

WELLS FARGO ADVANTAGE UTILITIES & HIGH INCOME FUND

Form N-Q

January 28, 2014

**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: 811-21507**

**Wells Fargo Advantage Utilities and High Income 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: Registrant is making a filing for Wells Fargo Advantage Utilities and High Income Fund. The Fund had an August 31 fiscal year end.**

**Date of reporting period: November 30, 2013**

ITEM 1. INVESTMENTS

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013 (unaudited)**

| Security name   | Shares  | Value      |
|---|---------|------------|
| <b>Common Stocks : 66.12%</b>                         |         |            |
| <b>Energy : 7.41%</b>                                 |         |            |
| <b>Oil, Gas &amp; Consumable Fuels : 7.41%</b>        |         |            |
| <i>Energen Corporation</i>                            | 13,200  | \$ 952,644 |
| <i>EQT Corporation</i>                                | 15,000  | 1,276,650  |
| <i>Kinder Morgan Incorporated</i>                     | 10,577  | 375,907    |
| <i>Spectra Energy Corporation</i>                     | 75,000  | 2,516,250  |
| <i>The Williams Companies Incorporated</i>            | 100,000 | 3,522,000  |
|   |         | 8,643,451  |
| <b>Industrials : 4.62%</b>                            |         |            |
| <b>Air Freight &amp; Logistics : 4.55%</b>            |         |            |
| <i>Deutsche Post AG</i>                               | 150,000 | 5,304,263  |
| <b>Construction &amp; Engineering : 0.07%</b>         |         |            |
| <i>Ameresco Incorporated Class A</i>                  | 9,000   | 82,620     |
| <b>Telecommunication Services : 15.59%</b>            |         |            |
| <b>Diversified Telecommunication Services : 8.16%</b> |         |            |
| <i>BCE Incorporated</i>                               | 16,000  | 707,040    |
| <i>CenturyLink Incorporated</i>                       | 100,000 | 3,070,000  |
| <i>Telefonica Brasil ADR</i>                          | 212,500 | 4,135,250  |
| <i>Windstream Holdings Incorporated</i>               | 200,000 | 1,614,000  |
|   |         | 9,526,290  |
| <b>Wireless Telecommunication Services : 7.43%</b>    |         |            |
| <i>Shenandoah Telecommunications Company</i>          | 40,000  | 999,200    |
| <i>Tele2 AB Class B</i>                               | 79,200  | 965,832    |
| <i>VimpelCom Limited ADR</i>                          | 100,000 | 1,228,000  |
| <i>Vodafone Group plc ADR</i>                         | 147,500 | 5,470,775  |
|   |         | 8,663,807  |
| <b>Utilities : 38.50%</b>                             |         |            |
| <b>Electric Utilities : 26.67%</b>                    |         |            |

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|   |         |            |
|---|---------|------------|
| <i>American Electric Power Company Incorporated</i> | 100,000 | 4,706,000  |
| <i>Chesapeake Utilities Corporation</i>             | 200     | 11,636     |
| <i>Duke Energy Corporation</i>                      | 30,514  | 2,134,759  |
| <i>Edison International</i>                         | 75,000  | 3,465,750  |
| <i>Enel SpA</i>                                     | 200,000 | 909,652    |
| <i>Entergy Corporation</i>                          | 1,000   | 61,890     |
| <i>Great Plains Energy Incorporated</i>             | 175,000 | 4,154,500  |
| <i>IDACORP Incorporated</i>                         | 25,000  | 1,292,000  |
| <i>ITC Holdings Corporation</i>                     | 45,000  | 4,071,600  |
| <i>NextEra Energy Incorporated</i>                  | 50,000  | 4,229,500  |
| <i>Northeast Utilities</i>                          | 90,000  | 3,697,200  |
| <i>NV Energy Incorporated</i>                       | 75,000  | 1,773,750  |
| <i>Pepco Holdings Incorporated</i>                  | 100     | 1,908      |
| <i>The Southern Company</i>                         | 15,000  | 609,450    |
|   |         | 31,119,595 |

**Gas Utilities : 0.02%**

|   |     |        |
|---|-----|--------|
| <i>New Jersey Resources Corporation</i>     | 200 | 9,138  |
| <i>South Jersey Industries Incorporated</i> | 200 | 11,340 |
|   |     | 20,478 |

**Portfolio of investments**    **November 30, 2013 (unaudited)**    **Wells Fargo Advantage Utilities and High Income Fund**

| Security name                                       | Shares  | Value             |
|---|---------|-------------------|
| <b>Multi-Utilities : 10.00%</b>                     |         |                   |
| <i>CenterPoint Energy Incorporated</i>              | 50,000  | \$ 1,171,500      |
| <i>Dominion Resources Incorporated</i>              | 300     | 19,473            |
| <i>MDU Resources Group Incorporated</i>             | 500     | 14,835            |
| <i>Public Service Enterprise Group Incorporated</i> | 50,000  | 1,634,500         |
| <i>Sempra Energy</i>                                | 19,900  | 1,759,956         |
| <i>Suez Environnement Company SA</i>                | 275,000 | 4,725,882         |
| <i>Veolia Environnement SA</i>                      | 137,000 | 2,218,485         |
| <i>Wisconsin Energy Corporation</i>                 | 3,000   | 125,310           |
|   |         | 11,669,941        |
| <b>Water Utilities : 1.81%</b>                      |         |                   |
| <i>American Water Works Company Incorporated</i>    | 50,000  | 2,117,500         |
| <b>Total Common Stocks (Cost \$59,610,423)</b>      |         | <b>77,147,945</b> |

|  | Interest rate | Maturity date | Principal  |         |
|--|---------------|---------------|------------|---------|
| <b>Corporate Bonds and Notes : 28.40%</b>        |               |               |            |         |
| <b>Consumer Discretionary : 6.33%</b>            |               |               |            |         |
| <b>Auto Components : 0.62%</b>                   |               |               |            |         |
| <i>Allison Transmission Incorporated 144A</i>    | 7.13%         | 5-15-2019     | \$ 340,000 | 366,350 |
| <i>Cooper Tire &amp; Rubber Company</i>          | 7.63          | 3-15-2027     | 205,000    | 194,238 |
| <i>Goodyear Tire &amp; Rubber Company</i>        | 7.00          | 5-15-2022     | 25,000     | 26,938  |
| <i>United Rentals North America Incorporated</i> | 5.75          | 7-15-2018     | 125,000    | 134,219 |
|  |               |               |            | 721,745 |
| <b>Diversified Consumer Services : 0.60%</b>     |               |               |            |         |
| <i>Ceridian HCM Holding Incorporated 144A</i>    | 11.00         | 3-15-2021     | 10,000     | 11,550  |
| <i>Service Corporation International 144A</i>    | 5.38          | 1-15-2022     | 10,000     | 10,100  |
| <i>Service Corporation International</i>         | 6.75          | 4-1-2016      | 100,000    | 108,750 |
| <i>Service Corporation International</i>         | 7.00          | 6-15-2017     | 25,000     | 28,063  |
| <i>Service Corporation International</i>         | 7.50          | 4-1-2027      | 351,000    | 372,938 |
| <i>Service Corporation International</i>         | 7.63          | 10-1-2018     | 25,000     | 28,813  |
| <i>Service Corporation International</i>         | 8.00          | 11-15-2021    | 40,000     | 45,850  |
| <i>Sotheby's 144A</i>                            | 5.25          | 10-1-2022     | 95,000     | 90,250  |
|  |               |               |            | 696,314 |

**Hotels, Restaurants & Leisure : 1.99%**

|  |       |            |         |           |
|--|-------|------------|---------|-----------|
| <i>Burger King Corporation</i>                       | 9.88  | 10-15-2018 | 75,000  | 83,531    |
| <i>CCM Merger Incorporated 144A</i>                  | 9.13  | 5-1-2019   | 465,000 | 488,250   |
| <i>DineEquity Incorporated</i>                       | 9.50  | 10-30-2018 | 350,000 | 388,500   |
| <i>Greektown Superholdings Incorporated Series A</i> | 13.00 | 7-1-2015   | 580,000 | 595,950   |
| <i>Greektown Superholdings Incorporated Series B</i> | 13.00 | 7-1-2015   | 150,000 | 154,125   |
| <i>Hilton Worldwide Finance LLC 144A</i>             | 5.63  | 10-15-2021 | 15,000  | 15,300    |
| <i>Pinnacle Entertainment Incorporated</i>           | 7.50  | 4-15-2021  | 260,000 | 282,100   |
| <i>Ruby Tuesday Incorporated</i>                     | 7.63  | 5-15-2020  | 135,000 | 126,900   |
| <i>Scientific Games Corporation</i>                  | 9.25  | 6-15-2019  | 60,000  | 64,650    |
| <i>Speedway Motorsports Incorporated</i>             | 6.75  | 2-1-2019   | 120,000 | 127,500   |
|  |       |            |         | 2,326,806 |

**Household Durables : 0.04%**

|  |      |            |        |        |
|--|------|------------|--------|--------|
| <i>American Greetings Corporation</i>          | 7.38 | 12-1-2021  | 25,000 | 25,125 |
| <i>Tempur Sealy International Incorporated</i> | 6.88 | 12-15-2020 | 25,000 | 27,000 |
|  |      |            |        | 52,125 |

**Media : 2.64%**

|  |      |           |         |         |
|--|------|-----------|---------|---------|
| <i>Allbritton Communications Company</i> | 8.00 | 5-15-2018 | 150,000 | 160,125 |
|--|------|-----------|---------|---------|

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013 (unaudited)**

| Security name                                      | Interest rate | Maturity date | Principal  | Value      |
|--|---------------|---------------|------------|------------|
| <b>Media (continued)</b>                           |               |               |            |            |
| <i>Cablevision Systems Corporation</i>             | 8.63%         | 9-15-2017     | \$ 145,000 | \$ 167,838 |
| <i>Cinemark USA Incorporated</i>                   | 7.38          | 6-15-2021     | 75,000     | 81,938     |
| <i>CSC Holdings LLC</i>                            | 7.63          | 7-15-2018     | 45,000     | 51,863     |
| <i>CSC Holdings LLC</i>                            | 7.88          | 2-15-2018     | 75,000     | 86,438     |
| <i>CSC Holdings LLC</i>                            | 8.63          | 2-15-2019     | 125,000    | 147,500    |
| <i>DISH DBS Corporation</i>                        | 5.13          | 5-1-2020      | 25,000     | 25,188     |
| <i>DISH DBS Corporation</i>                        | 7.88          | 9-1-2019      | 115,000    | 133,113    |
| <i>DreamWorks Animation SKG Incorporated 144A</i>  | 6.88          | 8-15-2020     | 115,000    | 122,188    |
| <i>EchoStar DBS Corporation</i>                    | 7.13          | 2-1-2016      | 50,000     | 55,250     |
| <i>Gray Television Incorporated</i>                | 7.50          | 10-1-2020     | 305,000    | 321,013    |
| <i>Gray Television Incorporated 144A</i>           | 7.50          | 10-1-2020     | 80,000     | 84,200     |
| <i>Lamar Media Corporation</i>                     | 5.88          | 2-1-2022      | 75,000     | 77,344     |
| <i>Lamar Media Corporation</i>                     | 7.88          | 4-15-2018     | 130,000    | 138,288    |
| <i>Lamar Media Corporation Series C</i>            | 9.75          | 4-1-2014      | 25,000     | 25,758     |
| <i>LIN Television Corporation</i>                  | 6.38          | 1-15-2021     | 25,000     | 25,656     |
| <i>LIN Television Corporation</i>                  | 8.38          | 4-15-2018     | 150,000    | 159,750    |
| <i>Live Nation Entertainment Incorporated 144A</i> | 7.00          | 9-1-2020      | 15,000     | 16,200     |
| <i>Local TV Finance LLC 144A</i>                   | 9.25          | 6-15-2015     | 425,000    | 429,250    |
| <i>Lynx I Corporation 144A</i>                     | 5.38          | 4-15-2021     | 25,000     | 25,438     |
| <i>Lynx II Corporation 144A</i>                    | 6.38          | 4-15-2023     | 25,000     | 25,813     |
| <i>National CineMedia LLC</i>                      | 6.00          | 4-15-2022     | 170,000    | 175,950    |
| <i>National CineMedia LLC</i>                      | 7.88          | 7-15-2021     | 50,000     | 55,000     |
| <i>Nexstar Broadcasting Group</i>                  | 6.88          | 11-15-2020    | 145,000    | 153,338    |
| <i>Regal Cinemas Corporation</i>                   | 8.63          | 7-15-2019     | 285,000    | 306,375    |
| <i>Regal Entertainment Group</i>                   | 5.75          | 6-15-2023     | 30,000     | 29,513     |
|  |               |               |            | 3,080,327  |

**Specialty Retail : 0.44%**

|   |      |            |         |         |
|---|------|------------|---------|---------|
| <i>ABC Supply Company Incorporated 144A</i> | 5.63 | 4-15-2021  | 40,000  | 40,500  |
| <i>Ahern Rentals Incorporated 144A</i>      | 9.50 | 6-15-2018  | 85,000  | 91,375  |
| <i>L Brands Incorporated</i>                | 6.63 | 4-1-2021   | 25,000  | 27,531  |
| <i>Neiman Marcus Group Limited 144A</i>     | 8.00 | 10-15-2021 | 15,000  | 15,413  |
| <i>Penske Auto Group Incorporated</i>       | 5.75 | 10-1-2022  | 80,000  | 80,800  |
| <i>Rent-A-Center Incorporated</i>           | 6.63 | 11-15-2020 | 145,000 | 153,338 |
| <i>Toys R Us Property Company II LLC</i>    | 8.50 | 12-1-2017  | 100,000 | 103,625 |
|   |      |            |         | 512,582 |

**Consumer Staples : 0.08%**



**Food Products : 0.08%**

|   |      |            |         |        |
|---|------|------------|---------|--------|
| <i>Hawk Acquisition Incorporated 144A</i> | 4.25 | 10-15-2020 | 100,000 | 96,250 |
|---|------|------------|---------|--------|

**Energy : 5.61%****Energy Equipment & Services : 1.54%**

|  |      |            |         |           |
|--|------|------------|---------|-----------|
| <i>Cleaver Brooks Incorporated 144A</i>            | 8.75 | 12-15-2019 | 25,000  | 27,313    |
| <i>Dresser-Rand Group Incorporated</i>             | 6.50 | 5-1-2021   | 90,000  | 95,400    |
| <i>Era Group Incorporated</i>                      | 7.75 | 12-15-2022 | 185,000 | 189,625   |
| <i>Forum Energy Technologies Incorporated 144A</i> | 6.25 | 10-1-2021  | 15,000  | 15,638    |
| <i>Gulfmark Offshore Incorporated</i>              | 6.38 | 3-15-2022  | 330,000 | 334,950   |
| <i>Hornbeck Offshore Services Incorporated</i>     | 5.00 | 3-1-2021   | 190,000 | 187,150   |
| <i>Hornbeck Offshore Services Incorporated</i>     | 5.88 | 4-1-2020   | 40,000  | 41,200    |
| <i>NGPL PipeCo LLC 144A</i>                        | 7.77 | 12-15-2037 | 350,000 | 306,250   |
| <i>Oil States International Incorporated</i>       | 6.50 | 6-1-2019   | 164,000 | 174,455   |
| <i>PHI Incorporated</i>                            | 8.63 | 10-15-2018 | 380,000 | 408,500   |
| <i>Pride International Incorporated</i>            | 8.50 | 6-15-2019  | 10,000  | 12,800    |
|  |      |            |         | 1,793,281 |

**Oil, Gas & Consumable Fuels : 4.07%**

|   |      |           |         |        |
|---|------|-----------|---------|--------|
| <i>Crestwood Midstream Partners LP 144A</i> | 6.13 | 3-1-2022  | 25,000  | 25,563 |
| <i>CVR Refining LLC</i>                     | 6.50 | 11-1-2022 | 100,000 | 99,000 |

**Portfolio of investments**    **November 30, 2013 (unaudited)**    **Wells Fargo Advantage Utilities and High Income Fund**

| <b>Security name</b>                               | <b>Interest rate</b> | <b>Maturity date</b> | <b>Principal</b> | <b>Value</b> |
|--|----------------------|----------------------|------------------|--------------|
| <b>Oil, Gas &amp; Consumable Fuels (continued)</b> |                      |                      |                  |              |
| <i>Denbury Resources Incorporated</i>              | 4.63%                | 7-15-2023            | \$ 25,000        | \$ 22,563    |
| <i>Denbury Resources Incorporated</i>              | 6.38                 | 8-15-2021            | 25,000           | 26,688       |
| <i>Denbury Resources Incorporated</i>              | 8.25                 | 2-15-2020            | 140,000          | 154,525      |
| <i>El Paso Corporation</i>                         | 6.50                 | 9-15-2020            | 45,000           | 48,579       |
| <i>El Paso Corporation</i>                         | 7.00                 | 6-15-2017            | 75,000           | 84,864       |
| <i>El Paso Corporation</i>                         | 7.25                 | 6-1-2018             | 175,000          | 199,001      |
| <i>El Paso Corporation</i>                         | 7.42                 | 2-15-2037            | 90,000           | 86,400       |
| <i>El Paso Corporation</i>                         | 7.80                 | 8-1-2031             | 100,000          | 102,247      |
| <i>Energy Transfer Equity LP</i>                   | 7.50                 | 10-15-2020           | 300,000          | 342,000      |
| <i>Exterran Partners LP 144A</i>                   | 6.00                 | 4-1-2021             | 225,000          | 223,875      |
| <i>Inergy Midstream LP 144A</i>                    | 6.00                 | 12-15-2020           | 76,000           | 77,805       |
| <i>Kinder Morgan Energy 144A</i>                   | 6.00                 | 1-15-2018            | 25,000           | 27,483       |
| <i>Murphy Oil USA Incorporated 144A</i>            | 6.00                 | 8-15-2023            | 30,000           | 30,600       |
| <i>Northern Tier Energy LLC</i>                    | 7.13                 | 11-15-2020           | 140,000          | 144,550      |
| <i>Petrohawk Energy Corporation</i>                | 7.88                 | 6-1-2015             | 95,000           | 97,375       |
| <i>Petrohawk Energy Corporation</i>                | 10.50                | 8-1-2014             | 60,000           | 61,080       |
| <i>Pioneer Natural Resources Company</i>           | 7.50                 | 1-15-2020            | 145,000          | 177,595      |
| <i>Plains Exploration &amp; Production Company</i> | 8.63                 | 10-15-2019           | 325,000          | 358,615      |
| <i>Rockies Express Pipeline LLC 144A</i>           | 5.63                 | 4-15-2020            | 260,000          | 239,200      |
| <i>Rockies Express Pipeline LLC 144A</i>           | 6.00                 | 1-15-2019            | 25,000           | 23,750       |
| <i>Rockies Express Pipeline LLC 144A</i>           | 6.88                 | 4-15-2040            | 435,000          | 365,400      |
| <i>Rockies Express Pipeline LLC 144A</i>           | 7.50                 | 7-15-2038            | 205,000          | 180,400      |
| <i>Sabine Pass Liquefaction LLC 144A</i>           | 5.63                 | 4-15-2023            | 75,000           | 71,063       |
| <i>Sabine Pass Liquefaction LLC 144A</i>           | 6.25                 | 3-15-2022            | 125,000          | 124,688      |
| <i>Sabine Pass LNG LP 144A</i>                     | 5.63                 | 2-1-2021             | 75,000           | 74,063       |
| <i>Sabine Pass LNG LP</i>                          | 6.50                 | 11-1-2020            | 390,000          | 403,650      |
| <i>Sabine Pass LNG LP</i>                          | 7.50                 | 11-30-2016           | 370,000          | 418,100      |
| <i>Semgroup LP 144A</i>                            | 7.50                 | 6-15-2021            | 210,000          | 220,500      |
| <i>Suburban Propane Partners LP</i>                | 7.38                 | 3-15-2020            | 60,000           | 64,350       |
| <i>Suburban Propane Partners LP</i>                | 7.38                 | 8-1-2021             | 26,000           | 28,113       |
| <i>Suburban Propane Partners LP</i>                | 7.50                 | 10-1-2018            | 42,000           | 45,098       |
| <i>Tesoro Corporation</i>                          | 9.75                 | 6-1-2019             | 90,000           | 98,100       |
|  |                      |                      |                  | 4,746,883    |

**Financials : 5.35%****Commercial Banks : 0.40%**

|                                    |      |           |         |         |
|------------------------------------|------|-----------|---------|---------|
| <i>CIT Group Incorporated</i>      | 5.25 | 3-15-2018 | 25,000  | 26,938  |
| <i>CIT Group Incorporated 144A</i> | 5.50 | 2-15-2019 | 100,000 | 107,750 |
| <i>CIT Group Incorporated 144A</i> | 6.63 | 4-1-2018  | 50,000  | 56,500  |

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|   |      |           |         |         |
|---|------|-----------|---------|---------|
| <i>Emigrant Bancorp Incorporated 144A</i> | 6.25 | 6-15-2014 | 275,000 | 279,125 |
|   |      |           |         | 470,313 |

**Consumer Finance : 3.13%**

|  |       |            |         |         |
|--|-------|------------|---------|---------|
| <i>Ally Financial Incorporated</i>                       | 5.50  | 2-15-2017  | 50,000  | 54,095  |
| <i>Ally Financial Incorporated</i>                       | 6.75  | 12-1-2014  | 36,000  | 37,845  |
| <i>Ally Financial Incorporated</i>                       | 7.50  | 9-15-2020  | 90,000  | 105,525 |
| <i>Ally Financial Incorporated</i>                       | 8.00  | 3-15-2020  | 65,000  | 78,000  |
| <i>Ally Financial Incorporated</i>                       | 8.30  | 2-12-2015  | 825,000 | 891,000 |
| <i>BMC Software Finance Incorporated</i>                 | 8.13  | 7-15-2021  | 45,000  | 47,700  |
| <i>Clearwire Communications Finance Corporation 144A</i> | 12.00 | 12-1-2015  | 130,000 | 133,900 |
| <i>Ford Motor Credit Company LLC</i>                     | 8.00  | 12-15-2016 | 25,000  | 29,717  |
| <i>General Motors Financial Company Incorporated</i>     | 6.75  | 6-1-2018   | 120,000 | 135,900 |
| <i>Homer City Funding LLC (PIK at 9.23%) ¥</i>           | 8.73  | 10-1-2026  | 149,149 | 153,251 |
| <i>International Lease Finance Corporation 144A</i>      | 7.13  | 9-1-2018   | 35,000  | 40,469  |
| <i>International Lease Finance Corporation</i>           | 8.63  | 9-15-2015  | 75,000  | 83,531  |
| <i>Nielsen Finance LLC</i>                               | 4.50  | 10-1-2020  | 15,000  | 14,588  |
| <i>Nielsen Finance LLC</i>                               | 7.75  | 10-15-2018 | 515,000 | 560,063 |
| <i>SLM Corporation</i>                                   | 7.25  | 1-25-2022  | 70,000  | 74,200  |
| <i>SLM Corporation</i>                                   | 8.00  | 3-25-2020  | 330,000 | 374,550 |
| <i>SLM Corporation</i>                                   | 8.45  | 6-15-2018  | 125,000 | 145,625 |
| <i>Springleaf Finance Corporation 144A</i>               | 6.00  | 6-1-2020   | 175,000 | 172,375 |

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013 (unaudited)**

| Security name  | Interest rate | Maturity date | Principal  | Value      |
|--|---------------|---------------|------------|------------|
| <b>Consumer Finance (continued)</b>                            |               |               |            |            |
| <i>Springleaf Finance Corporation</i>                          | 5.40%         | 12-1-2015     | \$ 140,000 | \$ 146,825 |
| <i>Springleaf Finance Corporation</i>                          | 5.75          | 9-15-2016     | 50,000     | 52,844     |
| <i>Springleaf Finance Corporation</i>                          | 6.50          | 9-15-2017     | 50,000     | 53,188     |
| <i>Springleaf Finance Corporation</i>                          | 6.90          | 12-15-2017    | 243,000    | 262,440    |
| <i>Springleaf Finance Corporation 144A</i>                     | 7.75          | 10-1-2021     | 7,000      | 7,438      |
|  |               |               |            | 3,655,069  |
| <b>Diversified Financial Services : 0.58%</b>                  |               |               |            |            |
| <i>Denali Borrower/Finance Corporation 144A</i>                | 5.63          | 10-15-2020    | 315,000    | 310,275    |
| <i>MPH Intermediate Holding Company (PIK at 9.13%) 144A</i>    | 8.38          | 8-1-2018      | 25,000     | 25,875     |
| <i>Nuveen Investments Incorporated</i>                         | 5.50          | 9-15-2015     | 275,000    | 275,000    |
| <i>Nuveen Investments Incorporated 144A</i>                    | 9.13          | 10-15-2017    | 50,000     | 49,625     |
| <i>Sophia Holding Finance LP (PIK at 9.64%) 144A</i>           | 9.63          | 12-1-2018     | 10,000     | 10,075     |
|  |               |               |            | 670,850    |
| <b>Insurance : 0.04%</b>                                       |               |               |            |            |
| <i>Fidelity &amp; Guaranty Life Holdings Incorporated 144A</i> | 6.38          | 4-1-2021      | 45,000     | 46,800     |
| <b>Real Estate Management &amp; Development : 0.36%</b>        |               |               |            |            |
| <i>Hockey Incorporated 144A</i>                                | 7.88          | 10-1-2021     | 230,000    | 237,763    |
| <i>Onex Corporation 144A</i>                                   | 7.75          | 1-15-2021     | 175,000    | 178,938    |
|  |               |               |            | 416,701    |
| <b>REITs : 0.84%</b>   |               |               |            |            |
| <i>DuPont Fabros Technology Incorporated 144A</i>              | 5.88          | 9-15-2021     | 340,000    | 350,200    |
| <i>Omega Healthcare Investors Incorporated</i>                 | 6.75          | 10-15-2022    | 125,000    | 135,938    |
| <i>Sabra Health Care Incorporated</i>                          | 5.38          | 6-1-2023      | 50,000     | 48,750     |
| <i>Sabra Health Care Incorporated</i>                          | 8.13          | 11-1-2018     | 98,000     | 106,085    |
| <i>The Geo Group Incorporated</i>                              | 5.13          | 4-1-2023      | 125,000    | 116,563    |
| <i>The Geo Group Incorporated 144A</i>                         | 5.88          | 1-15-2022     | 200,000    | 200,000    |
| <i>The Geo Group Incorporated</i>                              | 6.63          | 2-15-2021     | 20,000     | 21,200     |
|  |               |               |            | 978,736    |

**Health Care : 1.50%**

**Health Care Equipment & Supplies : 0.10%**

|                             |      |          |         |         |
|-----------------------------|------|----------|---------|---------|
| <i>Hologic Incorporated</i> | 6.25 | 8-1-2020 | 110,000 | 116,050 |
|-----------------------------|------|----------|---------|---------|

**Health Care Providers & Services : 1.34%**

|  |      |            |         |         |
|--|------|------------|---------|---------|
| <i>Aviv Healthcare Properties LP 144A</i>        | 6.00 | 10-15-2021 | 40,000  | 41,000  |
| <i>Aviv Healthcare Properties LP</i>             | 7.75 | 2-15-2019  | 100,000 | 107,500 |
| <i>Capella Healthcare Incorporated</i>           | 9.25 | 7-1-2017   | 65,000  | 69,713  |
| <i>Centene Corporation</i>                       | 5.75 | 6-1-2017   | 75,000  | 80,063  |
| <i>DaVita HealthCare Partners Incorporated</i>   | 5.75 | 8-15-2022  | 55,000  | 56,100  |
| <i>DaVita HealthCare Partners Incorporated</i>   | 6.38 | 11-1-2018  | 5,000   | 5,250   |
| <i>HCA Incorporated</i>                          | 5.88 | 3-15-2022  | 25,000  | 25,938  |
| <i>HCA Incorporated</i>                          | 6.50 | 2-15-2020  | 175,000 | 193,156 |
| <i>HCA Incorporated</i>                          | 7.50 | 11-15-2095 | 50,000  | 44,500  |
| <i>HCA Incorporated</i>                          | 8.50 | 4-15-2019  | 275,000 | 293,906 |
| <i>Health Management Associates Incorporated</i> | 6.13 | 4-15-2016  | 50,000  | 55,375  |
| <i>HealthSouth Corporation</i>                   | 5.75 | 11-1-2024  | 25,000  | 24,813  |
| <i>HealthSouth Corporation</i>                   | 7.25 | 10-1-2018  | 20,000  | 21,450  |
| <i>HealthSouth Corporation</i>                   | 8.13 | 2-15-2020  | 60,000  | 66,000  |
| <i>MPT Operating Partnership LP</i>              | 6.38 | 2-15-2022  | 50,000  | 51,500  |
| <i>MPT Operating Partnership LP</i>              | 6.88 | 5-1-2021   | 125,000 | 134,063 |
| <i>Multiplan Incorporated 144A</i>               | 9.88 | 9-1-2018   | 165,000 | 182,325 |
| <i>Select Medical Corporation</i>                | 6.38 | 6-1-2021   | 70,000  | 67,200  |
| <i>Tenet Healthcare Corporation 144A</i>         | 6.00 | 10-1-2020  | 15,000  | 15,675  |

**Portfolio of investments    November 30, 2013 (unaudited)    Wells Fargo Advantage Utilities and High Income Fund**

| Security name  | Interest rate | Maturity date | Principal | Value     |
|--|---------------|---------------|-----------|-----------|
| <b>Health Care Providers &amp; Services (continued)</b>                    |               |               |           |           |
| <i>Tenet Healthcare Corporation</i>  | 8.13%         | 4-1-2022      | \$ 25,000 | \$ 27,125 |
|  |               |               |           | 1,562,652 |
| <b>Health Care Technology : 0.03%</b>                                      |               |               |           |           |
| <i>Healthcare Technology Intermediate Incorporated (PIK at 8.13%) 144A</i> | 7.38          | 9-1-2018      | 35,000    | 35,963    |
| <b>Pharmaceuticals : 0.03%</b>   |               |               |           |           |
| <i>Pinnacle Incorporated 144A</i>  | 9.50          | 10-1-2023     | 35,000    | 37,363    |
| <b>Industrials : 1.52%</b>   |               |               |           |           |
| <b>Aerospace &amp; Defense : 0.13%</b>                                     |               |               |           |           |
| <i>TransDigm Group Incorporated</i>  | 5.50          | 10-15-2020    | 70,000    | 69,125    |
| <i>TransDigm Group Incorporated</i>  | 7.75          | 12-15-2018    | 75,000    | 80,625    |
|  |               |               |           | 149,750   |
| <b>Air Freight &amp; Logistics : 0.18%</b>                                 |               |               |           |           |
| <i>Bristow Group Incorporated</i>  | 6.25          | 10-15-2022    | 195,000   | 206,213   |
| <b>Airlines : 0.14%</b>  |               |               |           |           |
| <i>Aviation Capital Group Corporation 144A</i>                             | 6.75          | 4-6-2021      | 100,000   | 108,271   |
| <i>Aviation Capital Group Corporation 144A</i>                             | 7.13          | 10-15-2020    | 50,000    | 55,853    |
|  |               |               |           | 164,124   |
| <b>Commercial Services &amp; Supplies : 0.38%</b>                          |               |               |           |           |
| <i>ADT Corporation 144A</i>  | 6.25          | 10-15-2021    | 45,000    | 46,969    |
| <i>Covanta Holding Corporation</i>   | 6.38          | 10-1-2022     | 50,000    | 51,509    |
| <i>Covanta Holding Corporation</i>   | 7.25          | 12-1-2020     | 10,000    | 10,921    |
| <i>Iron Mountain Incorporated</i>  | 5.75          | 8-15-2024     | 25,000    | 23,375    |
| <i>Iron Mountain Incorporated</i>  | 6.00          | 8-15-2023     | 205,000   | 209,100   |
| <i>Iron Mountain Incorporated</i>  | 8.38          | 8-15-2021     | 99,000    | 106,920   |
|  |               |               |           | 448,794   |
| <b>Machinery : 0.25%</b>   |               |               |           |           |

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|  |      |          |         |         |
|--|------|----------|---------|---------|
| <i>Columbus McKinnon Corporation</i>           | 7.88 | 2-1-2019 | 75,000  | 80,250  |
| <i>H&amp;E Equipment Services Incorporated</i> | 7.00 | 9-1-2022 | 195,000 | 213,038 |
|  |      |          |         | 293,288 |

**Professional Services : 0.14%**

|                                     |       |          |         |         |
|-------------------------------------|-------|----------|---------|---------|
| <i>Interactive Data Corporation</i> | 10.25 | 8-1-2018 | 150,000 | 164,625 |
|-------------------------------------|-------|----------|---------|---------|

**Trading Companies & Distributors : 0.22%**

|  |      |           |         |         |
|--|------|-----------|---------|---------|
| <i>Ashtead Capital Incorporated 144A</i> | 6.50 | 7-15-2022 | 235,000 | 251,450 |
|--|------|-----------|---------|---------|

**Transportation Infrastructure : 0.08%**

|   |      |          |        |        |
|---|------|----------|--------|--------|
| <i>Florida East Coast Railway Corporation</i> | 8.13 | 2-1-2017 | 65,000 | 68,006 |
|---|------|----------|--------|--------|

|                                 |      |          |        |        |
|---------------------------------|------|----------|--------|--------|
| <i>Watco Companies LLC 144A</i> | 6.38 | 4-1-2023 | 30,000 | 29,925 |
|---------------------------------|------|----------|--------|--------|

97,931

**Information Technology : 1.97%**

**Communications Equipment : 0.18%**

|                           |      |           |        |        |
|---------------------------|------|-----------|--------|--------|
| <i>Avaya Incorporated</i> | 9.75 | 11-1-2015 | 50,000 | 50,000 |
|---------------------------|------|-----------|--------|--------|

|                    |      |            |        |        |
|--------------------|------|------------|--------|--------|
| <i>CyrusOne LP</i> | 6.38 | 11-15-2022 | 25,000 | 25,625 |
|--------------------|------|------------|--------|--------|

|   |      |           |         |         |
|---|------|-----------|---------|---------|
| <i>Lucent Technologies Incorporated</i> | 6.45 | 3-15-2029 | 155,000 | 134,075 |
|---|------|-----------|---------|---------|

209,700

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013 (unaudited)**

| Security name   | Interest rate | Maturity date | Principal | Value     |
|---|---------------|---------------|-----------|-----------|
| <b>Electronic Equipment, Instruments &amp; Components : 0.64%</b> |               |               |           |           |
| <i>CDW Financial Corporation</i>                                  | 12.54%        | 10-12-2017    | \$ 16,000 | \$ 16,760 |
| <i>Jabil Circuit Incorporated</i>                                 | 8.25          | 3-15-2018     | 620,000   | 734,700   |
|   |               |               |           | 751,460   |
| <b>Internet Software &amp; Services : 0.01%</b>                   |               |               |           |           |
| <i>Verisign Incorporated</i>                                      | 4.63          | 5-1-2023      | 10,000    | 9,575     |
| <b>IT Services : 1.05%</b>  |               |               |           |           |
| <i>Audatex North America Incorporated 144A</i>                    | 6.00          | 6-15-2021     | 125,000   | 130,625   |
| <i>Audatex North America Incorporated 144A</i>                    | 6.13          | 11-1-2023     | 30,000    | 30,975    |
| <i>Fidelity National Information Services Incorporated</i>        | 7.88          | 7-15-2020     | 100,000   | 109,746   |
| <i>First Data Corporation 144A</i>                                | 7.38          | 6-15-2019     | 50,000    | 53,500    |
| <i>First Data Corporation</i>                                     | 11.25         | 3-31-2016     | 168,000   | 170,310   |
| <i>First Data Corporation 144A</i>                                | 11.75         | 8-15-2021     | 155,000   | 160,813   |
| <i>SunGard Data Systems Incorporated</i>                          | 7.38          | 11-15-2018    | 515,000   | 545,256   |
| <i>SunGard Data Systems Incorporated</i>                          | 7.63          | 11-15-2020    | 25,000    | 27,188    |
|   |               |               |           | 1,228,413 |
| <b>Software : 0.09%</b>   |               |               |           |           |
| <i>Activision Blizzard Incorporated 144A</i>                      | 5.63          | 9-15-2021     | 45,000    | 46,744    |
| <i>Activision Blizzard Incorporated 144A</i>                      | 6.13          | 9-15-2023     | 10,000    | 10,475    |
| <i>Nuance Communications Incorporated 144A</i>                    | 5.38          | 8-15-2020     | 50,000    | 47,125    |
|   |               |               |           | 104,344   |
| <b>Materials : 0.44%</b>  |               |               |           |           |
| <b>Chemicals : 0.06%</b>  |               |               |           |           |
| <i>Celanese US Holdings LLC</i>                                   | 5.88          | 6-15-2021     | 20,000    | 21,350    |
| <i>Chemtura Corporation</i>                                       | 5.75          | 7-15-2021     | 50,000    | 50,625    |
|   |               |               |           | 71,975    |
| <b>Containers &amp; Packaging : 0.23%</b>                         |               |               |           |           |
| <i>Crown Americas LLC</i>   | 6.25          | 2-1-2021      | 20,000    | 21,600    |
| <i>Crown Cork &amp; Seal Company Incorporated</i>                 | 7.38          | 12-15-2026    | 15,000    | 16,500    |



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|   |      |            |        |         |
|---|------|------------|--------|---------|
| <i>Crown Cork &amp; Seal Company Incorporated (i)</i> | 7.50 | 12-15-2096 | 50,000 | 46,000  |
| <i>Owens-Illinois Incorporated</i>                    | 7.80 | 5-15-2018  | 60,000 | 69,600  |
| <i>Sealed Air Corporation 144A</i>                    | 6.88 | 7-15-2033  | 70,000 | 65,800  |
| <i>Silgan Holdings Incorporated</i>                   | 5.00 | 4-1-2020   | 50,000 | 49,750  |
|   |      |            |        | 269,250 |

**Paper & Forest Products : 0.15%**

|                            |      |           |         |         |
|----------------------------|------|-----------|---------|---------|
| <i>Georgia-Pacific LLC</i> | 8.88 | 5-15-2031 | 125,000 | 174,646 |
|----------------------------|------|-----------|---------|---------|

**Telecommunication Services : 3.96%**

**Diversified Telecommunication Services : 1.85%**

|   |      |            |         |           |
|---|------|------------|---------|-----------|
| <i>Citizens Communications Company</i>                  | 7.88 | 1-15-2027  | 200,000 | 195,250   |
| <i>Frontier Communications Corporation</i>              | 8.13 | 10-1-2018  | 60,000  | 69,300    |
| <i>GCI Incorporated</i>                                 | 6.75 | 6-1-2021   | 170,000 | 163,200   |
| <i>GCI Incorporated</i>                                 | 8.63 | 11-15-2019 | 368,000 | 391,000   |
| <i>Qwest Corporation</i>                                | 7.25 | 9-15-2025  | 125,000 | 133,293   |
| <i>Qwest Corporation</i>                                | 7.63 | 8-3-2021   | 20,000  | 21,200    |
| <i>Syniverse Holdings Incorporated</i>                  | 9.13 | 1-15-2019  | 365,000 | 398,763   |
| <i>TW Telecommunications Holdings Incorporated 144A</i> | 5.38 | 10-1-2022  | 40,000  | 39,850    |
| <i>TW Telecommunications Holdings Incorporated</i>      | 5.38 | 10-1-2022  | 445,000 | 443,331   |
| <i>Windstream Corporation</i>                           | 7.88 | 11-1-2017  | 265,000 | 304,088   |
|   |      |            |         | 2,159,275 |

**Portfolio of investments    November 30, 2013 (unaudited)    Wells Fargo Advantage Utilities and High Income Fund**

| Security name                                      | Interest rate | Maturity date | Principal  | Value      |
|--|---------------|---------------|------------|------------|
| <b>Wireless Telecommunication Services : 2.11%</b> |               |               |            |            |
| <i>Cricket Communications Incorporated</i>         | 7.75%         | 10-15-2020    | \$ 180,000 | \$ 206,325 |
| <i>Crown Castle International Corporation</i>      | 5.25          | 1-15-2023     | 75,000     | 74,063     |
| <i>Crown Castle International Corporation</i>      | 7.13          | 11-1-2019     | 10,000     | 10,829     |
| <i>MetroPCS Wireless Incorporated 144A</i>         | 6.25          | 4-1-2021      | 10,000     | 10,400     |
| <i>MetroPCS Wireless Incorporated</i>              | 6.63          | 11-15-2020    | 240,000    | 254,100    |
| <i>MetroPCS Wireless Incorporated 144A</i>         | 6.63          | 4-1-2023      | 35,000     | 36,050     |
| <i>MetroPCS Wireless Incorporated</i>              | 7.88          | 9-1-2018      | 130,000    | 140,075    |
| <i>SBA Telecommunications Corporation</i>          | 5.63          | 10-1-2019     | 10,000     | 10,275     |
| <i>SBA Telecommunications Corporation</i>          | 5.75          | 7-15-2020     | 100,000    | 104,250    |
| <i>SBA Telecommunications Corporation</i>          | 8.25          | 8-15-2019     | 7,000      | 7,560      |
| <i>Sprint Capital Corporation</i>                  | 6.88          | 11-15-2028    | 1,100,000  | 1,045,000  |
| <i>Sprint Capital Corporation</i>                  | 8.75          | 3-15-2032     | 220,000    | 236,500    |
| <i>Sprint Corporation 144A</i>                     | 7.25          | 9-15-2021     | 10,000     | 10,825     |
| <i>Sprint Corporation 144A</i>                     | 7.88          | 9-15-2023     | 10,000     | 10,950     |
| <i>Sprint Nextel Corporation 144A</i>              | 9.00          | 11-15-2018    | 25,000     | 30,250     |
| <i>Sprint Nextel Corporation</i>                   | 11.50         | 11-15-2021    | 25,000     | 32,750     |
| <i>T-Mobile USA Incorporated</i>                   | 6.13          | 1-15-2022     | 5,000      | 5,094      |
| <i>T-Mobile USA Incorporated</i>                   | 6.46          | 4-28-2019     | 10,000     | 10,650     |
| <i>T-Mobile USA Incorporated</i>                   | 6.50          | 1-15-2024     | 5,000      | 5,063      |
| <i>T-Mobile USA Incorporated</i>                   | 6.54          | 4-28-2020     | 10,000     | 10,600     |
| <i>T-Mobile USA Incorporated</i>                   | 6.63          | 4-28-2021     | 65,000     | 68,088     |
| <i>T-Mobile USA Incorporated</i>                   | 6.73          | 4-28-2022     | 95,000     | 99,038     |
| <i>T-Mobile USA Incorporated</i>                   | 6.84          | 4-28-2023     | 35,000     | 36,400     |
|  |               |               |            | 2,455,135  |

**Utilities : 1.64%****Electric Utilities : 0.90%**

|  |       |            |         |           |
|--|-------|------------|---------|-----------|
| <i>Energy Future Intermediate Holding Company LLC 144A</i> |       |            |         |           |
|  | 6.88  | 8-15-2017  | 25,000  | 25,625    |
| <i>IPALCO Enterprises Incorporated</i>                     | 5.00  | 5-1-2018   | 100,000 | 105,250   |
| <i>IPALCO Enterprises Incorporated 144A</i>                | 7.25  | 4-1-2016   | 160,000 | 176,400   |
| <i>Mirant Mid-Atlantic LLC Series C</i>                    | 10.06 | 12-30-2028 | 438,432 | 486,660   |
| <i>Otter Tail Corporation</i>                              | 9.00  | 12-15-2016 | 215,000 | 258,633   |
|  |       |            |         | 1,052,568 |

**Gas Utilities : 0.24%**

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|                             |      |           |         |         |
|-----------------------------|------|-----------|---------|---------|
| <i>AmeriGas Finance LLC</i> | 6.50 | 5-20-2021 | 5,000   | 5,300   |
| <i>AmeriGas Finance LLC</i> | 6.75 | 5-20-2020 | 175,000 | 190,750 |
| <i>AmeriGas Finance LLC</i> | 7.00 | 5-20-2022 | 75,000  | 81,188  |
|                             |      |           |         | 277,238 |

**Independent Power Producers & Energy Traders : 0.50%**

|                                    |      |            |         |         |
|------------------------------------|------|------------|---------|---------|
| <i>Calpine Corporation 144A</i>    | 6.00 | 1-15-2022  | 35,000  | 35,963  |
| <i>NRG Energy Incorporated</i>     | 8.50 | 6-15-2019  | 185,000 | 201,188 |
| <i>NSG Holdings LLC 144A</i>       | 7.75 | 12-15-2025 | 245,000 | 260,925 |
| <i>Reliant Energy Incorporated</i> | 9.24 | 7-2-2017   | 67,388  | 69,410  |
| <i>Reliant Energy Incorporated</i> | 9.68 | 7-2-2026   | 10,000  | 10,300  |
|                                    |      |            |         | 577,786 |

**Total Corporate Bonds and Notes (Cost \$31,536,892)**

33,134,350

**Dividend yield**

**Shares**

**Preferred Stocks : 15.41%**

**Financials : 0.08%**

**Diversified Financial Services : 0.08%**

|                             |      |  |       |        |
|-----------------------------|------|--|-------|--------|
| <i>GMAC Capital Trust I</i> | 8.13 |  | 3,457 | 92,786 |
|-----------------------------|------|--|-------|--------|

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013 (unaudited)**

| Security name   | Dividend yield | Shares  | Value             |
|---|----------------|---------|-------------------|
| <b>Telecommunication Services : 1.88%</b>             |                |         |                   |
| <b>Diversified Telecommunication Services : 1.88%</b> |                |         |                   |
| <i>Qwest Corporation</i>                              | 7.00%          | 90,000  | \$ 2,196,000      |
| <b>Utilities : 13.45%</b>                             |                |         |                   |
| <b>Electric Utilities : 9.77%</b>                     |                |         |                   |
| <i>Duke Energy Corporation</i>                        | 5.13           | 130,000 | 2,752,100         |
| <i>Entergy Arkansas Incorporated</i>                  | 4.75           | 15,000  | 288,300           |
| <i>Entergy Louisiana LLC</i>                          | 4.70           | 45,483  | 865,996           |
| <i>Indianapolis Power &amp; Light Company</i>         | 5.65           | 20,000  | 2,004,376         |
| <i>Interstate Power &amp; Light Company</i>           | 5.10           | 50,000  | 1,070,000         |
| <i>SCE Trust I</i>                                    | 5.63           | 23,000  | 482,310           |
| <i>Southern California Edison</i>                     | 6.50           | 34,908  | 3,453,710         |
| <i>Wisconsin Public Service</i>                       | 5.08           | 4,804   | 481,751           |
|   |                |         | 11,398,543        |
| <b>Multi-Utilities : 3.68%</b>                        |                |         |                   |
| <i>DTE Energy Company Series Q</i>                    | 5.25           | 100,000 | 2,005,900         |
| <i>Integrus Energy Group</i>                          | 6.00           | 95,000  | 2,284,750         |
|   |                |         | 4,290,650         |
| <b>Total Preferred Stocks (Cost \$19,698,099)</b>     |                |         | <b>17,977,979</b> |

|                                     | Interest rate | Maturity date | Principal  |         |
|-------------------------------------|---------------|---------------|------------|---------|
| <b>Term Loans ±: 3.27%</b>          |               |               |            |         |
| <i>Alliance Laundry Systems LLC</i> | 9.50          | 12-10-2019    | \$ 144,122 | 145,383 |
| <i>Applied Systems Incorporated</i> | 8.25          | 6-8-2017      | 20,000     | 20,125  |
| <i>Capital Automotive LP</i>        | 4.00          | 4-10-2019     | 198,596    | 199,527 |
| <i>Capital Automotive LP</i>        | 6.00          | 4-30-2020     | 110,000    | 113,300 |
| <i>CBAC Borrower LLC</i>            | 8.25          | 7-2-2020      | 85,000     | 87,550  |
| <i>CCM Merger Incorporated</i>      | 5.00          | 3-1-2017      | 158,118    | 158,711 |
| <i>Centaur LLC</i>                  | 8.75          | 2-20-2020     | 135,000    | 137,700 |
| <i>Dell International LLC</i>       | 4.50          | 4-29-2020     | 690,000    | 682,790 |
| <i>Federal-Mogul Corporation</i>    | 2.11          | 12-27-2014    | 65,520     | 64,668  |

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|  |       |            |           |                  |
|--|-------|------------|-----------|------------------|
| <i>Federal-Mogul Corporation</i>               | 2.11  | 12-27-2015 | 36,218    | 35,747           |
| <i>Focus Brands Incorporated</i>               | 10.25 | 8-21-2018  | 176,935   | 179,146          |
| <i>Four Seasons Holdings Incorporated</i>      | 6.25  | 12-24-2020 | 25,000    | 25,594           |
| <i>Learfield Communications Incorporated</i>   | 8.75  | 10-9-2021  | 10,000    | 10,200           |
| <i>Level 3 Financing Incorporated</i>          | 4.00  | 1-15-2020  | 250,000   | 251,563          |
| <i>Philadelphia Energy Solutions LLC</i>       | 6.25  | 4-4-2018   | 223,875   | 199,994          |
| <i>Spin Holdco Incorporated &lt;</i>           | 4.25  | 11-14-2019 | 120,000   | 120,076          |
| <i>Springleaf Finance Corporation</i>          | 4.75  | 9-30-2019  | 35,000    | 35,350           |
| <i>Tallgrass Energy Partners LP</i>            | 5.25  | 11-13-2018 | 103,074   | 103,117          |
| <i>Texas Competitive Electric Holdings LLC</i> | 3.73  | 10-10-2014 | 1,471,940 | 1,057,924        |
| <i>TWCC Holdings Corporation</i>               | 7.00  | 6-26-2020  | 15,000    | 15,356           |
| <i>Vertafore Incorporated &lt;</i>             | 0.00  | 10-29-2017 | 35,000    | 35,554           |
| <i>W3 Company</i>                              | 9.25  | 9-13-2020  | 19,950    | 20,150           |
| <i>WASH Multifamily Laundry Systems LLC</i>    | 4.50  | 2-21-2019  | 109,450   | 109,587          |
| <b>Total Term Loans (Cost \$4,145,488)</b>     |       |            |           | <b>3,809,112</b> |

**Expiration date      Shares**

**Warrants : 0.06%**

**Utilities : 0.06%**

**Electric Utilities : 0.00%**

|                                 |           |        |     |
|---------------------------------|-----------|--------|-----|
| China Hydroelectric Company ADR | 1-25-2014 | 10,000 | 250 |
|---------------------------------|-----------|--------|-----|

**Portfolio of investments**    **November 30, 2013 (unaudited)**    **Wells Fargo Advantage Utilities and High Income Fund**

| Security name                         | Expiration date | Shares | Value     |
|---------------------------------------|-----------------|--------|-----------|
| <b>Gas Utilities : 0.06%</b>          |                 |        |           |
| <i>Kinder Morgan Incorporated</i>     | 5-25-2017       | 16,000 | \$ 70,400 |
| <b>Total Warrants (Cost \$42,480)</b> |                 |        | 70,650    |

|   | Interest rate | Maturity date | Principal |        |
|---|---------------|---------------|-----------|--------|
| <b>Yankee Corporate Bonds and Notes : 1.71%</b> |               |               |           |        |
| <b>Consumer Discretionary : 0.04%</b>           |               |               |           |        |
| <b>Media : 0.04%</b>                            |               |               |           |        |
| <i>Videotron Limited</i>                        | 5.00%         | 7-15-2022     | \$ 35,000 | 34,300 |
| <i>Videotron Limited</i>                        | 9.13          | 4-15-2018     | 15,000    | 15,806 |
|   |               |               |           | 50,106 |

|  |      |           |        |        |
|--|------|-----------|--------|--------|
| <b>Energy : 0.06%</b>                              |      |           |        |        |
| <b>Oil, Gas &amp; Consumable Fuels : 0.06%</b>     |      |           |        |        |
| <i>Griffin Coal Mining Company Limited (s)144A</i> | 9.50 | 12-1-2016 | 93,118 | 74,727 |

|   |       |           |         |         |
|---|-------|-----------|---------|---------|
| <b>Financials : 0.13%</b>                     |       |           |         |         |
| <b>Consumer Finance : 0.10%</b>               |       |           |         |         |
| <i>Wind Acquisition Finance SpA 144A</i>      | 11.75 | 7-15-2017 | 110,000 | 116,875 |
| <b>Diversified Financial Services : 0.03%</b> |       |           |         |         |
| <i>Nielsen Holding and Finance BV 144A</i>    | 5.50  | 10-1-2021 | 30,000  | 30,675  |

|   |      |           |        |         |
|---|------|-----------|--------|---------|
| <b>Health Care : 0.13%</b>                    |      |           |        |         |
| <b>Pharmaceuticals : 0.13%</b>                |      |           |        |         |
| <i>Valeant Pharmaceuticals Company 144A%%</i> | 5.63 | 12-1-2021 | 5,000  | 5,025   |
| <i>VPII Escrow Corporation 144A</i>           | 6.75 | 8-15-2018 | 50,000 | 55,063  |
| <i>VPII Escrow Corporation 144A</i>           | 7.50 | 7-15-2021 | 85,000 | 93,500  |
|   |      |           |        | 153,588 |

|  |  |  |  |  |
|--|--|--|--|--|
| <b>Information Technology : 0.31%</b>      |  |  |  |  |
| <b>Computers &amp; Peripherals : 0.31%</b> |  |  |  |  |

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|   |      |           |         |         |
|---|------|-----------|---------|---------|
| <i>Seagate Technology HDD Holdings 144A</i> | 4.75 | 6-1-2023  | 150,000 | 142,500 |
| <i>Seagate Technology HDD Holdings</i>      | 6.80 | 10-1-2016 | 50,000  | 56,438  |
| <i>Seagate Technology HDD Holdings</i>      | 6.88 | 5-1-2020  | 80,000  | 87,000  |
| <i>Seagate Technology HDD Holdings</i>      | 7.00 | 11-1-2021 | 65,000  | 71,988  |
|   |      |           |         | 357,926 |

**Materials : 0.23%**

**Metals & Mining : 0.16%**

|                             |      |            |         |         |
|-----------------------------|------|------------|---------|---------|
| <i>Novelis Incorporated</i> | 8.38 | 12-15-2017 | 100,000 | 106,750 |
| <i>Novelis Incorporated</i> | 8.75 | 12-15-2020 | 75,000  | 84,000  |
|                             |      |            |         | 190,750 |

**Paper & Forest Products : 0.07%**

|                           |      |           |         |        |
|---------------------------|------|-----------|---------|--------|
| <i>Sappi Limited 144A</i> | 7.50 | 6-15-2032 | 100,000 | 78,000 |
|---------------------------|------|-----------|---------|--------|

**Telecommunication Services : 0.81%**

**Diversified Telecommunication Services : 0.77%**

|                                      |      |          |        |        |
|--------------------------------------|------|----------|--------|--------|
| <i>Intelsat Bermuda Limited 144A</i> | 7.75 | 6-1-2021 | 95,000 | 99,513 |
| <i>Intelsat Bermuda Limited 144A</i> | 8.13 | 6-1-2023 | 40,000 | 42,200 |

**Wells Fargo Advantage Utilities and High Income Fund**      **Portfolio of investments**      **November 30, 2013**  
**(unaudited)**

| Security name   | Interest rate | Maturity date | Principal     | Value          |
|---|---------------|---------------|---------------|----------------|
| <b>Diversified Telecommunication Services (continued)</b>                             |               |               |               |                |
| <i>Intelsat Jackson Holdings SA 144A</i>  | 5.50%         | 8-1-2023      | \$ 200,000    | \$ 191,500     |
| <i>Intelsat Jackson Holdings SA</i>   | 7.25          | 4-1-2019      | 275,000       | 297,344        |
| <i>Intelsat Jackson Holdings SA</i>   | 7.25          | 10-15-2020    | 150,000       | 163,875        |
| <i>Intelsat Jackson Holdings SA</i>   | 7.50          | 4-1-2021      | 50,000        | 54,938         |
| <i>Intelsat Jackson Holdings SA</i>   | 8.50          | 11-1-2019     | 40,000        | 43,850         |
|   |               |               |               | 893,220        |
| <b>Wireless Telecommunication Services : 0.04%</b>                                    |               |               |               |                |
| <i>Telesat Canada Incorporated 144A</i>   | 6.00          | 5-15-2017     | 50,000        | 52,125         |
| <b>Total Yankee Corporate Bonds and Notes (Cost \$1,921,994)</b>                      |               |               |               | 1,997,992      |
|   | <b>Yield</b>  |               | <b>Shares</b> |                |
| <b>Short-Term Investments : 3.37%</b>   |               |               |               |                |
| <b>Investment Companies : 3.37%</b>   |               |               |               |                |
| <i>Wells Fargo Advantage Cash Investment Money Market Fund, Select Class (l)(u)##</i> | 0.08          |               | 3,934,035     | 3,934,035      |
| <b>Total Short-Term Investments (Cost \$3,934,035)</b>                                |               |               |               | 3,934,035      |
| <b>Total investments in securities (Cost \$120,889,411)*</b>                          |               |               |               | 138,072,063    |
| <i>Other assets and liabilities, net</i>  | (18.34)       |               |               | (21,393,090)   |
| <b>Total net assets</b>   |               |               |               | \$ 116,678,973 |

(i) *Illiquid security*  
< *All or a portion of the position represents an unfunded term loan commitment.*  
¥



*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.*

*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.*

*Non-income-earning security*

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

*± Variable rate investment. The rate shown is the rate in effect at period end.*

*%% Security issued on a when-issued basis.*

*(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 and unfunded term loans.*

*\* Cost for federal income tax purposes is \$121,601,425 and unrealized appreciation (depreciation) consists of:*

|                                      |                      |
|--------------------------------------|----------------------|
| <i>Gross unrealized appreciation</i> | <i>\$ 21,313,374</i> |
| <i>Gross unrealized depreciation</i> | <i>(4,842,736)</i>   |

|                                    |                      |
|------------------------------------|----------------------|
| <i>Net unrealized appreciation</i> | <i>\$ 16,470,638</i> |
|------------------------------------|----------------------|

**Wells Fargo Advantage Utilities and High Income Fund (the Fund )**

**Notes to Portfolio of investments November 30, 2013 (unaudited)**

**Securities valuation**

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

Equity securities that are listed on a foreign or domestic exchange are valued at the official closing price or, if none, the last sales price. If no sale occurs on the primary exchange or market for the security that day, the prior day's price will be deemed stale and fair values will be determined in accordance with the Fund's Valuation Procedures.

The values of securities denominated in foreign currencies will be converted to U.S. dollars at rates provided by an independent foreign currency pricing source at a time each business day specified by the Management Valuation Team of Wells Fargo Funds Management, LLC ( Funds Management ).

Many securities markets and exchanges outside the U.S. close prior to the close of the New York Stock Exchange and therefore may not fully reflect trading or events that occur after the close of the principal exchange in which the foreign securities are traded, but before the close of the New York Stock Exchange. If such trading or events are expected to materially affect the value of such securities, then fair value pricing procedures approved by the Board of Trustees of the Fund are applied. These procedures take into account multiple factors including movements in U.S. securities markets after foreign exchanges close. Foreign securities that are fair valued under these procedures are categorized as Level 2 and the application of these procedures may result in transfers between Level 1 and Level 2. Depending on market activity, such fair valuations may be frequent. Such fair value pricing may result in NAVs that are higher or lower than NAVs based on the last reported sales price or latest quoted bid price. On November 30, 2013, fair value pricing was not used in pricing foreign securities.

Fixed income securities acquired with maturities exceeding 60 days are valued based on evaluated bid prices provided by an independent pricing service which may utilize both transaction data and market information such as yield, quality, coupon rate, maturity, type of issue, trading characteristics and other market data. If prices are not available from the independent pricing service or prices received are deemed not representative of market value, prices will be obtained from an independent broker-dealer or otherwise determined based on the Fund's Valuation Procedures.

Investments in registered open-end investment companies are 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 in good faith 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. 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 values, to assess the continued appropriateness of the fair valuation methodologies 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 inputs considered in the valuation process until there is a readily available price provided on an exchange or by an independent pricing service. Valuations received from an independent pricing service or independent broker-dealer 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.

### **Foreign currency translation**

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

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

**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**

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 November 30, 2013, the Fund had unfunded loan commitments of \$75,553.

**1. 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)

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 November 30, 2013, the inputs used in valuing investments in securities were as follows:

| <b>Investments in securities</b> | <b>Quoted prices<br/>(Level 1)</b> | <b>Other significant<br/>observable inputs<br/>(Level 2)</b> | <b>Significant<br/>unobservable inputs<br/>(Level 3)</b> | <b>Total</b>  |
|----------------------------------|------------------------------------|--|--|---------------|
| <b>Equity securities</b>         |                                    |  |  |               |
| <i>Common stocks</i>             | \$ 77,147,945                      | \$ 0   | \$ 0   | \$ 77,147,945 |
| <i>Preferred stocks</i>          | 12,038,142                         | 5,939,837  | 0  | 17,977,979    |
| <i>Warrants</i>                  | 0                                  | 70,650   | 0  | 70,650        |
| <b>Corporate bonds and notes</b> | 0                                  | 33,134,350   | 0  | 33,134,350    |
| <b>Term loans</b>                | 0                                  | 3,281,992  | 527,120  | 3,809,112     |
|                                  | 0                                  | 1,997,992  | 0  | 1,997,992     |

**Yankee corporate bonds and notes**

**Short-term investments**

|                             |               |               |            |                |
|-----------------------------|---------------|---------------|------------|----------------|
| <i>Investment companies</i> | 3,934,035     | 0             | 0          | 3,934,035      |
|                             | \$ 93,120,122 | \$ 44,424,821 | \$ 527,120 | \$ 138,072,063 |

Transfers in and transfers out are recognized at the end of the reporting period. For the three months ended November 30, 2013, the Fund did not have any transfers into/out of Level 1, Level 2, or Level 3.

The following is a list of common abbreviations for terms and entities that may have appeared in this report.

|        |   |
|--------|---|
| 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

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

NGN Nigerian naira

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

Radian Radian Asset Assurance

RAN Revenue anticipation notes

RDA Redevelopment Authority

RDFA Redevelopment Finance Authority

REIT Real estate investment trust

ROC Reset option certificates

RON Romanian lei

RUB Russian ruble

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 Depositary Receipts

STRIPS Separate trading of registered interest and principal securities

TAN Tax anticipation notes

TBA To be announced

THB Thai baht

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

(b) There were no significant changes in the Trust s internal controls over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the second fiscal quarter of the period covered by this report that 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 Utilities and High  
Income Fund

By: /s/ Karla M. Rabusch

Karla M. Rabusch  
President

Date: January 28, 2014

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 Utilities and High  
Income Fund

By: /s/ Karla M. Rabusch

Karla M. Rabusch  
President

Date: January 28, 2014

By: /s/ Nancy Wiser

Nancy Wiser  
Treasurer

Date: January 28, 2014