

MFS HIGH INCOME MUNICIPAL TRUST

Form N-CSRS

July 27, 2017

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-5754

MFS HIGH INCOME MUNICIPAL TRUST

(Exact name of registrant as specified in charter)

111 Huntington Avenue, Massachusetts 02199

(Address of principal executive offices) (Zip code)

Christopher R. Bohane

Massachusetts Financial Services Company

111 Huntington Avenue

Boston, Massachusetts 02199

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: November 30

Date of reporting period: May 31, 2017

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ITEM 1. REPORTS TO STOCKHOLDERS.

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SEMIANNUAL REPORT

May 31, 2017

MFS® HIGH INCOME MUNICIPAL TRUST

CXE-SEM

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MFS® HIGH INCOME MUNICIPAL TRUST

New York Stock Exchange Symbol: **CXE**

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NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

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LETTER FROM THE EXECUTIVE CHAIRMAN

Dear Shareholders:

Despite policy uncertainty accompanying a new presidential administration in the United States and unease over looming Brexit negotiations, most markets have proved

resilient. U.S. share prices have reached new highs, and U.S. bond yields rose on hopes surrounding President Trump's proposed fiscal policies and indications that the U.S. Federal Reserve will continue to gradually hike interest rates. However, interest rates in most developed markets remain very low, with central banks maintaining accommodative monetary policies in hopes of reinvigorating slow-growing economies and lifting inflation.

Globally, economic growth has shown signs of recovery, led by China, the U.S. and the eurozone. Despite better growth, there are few immediate signs of worrisome inflation, as wage growth remains muted. Emerging market economies are recovering at a

somewhat slower pace amid fears that restrictive U.S. trade policies could further hamper the restrained pace of global trade growth. Looking ahead, markets will have to contend with elections in the United Kingdom and Germany in the months ahead, as well as geopolitical hot spots on the Korean peninsula and in the Middle East.

At MFS®, we believe time is an asset. A patient, long-term approach to investing can have a powerful impact on decision making and outcomes. Time arbitrage, as we call it, simply comes down to having the conviction and discipline to allow enough time for good investment ideas to play out. In our view, such an approach, along with the professional guidance of a financial advisor, will help you reach your investment objectives.

Respectfully,

Robert J. Manning

Executive Chairman

MFS Investment Management

July 14, 2017

The opinions expressed in this letter are subject to change and may not be relied upon for investment advice. No forecasts can be guaranteed.

Table of Contents**PORTFOLIO COMPOSITION****Portfolio structure at value****Top ten industries reflecting equivalent exposure of derivative positions (i)**

Healthcare Revenue Hospitals	27.9%
Healthcare Revenue Long Term Care	15.9%
Tobacco	12.1%
Universities Colleges	8.6%
Water & Sewer Utility Revenue	7.9%
Universities Secondary Schools	7.8%
Miscellaneous Revenue Other	7.3%
State & Local Agencies	6.7%
General Obligations General Purpose	6.1%
U.S. Treasury Securities (j)	(19.2)%

Portfolio structure reflecting equivalent exposure of derivative positions (i)(j)**Composition including fixed income credit quality (a)(i)**

AAA	4.9%
AA	20.1%
A	35.1%
BBB	32.8%
BB	18.3%
B	8.4%
CCC	3.9%
CC	0.4%
C	3.2%
D	1.1%
Not Rated (j)	9.8%
Cash & Cash Equivalents (less liabilities)	(57.2)%
Other	19.2%

Portfolio facts (i)

Average Duration (d)	8.2
Average Effective Maturity (m)	15.8 yrs.

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Portfolio Composition continued

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. The fund may or may not have held all of these instruments on this date. The fund is not rated by these agencies.
- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move. This calculation is based on net assets applicable to common shares as of May 31, 2017.
- (i) For purposes of this presentation, the components include the value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than value. The bond component will include any accrued interest amounts.
- (j) For the purpose of managing the fund's duration, the fund holds short treasury futures with a bond equivalent exposure of (19.2)%, which reduce the fund's interest rate exposure but not its credit exposure.
- (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity. This calculation is based on gross assets, which consists of net assets applicable to common shares plus the value of preferred shares, as of May 31, 2017.

Where the fund holds convertible bonds, they are treated as part of the equity portion of the portfolio.

Cash & Cash Equivalents includes any cash, investments in money market funds, short-term securities, and other assets less liabilities. Please see the Statement of Assets and Liabilities for additional information related to the fund's cash position and other assets and liabilities.

From time to time Cash & Cash Equivalents may be negative due to the aggregate liquidation value of variable rate municipal term preferred shares and/or timing of cash receipts.

Other includes equivalent exposure from currency derivatives and/or any offsets to derivative positions.

Percentages are based on net assets applicable to common shares as of May 31, 2017.

The portfolio is actively managed and current holdings may be different.

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PORTFOLIO MANAGERS PROFILES

Portfolio Manager	Primary Role	Since	Title and Five Year History
Gary Lasman	Portfolio Manager	2007	Investment Officer of MFS; employed in the investment management area of MFS since 2002.
Geoffrey Schechter	Portfolio Manager	2007	Investment Officer of MFS; employed in the investment management area of MFS since 1993.

OTHER NOTES

The fund's shares may trade at a discount or premium to net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's concurrent liquidation.

The fund's monthly distributions may include a return of capital to shareholders to the extent that distributions are in excess of the fund's net investment income and net capital gains, determined in accordance with federal income tax regulations. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. Returns of shareholder capital may have the effect of reducing the fund's assets and increasing the fund's expense ratio.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase common and/or preferred shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

Table of Contents**PORTFOLIO OF INVESTMENTS**

5/31/17 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by jurisdiction.

Municipal Bonds - 154.8%		
Issuer	Shares/Par	Value (\$)
Alabama - 1.6%		
Alabama Incentives Financing Authority Special Obligation, A, 5%, 9/01/2037	\$ 80,000	\$ 88,989
Birmingham, AL, Special Care Facilities Financing Authority Rev. (Methodist Home for the Aging), 5.5%, 6/01/2030	105,000	113,670
Birmingham, AL, Special Care Facilities Financing Authority Rev. (Methodist Home for the Aging), 5.75%, 6/01/2035	115,000	126,525
Birmingham, AL, Special Care Facilities Financing Authority Rev. (Methodist Home for the Aging), 5.75%, 6/01/2045	155,000	167,186
Birmingham, AL, Special Care Facilities Financing Authority Rev. (Methodist Home for the Aging), 6%, 6/01/2050	165,000	182,251
Birmingham, AL, Waterworks Board Water Rev., A, ASSD GTY, 5.125%, 1/01/2034 (Prerefunded 1/01/2019)	475,000	506,398
Birmingham, AL, Waterworks Board Water Rev., A, 5.125%, 1/01/2034 (Prerefunded 1/01/2019)	280,000	298,508
Cullman County, AL, Health Care Authority (Cullman Regional Medical Center), A, 6.75%, 2/01/2029	75,000	77,911
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/2026	130,000	93,369
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/2029	185,000	108,897
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/2034	260,000	106,642
Jefferson County, AL, Sewer Rev. Warrants, Capital Appreciation, Senior Lien, B, AGM, 0%, 10/01/2035	500,000	192,955
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/2017	85,000	85,886
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/2018	85,000	87,835
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/2021	95,000	101,964
Jefferson County, AL, Sewer Rev. Warrants, Subordinate Lien, D, 5%, 10/01/2023	140,000	151,500
Pell City, AL, Special Care Facilities, Financing Authority Rev. (Noland Health Services, Inc.), 5%, 12/01/2039	225,000	244,602
		\$ 2,735,088
Alaska - 0.2%		
Northern Tobacco Securitization Corp., AK, Asset Backed, A, 5%, 6/01/2046	\$ 315,000	\$ 304,293

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Arizona - 2.5%		
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Basis Schools Projects), A, 5%, 7/01/2035	\$ 45,000	\$ 46,202
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Basis Schools Projects), A, 5%, 7/01/2035	125,000	128,339
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Basis Schools Projects), A, 5%, 7/01/2045	205,000	208,813
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Basis Schools Projects), A, 5%, 7/01/2046	110,000	111,971
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Choice Academies, Inc. Project), 5.625%, 9/01/2042	165,000	174,291
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Great Hearts Academies Project), A, 5%, 7/01/2034	445,000	478,735
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Great Hearts Academies Project), A, 5%, 7/01/2044	280,000	297,646
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Legacy Traditional Schools Project), 6.5%, 7/01/2034	145,000	164,295
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Legacy Traditional Schools Project), 5%, 7/01/2035	195,000	200,474
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Legacy Traditional Schools Project), 6.75%, 7/01/2044	235,000	268,394
Phoenix, AZ, Industrial Development Authority Education Facility Rev. (Legacy Traditional Schools Project), 5%, 7/01/2045	215,000	218,421
Phoenix, AZ, Industrial Development Authority Education Rev. (Eagle College Prep Project), 5%, 7/01/2033	80,000	81,650
Phoenix, AZ, Industrial Development Authority Education Rev. (Eagle College Prep Project), 5%, 7/01/2043	160,000	161,493
Phoenix, AZ, Industrial Development Authority Rev. (Guam Facilities Foundation, Inc.), 5.125%, 2/01/2034	435,000	412,767
Phoenix, AZ, Industrial Development Authority Rev. (Guam Facilities Foundation, Inc.), 5.375%, 2/01/2041	330,000	317,374
Surprise, AZ, Municipal Property Corp., 4.9%, 4/01/2032	800,000	804,312
Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 12/01/2042	110,000	117,257
Tempe, AZ, Industrial Development Authority Rev. (Friendship Village), A, 6.25%, 12/01/2046	85,000	90,466
		\$ 4,282,900
Arkansas - 0.2%		
Arkansas Development Finance Authority Hospital Rev. (Washington Regional Medical Center), A, 5%, 2/01/2035	\$ 40,000	\$ 44,600
Arkansas Development Finance Authority Hospital Rev. (Washington Regional Medical Center), C, 5%, 2/01/2033	60,000	67,245

Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
Arkansas - continued		
Arkansas Development Finance Authority, Tobacco Settlement Rev. (Cancer Research Center Project), Capital Appreciation, AMBAC, 0%, 7/01/2046	\$ 610,000	\$ 175,491
		\$ 287,336
California - 12.2%		
Bay Area Toll Authority, CA, Toll Bridge Rev. (San Francisco Bay Area), F1, 5%, 4/01/2034 (Prerefunded 4/01/2018)	\$ 1,250,000	\$ 1,293,713
Beverly Hills, CA, Unified School District (Election of 2008), Capital Appreciation, 0%, 8/01/2031	350,000	226,996
Beverly Hills, CA, Unified School District (Election of 2008), Capital Appreciation, 0%, 8/01/2032	355,000	220,324
Beverly Hills, CA, Unified School District (Election of 2008), Capital Appreciation, 0%, 8/01/2033	715,000	425,253
California Educational Facilities Authority Rev. (Chapman University), 5%, 4/01/2031	190,000	211,432
California Health Facilities Financing Authority Rev. (St. Joseph Health System), A, 5.75%, 7/01/2039	125,000	135,585
California Health Facilities Financing Authority Rev. (Sutter Health), B, 5.875%, 8/15/2031	835,000	954,255
California Housing Finance Agency Rev. (Home Mortgage), G, 4.95%, 8/01/2023	1,875,000	1,879,669
California M-S-R Energy Authority Gas Rev., A, 7%, 11/01/2034	155,000	224,525
California M-S-R Energy Authority Gas Rev., A, 6.5%, 11/01/2039	570,000	815,003
California Municipal Finance Authority Rev. (Biola University), 5.8%, 10/01/2028 (Prerefunded 10/01/2018)	100,000	106,533
California Municipal Finance Authority Rev. (Community Medical Centers), A, 5%, 2/01/2042	110,000	124,102
California Municipal Finance Authority Rev. (NorthBay Healthcare Group), 5%, 11/01/2035	45,000	49,839
California Municipal Finance Authority Rev. (NorthBay Healthcare Group), A, 5.25%, 11/01/2036	115,000	131,719
California Municipal Finance Authority Rev. (NorthBay Healthcare Group), A, 5.25%, 11/01/2041	105,000	119,089
California Municipal Finance Authority Rev. (NorthBay Healthcare Group), A, 5.25%, 11/01/2047	15,000	16,856
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Calplant I Project), 8%, 7/01/2039	460,000	494,486
California Pollution Control Financing Authority, Solid Waste Disposal Rev. (Republic Services, Inc.), B, 5.25%, 6/01/2023 (Put Date 12/01/2017)	270,000	274,698
California Pollution Control Financing Authority, Water Furnishing Rev. (Poseidon Resources Desalination Project), 5%, 11/21/2045	530,000	566,279

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Table of Contents*Portfolio of Investments (unaudited) continued*

Issuer	Shares/Par	Value (\$)
Municipal Bonds - continued		
California - continued		
California Pollution Control Financing Authority, Water Furnishing Rev. (San Diego County Water Desalination Project Pipeline), 5%, 11/21/2045	\$ 345,000	\$ 345,652
California Public Works Board Lease Rev., Department of Corrections and Rehabilitation (Various Correctional Facilities), A, 5%, 9/01/2033	1,290,000	1,499,806
California School Finance Authority, School Facility Rev. (Alliance for College-Ready Public Schools Projects), A, 5%, 7/01/2030	45,000	49,749
California School Finance Authority, School Facility Rev. (Alliance for College-Ready Public Schools Projects), A, 5%, 7/01/2045	130,000	139,270
California School Finance Authority, School Facility Rev. (ICEF View Park Elementary and Middle Schools), A, 5.875%, 10/01/2044	150,000	160,575
California Statewide Communities Development Authority Environmental Facilities Rev. (Microgy Holdings Project), 9%, 12/01/2038 (a)(d)	63,113	316
California Statewide Communities Development Authority Rev. (California Baptist University), A, 6.125%, 11/01/2033	100,000	112,640
California Statewide Communities Development Authority Rev. (Lancer Plaza Project), 5.625%, 11/01/2033	125,000	134,053
California Statewide Communities Development Authority Rev. (Loma Linda University Medical Center), A, 5.25%, 12/01/2034	225,000	248,279
California Statewide Communities Development Authority Rev. (Loma Linda University Medical Center), A, 5.25%, 12/01/2044	345,000	373,635
California Statewide Communities Development Authority Rev. (Loma Linda Universit		