

EVERGREEN MULTI-SECTOR INCOME FUND
Form N-Q
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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 811-21331

Evergreen Multi-Sector Income Fund

(Exact name of registrant as specified in charter)

200 Berkeley Street

Boston, Massachusetts 02116

(Address of principal executive offices) (Zip code)

Michael H. Koonce, Esq.

200 Berkeley Street

Boston, Massachusetts 02116

(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 210-3200

Date of fiscal year end: Registrant is making a quarterly filing for one of its series, Evergreen Multi-Sector Income Fund, for the quarter ended January 31, 2009. This series has October 31 fiscal year end.

Date of reporting period: January 31, 2009

Item 1 – Schedule of Investments

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS

January 31, 2009 (unaudited)

	Principal Amount	Value
AGENCY MORTGAGE-BACKED COLLATERALIZED		
MORTGAGE OBLIGATIONS 13.3%		
FIXED-RATE 0.4%		
FHLMC, Ser. 1650, Class J, 6.50%, 06/15/2023	\$136,536	\$136,749
FNMA:		
Ser. 2001-25, Class Z, 6.00%, 06/25/2031	1,257,466	1,324,841
Ser. 2001-51, Class P, 6.00%, 08/25/2030	557,590	563,264
Ser. 2002-77, Class FH, 4.68%, 12/18/2032	347,071	340,289
		<u>2,365,143</u>
FLOATING-RATE 12.9%		
FHLMC:		
Ser. 0196, Class A, 2.24%, 12/15/2021	160,326	158,679
Ser. 1500, Class FD, 2.89%, 05/15/2023	4,177,475	4,074,358
Ser. 2182, Class FE, 3.40%, 05/15/2028	633,104	624,931
Ser. 2247, Class FC, 2.02%, 08/15/2030	704,237	687,025
Ser. 2390, Class FD, 1.87%, 12/15/2031	140,814	138,530
Ser. 2411, Class F, 1.97%, 02/15/2032	181,409	178,483
Ser. 2412, Class GF, 2.37%, 02/15/2032	4,286,397	4,249,577
Ser. 2431, Class F, 1.92%, 03/15/2032	6,654,291	6,476,821
Ser. 2567, Class FH, 1.82%, 02/15/2033	355,197	341,679
Ser. T-66, Class 2A1, 5.25%, 01/25/2036	7,738,257	7,314,686
Ser. T-67, Class 1A1C, 5.57%, 03/25/2036	22,758,429	21,594,197
Ser. T-67, Class 2A1C, 5.53%, 03/25/2036	1,630,936	1,550,048
FNMA:		
Ser. 1996-46, Class FA, 1.94%, 08/25/2021	91,749	89,970
Ser. 2000-45, Class F, 1.85%, 12/25/2030	735,515	721,059
Ser. 2001-24, Class FC, 2.00%, 04/25/2031	267,832	261,249
Ser. 2001-35, Class F, 2.00%, 07/25/2031	62,057	61,141
Ser. 2001-37, Class F, 1.90%, 08/25/2031	267,661	263,334
Ser. 2001-57, Class F, 1.90%, 06/25/2031	62,477	61,360
Ser. 2001-62, Class FC, 2.05%, 11/25/2031	821,260	800,194
Ser. 2001-69, Class PF, 2.40%, 12/25/2031	2,494,704	2,493,935
Ser. 2002-77, Class FV, 1.98%, 12/18/2032	1,132,589	1,094,602
Ser. 2002-95, Class FK, 1.90%, 01/25/2033	9,291,330	8,975,518
Ser. 2002-97, Class FR, 1.95%, 01/25/2033	143,929	136,998
Ser. 2003-W8, Class 3F2, 1.75%, 05/25/2042	1,685,763	1,618,559
Ser. G91-16, Class F, 1.89%, 06/25/2021	102,195	100,148
Ser. G92-17, Class F, 2.49%, 03/25/2022	180,437	179,894
Ser. G92-53, Class FA, 2.19%, 09/25/2022	1,707,053	1,681,703
GNMA:		
Ser. 1997-13, Class F, 1.94%, 09/16/2027	1,527,297	1,484,975
Ser. 2001-61, Class FA, 1.95%, 09/20/2030	101,105	100,701
		<u>67,514,354</u>
<i>Total Agency Mortgage-Backed Collateralized Mortgage</i>		
<i>Obligations (cost \$74,159,701)</i>		<u>69,879,497</u>

AGENCY MORTGAGE-BACKED PASS THROUGH

SECURITIES 25.5%

FIXED-RATE 2.1%

FHLMC:

6.50%, 06/01/2017	2,288,775	2,390,351
8.50%, 04/01/2015-07/01/2028	414,061	438,521

FNMA:

5.18%, 07/01/2038	315,495	316,007
5.53%, 07/01/2038	3,805,220	3,792,728
6.00%, 04/01/2033	439,006	450,749
6.50%, 11/01/2032	70,293	73,254
7.00%, 05/01/2032-08/01/2032	930,373	990,939
7.50%, 07/01/2017-07/01/2032	916,171	971,876
8.00%, 12/01/2024-06/01/2030	285,517	302,654
12.00%, 01/01/2016	45,270	48,040

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS continued

January 31, 2009 (unaudited)

	Principal Amount	Value
AGENCY MORTGAGE-BACKED PASS THROUGH		
SECURITIES continued		
FIXED-RATE continued		
GNMA:		
6.50%, 06/15/2028	\$102,716	\$107,030
7.25%, 07/15/2017-05/15/2018	906,474	955,442
		<u>10,837,591</u>
FLOATING-RATE 23.4%		
FHLB:		
5.20%, 07/01/2033	308,962	314,089
5.23%, 12/01/2034	10,234,114	10,140,392
5.47%, 11/01/2030	612,755	619,961
5.52%, 06/01/2035	4,602,154	4,657,134
FHLMC:		
4.16%, 10/01/2030	25,039	24,670
4.92%, 12/01/2026	113,622	112,474
5.02%, 10/01/2037	4,281,290	4,365,674
5.07%, 05/01/2019-07/01/2035	1,480,944	1,494,385
5.29%, 06/01/2033	387,458	389,543
5.41%, 03/01/2032	1,169,508	1,187,815
5.46%, 09/01/2032	702,808	707,081
5.50%, 10/01/2022-10/01/2024	173,070	174,617
5.57%, 10/01/2030	482,266	486,057
5.72%, 10/01/2033	255,255	257,159
5.74%, 08/01/2030	577,543	587,953
5.875%, 02/01/2037	5,162,328	5,337,873
6.23%, 06/01/2018	70,094	73,013
6.96%, 01/01/2027	278,020	288,881
8.50%, 03/01/2030	125,340	134,998
FNMA:		
3.94%, 12/01/2017	1,087,596	1,075,992
4.02%, 04/01/2017-01/01/2038	8,142,907	8,105,481
4.04%, 02/01/2017	2,282,122	2,269,833
4.13%, 02/01/2035	1,321,276	1,319,596
4.42%, 10/01/2035	3,985,046	3,926,676
4.43%, 12/01/2035	5,488,022	5,497,134
4.47%, 08/01/2020	1,360,843	1,367,525
4.52%, 03/01/2034	34,653	34,771
4.57%, 01/01/2030	79,885	81,934
4.68%, 02/01/2035	8,307,736	8,239,945
4.72%, 12/01/2026	132,301	133,339
4.74%, 08/01/2036	6,785,190	6,772,981
4.83%, 07/01/2038	2,449,224	2,488,852
4.85%, 12/01/2009-06/01/2031	1,139,985	1,141,503
4.86%, 03/01/2034	975,251	977,528

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4.875%, 04/01/2019	68,523	68,253
4.92%, 04/01/2036	5,053,622	5,044,728
4.93%, 10/01/2029	143,697	142,926
4.95%, 01/01/2034-04/01/2034	5,134,501	5,148,064
4.98%, 03/01/2033	171,800	174,689
5.08%, 01/01/2036	4,073,589	3,989,397
5.11%, 12/01/2022	15,363	16,225
5.12%, 12/01/2031	102,019	102,926
5.13%, 12/01/2036	63,689	64,084
5.15%, 01/01/2015	46,675	47,307
5.22%, 01/01/2028-07/01/2048	2,602,566	2,609,638
5.23%, 04/01/2028	116,230	108,565
5.25%, 01/01/2017	89,318	89,900

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS continued

January 31, 2009 (unaudited)

	Principal Amount	Value
AGENCY MORTGAGE-BACKED PASS THROUGH		
SECURITIES continued		
FLOATING-RATE continued		
FNMA:		
5.26%, 02/01/2035	\$520,484	\$524,769
5.29%, 07/01/2038	3,557,808	3,548,130
5.30%, 07/01/2030-02/01/2038	575,905	576,301
5.32%, 12/01/2034	1,726,548	1,718,394
5.37%, 06/01/2024	219,146	220,128
5.39%, 12/01/2029	75,470	76,218
5.43%, 05/01/2027	1,121,592	1,133,549
5.45%, 07/01/2026	43,203	43,693
5.46%, 01/01/2028	735,738	748,150
5.50%, 06/01/2033	696,960	712,867
5.52%, 12/01/2028	54,609	54,626
5.56%, 01/01/2026	436,284	440,249
5.57%, 10/01/2034	306,439	297,916
5.61%, 01/01/2033	754,942	757,695
5.62%, 08/01/2028	80,723	81,697
5.73%, 09/01/2032	213,646	213,744
5.75%, 12/01/2016	11,666	11,815
5.83%, 09/01/2027	331,531	336,848
5.86%, 04/01/2031	753,569	761,670
5.91%, 08/01/2030-12/01/2032	1,384,560	1,403,228
5.92%, 07/01/2033	260,892	263,146
5.93%, 09/01/2024-08/01/2027	346,966	350,329
5.99%, 05/01/2021	7,811	8,272
6.00%, 08/01/2021	10,996	11,817
6.07%, 04/01/2033	182,310	185,502
6.10%, 12/01/2013	472,305	485,001
6.14%, 12/01/2020	128,697	138,793
6.29%, 06/01/2029	396,476	400,492
6.36%, 04/01/2025	152,491	156,424
6.45%, 05/01/2030	256,996	260,206
6.47%, 11/01/2024	321,929	328,837
6.58%, 09/01/2037	4,312,556	4,461,303
6.67%, 09/01/2032	5,118,853	5,318,808
GNMA:		
4.625%, 09/20/2030	315,054	319,288
5.00%, 11/20/2030-10/20/2031	880,492	883,879
5.125%, 10/20/2029-11/20/2030	1,782,649	1,806,574
5.25%, 02/20/2029	514,795	521,911
5.375%, 01/20/2027-03/20/2028	352,852	357,055
5.50%, 02/20/2031	435,001	434,158
		<u>122,747,043</u>

<i>Total Agency Mortgage-Backed Pass Through Securities</i> (cost \$135,400,303)		<u>133,584,634</u>
AGENCY REPERFORMING MORTGAGE-BACKED PASS THROUGH SECURITIES 1.7%		
FIXED-RATE 0.1%		
FNMA, Ser. 2001-T10, Class A2, 7.50%, 12/25/2041	351,676	<u>363,132</u>
FLOATING-RATE 1.6%		
FNMA:		
Ser. 2002-T06, Class A4, 5.54%, 03/25/2041	2,774,389	2,638,297
Ser. 2004-T03, Class 2A, 5.67%, 08/25/2043	1,237,635	1,189,133
Ser. 2005-W4, Class 3A, 5.60%, 06/25/2035	4,728,888	<u>4,729,691</u>
		<u>8,557,121</u>
<i>Total Agency Reperforming Mortgage-Backed Pass Through Securities</i> (cost \$9,258,729)		<u>8,920,253</u>

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS continued

January 31, 2009 (unaudited)

	Principal Amount	Value
COMMERCIAL MORTGAGE-BACKED SECURITIES 0.2%		
FLOATING-RATE 0.2%		
Goldman Sachs Mtge. Securities Corp., Ser. 2007-GG10, Class A4, 5.99%, 08/10/2045 (cost \$810,139)	\$1,615,000	<u>\$970,195</u>
CORPORATE BONDS 53.3%		
CONSUMER DISCRETIONARY 8.7%		
Auto Components 0.7%		
Cooper Standard Automotive, Inc.:		
7.00%, 12/15/2012	300,000	94,500
8.375%, 12/15/2014	670,000	123,950
Cooper Tire & Rubber Co., 7.625%, 03/15/2027	5,185,000	2,048,075
Goodyear Tire & Rubber Co.:		
7.86%, 08/15/2011	970,000	916,650
9.00%, 07/01/2015	490,000	<u>454,475</u>
		<u>3,637,650</u>
Automobiles 0.9%		
Ford Motor Co.:		
7.70%, 05/15/2097	6,085,000	1,004,025
FRN, 5.54%, 04/15/2009	3,850,000	<u>3,681,563</u>
		<u>4,685,588</u>
Diversified Consumer Services 0.2%		
Carriage Services, Inc., 7.875%, 01/15/2015	850,000	714,000
Service Corporation International, 6.75%, 04/01/2015	45,000	<u>41,400</u>
		<u>755,400</u>
Hotels, Restaurants & Leisure 1.7%		
Boyd Gaming Corp., 7.75%, 12/15/2012	95,000	84,550
Caesars Entertainment, Inc.:		
7.875%, 03/15/2010	1,570,000	887,050
8.125%, 05/15/2011	565,000	223,175
Fontainebleau Las Vegas Holdings, LLC, 10.25%, 06/15/2015 144A	2,261,000	260,015
Inn of the Mountain Gods Resort & Casino, 12.00%, 11/15/2010	1,050,000	215,250
Isle of Capri Casinos, Inc., 7.00%, 03/01/2014	1,180,000	590,000
MGM MIRAGE, 8.50%, 09/15/2010	470,000	380,700
Pinnacle Entertainment, Inc., 8.75%, 10/01/2013	60,000	55,500
Pokagon Gaming Authority, 10.375%, 06/15/2014 144A	1,320,000	1,161,600
Seneca Gaming Corp., 7.25%, 05/01/2012	1,185,000	953,925
Shingle Springs Tribal Gaming Authority, 9.375%, 06/15/2015 144A	2,170,000	1,345,400
Six Flags, Inc.:		
8.875%, 02/01/2010	355,000	101,175
9.625%, 06/01/2014	344,000	70,520
12.25%, 07/15/2016 144A	147,000	87,465
Trump Entertainment Resorts, Inc., 8.50%, 06/01/2015 •	7,551,000	1,151,527
Universal City Development Partners, Ltd., 11.75%, 04/01/2010	2,000,000	<u>1,545,000</u>
		<u>9,112,852</u>

Household Durables 2.2%

Centex Corp., 5.80%, 09/15/2009	1,515,000	1,477,125
D.R. Horton, Inc.:		
4.875%, 01/15/2010	700,000	661,500
6.00%, 04/15/2011	150,000	131,250
9.75%, 09/15/2010	1,920,000	1,843,200
Hovnanian Enterprises, Inc.:		
6.00%, 01/15/2010	1,258,000	1,037,850
8.00%, 04/01/2012	720,000	273,600
11.50%, 05/01/2013	190,000	157,225

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS continued

January 31, 2009 (unaudited)

	Principal Amount	Value
CORPORATE BONDS continued		
CONSUMER DISCRETIONARY continued		
Household Durables continued		
Lennar Corp.:		
5.125%, 10/01/2010	\$2,255,000	\$1,866,012
7.625%, 03/01/2009	650,000	637,000
Libbey, Inc., FRN, 9.57%, 06/01/2011	1,995,000	887,775
Meritage Homes Corp.:		
6.25%, 03/15/2015	910,000	564,200
7.00%, 05/01/2014	1,205,000	789,275
Pulte Homes, Inc.:		
7.875%, 08/01/2011	575,000	540,500
8.125%, 03/01/2011	530,000	500,850
		<u>11,367,362</u>
Internet & Catalog Retail 0.1%		
Ticketmaster Entertainment, Inc., 10.75%, 08/01/2016 144A	1,045,000	<u>632,225</u>
Media 1.4%		
Charter Communications, Inc.:		
8.00%, 04/30/2012 144A	280,000	239,400
10.875%, 09/15/2014 144A	3,185,000	2,770,950
CSC Holdings, Inc.:		
7.625%, 04/01/2011	830,000	830,000
8.50%, 04/15/2014 144A	415,000	409,812
DirectTV Holdings, LLC, 7.625%, 05/15/2016	45,000	44,438
Idearc, Inc., 8.00%, 11/15/2016	4,730,000	171,462
Ion Media Networks, Inc., FRN, 11.00%, 01/15/2013 144A	2,261,094	113,055
Lamar Media Corp.:		
6.625%, 08/15/2015	260,000	196,300
7.25%, 01/01/2013	180,000	148,950
Ser. B, 6.625%, 08/15/2015	80,000	60,400
Mediacom, LLC, 7.875%, 02/15/2011	590,000	557,550
R.H. Donnelley Corp., 11.75%, 05/15/2015 144A	2,096,000	628,800
Sinclair Broadcast Group, Inc., 8.00%, 03/15/2012	882,000	628,425
Sirius Satellite Radio, Inc., 9.625%, 08/01/2013	1,320,000	297,000
XM Satellite Radio Holdings, Inc., 13.00%, 08/01/2013 144A	1,280,000	326,400
Young Broadcasting, Inc.:		
8.75%, 01/15/2014 •	2,121,000	15,908
10.00%, 03/01/2011 •	1,540,000	11,550
		<u>7,450,400</u>
Multiline Retail 0.2%		
Macy's, Inc., 7.875%, 07/15/2015	525,000	403,009
Neiman Marcus Group, Inc., 9.00%, 10/15/2015	815,000	366,750
		<u>769,759</u>
Specialty Retail 0.6%		

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American Achievement Corp., 8.25%, 04/01/2012 144A	2,995,000	2,410,975
AutoZone, Inc., 6.50%, 01/15/2014	45,000	44,006
Best Buy Co., Inc., 6.75%, 07/15/2013	395,000	359,156
Staples, Inc., 9.75%, 01/15/2014	430,000	457,788
		<u>3,271,925</u>
Textiles, Apparel & Luxury Goods 0.7%		
AAC Group Holdings Corp., Step Bond, 10.25%, 10/01/2012 ††	445,000	289,250
Oxford Industries, Inc., 8.875%, 06/01/2011	2,961,000	2,235,555
Visant Corp., 7.625%, 10/01/2012	1,495,000	1,352,975
		<u>3,877,780</u>

EVERGREEN MULTI-SECTOR INCOME FUND
SCHEDULE OF INVESTMENTS continued

January 31, 2009 (unaudited)

	Principal Amount	Value
CORPORATE BONDS continued		
CONSUMER STAPLES 0.8%		
Beverages 0.2%		
Anheuser-Busch InBev, 7.75%, 01/15/2019 144A	\$1,000,000	\$1,016,171
Food Products 0.4%		
Dean Foods Co., 6.625%, 05/15/2009	25,000	25,000
Del Monte Foods Co.:		
6.75%, 02/15/2015	285,000	269,325
8.625%, 12/15/2012	1,119,000	1,141,380
Tyson Foods, Inc., 7.35%, 04/01/2016	795,000	657,303
		<u>2,093,008</u>
Personal Products 0.0%		
Central Garden & Pet Co., 9.125%, 02/01/2013	220,000	155,100
Tobacco 0.2%		
Altria Group, Inc.:		
9.70%, 11/10/2018	750,000	822,049
9.95%, 11/10/2038	40,000	42,918
		<u>864,967</u>
ENERGY 9.2%		
Energy Equipment & Services 1.1%		
Bristow Group, Inc., 7.50%, 09/15/2017	1,230,000	904,050
GulfMark Offshore, Inc., 7.75%, 07/15/2014	1,260,000	989,100
Hornbeck Offshore Services, Inc., Ser. B, 6.125%, 12/01/2014	3,215,000	2,306,763
Parker Drilling Co., 9.625%, 10/01/2013	934,000	695,830
PHI, Inc., 7.125%, 04/15/2013	1,970,000	1,270,650
		<u>6,166,393</u>
Oil, Gas & Consumable Fuels 8.1%		
Chesapeake Energy Corp.:		
6.875%, 01/15/2016	5,365,000	4,627,312
9.50%, 02/15/2015	1,470,000	1,447,950
Delta Petroleum Corp., 7.00%, 04/01/2015	1,980,000	722,700
El Paso Corp.:		
6.75%, 05/15/2009	450,000	450,019
7.42%, 02/15/2037	1,670,000	1,219,100
12.00%, 12/12/2013	445,000	479,488
Encore Acquisition Co., 6.00%, 07/15/2015	1,760,000	1,416,800
Exco Resources, Inc., 7.25%, 01/15/2011	2,730,000	2,306,850
Ferrellgas Partners, LP, 6.75%, 05/01/2014 144A	1,895,000	1,525,475
Forest Oil Corp.:		
7.25%, 06/15/2019	1,430,000	1,197,625
7.25%, 06/15/2019 144A	1,045,000	875,187
Frontier Oil Corp., 6.625%, 10/01/2011	875,000	840,000
Inergy Holdings, LP, 8.75%, 03/01/2015 144A	840,000	798,000
Newfield Exploration Co.:		

6.625%, 04/15/2016