

PIMCO STRATEGIC GLOBAL GOVERNMENT FUND INC

Form N-Q

December 21, 2005

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-8216

**PIMCO Strategic Global Government Fund, Inc.**

(Exact name of registrant as specified in charter)

840 Newport Center Drive, Newport Beach, California 92660

(Address of principal executive offices)

**John P. Hardaway**

**Treasurer and Principal Financial Officer**

**PIMCO Strategic Global Government Fund, Inc.**

**840 Newport Center Drive**

**Newport Beach, California 92660**

Edgar Filing: PIMCO STRATEGIC GLOBAL GOVERNMENT FUND INC - Form N-Q

Copies to:

**Brendan C. Fox**

**Dechert LLP**

**1775 I Street, N.W.**

**Washington, D.C. 20006**

Registrant's telephone number, including area code: (866) 746-2606

Date of fiscal year end: January 31

Date of reporting period: August 1, 2005 - October 31, 2005

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.9 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policy making rules.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Schedule of Investments.**

## Schedule of Investments

## PIMCO Strategic Global Government Fund, Inc.

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
<b>CORPORATE BONDS &amp; NOTES 2.3%</b>		
<b>Banking &amp; Finance 0.6%</b>		
Banque Centrale de Tunisie		
7.375% due 04/25/2012	\$ 2,000	\$ 2,222
<b>Industrials 1.7%</b>		
Pemex Project Funding Master Trust		
5.750% due 12/15/2015	3,000	2,917
Petroliam Nasional Bhd.		
7.625% due 10/15/2026	2,300	2,771
Southern Peru Copper Corp.		
7.500% due 07/27/2035	1,000	960
		<u>6,648</u>
Total Corporate Bonds & Notes		8,870
(Cost \$8,129)		<u>8,870</u>
<b>U.S. GOVERNMENT AGENCIES 265.0%</b>		
Fannie Mae		
4.212% due 11/01/2030 (a)	53	53
4.241% due 10/01/2031 (a)	40	41
4.250% due 11/25/2024	340	288
4.275% due 10/01/2031 (a)	54	56
4.375% due 11/01/2027 (a)	163	167
4.776% due 08/01/2031 (a)	328	342
4.834% due 09/01/2028 (a)	122	124
4.839% due 02/01/2028 (a)	215	220
4.884% due 12/01/2028 (a)	331	336
4.904% due 04/01/2030 (a)	90	92
4.915% due 02/01/2032 (a)	74	77
4.940% due 03/01/2032 (a)	368	379
5.000% due 05/25/2016 - 05/01/2020 (c)	3,135	3,094
5.027% due 02/01/2027 (a)	174	178
5.310% due 08/25/2033	8,200	7,994
5.500% due 08/25/2014 - 03/13/2036 (c)	353,285	348,591
5.750% due 06/25/2033	100	100
5.773% due 12/01/2028 (a)	137	142
5.807% due 08/25/2043	2,500	2,488
6.000% due 02/25/2017 - 01/25/2044 (c)	337,911	340,550
6.500% due 05/01/2013 - 07/01/2035 (c)	10,989	11,315
6.500% due 09/25/2042 - 06/25/2044 (c)(d)	13,391	13,736
7.000% due 02/01/2015 - 03/25/2045 (c)	11,829	12,309
7.000% due 03/25/2045 (d)	6,904	7,141

## Schedule of Investments

## PIMCO Strategic Global Government Fund, Inc.

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
7.044% due 03/01/2032 (a)	328	328
7.315% due 12/01/2025 (a)	290	296
7.346% due 02/01/2030 (a)	163	168
7.500% due 10/25/2022 - 10/25/2042 (c)	4,922	5,177
7.500% due 06/25/2044 (d)	7,284	7,673
7.750% due 03/01/2031 (a)	91	92
7.815% due 12/01/2030 (a)	256	259
8.000% due 07/19/2030	5,262	5,478
<b>Federal Housing Administration</b>		
7.430% due 06/01/2024	1,407	1,414
<b>Freddie Mac</b>		
3.678% due 04/01/2033 (a)	143	143
4.290% due 12/01/2026 (a)	74	76
5.000% due 10/15/2016 - 02/15/2024 (c)	526	524
5.072% due 03/01/2035 (a)	8,208	8,170
5.500% due 07/01/2025 - 03/13/2036 (c)	86,737	85,656
6.000% due 10/15/2012 - 11/14/2035 (c)	90,144	91,097
6.500% due 04/15/2018 - 03/25/2044 (c)	37,831	38,943
7.000% due 06/01/2008 - 10/25/2043 (c)	11,920	12,450
7.500% due 06/01/2025 - 07/01/2033 (c)	4,245	4,488
8.000% due 08/15/2022 - 08/01/2024 (c)	387	404
8.250% due 10/01/2007	24	25
8.500% due 10/01/2030	1,210	1,283
<b>Government National Mortgage Association</b>		
5.500% due 04/20/2035 - 06/20/2035 (a)(c)	1,172	1,145
6.500% due 06/20/2032	150	157
7.000% due 02/15/2024 - 03/20/2031 (c)	9,817	10,240
7.500% due 07/15/2006 - 02/15/2028 (c)	2,789	2,962
8.000% due 06/15/2016 - 11/15/2022 (c)	328	348
8.500% due 10/15/2016 - 02/15/2031 (c)	72	78
<b>Small Business Administration</b>		
4.754% due 08/10/2014	1,928	1,897
5.038% due 03/10/2015	995	994
6.300% due 07/01/2013 - 06/01/2018 (c)	1,830	1,889
6.400% due 08/01/2013	411	422
7.449% due 08/01/2010	296	316
7.540% due 08/10/2009	691	734
<b>Total U.S. Government Agencies</b>		
(Cost \$1,047,489)		1,035,139

**MORTGAGE-BACKED SECURITIES 30.8%**

Countrywide Alternative Loan Trust

## Schedule of Investments

## PIMCO Strategic Global Government Fund, Inc.

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
6.500% due 07/25/2035	2,453	2,486
Countrywide Home Loan		
6.000% due 11/25/2026	10,000	10,003
7.500% due 11/25/2034 (d)	7,684	8,088
CS First Boston Mortgage Securities Corp.		
7.000% due 02/25/2034 (d)	4,811	4,911
DLJ Commercial Mortgage Corp.		
7.340% due 10/10/2032	1,500	1,615
GMAC Mortgage Corp. Loan Trust		
5.236% due 08/19/2034 (a)	1,623	1,601
GSAA Home Equity Trust		
6.000% due 04/01/2034	9,652	9,670
GSMPS Mortgage Loan Trust		
7.500% due 06/19/2027	290	300
8.000% due 09/19/2027	3,876	4,101
GSRPM Mortgage Loan Trust		
7.000% due 06/25/2043 (d)	11,249	11,457
MASTR Alternative Loans Trust		
6.500% due 03/25/2034	4,474	4,548
MASTR Reperforming Loan Trust		
7.000% due 05/25/2035	7,803	8,136
Nomura Asset Acceptance Corp.		
7.500% due 03/25/2034 (d)	9,036	9,541
7.000% due 10/25/2034	6,671	6,915
7.500% due 10/25/2034	20,014	21,227
Residential Asset Mortgage Products, Inc.		
7.000% due 08/25/2016 (d)	7,399	7,571
8.500% due 10/25/2031 (d)	3,126	3,220
8.500% due 11/25/2031	3,500	3,682
Washington Mutual MSC Mortgage Pass-Through Certificates		
7.000% due 03/25/2034	1,080	1,101
<b>Total Mortgage-Backed Securities</b>		<b>120,173</b>
(Cost \$122,436)		
<b>SOVEREIGN ISSUES 21.1%</b>		
Republic of Brazil		
11.500% due 03/12/2008	2,500	2,813
8.000% due 01/15/2018	2,902	3,005
10.125% due 05/15/2027	3,038	3,516
12.250% due 03/06/2030	9,580	12,789
11.000% due 08/17/2040	5,000	6,014
Republic of Chile		

## Schedule of Investments

## PIMCO Strategic Global Government Fund, Inc.

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
7.125% due 01/11/2012	2,000	2,221
Republic of Ecuador		
12.000% due 11/15/2012	8,000	7,960
9.000% due 08/15/2030 (a)	212	190
Republic of Panama		
8.250% due 04/22/2008	2,000	2,133
9.375% due 07/23/2012	3,325	3,890
Republic of Peru		
9.125% due 02/21/2012	10,000	11,610
Republic of Ukraine		
7.650% due 06/11/2013	500	539
Republic of Venezuela		
9.375% due 01/13/2034	1,000	1,166
Russian Federation		
11.000% due 07/24/2018	2,680	3,925
12.750% due 06/24/2028	3,227	5,865
5.000% due 03/31/2030 (a)	7,437	8,278
United Mexican States		
8.625% due 03/12/2008	395	428
9.875% due 02/01/2010	5,180	6,105
<b>Total Sovereign Issues</b>		<b>82,447</b>
(Cost \$63,117)		<b>82,447</b>
<b>FOREIGN CURRENCY-DENOMINATED ISSUES (i)(j) 4.5%</b>		
Gaz Capital S.A.		
5.875% due 06/01/2015	EC 1,000	1,297
Republic of Germany		
4.750% due 07/04/2008	6,500	8,186
United Mexican States		
8.000% due 07/23/2008	DM 12,100	8,329
<b>Total Foreign Currency-Denominated Issues</b>		<b>17,812</b>
(Cost \$17,684)		<b>17,812</b>
	<b># of Contracts</b>	
<b>PURCHASED CALL OPTIONS 0.0%</b>		
U.S. Treasury Bond 30-Year Futures (CBOT)		
Strike @ 129.000 Exp. 11/22/2005	255	4
U.S. Treasury Note 10-Year Futures (CBOT)		
Strike @ 118.000 Exp. 11/22/2005	246	4

Total Purchased Call Options

(Cost \$9)

8



## Schedule of Investments

## PIMCO Strategic Global Government Fund, Inc.

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
<b>PURCHASED PUT OPTIONS 0.0%</b>		
Fannie Mae (OTC) 5.500% due 11/14/2035 Strike @ 96.120 Exp. 11/07/2005	\$ 23,500	0
6.000% due 01/12/2036 Strike @ 96.000 Exp. 01/05/2006	63,000	7
		<hr/>
Total Purchased Put Options		7
(Cost \$10)		<hr/>
<b>SHORT-TERM INSTRUMENTS 4.1%</b>		
<b>Commercial Paper 1.4%</b>		
Barclays U.S. Funding Corp. 4.200% due 02/27/2006	1,600	1,578
General Electric Capital Corp. 4.140% due 01/27/2006	3,900	3,860
		<hr/>
		5,438
		<hr/>
<b>Repurchase Agreement 1.5%</b>		
State Street Bank 3.400% due 11/01/2005 (Dated 10/31/2005. Collateralized by Freddie Mac 5.250% due 01/15/2006 valued at \$6,083. Repurchase proceeds are \$5,962.)	5,961	5,961
		<hr/>
<b>U.S. Treasury Bills 1.2%</b>		
3.446% due 12/15/2005 (e)(f)	4,725	4,705
		<hr/>
Total Short-Term Instruments		16,104
(Cost \$16,105)		<hr/>
<b>Total Investments (b)</b>	<b>327.8%</b>	<b>\$ 1,280,560</b>
(Cost \$1,274,979)		
<b>Other Assets and Liabilities (Net)</b>	<b>(227.8%)</b>	<b>(889,924)</b>
	<hr/>	<hr/>

**Schedule of Investments**

**PIMCO Strategic Global Government Fund, Inc.**

October 31, 2005 (Unaudited)

	Principal Amount (000s)	Value (000s)
<b>Net Assets</b>	<b>100.0%</b>	<b>\$ 390,636</b>

**See accompanying notes**

**Notes to Schedule of Investments (amounts in thousands, except number of contracts):**

- (a) Variable rate security.
- (b) As of October 31, 2005, portfolio securities with an aggregate market value of \$10,628 were valued with reference to securities whose prices are more readily obtainable.
- (c) Securities are grouped by coupon or range of coupons and represent a range of maturities.
- (d) The average amount of borrowings outstanding during the nine-months ended October 31, 2005 was \$33,995 at a weighted average interest rate of 4.65 %. On October 31, 2005, securities valued at \$73,338 were pledged as collateral for reverse repurchase agreements. The Fund is authorized to borrow funds and utilize leverage in amounts not exceeding thirty-three and one-third percent of its total assets. The Fund's ability to leverage creates an opportunity for increased net income, but at the same time poses special risks. If the income from the securities purchased with borrowed funds is not sufficient to cover the cost of borrowing, the net income of the Fund will be less than if borrowing had not been used, reducing the amount available for distribution to shareholders.
- (e) Securities with an aggregate market value of \$996 have been pledged as collateral for swap contracts on October 31, 2005.
- (f) Securities with an aggregate market value of \$1,120 have been segregated with the custodian to cover margin requirements for the following open futures contracts on October 31, 2005:

Description	Type	Expiration Month	# of Contracts	Unrealized Appreciation
U.S. Treasury 10-Year Note Futures	Short	12/2005	314	\$ 909
U.S. Treasury 30-Year Bond Futures	Short	12/2005	255	1,346
U.S. Treasury 5-Year Note Futures	Short	12/2005	750	47
				\$ 2,302

- (g) Interest Rate Swap agreements outstanding on October 31, 2005:

Counterparty	Floating Rate		Pay/Receive			Unrealized Appreciation/ (Depreciation)
	Index	Floating Rate	Fixed Rate	Expiration Date	Notional Amount	
Bank of America	3-month USD-LIBOR	Pay	4.570%	01/27/2015	\$ 12,000	\$ (369)
Barclays Bank PLC	3-month USD-LIBOR	Receive	5.000%	06/15/2025	165,400	4,947
Barclays Bank PLC	3-month USD-LIBOR	Pay	5.000%	09/30/2025	150,000	(4,542)
Goldman Sachs & Co.	3-month USD-LIBOR	Receive	4.000%	12/15/2007	8,300	97
Lehman Brothers, Inc.	3-month USD-LIBOR	Pay	5.025%	08/11/2025	60,000	(1,183)
Lehman Brothers, Inc.	3-month USD-LIBOR	Receive	5.000%	12/15/2025	87,400	3,281
UBS Warburg LLC	3-month USD-LIBOR	Pay	4.955%	09/28/2025	140,000	(4,194)
UBS Warburg LLC	3-month USD-LIBOR	Receive	5.000%	12/15/2025	140,000	4,223
						\$ 2,260

Edgar Filing: PIMCO STRATEGIC GLOBAL GOVERNMENT FUND INC - Form N-Q

(h) Short sales open on October 31, 2005 were as follows:

Type	Coupon	Maturity Date	Principal Amount	Proceeds	Value
Fannie Mae	5.500%	11/14/2035	\$ 100,000	\$ 98,750	\$ 98,656
Fannie Mae	6.000%	11/14/2035	150,000	151,424	151,313
Freddie Mac	5.500%	11/14/2035	81,500	80,468	80,456
				<u>\$ 330,642</u>	<u>\$ 330,425</u>

Edgar Filing: PIMCO STRATEGIC GLOBAL GOVERNMENT FUND INC - Form N-Q

(i) Forward foreign currency contracts outstanding on October 31, 2005:

Type	Currency	Principal Amount		Settlement Month	Gross		Net Unrealized Appreciation/ (Depreciation)
		Covered by Contract	Amount		Unrealized Appreciation	Unrealized (Depreciation)	
Sell	EC	14,584		11/2005	\$ 88	\$ 0	\$ 88
Buy	JY	422,122		12/2005	0	(74)	(74)
					<u>\$ 88</u>	<u>\$ (74)</u>	<u>\$ 14</u>

(j) Principal amount denoted in indicated currency:

DM	German Mark
EC	Euro
JY	Japanese Yen

(k) On October 31, 2005, the aggregate cost of investments was the same for federal income tax and financial statement purposes. The net unrealized appreciation (depreciation) of investments for federal income tax purposes were as follows:

Gross	Gross	Net Unrealized
Unrealized Appreciation	Unrealized (Depreciation)	Appreciation
\$21,069	\$(15,488)	\$5,581

**Item 2. Controls and Procedures.**

- (a) The registrant's principal executive officer and principal financial officer have concluded, based on their evaluation of the effectiveness of the design and operation of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) as of a date within 90 days of the filing of this report on Form N-Q, that the design and operation of such procedures are effective to provide reasonable assurance that information required to be disclosed by the registrant in the reports that it files or submits on Form N-Q is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms.
  
- (b) There has been no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

A separate certification for each principal executive officer and principal financial officer of the Registrant as required by Rule 30a-2(a) under the Investment Company Act is attached as Exhibit 99.CERT.

**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.

PIMCO Strategic Global Government Fund, Inc.

By: /s/ BRENT R. HARRIS

---

Brent R. Harris  
President/Principal Executive Officer

Date: December 20, 2005

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.

By: /s/ BRENT R. HARRIS

---

Brent R. Harris  
President/Principal Executive Officer

Date: December 20, 2005

By: /s/ JOHN P. HARDAWAY

---

John P. Hardaway  
Treasurer/Principal Financial Officer

Date: December 20, 2005