

MORGAN STANLEY QUALITY MUNICIPAL INCOME TRUST
Form N-CSR
January 09, 2008

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: **811-06591**

Morgan Stanley Quality Municipal Income Trust

(Exact name of registrant as specified in charter)

522 Fifth Avenue, New York, New York 10036

(Address of principal executive offices) (Zip code)

Ronald E. Robison

522 Fifth Avenue, New York, New York 10036

(Name and address of agent for service)

Registrant's telephone number, including area code: **212-296-6990**

Date of fiscal year end: **October 31, 2007**

Date of reporting period: **October 31, 2007**

Item 1 - Report to Shareholders

Welcome, Shareholder:

In this report, you'll learn about how your investment in Morgan Stanley Quality Municipal Income Trust performed during the annual period. We will provide an overview of the market conditions, and discuss some of the factors that affected performance during the reporting period. In addition, this report includes the Trust's financial statements and a list of Trust investments.

Market forecasts provided in this report may not necessarily come to pass. There is no assurance that the Trust will achieve its investment objective. The Trust is subject to market risk, which is the possibility that market values of securities owned by the Trust will decline and, therefore, the value of the Trust's shares may be less than what you paid for them. Accordingly, you can lose money investing in this Trust. Income earned by certain securities in the

portfolio may be subject to the federal alternative minimum tax (AMT).

Fund Report For the year ended October 31, 2007

Market Conditions

Fears stemming from a residential housing downturn persisted throughout the 12-month period, hitting a peak late in the second quarter of 2007. Confronted with increasing delinquency rates on subprime loans, high-profile hedge fund collapses, and a series of subprime mortgage related credit downgrades, markets responded severely. The impact was exacerbated by an influx of forced sellers looking to liquidate assets to help meet margin calls and capital withdrawals, and a flight to quality ensued. This brought on greater concern about the impact on the financial markets, the financial system, and the broader economy, especially with regard to the effect on mortgage securities and mortgage lenders.

In an effort to help ease the credit and liquidity crunch, the Federal Open Market Committee (the “Fed”) elected to cut the target federal funds by 50 basis points in September and another 25 basis points in October, bringing the benchmark overnight rate to 4.50 percent. At each of these meetings the Fed acknowledged that while some upward pressure on inflation remained, the housing correction could potentially intensify and restrain growth. However, at the October meeting, they also noted that the upside risk to inflation roughly balanced the downside risk to growth, setting expectations for no further cuts in the target rate.

Throughout the 12-month period, U.S. Treasury yields fluctuated, with the yield curve beginning the period relatively flat and ending the period steep. As the yield curve steepened, shorter-dated U.S. Treasury yields experienced the greatest decline, while longer-dated yields rose slightly. Overall, municipal bond yields ended the period higher, but most of the yield increases occurred in the intermediate to long maturity portion of the yield curve, while yields on the front end of the curve declined. As a result, the curve steepened and the spread between two-year and 30-year maturities widened to about 100 basis points. For the one-year period, municipal bonds underperformed Treasury securities.

So far, 2007 has been shaping up to be record breaking year for new issuance in the municipal market, with the majority of it occurring in the development sector. California and New York continued to lead the nation in new issuance of municipal bonds.

Performance Analysis

For the 12-month period ended October 31, 2007, the net asset value (NAV) of Morgan Stanley Quality Municipal Trust (IQI) decreased from \$15.45 to \$14.50 per share. Based on this change plus reinvestment of tax-free dividends totaling \$0.7175 per share and a long-term capital gain distribution of \$0.161447 per share, the Trust’s total NAV return was –0.11 percent. IQI’s value on the New York Stock Exchange (NYSE) moved from \$14.39 to \$12.90 per share during the same period. Based on this change plus reinvestment of dividends and distributions, the Trust’s total market return was –4.59 percent. IQI’s NYSE market price was at a 11.03 percent discount to its NAV. During the fiscal period, the Trust purchased and retired 435,555 shares of common stock at a weighted average market discount of 6.65 percent. *Past performance is no guarantee of future results.*

Monthly dividends for the fourth quarter of 2007, declared in September, decreased from \$0.06 to \$0.0575 per share. The dividend reflects the current level of the Trust's net investment income. IQI's level of undistributed net investment income was \$0.013 per share on October 31, 2007 versus \$0.037 per share 12 months earlier.¹

Throughout the 12-month period, the Trust maintained a lower interest rate sensitivity (as measured by duration*), which was implemented through the use of a U.S. Treasury futures hedge and a Bond Market Association (BMA) interest rate swap. This defensive positioning benefited performance when rates were rising. However, in the last months of the period, as yields at the long end of the curve declined and the overall spread between short- and long-dated issues narrowed, this positioning detracted from relative performance. With regard to yield-curve positioning, we focused on the long end of the yield curve in an effort to capture more attractive yields. This strategy was also beneficial early in the period, but hindered overall performance as Fed easing in the latter months pushed short-term rates lower, causing the short end of the curve to outperform the long end for the overall period.

In terms of the Trust's sector positioning, an overweight to the hospital/life care sector hindered returns. Over the course of the period, the performance of this sector waned as spreads widened. Security selection in the tobacco and health care sectors also hindered performance.

Conversely, an overweight to the public utility sector, particularly water and sewer bonds, was additive to performance. The flight to quality that took place during the period helped boost the performance of the more solid infrastructure sectors such as utilities and the Trust's holdings there enhanced returns. The Trust's overall emphasis on higher quality securities was also beneficial, particularly in the latter months of the period when the higher rated segment of the market outperformed lower rated bonds.

The Trust's procedure for reinvesting all dividends and distributions in common shares is through purchases in the open market. This method helps support the market value of the Trust's shares. In addition, we would like to remind you that the Trustees have approved a procedure whereby the Trust may, when appropriate, purchase shares in the open market or in privately negotiated transactions at a price not above market value or net asset value, whichever is lower at the time of purchase. The Trust may also utilize procedures to reduce or eliminate the amount of Auction Rate Preferred Shares (ARPS) outstanding, including their purchase in the open market or in privately negotiated transactions.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. Investment return, net asset value and common share market price will fluctuate and Trust shares, when sold, may be worth more or less than their original cost.

There is no guarantee that any sectors mentioned will continue to perform as discussed herein or that securities in such sectors will be held by the Trust in the future.

1 Income earned by certain securities in the portfolio may be subject to the federal alternative minimum tax (AMT). * A measure of the sensitivity of a bond's price to changes in interest rates, expressed in years. Each year of duration represents an expected 1 percent change in the price of a bond for every 1 percent change in interest rates. The longer a bond's duration, the greater the effect of interest-rate movements on its price. Typically, trusts with shorter durations perform better in rising-interest-rate environments, while trusts with longer durations perform better when rates decline. Duration calculations are adjusted for leverage.

TOP FIVE SECTORS General Obligation 15.4 % Water & Sewer 13.2 Hospital 10.6 Transportation 9.6 Tobacco 7.0

LONG-TERM CREDIT ANALYSIS Aaa/AAA 53.6 % Aa/AA 21.9 A/A 11.4 Baa/BBB 9.0 Ba/BB or Less 2.5 N/R 1.6

Data as of October 31, 2007. Subject to change daily. All percentages for top five sectors are as a percentage of total investments. All percentages for long-term credit analysis are as a percentage of total long-term investments. These data are provided for informational purposes only and should not be deemed a recommendation to buy or sell the securities mentioned. Morgan Stanley is a full-service securities firm engaged in securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services.

For More Information About Portfolio Holdings

Each Morgan Stanley trust provides a complete schedule of portfolio holdings in its semiannual and annual reports within 60 days of the end of the trust's second and fourth fiscal quarters. The semiannual reports and the annual reports are filed electronically with the Securities and Exchange Commission (SEC) on Form N-CSRS and Form N-CSR, respectively. Morgan Stanley also delivers the semiannual and annual reports to trust shareholders and makes these reports available on its public web site, www.morganstanley.com. Each Morgan Stanley trust also files a complete schedule of portfolio holdings with the SEC for the trust's first and third fiscal quarters on Form N-Q. Morgan Stanley does not deliver the reports for the first and third fiscal quarters to shareholders, nor are the reports posted to the Morgan Stanley public web site. You may, however, obtain the Form N-Q filings (as well as the Form N-CSR and N-CSRS filings) by accessing the SEC's web site, <http://www.sec.gov>. You may also review and copy them at the SEC's public reference room in Washington, DC. Information on the operation of the SEC's public reference room may be obtained by calling the SEC at (800) SEC-0330. You can also request copies of these materials, upon payment of a duplicating fee, by electronic request at the SEC's e-mail address (publicinfo@sec.gov) or by writing the public reference section of the SEC, Washington, DC 20549-0102.

Distribution by Maturity (% of Long-Term Portfolio) As of October 31, 2007

Weighted Average Maturity: 19 Years(a)

(a) Where applicable maturities reflect mandatory tenders, puts and call dates. Portfolio structure is subject to change.

Summary of Investments by State Classification as of October 31, 2007

[illegible]

* Does not include open long/short futures contracts with an underlying face amount of \$99,067,329 with total unrealized depreciation of \$226,727.

Call and Cost (Book) Yield Structure (Based on Long-Term Portfolio) As of October 31, 2007

Years Bonds Callable—Weighted Average Call Protection: 6 Years

Cost (Book) Yield(c)—Weighted Average Book Yield: 5.2%

(a) May include issues initially callable in previous years. (b) Less than 1%. (c) Cost or “book” yield is the annual income earned on a portfolio investment based on its original purchase price before the Trust’s operating expenses. For example, the Trust is earning a book yield of 6.9% on 1% of the long-term portfolio that is callable in 2007. Portfolio structure is subject to change.

Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments October 31, 2007

PRINCIPAL AMOUNT IN THOUSANDS COUPON RATE MATURITY									
DATE	VALUE	Tax-Exempt Municipal Bonds (172.5%)						Alabama (1.1%)	\$ 3,700
University of Alabama, Ser 2004-A (MBIA Insd) 5.25 % 07/01/22 \$ 3,972,579 Alaska (1.0%)									
4,000	Northern Tobacco Securitization Corporation, Alaska, Asset Backed Ser 2006 A						5.00	06/01/46	
3,403,880	Arizona (5.0%)	2,000	Arizona Transportation Board, Highway Refg Ser 2002 A						
5.25	07/01/19	2,156,840	3,000	Phoenix Civic Improvement Corporation, Arizona, Airport					
Ser 2002 B (AMT) (FGIC Insd) 5.25 07/01/32 3,060,660 3,800 Phoenix Civic Improvement									
Corporation, Arizona, Jr Lien Water									
Ser 2002 (FGIC Insd)	5.00	07/01/26	3,943,716	6,000	Salt River Project Agricultural Improvement &				
Power District,									
Arizona, 2002 Ser B	5.00	01/01/31	6,154,920	2,000	Surprise Municipal Property Corporation, Arizona,				
Ser 2007	4.90	04/01/32	1,933,580	17,249,716	California (29.0%)	10,000			
California Economic Recovery, Ser 2004 A 5.00 07/01/16 10,504,500 2,000 California Health									
Facilities Financing Authority, Cedars-Sinai									
Medical Center Ser 2005	5.00	11/15/34	2,005,860	2,000	California Health Facilities Financing				
Authority, Kaiser									
Permanente Ser 2006 A	5.25	04/01/39	2,037,360	5,000	California Infrastructure & Economic				
Development Bank, Bay Area Toll Bridges Seismic Retrofit First Lien Ser 2003 A (AMBAC Insd) 5.00									
01/01/28 †	5,450,800	3,000	California Infrastructure & Economic Development Bank,						
The Scripps Research Institute Ser 2005 A 5.00 07/01/29 3,087,360 6,000 California Pollution Control									
Financing Authority, Keller Canyon									
Landfill Co/Browning-Ferris Industries Inc Ser 1992 (AMT)	6.875	11/01/27	6,013,140	5,000	California				
Statewide Communities Development, John Muir									
Health Ser 2006 A	5.00	08/15/32	5,022,600	4,000	California Statewide Communities Development,				
Baptist University Ser 2007 A	5.40	11/01/27	3,959,000	5,000	California, Various Purpose Dtd 05/01/03				
5.25	02/01/19	5,324,250	16,000	California, Various Purpose Dtd 11/01/06 ##				4.50	10/01/36
14,794,560	6,000	Golden State Tobacco Securitization Corporation, California,							
Enhanced Asset Backed Ser 2005 A (AMBAC Insd) 5.00 06/01/29 6,111,600 4,000 Golden State									
Tobacco Securitization Corporation, California,									
Enhanced Asset Backed Ser 2007 A 5.75 06/01/47 3,840,400									

See Notes to Financial Statements

Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments October 31, 2007 continued

		PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE		MATURITY			
DATE	VALUE \$	8,000	Golden State Tobacco Securitization Corporation, California,						
Enhanced Asset Backed Ser 2007 A-1	5.125 %	06/01/47	\$ 7,037,440	4,000	Los Angeles, California,				
Ser 2004 A (MBIA Insd)	5.00	09/01/24	4,185,960	4,000	Port of Oakland, California, Ser 2002 L (AMT)				
(FGIC Insd)	5.00	11/01/32	4,029,880	3,720	San Diego County Water Authority, California, Ser 2002 A				
					COPs				
(MBIA Insd)	5.00	05/01/27	3,850,758	1,000	San Diego County, Burnham Institute for Medical				
					Research				
Ser 2006 COPs	5.00	09/01/34	953,790	16,000	Silicon Valley Tobacco Securitization Authority Tobacco				
Settlement, Santa Clara Tobacco Securitization Corp Ser 2007	0.00	06/01/36	2,429,120	5,000	Tobacco				
					Securitization Authority of Northern California,				
					Sacramento County Tobacco Securitization Corporation				
Ser 2006 A-1	5.00	06/01/37	4,421,150	2,600	University of California, Ser 2007-J (FSA Insd) ##	4.50			
05/15/31	2,542,326	2,400	University of California, Ser 2007-J (FSA Insd) ##	4.50	05/15/35				
2,346,762		99,948,616	Colorado (2.7%)	1,750	Boulder County, Colorado,				
			University Corp for Atmospheric						
Research Ser 2002 (MBIA Insd)	5.375	09/01/18	1,873,357	1,750	Boulder County, Colorado, University				
			Corp for Atmospheric						
Research Ser 2002 (MBIA Insd)	5.375	09/01/21	1,873,357	2,000	Colorado Educational & Cultural				
					Facilities Authority, Peak to				
Peak Charter School Refg & Impr Ser 2004 (XLCA Insd)	5.25	08/15/34	2,085,000	2,000	Colorado				
Health Facilities Authority, Adventist/Sunbelt Ser 2006 D	5.25	11/15/35	2,038,140	1,590	Denver				
					Convention Center Hotel Authority, Colorado, Refg				
Ser 2006 (XLCA Insd)	5.00	12/01/30	1,637,032	9,506,886	Connecticut (1.4%)				
5,000	Connecticut Housing Finance Authority, SubSer A-2 (Amt)	5.15	05/15/38	5,017,400					
	Delaware (0.3%)	1,000	New Castle County, Delaware, Newark Charter School Inc						
Ser 2006	5.00	09/01/36	920,600	District of Columbia (1.8%)	6,000	District of			
Columbia Ballpark, Ser 2006 B-1 (FGIC Insd)	5.00	02/01/31	6,152,460	Florida (7.7%)					
3,000	Broward County School Board, Florida, Ser 2001 A COPs (FSA Insd)	5.00	07/01/26	3,065,490					
3,500	Broward County, Florida, Water & Sewer Utility Ser 2003 (MBIA Insd)	5.00	10/01/24	3,650,255					

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments October 31, 2007 continued

PRINCIPAL AMOUNT IN THOUSANDS COUPON RATE MATURITY									
DATE	VALUE	\$	3,000	Highlands County Health Facilities Authority, Florida,					
Adventist Health/Sunbelt Ser 2006 C	5.25 %	11/15/36	\$	3,063,780	3,300	Jacksonville Electric			
Authority, Florida, St Johns Power Park Refg Issue 2 Ser 17	5.00	10/01/18		3,432,396	1,500	Lee County			
Industrial Development Authority, Florida, Shell Point Village/The Alliance Community for Retirement Living Inc,									
Ser 2006	5.125	11/15/36		1,409,550	12,000	South Miami Health Facilities Authority, Florida, Baptist			
Health South Florida Ser 2007 ##	5.00	08/15/42		12,040,620		26,662,091	Georgia		
(8.5%)	3,000	Atlanta, Georgia, Airport Ser 2004 J (FSA Insd)	5.00	01/01/34	3,075,120				
10,000	Augusta, Georgia, Water & Sewerage Ser 2000 (FSA Insd)	5.25	10/01/30	10,589,900	6,000				
Georgia State Road & Tollway Authority, Ser 2004	5.00	10/01/22		6,316,380	9,000	Georgia State Road			
& Tollway Authority, Ser 2004	5.00	10/01/23		9,464,400		29,445,800	Hawaii (7.1%)		
5,000	Hawaii, 1992 Ser BZ	6.00	10/01/10	5,350,000	8,000	Hawaii, 1992 Ser BZ	6.00		
10/01/11	8,718,160	10,000	Honolulu City & County, Hawaii, Ser 2003 A (MBIA Insd) ##	5.25					
03/01/26	10,555,100		24,623,260	Idaho (0.3%)	125	Idaho Housing Agency,			
1992 Ser E (AMT)	6.75	07/01/12	126,853	1,015	Idaho Housing & Finance Association, 2000 Ser E				
(AMT)	6.00	01/01/32	1,034,691		1,161,544	Illinois (5.6%)	4,000		
Chicago, Illinois, O'Hare Int'l Airport Third Lien Ser 2003 B-2 (AMT) (FSA Insd)	5.75	01/01/23	4,279,680						
4,000	Cook County, Illinois, Ser 1992 C (FGIC Insd)	6.00	11/15/09	4,202,720	2,225	Illinois Housing			
Development Authority, Ser I	6.625	09/01/12	2,229,895	6,000	Illinois, First Ser 2002 (MBIA Insd)				
5.375	07/01/20	6,404,280	2,000	Schaumburg, Illinois, Ser 2004 B (FGIC Insd)	5.25	12/01/34			
			2,094,360		19,210,935				

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Portfolio of Investments October 31, 2007 continued

PRINCIPAL AMOUNT IN THOUSANDS COUPON RATE MATURITY												
DATE	VALUE	Indiana (7.1%)		\$ 10,000		Indiana Bond Bank, Revolving Fund Ser 2001 A 5.00						
%	02/01/23	\$	10,360,000	6,000		Indiana Health & Educational Facility Financing Authority, Clarian						
Health Ser 2006 A	5.25	02/15/40	6,059,760	6,335		Indiana Transportation Finance Authority, Highway						
Ser 2000 (FGIC Insd)	5.375	12/01/10 †	6,691,470	1,400		Marion County Convention & Recreational						
Facilities Authority, Indiana, Refg Ser 2003 A (AMBAC Insd)	5.00	06/01/21	1,470,812									
24,582,042	Kansas (0.8%)		3,000		University of Kansas Hospital Authority, KU Health Ser 2002							
4.50	09/01/32	2,743,980	Kentucky (1.5%)		5,000	Louisville & Jefferson County						
Metropolitan Sewer District, Kentucky, Ser 1999 A (FGIC Insd)	5.75	05/15/33	5,227,750	Maryland								
(4.6%)	2,000		Baltimore County, Maryland, Oak Crest Village Ser 2007 A		5.00	01/01/37						
1,924,180	3,000	Maryland Health & Higher Educational Facilities Authority, King Farm Presbyterian										
Community 2006 Ser B	5.00	01/01/17	2,927,670	5,000	Maryland Health & Higher Educational							
Facilities Authority, University of Maryland Medical Ser 2001	5.25	07/01/28	5,299,300	1,500	Maryland							
Health & Higher Educational Facilities Authority, University of Maryland Medical Ser 2002	6.00	07/01/32										
1,658,385	2,000	Maryland Health & Higher Educational Facilities Authority, University of Maryland Medical										
Ser 2006 A	5.00	07/01/41	1,971,000	2,000	Northeast Maryland Waste Disposal Authority, Montgomery							
County Ser 2003 (AMT) (AMBAC Insd)	5.50	04/01/16	2,131,500		15,912,035							
Michigan (4.2%)		6,000		Michigan Hospital Finance Authority, Henry Ford Health								
Refg Ser 2006 A	5.25	11/15/46	6,063,540	5,000	Michigan Strategic Fund, Detroit Edison Co Ser 2001							
C (AMT)	5.65	09/01/29	5,134,150	3,000	Wayne County, Michigan, Detroit Metropolitan Wayne							
County Airport Refg Ser 2002 D (AMT) (FGIC Insd)	5.50	12/01/17	3,180,270		14,377,960							
Minnesota (0.6%)		2,000		Western Minnesota Municipal Power Agency, 2003 Ser A (MBIA Insd)								
			5.00	01/01/30	2,055,920							

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments October 31, 2007 continued

		PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE		MATURITY			
DATE	VALUE	Missouri (1.1%)		\$ 2,250		Gravois Bluffs Transportation Development District,			
		Missouri, Sales Tax Ser 2007 4.75 %		05/01/32		\$ 2,202,795		1,500 Missouri Health & Educational	
		Facilities Authority, Lutheran Senior Services Ser 2005 A		5.375		02/01/35		1,507,905 210 Missouri	
		Housing Development Commission, Homeownership							
Ser 2000 B-1 (AMT)	6.25	03/01/31		214,477		3,925,177		Montana (0.9%)	
3,035		Montana Board of Housing, 2000 Ser B (AMT)		6.00		12/01/29		3,058,370	
		10,000 Nebraska Investment Financial Authority, Single Family Housing Revenue Ser 2007 E (AMT) ##						Nebraska (2.9%)	
5.15	09/01/38	10,016,100		Nevada (4.1%)		2,000		Clark County, Nevada, Airport SubLien	
Ser 2004 A-1 (AMT) (FGIC Insd)	5.50	07/01/20		2,123,420		1,000		Clark County, Nevada, Jet Aviation	
Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)	5.375	07/01/19		1,048,370		1,100		Clark County, Nevada, Jet	
Aviation Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)	5.375	07/01/20		1,150,908		2,000		Clark County,	
Nevada, Jet Aviation Fuel Tax Ser 2003 C (AMT) (AMBAC Insd)	5.375	07/01/22		2,083,300		5,345		Las	
		Vegas Valley Water District, Nevada, Water Impr Refg							
Ser 2003 A (FGIC Insd)	5.25	06/01/20		5,688,577		2,000		Reno, Nevada, Renown Regional Medical	
Center Ser 2007 A	5.25	06/01/37		2,017,140		14,111,715		New Jersey (11.5%)	
2,000		New Jersey Economic Development Authority, Cigarette Tax Ser 2004		5.75		06/15/29		2,096,760	
1,565		New Jersey Housing Mortgage Finance Authority, Home Buyer Ser 2000 CC (AMT) (MBIA Insd)		5.875					
	10/01/31	1,593,937		5,000		New Jersey Transportation Trust Fund Authority, 1999 Ser A		5.75	
06/15/20	5,702,900	12,000		New Jersey Turnpike Authority, Ser 2003 A (FGIC Insd) ††		\$5.00		01/01/27	
		12,447,720		10,000		Passaic Valley Sewerage Commissioners, New Jersey,			
Ser F (FGIC Insd)	5.00	12/01/20		10,570,900		5,000		Tobacco Settlement Financing Corporation, New	
								Jersey,	
		Ser 2007-1A		4.625		06/01/26		4,414,250	

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Morgan Stanley Quality Municipal Income Trust

Portfolio of Investments October 31, 2007 continued

		PRINCIPAL AMOUNT IN THOUSANDS		COUPON RATE		MATURITY			
	DATE	VALUE	\$	6,000	Tobacco Settlement Financing Corporation, New Jersey,				
Ser 2007-1B	0.00 %	06/01/41	\$	663,600	2,000	University of Medicine & Dentistry, New Jersey, Ser			
2004 COPs (MBIA Insd)	5.25	06/15/23		2,123,180		39,613,247	New Mexico (0.9%)		
		3,000		Rio Rancho, New Mexico, Water & Wastewater Refg Ser 1999 (AMBAC Insd)	5.25				
05/15/19	3,067,320		New York (17.5%)		10,000	Metropolitan Transportation Authority, New			
				York, Transportation Refg Ser 2002 A (FGIC Insd)	5.00	11/15/25	10,396,100	5,000	Nassau County
				Tobacco Settlement Corporation, New York,					
Ser 2006 A-3	5.125	06/01/46		4,754,450	3,500	New York City Municipal Water Finance Authority, New			
				York,					
Ser A-2003	5.375	06/15/19		3,744,510	18,000	New York City Municipal Water Finance Authority, New			
				York,					
2002 Ser B	5.00	06/15/26		18,594,360	10,000	New York City Municipal Water Finance Authority, New			
				York,					
2004 Ser A	5.00	06/15/35		10,228,000	2,000	Seneca Nation of Indians, New York, Ser 2007 A	5.00 #		
	12/01/23	1,907,600	5,000	Tobacco Settlement Financing Corporation, New York, State Contingency Ser					
2003 B-1C	5.50	06/01/17		5,272,650	5,000	Triborough Bridge & Tunnel Authority, New York, Refg			
2002 E (MBIA Insd)	5.25	11/15/22		5,327,200		60,224,870	North Carolina (1.4%)		
		4,500		Charlotte, North Carolina, Water & Sewer Ser 2001	5.125	06/01/26	4,675,185	North	
			Dakota (0.8%)	2,750	Ward County, North Dakota, Trinity Ser 2006	5.125	07/01/29		
2,721,428		Ohio (3.2%)		5,370	Cuyahoga County, Ohio, Cleveland Clinic Ser 2003 A	6.00			
	01/01/32	5,841,325	3,000	Lorain County, Ohio, Catholic Healthcare Partners Ser 2001 A	5.625				
	10/01/17	3,161,070	2,000	Ohio State University, General Receipts Ser 2002 A	5.125	12/01/31			
				2,076,500					