

MFS GOVERNMENT MARKETS INCOME TRUST
Form N-Q
April 28, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-05078

MFS GOVERNMENT MARKETS INCOME TRUST

(Exact name of registrant as specified in charter)

111 Huntington Avenue, Boston, Massachusetts 02199

(Address of principal executive offices) (Zip code)

Kristin V. Collins

Massachusetts Financial Services Company

111 Huntington Avenue

Boston, Massachusetts 02199

(Name and address of agents for service)

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

Date of fiscal year end: November 30

Date of reporting period: February 29, 2016

ITEM 1. SCHEDULE OF INVESTMENTS.

QUARTERLY REPORT

February 29, 2016

**MFS® GOVERNMENT MARKETS INCOME
TRUST**

PORTFOLIO OF INVESTMENTS

2/29/16 (unaudited)

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

Issuer	Shares/Par	Value (\$)
Bonds - 100.3%		
U.S. Bonds - 95.4%		
Agency - Other - 7.0%		
Financing Corp., 10.7%, 10/06/17	\$ 4,095,000	\$ 4,731,891
Financing Corp., 9.4%, 2/08/18	3,085,000	3,585,893
Financing Corp., 10.35%, 8/03/18	3,820,000	4,662,910
		\$ 12,980,694
Asset-Backed & Securitized - 4.7%		
Citigroup Commercial Mortgage Trust, FRN, 5.714%, 12/10/49	\$ 1,000,000	\$ 1,029,469
Citigroup/Deutsche Bank Commercial Mortgage Trust, 5.322%, 12/11/49	925,130	945,394
CNH Equipment Trust, 2015-C, A2B, FRN, 0.9%, 12/17/18	238,951	238,909
Commercial Mortgage Pass-Through Certificates, A4, 5.306%, 12/10/46	1,053,943	1,068,840
Commercial Mortgage Trust, 2015-DC1, A5, 3.35%, 2/10/48	327,000	333,495
Credit Suisse Commercial Mortgage Trust, A4, FRN, 5.952%, 9/15/39	341,869	354,167
Credit Suisse Commercial Mortgage Trust, AM, FRN, 5.698%, 6/15/39	398,459	403,473
Credit Suisse Commercial Mortgage Trust, C4, FRN, 5.952%, 9/15/39	378,313	393,126
Credit Suisse Mortgage Capital Certificate, 5.311%, 12/15/39	437,923	441,382
CWCapital Cobalt Ltd., A4, FRN, 5.766%, 5/15/46	540,113	559,871
CWCapital LLC, 5.223%, 8/15/48	747,882	756,994
Dryden XXIII Senior Loan Fund, 2012- 23A, A1R, FRN, 1.538%, 7/17/23 (n)	326,000	323,294
Fortress Credit BSL Ltd., 2013-1A, A, FRN, 1.799%, 1/19/25 (n)	342,461	335,409
JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 5.938%, 2/15/51	17,639	17,622
JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 5.782%, 6/15/49	1,000,000	1,019,943
Morgan Stanley Capital I Trust, AM, FRN, 5.697%, 4/15/49	431,000	434,793
		\$ 8,656,181
Automotive - 0.1%		
Ford Motor Credit Co. LLC, 2.551%, 10/05/18	\$ 241,000	\$ 239,910
Building - 0.0%		
Martin Marietta Materials, Inc., 4.25%, 7/02/24	\$ 82,000	\$ 82,966
Business Services - 0.7%		
Cisco Systems, Inc., 2.6%, 2/28/23	\$ 299,000	\$ 302,778
Fidelity National Information Services, Inc., 3.875%, 6/05/24	1,000,000	966,287
		\$ 1,269,065
Cable TV - 0.8%		
CCO Safari II LLC, 4.908%, 7/23/25 (n)	\$ 242,000	\$ 248,268
Comcast Corp., 4.2%, 8/15/34	96,000	97,912
Time Warner Cable, Inc., 8.25%, 4/01/19	1,000,000	1,143,269
Time Warner Cable, Inc., 4.5%, 9/15/42	100,000	81,699
		\$ 1,571,148
Chemicals - 0.3%		
Dow Chemical Co., 8.55%, 5/15/19	\$ 500,000	\$ 587,752
Computer Software - 0.1%		
Microsoft Corp., 3.125%, 11/03/25	\$ 124,000	\$ 130,255
Computer Software - Systems - 0.3%		
Apple, Inc., 3.25%, 2/23/26	\$ 400,000	\$ 412,898
Apple, Inc., 4.375%, 5/13/45	121,000	122,077
		\$ 534,975

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Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
Food & Beverages - 1.0%		
Anheuser-Busch InBev Worldwide, Inc., 3.3%, 2/01/23	\$ 167,000	\$ 171,612
Anheuser-Busch InBev Worldwide, Inc., 4.7%, 2/01/36	219,000	229,588
J.M. Smucker Co., 4.25%, 3/15/35	189,000	189,324
Kraft Foods Group, Inc., 6.125%, 8/23/18	960,000	1,051,038
Kraft Heinz Co., 5.2%, 7/15/45 (n)	120,000	129,190
Tyson Foods, Inc., 5.15%, 8/15/44	38,000	40,586
		\$ 1,811,338
Food & Drug Stores - 0.3%		
CVS Health Corp., 3.5%, 7/20/22	\$ 277,000	\$ 289,294
CVS Health Corp., 5.125%, 7/20/45	270,000	302,916
		\$ 592,210
Insurance - 0.1%		
American International Group, Inc., 4.7%, 7/10/35	\$ 108,000	\$ 101,852
Insurance - Health - 0.4%		
UnitedHealth Group, Inc., 4.625%, 7/15/35	\$ 672,000	\$ 721,385
Insurance - Property & Casualty - 0.1%		
Liberty Mutual Group, Inc., 4.85%, 8/01/44 (n)	\$ 99,000	\$ 94,110
Local Authorities - 1.1%		
New Jersey Turnpike Authority Rev. (Build America Bonds), F , 7.414%, 1/01/40	\$ 32,000	\$ 47,210
State of California (Build America Bonds), 7.6%, 11/01/40	925,000	1,407,101
University of California Rev. (Build America Bonds), 5.77%, 5/15/43	450,000	569,804
		\$ 2,024,115
Major Banks - 0.9%		
Bank of America Corp., 7.625%, 6/01/19	\$ 170,000	\$ 195,889
Goldman Sachs Group, Inc., 3.625%, 1/22/23	446,000	453,515
Goldman Sachs Group, Inc., 4.8%, 7/08/44	94,000	95,012
Merrill Lynch & Co., Inc., 6.05%, 5/16/16	750,000	757,290
Morgan Stanley, 4%, 7/23/25	133,000	137,203
Wells Fargo & Co., 5.9% to 6/15/24, FRN to 12/29/49	100,000	100,250
		\$ 1,739,159
Medical & Health Technology & Services - 0.2%		
Becton, Dickinson and Co., 4.685%, 12/15/44	\$ 179,000	\$ 184,691
Laboratory Corp. of America Holdings, 4.7%, 2/01/45	106,000	99,950
		\$ 284,641
Medical Equipment - 0.4%		
Medtronic, Inc., 4.625%, 3/15/45	\$ 237,000	\$ 252,265
Zimmer Holdings, Inc., 4.45%, 8/15/45	607,000	558,108
		\$ 810,373
Metals & Mining - 0.2%		
Freeport-McMoRan Copper & Gold, Inc., 3.875%, 3/15/23	\$ 500,000	\$ 328,750
Midstream - 0.8%		
Energy Transfer Partners LP, 5.15%, 3/15/45	\$ 220,000	\$ 160,014
Enterprise Products Operating LLC, 3.9%, 2/15/24	29,000	27,442
Kinder Morgan Energy Partners LP, 6.85%, 2/15/20	1,000,000	1,028,165

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Portfolio of Investments (unaudited) continued

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
Midstream - continued		
Kinder Morgan Energy Partners LP, 5.4%, 9/01/44	\$ 358,000	\$ 280,197
		\$ 1,495,818
Mortgage-Backed - 47.0%		
Fannie Mae, 3%, 10/01/30	\$ 1,502,633	\$ 1,568,058
Fannie Mae, 4%, 9/01/40 - 7/01/43	1,732,777	1,853,360
Fannie Mae, 4.5%, 7/01/42	145,204	158,210
Fannie Mae, 5.845%, 6/01/16	28,012	28,115
Fannie Mae, 6.5%, 11/01/16 - 2/01/37	856,861	1,009,952
Fannie Mae, 5.05%, 1/01/17	478,051	485,324
Fannie Mae, 1.9%, 6/01/17	157,464	158,600
Fannie Mae, 6%, 8/01/17 - 7/01/37	1,478,653	1,687,989
Fannie Mae, 5.5%, 9/01/17 - 3/01/38	4,976,071	5,606,726
Fannie Mae, 4.88%, 3/01/20	138,251	148,367
Fannie Mae, 2.152%, 1/25/23	401,000	403,095
Fannie Mae, 2.41%, 5/01/23	131,449	134,409
Fannie Mae, 2.55%, 5/01/23	113,195	116,720
Fannie Mae, 2.59%, 5/01/23	71,555	73,956
Fannie Mae, 3%, 4/01/27 - 12/01/30	1,292,073	1,350,679
Fannie Mae, 2.5%, 5/01/28 - 5/01/30	447,845	460,844
Fannie Mae, 5%, 6/01/35 - 3/01/42	827,798	921,013
Fannie Mae, 4.5%, 1/01/40 - 4/01/44	5,145,691	5,605,337
Fannie Mae, 4%, 12/01/40 - 2/01/45	8,456,410	9,046,555
Fannie Mae, 3.5%, 4/01/43 - 9/01/43	829,341	870,627
Fannie Mae, 3.5%, 7/01/43 - 3/01/45	636,937	668,402
Freddie Mac, 4%, 4/01/44 - 9/01/44	1,527,444	1,630,370
Freddie Mac, 2.699%, 5/25/18	800,000	822,596
Freddie Mac, 2.412%, 8/25/18	1,152,000	1,179,163
Freddie Mac, 2.303%, 9/25/18	275,000	281,272
Freddie Mac, 2.323%, 10/25/18	499,000	510,760
Freddie Mac, 2.13%, 1/25/19	1,575,000	1,606,084
Freddie Mac, 5.085%, 3/25/19	752,000	826,045
Freddie Mac, 2.456%, 8/25/19	383,000	395,478
Freddie Mac, 4.186%, 8/25/19	600,000	652,085
Freddie Mac, 3.808%, 8/25/20	219,000	239,143
Freddie Mac, 3.034%, 10/25/20	291,000	307,672
Freddie Mac, 2.856%, 1/25/21	400,000	418,913
Freddie Mac, 6%, 5/01/21 - 10/01/38	777,068	893,496
Freddie Mac, 2.791%, 1/25/22	517,000	