

EVERGREEN UTILITIES & HIGH INCOME FUND

Form N-Q

January 29, 2009

OMB APPROVAL

OMB Number: 3235-0578

Expires: May 31, 2007

Estimated average burden  
hours per response: 21.09

**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 **811-21507**

**Evergreen Utilities and High 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 Utilities and High Income Fund, for the quarter ended November 30, 2008. This series has August 31 fiscal year end.

Date of reporting period: **November 30, 2008**



**Item 1 Schedule of Investments**

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS**

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value          |
|--|---------------------|----------------|
| <b>CORPORATE BONDS 26.8%</b>                                     |                     |                |
| <b>CONSUMER DISCRETIONARY 4.9%</b>                               |                     |                |
| <b>Auto Components 0.3%</b>                                      |                     |                |
| Cooper Standard Automotive, Inc., 7.00%, 12/15/2012              | \$45,000            | \$19,800       |
| Cooper Tire & Rubber Co., 7.625%, 03/15/2027                     | 530,000             | 193,450        |
| Goodyear Tire & Rubber Co.:                                      |                     |                |
| 7.86%, 08/15/2011  | 100,000             | 73,500         |
| 9.00%, 07/01/2015  | 55,000              | 41,250         |
|  |                     | <u>328,000</u> |
| <b>Automobiles 0.0%</b>  |                     |                |
| General Motors Corp., 6.75%, 12/01/2014                          | 60,000              | 19,513         |
| <b>Diversified Consumer Services 0.2%</b>                        |                     |                |
| Carriage Services, Inc., 7.875%, 01/15/2015                      | 145,000             | 116,725        |
| Service Corporation International, 6.75%, 04/01/2015             | 10,000              | 7,650          |
| Sotheby s, 7.75%, 06/15/2015 144A                                | 90,000              | 55,481         |
|  |                     | <u>179,856</u> |
| <b>Hotels, Restaurants &amp; Leisure 0.9%</b>                    |                     |                |
| Boyd Gaming Corp., 7.75%, 12/15/2012                             | 15,000              | 12,450         |
| Caesars Entertainment, Inc.:                                     |                     |                |
| 7.875%, 03/15/2010   | 315,000             | 165,375        |
| 8.125%, 05/15/2011   | 135,000             | 46,575         |
| Inn of the Mountain Gods Resort & Casino, 12.00%, 11/15/2010     | 145,000             | 48,575         |
| Isle of Capri Casinos, Inc., 7.00%, 03/01/2014                   | 216,000             | 92,880         |
| MGM MIRAGE, 8.50%, 09/15/2010                                    | 75,000              | 42,937         |
| Pinnacle Entertainment, Inc., 8.75%, 10/01/2013                  | 10,000              | 7,650          |
| Pokagon Gaming Authority, 10.375%, 06/15/2014 144A               | 50,000              | 42,500         |
| Seneca Gaming Corp., 7.25%, 05/01/2012                           | 205,000             | 138,375        |
| Shingle Springs Tribal Gaming Authority, 9.375%, 06/15/2015 144A | 330,000             | 150,150        |
| Universal City Development Partners, Ltd., 11.75%, 04/01/2010    | 190,000             | 123,975        |
|  |                     | <u>871,442</u> |
| <b>Household Durables 1.5%</b>                                   |                     |                |
| Centex Corp., 5.80%, 09/15/2009                                  | 285,000             | 270,037        |
| D.R. Horton, Inc.:   |                     |                |
| 4.875%, 01/15/2010   | 125,000             | 115,000        |
| 9.75%, 09/15/2010  | 270,000             | 239,625        |
| Hovnanian Enterprises, Inc.:                                     |                     |                |
| 6.00%, 01/15/2010  | 90,000              | 69,300         |
| 6.50%, 01/15/2014  | 61,000              | 15,555         |
| 11.50%, 05/01/2013   | 30,000              | 23,100         |
| Lennar Corp.:  |                     |                |
| 5.125%, 10/01/2010   | 355,000             | 275,125        |
| 7.625%, 03/01/2009   | 110,000             | 107,250        |
| Libbey, Inc., FRN, 9.93%, 06/01/2011                             | 270,000             | 121,500        |
| Meritage Homes Corp., 7.00%, 05/01/2014                          | 185,000             | 111,925        |

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|   |         |                  |
|---|---------|------------------|
| Pulte Homes, Inc.:  |         |                  |
| 7.875%, 08/01/2011  | 35,000  | 30,100           |
| 8.125%, 03/01/2011  | 65,000  | 56,225           |
|   |         | <u>1,434,742</u> |
| <b>Internet &amp; Catalog Retail 0.1%</b>                 |         |                  |
| Ticketmaster Entertainment, Inc., 10.75%, 08/01/2016 144A | 80,000  | <u>40,400</u>    |
| <b>Media 0.8%</b>   |         |                  |
| Charter Communications, Inc.:                             |         |                  |
| 8.00%, 04/30/2012 144A                                    | 90,000  | 64,575           |
| 10.875%, 09/15/2014 144A                                  | 375,000 | 270,937          |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value          |
|--|---------------------|----------------|
| <b>CORPORATE BONDS</b> continued                   |                     |                |
| <b>CONSUMER DISCRETIONARY</b> continued            |                     |                |
| <b>Media</b> continued                             |                     |                |
| CSC Holdings, Inc., 7.625%, 04/01/2011             | \$80,000            | \$71,200       |
| DIRECTV Group, Inc., 7.625%, 05/15/2016            | 10,000              | 8,575          |
| Idearc, Inc., 8.00%, 11/15/2016                    | 655,000             | 57,313         |
| Lamar Media Corp.:                                 |                     |                |
| 6.625%, 08/15/2015                                 | 55,000              | 40,150         |
| 7.25%, 01/01/2013                                  | 35,000              | 27,913         |
| Mediacom, LLC, 7.875%, 02/15/2011                  | 100,000             | 82,000         |
| R.H. Donnelley Corp., 11.75%, 05/15/2015 144A      | 240,000             | 64,800         |
| Sinclair Broadcast Group, Inc., 8.00%, 03/15/2012  | 170,000             | 133,025        |
|  |                     | <u>820,488</u> |
| <b>Multiline Retail</b> 0.1%                       |                     |                |
| Macy's, Inc., 7.875%, 07/15/2015                   | 85,000              | 57,592         |
| Neiman Marcus Group, Inc., 9.00%, 10/15/2015       | 85,000              | 36,550         |
|  |                     | <u>94,142</u>  |
| <b>Specialty Retail</b> 0.7%                       |                     |                |
| American Achievement Corp., 8.25%, 04/01/2012 144A | 535,000             | 529,650        |
| AutoZone, Inc., 6.50%, 01/15/2014                  | 10,000              | 8,666          |
| Best Buy Co., Inc., 6.75%, 07/15/2013 144A         | 55,000              | 51,626         |
| Home Depot, Inc., 5.875%, 12/16/2036               | 120,000             | 77,803         |
|  |                     | <u>667,745</u> |
| <b>Textiles, Apparel &amp; Luxury Goods</b> 0.3%   |                     |                |
| Oxford Industries, Inc., 8.875%, 06/01/2011        | 285,000             | 203,775        |
| Visant Corp., 7.625%, 10/01/2012                   | 135,000             | 108,675        |
|  |                     | <u>312,450</u> |
| <b>CONSUMER STAPLES</b> 0.5%                       |                     |                |
| <b>Food Products</b> 0.3%                          |                     |                |
| Dean Foods Co., 6.625%, 05/15/2009                 | 40,000              | 39,500         |
| Del Monte Foods Co.:                               |                     |                |
| 6.75%, 02/15/2015                                  | 30,000              | 24,600         |
| 8.625%, 12/15/2012                                 | 160,000             | 145,600        |
| Pilgrim's Pride Corp., 7.625%, 05/01/2015          | 190,000             | 26,600         |
| Smithfield Foods, Inc., 7.75%, 07/01/2017          | 10,000              | 5,275          |
| Tyson Foods, Inc., 6.85%, 04/01/2016               | 100,000             | 62,933         |
|  |                     | <u>304,508</u> |
| <b>Personal Products</b> 0.0%                      |                     |                |
| Central Garden & Pet Co., 9.125%, 02/01/2013       | 30,000              | 17,550         |
| <b>Tobacco</b> 0.2%                                |                     |                |
| Altria Group, Inc.:                                |                     |                |
| 9.70%, 11/10/2018                                  | 100,000             | 101,352        |
| 9.95%, 11/10/2038                                  | 105,000             | 104,242        |

|  |             |                |
|--|-------------|----------------|
|  |             | <u>205,594</u> |
| <b>ENERGY</b>  | <b>4.6%</b> |                |
| <b>Energy Equipment &amp; Services</b>                       | <b>0.8%</b> |                |
| Bristow Group, Inc., 7.50%, 09/15/2017                       | 240,000     | 166,800        |
| GulfMark Offshore, Inc., 7.75%, 07/15/2014                   | 225,000     | 164,250        |
| Hornbeck Offshore Services, Inc., Ser. B, 6.125%, 12/01/2014 | 181,000     | 121,722        |
| Parker Drilling Co., 9.625%, 10/01/2013                      | 264,000     | 219,120        |
| PHI, Inc., 7.125%, 04/15/2013                                | 262,000     | 161,130        |
|  |             | <u>833,022</u> |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                        |                     |                  |
| <b>ENERGY</b> continued                                 |                     |                  |
| <b>Oil, Gas &amp; Consumable Fuels</b> 3.8%             |                     |                  |
| Chesapeake Energy Corp., 6.875%, 01/15/2016             | \$569,000           | \$403,990        |
| El Paso Corp.:  |                     |                  |
| 7.00%, 06/15/2017                                       | 50,000              | 35,850           |
| 7.42%, 02/15/2037                                       | 240,000             | 143,844          |
| Encore Acquisition Co., 6.00%, 07/15/2015               | 330,000             | 219,450          |
| Exco Resources, Inc., 7.25%, 01/15/2011                 | 125,000             | 96,875           |
| Ferrellgas Partners, LP, 6.75%, 05/01/2014 144A         | 225,000             | 157,500          |
| Forest Oil Corp.:                                       |                     |                  |
| 7.25%, 06/15/2019 144A                                  | 150,000             | 103,500          |
| 7.25%, 06/15/2019                                       | 175,000             | 120,750          |
| Frontier Oil Corp., 6.625%, 10/01/2011                  | 160,000             | 140,800          |
| Newfield Exploration Co.:                               |                     |                  |
| 6.625%, 04/15/2016                                      | 220,000             | 161,700          |
| 7.125%, 05/15/2018                                      | 115,000             | 82,225           |
| Peabody Energy Corp.:                                   |                     |                  |
| 5.875%, 04/15/2016                                      | 315,000             | 244,125          |
| 7.875%, 11/01/2026                                      | 105,000             | 81,375           |
| Petrohawk Energy Corp., 7.875%, 06/01/2015 144A         | 295,000             | 209,450          |
| Plains Exploration & Production Co., 7.625%, 06/01/2018 | 235,000             | 157,450          |
| Quicksilver Resources, Inc., 8.25%, 08/01/2015          | 70,000              | 45,500           |
| Range Resources Corp.:                                  |                     |                  |
| 7.25%, 05/01/2018                                       | 45,000              | 35,944           |
| 7.50%, 10/01/2017                                       | 20,000              | 16,500           |
| Sabine Pass LNG, LP:                                    |                     |                  |
| 7.25%, 11/30/2013                                       | 500,000             | 360,000          |
| 7.50%, 11/30/2016                                       | 25,000              | 17,375           |
| SandRidge Energy, Inc., 8.00%, 06/01/2018 144A          | 55,000              | 35,475           |
| Southwestern Energy Co., 7.50%, 02/01/2018 144A         | 85,000              | 72,250           |
| Tesoro Corp.:   |                     |                  |
| 6.50%, 06/01/2017                                       | 380,000             | 224,200          |
| 6.625%, 11/01/2015                                      | 15,000              | 9,375            |
| Williams Cos.:  |                     |                  |
| 7.125%, 09/01/2011                                      | 485,000             | 419,774          |
| 8.125%, 03/15/2012                                      | 95,000              | 82,650           |
|   |                     | <u>3,677,927</u> |
| <b>FINANCIALS</b> 4.4%                                  |                     |                  |
| <b>Capital Markets</b> 0.9%                             |                     |                  |
| E*TRADE Financial Corp.:                                |                     |                  |
| 8.00%, 06/15/2011                                       | 5,000               | 2,950            |
| 7.375%, 09/15/2013                                      | 5,000               | 2,275            |
| 12.50%, 11/30/2017 144A                                 | 210,000             | 148,050          |
| 12.50%, 11/30/2017                                      | 30,000              | 19,800           |



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|  |         |                |
|--|---------|----------------|
| Goldman Sachs Group, Inc.:                         |         |                |
| 5.125%, 01/15/2015                                 | 25,000  | 20,464         |
| 6.15%, 04/01/2018                                  | 409,000 | 334,260        |
| Lehman Brothers Holdings, Inc., 6.875%, 05/02/2018 | 55,000  | 5,775          |
| Morgan Stanley:                                    |         |                |
| 6.625%, 04/01/2018                                 | 415,000 | 344,750        |
| FRN, 5.23%, 10/15/2015                             | 55,000  | 37,317         |
|  |         | <u>915,641</u> |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                  |                     |                  |
| <b>FINANCIALS</b> continued                       |                     |                  |
| <b>Consumer Finance</b> 2.6%                      |                     |                  |
| Ford Motor Credit Co., LLC:                       |                     |                  |
| 5.70%, 01/15/2010                                 | \$635,000           | \$368,294        |
| 5.80%, 01/12/2009                                 | 205,000             | 182,687          |
| 9.75%, 09/15/2010                                 | 155,000             | 78,309           |
| General Electric Capital Corp.:                   |                     |                  |
| 5.625%, 05/01/2018                                | 100,000             | 92,369           |
| 5.875%, 01/14/2038                                | 250,000             | 205,303          |
| 6.15%, 08/07/2037                                 | 75,000              | 63,703           |
| GMAC, LLC:  |                     |                  |
| 5.85%, 01/14/2009                                 | 140,000             | 116,880          |
| 6.875%, 09/15/2011                                | 295,000             | 113,411          |
| 6.875%, 08/28/2012                                | 705,000             | 246,952          |
| 7.75%, 01/19/2010                                 | 255,000             | 135,246          |
| FRN, 4.05%, 05/15/2009                            | 385,000             | 250,731          |
| International Lease Finance Corp.:                |                     |                  |
| 4.375%, 11/01/2009                                | 40,000              | 34,070           |
| 4.75%, 07/01/2009                                 | 50,000              | 44,568           |
| 4.75%, 01/13/2012                                 | 35,000              | 23,700           |
| 4.875%, 09/01/2010                                | 135,000             | 102,857          |
| 5.00%, 04/15/2010                                 | 5,000               | 3,998            |
| 5.125%, 11/01/2010                                | 60,000              | 45,138           |
| 5.75%, 06/15/2011                                 | 77,000              | 54,301           |
| 6.375%, 03/15/2009                                | 67,000              | 62,996           |
| Sprint Capital Corp., 6.875%, 11/15/2028          | 575,000             | 282,249          |
|   |                     | <u>2,507,762</u> |
| <b>Diversified Financial Services</b> 0.5%        |                     |                  |
| Leucadia National Corp.:                          |                     |                  |
| 7.125%, 03/15/2017                                | 70,000              | 58,275           |
| 8.125%, 09/15/2015                                | 438,000             | 382,155          |
|   |                     | <u>440,430</u>   |
| <b>Real Estate Investment Trusts (REITs)</b> 0.3% |                     |                  |
| Host Marriott Corp.:                              |                     |                  |
| 7.125%, 11/01/2013                                | 105,000             | 76,913           |
| Ser. Q, 6.75%, 06/01/2016                         | 110,000             | 73,700           |
| Ventas, Inc., 7.125%, 06/01/2015                  | 180,000             | 148,500          |
|   |                     | <u>299,113</u>   |
| <b>Thriffs &amp; Mortgage Finance</b> 0.1%        |                     |                  |
| Residential Capital, LLC:                         |                     |                  |
| 8.50%, 05/15/2010 144A                            | 120,000             | 35,400           |
| 9.625%, 05/15/2015 144A                           | 352,000             | 37,840           |
| Step Bond, 8.375%, 06/30/2010                     | 490,000             | 49,000           |

|  |             |                  |
|--|-------------|------------------|
|  |             | <u>122,240</u>   |
| <b>HEALTH CARE</b>                                   | <b>1.1%</b> |                  |
| <b>Health Care Equipment &amp; Supplies</b>          | <b>0.0%</b> |                  |
| Universal Hospital Services, Inc., 8.50%, 06/01/2015 | 12,000      | <u>9,180</u>     |
| <b>Health Care Providers &amp; Services</b>          | <b>1.1%</b> |                  |
| HCA, Inc.:   |             |                  |
| 9.25%, 11/15/2016                                    | 375,000     | 305,625          |
| 9.625%, 11/15/2016                                   | 320,000     | 231,200          |
| Humana, Inc., 7.20%, 06/15/2018                      | 275,000     | 226,376          |
| Omnicare, Inc., 6.125%, 06/01/2013                   | 305,000     | <u>253,150</u>   |
|  |             | <u>1,016,351</u> |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value          |
|--|---------------------|----------------|
| <b>CORPORATE BONDS</b> continued                               |                     |                |
| <b>INDUSTRIALS</b> 2.7%  |                     |                |
| <b>Aerospace &amp; Defense</b> 0.5%                            |                     |                |
| Alliant Techsystems, Inc., 6.75%, 04/01/2016                   | \$ 175,000          | \$ 150,500     |
| DRS Technologies, Inc.:  |                     |                |
| 6.625%, 02/01/2016   | 10,000              | 9,975          |
| 7.625%, 02/01/2018   | 30,000              | 29,925         |
| L-3 Communications Holdings, Inc., 5.875%, 01/15/2015          | 376,000             | 306,440        |
|  |                     | <u>496,840</u> |
| <b>Building Products</b> 0.1%                                  |                     |                |
| Ply Gem Industries, Inc., 11.75%, 06/15/2013                   | 85,000              | 50,788         |
| <b>Commercial Services &amp; Supplies</b> 0.9%                 |                     |                |
| Allied Waste North America, Inc., 6.875%, 06/01/2017           | 5,000               | 4,375          |
| Browning-Ferris Industries, Inc.:                              |                     |                |
| 7.40%, 09/15/2035  | 225,000             | 163,125        |
| 9.25%, 05/01/2021  | 225,000             | 208,125        |
| Corrections Corporation of America, 6.75%, 01/31/2014          | 25,000              | 22,500         |
| Geo Group, Inc., 8.25%, 07/15/2013                             | 30,000              | 26,100         |
| Mobile Mini, Inc., 6.875%, 05/01/2015                          | 300,000             | 214,500        |
| Toll Corp., 8.25%, 02/01/2011                                  | 310,000             | 257,300        |
|  |                     | <u>896,025</u> |
| <b>Machinery</b> 0.7%  |                     |                |
| Commercial Vehicle Group, Inc., 8.00%, 07/01/2013              | 1,095,000           | 695,325        |
| <b>Road &amp; Rail</b> 0.3%                                    |                     |                |
| CSX Corp., 8.375%, 10/15/2014                                  | 115,000             | 117,483        |
| Hertz Global Holdings, Inc., 8.875%, 01/01/2014                | 10,000              | 5,213          |
| Kansas City Southern, 7.50%, 06/15/2009                        | 195,000             | 184,762        |
|  |                     | <u>307,458</u> |
| <b>Trading Companies &amp; Distributors</b> 0.2%               |                     |                |
| United Rentals, Inc., 6.50%, 02/15/2012                        | 200,000             | 141,000        |
| <b>INFORMATION TECHNOLOGY</b> 1.2%                             |                     |                |
| <b>Communications Equipment</b> 0.2%                           |                     |                |
| EchoStar Corp.:  |                     |                |
| 6.625%, 10/01/2014   | 100,000             | 71,750         |
| 7.125%, 02/01/2016   | 50,000              | 35,750         |
| 7.75%, 05/31/2015  | 100,000             | 74,000         |
|  |                     | <u>181,500</u> |
| <b>Electronic Equipment, Instruments &amp; Components</b> 0.8% |                     |                |
| Da-Lite Screen Co., Inc., 9.50%, 05/15/2011                    | 270,000             | 240,300        |
| Jabil Circuit, Inc., 8.25%, 03/15/2018                         | 704,000             | 496,320        |
| Sanmina-SCI Corp., 8.125%, 03/01/2016                          | 65,000              | 29,575         |
|  |                     | <u>766,195</u> |
| <b>IT Services</b> 0.1%  |                     |                |

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|  |         |                |
|--|---------|----------------|
| Lender Processing Services, Inc., 8.125%, 07/01/2016     | 55,000  | 46,475         |
| Unisys Corp., 6.875%, 03/15/2010                         | 255,000 | <u>105,825</u> |
|  |         | <u>152,300</u> |
| <b>Semiconductors &amp; Semiconductor Equipment 0.1%</b> |         |                |
| Spanion, Inc., FRN, 5.94%, 06/01/2013 144A               | 490,000 | <u>105,350</u> |
| <b>MATERIALS 3.0%</b>                                    |         |                |
| <b>Chemicals 1.2%</b>                                    |         |                |
| Airgas, Inc., 7.125%, 10/01/2018 144A                    | 10,000  | 8,025          |
| ARCO Chemical Co.:                                       |         |                |
| 9.80%, 02/01/2020  | 490,000 | 159,250        |
| 10.25%, 11/01/2010                                       | 30,000  | 22,650         |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value            |
|--|---------------------|------------------|
| <b>CORPORATE BONDS continued</b>   |                     |                  |
| <b>MATERIALS continued</b>   |                     |                  |
| <b>Chemicals continued</b>   |                     |                  |
| Huntsman, LLC:   |                     |                  |
| 7.375%, 01/01/2015   | \$65,000            | \$43,225         |
| 11.625%, 10/15/2010  | 375,000             | 357,187          |
| Koppers Holdings, Inc., Sr. Disc. Note, Step Bond, 9.875%,<br>11/15/2014 | 225,000             | 175,500          |
| Millenium America, Inc., 7.625%, 11/15/2026                              | 400,000             | 66,000           |
| Momentive Performance Materials, Inc.:                                   |                     |                  |
| 9.75%, 12/01/2014  | 70,000              | 27,475           |
| 10.125%, 12/01/2014  | 150,000             | 45,000           |
| Mosaic Co.:  |                     |                  |
| 7.30%, 01/15/2028  | 260,000             | 179,779          |
| 7.625%, 12/01/2016 144A  | 83,000              | 71,482           |
| Tronox Worldwide, LLC, 9.50%, 12/01/2012                                 | 170,000             | 12,750           |
|  |                     | <u>1,168,323</u> |
| <b>Construction Materials 0.7%</b>                                       |                     |                  |
| CPG International, Inc.:   |                     |                  |
| 10.50%, 07/01/2013   | 695,000             | 392,675          |
| FRN, 9.90%, 07/01/2012   | 140,000             | 79,100           |
| CRH America, Inc., 8.125%, 07/15/2018                                    | 100,000             | 75,500           |
| Texas Industries, Inc., 7.25%, 07/15/2013 144A                           | 110,000             | 84,150           |
|  |                     | <u>631,425</u>   |
| <b>Containers &amp; Packaging 0.4%</b>                                   |                     |                  |
| Berry Plastics Holdings Corp., 8.875%, 09/15/2014                        | 85,000              | 45,475           |
| Exopack Holding Corp., 11.25%, 02/01/2014                                | 615,000             | 390,525          |
|  |                     | <u>436,000</u>   |
| <b>Metals &amp; Mining 0.3%</b>  |                     |                  |
| Freeport-McMoRan Copper & Gold, Inc.:                                    |                     |                  |
| 8.25%, 04/01/2015  | 65,000              | 47,177           |
| 8.375%, 04/01/2017   | 345,000             | 245,276          |
|  |                     | <u>292,453</u>   |
| <b>Paper &amp; Forest Products 0.4%</b>                                  |                     |                  |
| Georgia Pacific Corp., 8.125%, 05/15/2011                                | 120,000             | 103,200          |
| International Paper Co., 7.95%, 06/15/2018                               | 305,000             | 239,770          |
| Verso Paper Holdings, LLC, 9.125%, 08/01/2014                            | 190,000             | 92,150           |
|  |                     | <u>435,120</u>   |
| <b>TELECOMMUNICATION SERVICES 1.5%</b>                                   |                     |                  |
| <b>Diversified Telecommunication Services 0.8%</b>                       |                     |                  |
| Citizens Communications Co., 7.875%, 01/15/2027                          | 190,000             | 94,050           |
| FairPoint Communications, Inc., 13.125%, 04/01/2018 144A                 | 55,000              | 28,325           |
| Qwest Corp.:   |                     |                  |

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|   |         |                |
|---|---------|----------------|
| 6.50%, 06/01/2017                                   | 260,000 | 183,300        |
| 7.50%, 06/15/2023                                   | 125,000 | 80,625         |
| 7.875%, 09/01/2011                                  | 330,000 | 273,900        |
| 8.875%, 03/15/2012                                  | 125,000 | 103,750        |
|   |         | <u>763,950</u> |
| <b>Wireless Telecommunication Services 0.7%</b>     |         |                |
| Centennial Communications Corp., 8.125%, 02/01/2014 | 355,000 | 353,225        |
| Cricket Communications, Inc., 9.375%, 11/01/2014    | 175,000 | 139,781        |
| Sprint Nextel Corp.:                                |         |                |
| 6.90%, 05/01/2019                                   | 30,000  | 17,126         |
| Ser. D, 7.375%, 08/01/2015                          | 305,000 | 122,057        |
| Ser. E, 6.875%, 10/31/2013                          | 185,000 | 77,741         |
|   |         | <u>709,930</u> |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value             |
|--|---------------------|-------------------|
| <b>CORPORATE BONDS</b> continued                             |                     |                   |
| <b>UTILITIES 2.9%</b>  |                     |                   |
| <b>Electric Utilities 2.3%</b>                               |                     |                   |
| Allegheny Energy Supply Co., 8.25%, 04/15/2012 144A          | \$665,000           | \$628,425         |
| Aquila, Inc., Step Bond, 11.875%, 07/01/2012                 | 299,000             | 291,733           |
| CMS Energy Corp., 8.50%, 04/15/2011                          | 65,000              | 62,258            |
| Edison Mission Energy, 7.00%, 05/15/2017                     | 20,000              | 15,100            |
| Energy Future Holdings Corp.:                                |                     |                   |
| 10.875%, 11/01/2017 144A                                     | 105,000             | 68,250            |
| 11.25%, 11/01/2017 144A                                      | 225,000             | 120,937           |
| Mirant Mid-Atlantic, LLC, Ser. C, 10.06%, 12/30/2028         | 180,244             | 174,837           |
| Mirant North America, LLC, 7.375%, 12/31/2013                | 330,000             | 287,100           |
| NRG Energy, Inc., 7.375%, 02/01/2016                         | 230,000             | 187,450           |
| Orion Power Holdings, Inc., 12.00%, 05/01/2010               | 367,000             | 357,825           |
| Public Service Company of New Mexico, 7.95%, 04/01/2015      | 80,000              | 69,723            |
|  |                     | <u>2,263,638</u>  |
| <b>Independent Power Producers &amp; Energy Traders 0.5%</b> |                     |                   |
| AES Corp.:   |                     |                   |
| 8.00%, 10/15/2017  | 20,000              | 13,900            |
| 8.00%, 06/01/2020 144A                                       | 115,000             | 74,175            |
| Dynegy Holdings, Inc., 7.50%, 06/01/2015                     | 10,000              | 7,000             |
| Reliant Energy, Inc.:  |                     |                   |
| 6.75%, 12/15/2014  | 395,000             | 319,950           |
| 7.625%, 06/15/2014   | 70,000              | 53,900            |
| 7.875%, 06/15/2017   | 30,000              | 21,975            |
|  |                     | <u>490,900</u>    |
| <b>Multi-Utilities 0.1%</b>                                  |                     |                   |
| PNM Resources, Inc., 9.25%, 05/15/2015                       | 60,000              | 47,400            |
| <i>Total Corporate Bonds (cost \$36,908,707)</i>             |                     | <u>26,150,016</u> |
| <b>YANKEE OBLIGATIONS CORPORATE 4.5%</b>                     |                     |                   |
| <b>CONSUMER DISCRETIONARY 0.0%</b>                           |                     |                   |
| <b>Media 0.0%</b>  |                     |                   |
| Videotron, Ltd., 9.125%, 04/15/2018 144A                     | 15,000              | 13,275            |
| <b>ENERGY 1.6%</b>   |                     |                   |
| <b>Energy Equipment &amp; Services 0.5%</b>                  |                     |                   |
| Forbes Energy Services, Ltd., 11.00%, 02/15/2015             | 680,000             | 445,400           |
| <b>Oil, Gas &amp; Consumable Fuels 1.1%</b>                  |                     |                   |
| Connacher Oil & Gas, Ltd., 10.25%, 12/15/2015 144A           | 245,000             | 128,625           |
| Griffin Coal Mining Co., Ltd., 9.50%, 12/01/2016 144A        | 1,494,000           | 530,370           |
| OPTI Canada, Inc., 7.875%, 12/15/2014                        | 1,085,000           | 417,725           |
|  |                     | <u>1,076,720</u>  |
| <b>FINANCIALS 1.1%</b>                                       |                     |                   |
| <b>Consumer Finance 0.3%</b>                                 |                     |                   |



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|  |         |                |
|--|---------|----------------|
| Avago Technologies Finance, Ltd., FRN, 8.31%, 06/01/2013 | 140,000 | 117,250        |
| Petroplus Finance, Ltd., 6.75%, 05/01/2014 144A          | 120,000 | 78,000         |
| Virgin Media Finance plc:                                |         |                |
| 8.75%, 04/15/2014  | 45,000  | 32,738         |
| 9.125%, 08/15/2016                                       | 110,000 | 78,100         |
|  |         | <u>306,088</u> |
| <b>Diversified Financial Services 0.8%</b>               |         |                |
| FMG Finance Property, Ltd., 10.625%, 09/01/2016 144A     | 890,000 | 507,300        |
| Ship Finance International, Ltd., 8.50%, 12/15/2013      | 300,000 | 211,500        |
|  |         | <u>718,800</u> |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value            |
|--|---------------------|------------------|
| <b>YANKEE OBLIGATIONS CORPORATE continued</b>                |                     |                  |
| <b>INDUSTRIALS 0.5%</b>                                      |                     |                  |
| <b>Road &amp; Rail 0.5%</b>                                  |                     |                  |
| Kansas City Southern de Mexico:                              |                     |                  |
| 7.375%, 06/01/2014   | \$340,000           | \$251,600        |
| 9.375%, 05/01/2012   | 345,000             | 276,000          |
|  |                     | <u>527,600</u>   |
| <b>INFORMATION TECHNOLOGY 0.0%</b>                           |                     |                  |
| <b>Communications Equipment 0.0%</b>                         |                     |                  |
| Nortel Networks Corp., FRN, 9.00%, 07/15/2011                | 110,000             | <u>36,300</u>    |
| <b>MATERIALS 0.6%</b>  |                     |                  |
| <b>Metals &amp; Mining 0.5%</b>                              |                     |                  |
| Evraz Group SA:  |                     |                  |
| 8.25%, 11/10/2015 144A                                       | 190,000             | 84,550           |
| 8.875%, 04/24/2013 144A                                      | 100,000             | 44,000           |
| 9.50%, 04/24/2018 144A                                       | 30,000              | 13,050           |
| Novelis, Inc., 7.25%, 02/15/2015                             | 254,000             | 148,590          |
| Vedanta Resources plc, 9.50%, 07/18/2018 144A                | 385,000             | 190,575          |
|  |                     | <u>480,765</u>   |
| <b>Paper &amp; Forest Products 0.1%</b>                      |                     |                  |
| Cascades, Inc., 7.25%, 02/15/2013                            | 165,000             | <u>93,225</u>    |
| <b>TELECOMMUNICATION SERVICES 0.7%</b>                       |                     |                  |
| <b>Wireless Telecommunication Services 0.7%</b>              |                     |                  |
| Intelsat, Ltd.:  |                     |                  |
| 8.50%, 04/15/2013 144A                                       | 375,000             | 322,500          |
| 8.875%, 01/15/2015 144A                                      | 120,000             | 100,800          |
| Vimpel Communications:                                       |                     |                  |
| 8.375%, 04/30/2013 144A                                      | 5,000               | 2,775            |
| 9.125%, 04/30/2018 144A                                      | 555,000             | 246,975          |
|  |                     | <u>673,050</u>   |
| <b>UTILITIES 0.0%</b>  |                     |                  |
| <b>Electric Utilities 0.0%</b>                               |                     |                  |
| InterGen NV, 9.00%, 06/30/2017 144A                          | 30,000              | 24,150           |
| <i>Total Yankee Obligations Corporate (cost \$7,822,177)</i> |                     | <u>4,395,373</u> |

|   | Shares | Value          |
|---|--------|----------------|
| <b>COMMON STOCKS 84.1%</b>                  |        |                |
| <b>ENERGY 2.5%</b>                          |        |                |
| <b>Oil, Gas &amp; Consumable Fuels 2.5%</b> |        |                |
| El Paso Corp.                               | 75,000 | 554,250        |
| Southwestern Energy Co. *                   | 30,000 | 1,031,100      |
| Williams Cos.                               | 50,000 | <u>811,000</u> |

|                                      |         |                  |
|--------------------------------------|---------|------------------|
|                                      |         | <u>2,396,350</u> |
| <b>INDUSTRIALS 2.4%</b>              |         |                  |
| <b>Industrial Conglomerates 2.4%</b> |         |                  |
| Otter Tail Corp.                     | 125,000 | <u>2,348,750</u> |
| <b>INFORMATION TECHNOLOGY 0.0%</b>   |         |                  |
| <b>Communications Equipment 0.0%</b> |         |                  |
| Neutral Tandem, Inc.                 | 2,000   | <u>29,420</u>    |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Shares    | Value             |
|--|-----------|-------------------|
| <b>COMMON STOCKS</b> continued                               |           |                   |
| <b>TELECOMMUNICATION SERVICES</b> 16.4%                      |           |                   |
| <b>Diversified Telecommunication Services</b> 11.8%          |           |                   |
| BCE, Inc.  | 20,000    | \$395,800         |
| Chunghwa Telecom Co., Ltd., ADR                              | 121,000   | 1,892,440         |
| D&E Communications, Inc.                                     | 100,000   | 749,000           |
| Shenandoah Telecommunications Co. +                          | 80,369    | 1,997,973         |
| Telstra Corp., Ltd.  | 1,750,000 | 4,669,572         |
| TELUS Corp.  | 27,900    | 884,376           |
| Windstream Corp.   | 100,000   | 886,000           |
|  |           | <u>11,475,161</u> |
| <b>Wireless Telecommunication Services</b> 4.6%              |           |                   |
| American Tower Corp., Class A *                              | 80,000    | 2,179,200         |
| Rogers Communications, Inc., Class B                         | 65,000    | 1,760,200         |
| Sprint Nextel Corp.  | 200,500   | 559,395           |
|  |           | <u>4,498,795</u>  |
| <b>UTILITIES</b> 62.8%                                       |           |                   |
| <b>Electric Utilities</b> 44.4%                              |           |                   |
| Allegheny Energy, Inc.                                       | 100,000   | 3,525,000         |
| DPL, Inc.  | 225,000   | 4,684,500         |
| E.ON AG, ADR   | 100,000   | 3,485,000         |
| Edison International   | 75,000    | 2,505,000         |
| El Paso Electric Co.   | 75,000    | 1,351,500         |
| Enel SpA   | 500,000   | 3,137,497         |
| Entergy Corp.  | 70,000    | 5,957,000         |
| Exelon Corp.   | 90,000    | 5,058,900         |
| FirstEnergy Corp.  | 47,000    | 2,753,260         |
| Fortum Oyj   | 75,000    | 1,505,834         |
| ITC Holdings Corp.   | 36,000    | 1,512,000         |
| Maine & Maritimes Corp.                                      | 1,135     | 40,009            |
| Northeast Utilities  | 71,900    | 1,675,270         |
| Southern Co.   | 150,000   | 5,448,000         |
| TERNA SpA  | 250,000   | 741,988           |
|  |           | <u>43,380,758</u> |
| <b>Independent Power Producers &amp; Energy Traders</b> 2.0% |           |                   |
| Ormat Technologies, Inc.                                     | 65,000    | 1,956,500         |
| <b>Multi-Utilities</b> 12.0%                                 |           |                   |
| CenterPoint Energy, Inc.                                     | 100,000   | 1,293,000         |
| PNM Resources, Inc.  | 50,000    | 522,500           |
| Puget Energy, Inc.   | 70,000    | 1,713,600         |
| Sempra Energy  | 100,000   | 4,667,000         |
| Suez Environnement SA  | 40,000    | 688,585           |
| United Utilities Group plc                                   | 300,000   | 2,794,038         |
| Wisconsin Energy Corp.                                       | 1,500     | 65,190            |

|  |           |                   |
|--|-----------|-------------------|
|  |           | <u>11,743,913</u> |
| <b>Water Utilities 4.4%</b>                    |           |                   |
| American Water Works Co., Inc.                 | 55,000    | 1,115,400         |
| Pennichuck Corp.                               | 150,000   | <u>3,148,500</u>  |
|  |           | <u>4,263,900</u>  |
| <i>Total Common Stocks (cost \$96,905,245)</i> |           | <u>82,093,547</u> |
| <b>ESCROW SHARES 0.0%</b>                      |           |                   |
| Mirant Corp. Escrow * + o (cost \$0)           | 5,000,000 | <u>0</u>          |

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**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

|  | Principal<br>Amount | Value                |
|--|---------------------|----------------------|
| <b>LOANS 2.3%</b>  |                     |                      |
| <b>CONSUMER DISCRETIONARY 0.7%</b>                               |                     |                      |
| Ford Motor Co., FRN, 4.43%, 12/15/2013                           | \$403,732           | \$160,734            |
| General Motors Corp., FRN, 5.80%, 11/29/2013                     | 438,883             | 175,421              |
| Idearc, Inc.:  |                     |                      |
| N/A, 11/13/2013 <  | 25,000              | 10,110               |
| FRN, 3.44%-5.77%, 11/17/2014                                     | 214,603             | 70,819               |
| Newsday, LLC, 9.75%, 07/15/2013                                  | 150,000             | 123,333              |
| Tropicana Entertainment, LLC, FRN, 5.75%-8.25%, 01/03/2012       | 685,000             | 184,957              |
|  |                     | <u>725,374</u>       |
| <b>CONSUMER STAPLES 0.3%</b>                                     |                     |                      |
| Merisant Co., FRN, 6.92%, 01/11/2010                             | 303,787             | <u>273,606</u>       |
| <b>ENERGY 0.2%</b>   |                     |                      |
| Alon Krotz Springs, Inc., FRN, 10.75%, 07/03/2014                | 90,000              | 75,030               |
| Semgroup Energy Partners, N/A, 07/20/2012 <                      | 155,000             | 110,470              |
|  |                     | <u>185,500</u>       |
| <b>FINANCIALS 0.1%</b>   |                     |                      |
| Realogy Corp., FRN, 5.71%-7.00%, 09/01/2014                      | 174,558             | 101,876              |
| <b>INDUSTRIALS 0.3%</b>  |                     |                      |
| Clarke American Corp., FRN, 6.26%-6.38%, 02/28/2014              | 205,230             | 127,536              |
| Neff Corp., FRN, 6.40%, 11/30/2014                               | 705,000             | 155,100              |
|  |                     | <u>282,636</u>       |
| <b>INFORMATION TECHNOLOGY 0.1%</b>                               |                     |                      |
| Activant Solutions, Inc., FRN, 6.06%-6.875%, 05/02/2013          | 116,527             | 72,828               |
|  |                     | <u>72,828</u>        |
| <b>MATERIALS 0.6%</b>  |                     |                      |
| Boise Paper Holdings, LLC, FRN, 10.00%-11.00%, 02/15/2015        | 60,000              | 45,215               |
| Georgia Pacific Corp., FRN, 2.76%-5.26%, 12/22/2012              | 100,000             | 77,250               |
| Graham Packaging Co., N/A, 10/07/2011 <                          | 100,000             | 78,491               |
| Lyondell Chemical Co., FRN, 7.00%, 12/20/2014 <                  | 896,378             | 372,517              |
|  |                     | <u>573,473</u>       |
| <i>Total Loans (cost \$4,084,473)</i>                            |                     | <u>2,215,293</u>     |
| <b>DEPOSITORY SHARES 0.0%</b>                                    |                     |                      |
| JPMorgan Chase & Co., 7.90%, 12/31/2049 (cost \$40,704)          | 55,000              | <u>43,163</u>        |
|  |                     |                      |
|  | <b>Shares</b>       | <b>Value</b>         |
| <b>SHORT-TERM INVESTMENTS 4.6%</b>                               |                     |                      |
| <b>MUTUAL FUND SHARES 4.6%</b>                                   |                     |                      |
| Evergreen Institutional Money Market Fund, Class I, 2.09% q ø ## |                     |                      |
| <i>(cost \$4,500,182)</i>  | 4,500,182           | 4,500,182            |
| <b>Total Investments (cost \$150,261,488) 122.3%</b>             |                     | <u>119,397,574</u>   |
| <b>Other Assets and Liabilities (22.3%)</b>                      |                     | <u>(21,778,446 )</u> |

**Net Assets**    **100.0%**

\$97,619,128

144A Security that may be sold to qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended. This security has been determined to be liquid under guidelines established by the Board of Trustees, unless otherwise noted.

The rate shown is the stated rate at the current period end.

Security initially issued in zero coupon form which converts to coupon form at a specified rate and date. An effective interest rate is applied to recognize interest income daily for the bond. This rate is based on total expected interest to be earned over the life of the bond which consists of the aggregate coupon-interest payments and discount at acquisition. The rate shown is the stated rate at the current period end.

\* Non-income producing security

+ Security is deemed illiquid and is valued using market quotations when readily available, unless otherwise noted.

o Security is valued at fair value as determined by the investment advisor in good faith, according to procedures approved by the Board of Trustees.

< All or a portion of the position represents an unfunded loan commitment.

q Rate shown is the 7-day annualized yield at period end.

∅ Evergreen Investment Management Company, LLC is the investment advisor to both the Fund and the money market fund.

## All or a portion of this security has been segregated for when-issued or delayed delivery securities and/or unfunded loans.

**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

November 30, 2008 (unaudited)

**Summary of Abbreviations**

ADR American Depository Receipt

FRN Floating Rate Note

The following table shows the percent of total long-term investments by geographic location as of November 30, 2008:

|                |               |
|----------------|---------------|
| United States  | 78.3%         |
| Australia      | 4.5%          |
| Italy          | 3.4%          |
| Canada         | 3.0%          |
| Germany        | 3.0%          |
| United Kingdom | 2.7%          |
| Taiwan         | 1.7%          |
| Finland        | 1.3%          |
| Bermuda        | 0.6%          |
| France         | 0.6%          |
| Mexico         | 0.5%          |
| Ireland        | 0.2%          |
| Luxemburg      | 0.1%          |
| Singapore      | 0.1%          |
|                | <u>100.0%</u> |

At November 30, 2008, the Fund had the following credit default swap contracts outstanding:

| <u>Expiration</u> | <u>Counterparty</u> | <u>Reference Debt Obligation/Index</u>      | <u>Notional Amount</u> | <u>Fixed Payments Made by the Fund</u> | <u>Frequency of Payments Made</u> | <u>Unrealized Gain (Loss)</u> |
|-------------------|---------------------|---|------------------------|--|-----------------------------------|-------------------------------|
| 09/20/2013        | Deutsche Bank       | General Electric, 4.25%, 05/15/2011         | \$65,000               | 4.00%                                  | Quarterly                         | \$ (1,940 )                   |
| 12/20/2013        | Citigroup           | General Electric Capital, 6.00%, 06/15/2012 | 25,000                 | 4.90%                                  | Quarterly                         | 144                           |
| 12/20/2013        | Citigroup           | General Electric Capital, 6.00%, 06/15/2012 | 90,000                 | 6.65%                                  | Quarterly                         | 6,415                         |
| 12/20/2013        | Goldman Sachs       | General Electric Capital, 6.00%, 06/15/2012 | 75,000                 | 4.50%                                  | Quarterly                         | (692 )                        |
| Expiration        | Counterparty        | Reference Debt Obligation/Index             | Notional Amount        | Fixed Payments                         | Frequency of                      | Unrealized Gain               |



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|            |                  |  |           | Received<br>by<br>the Fund | Payments<br>Received | (Loss)    |
|------------|------------------|--|-----------|----------------------------|----------------------|-----------|
| 12/20/2013 | Deutsche<br>Bank | Expedia, Inc.,<br>7.46%, 08/01/2018            | \$155,000 | 3.50%                      | Quarterly            | \$ 15,916 |
| 12/20/2013 | Goldman<br>Sachs | Humana, Inc.,<br>6.30%, 12/22/2008             | 155,000   | 3.75%                      | Quarterly            | 642       |
| 12/20/2013 | Goldman<br>Sachs | Sun Microsystem,<br>Inc.,<br>0.75%, 02/01/2014 | 130,000   | 1.55%                      | Quarterly            | 3,461     |
| 12/20/2013 | JPMorgan         | Expedia, Inc.,<br>7.46%, 08/01/2018            | 95,000    | 5.35%                      | Quarterly            | 3,059     |
| 12/20/2013 | UBS              | Motorola, Inc.,<br>6.50%, 09/01/2025           | 150,000   | 2.55%                      | Quarterly            | 6,310     |
| 12/20/2013 | UBS              | Motorola, Inc.,<br>6.50%, 09/01/2025           | 110,000   | 2.58%                      | Quarterly            | 4,488     |
| 12/20/2013 | UBS              | Pulte Homes, Inc.,<br>5.25%, 01/15/2014        | 240,000   | 2.45%                      | Quarterly            | 18,832    |
| 12/20/2013 | UBS              | Pulte Homes, Inc.,<br>5.25%, 01/15/2014        | 80,000    | 2.43%                      | Quarterly            | 6,339     |

On November 30, 2008, the aggregate cost of securities for federal income tax purposes was \$150,953,498. The gross unrealized appreciation and depreciation on securities based on tax cost was \$4,252,706 and \$35,808,629, respectively, with a net unrealized depreciation of \$31,555,923.

### Valuation of investments

Listed equity securities are usually valued at the last sales price or official closing price on the national securities exchange where the securities are principally traded.

Foreign securities traded on an established exchange are valued at the last sales price on the exchange where the security is primarily traded. If there has been no sale, the securities are valued at the mean between bid and asked prices. Foreign securities may be valued at fair value according to procedures approved by the Board of Trustees if the closing price is not reflective of current market values due to trading or events occurring in the foreign markets between the close of the established exchange and the valuation time of the Fund. In addition, substantial changes in values in the U.S. markets subsequent to the close of a foreign market may also affect the values of securities traded in the foreign market. The value of foreign securities may be adjusted if such movements in the U.S. market exceed a specified threshold.

**EVERGREEN UTILITIES AND HIGH INCOME FUND**  
**SCHEDULE OF INVESTMENTS** continued

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November 30, 2008 (unaudited)

Portfolio debt securities acquired with more than 60 days to maturity are fair valued using matrix pricing methods determined by an independent pricing service which takes into consideration such factors as similar security prices, yields, maturities, liquidity and ratings. Securities for which valuations are not readily available from an independent pricing service may be valued by brokers which use prices provided by market makers or estimates of market value obtained from yield data relating to investments or securities with similar characteristics.

Short-term securities with remaining maturities of 60 days or less at the time of purchase are valued at amortized cost, which approximates market value.

Investments in open-end mutual funds are valued at net asset value. Securities for which market quotations are not readily available or not reflective of current market value are valued at fair value as determined by the investment advisor in good faith, according to procedures approved by the Board of Trustees.

**Foreign currency translation**

All assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of portfolio securities and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The Fund does not separately account for that portion of the results of operations resulting from changes in foreign exchange rates on investments and the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses on investments.

**When-issued and delayed delivery transactions**

The Fund records when-issued or delayed delivery securities as of trade date and maintains security positions such that sufficient liquid assets will be available to make payment for the securities purchased. Securities purchased on a when-issued or delayed delivery basis are marked-to-market daily and begin earning interest on the settlement date. Losses may occur on these transactions due to changes in market conditions or the failure of counterparties to perform under the contract.

**Loans**

The Fund may purchase loans through an agent, by assignment from another holder of the loan or as a participation interest in another holder's portion of the loan. Loans are purchased on a when-issued or delayed delivery basis. Interest income is accrued based on the terms of the securities. Fees earned on loan purchasing activities are recorded as income when earned. Loans involve interest rate risk, liquidity risk and credit risk, including the potential default or insolvency of the borrower.

As of November 30, 2008, the Fund had unfunded loan commitments of \$273,663.

**Credit default swaps**

The Fund may enter into credit default swap contracts. Credit default swaps involve an exchange of a stream of payments for protection against the loss in value of an underlying security or index in the event of default or bankruptcy. Under the terms of the swap, one party acts as a guarantor and receives a periodic stream of payments that is a fixed percentage applied to a notional principal amount over the term of the

swap. The guarantor agrees to purchase the notional amount of the underlying instrument or index, at par, if a credit event occurs during the term of the swap. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The Fund may enter into credit default swaps as either the guarantor or the counterparty.

Any premiums paid or received on the transactions are recorded as an asset or liability on the Statement of Assets and Liabilities and amortized. The value of the swap contract is marked-to-market daily based on quotations from an independent pricing service or market makers and any change in value is recorded as an unrealized gain or loss. Periodic payments made or received are recorded as realized gains or losses. In addition, payments received or made as a result of a credit event or termination of the contract are recognized as realized gains or losses. As guarantor, the Fund is subject to investment exposure on the notional amount of the swap and has assumed the risk of default of the underlying security or index. As counterparty, the Fund could be exposed to risks if the guarantor defaults on its obligation to perform, or if there are unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index.

### Valuation hierarchy

On September 1, 2008, the Fund implemented Statement of Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). FAS 157 establishes a single authoritative definition of fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. FAS 157 establishes a fair value hierarchy based upon the various inputs used in determining the value of the Fund's investments. These inputs are summarized into three broad levels as follows:

Level 1 quoted prices in active markets for identical securities

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

As of November 30, 2008 the inputs used in valuing the Fund's assets, which are carried at fair value, were as follows:

| <u>Valuation Inputs</u>                        | <u>Investments in Securities</u> | <u>Other Financial Instruments*</u> |
|--|----------------------------------|-------------------------------------|
| Level 1 Quoted Prices                          | \$ 86,593,729                    | \$ 0                                |
| Level 2 Other Significant<br>Observable Inputs | 32,803,845                       | 62,974                              |
| Level 3 Significant Unobservable<br>Inputs     | <u>0</u>                         | <u>0</u>                            |
| Total  | <u>\$ 119,397,574</u>            | <u>\$ 62,974</u>                    |

\* Other financial instruments include swap contracts.



**Item 2 - Controls and Procedures**

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized, and reported timely.
- (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 reasonable likely to materially affect, the registrant's internal control over financial reporting.

**Item 3 - Exhibits**

File the exhibits listed below as part of this Form. Letter or number the exhibits in the sequence indicated.

- (a) Separate certifications for the registrant's principal executive officer and principal financial officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached as EX-99.CERT.
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**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.

Evergreen Utilities and High Income Fund

By:  
W. Douglas Munn  
Principal Executive Officer  
Date: January 29, 2009

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:  
W. Douglas Munn  
Principal Executive Officer  
Date: January 29, 2009

By:  
Kasey Phillips  
Principal Financial Officer  
Date: January 29, 2009

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