

WELLS FARGO ADVANTAGE INCOME OPPORTUNITIES FUND

Form N-Q

March 27, 2013

**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: 811-21269

**Wells Fargo Advantage Income Opportunities Fund**

(Exact name of registrant as specified in charter)

525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105

(Address of principal executive offices) (Zip code)

**C. David Messman**

**Wells Fargo Funds Management, LLC**

**525 Market Street, 12<sup>th</sup> Floor, San Francisco, CA 94105**

**(Name and address of agent for service)**

**Registrant's telephone number, including area code: 800-222-8222**

**Date of fiscal year end: April 30, 2012**

**Date of reporting period: January 31, 2013**

ITEM 1. PORTFOLIO OF INVESTMENTS

## WELLS FARGO ADVANTAGE INCOME

PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)

## OPPORTUNITIES FUND

Security name	Shares	Value
<b>Common Stocks : 0.18%</b>		
<b>Consumer Discretionary : 0.00%</b>		
<b>Hotels, Restaurants &amp; Leisure : 0.00%</b>		
<i>Trump Entertainment Resorts Incorporated (i)</i>	2,149	\$ 2,149
<b>Telecommunication Services : 0.18%</b>		
<b>Diversified Telecommunication Services : 0.18%</b>		
<i>Fairpoint Communications Incorporated</i>	134,376	1,244,322
<b>Total Common Stocks (Cost \$3,109,765)</b>		1,246,471

	Interest rate	Maturity date	Principal	
<b>Corporate Bonds and Notes : 111.09%</b>				
<b>Consumer Discretionary : 26.11%</b>				
<b>Auto Components : 2.19%</b>				
<i>Allison Transmission Incorporated 144A</i>	7.13%	5-15-2019	6,375,000	6,916,875
<i>Cooper Tire &amp; Rubber Company</i>	7.63	3-15-2027	4,455,000	4,655,475
<i>Cooper Tire &amp; Rubber Company</i>	8.00	12-15-2019	150,000	168,750
<i>Goodyear Tire &amp; Rubber Company</i>	7.00	5-15-2022	700,000	750,750
<i>Penske Automotive Group Incorporated 144A</i>	5.75	10-1-2022	250,000	256,875
<i>United Rentals Financing Escrow Corporation</i>	5.75	7-15-2018	2,675,000	2,875,625
				15,624,350
<b>Diversified Consumer Services : 2.88%</b>				
<i>Service Corporation International</i>	4.50	11-15-2020	525,000	532,219
<i>Service Corporation International</i>	6.75	4-1-2016	1,250,000	1,404,688
<i>Service Corporation International</i>	7.00	6-15-2017	1,250,000	1,435,938
<i>Service Corporation International</i>	7.00	5-15-2019	1,125,000	1,236,094
<i>Service Corporation International</i>	7.50	4-1-2027	9,376,000	10,337,040
<i>Service Corporation International</i>	7.63	10-1-2018	1,100,000	1,311,750
<i>Service Corporation International</i>	8.00	11-15-2021	885,000	1,081,913
<i>Sotheby's 144A</i>	5.25	10-1-2022	3,075,000	3,159,563
				20,499,205
<b>Hotels, Restaurants &amp; Leisure : 8.25%</b>				
<i>Ameristar Casinos Incorporated</i>	7.50	4-15-2021	5,502,000	5,983,425
<i>Burger King Corporation</i>	9.88	10-15-2018	1,600,000	1,828,000
<i>CCM Merger Incorporated 144A</i>	9.13	5-1-2019	10,830,000	10,857,075
<i>CityCenter Holdings LLC</i>	7.63	1-15-2016	2,050,000	2,211,438
<i>CityCenter Holdings LLC ¥</i>	10.75	1-15-2017	3,796,305	4,190,172
<i>DineEquity Incorporated</i>	9.50	10-30-2018	8,475,000	9,640,313
<i>Greektown Superholdings Incorporated Series A</i>	13.00	7-1-2015	6,812,000	7,314,385
<i>Greektown Superholdings Incorporated Series B</i>	13.00	7-1-2015	1,475,000	1,583,781
<i>NAI Entertainment Holdings LLC 144A</i>	8.25	12-15-2017	4,878,000	5,341,410
<i>Penn National Gaming Incorporated</i>	8.75	8-15-2019	1,499,000	1,708,860

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<i>Ruby Tuesday Incorporated 144A</i>	7.63	5-15-2020	3,700,000	3,626,000
<i>Scientific Games Corporation</i>	9.25	6-15-2019	1,130,000	1,262,775
<i>Speedway Motorsports Incorporated 144A</i>	6.75	2-1-2019	355,000	376,300
<i>Speedway Motorsports Incorporated</i>	6.75	2-1-2019	625,000	662,500
<i>Speedway Motorsports Incorporated</i>	8.75	6-1-2016	2,075,000	2,209,875
				58,796,309

**Household Durables : 0.18%**

<i>American Greetings Corporation</i>	7.38	12-1-2021	950,000	967,813
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**PORTFOLIO OF INVESTMENTS**    **January 31, 2013**  
**(UNAUDITED)**
**WELLS FARGO ADVANTAGE INCOME**  
**OPPORTUNITIES FUND**

Security name	Interest rate	Maturity date	Principal	Value
<b>Household Durables (continued)</b>				
<i>Tempur-Pedic International Incorporated 144A</i>	6.88%	12-15-2020	\$ 325,000	\$ 345,313
				1,313,126
<b>Media : 10.72%</b>				
<i>Cablevision Systems Corporation</i>	8.63	9-15-2017	2,975,000	3,488,188
<i>CCO Holdings LLC</i>	6.50	4-30-2021	5,275,000	5,644,250
<i>CCO Holdings LLC</i>	7.00	1-15-2019	2,225,000	2,405,781
<i>CCO Holdings LLC</i>	7.88	4-30-2018	150,000	160,313
<i>CCO Holdings LLC</i>	8.13	4-30-2020	746,000	837,385
<i>Cinemark USA Incorporated 144A</i>	5.13	12-15-2022	950,000	961,875
<i>Cinemark USA Incorporated</i>	7.38	6-15-2021	1,525,000	1,688,938
<i>Cinemark USA Incorporated</i>	8.63	6-15-2019	4,765,000	5,277,238
<i>CSC Holdings LLC</i>	7.63	7-15-2018	650,000	757,250
<i>CSC Holdings LLC</i>	7.88	2-15-2018	1,650,000	1,922,250
<i>CSC Holdings LLC</i>	8.50	4-15-2014	200,000	216,250
<i>DISH DBS Corporation</i>	7.88	9-1-2019	2,260,000	2,672,450
<i>EchoStar DBS Corporation</i>	7.13	2-1-2016	1,160,000	1,293,400
<i>EchoStar DBS Corporation</i>	7.75	5-31-2015	650,000	726,375
<i>Gray Television Incorporated</i>	7.50	10-1-2020	5,575,000	5,798,000
<i>Lamar Media Corporation</i>	5.88	2-1-2022	1,785,000	1,963,500
<i>Lamar Media Corporation</i>	7.88	4-15-2018	4,090,000	4,483,663
<i>Lamar Media Corporation Series C</i>	9.75	4-1-2014	925,000	1,008,250
<i>LIN Television Corporation 144A</i>	6.38	1-15-2021	500,000	532,500
<i>LIN Television Corporation</i>	8.38	4-15-2018	3,475,000	3,787,750
<i>Local TV Finance LLC 144A</i>	9.25	6-15-2015	9,943,218	10,017,792
<i>National CineMedia LLC</i>	6.00	4-15-2022	3,635,000	3,880,363
<i>National CineMedia LLC</i>	7.88	7-15-2021	1,150,000	1,276,500
<i>Nexstar Broadcasting Group Incorporated 144A</i>	6.88	11-15-2020	2,285,000	2,382,113
<i>Regal Cinemas Corporation</i>	8.63	7-15-2019	6,665,000	7,381,488
<i>Salem Communications Corporation</i>	9.63	12-15-2016	5,342,000	5,876,200
				76,440,062
<b>Specialty Retail : 1.89%</b>				
<i>Gap Incorporated</i>	5.95	4-12-2021	1,175,000	1,326,272
<i>Limited Brands Incorporated</i>	6.63	4-1-2021	925,000	1,052,188
<i>RadioShack Corporation</i>	6.75	5-15-2019	4,278,000	2,887,650
<i>Rent-A-Center Incorporated</i>	6.63	11-15-2020	2,305,000	2,509,569
<i>Toys R Us Property Company I LLC</i>	10.75	7-15-2017	1,341,000	1,441,575
<i>Toys R Us Property Company II LLC</i>	8.50	12-1-2017	4,025,000	4,236,313
				13,453,567
<b>Consumer Staples : 0.87%</b>				
<b>Food Products : 0.87%</b>				
<i>B&amp;G Foods Incorporated</i>	7.63	1-15-2018	2,663,000	2,872,711
<i>Dole Food Company Incorporated</i>	13.88	3-15-2014	3,075,000	3,309,469
				6,182,180

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**Energy : 20.09%**

**Energy Equipment & Services : 5.53%**

<i>Cleaver Brooks Incorporated 144A</i>	8.75	12-15-2019	475,000	508,844
<i>Dresser-Rand Group Incorporated</i>	6.50	5-1-2021	1,825,000	1,934,500
<i>Era Group Incorporated 144A</i>	7.75	12-15-2022	2,105,000	2,083,950
<i>Gulfmark Offshore Incorporated 144A</i>	6.38	3-15-2022	5,295,000	5,467,088
<i>Hornbeck Offshore Services Incorporated</i>	5.88	4-1-2020	840,000	882,000
<i>Hornbeck Offshore Services Incorporated Series B</i>	8.00	9-1-2017	5,765,000	6,154,138
<i>NGPL PipeCo LLC 144A</i>	7.12	12-15-2017	625,000	681,250
<i>NGPL PipeCo LLC 144A</i>	7.77	12-15-2037	4,575,000	4,849,500
<i>NGPL PipeCo LLC 144A</i>	9.63	6-1-2019	5,370,000	6,202,350

**WELLS FARGO ADVANTAGE INCOME  
OPPORTUNITIES FUND**
**PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)**

Security name	Interest rate	Maturity date	Principal	Value
<b>Energy Equipment &amp; Services (continued)</b>				
<i>Northern Tier Energy LLC 144A</i>	7.13%	11-15-2020	\$ 800,000	\$ 840,000
<i>Oil States International Incorporated 144A</i>	5.13	1-15-2023	275,000	278,438
<i>Oil States International Incorporated</i>	6.50	6-1-2019	3,354,000	3,580,395
<i>PHI Incorporated</i>	8.63	10-15-2018	5,210,000	5,698,438
<i>Pride International Incorporated</i>	8.50	6-15-2019	210,000	279,133
				39,440,024

**Oil, Gas & Consumable Fuels : 14.56%**

<i>CVR Refining LLC 144A</i>	6.50	11-1-2022	2,850,000	2,871,375
<i>Denbury Resources Incorporated %%</i>	4.63	7-15-2023	675,000	661,500
<i>Denbury Resources Incorporated</i>	6.38	8-15-2021	700,000	761,250
<i>Denbury Resources Incorporated</i>	8.25	2-15-2020	5,965,000	6,650,975
<i>El Paso Corporation</i>	6.50	9-15-2020	1,155,000	1,291,916
<i>El Paso Corporation</i>	7.00	6-15-2017	3,183,000	3,649,055
<i>El Paso Corporation</i>	7.25	6-1-2018	3,149,000	3,657,765
<i>El Paso Corporation</i>	7.42	2-15-2037	1,820,000	1,895,222
<i>El Paso Corporation</i>	7.80	8-1-2031	3,050,000	3,560,231
<i>Encore Acquisition Company</i>	9.50	5-1-2016	700,000	748,020
<i>Energy Transfer Equity LP</i>	7.50	10-15-2020	5,950,000	6,857,375
<i>Ferrellgas LP</i>	9.13	10-1-2017	4,925,000	5,319,000
<i>HollyFrontier Corporation</i>	9.88	6-15-2017	4,265,000	4,595,538
<i>Inergy Midstream LP 144A</i>	6.00	12-15-2020	1,265,000	1,306,113
<i>Kinder Morgan Energy 144A</i>	6.00	1-15-2018	125,000	137,814
<i>Overseas Shipholding Group Incorporated (s)</i>	7.50	2-15-2024	1,250,000	478,125
<i>Petrohawk Energy Corporation</i>	7.88	6-1-2015	2,045,000	2,135,442
<i>Petrohawk Energy Corporation</i>	10.50	8-1-2014	1,065,000	1,127,387
<i>Pioneer Natural Resources Company</i>	7.50	1-15-2020	3,170,000	3,989,518
<i>Plains Exploration &amp; Production Company</i>	8.63	10-15-2019	6,380,000	7,273,200
<i>Rockies Express Pipeline LLC 144A</i>	3.90	4-15-2015	3,475,000	3,475,000
<i>Rockies Express Pipeline LLC 144A</i>	5.63	4-15-2020	700,000	658,000
<i>Rockies Express Pipeline LLC 144A</i>	6.00	1-15-2019	4,700,000	4,606,000
<i>Rockies Express Pipeline LLC 144A</i>	6.88	4-15-2040	9,455,000	8,320,400
<i>Rockies Express Pipeline LLC 144A</i>	7.50	7-15-2038	1,800,000	1,611,000
<i>Sabine Pass LNG LP 144A</i>	6.50	11-1-2020	9,260,000	9,491,500
<i>Sabine Pass LNG LP</i>	7.50	11-30-2016	8,775,000	9,740,250
<i>Suburban Propane Partners LP</i>	7.38	3-15-2020	575,000	622,438
<i>Suburban Propane Partners LP</i>	7.38	8-1-2021	805,000	877,450
<i>Suburban Propane Partners LP</i>	7.50	10-1-2018	802,000	866,160
<i>Susser Holdings LLC</i>	8.50	5-15-2016	2,000,000	2,115,000
<i>Tesoro Corporation</i>	9.75	6-1-2019	2,185,000	2,479,975
				103,829,994

**Financials : 20.00%**
**Commercial Banks : 2.62%**

<i>CIT Group Incorporated 144A</i>	4.75	2-15-2015	1,645,000	1,727,250
<i>CIT Group Incorporated</i>	5.00	5-15-2017	425,000	453,688
<i>CIT Group Incorporated 144A</i>	5.25	4-1-2014	6,275,000	6,541,688
<i>CIT Group Incorporated</i>	5.25	3-15-2018	875,000	936,250
<i>CIT Group Incorporated 144A</i>	5.50	2-15-2019	2,225,000	2,380,750



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<i>Emigrant Bancorp Incorporated 144A</i>	6.25	6-15-2014	6,950,000	6,649,294
				18,688,920

**Consumer Finance : 11.47%**

<i>Ally Financial Incorporated</i>	3.13	1-15-2016	525,000	530,339
<i>Ally Financial Incorporated</i>	5.50	2-15-2017	1,325,000	1,424,530
<i>Ally Financial Incorporated</i>	8.30	2-12-2015	8,820,000	9,823,275
<i>American General Finance Corporation</i>	5.40	12-1-2015	2,800,000	2,751,000
<i>American General Finance Corporation</i>	5.75	9-15-2016	2,325,000	2,237,813
<i>American General Finance Corporation</i>	6.50	9-15-2017	550,000	517,000
<i>Clearwire Communications Finance Corporation 144A</i>	12.00	12-1-2015	3,140,000	3,402,975

**PORTFOLIO OF INVESTMENTS**    **January 31, 2013**  
**(UNAUDITED)**
**WELLS FARGO ADVANTAGE INCOME**  
**OPPORTUNITIES FUND**

Security name	Interest rate	Maturity date	Principal	Value
<b>Consumer Finance (continued)</b>				
<i>Clearwire Communications Finance Corporation 144A</i>	12.00%	12-1-2015	\$ 2,280,000	\$ 2,468,100
<i>Ford Motor Credit Company LLC</i>	7.00	10-1-2013	500,000	518,987
<i>Ford Motor Credit Company LLC</i>	8.00	12-15-2016	200,000	239,634
<i>General Motors Financial Company Incorporated 144A</i>	4.75	8-15-2017	475,000	496,435
<i>General Motors Financial Company Incorporated</i>	6.75	6-1-2018	2,770,000	3,206,275
<i>GMAC LLC</i>	6.75	12-1-2014	2,344,000	2,531,520
<i>GMAC LLC</i>	7.50	12-31-2013	6,855,000	7,197,750
<i>Homer City Funding LLC ¥</i>	8.73	10-1-2026	2,947,934	3,242,727
<i>International Lease Finance Corporation</i>	6.38	3-25-2013	865,000	870,406
<i>International Lease Finance Corporation 144A</i>	6.75	9-1-2016	2,200,000	2,480,500
<i>International Lease Finance Corporation 144A</i>	7.13	9-1-2018	1,015,000	1,187,550
<i>International Lease Finance Corporation</i>	8.63	9-15-2015	1,700,000	1,931,625
<i>JBS USA Finance Incorporated</i>	11.63	5-1-2014	8,465,000	9,427,894
<i>Level 3 Financing Incorporated</i>	10.00	2-1-2018	4,555,000	5,067,438
<i>Nielsen Finance LLC Company 144A</i>	4.50	10-1-2020	515,000	507,275
<i>Nielsen Finance LLC Company</i>	7.75	10-15-2018	11,690,000	13,019,738
<i>Springleaf Finance Corporation</i>	6.90	12-15-2017	7,050,000	6,716,888
				81,797,674

**Diversified Financial Services : 2.18%**

<i>Fidelity National Information Services Incorporated</i>	5.00	3-15-2022	500,000	541,250
<i>HUB International Limited Company 144A</i>	8.13	10-15-2018	4,840,000	5,009,400
<i>Neuberger Berman Group LLC 144A</i>	5.63	3-15-2020	900,000	945,000
<i>Neuberger Berman Group LLC 144A</i>	5.88	3-15-2022	1,125,000	1,192,500
<i>Nuveen Investments</i>	5.50	9-15-2015	6,830,000	6,625,100
<i>Nuveen Investments 144A</i>	9.13	10-15-2017	1,220,000	1,235,250
				15,548,500

**Real Estate Management & Development : 0.90%**

<i>Ashtead Capital Incorporated 144A</i>	6.50	7-15-2022	3,025,000	3,282,125
<i>Onex Corporation 144A</i>	7.75	1-15-2021	3,175,000	3,111,500
				6,393,625

**REITs : 2.83%**

<i>Dupont Fabros Technology Incorporated</i>	8.50	12-15-2017	11,580,000	12,564,300
<i>Host Hotels &amp; Resorts LP</i>	9.00	5-15-2017	490,000	520,625
<i>Omega Healthcare Investors Incorporated</i>	5.88	3-15-2024	325,000	344,500
<i>Omega Healthcare Investors Incorporated</i>	6.75	10-15-2022	3,375,000	3,687,188
<i>Sabra Health Care Incorporated</i>	8.13	11-1-2018	2,850,000	3,070,875
				20,187,488

**Health Care : 5.35%**
**Health Care Equipment & Supplies : 0.39%**

<i>Hologic Incorporated 144A</i>	6.25	8-1-2020	2,590,000	2,784,250
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**Health Care Providers & Services : 4.54%**

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<i>Apria Healthcare Group Incorporated</i>	11.25	11-1-2014	1,340,000	1,370,150
<i>Aviv HealthCare Properties LP</i>	7.75	2-15-2019	3,725,000	3,995,063
<i>Centene Corporation</i>	5.75	6-1-2017	1,925,000	2,054,938
<i>Community Health Systems Incorporated</i>	5.13	8-15-2018	725,000	763,063
<i>Community Health Systems Incorporated</i>	7.13	7-15-2020	1,325,000	1,431,000
<i>DaVita HealthCare Partners Incorporated</i>	5.75	8-15-2022	1,360,000	1,428,000
<i>DaVita HealthCare Partners Incorporated</i>	6.38	11-1-2018	140,000	149,800
<i>Fresenius Medical Care Holdings Incorporated 144A</i>	5.63	7-31-2019	1,800,000	1,948,500
<i>Fresenius Medical Care Holdings Incorporated</i>	6.88	7-15-2017	700,000	801,500
<i>HCA Incorporated</i>	4.75	5-1-2023	550,000	553,438
<i>HCA Incorporated</i>	5.88	3-15-2022	750,000	815,625
<i>HCA Incorporated</i>	6.50	2-15-2020	5,675,000	6,313,438
<i>HCA Incorporated</i>	7.50	11-15-2095	1,350,000	1,204,875

## WELLS FARGO ADVANTAGE INCOME

PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)

## OPPORTUNITIES FUND

Security name	Interest rate	Maturity date	Principal	Value
<b>Health Care Providers &amp; Services (continued)</b>				
<i>HCA Incorporated</i>	8.50%	4-15-2019	\$ 375,000	\$ 417,188
<i>Health Management Associates Incorporated</i>	6.13	4-15-2016	475,000	522,500
<i>HealthSouth Corporation</i>	5.75	11-1-2024	1,375,000	1,395,625
<i>HealthSouth Corporation</i>	7.25	10-1-2018	675,000	732,375
<i>HealthSouth Corporation</i>	7.75	9-15-2022	675,000	740,813
<i>MPT Operating Partnership LP</i>	6.38	2-15-2022	775,000	831,188
<i>MPT Operating Partnership LP</i>	6.88	5-1-2021	3,175,000	3,484,563
<i>PSS World Medical Incorporated</i>	6.38	3-1-2022	640,000	785,600
<i>Tenet Healthcare Corporation 144A</i>	4.75	6-1-2020	435,000	437,719
<i>Tenet Healthcare Corporation</i>	10.00	5-1-2018	150,000	174,563
				32,351,524
<b>Pharmaceuticals : 0.42%</b>				
<i>Mylan Incorporated 144A</i>	6.00	11-15-2018	1,300,000	1,419,239
<i>Mylan Incorporated 144A</i>	7.63	7-15-2017	1,400,000	1,566,806
				2,986,045
<b>Industrials : 5.71%</b>				
<b>Aerospace &amp; Defense : 0.55%</b>				
<i>GeoEye Incorporated</i>	9.63	10-1-2015	1,140,000	1,256,850
<i>TransDigm Group Incorporated 144A</i>	5.50	10-15-2020	510,000	531,675
<i>TransDigm Group Incorporated</i>	7.75	12-15-2018	1,939,000	2,154,714
				3,943,239
<b>Air Freight &amp; Logistics : 0.59%</b>				
<i>Bristow Group Incorporated</i>	6.25	10-15-2022	3,910,000	4,222,800
<b>Airlines : 0.51%</b>				
<i>Aviation Capital Group Corporation 144A</i>	4.63	1-31-2018	325,000	329,267
<i>Aviation Capital Group Corporation 144A</i>	6.75	4-6-2021	1,820,000	1,976,647
<i>Aviation Capital Group Corporation 144A</i>	7.13	10-15-2020	1,210,000	1,325,519
				3,631,433
<b>Commercial Services &amp; Supplies : 2.34%</b>				
<i>Corrections Corporation of America</i>	7.75	6-1-2017	2,110,000	2,226,050
<i>Covanta Holding Corporation</i>	6.38	10-1-2022	900,000	982,298
<i>Geo Group Incorporated</i>	6.63	2-15-2021	170,000	188,275
<i>Geo Group Incorporated</i>	7.75	10-15-2017	3,790,000	4,074,250
<i>Interface Incorporated</i>	7.63	12-1-2018	300,000	325,500
<i>Iron Mountain Incorporated</i>	5.75	8-15-2024	475,000	479,156
<i>Iron Mountain Incorporated</i>	8.00	6-15-2020	800,000	844,000
<i>Iron Mountain Incorporated</i>	8.38	8-15-2021	4,095,000	4,514,738
<i>KAR Holdings Incorporated ±</i>	4.31	5-1-2014	3,013,000	3,016,796
				16,651,063

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**Machinery : 0.34%**

<i>Columbus McKinnon Corporation</i>	7.88	2-1-2019	1,575,000	1,689,188
<i>Titan International Incorporated</i>	7.88	10-1-2017	700,000	751,625
				2,440,813

**Professional Services : 0.66%**

<i>Affinia Group Incorporated 144A</i>	10.75	8-15-2016	184,000	199,640
<i>Interactive Data Corporation</i>	10.25	8-1-2018	4,005,000	4,535,663
				4,735,303

**PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)**
**WELLS FARGO ADVANTAGE INCOME  
OPPORTUNITIES FUND**

Security name	Interest rate	Maturity date	Principal	Value
<b>Trading Companies &amp; Distributors : 0.72%</b>				
<i>H&amp;E Equipment Services Incorporated 144A</i>	7.00%	9-1-2022	\$ 4,680,000	\$ 5,112,900
<b>Information Technology : 8.41%</b>				
<b>Communications Equipment : 0.49%</b>				
<i>Avaya Incorporated</i>	9.75	11-1-2015	1,150,000	1,095,375
<i>Lucent Technologies Incorporated</i>	6.45	3-15-2029	3,100,000	2,418,000
				3,513,375
<b>Computers &amp; Peripherals : 0.68%</b>				
<i>NCR Corporation 144A</i>	4.63	2-15-2021	40,000	40,050
<i>NCR Corporation 144A</i>	5.00	7-15-2022	4,760,000	4,819,500
				4,859,550
<b>Electronic Equipment, Instruments &amp; Components : 2.64%</b>				
<i>CDW Financial Corporation</i>	12.54	10-12-2017	2,498,000	2,672,860
<i>Jabil Circuit Incorporated</i>	8.25	3-15-2018	13,532,000	16,170,708
				18,843,568
<b>Internet Software &amp; Services : 0.35%</b>				
<i>Equinix Incorporated</i>	7.00	7-15-2021	125,000	139,375
<i>Equinix Incorporated</i>	8.13	3-1-2018	2,125,000	2,332,188
				2,471,563
<b>IT Services : 3.96%</b>				
<i>Audatex North American Incorporated 144A</i>	6.75	6-15-2018	1,375,000	1,474,688
<i>CyrusOne LLC 144A</i>	6.38	11-15-2022	500,000	533,750
<i>Fidelity National Information Services Incorporated</i>	7.63	7-15-2017	875,000	945,000
<i>Fidelity National Information Services Incorporated</i>	7.88	7-15-2020	3,200,000	3,620,000
<i>First Data Corporation 144A</i>	7.38	6-15-2019	1,325,000	1,394,563
<i>First Data Corporation</i>	11.25	3-31-2016	11,380,000	11,323,100
<i>SunGard Data Systems Incorporated 144A</i>	6.63	11-1-2019	2,325,000	2,400,563
<i>SunGard Data Systems Incorporated</i>	7.38	11-15-2018	5,470,000	5,811,875
<i>SunGard Data Systems Incorporated</i>	7.63	11-15-2020	650,000	708,500
				28,212,039
<b>Software : 0.29%</b>				
<i>Nuance Communications Incorporated 144A</i>	5.38	8-15-2020	1,975,000	2,034,250
<b>Materials : 2.46%</b>				
<b>Chemicals : 0.34%</b>				
<i>Celanese US Holdings LLC</i>	5.88	6-15-2021	440,000	493,900
<i>Tronox Finance LLC 144A</i>	6.38	8-15-2020	1,955,000	1,964,775

2,458,675

**Containers & Packaging : 1.44%**

<i>Ball Corporation</i>	5.00	3-15-2022	475,000	503,500
<i>Ball Corporation</i>	5.75	5-15-2021	400,000	429,000
<i>Ball Corporation</i>	6.75	9-15-2020	375,000	413,438
<i>Crown Americas LLC 144A</i>	4.50	1-15-2023	1,075,000	1,058,875
<i>Crown Americas LLC</i>	6.25	2-1-2021	515,000	560,063
<i>Crown Americas LLC</i>	7.63	5-15-2017	950,000	1,005,281
<i>Crown Cork &amp; Seal Company Incorporated (i)</i>	7.50	12-15-2096	1,225,000	1,186,719
<i>Owens-Brockway Glass Container Incorporated</i>	3.00	6-1-2015	1,775,000	1,772,781
<i>Owens-Illinois Incorporated</i>	7.80	5-15-2018	837,000	973,013

**WELLS FARGO ADVANTAGE INCOME  
OPPORTUNITIES FUND**
**PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)**

Security name	Interest rate	Maturity date	Principal	Value
<b>Containers &amp; Packaging (continued)</b>				
<i>Silgan Holdings Incorporated</i>	5.00%	4-1-2020	\$ 2,250,000	\$ 2,328,750
				10,231,420
<b>Metals &amp; Mining : 0.00%</b>				
<i>Indalex Holdings Corporation (i)(s)(a)</i>	11.50	2-1-2014	5,985,000	0
<b>Paper &amp; Forest Products : 0.68%</b>				
<i>Clearwater Paper Corporation</i>	10.63	6-15-2016	1,175,000	1,274,875
<i>Georgia-Pacific LLC</i>	8.88	5-15-2031	2,430,000	3,594,889
				4,869,764
<b>Telecommunication Services : 15.54%</b>				
<b>Diversified Telecommunication Services : 6.67%</b>				
<i>Citizens Communications Company</i>	7.88	1-15-2027	4,205,000	4,310,125
<i>FairPoint Communications Incorporated 144A</i>	10.88	4-1-2017	2,550,000	2,779,500
<i>Frontier Communications Corporation</i>	8.13	10-1-2018	1,980,000	2,291,850
<i>Frontier Communications Corporation</i>	8.25	4-15-2017	2,380,000	2,754,850
<i>Frontier Communications Corporation</i>	8.50	4-15-2020	1,000,000	1,155,000
<i>GCI Incorporated</i>	6.75	6-1-2021	1,075,000	1,042,750
<i>GCI Incorporated</i>	8.63	11-15-2019	8,750,000	9,253,125
<i>Qwest Corporation</i>	7.13	11-15-2043	1,810,000	1,877,873
<i>Qwest Corporation</i>	7.25	9-15-2025	2,755,000	3,166,589
<i>Qwest Corporation</i>	7.63	8-3-2021	440,000	481,439
<i>SBA Telecommunications Incorporated 144A</i>	5.75	7-15-2020	2,795,000	2,934,750
<i>SBA Telecommunications Incorporated</i>	8.25	8-15-2019	93,000	103,463
<i>Syniverse Holdings Incorporated</i>	9.13	1-15-2019	8,545,000	9,292,688
<i>Windstream Corporation</i>	7.88	11-1-2017	5,380,000	6,146,650
				47,590,652
<b>Wireless Telecommunication Services : 8.87%</b>				
<i>Allbritton Communications Company</i>	8.00	5-15-2018	3,274,000	3,544,105
<i>Cricket Communications Incorporated</i>	7.75	5-15-2016	3,355,000	3,531,138
<i>Cricket Communications Incorporated</i>	7.75	10-15-2020	3,200,000	3,320,000
<i>Crown Castle International Corporation 144A</i>	5.25	1-15-2023	4,925,000	5,171,250
<i>Crown Castle International Corporation</i>	7.13	11-1-2019	165,000	183,356
<i>iPCS Incorporated ¥</i>	3.56	5-1-2014	2,607,559	2,607,559
<i>MetroPCS Communications Incorporated</i>	6.63	11-15-2020	5,525,000	5,856,500
<i>MetroPCS Communications Incorporated</i>	7.88	9-1-2018	3,015,000	3,263,738
<i>SBA Telecommunications Incorporated 144A</i>	5.63	10-1-2019	270,000	283,500
<i>Sprint Capital Corporation</i>	6.88	11-15-2028	16,375,000	16,538,750
<i>Sprint Capital Corporation</i>	8.75	3-15-2032	6,270,000	7,398,600
<i>Sprint Nextel Corporation 144A</i>	9.00	11-15-2018	750,000	928,125
<i>Sprint Nextel Corporation</i>	11.50	11-15-2021	1,200,000	1,641,000
<i>TW Telecommunications Holdings Incorporated</i>	5.38	10-1-2022	5,955,000	6,252,750
<i>TW Telecommunications Holdings Incorporated</i>	8.00	3-1-2018	2,492,000	2,722,510
				63,242,881



**Utilities : 6.55%**

**Electric Utilities : 2.91%**

<i>Energy Future Holdings Corporation</i>	10.00	12-1-2020	150,000	172,125
<i>Energy Future Intermediate Holding Company LLC 144A</i>	6.88	8-15-2017	875,000	936,250
<i>IPALCO Enterprises Incorporated</i>	5.00	5-1-2018	2,050,000	2,183,250
<i>IPALCO Enterprises Incorporated 144A</i>	7.25	4-1-2016	3,783,000	4,236,960
<i>Mirant Mid-Atlantic LLC Series C</i>	10.06	12-30-2028	7,560,525	8,562,294
<i>Otter Tail Corporation</i>	9.00	12-15-2016	3,985,000	4,662,450
				20,753,329

**PORTFOLIO OF INVESTMENTS**    **January 31, 2013**  
**(UNAUDITED)**
**WELLS FARGO ADVANTAGE INCOME**  
**OPPORTUNITIES FUND**

Security name	Interest rate	Maturity date	Principal	Value
<b>Gas Utilities : 0.45%</b>				
<i>AmeriGas Finance LLC</i>	6.75%	5-20-2020	\$ 1,675,000	\$ 1,817,375
<i>AmeriGas Finance LLC</i>	7.00	5-20-2022	1,225,000	1,341,375
				3,158,750
<b>Independent Power Producers &amp; Energy Traders : 3.19%</b>				
<i>Calpine Construction Finance Corporation 144A</i>	7.25	10-15-2017	8,725,000	9,248,500
<i>Calpine Construction Finance Corporation 144A</i>	8.00	6-1-2016	2,700,000	2,848,500
<i>NRG Energy Incorporated</i>	8.50	6-15-2019	3,675,000	4,070,063
<i>NSG Holdings LLC (i)144A</i>	7.75	12-15-2025	2,330,000	2,423,200
<i>Reliant Energy Incorporated</i>	7.63	6-15-2014	1,020,000	1,091,400
<i>Reliant Energy Incorporated</i>	9.24	7-2-2017	2,021,662	2,228,883
<i>Reliant Energy Incorporated</i>	9.68	7-2-2026	780,000	846,300
				22,756,846
<b>Total Corporate Bonds and Notes (Cost \$745,036,151)</b>				792,051,056

	Dividend yield	Shares	
<b>Preferred Stocks : 0.20%</b>			
<b>Financials : 0.20%</b>			
<b>Diversified Financial Services : 0.20%</b>			
<i>GMAC Capital Trust I ±</i>	7.62	53,000	1,413,510
<b>Total Preferred Stocks (Cost \$1,325,000)</b>			1,413,510

	Interest rate			
<b>Term Loans : 12.72%</b>				
<i>Advantage Sales &amp; Marketing LLC</i>	9.25	6-18-2018	900,000	903,942
<i>Alliance Laundry Systems LLC &lt;</i>	9.50	12-7-2019	2,614,145	2,666,428
<i>Capital Automotive LP</i>	5.25	3-10-2017	6,814,580	6,851,515
<i>CCM Merger Incorporated</i>	6.00	3-1-2017	5,008,762	5,052,589
<i>Coinmach Corporation</i>	3.20	11-20-2014	6,521,005	6,374,283
<i>Crossmark Holdings Incorporated &lt;</i>	0.00	1-31-2020	175,000	173,250
<i>Energy Transfer Equity LP</i>	3.75	3-21-2017	3,250,000	3,277,983
<i>Fairpoint Communications Incorporated</i>	6.50	1-22-2016	5,147,644	5,127,413
<i>Federal Mogul Corporation</i>	2.14	12-28-2015	1,698,263	1,609,104
<i>Federal Mogul Corporation</i>	2.15	12-29-2014	2,562,734	2,428,191
<i>First Data Corporation</i>	2.95	9-24-2014	127,258	127,312
<i>First Data Corporation</i>	2.95	9-24-2014	65,916	65,944
<i>First Data Corporation</i>	2.95	9-24-2014	237,585	237,685
<i>Focus Brands Incorporated</i>	10.25	8-22-2018	4,124,203	4,216,997
<i>Greektown Casino LLC &lt;</i>	0.00	12-18-2018	5,100,000	5,119,125
<i>HHI Holdings LLC</i>	6.00	10-3-2018	2,957,470	3,012,923
<i>Level 3 Financing Incorporated</i>	4.75	2-1-2016	6,583,500	6,659,210
<i>nTelos Incorporated</i>	5.75	11-7-2019	1,720,688	1,675,519

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<i>Springleaf Finance Corporation</i>	5.50	5-5-2017	1,350,000	1,353,038
<i>Tallgrass Energy Partners LP</i>	5.25	10-25-2018	4,730,573	4,793,632
<i>Texas Competitive Electric Holdings LLC</i>	3.74	10-10-2014	34,355,889	25,745,616
<i>United Surgical Partners International Incorporated</i>	6.00	3-19-2019	2,233,153	2,251,309
<i>Web Service Company LLC</i>	7.00	8-28-2014	979,579	973,045
<b>Total Term Loans (Cost \$93,881,527)</b>				<b>90,696,053</b>

**Yankee Corporate Bonds and Notes : 5.78%**

**Consumer Discretionary : 0.49%**

**Media : 0.49%**

<i>Videotron Limited</i>	5.00	7-15-2022	1,745,000	1,823,525
<i>Videotron Limited</i>	6.38	12-15-2015	100,000	101,250

## WELLS FARGO ADVANTAGE INCOME

PORTFOLIO OF INVESTMENTS January 31, 2013  
(UNAUDITED)

## OPPORTUNITIES FUND

Security name	Interest rate	Maturity date	Principal	Value
<b>Media (continued)</b>				
<i>Videotron Limited</i>	9.13%	4-15-2018	\$ 1,525,000	\$ 1,612,688
				3,537,463
<b>Energy : 0.79%</b>				
<b>Oil, Gas &amp; Consumable Fuels : 0.79%</b>				
<i>Griffin Coal Mining Company Limited 144A(s)</i>	9.50	12-1-2016	3,649,845	2,956,374
<i>Griffin Coal Mining Company Limited (s)</i>	9.50	12-1-2016	499,568	404,650
<i>Ship Finance International Limited</i>	8.50	12-15-2013	2,250,000	2,262,656
				5,623,680
<b>Financials : 0.33%</b>				
<b>Consumer Finance : 0.33%</b>				
<i>Wind Acquisition Finance SpA 144A</i>	11.75	7-15-2017	2,205,000	2,370,375
<b>Diversified Financial Services : 0.00%</b>				
<i>Preferred Term Securities XII Limited (i)(s)☐</i>	0.00	12-24-2033	1,540,000	462
<b>Information Technology : 0.80%</b>				
<b>Computers &amp; Peripherals : 0.80%</b>				
<i>Seagate Technology HDD Holdings</i>	6.80	10-1-2016	1,275,000	1,434,375
<i>Seagate Technology HDD Holdings</i>	6.88	5-1-2020	650,000	705,250
<i>Seagate Technology HDD Holdings</i>	7.00	11-1-2021	725,000	795,688
<i>Seagate Technology HDD Holdings</i>	7.75	12-15-2018	2,500,000	2,756,250
				5,691,563
<b>Materials : 0.86%</b>				
<b>Metals &amp; Mining : 0.60%</b>				
<i>Novelis Incorporated</i>	8.38	12-15-2017	1,100,000	1,215,500
<i>Novelis Incorporated</i>	8.75	12-15-2020	2,675,000	3,022,750
				4,238,250
<b>Paper &amp; Forest Products : 0.26%</b>				
<i>Sappi Limited 144A</i>	7.50	6-15-2032	2,155,000	1,874,850
<b>Telecommunication Services : 2.51%</b>				
<b>Diversified Telecommunication Services : 2.16%</b>				
<i>Intelsat Bermuda Limited</i>	11.25	2-4-2017	825,000	874,500
<i>Intelsat Jackson Holdings Limited</i>	7.25	4-1-2019	5,475,000	5,871,938
<i>Intelsat Jackson Holdings Limited</i>	7.50	4-1-2021	2,214,000	2,402,190
<i>Intelsat Jackson Holdings SA 144A</i>	7.25	10-15-2020	1,525,000	1,631,750
<i>Intelsat Jackson Holdings SA</i>	7.25	10-15-2020	1,700,000	1,819,000

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<i>Intelsat Luxembourg SA</i> ¥	11.50	2-4-2017	2,650,000	2,809,000
				15,408,378

**Wireless Telecommunication Services : 0.35%**

<i>Digicel Group Limited 144A</i>	12.00	4-1-2014	870,000	937,425
<i>Telesat Canada Incorporated 144A</i>	6.00	5-15-2017	1,475,000	1,548,750
				2,486,175

<b>Total Yankee Corporate Bonds and Notes (Cost \$38,938,974)</b>				41,231,196
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**PORTFOLIO OF INVESTMENTS**    **January 31, 2013**  
**(UNAUDITED)**
**WELLS FARGO ADVANTAGE INCOME OPPORTUNITIES**  
**FUND**
**Short-Term Investments : 2.47%**

Security name	Yield	Shares	Value
<b>Investment Companies : 2.47%</b>			
<i>Wells Fargo Advantage Cash Investment Money Market Fund, Select Class (l)(u)##</i>	0.14%	17,592,680	\$ 17,592,680
<b>Total Short-Term Investments (Cost \$17,592,680)</b>			<b>17,592,680</b>
<b>Total investments in securities (Cost \$899,884,097)*</b>	<b>132.44%</b>		<b>944,230,966</b>
<i>Other assets and liabilities, Net</i>	<i>(32.44)</i>		<i>(231,259,174)</i>
<b>Total net assets</b>	<b>100.00%</b>		<b>\$ 712,971,792</b>

*Non-income-earning security*

- (i) *Illiquid security*
- 144A *Security that may be resold to qualified institutional buyers under Rule 144A or security 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.*
- %% *Security issued on a when-issued basis.*
- (s) *Security is currently in default with regards to scheduled interest and/or principal payments. The Fund has stopped accruing interest on this security.*
- ± *Variable rate investment. The rate shown is the rate in effect at period end.*
- (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.*
- < *All or a portion of the position represents an unfunded loan commitment.*
- ¤ *Security issued in zero coupon form with no periodic interest payments.*
- (l) *Investment in an affiliate*
- (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 securities or unfunded loans.*
- \* *Cost for federal income tax purposes is \$908,795,609 and unrealized appreciation (depreciation) consists of:*

*Gross unrealized appreciation*            \$51,693,888

*Gross unrealized depreciation*        *(16,258,531)*

*Net unrealized appreciation*            \$35,435,357

**WELLS FARGO ADVANTAGE INCOME OPPORTUNITIES FUND (the Fund )**

NOTES TO PORTFOLIO OF INVESTMENTS JANUARY 31, 2013 (unaudited)

**Securities valuation**

All investments are valued each business day as of the close of regular trading on the New York Stock Exchange (normally 4 p.m. Eastern Time).

Fixed income securities acquired with maturities exceeding 60 days are valued based on evaluated bid prices received from an independent pricing service 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 independent pricing service or values received are deemed not representative of market value, values will be obtained from a broker-dealer or otherwise determined based on the Fund's Valuation Procedures.

Debt securities of sufficient credit quality acquired with 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.

Equity securities that are listed on a foreign or domestic exchange, except for The Nasdaq Stock Market, Inc. ( Nasdaq ), are valued at the official closing price or, if none, the last sales price. Securities listed on Nasdaq are valued at the Nasdaq Official Closing Price ( NOCP ). If no NOCP is available, securities are valued at the last sales price. If no sales price is shown on the Nasdaq, the bid price will be used. If no sale occurs on the primary exchange or market for the security that day or if no sale occurs and no bid price is shown on Nasdaq, the prior day's price will be deemed stale and fair values will be determined in accordance with the Fund's Valuation Procedures.

Investments in registered open-end investment companies are valued at net asset value. Non-registered investment companies are fair valued at net asset value.

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 Board of Trustees has established a Valuation Committee comprised of the Trustees and has delegated to it the authority to take any actions regarding the valuation of portfolio securities that the Valuation Committee deems necessary or appropriate, including determining the fair value of portfolio securities, unless the determination has been delegated to the Management Valuation Team of Wells Fargo Funds Management, LLC ( Funds Management ). The Board of Trustees retains the authority to make or ratify any valuation decisions or approve any changes to the Valuation Procedures as it deems appropriate. On a quarterly basis, the Board of Trustees receives reports on any valuation actions taken by the Valuation Committee or the Management Valuation Team which may include items for ratification.

Valuations of fair valued securities are compared to the next actual sales price when available, or other appropriate market information to assess the continued appropriateness of the fair valuation methodology used. These securities are fair valued on a day-to-day basis, taking into consideration changes to appropriate market information and any significant changes to the input factors considered in the valuation process until there is a readily available price provided on the exchange or by an independent pricing service. Valuations received from an independent pricing service or broker quotes are periodically validated by comparisons to most recent trades and valuations provided by other independent pricing services in addition to the review of prices by the adviser and/or subadviser. Unobservable inputs used in determining fair valuations are identified based on the type of security, taking into consideration factors utilized by market participants in valuing the investment, knowledge about the issuer and the current market environment.

**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 in an amount at least equal in value to the Fund's commitment to purchase when-issued securities. 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**

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The Fund may invest in term loans. 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 January 31, 2013, the Fund had unfunded loan commitments of \$6,477,875.

### **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 significant 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, use of amortized cost, etc.)

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



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

As of January 31, 2013, the inputs used in valuing investments in securities, 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
<b>Investments in securities</b>				
<b>Equity securities</b>				
<i>Common stocks</i>	\$ 1,244,322	\$ 0	\$ 2,149	\$ 1,246,471
<i>Preferred stocks</i>	1,413,510	0	0	1,413,510
<b>Corporate bonds and notes</b>	0	792,051,056	0	792,051,056
<b>Term loans</b>	0	73,640,914	17,055,139	90,696,053
<b>Yankee corporate bonds and notes</b>	0	41,231,196	0	41,231,196
<b>Short-term investments</b>				
<i>Investment companies</i>	17,592,680	0	0	17,592,680
	\$ 20,250,512	\$ 906,923,166	\$ 17,057,288	\$ 944,230,966

Transfers in and transfers out are recognized at the end of the reporting period. For the nine months ended January 31, 2013, the Fund did not have any transfers into/out of Level 1 or Level 2.

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

	Common stocks	Term loans	Total
<b>Balance as of April 30, 2012</b>	\$ 9,671	\$ 5,611,506	\$ 5,621,177
Accrued discounts (premiums)	0	6,866	6,866
Realized gains (losses)	0	27,213	27,213
Change in unrealized gains (losses)	(7,522)	65,827	58,305
Purchases	0	8,941,175	8,941,175
Sales	0	(2,650,037)	(2,650,037)
Transfers into Level 3	0	5,052,589	5,052,589
Transfers out of Level 3	0	0	0
<b>Balance as of January 31, 2013</b>	\$ 2,149	\$ 17,055,139	\$ 17,057,288
<b>Change in unrealized gains (losses) relating to securities still held at January 31, 2013</b>	\$ (7,522)	\$ 115,479	\$ 107,957

The investments types categorized above were valued using indicative broker quotes and are therefore considered Level 3 inputs.

List of Abbreviation

ACA	ACA Financial Guaranty Corporation
ADR	American depositary receipt
ADS	American depositary shares
AGC	Assured Guaranty Corporation
AGM	Assured Guaranty Municipal
Ambac	Ambac Financial Group Incorporated
AMT	Alternative minimum tax
AUD	Australian dollar
BAN	Bond anticipation notes
BHAC	Berkshire Hathaway Assurance Corporation
BRL	Brazilian real
CAB	Capital appreciation bond
CAD	Canadian dollar
CCAB	Convertible capital appreciation bond
CDA	Community Development Authority
CDO	Collateralized debt obligation
CHF	Swiss franc
COP	Certificate of participation
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
ETF	Exchange-traded fund
EUR	Euro

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FDIC Federal Deposit Insurance Corporation

FFCB Federal Farm Credit Banks

FGIC Financial Guaranty Insurance Corporation

FHA Federal Housing Administration

FHLB Federal Home Loan Bank

FHLMC Federal Home Loan Mortgage Corporation

FICO The Financing Corporation

FNMA Federal National Mortgage Association

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 Department of Housing and 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

LIQ Liquidity agreement

LLC Limited liability company

LLP Limited liability partnership

LOC Letter of credit

LP Limited partnership

MBIA Municipal Bond Insurance Association

MFHR Multifamily housing revenue

MSTR Municipal securities trust receipts

MTN Medium-term note

MUD Municipal Utility District

MXN Mexican peso

MYR Malaysian ringgit

National National Public Finance Guarantee Corporation

NOK Norwegian krone

NZD New Zealand dollar

PCFA Pollution Control Financing Authority

PCL Public Company Limited

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

PUTTER Puttable tax-exempt receipts

R&D Research & development

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Radian Radian Asset Assurance

RAN Revenue anticipation notes

RDA Redevelopment Authority

RDFA Redevelopment Finance Authority

REIT Real estate investment trust

ROC Reset option certificates

SAVRS Select auction variable rate securities

SBA Small Business Authority

SEK Swedish krona

SFHR Single-family housing revenue

SFMR Single-family mortgage revenue

SGD Singapore dollar

SKK Slovakian koruna

SPA Standby purchase agreement

SPDR Standard & Poor's Depository Receipts

STRIPS Separate trading of registered interest and principal securities

TAN Tax anticipation notes

TBA To be announced

TIPS Treasury inflation-protected securities

TRAN Tax revenue anticipation notes

TRY Turkish lira

TTFA Transportation Trust Fund Authority

TVA Tennessee Valley Authority

ZAR South African rand

ITEM 2. CONTROLS AND PROCEDURES

(a) The President and Treasurer have concluded that the Wells Fargo Advantage Income Opportunities 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 Income Opportunities Fund

By: /s/ Karla M. Rabusch  
Karla M. Rabusch  
President

Date: March 26, 2013

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 Income Opportunities Fund

By: /s/ Karla M. Rabusch  
Karla M. Rabusch  
President

Date: March 26, 2013

By: /s/ Jeremy DePalma  
Jeremy DePalma  
Treasurer

Date: March 26, 2013