

Avenue Income Credit Strategies Fund  
Form N-Q  
March 27, 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 811-22485

Avenue Income Credit Strategies Fund  
(Exact name of registrant as specified in charter)

399 Park Avenue, 6th Floor

New York, NY  
(Address of principal executive offices)

10022  
(Zip code)

Randolph Takian

Avenue Capital Group

399 Park Avenue, 6th Floor

New York, NY 10022  
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 878-3500

Date of fiscal year end: October 31

Date of reporting period: January 31, 2014

---

**Item 1. Schedule of Investments.** The schedule of investments for the period ended January 31, 2014, is filed herewith.

---

## Avenue Income Credit Strategies Fund

## SCHEDULE OF INVESTMENTS

January 31, 2014 (Unaudited)

Security Description	Coupon	Maturity	Principal Amount (000)	Value
<b>CORPORATE BONDS &amp; NOTES 107.0%</b>				
<b>Aerospace &amp; Defense 1.7%</b>				
Accudyne Industries Borrower / Accudyne Industries LLC (a)	7.75%	12/15/2020	\$ 3,800	\$ 4,028,000
<b>Airlines 2.7%</b>				
US Airways 2000-3C Pass Through Trust	8.39%	3/1/2022	5,370	5,584,625
US Airways 2011-1 Pass Through Trust	10.88%	10/22/2014	1,043	1,094,627
				6,679,252
<b>Auto Components 3.9%</b>				
Chassis Holdings PIK (a)	10.00%	12/15/2018	2,490	2,514,900
Chassis, Inc. (a)	9.25%	8/1/2018	5,600	5,978,000
Stackpole International Intermediate Co. SA (a)	7.75%	10/15/2021	925	964,313
				9,457,213
<b>Chemicals 3.0%</b>				
Kerling PLC (a)	10.63%	2/1/2017	EUR 1,600	2,287,394
Perstorp Holding AB (a)	8.75%	5/15/2017	\$ 4,825	5,150,688
				7,438,082
<b>Commercial Banks 4.0%</b>				
Barclays PLC	8.00%	(b)	EUR 255	351,227
Lloyds Banking Group Capital No.1 PLC (a)	7.88%	11/1/2020	\$ 4,750	5,118,125
Royal Bank of Scotland Group PLC	7.65%	(b)	4,000	4,225,000
				9,694,352
<b>Communications Equipment 5.1%</b>				
Alcatel-Lucent USA, Inc. (a)	8.88%	1/1/2020	3,195	3,538,462
Aspect Software, Inc.	10.63%	5/15/2017	2,925	2,961,563
Avaya, Inc.:				
	9.00%	4/1/2019(a)	3,700	3,838,750
	10.50%	3/1/2021(a)	2,199	2,034,075
				12,372,850
<b>Computers &amp; Peripherals 0.8%</b>				
Oberthur Technologies Holding SAS (a)	9.25%	4/30/2020	EUR 1,357	1,976,600
<b>Construction Materials 5.4%</b>				
CeramTec Group GmbH (a)	8.25%	8/15/2021	6,100	8,889,510
US Concrete, Inc. (a)	8.50%	12/1/2018	\$ 4,105	4,341,038
				13,230,548
<b>Consumer Finance 1.8%</b>				
Springleaf Finance Corp.	6.90%	12/15/2017	4,000	4,370,000
<b>Containers &amp; Packaging 1.8%</b>				
Ardagh Packaging Finance PLC (a)	9.25%	10/15/2020	EUR 3,000	4,407,011
<b>Diversified Consumer Services 0.7%</b>				
Monitronics International, Inc.	9.13%	4/1/2020		