Western Asset High Yield Defined Opportunity Fund Inc.
Form N-CSR
July 27, 2018

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 811-22444

Western Asset High Yield Defined Opportunity Fund Inc.

(Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY 10018

(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

Registrant s telephone number, including area code: (888) 777-0102

Date of fiscal year end: May 31

Date of reporting period: May 31, 2018

Table of Contents

ITEM 1. REPORT TO STOCKHOLDERS.

The **Annual** Report to Stockholders is filed herewith.

Table of Contents

Annual Report May 31, 2018

WESTERN ASSET

HIGH YIELD DEFINED

OPPORTUNITY FUND INC. (HYI)

Table of Contents

What s inside

Fund objectives

The Fund s primary investment objective is to provide high income. As a secondary investment objective, the Fund will seek capital appreciation.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its net assets in a portfolio of high-yield corporate fixed-income securities with varying maturities. Corporate securities include those securities that are issued or originated by U.S. or foreign public or private corporations and other business entities.

The Fund has a limited term and as a fundamental policy intends to liquidate and distribute substantially all of its net assets to stockholders after making appropriate provisions for any liabilities of the Fund on or about September 30, 2025.

Letter from the chairman

Dear Shareholder,

We are pleased to provide the annual report of Western Asset High Yield Defined Opportunity Fund Inc. for the twelve-month reporting period ended May 31, 2018. Please read on for a detailed look at prevailing economic and market conditions during the Fund s reporting period and to learn how those conditions have affected Fund performance.

As always, we remain committed to providing you with excellent service and a full spectrum of investment choices. We also remain committed to supplementing the support you receive from your financial advisor. One way we accomplish this is through our website, www.lmcef.com. Here you can gain immediate access to market and investment information, including:

Fund prices and performance,

Market insights and commentaries from our portfolio managers, and

A host of educational resources.

We look forward to helping you meet your financial goals.

Sincerely,

Jane Trust, CFA

Chairman, President and Chief Executive Officer

June 29, 2018

Table of Contents

Investment commentary

Economic review

Economic activity in the U.S. was mixed during the twelve months ended May 31, 2018 (the reporting period). Looking back, the U.S. Department of Commerce reported that U.S. gross domestic product (GDP[i]) growth was 3.1% and 3.2% during the second and third quarters of 2017, respectively. GDP growth then moderated to 2.9% for the fourth quarter of the year. Finally, the U.S. Department of Commerce s final reading for first quarter 2018 GDP growth released after the reporting period ended was 2.0%. More modest GDP growth in the first quarter reflected decelerations in personal consumption expenditures (PCE), exports, state and local government spending, and federal government spending and a downturn in residential fixed investment. These movements were partly offset by a smaller decrease in private inventory investment and a larger increase in nonresidential fixed investment.

Job growth in the U.S. was solid overall and supported the economy during the reporting period. When the reporting period ended on May 31, 2018, the unemployment rate was 3.8%, as reported by the U.S. Department of Labor. This was the lowest unemployment rate since April 2000. The percentage of longer-term unemployed declined during the reporting period. In May 2018, 19.4% of Americans looking for a job had been out of work for more than six months, versus 24.3% when the period began.

The Federal Reserve Board (the Fed[ii]) raised interest rates, as represented by the federal funds rate[iii], three times during the reporting period. The first occurrence took place on June 14, 2017, as the Fed raised rates to a range between 1.00% and 1.25%. During its meeting that concluded on September 20, 2017, the Fed kept rates on hold, but reiterated its intention to begin reducing its balance sheet, saying, In October, the Committee will initiate the balance sheet normalization program . At its meeting that ended on December 13, 2017, the Fed raised rates to a range between 1.25% and 1.50%. As expected, the Fed kept rates on hold at its meeting that concluded on January 31, 2018. However, at its meeting that ended on March 21, 2018, the Fed again raised the federal funds rate, moving it to a range between 1.50% and 1.75%. Finally, at its meeting that concluded on June 13, 2018 after the reporting period ended the Fed raised the federal funds rate to a range between 1.75% and 2.00%.

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

Jane Trust, CFA

Chairman, President and Chief Executive Officer

June 29, 2018

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results.

Table of Contents

Investment commentary (cont d)

[i] Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.

[ii] The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.

[iii] The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

Table of Contents

Fund overview

Q. What is the Fund s investment strategy?

A. The Fund s primary investment objective is to provide high income. As a secondary investment objective, the Fund will seek capital appreciation. We believe the extensive credit research and security selection expertise of Western Asset Management Company, LLC (formerly known as Western Asset Management Company) (Western Asset), the Fund s subadviser, will be key factors in driving Fund performance.

The Fund seeks to achieve its investment objectives by investing, under normal market conditions, at least 80% of its net assets in a portfolio of high-yield corporate fixed-income securities with varying maturities. Currently, the Fund focuses on lower-quality and higher-yielding opportunities in the below investment grade corporate debt markets. Under normal market conditions, the Fund may also invest up to 20% of its net assets in fixed-income securities issued by U.S. or foreign governments, agencies and instrumentalities and/or fixed-income securities that are of investment grade quality. The Fund has a limited term and as a fundamental policy intends to liquidate and distribute substantially all of its net assets to stockholders after making appropriate provisions for any liabilities of the Fund on or about September 30, 2025.

In purchasing securities and other investments for the Fund, Western Asset may take full advantage of the entire range of maturities offered by fixed-income securities and may adjust the average maturity or duration[i] of the Fund s portfolio from time to time, depending on its assessment of the relative yields available on securities of different durations and its expectations of future changes in interest rates. The Fund is also permitted purchases of equity securities (including but not limited to common stock, preferred stock, convertible securities, warrants of U.S. and non-U.S. issuers). The Fund may utilize a variety of derivative instruments primarily for hedging and risk management purposes, although the Fund may also use derivative instruments for investment purposes.

At Western Asset, we utilize a fixed-income team approach, with decisions derived from interaction among various investment management sector specialists. The sector teams are comprised of Western Asset s senior portfolio management personnel, research analysts and an in-house economist. Under this team approach, management of client fixed-income portfolios will reflect a consensus of interdisciplinary views within the Western Asset organization. The individuals responsible for development of investment strategy, day-to-day portfolio management, oversight and coordination of the Fund are S. Kenneth Leech, Michael C. Buchanan and Christopher F. Kilpatrick.

Q. What were the overall market conditions during the Fund s reporting period?

A. The overall fixed income market generated weak results over the twelve-month reporting period ended May 31, 2018. The spread sectors (non-Treasuries) experienced periods of volatility as they were impacted by a number of factors, including three interest rate hikes by the Federal Reserve Board (the Fed[ii]), mixed outlooks for inflation, the signing of the U.S. tax reform bill and several geopolitical issues.

Both short- and long-term Treasury yields moved higher during the reporting period. The two-year Treasury note began the

Table of Contents

Fund overview (cont d)

reporting period at 1.28% equaling its low for the reporting period and ended the period at 2.40%. The high for the period of 2.59% occurred on May 22, 2018. The ten-year Treasury began the reporting period at 2.21% and ended the period at 2.83%. The low for the period of 2.05% occurred on September 7, 2017, and the peak of 3.11% took place on May 17, 2018.

The lower-rated credit market generated positive results during the reporting period. The market was supported by corporate profits that often exceeded expectations and overall solid investor demand. As is often the case in a rising interest rate environment, the credit market outperformed equal-duration Treasuries. This occurred as the global economy continued to expand, resulting in better earnings results and relatively low defaults.

All told, the Bloomberg Barclays U.S. Aggregate Index[iii], returned -0.37% for the twelve months ended May 31, 2018. Comparatively, the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index[iv] gained 2.35%. During this period, as measured by the high yield index, lower-quality CCC-rated bonds significantly outperformed higher-quality BB-rated securities, returning 5.06% and 2.41%, respectively. Elsewhere, emerging market debt, as measured by the JPMorgan Emerging Markets Bond Index Global (EMBI Global[v]) returned -1.71% for the twelve months ended May 31, 2018.

Q. How did we respond to these changing market conditions?

A. A number of adjustments were made to the Fund s portfolio during the reporting period. We increased the overall quality of the portfolio by decreasing its allocation to lower rated CCC securities. Meanwhile, we increased the Fund s exposure to securities rated B and BB. Our strategy to reduce the Fund s risk exposure was not driven by a concern that the current credit cycle was turning negative, but rather that valuations have compressed to the point where, in our view, maintaining an elevated level of risk was unwarranted. From a sector perspective, we reduced the Fund s overall exposure to the Consumer Non-Cyclicals[1] sector. Within the sector, we pared the Fund s allocation to the food & beverage industry, while adding to the Fund s pharmaceuticals position. We also reduced the Fund s exposure to the Basic Industry[2] sector by paring the Fund s allocation to the metals & mining industry. Conversely, we increased the Fund s position in the Communications[3] sector by adding to its positions in cable/satellite and wirelines.

In January 2018, we increased the Fund s exposure to floating rate senior secured term loans to take advantage of the potential increase in short-term interest rates. From a regional perspective, we increased the Fund s allocation to emerging markets. We believed emerging markets would perform well as developing market growth had increased and commodities continued to

[1] Consumer Non-Cyclicals consists of the following industries: Consumer Products, Food & Beverage, Health Care, Pharmaceuticals, Supermarkets and Tobacco.

[2] Basic Industry consists of the following industries: Chemicals, Metals & Mining and Paper.

[3] Communications consists of the following industries: Media Cable, Media Non-Cable and Telecommunications.

Table of Contents

stabilize and move higher. It is worth noting, however, that this increase in exposure was not rewarded as volatility picked up during the latter part of the reporting period. Negatively impacting emerging markets were concerns surrounding a stronger U.S. dollar, trade wars and China s growth rate.

The Fund employed currency forwards which were utilized to hedge its currency exposure. They were additive for performance during the reporting period.

Performance review

For the twelve months ended May 31, 2018, Western Asset High Yield Defined Opportunity Fund Inc. returned 2.20% based on its net asset value (NAV [i]) and 1.45% based on its New York Stock Exchange (NYSE) market price per share. The Fund s unmanaged benchmarks, the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component[vii] and the Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component[viii], returned 2.41% and 5.06%, respectively, for the same period. The Lipper High Yield Closed-End Funds Category Average[ix] returned 1.93% over the same time frame. Please note that Lipper performance returns are based on each fund s NAV.

During the twelve-month period, the Fund made distributions to shareholders totaling $1.12 per share*. The performance table shows the Fund s twelve-month total return based on its NAV and market price as of May 31, 2018. **Past performance is no guarantee of future results.**

Performance Snapshot as of May 31, 2018

Price Per Share	12-Month Total Return**
$16.18 (NAV)	2.20%
$14.55 (Market Price)	1.45%

All figures represent past performance and are not a guarantee of future results.

**** Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.**

Total return assumes the reinvestment of all distributions at NAV.

Total return assumes the reinvestment of all distributions in additional shares in accordance with the Fund s Dividend Reinvestment Plan.

Q. What were the leading contributors to performance?

A. The largest contributor to the Fund s absolute performance during the reporting period was the Fund s positioning in a number of sectors. An overweight to the Energy sector was additive for results, as it was one of the top performing sectors. The sector was buoyed by rising oil prices, as West Texas Intermediate (WTI) crude oil rose approximately 30% during the reporting period. In particular, the Fund s overweight positions in Oasis Petroleum, Continental Resources, Berry Petroleum, Chesapeake Energy, Petrobras and pipeline and storage issuer Williams Companies were positive for

* For the tax character of distributions paid during the fiscal year ended May 31, 2018, please refer to page 42 of this report.

Table of Contents

Fund overview (cont d)

performance. An overweight to the Financials sector was beneficial given solid fundamental performance and continued balance sheet repair. Overweights in Royal Bank of Scotland, Citigroup and Barclays contributed to results. Lastly, the Fund s metals & mining industry positioning was rewarded. The industry rose on the back of improving global growth and rising commodity prices. These factors helped the Fund s overweight positions in Vale Overseas and Freeport-McMoRan outperform during the reporting period.

Other contributors to results included the Fund s overweight to bank loans, as interest rates moved higher during the reporting period. In addition, overweights to Bossier Casinos Holdco Inc., Valeant Pharmaceuticals International, Inc. and CHS/Community Health were additive to results. Bossier Casinos posted solid fundamental performance and Valeant Pharmaceuticals International continued to execute on its plan to sell assets, reduce debt and stabilize its fundamental performance, all of which helped send its bonds higher. The Fund effectively traded short-term bonds of distressed rural hospital operator CHS/Community Health during the reporting period. The company has recently moved to extend its maturity profile. Elsewhere, having no position in American Tire was rewarded as it performed very poorly after losing a significant contract.

Q. What were the leading detractors from performance?

A. The Fund underperformed its benchmarks during the reporting. The Fund s ratings biases were the largest detractor from results. Our decision to reduce the Fund s exposure to the higher beta, more levered portion of the market (CCC and below rated issuers) and moving to an underweight position was not rewarded. The compensation for lending to lower quality companies has roughly been halved over the past two years and, given how long the current economic expansion has lasted, we felt it was prudent to reduce the Fund s exposure. The shorter durations typically associated with lower quality assets also helped them to outperform during the reporting period.

An overweight to emerging markets debt detracted from results, as the asset class underperformed developed market high-yield bonds over the reporting period. We felt positive global growth momentum and commodity stabilization would benefit our emerging markets positioning. One example of a detractor from results was the Fund s Argentinian U.S. dollar-denominated and local debt positions. These were negatively impacted by a crisis of confidence around Argentina s economic policymaking and mixed signals from the country s central bank. The Argentinian peso depreciated, sending Argentina s and several other emerging markets countries sovereign and corporate bonds lower. We are maintaining an overweight to emerging markets.

From a sector prospective, an overweight to the Communications sector detracted from results. This sector was very volatile due to several concerns, including mergers and acquisitions (M&A) uncertainty and secular trends. Examples of overweight positions that were not rewarded included Dish Network Corp., CenturyLink Inc. and SFR Numericable. Satellite television provider Dish Communications underperformed on longer-term secular concerns and M&A uncertainty. We increased our overweight on significantly better valuations and feel the market is missing some key factors that could impact the company. The Fund s overweight to wireline company CenturyLink Communications was a headwind for returns, as the company posted lackluster fundamental results and acquired another high-yield issuer. We have moved to an underweight position in the name. French cable and wireless provider SFR Numericable underperformed due to uninspiring fundamental results. We increased the Fund s exposure to secured SFR Numericable bonds on better valuations and given our view that the company can pursue asset sales to deleverage its balance sheet. An underweight to distressed radio company iHeartCommunications Inc. was not rewarded as the company finally entered bankruptcy negotiations and began the restructuring process. The company s bonds subsequently moved higher off of extremely low levels.

Elsewhere, overweight exposure to Intesa Sanpaolo and PetSmart, Inc. detracted from results. Italian banks, including Intesa Sanpaolo, came under pressure as geopolitical concerns occurred at the end of the reporting period. Pet servicer and retailer PetSmart, Inc. is in the process of transforming its business after the acquisition of online pet retailer Chewy.com, and the company is experiencing higher customer acquisition costs to grow its online presence. While PetSmart s leverage remains high, it maintains adequate liquidity and recent fundamental results are encouraging. We maintain overweights to both issuers.

Looking for additional information?

The Fund is traded under the symbol HYI and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under the symbol XHYIX on most financial websites. *Barron s* and the *Wall Street Journal s* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.lmcef.com (click on the name of the Fund).

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 5:30 p.m. Eastern Time, for the Fund s current NAV, market price and other information.

Thank you for your investment in Western Asset High Yield Defined Opportunity Fund Inc. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund s investment goals.

Sincerely,

Western Asset Management Company, LLC

June 29, 2018

RISKS: The Fund is a non-diversified, limited term, closed-end management investment company designed primarily as a long-term investment and not as a trading vehicle. The Fund is not intended to be a complete investment program and, due to the

Table of Contents

Fund overview (cont d)

uncertainty inherent in all investments, there can be no assurance that the Fund will achieve its investment objective. The Fund s common stock is traded on the New York Stock Exchange. Similar to stocks, the Fund s share price will fluctuate with market conditions and, at the time of sale, may be worth more or less than the original investment. Shares of closed-end funds often trade at a discount to their net asset value. Because the Fund is non-diversified, it may be more susceptible to economic, political or regulatory events than a diversified fund. The Fund s investments are subject to a number of risks, including credit risk, inflation risk and interest rate risk. As interest rates rise, bond prices fall, reducing the value of the Fund s share price. The Fund may invest in lower-rated high-yield bonds, commonly known as junk bonds, which are subject to greater liquidity and credit risk (risk of default) than higher-rated obligations. The Fund is also permitted purchases of equity securities. Equity securities generally have greater price volatility than fixed income securities. Investments in foreign securities involve risks, including the possibility of losses due to changes in currency exchange rates and negative developments in the political, economic, or regulatory structure of specific countries or regions. These risks are greater in emerging markets. The Fund may make significant investments in derivative instruments. Derivative instruments can be illiquid, may disproportionately increase losses, and may have a potentially large impact on Fund performance. The Fund may invest in securities or engage in transactions that have the economic effects of leverage which can increase the risk and volatility of the Fund.

Portfolio holdings and breakdowns are as of May 31, 2018 and are subject to change and may not be representative of the portfolio managers current or future investments. Please refer to pages 11 through 26 for a list and percentage breakdown of the Fund s holdings.

The mention of sector breakdowns is for informational purposes only and should not be construed as a recommendation to purchase or sell any securities. The information provided regarding such sectors is not a sufficient basis upon which to make an investment decision. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies discussed should consult their financial professional. The Fund s top five sector holdings (as a percentage of net assets) as of May 31, 2018 were: Consumer Discretionary (20.8%), Energy (16.8%), Financials (12.9%), Health Care (9.8%) and Telecommunication Services (8.7%). The Fund s portfolio composition is subject to change at any time.

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

Table of Contents

[i] Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.

[ii] The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.

[iii] The Bloomberg Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.

[iv] The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index, which covers the U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bond market.

[v] The JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.

[vi] Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund s market price as determined by supply of and demand for the Fund s shares.

[vii] The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of B-rated securities included in this index.

[viii] The Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component is an index of the 2% Issuer Cap component of the Bloomberg Barclays U.S. Corporate High Yield Index and is comprised of Caa-rated securities included in this index.

[ix] Lipper, Inc., a wholly-owned subsidiary of Reuters, provides independent insight on global collective investments. Returns are based on the twelve-month period ended May 31, 2018, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 10 funds in the Fund s Lipper category.

Table of Contents

Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund s investments as of May 31, 2018 and May 31, 2017 and does not include derivatives, such as forward foreign currency contracts. The Fund is actively managed. As a result, the composition of the Fund s investments is subject to change at any time.

Table of Contents

Spread duration (unaudited)

Economic exposure May 31, 2018

Total Spread Duration

HYI	4.26 years
Benchmark	3.64 years

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund s sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	60% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component & 40% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component
EM	Emerging Markets
HY	High Yield
HYI	Western Asset High Yield Defined Opportunity Fund Inc.
IG Credit	Investment Grade Credit

Table of Contents

Effective duration (unaudited)

Interest rate exposure May 31, 2018

Total Effective Duration

HYI	4.10 years
Benchmark	3.45 years

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund s sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	60% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index B Component & 40% Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Cap Index Caa Component
EM	Emerging Markets
HY	High Yield
HYI	Western Asset High Yield Defined Opportunity Fund Inc.
IG Credit	Investment Grade Credit

Table of Contents

Schedule of investments

May 31, 2018

Western Asset High Yield Defined Opportunity Fund Inc.

Security	Rate	Maturity Date	Face Amount	Value
Corporate Bonds & Notes 81.3%				
Consumer Discretionary 16.2%				
Auto Components 0.7%				
Adient Global Holdings Ltd., Senior Notes	4.875%	8/15/26	1,060,000	$ 972,550 [(a)]
ZF North America Capital Inc., Senior Notes	4.750%	4/29/25	1,500,000	1,513,575 [(a)]
Total Auto Components				*2,486,125*
Diversified Consumer Services 2.0%				
Carriage Services Inc., Senior	6.625%	6/1/26	1,930,000	1,956,537 [(a)]
Prime Security Services Borrower LLC/Prime Finance Inc., Secured Notes	9.250%	5/15/23	1,127,000	1,195,184 [(a)]
Service Corp. International, Senior Notes	7.500%	4/1/27	1,030,000	1,157,463
VOC Escrow Ltd., Senior Secured Notes	5.000%	2/15/28	2,060,000	1,950,593 [(a)]
Weight Watchers International Inc., Senior Notes	8.625%	12/1/25	970,000	1,059,725 [(a)]
Total Diversified Consumer Services				*7,319,502*
Hotels, Restaurants & Leisure 2.6%				
Bossier Casinos Venture Holdco Inc., Senior Secured Bonds (14.000% PIK)	14.000%	2/9/23	1,097,498	1,097,498 [(a)(b)(c)(d)]
Boyne USA Inc., Secured Notes	7.250%	5/1/25	440,000	459,800 [(a)]
Carrols Restaurant Group Inc., Secured Notes	8.000%	5/1/22	1,490,000	1,558,913
Downstream Development Authority of the Quapaw Tribe of Oklahoma, Senior Secured Notes	10.500%	2/15/23		