

MFS GOVERNMENT MARKETS INCOME TRUST
Form N-CSR
January 28, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT 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)

Susan S. Newton

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: November 30, 2013

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ITEM 1. REPORTS TO STOCKHOLDERS.

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ANNUAL REPORT

November 30, 2013

MFS® GOVERNMENT MARKETS INCOME TRUST

MGF-ANN

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Managed Distribution Policy Disclosure

The MFS Government Markets Income Trust's (the fund) Board of Trustees has adopted a managed distribution policy. The fund seeks to pay monthly distributions based on an annual rate of 7.25% of the fund's average monthly net asset value. The fund's total return in relation to changes in net asset value is presented in the Financial Highlights. You should not draw any conclusions about the fund's investment performance from the amount of the current distribution or from the terms of the fund's managed distribution policy. The Board may amend or terminate the managed distribution policy at any time without prior notice to fund shareholders; however, at this time, there are no reasonably foreseeable circumstances that might cause the termination of the managed distribution policy.

With each distribution, the fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other related information. In accordance with the amounts and sources of distributions reported in the notice to shareholders the sources of distributions are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The fund will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

Under a managed distribution policy the fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of your distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the fund is paid back to you. A return of capital does not necessarily reflect the fund's investment performance and should not be confused with yield or income.

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MFS® GOVERNMENT MARKETS INCOME TRUST

New York Stock Exchange Symbol: **MGF**

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NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

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LETTER FROM THE CHAIRMAN AND CEO

Dear Shareholders:

The global economy continues to grow at a modest pace. U.S. job growth has picked up in recent months, and gross domestic product growth has accelerated each quarter.

The U.K. and eurozone economies are expanding again. China's economy has regained traction, while Japan's government and central bank have revived a once-struggling economy.

However, challenges still exist. The eurozone recovery remains uneven, with France at risk of sliding back into recession, and unemployment rates among the region's northern countries differ substantially with rates in the south. China faces risks in its pursuit of greater domestic consumption. Japan is bracing itself for the national sales tax increase in April. The U.S. Federal Reserve remains a key focus for investors. As the nation's

economy improves, there are rising expectations that the Fed may start to shift away from its accommodative monetary policy.

Managing risk in the face of uncertainty is always a top priority for investors. At MFS®, our collaborative process employs integrated, global research and active risk management. Our team of investment professionals shares ideas and evaluates opportunities that span continents, investment disciplines and asset classes. Our goal is to build better insights, and ultimately better results, for our clients.

We understand and appreciate the economic challenges investors face, and we believe in the value of maintaining a long-term view and employing time-tested principles, such as asset allocation and diversification. We are confident that our unique approach can serve investors well as they work with their financial advisors to identify and pursue the most suitable opportunities.

Respectfully,

Robert J. Manning

Chairman and Chief Executive Officer

MFS Investment Management®

January 15, 2014

The opinions expressed in this letter are subject to change, may not be relied upon for investment advice, and no forecasts can be guaranteed.

Table of Contents**PORTFOLIO COMPOSITION****Portfolio structure (i)****Fixed income sectors (i)**

Mortgage-Backed Securities	47.9%
U.S. Treasury Securities	16.3%
U.S. Government Agencies	12.8%
High Grade Corporates	8.9%
Emerging Markets Bonds	6.5%
Commercial Mortgage-Backed Securities	4.8%
Non-U.S. Government Bonds	0.7%
Municipal Bonds (o)	0.0%

Composition including fixed income credit quality (a)(i)

AAA	2.3%
AA	2.4%
A	4.2%
BBB	12.0%
U.S. Government	18.4%
Federal Agencies	60.7%
Not Rated	(2.1)%
Cash & Other	2.1%

Portfolio facts (i)

Average Duration (d)	5.0
Average Effective Maturity (m)	6.8 yrs.

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. U.S. Government includes securities issued by the U.S. Department of the Treasury. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency mortgage-backed securities, and collateralized mortgage obligations of U.S. Agency mortgage-backed securities. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. Cash & Other includes cash, other assets less liabilities, offsets to derivative positions, and short-term securities. The fund may not hold all of these instruments. The fund is not rated by these agencies.
- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.

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Portfolio Composition continued

- (i) For purposes of this presentation, the components include the market value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than market value. The bond component will include any accrued interest amounts.
- (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.
- (o) Less than 0.1%.

Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

Percentages are based on net assets as of 11/30/13.

The portfolio is actively managed and current holdings may be different.

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MANAGEMENT REVIEW

Summary of Results

MFS Government Markets Income Trust (fund) is a closed-end fund. The fund's investment objective is to seek high current income, but may also consider capital appreciation. MFS normally invests at least 80% of the fund's net assets, including borrowings for investment purposes, in U.S. and foreign government securities. MFS may invest the fund's assets in other types of debt instruments. MFS generally invests substantially all of the fund's assets in investment grade debt instruments. MFS may invest the fund's assets in U.S. and foreign securities, including emerging market securities.

For the twelve months ended November 30, 2013, the MFS Government Markets Income Trust provided a total return of 1.88%, at net asset value and a total return of 10.19%, at market value. This compares with a return of 1.58% for the fund's benchmark, the Barclays U.S. Government/Mortgage Bond Index. Over the same period, the fund's other benchmark, the MFS Government Markets Income Trust Blended Index (Blended Index), generated a return of 1.64%. The Blended Index reflects the blended returns of various fixed income market indices, with percentage allocations to each index designed to resemble the fixed income allocations of the fund. The market indices and related percentage allocations used to compile the Blended Index are set forth in the Performance Summary.

The performance commentary below is based on the net asset value performance of the fund which reflects the performance of the underlying pool of assets held by the fund. The total return at market value represents the return earned by owners of the shares of the fund which are traded publicly on the exchange.

Market Environment

At the beginning of the period, year-end fiscal cliff negotiations between the Republicans in the US Congress and President Obama were a particular source of market attention, where uncertainty surrounding the fiscal negotiations continued right up to the end-of-year deadline. A last minute political agreement averted the worst-case scenario and markets gravitated towards risk assets again, though the implementation of the US budget sequester, combined with concerns surrounding the Italian election results, was a source of uncertainty which lingered throughout the first half of the period.

The more dominant features of the first few months of 2013 included a marked improvement in market sentiment as global macroeconomic indicators improved, monetary easing by the Bank of Japan accelerated and fears of fiscal austerity in the US waned. In the middle of the period, concerns that the US Federal Reserve (Fed) would begin tapering its quantitative easing (QE) program caused sovereign bond yields to spike, credit spreads to widen, and equity valuations to fall. Equities subsequently outperformed fixed income in response to the improved economic fundamentals.

Toward the end of the period, the Fed's decision to postpone QE tapering surprised markets. Favorable market reactions were tempered, however, by tense negotiations over US fiscal policy which resulted in a 16-day partial shutdown of the federal government and a short-term extension in the debt ceiling. The volatility was short-lived, however, as an extension of budget and debt ceiling deadlines allowed the government to re-open, and subsequent economic data reflected moderate but resilient US growth. Also well-received was the decision by the European Central Bank

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Management Review continued

to cut its policy rate as inflation pressures waned in the region. In addition, equity investors appeared to have concluded that there would be no major change in US monetary policy as a result of the nomination of Janet Yellen as the new Fed Chair for a term beginning in early 2014.

Detractors from Performance

Relative to the Blended Index, the fund's greater exposure to FNMA (Federal National Mortgage Association) and FHLMC (Federal Home Loan Mortgage Corporation) mortgage-backed securities hindered performance. A greater exposure to emerging markets debt, particularly to Brazil, also held back relative returns as this market segment turned in weak results during the reporting period.

The fund's yield curve^(y) positioning, particularly a greater exposure to shifts in the long portion (centered around maturities of 10 or more years) of the yield curve, was another area of relative weakness.

Contributors to Performance

Strong bond selection contributed to relative performance during the reported period. Additionally, the portion of the fund's return derived from yield, which was greater than that of the Blended Index, was another positive factor for relative results.

In terms of credit quality, the fund's lesser exposure to A-rated bonds supported relative performance as lower quality credit spreads narrowed during the period. A greater exposure to corporate bonds in the *financial* sector also aided relative performance as this sector produced positive results.

Respectfully,

Geoffrey Schechter
Portfolio Manager

Ward Brown
Portfolio Manager

Robert Persons
Portfolio Manager

Matthew Ryan
Portfolio Manager

(r) Bonds rated BBB-, Baa-, or higher are considered investment grade; bonds rated BB-, Ba-, or below are considered non-investment grade. The source for bond quality ratings is Moody's Investors Service, Standard & Poor's and Fitch, Inc. and are applied using the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). For securities which are not rated by any of the three agencies, the security is considered Not Rated.

(y) A yield curve graphically depicts the yields of different maturity bonds of the same credit quality and type; a normal yield curve is upward sloping, with short-term rates lower than long-term rates.

Note to Shareholders: Effective December 1, 2012, Ward Brown, Robert Persons, and Matthew Ryan are also Portfolio Managers of the Fund.

The views expressed in this report are those of the portfolio managers only through the end of the period of the report as stated on the cover and do not necessarily reflect the views of MFS or any other person in the MFS organization. These views are subject to change at any time based on market or other conditions, and MFS disclaims any responsibility to update such views. These views may not be relied upon as investment advice or an indication of trading intent on behalf of any MFS portfolio. References to specific securities are not recommendations of such securities, and may not be representative of any MFS portfolio's current or future investments.

Table of Contents**PERFORMANCE SUMMARY THROUGH 11/30/13**

The following chart represents the fund's historical performance in comparison to its benchmark(s). Investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than their original cost; current performance may be lower or higher than quoted. The performance shown does not reflect the deduction of taxes, if any, that a shareholder would pay on fund distributions or the sale of fund shares. Performance data shown represents past performance and is no guarantee of future results.

Price Summary for MFS Government Markets Income Trust

Year Ended 11/30/13

	Date	Price
Net Asset Value	11/30/13	\$6.24
	11/30/12	\$6.87
New York Stock Exchange Price	11/30/13	\$5.62
	1/02/13 (high) (t)	\$6.92
	8/21/13 (low) (t)	\$5.55
	11/30/12	\$6.76

Total Returns vs Benchmarks

Year Ended 11/30/13

MFS Government Markets Income Trust at	
New York Stock Exchange Price (r)	(10.19)%
Net Asset Value (r)	(1.88)%
Barclays U.S. Government/Mortgage Bond Index (f)	(1.58)%
MFS Government Markets Income Trust Blended Index (f)(w)	(1.64)%
Barclays U.S. Credit Bond Index (f)	(1.85)%

(f) Source: FactSet Research Systems Inc.

(r) Includes reinvestment of dividends and capital gain distributions.

(t) For the period December 1, 2012 through November 30, 2013.

(w) MFS Government Markets Income Trust Blended Index is at a point in time and allocations during the period can change. As of November 30, 2013, the blended index was comprised of 80% Barclays U.S. Government/Mortgage Bond Index and 20% Barclays U.S. Credit Bond Index.

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Performance Summary continued

Benchmark Definitions

Barclays U.S. Credit Bond Index a market capitalization-weighted index that measures the performance of publicly issued, SEC-registered, U.S. corporate and specified foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

Barclays U.S. Government/Mortgage Bond Index measures debt issued by the U.S. Government, and its agencies, as well as mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

It is not possible to invest directly in an index.

Notes to Performance Summary

The fund's shares may trade at a discount or premium to net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation.

The fund's monthly distributions may include a return of capital to shareholders to the extent that the fund's net investment income and net capital gains are insufficient to meet the fund's target annual distribution rate. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. It may also result in a recharacterization of what economically represents a return of capital to ordinary income in those situations where a fund has long term capital gains and a capital loss carryforward. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

The fund's target annual distribution rate is calculated based on an annual rate of 7.25% of the fund's average monthly net asset value, not a fixed share price, and the fund's dividend amount will fluctuate with changes in the fund's average monthly net assets.

Net asset values and performance results based on net asset value per share do not include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles and may differ from amounts reported in the Statement of Assets and Liabilities or the Financial Highlights.

From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

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PORTFOLIO MANAGERS PROFILE

Portfolio Manager	Primary Role	Since	Title and Five Year History
Geoffrey Schechter	Lead and U.S. Government Securities Portfolio Manager	2006	Investment Officer of MFS; employed in the investment management area of MFS since 1993.
Ward Brown	Emerging Markets Debt Instruments Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 2005.
Robert Persons	Investment Grade Debt Instruments Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 2000.
Matthew Ryan	Emerging Markets Debt Instruments Portfolio Manager	2012	Investment Officer of MFS; employed in the investment management area of MFS since 1997.

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DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

The fund offers a Dividend Reinvestment and Cash Purchase Plan (the Plan) that allows common shareholders to reinvest either all of the distributions paid by the fund or only the long-term capital gains. Generally, purchases are made at the market price unless that price exceeds the net asset value (the shares are trading at a premium). If the shares are trading at a premium, purchases will be made at a price of either the net asset value or 95% of the market price, whichever is greater. You can also buy shares on a quarterly basis in any amount \$100 and over. The Plan Agent will purchase shares under the Cash Purchase Plan on the 15th of January, April, July, and October or shortly thereafter.

If shares are registered in your own name, new shareholders will automatically participate in the Plan, unless you have indicated that you do not wish to participate. If your shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you may wish to request that your shares be re-registered in your own name so that you can participate. There is no service charge to reinvest distributions, nor are there brokerage charges for shares issued directly by the fund. However, when shares are bought on the New York Stock Exchange or otherwise on the open market, each participant pays a pro rata share of the transaction expenses, including commissions. Dividends and capital gains distributions are taxable whether received in cash or reinvested in additional shares the automatic reinvestment of distributions does not relieve you of any income tax that may be payable (or required to be withheld) on the distributions.

You may withdraw from the Plan at any time by going to the Plan Agent's website at www.computershare.com, by calling 1-800-637-2304 any business day from 9 a.m. to 5 p.m. Eastern time or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940 - 3078. Please have available the name of the fund and your account number. For certain types of registrations, such as corporate accounts, instructions must be submitted in writing. Please call for additional details. When you withdraw from the Plan, you can receive the value of the reinvested shares in one of three ways: your full shares will be held in your account, the Plan Agent will sell your shares and send the proceeds to you, or you may transfer your full shares to your investment professional who can hold or sell them. Additionally, the Plan Agent will sell your fractional shares and send the proceeds to you.

If you have any questions or for further information or a copy of the Plan, contact the Plan Agent Computershare Trust Company, N.A. (the Transfer Agent for the fund) at 1-800-637-2304, at the Plan Agent's website at www.computershare.com, or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078.

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11/30/13

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

Bonds - 99.2%		
Issuer	Shares/Par	Value (\$)
U.S. Bonds - 90.5%		
Agency - Other - 9.4%		
Financing Corp., 10.7%, 2017	\$ 4,095,000	\$ 5,574,949
Financing Corp., 9.4%, 2018	3,085,000	4,082,890
Financing Corp., 10.35%, 2018	6,820,000	9,516,362
		\$ 19,174,201
Asset-Backed & Securitized - 4.7%		
Citigroup Commercial Mortgage Trust, FRN, 5.893%, 2049	\$ 1,000,000	\$ 1,130,988
Citigroup/Deutsche Bank Commercial Mortgage Trust, 5.322%, 2049	1,200,000	1,324,676
Commercial Mortgage Pass-Through Certificates, A4, 5.306%, 2046	1,366,646	1,498,649
Credit Suisse Commercial Mortgage Trust, A4, FRN, 5.952%, 2039	502,644	555,486
Credit Suisse Mortgage Capital Certificate, 5.311%, 2039	500,000	544,397
CWCapital Cobalt Ltd., A4, FRN, 5.963%, 2046	638,472	713,708
CWCapital LLC, 5.223%, 2048	1,000,000	1,085,793
Goldman Sachs Mortgage Securities Corp., FRN, 5.994%, 2045	780,164	862,826
JPMorgan Chase Commercial Mortgage Securities Corp., A3, FRN, 6.119%, 2051	754,902	763,030
JPMorgan Chase Commercial Mortgage Securities Corp., A4, FRN, 6.002%, 2049	1,000,000	1,123,946
		\$ 9,603,499
Cable TV - 0.6%		
Time Warner Cable, Inc., 8.25%, 2019	\$ 1,000,000	\$ 1,173,787
Chemicals - 0.3%		
Dow Chemical Co., 8.55%, 2019	\$ 500,000	\$ 647,019
Energy - Independent - 0.0%		
Hess Corp., 8.125%, 2019	\$ 30,000	\$ 37,696
Food & Beverages - 1.0%		
Anheuser-Busch InBev S.A., 7.75%, 2019	\$ 750,000	\$ 946,226
Kraft Foods Group, Inc., 6.125%, 2018	960,000	1,132,841
		\$ 2,079,067
Local Authorities - 2.2%		
Nashville & Davidson County, TN, Metropolitan Government Convention Center Authority (Build America Bonds), 6.731%, 2043	\$ 580,000	\$ 659,437

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Portfolio of Investments continued

Issuer	Shares/Par	Value (\$)
Bonds - continued		
U.S. Bonds - continued		
Local Authorities - continued		
New Jersey Turnpike Authority Rev. (Build America Bonds), F , 7.414%, 2040	\$ 32,000	\$ 43,201
Port Authority NY & NJ (168th Series), 4.926%, 2051	770,000	752,190
San Francisco, CA, City & County Public Utilities Commission, Water Rev. (Build America Bonds), 6%, 2040	1,650,000	1,924,065
State of California (Build America Bonds), 7.6%, 2040	420,000	572,330
University of California Rev. (Build America Bonds), 5.77%, 2043	450,000	508,775
		\$ 4,459,998
Major Banks - 0.7%		
Bank of America Corp., 7.625%, 2019	\$ 170,000	\$ 212,591
Goldman Sachs Group, Inc., 3.625%, 2023	446,000	432,599
Merrill Lynch & Co., Inc., 6.05%, 2016	750,000	830,397

3. SEC Use Only

4. Citizenship or Place of Organization
Delaware

5. Sole Voting Power
-0-

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With:

6. Shared Voting Power
171,778 (1)

7. Sole Dispositive Power
-0-

8. Shared Dispositive Power
171,778 (1)

9. Aggregate Amount Beneficially Owned by Each Reporting Person
171,778 (1)

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)
0.2% (2)

12. Type of Reporting Person (See Instructions)
PN

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(1) Represents shares of the Issuer's common stock held of record by TC Profits, L.P. (TCP). Public Venture Investors, LLC (PVI LLC) is the general partner of TCP and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by TCP. William R. Woodward is the managing member of PVI LLC and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by TCP.

(2) Based on 86,127,497 shares of the Issuer's common stock outstanding as of December 31, 2016.

CUSIP No. 89785L 107

1. Names of Reporting Persons.
Public Venture Investors, LLC
 2. Check the Appropriate Box if a Member of a Group (See Instructions)

(a)	<input type="radio"/>
(b)	<input type="radio"/>
 3. SEC Use Only
 4. Citizenship or Place of Organization
Delaware
- | | | | |
|--|----|---|---------------------------------------|
| | 5. | | Sole Voting Power
-0- |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With: | 6. | | Shared Voting Power
7,500(1) |
| | 7. | | Sole Dispositive Power
-0- |
| | 8. | | Shared Dispositive Power
7,500 (1) |
| | 9. | Aggregate Amount Beneficially Owned by Each Reporting Person
7,500 (1) | |
10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)
 11. Percent of Class Represented by Amount in Row (9)
0.0% (2)
 12. Type of Reporting Person (See Instructions)
OO

(1) Consists of (i) 171,778 shares of the Issuer's common stock held of record by TCP, and (ii) 7,500 shares of the Issuer's common stock held of record by PVI LLC. PVI LLC is the general partner of TCP and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by TCP. William R. Woodward is the managing member of PVI LLC and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by TCP.

(2) Based on 86,127,497 shares of the Issuer's common stock outstanding as of December 31, 2016.

CUSIP No. 89785L 107

- | | | |
|-----|---|---|
| 1. | Names of Reporting Persons.
Cybervest Fund (Cyb) | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) | o |
| | (b) | o |
| 3. | SEC Use Only | |
| 4. | Citizenship or Place of Organization
Cayman Islands | |
| 5. | | Sole Voting Power
-0- |
| 6. | | Shared Voting Power
588,960(1) |
| 7. | | Sole Dispositive Power
-0- |
| 8. | | Shared Dispositive Power
588,960 (1) |
| 9. | Aggregate Amount Beneficially Owned by Each Reporting Person
588,960 (1) | |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) | o |
| 11. | Percent of Class Represented by Amount in Row (9)
0.7% (2) | |
| 12. | Type of Reporting Person (See Instructions)
OO | |

(1) Consists of (i) 588,960 shares of the Issuer's common stock held of record by CYB, and William R. Woodward is the authorized manager representative of and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by CYB

(2) Based on 86,127,497 shares of the Issuer's common stock outstanding as of December 31, 2016.

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CUSIP No. 89785L 107

- | | | |
|--|---|---|
| 1. | Names of Reporting Persons.
William R. Woodward | |
| 2. | Check the Appropriate Box if a Member of a Group (See Instructions) | |
| | (a) <input type="radio"/> | o |
| | (b) <input type="radio"/> | o |
| 3. | SEC Use Only | |
| 4. | Citizenship or Place of Organization
USA | |
| Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With: | 5. | Sole Voting Power
5,225,042 (1) |
| | 6. | Shared Voting Power
-0- |
| | 7. | Sole Dispositive Power
5,225,042 (1) |
| | 8. | Shared Dispositive Power
-0- |
| 9. | Aggregate Amount Beneficially Owned by Each Reporting Person
5,225,042 (1) | |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) | o |
| 11. | Percent of Class Represented by Amount in Row (9)
6.1% (2) | |
| 12. | Type of Reporting Person (See Instructions)
IN | |

(1) Consists of (i) 2,642,432 shares of the Issuer's common stock held of record by AVF, (ii) 1,475,268 shares of the Issuer's common stock held of record by AVAF, (iii) 42,500 shares of the Issuer's common stock held of record by ASP, (iv) 38,655 shares of the Issuer's common stock held of record by the AVM DBP Plan, (v) 171,778 shares of the Issuer's common stock held of record by TCP, (vi) 7,500 shares of the Issuer's common stock held of record by PVI LLC, (vii) 155,949 shares of the Issuer's common stock held of record by WRW Investments, L.P., (viii) 5,000 shares of the Issuer's common stock held of record by each of the DLW 1997 Investment Trust, the HRW 1997 Investment Trust, the TBW 2005 Investment Trust and the LAW 1997 Investment Trust, (ix) 5,000 shares of the Issuer's common stock held of record by an individual retirement account for the benefit of William R. Woodward, (x) 588,960 shares of the Issuer's common stock held of record by Cybervest Fund and (xi) and 77,000 shares of the Issuer's common stock held of record by William R. Woodward. William R. Woodward is the general partner of WRW Investments, L.P. and the trustee of each of the DLW 1997 Investment Trust, the HRW 1997 Investment Trust, the TBW 2005 Investment Trust and the LAW 1997 Investment Trust and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by such entity and each such trust. Each of AVI LLC, AVAI LLC, ASC LLC and PVI LLC is the general partner of AVF, AVAF, ASP and TCP, respectively, and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by AVF, AVAF, ASP and TCP, respectively. William R. Woodward is the managing member of each of AVI LLC, AVAI

LLC, ASC LLC and PVI LLC, an authorized representative of CYB and the trustee of the AVM DBP Plan and, as such, may be deemed to have the power to vote and dispose of the Issuer's shares of common stock held of record by each of AVF, AVAF, ASP, TCP, CYB and the AVM DBP Plan.

(2) Based on 86,127,497 shares of the Issuer's common stock outstanding as of December 31, 2016.

Item 1.

- (a) Name of Issuer:
TrueCar, Inc.
- (b) Address of Issuer's Principal Executive Offices:
120 Broadway, Suite 200

Santa Monica, California 90401

Item 2.

- (a) Name of Person Filing:
This Schedule 13G (the Statement) is being jointly filed by the following entities and individuals (collectively, the Reporting Persons):
- Anthem Ventures Fund, L.P. (AVF);
- Anthem Venture Investors, LLC (AVI LLC);
- Anthem Ventures Annex Fund, L.P. (AVAF);
- Anthem Venture Annex Investors, LLC (AVAF LLC);
- Anthem/MIC Strategic Partners, L.P. (ASP);
- Anthem Strategic Capital, LLC (ASC LLC);
- Anthem Venture Management LLC Defined Benefit Pension Plan (AVM DBP Plan);
- TC Profits, L.P. (TCP);
- WRW Investments LP (WRW);
- Public Venture Investors, LLC (PVI LLC);
- Cybervest Fund,(Cyb) and

William R. Woodward.
- The Reporting Persons have entered into a Joint Filing Agreement, dated February 17, 2017, a copy of which is filed as an exhibit to this Statement, pursuant to which the Reporting Persons have agreed to file this Statement and all amendments hereto jointly in accordance with the provisions of Rule 13d-1(k)(1) under the Act.
- (b) Address of Principal Business Office or, if none, Residence:
c/o Anthem Venture Partners

225 Arizona Avenue, Suite 200

Santa Monica, California 90401
- (c) Citizenship:
See Item 4 of the cover page for each Reporting Person.
- (d) Title of Class of Securities:
Common Stock
- (e) CUSIP Number:
89785L 107

Item 3.

If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Not Applicable.

Item 4. Ownership

The approximate percentages of the Issuer's common stock reported as beneficially owned by each Reporting Person is based upon 86,127,497 shares of the Issuer's common stock outstanding as of December 31, 2016.

- (a) Amount beneficially owned:
 - See Row 9 of the cover page for each Reporting Person.
- (b) Percent of class:
 - See Row 11 of the cover page for each Reporting Person.
- (c) Number of shares as to which the person has:
 - (i) Sole power to vote or to direct the vote
 - (ii) Shared power to vote or to direct the vote
 - See Row 5 of the cover page for each Reporting Person.
 - (iii) Sole power to dispose or to direct the disposition of
 - See Row 6 of the cover page for each Reporting Person.
 - (iv) Shared power to dispose or to direct the disposition of
 - See Row 7 of the cover page for each Reporting Person.

Item 5. Ownership of Five Percent or Less of a Class

Not Applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person

[not Applicable]

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person

Not Applicable.

Item 8. Identification and Classification of Members of the Group

Not Applicable.

Item 9. Notice of Dissolution of Group

Not Applicable.

Item 10.

Certifications

Not Applicable

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 20, 2017

Anthem Ventures Fund, L.P.

By: Anthem Venture Investors, LLC, its General Partner

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem Venture Investors, LLC

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem Ventures Annex Fund, L.P.

By: Anthem Venture Annex Investors, LLC, its General Partner

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem Venture Annex Investors, LLC

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem/MIC Strategic Partners, L.P.

By: Anthem Strategic Capital, LLC, its General Partner

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem Strategic Capital, LLC

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

TC Profits, L.P.

By: Public Venture Investors, LLC, its General Partner

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Public Venture Investors, LLC

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Managing Member

Anthem Venture Management LLC Defined Benefit Pension Plan William Woodward

By: /s/ William R. Woodward
Name: William R. Woodward
Title: Trustee

By: /s/ William R. Woodward
Name: William R. Woodward

Cybervest Fund

By /s/ William R Woodward
Name: William R. Woodward
Title: representative

EXHIBIT INDEX

Exhibit 1: Joint Filing Agreement pursuant to Rule 13d-1(k)(1)

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