 2,345,000 |
| <i>Hornbeck Offshore Services Incorporated Series B</i> | 8.00 | 09/01/2017 | 2,230,000 | 2,280,175 |
| <i>Oil States International Incorporated</i> | 6.50 | 06/01/2019 | 325,000 | 331,500 |
| <i>Parker Drilling Company</i> | 9.13 | 04/01/2018 | 460,000 | 489,900 |
| <i>PHI Incorporated</i> | 8.63 | 10/15/2018 | 2,475,000 | 2,536,875 |
| | | | | 11,303,357 |
| Oil, Gas & Consumable Fuels: 6.29% | | | | |
| <i>Chesapeake Energy Corporation</i> | 9.50 | 02/15/2015 | 2,250,000 | 2,643,750 |
| <i>Cloud Peak Energy Resources Incorporated</i> | 8.25 | 12/15/2017 | 125,000 | 133,750 |
| <i>Cloud Peak Energy Resources Incorporated</i> | 8.50 | 12/15/2019 | 225,000 | 243,281 |
| <i>Coffeyville Resources LLC</i> | 9.00 | 04/01/2015 | 932,000 | 1,013,550 |
| <i>Coffeyville Resources LLC</i> | 10.88 | 04/01/2017 | 1,350,000 | 1,549,125 |
| <i>Consol Energy Incorporated</i> | 8.25 | 04/01/2020 | 825,000 | 917,813 |
| <i>Denbury Resources Incorporated</i> | 6.38 | 08/15/2021 | 350,000 | 360,500 |
| <i>Denbury Resources Incorporated</i> | 8.25 | 02/15/2020 | 425,000 | 469,625 |
| <i>El Paso Corporation</i> | 6.50 | 09/15/2020 | 445,000 | 495,156 |
| <i>El Paso Corporation</i> | 6.88 | 06/15/2014 | 175,000 | 195,505 |
| <i>El Paso Corporation</i> | 7.00 | 06/15/2017 | 175,000 | 202,716 |
| <i>El Paso Corporation</i> | 7.25 | 06/01/2018 | 1,610,000 | 1,867,861 |

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| | | | | |
|---------------------------------------|------|------------|-----------|-----------|
| <i>El Paso Corporation</i> | 7.42 | 02/15/2037 | 800,000 | 933,920 |
| <i>El Paso Corporation</i> | 7.80 | 08/01/2031 | 1,850,000 | 2,191,806 |
| <i>Energy Transfer Equity LP</i> | 7.50 | 10/15/2020 | 3,100,000 | 3,317,000 |
| <i>Ferrellgas Finance Corporation</i> | 6.50 | 05/01/2021 | 600,000 | 579,000 |
| <i>Ferrellgas Finance Corporation</i> | 9.13 | 10/01/2017 | 2,325,000 | 2,493,563 |
| <i>Forest Oil Corporation</i> | 7.25 | 06/15/2019 | 1,345,000 | 1,398,800 |
| <i>Forest Oil Corporation</i> | 8.50 | 02/15/2014 | 535,000 | 581,813 |
| <i>Hilcorp Energy Company</i> | 7.75 | 11/01/2015 | 500,000 | 516,250 |
| <i>Holly Corporation</i> | 9.88 | 06/15/2017 | 1,895,000 | 2,127,138 |
| <i>Inergy Holdings LP</i> | 6.88 | 08/01/2021 | 575,000 | 577,875 |
| <i>Inergy Holdings LP</i> | 7.00 | 10/01/2018 | 500,000 | 510,000 |
| <i>Peabody Energy Corporation</i> | 7.88 | 11/01/2026 | 3,435,000 | 3,890,138 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|------------|------------|
| Oil, Gas & Consumable Fuels (continued) | | | | |
| <i>Petrohawk Energy Corporation</i> | 7.88% | 06/01/2015 | \$ 790,000 | \$ 855,175 |
| <i>Petrohawk Energy Corporation</i> | 10.50 | 08/01/2014 | 495,000 | 563,063 |
| <i>Pioneer Natural Resources Company</i> | 7.50 | 01/15/2020 | 1,220,000 | 1,405,538 |
| <i>Plains Exploration & Production Company</i> | 8.63 | 10/15/2019 | 2,885,000 | 3,209,563 |
| <i>Regency Energy Partners</i> | 6.88 | 12/01/2018 | 250,000 | 265,000 |
| <i>Sabine Pass LNG LP</i> | 7.25 | 11/30/2013 | 2,265,000 | 2,315,963 |
| <i>Sabine Pass LNG LP</i> | 7.50 | 11/30/2016 | 2,625,000 | 2,703,750 |
| <i>SandRidge Energy Incorporated</i> | 8.75 | 01/15/2020 | 940,000 | 1,031,650 |
| <i>Stallion Oilfield Holdings Incorporated</i> | 10.50 | 02/15/2015 | 508,000 | 568,960 |
| <i>Susser Holdings LLC</i> | 8.50 | 05/15/2016 | 975,000 | 1,040,813 |
| <i>Tesoro Corporation</i> | 9.75 | 06/01/2019 | 945,000 | 1,072,575 |
| | | | | 44,241,985 |
| Financials: 13.32% | | | | |
| Capital Markets: 0.81% | | | | |
| <i>E*TRADE Financial Corporation</i> ¥ | 12.50 | 11/30/2017 | 4,291,000 | 5,127,745 |
| <i>Oppenheimer Holdings Incorporated</i> | 8.75 | 04/15/2018 | 550,000 | 576,125 |
| | | | | 5,703,870 |
| Commercial Banks: 1.75% | | | | |
| <i>CapitalSource Incorporated</i> | 12.75 | 07/15/2014 | 1,925,000 | 2,324,438 |
| <i>CIT Group Incorporated</i> | 5.25 | 04/01/2014 | 150,000 | 150,375 |
| <i>CIT Group Incorporated</i> | 6.63 | 04/01/2018 | 50,000 | 52,750 |
| <i>CIT Group Incorporated</i> | 7.00 | 05/01/2014 | 888,225 | 894,887 |
| <i>CIT Group Incorporated</i> | 7.00 | 05/01/2015 | 738 | 740 |
| <i>CIT Group Incorporated</i> | 7.00 | 05/04/2015 | 1,472,000 | 1,475,680 |
| <i>CIT Group Incorporated</i> | 7.00 | 05/01/2016 | 2,404,562 | 2,410,573 |
| <i>CIT Group Incorporated</i> | 7.00 | 05/01/2017 | 2,325,000 | 2,330,813 |
| <i>Emigrant Bancorp Incorporated</i> (i) | 6.25 | 06/15/2014 | 2,925,000 | 2,650,778 |
| | | | | 12,291,034 |
| Consumer Finance: 7.43% | | | | |
| <i>American General Finance Corporation</i> | 5.40 | 12/01/2015 | 1,600,000 | 1,480,000 |
| <i>American General Finance Corporation</i> | 5.75 | 09/15/2016 | 1,075,000 | 989,000 |
| <i>American General Finance Corporation</i> | 6.50 | 09/15/2017 | 150,000 | 136,500 |
| <i>Calpine Construction Finance Corporation</i> | 7.25 | 10/15/2017 | 4,800,000 | 4,920,000 |
| <i>Calpine Construction Finance Corporation</i> | 8.00 | 06/01/2016 | 1,375,000 | 1,485,000 |
| <i>Clearwire Communications Finance Corporation</i> | 12.00 | 12/01/2015 | 940,000 | 956,450 |
| <i>Clearwire Communications Finance Corporation</i> | 12.00 | 12/01/2015 | 1,450,000 | 1,480,813 |
| <i>Dunkin Finance Corporation</i> | 9.63 | 12/01/2018 | 420,000 | 423,671 |
| <i>Ford Motor Credit Company LLC</i> | 9.88 | 08/10/2011 | 2,815,000 | 2,818,930 |
| <i>Fresenius Medical Care US Finance Company</i> | 5.75 | 02/15/2021 | 75,000 | 74,063 |
| <i>General Electric Capital Corporation</i> | 7.63 | 12/10/2014 | 2,000,000 | 1,888,598 |
| <i>General Motors Financial Company Incorporated</i> | 6.75 | 06/01/2018 | 900,000 | 918,000 |
| <i>GMAC LLC</i> | 6.75 | 12/01/2014 | 1,298,000 | 1,362,900 |

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| | | | | |
|--|-------|------------|-----------|-----------|
| <i>GMAC LLC</i> | 6.88 | 09/15/2011 | 59,000 | 59,354 |
| <i>GMAC LLC</i> | 6.88 | 08/28/2012 | 1,244,000 | 1,281,320 |
| <i>GMAC LLC</i> | 7.50 | 12/31/2013 | 3,620,000 | 3,837,200 |
| <i>Homer City Funding LLC</i> | 8.73 | 10/01/2026 | 1,287,964 | 1,180,097 |
| <i>International Lease Finance Corporation</i> | 6.38 | 03/25/2013 | 460,000 | 477,250 |
| <i>International Lease Finance Corporation</i> | 8.63 | 09/15/2015 | 900,000 | 992,250 |
| <i>JBS USA Finance Incorporated</i> | 11.63 | 05/01/2014 | 3,745,000 | 4,325,475 |
| <i>LBI Escrow Corporation</i> | 8.00 | 11/01/2017 | 2,267,000 | 2,561,710 |
| <i>Level 3 Financing Incorporated</i> | 10.00 | 02/01/2018 | 2,010,000 | 2,165,775 |
| <i>Local TV Finance LLC ¥</i> | 9.25 | 06/15/2015 | 1,200,000 | 1,197,000 |
| <i>Nielsen Finance LLC Company</i> | 7.75 | 10/15/2018 | 4,750,000 | 5,035,000 |
| <i>Nielsen Finance LLC Company</i> | 11.50 | 05/01/2016 | 601,000 | 698,663 |
| <i>Springleaf Finance Corporation</i> | 6.90 | 12/15/2017 | 1,975,000 | 1,849,094 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|--------------|--------------|
| Consumer Finance (continued) | | | | |
| <i>Sprint Capital Corporation</i> | 6.88% | 11/15/2028 | \$ 5,985,000 | \$ 5,685,750 |
| <i>Sprint Capital Corporation</i> | 8.38 | 03/15/2012 | 1,895,000 | 1,966,063 |
| | | | | 52,245,926 |
| Diversified Financial Services: 1.38% | | | | |
| <i>Ally Financial Incorporated</i> | 8.30 | 02/12/2015 | 2,055,000 | 2,250,225 |
| <i>Leucadia National Corporation</i> | 8.13 | 09/15/2015 | 2,655,000 | 2,920,500 |
| <i>Nuveen Investments Incorporated</i> | 5.50 | 09/15/2015 | 2,950,000 | 2,632,875 |
| <i>Nuveen Investments Incorporated</i> | 10.50 | 11/15/2015 | 1,000,000 | 1,032,500 |
| <i>Nuveen Investments Incorporated</i> | 10.50 | 11/15/2015 | 875,000 | 912,188 |
| | | | | 9,748,288 |
| Insurance: 0.48% | | | | |
| <i>Hub International Holdings Incorporated</i> | 10.25 | 06/15/2015 | 3,375,000 | 3,375,000 |
| REIT: 1.47% | | | | |
| <i>Dupont Fabros Technology Incorporated</i> | 8.50 | 12/15/2017 | 5,560,000 | 6,088,200 |
| <i>Host Hotels & Resorts LP</i> | 9.00 | 05/15/2017 | 235,000 | 263,494 |
| <i>Medical Properties Trust Incorporated</i> | 6.88 | 05/01/2021 | 775,000 | 759,500 |
| <i>Omega Healthcare Investors Incorporated</i> | 6.75 | 10/15/2022 | 1,775,000 | 1,806,063 |
| <i>Omega Healthcare Investors Incorporated</i> | 7.00 | 01/15/2016 | 500,000 | 517,500 |
| <i>Ventas Incorporated</i> | 9.00 | 05/01/2012 | 859,000 | 905,056 |
| | | | | 10,339,813 |
| Health Care: 2.70% | | | | |
| Health Care Equipment & Supplies: 0.52% | | | | |
| <i>Biomet Incorporated</i> ¥ | 10.38 | 10/15/2017 | 540,000 | 588,600 |
| <i>Biomet Incorporated</i> | 11.63 | 10/15/2017 | 2,200,000 | 2,422,750 |
| <i>Fresenius Medical Care Finance III SA</i> | 6.88 | 07/15/2017 | 625,000 | 668,750 |
| | | | | 3,680,100 |
| Health Care Providers & Services: 2.05% | | | | |
| <i>Apria Healthcare Group Incorporated</i> | 11.25 | 11/01/2014 | 1,090,000 | 1,117,250 |
| <i>Aviv Healthcare Properties LP</i> | 7.75 | 02/15/2019 | 1,025,000 | 1,044,219 |
| <i>Centene Corporation</i> | 5.75 | 06/01/2017 | 1,000,000 | 995,000 |
| <i>Community Health Systems Incorporated</i> | 8.88 | 07/15/2015 | 700,000 | 723,625 |
| <i>HCA Incorporated</i> | 6.50 | 02/15/2020 | 1,225,000 | 1,243,375 |
| <i>HCA Incorporated</i> | 7.50 | 02/15/2022 | 1,000,000 | 1,015,000 |
| <i>HCA Incorporated</i> | 8.50 | 04/15/2019 | 375,000 | 413,438 |
| <i>HCA Incorporated</i> | 9.25 | 11/15/2016 | 2,945,000 | 3,141,947 |
| <i>HCA Incorporated</i> ¥ | 9.63 | 11/15/2016 | 2,181,000 | 2,333,670 |
| <i>Health Management plc</i> | 6.13 | 04/15/2016 | 175,000 | 181,125 |
| <i>Healthisouth Corporation</i> | 7.25 | 10/01/2018 | 400,000 | 419,000 |
| <i>Healthisouth Corporation</i> | 7.75 | 09/15/2022 | 400,000 | 426,000 |
| <i>Sabra Health Care LP</i> | 8.13 | 11/01/2018 | 1,350,000 | 1,365,188 |

14,418,837

Pharmaceuticals: 0.13%

| | | | | |
|---------------------------|------|------------|---------|---------|
| <i>Mylan Incorporated</i> | 6.00 | 11/15/2018 | 300,000 | 306,750 |
| <i>Mylan Incorporated</i> | 7.63 | 07/15/2017 | 375,000 | 411,563 |
| <i>Mylan Incorporated</i> | 7.88 | 07/15/2020 | 150,000 | 166,500 |
| | | | | 884,813 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|---|---------------|---------------|--------------|--------------|
| Industrials: 3.67% | | | | |
| Aerospace & Defense: 1.30% | | | | |
| <i>Alliant Techsystems Incorporated</i> | 6.75% | 04/01/2016 | \$ 1,980,000 | \$ 2,034,450 |
| <i>Digitalglobe Incorporated</i> | 10.50 | 05/01/2014 | 340,000 | 375,700 |
| <i>GenCorp Incorporated</i> | 9.50 | 08/15/2013 | 475,000 | 475,000 |
| <i>GeoEye Incorporated</i> | 9.63 | 10/01/2015 | 485,000 | 554,113 |
| <i>Hexcel Corporation</i> | 6.75 | 02/01/2015 | 480,000 | 490,200 |
| <i>Huntington Ingalls Industries Incorporated</i> | 6.88 | 03/15/2018 | 350,000 | 360,500 |
| <i>Huntington Ingalls Industries Incorporated</i> | 7.13 | 03/15/2021 | 125,000 | 129,063 |
| <i>Kratos Defense & Security Solutions Incorporated</i> | 10.00 | 06/01/2017 | 1,140,000 | 1,216,950 |
| <i>L-3 Communications Holdings Incorporated</i> | 6.38 | 10/15/2015 | 2,784,000 | 2,857,080 |
| <i>Wyle Services Corporation</i> | 10.50 | 04/01/2018 | 635,000 | 678,656 |
| | | | | 9,171,712 |
| Commercial Services & Supplies: 1.44% | | | | |
| <i>Casella Waste Systems Incorporated</i> | 11.00 | 07/15/2014 | 1,945,000 | 2,158,950 |
| <i>Corrections Corporation of America</i> | 6.25 | 03/15/2013 | 565,000 | 565,706 |
| <i>Corrections Corporation of America</i> | 7.75 | 06/01/2017 | 1,270,000 | 1,379,538 |
| <i>Geo Group Incorporated</i> | 7.75 | 10/15/2017 | 1,450,000 | 1,551,500 |
| <i>Interface Incorporated</i> | 7.63 | 12/01/2018 | 125,000 | 133,125 |
| <i>Iron Mountain Incorporated</i> | 6.75 | 10/15/2018 | 250,000 | 348,448 |
| <i>Iron Mountain Incorporated</i> | 8.38 | 08/15/2021 | 1,385,000 | 1,481,950 |
| <i>KAR Holdings Incorporated±</i> | 4.27 | 05/01/2014 | 1,150,000 | 1,127,000 |
| <i>NCO Group Incorporated</i> | 11.88 | 11/15/2014 | 1,425,000 | 1,360,875 |
| | | | | 10,107,092 |
| Machinery: 0.50% | | | | |
| <i>Columbus McKinnon Corporation</i> | 7.88 | 02/01/2019 | 725,000 | 750,375 |
| <i>CPM Holdings Incorporated</i> | 10.88 | 09/01/2014 | 1,315,000 | 1,420,200 |
| <i>Dresser Rand Group Incorporated</i> | 6.50 | 05/01/2021 | 925,000 | 952,750 |
| <i>Titan International Incorporated</i> | 7.88 | 10/01/2017 | 375,000 | 399,375 |
| | | | | 3,522,700 |
| Professional Services: 0.06% | | | | |
| <i>CDRT Merger Sub Incorporated</i> | 8.13 | 06/01/2019 | 425,000 | 425,000 |
| Road & Rail: 0.29% | | | | |
| <i>Kansas City Southern</i> | 8.00 | 06/01/2015 | 55,000 | 59,125 |
| <i>Kansas City Southern</i> | 13.00 | 12/15/2013 | 349,000 | 406,585 |
| <i>RailAmerica Incorporated</i> | 9.25 | 07/01/2017 | 1,425,000 | 1,567,500 |
| | | | | 2,033,210 |
| Transportation Infrastructure: 0.08% | | | | |
| <i>United Maritime Group</i> | 11.75 | 06/15/2015 | 520,000 | 543,400 |
| Information Technology: 4.01% | | | | |

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| Communications Equipment: 0.35% | | | | |
|---|-------|------------|-----------|-----------|
| <i>Allbritton Communications Company</i> | 8.00 | 05/15/2018 | 1,275,000 | 1,310,063 |
| <i>Lucent Technologies Incorporated</i> | 6.45 | 03/15/2029 | 1,285,000 | 1,159,713 |
| | | | | 2,469,776 |
| Computers & Peripherals: 0.18% | | | | |
| <i>Intcomex Incorporated</i> | 13.25 | 12/15/2014 | 1,240,000 | 1,274,100 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|------------|------------|
| Electronic Equipment & Instruments: 1.71% | | | | |
| <i>GCI Incorporated</i> | 6.75% | 06/01/2021 | \$ 575,000 | \$ 583,625 |
| <i>GCI Incorporated</i> | 8.63 | 11/15/2019 | 2,125,000 | 2,337,500 |
| <i>Jabil Circuit Incorporated</i> | 8.25 | 03/15/2018 | 5,275,000 | 6,053,063 |
| <i>Kemet Corporation</i> | 10.50 | 05/01/2018 | 1,485,000 | 1,644,638 |
| <i>Viasystem Group Incorporated</i> | 12.00 | 01/15/2015 | 1,285,000 | 1,410,288 |
| | | | | 12,029,114 |
| Internet Software & Services: 0.18% | | | | |
| <i>Equinix Incorporated</i> | 7.00 | 07/15/2021 | 75,000 | 78,000 |
| <i>Equinix Incorporated</i> | 8.13 | 03/01/2018 | 1,085,000 | 1,193,500 |
| | | | | 1,271,500 |
| IT Services: 1.42% | | | | |
| <i>Fidelity National Information Services</i> | 7.88 | 07/15/2020 | 900,000 | 960,750 |
| <i>First Data Corporation</i> | 11.25 | 03/31/2016 | 3,275,000 | 3,225,875 |
| <i>SunGard Data Systems Incorporated</i> | 7.38 | 11/15/2018 | 525,000 | 532,875 |
| <i>SunGard Data Systems Incorporated</i> | 7.63 | 11/15/2020 | 250,000 | 254,375 |
| <i>SunGard Data Systems Incorporated</i> | 10.25 | 08/15/2015 | 3,455,000 | 3,584,563 |
| <i>Unisys Corporation</i> | 12.50 | 01/15/2016 | 460,000 | 503,700 |
| <i>Unisys Corporation</i> | 12.75 | 10/15/2014 | 434,000 | 503,440 |
| <i>Unisys Corporation</i> | 14.25 | 09/15/2015 | 332,000 | 391,760 |
| | | | | 9,957,338 |
| Semiconductors & Semiconductor Equipment: 0.14% | | | | |
| <i>Advanced Micro Devices Incorporated</i> | 5.75 | 08/15/2012 | 975,000 | 992,063 |
| Software: 0.03% | | | | |
| <i>Audatex North American Incorporated</i> | 6.75 | 06/15/2018 | 225,000 | 231,188 |
| Materials: 2.80% | | | | |
| Chemicals: 1.80% | | | | |
| <i>Huntsman International LLC</i> | 5.50 | 06/30/2016 | 1,260,000 | 1,247,400 |
| <i>Lyondell Chemical Company</i> | 11.00 | 05/01/2018 | 8,981,938 | 10,172,045 |
| <i>Rockwood Specialties Group Incorporated</i> | 7.63 | 11/15/2014 | 340,000 | 489,767 |
| <i>Solutia Incorporated</i> | 7.88 | 03/15/2020 | 670,000 | 730,300 |
| | | | | 12,639,512 |
| Containers & Packaging: 0.32% | | | | |
| <i>Crown Americas LLC</i> | 7.63 | 05/15/2017 | 450,000 | 487,125 |
| <i>Graham Packaging Company</i> | 8.25 | 01/01/2017 | 95,000 | 100,463 |
| <i>Graham Packaging Company</i> | 9.88 | 10/15/2014 | 1,450,000 | 1,486,250 |
| <i>Owens Brockway Glass Container Incorporated</i> | 7.38 | 05/15/2016 | 175,000 | 191,188 |
| | | | | 2,265,026 |
| Metals & Mining: 0.39% | | | | |

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| | | | | |
|--|-------|------------|-----------|-----------|
| <i>Freeport-McMoRan Copper & Gold Incorporated</i> | 8.38 | 04/01/2017 | 2,485,000 | 2,714,863 |
| <i>Indalex Holdings Corporation(s)</i> | 11.50 | 02/01/2014 | 3,170,000 | 47,550 |
| | | | | 2,762,413 |
| Paper & Forest Products: 0.29% | | | | |
| <i>Clearwater Paper Corporation</i> | 10.63 | 06/15/2016 | 545,000 | 614,488 |
| <i>Georgia Pacific Corporation</i> | 8.88 | 05/15/2031 | 1,080,000 | 1,402,411 |
| | | | | 2,016,899 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|--------------|--------------|
| Telecommunication Services: 5.04% | | | | |
| Diversified Telecommunication Services: 2.43% | | | | |
| <i>Citizens Communications Company</i> | 7.88% | 01/15/2027 | \$ 4,155,000 | \$ 4,040,738 |
| <i>Frontier Communications Corporation</i> | 8.13 | 10/01/2018 | 845,000 | 927,388 |
| <i>Frontier Communications Corporation</i> | 8.25 | 05/01/2014 | 200,000 | 219,000 |
| <i>Frontier Communications Corporation</i> | 8.25 | 04/15/2017 | 1,965,000 | 2,156,588 |
| <i>Frontier Communications Corporation</i> | 8.50 | 04/15/2020 | 525,000 | 576,188 |
| <i>Intelsat Jackson Holdings Limited</i> | 8.50 | 11/01/2019 | 850,000 | 909,500 |
| <i>Qwest Corporation</i> | 7.13 | 11/15/2043 | 795,000 | 769,163 |
| <i>Qwest Corporation</i> | 7.25 | 09/15/2025 | 1,040,000 | 1,089,400 |
| <i>Qwest Corporation</i> | 7.50 | 06/15/2023 | 1,370,000 | 1,366,575 |
| <i>Qwest Corporation</i> | 7.63 | 08/03/2021 | 230,000 | 258,023 |
| <i>Qwest Corporation</i> | 8.88 | 03/15/2012 | 1,370,000 | 1,431,650 |
| <i>SBA Telecommunications Incorporated</i> | 8.00 | 08/15/2016 | 700,000 | 748,125 |
| <i>SBA Telecommunications Incorporated</i> | 8.25 | 08/15/2019 | 100,000 | 108,000 |
| <i>Windstream Corporation</i> | 7.88 | 11/01/2017 | 2,330,000 | 2,490,188 |
| | | | | 17,090,526 |
| Wireless Telecommunication Services: 2.61% | | | | |
| <i>CCO Holdings LLC</i> | 7.75 | 05/01/2017 | 325,000 | 355,469 |
| <i>CCO Holdings LLC</i> | 8.13 | 04/30/2020 | 450,000 | 493,875 |
| <i>Cricket Communications Incorporated</i> | 7.75 | 05/15/2016 | 1,905,000 | 2,031,206 |
| <i>Crown Castle International Corporation</i> | 7.13 | 11/01/2019 | 75,000 | 79,969 |
| <i>Crown Castle International Corporation</i> | 9.00 | 01/15/2015 | 325,000 | 355,875 |
| <i>iPCS Incorporated</i> ¥ | 3.52 | 05/01/2014 | 1,357,019 | 1,302,738 |
| <i>MetroPCS Communications Incorporated</i> | 6.63 | 11/15/2020 | 1,875,000 | 1,879,688 |
| <i>MetroPCS Communications Incorporated</i> | 7.88 | 09/01/2018 | 775,000 | 824,406 |
| <i>Sprint Nextel Corporation</i> | 6.90 | 05/01/2019 | 1,055,000 | 1,078,738 |
| <i>Sprint Nextel Corporation Series D</i> | 7.38 | 08/01/2015 | 4,085,000 | 4,085,000 |
| <i>Sprint Nextel Corporation Series F</i> | 5.95 | 03/15/2014 | 2,335,000 | 2,342,297 |
| <i>Syniverse Holdings Incorporated</i> | 9.13 | 01/15/2019 | 3,375,000 | 3,531,094 |
| | | | | 18,360,355 |
| Utilities: 3.87% | | | | |
| Electric Utilities: 1.56% | | | | |
| <i>Aquila Incorporated Step Bond</i> | 11.88 | 07/01/2012 | 6,545,000 | 7,178,988 |
| <i>Energy Future Holdings Corporation</i> ¥ | 12.00 | 11/01/2017 | 958,730 | 824,508 |
| <i>Ipalco Enterprises Incorporated</i> | 5.00 | 05/01/2018 | 900,000 | 894,189 |
| <i>Otter Tail Corporation</i> | 9.00 | 12/15/2016 | 1,835,000 | 2,032,263 |
| <i>PNM Resources Incorporated</i> | 9.25 | 05/15/2015 | 15,000 | 16,800 |
| | | | | 10,946,748 |
| Gas Utilities: 0.49% | | | | |
| <i>AmeriGas Partners LP</i> | 6.25 | 08/20/2019 | 2,400,000 | 2,406,000 |
| <i>AmeriGas Partners LP</i> | 6.50 | 05/20/2021 | 475,000 | 486,875 |

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| | | | | |
|-------------------------------------|------|------------|---------|-----------|
| <i>AmeriGas Partners LP</i> | 7.13 | 05/20/2016 | 275,000 | 285,656 |
| <i>Suburban Propane Partners LP</i> | 7.38 | 03/15/2020 | 275,000 | 293,563 |
| | | | | 3,472,094 |

Independent Power Producers & Energy Traders: 1.82%

| | | | | |
|---|-------|------------|-----------|-----------|
| <i>Dynegy Holdings Incorporated</i> | 7.63 | 10/15/2026 | 2,165,000 | 1,407,250 |
| <i>Mirant Mid-Atlantic LLC Series C</i> | 10.06 | 12/30/2028 | 3,614,632 | 4,030,315 |
| <i>NRG Energy Incorporated</i> | 7.38 | 01/15/2017 | 3,475,000 | 3,644,406 |
| <i>NRG Energy Incorporated</i> | 8.50 | 06/15/2019 | 1,615,000 | 1,679,600 |
| <i>Reliant Energy Incorporated</i> | 7.63 | 06/15/2014 | 450,000 | 468,000 |
| <i>Reliant Energy Incorporated</i> | 9.24 | 07/02/2017 | 1,071,656 | 1,157,388 |

The Portfolio of Investments should be read in conjunction with the Financial Statements and Notes to Financial Statements which are included in the Fund's audited Annual Report and Semi-Annual Report. These reports include additional information about the Fund's security valuation policies and about certain security types invested in by the Fund.

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|------------|-------------|
| Independent Power Producers & Energy Traders (continued) | | | | |
| <i>Reliant Energy Incorporated</i> | 9.68% | 07/02/2026 | \$ 410,000 | \$ 438,700 |
| | | | | 12,825,659 |
| Total Corporate Bonds and Notes (Cost \$357,069,659) | | | | 380,262,913 |
| Foreign Corporate Bonds@: 11.28% | | | | |
| Consumer Discretionary: 0.37% | | | | |
| Hotels, Restaurants & Leisure: 0.23% | | | | |
| <i>Casino Guichard Perrachon SA (EUR)</i> | 4.73 | 05/26/2021 | 900,000 | 1,305,389 |
| <i>R&R Ice Cream plc(i) (EUR)</i> | 8.38 | 11/15/2017 | 200,000 | 277,322 |
| | | | | 1,582,711 |
| Media: 0.14% | | | | |
| <i>UPC Holding BV (EUR)</i> | 9.63 | 12/01/2019 | 470,000 | 725,993 |
| <i>Ziggo Bond Company BV (i) (EUR)</i> | 8.00 | 05/15/2018 | 200,000 | 293,846 |
| | | | | 1,019,839 |
| Consumer Staples: 0.49% | | | | |
| Tobacco: 0.49% | | | | |
| <i>British American Tobacco Finance plc (EUR)</i> | 5.38 | 06/29/2017 | 1,100,000 | 1,749,466 |
| <i>Imperial Tobacco Group plc (EUR)</i> | 8.38 | 02/17/2016 | 1,000,000 | 1,719,816 |
| | | | | 3,469,282 |
| Financials: 8.48% | | | | |
| Commercial Banks: 6.39% | | | | |
| <i>Bank Nederlandse Gemeenten (EUR)</i> | 3.88 | 11/04/2019 | 1,200,000 | 1,797,532 |
| <i>Bayerische Landesbank (EUR)</i> | 1.88 | 06/30/2014 | 2,300,000 | 3,286,434 |
| <i>BNP Paribas SA (EUR)</i> | 3.50 | 03/07/2016 | 1,450,000 | 2,100,597 |
| <i>Eurofima (AUD)</i> | 6.25 | 12/28/2018 | 2,450,000 | 2,769,142 |
| <i>European Investment Bank (EUR)</i> | 3.13 | 04/15/2014 | 1,900,000 | 2,818,018 |
| <i>European Investment Bank (EUR)</i> | 3.13 | 03/03/2017 | 2,330,000 | 3,422,387 |
| <i>European Investment Bank (EUR)</i> | 4.25 | 10/15/2014 | 2,300,000 | 3,529,616 |
| <i>European Investment Bank (AUD)</i> | 6.13 | 01/23/2017 | 6,930,000 | 7,832,176 |
| <i>Instituto de Credito Oficial (EUR)</i> | 4.38 | 05/23/2012 | 1,800,000 | 2,594,543 |
| <i>International Bank for Reconstruction & Development (AUD)</i> | 5.75 | 10/01/2020 | 950,000 | 1,046,617 |
| <i>KfW Bankengruppe (EUR)</i> | 3.88 | 01/21/2019 | 910,000 | 1,387,674 |
| <i>KfW Bankengruppe (AUD)</i> | 6.25 | 12/04/2019 | 1,225,000 | 1,383,669 |
| <i>KfW Bankengruppe (NZD)</i> | 6.38 | 02/17/2015 | 4,819,000 | 4,469,121 |
| <i>Landesbank Baten-Wurttemberg (EUR)</i> | 1.75 | 01/17/2014 | 2,300,000 | 3,288,684 |
| <i>Rabobank Nederland (EUR)</i> | 4.25 | 01/16/2017 | 2,150,000 | 3,248,088 |
| | | | | 44,974,298 |
| Consumer Finance: 0.20% | | | | |

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| | | | | |
|---|-------|------------|---------|-----------|
| <i>Fiat Industrial SpA</i> (EUR) | 6.25 | 03/09/2018 | 400,000 | 557,517 |
| <i>Virgin Media Finance plc</i> (GBP) | 8.88 | 10/15/2019 | 300,000 | 544,195 |
| <i>Wind Acquisition Finance SpA</i> (EUR) | 11.75 | 07/15/2017 | 200,000 | 316,836 |
| | | | | 1,418,548 |
| Insurance: 0.06% | | | | |
| <i>Towergate Finance plc</i> (GBP) | 8.50 | 02/15/2018 | 250,000 | 406,259 |

The Portfolio of Investments should be read in conjunction with the Financial Statements and Notes to Financial Statements which are included in the Fund's audited Annual Report and Semi-Annual Report. These reports include additional information about the Fund's security valuation policies and about certain security types invested in by the Fund.

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|-----------|--------------|
| Thriffs & Mortgage Finance: 1.83% | | | | |
| <i>Dexia Kommunalbank AG</i> (EUR) | 3.50% | 06/05/2014 | 4,000,000 | \$ 5,901,248 |
| <i>Eurohypo AG</i> (EUR) | 3.75 | 03/24/2014 | 4,000,000 | 5,952,068 |
| <i>Nationwide Building Society</i> (EUR) | 3.75 | 01/20/2015 | 700,000 | 1,003,386 |
| | | | | 12,856,702 |
| Health Care: 0.13% | | | | |
| Pharmaceuticals: 0.13% | | | | |
| <i>Pfizer Incorporated</i> (EUR) | 4.75 | 06/03/2016 | 600,000 | 933,059 |
| Industrials: 0.46% | | | | |
| Building Products: 0.08% | | | | |
| <i>Heidelbergcement AG</i> (EUR) | 8.50 | 10/31/2019 | 330,000 | 522,187 |
| Commercial Services & Supplies: 0.08% | | | | |
| <i>Exova</i> (GBP) | 10.50 | 10/15/2018 | 350,000 | 580,253 |
| Machinery: 0.05% | | | | |
| <i>Savcio Holdings Limited</i> (EUR) | 8.00 | 02/15/2013 | 250,000 | 355,633 |
| Trading Companies & Distributors: 0.04% | | | | |
| <i>Rexel SA</i> (EUR) | 8.25 | 12/15/2016 | 200,000 | 307,496 |
| Transportation Infrastructure: 0.21% | | | | |
| <i>BAA Funding Limited</i> (EUR) | 4.60 | 02/15/2018 | 1,000,000 | 1,479,676 |
| Materials: 0.33% | | | | |
| Chemicals: 0.04% | | | | |
| <i>Styrolution Group GmbH</i> (EUR) | 7.63 | 05/15/2016 | 200,000 | 277,322 |
| Containers & Packaging: 0.08% | | | | |
| <i>Ardagh Glass Finance plc</i> (EUR) | 8.75 | 02/01/2020 | 400,000 | 563,265 |
| Metals & Mining: 0.10% | | | | |
| <i>New World Resources NV</i> (EUR) | 7.38 | 05/15/2015 | 500,000 | 727,430 |
| Paper & Forest Products: 0.11% | | | | |
| <i>Smurfit Kappa Funding plc</i> (EUR) | 7.25 | 11/15/2017 | 400,000 | 580,507 |
| <i>Smurfit Kappa Funding plc</i> (EUR) | 7.75 | 11/15/2019 | 120,000 | 175,876 |
| | | | | 756,383 |
| Telecommunication Services: 0.42% | | | | |
| Diversified Telecommunication Services: 0.42% | | | | |
| <i>Deutsche Telekom International Finance</i> (EUR) | 4.25 | 07/13/2022 | 1,250,000 | 1,787,262 |
| <i>Telstra Corporation Limited</i> (EUR) | 4.75 | 03/21/2017 | 725,000 | 1,121,821 |
| | | | | 2,909,083 |
| Utilities: 0.60% | | | | |

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Multi-Utilities: 0.52%

| | | | | |
|-------------------------------|------|------------|-----------|-----------|
| National Grid plc (EUR) | 4.38 | 03/10/2020 | 1,225,000 | 1,833,760 |
| Veolia Environnement SA (EUR) | 4.00 | 02/12/2016 | 1,200,000 | 1,790,854 |
| | | | | 3,624,614 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|---------------|-------------|
| Water Utilities: 0.08% | | | | |
| Zinc Capital SA (EUR) | 8.88% | 05/15/2018 | 400,000 | \$ 569,012 |
| Total Foreign Corporate Bonds (Cost \$72,836,612) | | | | 79,333,052 |
| Foreign Government Bonds@: 20.35% | | | | |
| Australia Series 124 (AUD) | 5.75 | 05/15/2021 | 2,750,000 | 3,240,155 |
| Australia Series 25CI (AUD) | 3.17 | 09/20/2025 | 6,650,000 | 8,543,059 |
| Brazil (BRL) | 12.50 | 01/05/2022 | 8,500,000 | 7,015,508 |
| Caisse d Amortissement de la Dette Sociale (EUR) | 3.38 | 04/25/2021 | 1,125,000 | 1,610,901 |
| Caisse d Amortissement de la Dette Sociale (EUR) | 4.25 | 04/25/2020 | 700,000 | 1,077,633 |
| Canada (CAD) | 2.50 | 09/01/2013 | 6,400,000 | 6,845,779 |
| Canada (CAD) | 3.35 | 12/15/2020 | 4,650,000 | 4,967,949 |
| Czech Republic (CZK) | 5.00 | 04/11/2019 | 101,850,000 | 6,613,777 |
| Denmark (DKK) | 4.00 | 11/15/2017 | 55,475,000 | 11,818,988 |
| France (EUR) | 2.00 | 07/12/2015 | 2,120,000 | 3,043,790 |
| France (EUR) | 2.25 | 02/25/2016 | 1,840,000 | 2,649,182 |
| France (EUR) | 2.50 | 10/25/2020 | 6,950,000 | 9,513,192 |
| France (EUR) | 3.50 | 04/25/2020 | 3,000,000 | 4,470,452 |
| Germany (EUR) | 3.50 | 04/12/2013 | 4,800,000 | 7,164,863 |
| Hungary (HUF) | 5.50 | 02/12/2016 | 325,000,000 | 1,630,058 |
| Hungary (HUF) | 6.75 | 02/24/2017 | 970,000,000 | 5,079,441 |
| Korea (KRW) | 5.25 | 09/10/2015 | 2,850,000,000 | 2,826,163 |
| Korea (KRW) | 5.25 | 03/10/2027 | 3,830,000,000 | 4,024,156 |
| Mexico (MXN) | 8.50 | 11/18/2038 | 77,900,000 | 7,189,322 |
| Netherlands (EUR) | 2.50 | 01/15/2017 | 900,000 | 1,310,344 |
| New Zealand (NZD) | 6.00 | 12/15/2017 | 6,705,000 | 6,347,730 |
| Norway (NOK) | 3.75 | 05/25/2021 | 30,000,000 | 5,965,594 |
| Norway (NOK) | 4.25 | 05/19/2017 | 28,730,000 | 5,835,712 |
| Poland (PLN) | 5.50 | 04/25/2015 | 16,950,000 | 6,176,083 |
| Slovenia (EUR) | 4.63 | 09/09/2024 | 1,425,000 | 1,901,384 |
| South Africa (ZAR) | 6.75 | 03/31/2021 | 33,970,000 | 4,545,916 |
| Sweden (SEK) | 4.50 | 08/12/2015 | 67,650,000 | 11,735,577 |
| Total Foreign Government Bonds (Cost \$130,650,995) | | | | 143,142,708 |
| Non-Agency Mortgage Backed Securities: 1.76% | | | | |
| American Home Mortgage Assets Series 2006-2 Class 1A1± | 1.22 | 09/25/2046 | \$ 4,377,610 | 2,160,670 |
| Banc of America Commercial Mortgage Incorporated Series 2006-03 Class AM | 5.88 | 07/10/2044 | 1,340,000 | 1,325,794 |
| Greenwich Capital Commercial Funding Corporation Series 2006-GG7 Class AM | 5.88 | 07/10/2038 | 1,820,000 | 1,868,356 |
| Lehman XS Trust Series 2006-18N Class A5A±(i) | 0.36 | 12/25/2036 | 3,570,000 | 1,405,991 |
| Morgan Stanley Capital I Trust Series 2006-IQ12 Class AM | 5.37 | 12/15/2043 | 1,866,000 | 1,809,651 |
| Morgan Stanley Capital I Trust Series 2006-IQ12 Class AMFX | 5.37 | 12/15/2043 | 810,000 | 789,118 |
| NCUA Guaranteed Notes Series 2011-C1 Class 1A± | 0.52 | 02/28/2020 | 1,796,573 | 1,796,573 |

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|--|------|------------|-----------|------------|
| <i>Wachovia Bank Commercial Mortgage Trust Series 2006-C23 Class AM(I)</i> | 5.47 | 01/15/2045 | 1,220,000 | 1,264,195 |
| Total Non-Agency Mortgage Backed Securities (Cost \$12,971,117) | | | | 12,420,348 |

| | Dividend Yield | | Shares | |
|--|----------------|--|--------|---------|
| Preferred Stocks: 0.10% | | | | |
| Financials: 0.10% | | | | |
| Diversified Financial Services: 0.10% | | | | |
| <i>GMAC Capital Trust I</i> | 8.13 | | 27,000 | 689,310 |
| Total Preferred Stocks (Cost \$675,000) | | | | 689,310 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|---|---------------|---------------|------------|------------|
| Term Loans: 5.98% | | | | |
| <i>Advantage Sales & Marketing LLC</i> | 9.25% | 06/18/2018 | \$ 475,000 | \$ 480,543 |
| <i>Barrington Broadcasting Company</i> | 4.50 | 08/12/2013 | 920,011 | 903,340 |
| <i>Capital Automotive LP</i> | 5.00 | 03/10/2017 | 3,935,078 | 3,931,142 |
| <i>CCM Merger Incorporated<</i> | 7.00 | 03/01/2017 | 3,444,064 | 3,476,782 |
| <i>Coinmach Corporation</i> | 3.25 | 11/20/2014 | 2,971,778 | 2,833,709 |
| <i>Fairpoint Communications Incorporated</i> | 6.50 | 01/22/2016 | 3,532,230 | 3,121,608 |
| <i>Federal Mogul Corporation</i> | 2.13 | 12/29/2014 | 458,760 | 436,069 |
| <i>Federal Mogul Corporation</i> | 2.13 | 12/28/2015 | 417,312 | 396,672 |
| <i>First Data Corporation</i> | 2.94 | 09/24/2014 | 916,226 | 852,219 |
| <i>First Data Corporation</i> | 2.94 | 09/24/2014 | 1,408,988 | 1,310,556 |
| <i>First Data Corporation</i> | 2.94 | 09/24/2014 | 3,094,510 | 2,878,328 |
| <i>Gray Television Incorporated</i> | 3.69 | 12/31/2014 | 976,416 | 954,036 |
| <i>HHI Holdings LLC</i> | 7.00 | 03/21/2017 | 947,625 | 947,625 |
| <i>Level 3 Financing Incorporated</i> | 2.48 | 03/13/2014 | 700,000 | 673,925 |
| <i>Local TV Finance LLC</i> | 2.19 | 05/07/2013 | 1,424,159 | 1,384,739 |
| <i>Merisant Company(i)</i> | 7.50 | 01/08/2014 | 928,138 | 914,216 |
| <i>NCO Group Incorporated</i> | 7.82 | 11/15/2013 | 1,154,528 | 1,149,980 |
| <i>Newsday LLC</i> | 10.50 | 08/01/2013 | 2,755,000 | 2,897,929 |
| <i>Panolam Industries International Incorporated(i)</i> | 8.25 | 12/31/2013 | 226,715 | 207,657 |
| <i>Springleaf Finance Corporation</i> | 5.50 | 05/05/2017 | 700,000 | 682,500 |
| <i>Texas Competitive Electric Holding LLC<</i> | 3.69 | 10/10/2014 | 12,746,983 | 9,987,771 |
| <i>Texas Competitive Electric Holding LLC</i> | 4.73 | 10/10/2017 | 1,550,000 | 1,154,192 |
| <i>Web Service Company LLC</i> | 7.00 | 08/28/2014 | 460,542 | 459,009 |
| Total Term Loans (Cost \$42,822,500) | | | | 42,034,547 |
| Yankee Corporate Bonds and Notes: 5.56% | | | | |
| Consumer Discretionary: 0.12% | | | | |
| Media: 0.12% | | | | |
| <i>Videotron Limited</i> | 9.13 | 04/15/2018 | 775,000 | 870,906 |
| Energy: 1.42% | | | | |
| Oil, Gas & Consumable Fuels: 1.42% | | | | |
| <i>Griffin Coal Mining Company Limited(s)</i> | 9.50 | 12/01/2016 | 333,446 | 313,856 |
| <i>Griffin Coal Mining Company Limited (s)</i> | 9.50 | 12/31/2049 | 4,078,569 | 3,838,953 |
| <i>Petroplus Finance Limited</i> | 5.75 | 01/20/2020 | 1,650,000 | 1,809,872 |
| <i>Ship Finance International Limited</i> | 8.50 | 12/15/2013 | 4,020,000 | 4,045,125 |
| | | | | 10,007,806 |
| Financials: 1.37% | | | | |
| Capital Markets: 0.05% | | | | |
| <i>Mubadala Development Company</i> | 5.50 | 04/20/2021 | 360,000 | 375,440 |
| Commercial Banks: 0.56% | | | | |
| <i>Banco De Credito Del Peru</i> | 4.75 | 03/16/2016 | 1,600,000 | 1,626,000 |

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| | | | | |
|--|-------|------------|-----------|-----------|
| <i>Lloyds TSB Bank plc</i> | 6.38 | 01/21/2021 | 1,100,000 | 1,160,466 |
| <i>Royal Bank of Scotland Group plc</i> | 6.13 | 01/11/2021 | 1,100,000 | 1,152,689 |
| | | | | 3,939,155 |
| Consumer Finance: 0.63% | | | | |
| <i>Sable International Finance Limited</i> | 7.75 | 02/15/2017 | 350,000 | 350,000 |
| <i>Wind Acquisition Finance SpA</i> | 11.75 | 07/15/2017 | 3,660,000 | 4,058,025 |
| | | | | 4,408,025 |

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WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

PORTFOLIO OF INVESTMENTS July 31, 2011 (UNAUDITED)

| Security Name | Interest Rate | Maturity Date | Principal | Value |
|--|---------------|---------------|------------|------------|
| Diversified Financial Services: 0.13% | | | | |
| <i>IPIC GMTN Limited</i> | 5.00% | 11/15/2020 | \$ 900,000 | \$ 906,750 |
| <i>Preferred Term Securities XII Limited(i)(s)</i> | 1.87 | 12/24/2033 | 635,000 | 191 |
| | | | | 906,941 |
| Industrials: 0.05% | | | | |
| Road & Rail: 0.05% | | | | |
| <i>Transnet Limited</i> | 4.50 | 02/10/2016 | 300,000 | 315,518 |
| Information Technology: 0.38% | | | | |
| Computers & Peripherals: 0.38% | | | | |
| <i>Seagate Technology HDD Holdings</i> | 6.80 | 10/01/2016 | 650,000 | 689,000 |
| <i>Seagate Technology HDD Holdings</i> | 6.88 | 05/01/2020 | 300,000 | 300,750 |
| <i>Seagate Technology HDD Holdings</i> | 7.00 | 11/01/2021 | 375,000 | 378,750 |
| <i>Seagate Technology HDD Holdings</i> | 7.75 | 12/15/2018 | 1,225,000 | 1,286,250 |
| | | | | 2,654,750 |
| Materials: 1.39% | | | | |
| Metals & Mining: 0.71% | | | | |
| <i>Novelis Incorporated</i> | 7.25 | 02/15/2015 | 1,030,000 | 1,026,138 |
| <i>Novelis Incorporated</i> | 8.38 | 12/15/2017 | 500,000 | 544,375 |
| <i>Novelis Incorporated</i> | 8.75 | 12/15/2020 | 725,000 | 806,563 |
| <i>Teck Resources Limited</i> | 10.75 | 05/15/2019 | 2,050,000 | 2,608,625 |
| | | | | 4,985,701 |
| Paper & Forest Products: 0.68% | | | | |
| <i>PE Paper Escrow GmbH</i> | 12.00 | 08/01/2014 | 1,170,000 | 1,327,950 |
| <i>Sappi Limited</i> | 7.50 | 06/15/2032 | 3,860,000 | 3,474,000 |
| | | | | 4,801,950 |
| Telecommunication Services: 0.67% | | | | |
| Diversified Telecommunication Services: 0.27% | | | | |
| <i>Global Crossing Limited</i> | 12.00 | 09/15/2015 | 570,000 | 661,200 |
| <i>Intelsat Jackson Holdings SA</i> | 7.25 | 04/01/2019 | 175,000 | 177,188 |
| <i>Intelsat Jackson Holdings SA</i> | 7.50 | 04/01/2021 | 100,000 | 101,500 |
| <i>Intelsat Jackson Holdings SA</i> | 11.25 | 06/15/2016 | 275,000 | 292,875 |
| <i>Qtel International Finance Limited</i> | 4.75 | 02/16/2021 | 300,000 | 301,125 |
| <i>Vimpelcom Holdings</i> | 7.50 | 03/01/2022 | 400,000 | 400,000 |
| | | | | 1,933,888 |
| Wireless Telecommunication Services: 0.40% | | | | |
| <i>Digicel Group Limited</i> | 12.00 | 04/01/2014 | 1,335,000 | 1,541,925 |
| <i>Telesat Canada Incorporated</i> | 11.00 | 11/01/2015 | 1,135,000 | 1,242,825 |
| | | | | 2,784,750 |

Utilities: 0.16%

Electric Utilities: 0.16%

| | | | | |
|---|------|------------|-----------|------------|
| <i>E.ON AG</i> | 5.80 | 04/30/2018 | 1,000,000 | 1,132,613 |
| Total Yankee Corporate Bonds and Notes (Cost \$34,518,634) | | | | 39,117,443 |

The Portfolio of Investments should be read in conjunction with the Financial Statements and Notes to Financial Statements which are included in the Fund's audited Annual Report and Semi-Annual Report. These reports include additional information about the Fund's security valuation policies and about certain security types invested in by the Fund.

| Security Name | Shares | Value |
|---|--------------|----------------|
| Investment Companies: 0.01% | | |
| Eaton Vance Limited Duration Income Trust | 3,291 | \$ 53,216 |
| Total Investment Companies (Cost \$30,289) | | 53,216 |
| | Yield | |
| Short-Term Investments: 2.39% | | |
| Investment Companies: 2.39% | | |
| Wells Fargo Advantage Cash Investment Money Market Fund(l)(u)## | 0.02 | 16,827,332 |
| Total Short-Term Investments (Cost \$16,827,332) | | 16,827,332 |
| Total Investments in Securities | | |
| (Cost \$877,157,963)* | 131.60% | 925,629,442 |
| <i>Other Assets and Liabilities, Net</i> | (31.60) | (222,237,328) |
| Total Net Assets | 100.00% | \$ 703,392,114 |

± Variable rate investment.

⊠ All or a portion of this security has been segregated as collateral for reverse repurchase agreements.

(a) Security is fair valued by the Management Valuation Team, and in certain instances by the Board of Trustees, in accordance with procedures approved by the Board of Trustees.

Non-income earning security.

Security that may be resold to qualified institutional buyers under Rule 144A or securities offered pursuant to Section 4(2) of the Securities Act of 1933, as amended.

¥ A payment-in-kind (PIK) security is a security in which the issuer may make interest or dividend payments in cash or additional securities. These additional securities generally have the same terms as the original holdings.

(i) Illiquid security

(s) Security is currently in default with regards to scheduled interest and/or principal payments. The Fund has stopped accruing interest on this security.

@ Foreign bond principal is denominated in local currency.

(l) Investment in an affiliate. The total cost of affiliated investments is \$17,879,582.

< All or a portion of the position represents an unfunded loan commitment.

(u) Rate shown is the 7-day annualized yield at period end.

All or a portion of this security has been segregated for when-issued, delayed delivery securities and/or unfunded loans.

* Cost for federal income tax purposes is \$879,701,253 and net unrealized appreciation (depreciation) consists of:

| | |
|------------------------------------|----------------------|
| Gross unrealized appreciation | \$ 54,826,892 |
| Gross unrealized depreciation | (8,898,703) |
| Net unrealized appreciation | \$ 45,928,189 |

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The Portfolio of Investments should be read in conjunction with the Financial Statements and Notes to Financial Statements which are included in the Fund's audited Annual Report and Semi-Annual Report. These reports include additional information about the Fund's security valuation policies and about certain security types invested in by the Fund.

WELLS FARGO ADVANTAGE MULTI-SECTOR INCOME FUND

NOTES TO PORTFOLIO OF INVESTMENTS July 31, 2011 (unaudited)

The following notes are to be read in conjunction with the Portfolio of Investments for Wells Fargo Advantage Multi-Sector Income Fund (the Fund).

Securities valuation

Investments in securities are valued each business day as of the close of regular trading on the New York Stock Exchange, which is usually 4:00 p.m. (Eastern Time). Securities which are traded on a national or foreign securities exchange are valued at the last reported sales price, except that securities listed on The Nasdaq Stock Market, Inc. (Nasdaq) are valued at the Nasdaq Official Closing Price (NOCP), and if no NOCP is available, then at the last reported sales price. If no sales price is shown on the Nasdaq, the bid price will be used. In the absence of any sale of securities listed on the Nasdaq, and in the case of other securities, including U.S. Government obligations, but excluding debt securities maturing in 60 days or less, the price will be deemed stale and the valuations will be determined in accordance with the Fund's Fair Value Procedures.

Certain fixed income securities with maturities exceeding 60 days are valued based on available market quotations received from an independent pricing service approved by the Board of Trustees which may utilize both transaction data and market information such as yield, prices of securities of comparable quality, coupon rate, maturity, type of issue, trading characteristics and other market data. If valuations are not available from the pricing service or values received are deemed not representative of market value, values will be obtained from a third party broker-dealer or determined based on the Fund's Fair Value Procedures.

Debt securities of sufficient credit quality with original maturities of 60 days or less generally are valued at amortized cost which approximates fair value. The amortized cost method involves valuing a security at its cost, plus accretion of discount or minus amortization of premium over the period until maturity.

Investments in open-end mutual funds and non-registered investment companies are generally valued at net asset value.

Certain investments which are not valued using any of the methods discussed above, are valued at their fair value, as determined by procedures established in good faith and approved by the Board of Trustees.

The valuation techniques used by the Fund to measure fair value are consistent with the market approach, income approach and/or cost approach, where applicable, for each security type.

Foreign currency translation

The accounting records of the Fund are maintained in U.S. dollars. Assets, including investment securities, and liabilities denominated in foreign currency are translated into U.S. dollars at the prevailing rates of exchange at the date of valuation. Purchases and sales of securities, and income and expenses are translated at the prevailing rate of exchange on the respective dates of such transactions. Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually paid or received. Net unrealized foreign exchange gains and losses arise from changes in the fair value of assets and liabilities other than investments in securities resulting in changes in exchange rates.

The changes in net assets arising from changes in exchange rates and the changes in net assets resulting from changes in market prices of securities are not separately presented. Such changes are recorded with net realized and unrealized gains or losses from investments. Gains and losses from certain foreign currency transactions are treated as ordinary income for U.S. federal income tax purposes.

Reverse repurchase agreements

To obtain short-term financing, the Fund may enter into reverse repurchase agreements with banks and other financial institutions, which are deemed by the investment adviser to be creditworthy. At the time the Fund enters into a reverse repurchase agreement, it will establish a segregated account with the custodian containing qualified assets having a value not less than the repurchase price, including accrued interest. If the counterparty to the transaction is rendered insolvent, the Fund may be delayed or limited in the repurchase of the collateral securities.

Forward foreign currency contracts

The Fund may be subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. A forward foreign currency contract is an agreement between two parties to purchase or sell a specific currency for an agreed-upon price at a future date. The Fund enters into forward foreign currency contracts to facilitate transactions in foreign-denominated securities and to attempt to minimize the risk to the Fund from adverse changes in the relationship between currencies. Forward foreign currency contracts are recorded at the forward rate and marked-to-market daily. When the contracts are closed, realized gains and losses arising from such transactions are recorded as realized gains or losses on foreign currency related transactions. The Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts or if the value of the foreign currency changes unfavorably. The Fund's maximum risk of loss from counterparty credit risk is the unrealized gains or losses on the contracts. This risk is mitigated by having a master netting arrangement between the Fund and the counterparty.

When-issued transactions

The Fund may purchase securities on a forward commitment or when-issued basis. The Fund records a when-issued transaction on the trade date and will segregate assets to cover its obligation by confirming the availability of qualifying assets having a value sufficient to make payment for the securities purchased. Securities purchased on a when-issued basis are marked-to-market daily and the Fund begins earning interest on the settlement date. Losses may arise due to changes in the market value of the underlying securities or if the counterparty does not perform under the contract.

Term loans

The Fund may invest in term loans. The loans are marked-to-market daily and the Fund begins earning interest when the loans are funded. The loans pay interest at rates which are periodically reset by reference to a base lending rate plus a spread. The Fund assumes the credit risk of the borrower

and there could be potential loss to the Fund in the event of default by the borrower.

As of July 31, 2011, the Fund had unfunded loan commitments of \$1,464,688.

Fair valuation measurements

Fair value measurements of investments are determined within a framework that has established a fair value hierarchy based upon the various data inputs utilized in determining the value of the Fund's investments. The three-level hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Fund's investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs are summarized into three broad levels as follows:

Level 1 quoted prices in active markets for identical securities

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

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

As of July 31, 2011, the inputs used in valuing the Fund's assets, which are carried at fair value, were as follows:

| | Quoted Prices (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Total |
|--|-------------------------------|--|--|----------------|
| Investments in Securities | | | | |
| Equity securities | | | | |
| <i>Common stocks</i> | \$ 535,359 | \$ 0 | \$ 0 | \$ 535,359 |
| <i>Preferred stocks</i> | 0 | 689,310 | 0 | 689,310 |
| <i>Investment companies</i> | 53,216 | 0 | 0 | 53,216 |
| Agency securities | 0 | 210,102,564 | 0 | 210,102,564 |
| Convertible debenture | 0 | 1,110,650 | 0 | 1,110,650 |
| Corporate bonds and notes | 0 | 374,636,510 | 5,626,403 | 380,262,913 |
| Foreign corporate bonds | 0 | 79,333,052 | 0 | 79,333,052 |
| Foreign government bonds | 0 | 143,142,708 | 0 | 143,142,708 |
| Non-agency mortgage backed securities | 0 | 10,623,775 | 1,796,573 | 12,420,348 |
| Term loans | 0 | 37,285,653 | 4,748,894 | 42,034,547 |
| Yankee corporate bonds and notes | 0 | 39,117,252 | 191 | 39,117,443 |
| Short-term investments | | | | |
| <i>Investment companies</i> | 16,827,332 | 0 | 0 | 16,827,332 |
| | \$ 17,415,907 | \$ 896,041,474 | \$ 12,172,061 | \$ 925,629,442 |

As of July 31, 2011, the inputs used in valuing the Fund's other financial instruments, which are carried at fair value, were as follows:

| Other financial instruments | Significant Other Observable | Total |
|-----------------------------|---------------------------------|-------|
|-----------------------------|---------------------------------|-------|

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| | Quoted Prices (Level 1) | Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
|---|----------------------------|---------------------|--|--------------|
| Forward foreign currency contracts | \$ 0 | \$ 1,678,845 | \$ 0 | \$ 1,678,845 |

Transfers in and transfers out are recognized at the end of the reporting period. For the nine months ended July 31, 2011, the Fund did not have any significant transfers into/out of Level 1 and Level 2.

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The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

| | Corporate bonds and notes | Foreign corporate bonds | Non- agency mortgage backed securities | Term loans | Yankee corporate bonds and notes | Common stock | Total |
|---|---------------------------------|-------------------------------|--|---------------|--|-----------------|---------------|
| Balance as of October 31, 2010 | \$ 5,753,667 | \$ 560,823 | \$ 0 | \$ 0 | \$ 191 | \$ 0 | \$ 6,314,681 |
| Accrued discounts (premiums) | 1,760 | 0 | 0 | 407 | 0 | 0 | 2,167 |
| Realized gains (losses) | (3,980) | 0 | 0 | 17 | 0 | 0 | (3,963) |
| Change in unrealized gains (losses) | 29,546 | 19,430 | 0 | 6,701 | 0 | 0 | 55,677 |
| Purchases | 0 | 0 | 2,000,000 | 942,875 | 0 | 0 | 2,942,875 |
| Sales | (154,590) | 0 | (203,427) | (2,375) | 0 | 0 | (360,392) |
| Transfers into Level 3 | 0 | 0 | 0 | 3,801,269 | 0 | 0 | 3,801,269 |
| Transfers out of Level 3 | 0 | (580,253) | 0 | 0 | 0 | 0 | (580,253) |
| Balance as of July 31, 2011 | \$ 5,626,403 | \$ 0 | \$ 1,796,573 | \$ 4,748,894 | \$ 191 | \$ 0 | \$ 12,172,061 |
| Change in unrealized gains (losses) relating to securities still held at July 31, 2011 | \$ 34,068 | \$ 0 | \$ 0 | \$ 6,701 | \$ 0 | \$ 0 | \$ 40,769 |

Derivative transactions

During the nine months ended July 31, 2011, the Fund entered into forward foreign currency exchange contracts for hedging purposes.

At July 31, 2011, the Fund had forward foreign currency contracts outstanding as follows:

Forward foreign currency contracts to buy:

| Exchange | Contracts to | U.S. Value at | In Exchange | Net Unrealized | |
|------------|-------------------|-------------------|---------------|----------------|-----------|
| Date | Counterparty | Receive | July 31, 2011 | for U.S. \$ | Gains |
| 08/01/2011 | State Street Bank | 2,240,000 EUR | \$ 3,218,654 | \$ 3,177,486 | \$ 41,168 |
| 08/02/2011 | State Street Bank | 1,800,000,000 JPY | 23,381,178 | 22,011,079 | 1,370,099 |
| 08/02/2011 | State Street Bank | 390,000,000 JPY | 5,065,922 | 4,811,488 | 254,434 |
| 10/11/2011 | State Street Bank | 2,170,000,000 JPY | 28,210,663 | 27,945,191 | 265,472 |

| Exchange | Contracts to | U.S. Value at | In Exchange | U.S. Value at | Net Unrealized | |
|------------|-------------------|-----------------|---------------|-------------------|----------------|--------------|
| Date | Counterparty | Receive | July 31, 2011 | For | July 31, 2011 | (Losses) |
| 08/02/2011 | State Street Bank | 10,782,607 CAD | \$ 11,285,370 | 883,958,114 JPY | \$ 11,482,212 | \$ (196,842) |
| 08/02/2011 | State Street Bank | 933,836,250 JPY | 12,130,107 | 10,875,000 CAD | 11,382,071 | 748,036 |
| 08/10/2011 | State Street Bank | 4,854,006 EUR | 6,973,515 | 1,300,000,000 HUF | 6,919,987 | 53,528 |
| 08/10/2011 | State Street Bank | 7,228,312 EUR | 10,384,565 | 57,700,000 NOK | 10,711,218 | (326,653) |
| 08/10/2011 | State Street Bank | 394,270 EUR | 566,428 | 3,100,000 NOK | 575,473 | (9,045) |
| 08/18/2011 | State Street Bank | 506,514,960 JPY | 6,580,810 | 17,640,000 PLN | 6,329,167 | 251,643 |
| 09/21/2011 | State Street Bank | 4,289,026 GBP | 7,036,525 | 555,000,000 JPY | 7,213,680 | (177,155) |
| 09/21/2011 | State Street Bank | 746,001,800 JPY | 9,696,249 | 5,800,000 GBP | 9,515,410 | 180,839 |
| 10/13/2011 | State Street Bank | 980,000,000 JPY | 12,740,543 | 14,659,028 NZD | 12,816,859 | (76,316) |

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| | | | | | | |
|------------|-------------------|-------------------|------------|----------------|------------|---------|
| 10/14/2011 | State Street Bank | 698,827,500 JPY | 9,085,231 | 6,300,000 EUR | 9,036,561 | 48,670 |
| 10/25/2011 | State Street Bank | 1,489,593,000 JPY | 19,367,755 | 17,800,000 AUD | 19,351,149 | 16,606 |
| 11/02/2011 | State Street Bank | 923,639,400 JPY | 12,010,119 | 11,300,000 CAD | 11,802,306 | 207,813 |

Forward foreign currency contracts to sell:

| Exchange | | Contracts to | U.S. Value at | In Exchange | Net Unrealized |
|------------|-------------------|-------------------|---------------|--------------|----------------|
| Date | Counterparty | Deliver | July 31, 2011 | for U.S. \$ | (Losses) |
| 08/01/2011 | State Street Bank | 1,700,000 EUR | \$ 2,442,729 | \$ 2,375,240 | \$ (67,489) |
| 08/02/2011 | State Street Bank | 130,000,000 JPY | 1,688,641 | 1,591,226 | (97,415) |
| 08/02/2011 | State Street Bank | 2,168,955,596 JPY | 28,173,743 | 27,916,283 | (257,460) |
| 08/24/2011 | State Street Bank | 30,275,000 ZAR | 4,515,622 | 4,342,058 | (173,564) |
| 10/14/2011 | State Street Bank | 114,680,000 CZK | 6,812,727 | 6,604,849 | (207,878) |
| 10/18/2011 | State Street Bank | 62,500,000 DKK | 12,032,605 | 11,862,959 | (169,646) |

The Fund had average market values of \$125,831,350 and \$22,013,424 in forward foreign currency exchange contracts to buy and forward foreign currency exchange contracts to sell, respectively, during the nine months ended July 31, 2011.

The following is a list of common abbreviations for terms and entities which may have appeared in the portfolio of investments.

ABAG Association of Bay Area Governments

ACB Agricultural Credit Bank

ADR American Depositary Receipt

ADS American Depositary Shares

AGC-ICC Assured Guaranty Corporation - Insured Custody Certificates

AGM Assured Guaranty Municipal

AMBAC American Municipal Bond Assurance Corporation

AMT Alternative Minimum Tax

ARM Adjustable Rate Mortgages

AUD Australian Dollar

BAN Bond Anticipation Notes

BART Bay Area Rapid Transit

BHAC Berkshire Hathaway Assurance Corporation

BRL Brazil Real

CAD Canadian Dollar

CDA Community Development Authority

CDO Collateralized Debt Obligation

CDSC Contingent Deferred Sales Charge

CGIC Capital Guaranty Insurance Company

CGY Capital Guaranty Corporation

CHF Swiss Franc

CIFG CDC (Caisse des Dépôts et Consignations) IX IS Financial Guarantee

COP Certificate of Participation

CP Commercial Paper

CR Custody Receipts

CTF Common Trust Fund

DEM - Deutsche Mark

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DKK Danish Krone

DRIVER Derivative Inverse Tax-Exempt Receipts

DW&P Department of Water & Power

DWR Department of Water Resources

ECFA Educational & Cultural Facilities Authority

EDA Economic Development Authority

EDFA Economic Development Finance Authority

ETET Eagle Tax-Exempt Trust

ETF Exchange-Traded Fund

EUR Euro

FFCB Federal Farm Credit Bank

FGIC Financial Guaranty Insurance Corporation

FHA Federal Housing Authority

FHAG Federal Housing Agency

FHLB Federal Home Loan Bank

FHLMC Federal Home Loan Mortgage Corporation

FNMA Federal National Mortgage Association

FRF - French Franc

FSA Farm Service Agency

GBP Great British Pound

GDR Global Depositary Receipt

GNMA Government National Mortgage Association

GO General Obligation

HCFR Healthcare Facilities Revenue

HEFA Health & Educational Facilities Authority

HEFAR Higher Education Facilities Authority Revenue

HFA Housing Finance Authority

HFFA Health Facilities Financing Authority

HKD Hong Kong Dollar

HUD Housing & Urban Development

HUF Hungarian Forint

IDA Industrial Development Authority

IDAG Industrial Development Agency

IDR Industrial Development Revenue

IEP Irish Pound

JPY Japanese Yen

KRW Republic of Korea Won

LIBOR London Interbank Offered Rate

LLC Limited Liability Company

LLP Limited Liability Partnership

LOC Letter of Credit

LP Limited Partnership

MBIA Municipal Bond Insurance Association

MFHR Multi-Family Housing Revenue

MFMR Multi-Family Mortgage Revenue

MMD Municipal Market Data

MSTR Municipal Securities Trust Receipts

MTN Medium Term Note

MUD Municipal Utility District

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MXN Mexican Peso

MYR Malaysian Ringgit

NATL-RE National Public Finance Guarantee Corporation

NLG - Netherlands Guilder

NOK Norwegian Krone

NZD New Zealand Dollar

PCFA Pollution Control Finance Authority

PCR Pollution Control Revenue

PFA Public Finance Authority

PFFA Public Facilities Financing Authority

PFOTER Puttable Floating Option Tax-Exempt Receipts

plc Public Limited Company

PLN Polish Zloty

PSFG Public School Fund Guaranty

PUTTER Puttable Tax-Exempt Receipts

R&D Research & Development

RDA Redevelopment Authority

RDFA Redevelopment Finance Authority

REIT Real Estate Investment Trust

ROC Reset Option Certificates

SEK Swedish Krona

SFHR Single Family Housing Revenue

SFMR Single Family Mortgage Revenue

SGD Singapore Dollar

SKK Slovakian Koruna

SLMA Student Loan Marketing Association

SPDR Standard & Poor's Depository Receipts

STIT Short-Term Investment Trust

TAN Tax Anticipation Notes

TBA To Be Announced

TIPS Treasury Inflation-Protected Securities

TRAN Tax Revenue Anticipation Notes

TCR Transferable Custody Receipts

TRY Turkish Lira

TTFA Transportation Trust Fund Authority

USD Unified School District

XLCA XL Capital Assurance

ZAR South African Rand

ITEM 2. CONTROLS AND PROCEDURES

(a) The President and Treasurer have concluded that the Wells Fargo Advantage Multi-Sector Income Fund (the Trust) disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) provide reasonable assurances that material information relating to the Trust is made known to them by the appropriate persons based on their evaluation of these controls and procedures as of a date within 90 days of the filing of this report.

(b) There were no significant changes in the Trust's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) 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.

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.

Wells Fargo Advantage Multi-Sector Income Fund

By: /s/ Karla M. Rabusch

Karla M. Rabusch
President

Date: September 28, 2011

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.

Wells Fargo Advantage Multi-Sector Income Fund

By: /s/ Karla M. Rabusch

Karla M. Rabusch
President

Date: September 28, 2011

By: /s/ Kasey L. Phillips

Kasey L. Phillips
Treasurer

Date: September 28, 2011