

EVERGREEN UTILITIES & HIGH INCOME FUND  
Form N-Q  
January 29, 2008

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, 2007. This one series has a August 31

fiscal year end.

Date of reporting period: **November 30, 2007**

---

**Item 1 – Schedule of Investments**

---

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

November 30, 2007 (unaudited)

|  | Principal<br>Amount | Value            |
|--|---------------------|------------------|
| <b>CORPORATE BONDS 35.7%</b>                                     |                     |                  |
| <b>CONSUMER DISCRETIONARY 6.9%</b>                               |                     |                  |
| <b>Auto Components 0.7%</b>                                      |                     |                  |
| Cooper Tire & Rubber Co., 7.625%, 03/15/2027                     | \$ 530,000          | \$ 471,700       |
| Goodyear Tire & Rubber Co.:                                      |                     |                  |
| 9.00%, 07/01/2015  | 630,000             | 674,100          |
| 11.25%, 03/01/2011   | 375,000             | 401,250          |
|  |                     | <u>1,547,050</u> |
| <b>Automobiles 0.2%</b>  |                     |                  |
| Ford Motor Co., 7.875%, 06/15/2010                               | 380,000             | 352,909          |
| <b>Diversified Consumer Services 0.0%</b>                        |                     |                  |
| Service Corporation International, 6.75%, 04/01/2015             | 70,000              | 68,250           |
| <b>Hotels, Restaurants &amp; Leisure 2.0%</b>                    |                     |                  |
| Caesars Entertainment, Inc.:                                     |                     |                  |
| 7.875%, 03/15/2010   | 315,000             | 322,875          |
| 8.125%, 05/15/2011   | 135,000             | 134,325          |
| Inn of the Mountain Gods Resort & Casino, 12.00%, 11/15/2010     | 770,000             | 809,462          |
| Isle of Capri Casinos, Inc., 7.00%, 03/01/2014                   | 1,431,000           | 1,230,660        |
| Pokagon Gaming Authority, 10.375%, 06/15/2014 144A               | 415,000             | 446,125          |
| Seneca Gaming Corp., 7.25%, 05/01/2012                           | 370,000             | 373,700          |
| Shingle Springs Tribal Gaming Authority, 9.375%, 06/15/2015 144A | 505,000             | 497,425          |
| Universal City Development Partners, Ltd., 11.75%, 04/01/2010    | 265,000             | 274,938          |
|  |                     | <u>4,089,510</u> |
| <b>Household Durables 0.5%</b>                                   |                     |                  |
| Centex Corp., 4.875%, 08/15/2008                                 | 115,000             | 110,542          |
| Hovnanian Enterprises, Inc.:                                     |                     |                  |
| 6.00%, 01/15/2010  | 90,000              | 59,400           |
| 6.50%, 01/15/2014  | 61,000              | 42,700           |
| Libbey, Inc., FRN, 12.38%, 06/01/2011                            | 380,000             | 404,700          |
| Meritage Homes Corp., 6.25%, 03/15/2015                          | 100,000             | 72,750           |
| Pulte Homes, Inc., 4.875%, 07/15/2009                            | 370,000             | 334,850          |
| Standard Pacific Corp., 5.125%, 04/01/2009                       | 150,000             | 113,250          |
|  |                     | <u>1,138,192</u> |
| <b>Media 2.4%</b>  |                     |                  |
| Cablevision Systems Corp., Ser. B, 8.00%, 04/15/2012             | 510,000             | 488,325          |
| CSC Holdings, Inc., 7.625%, 04/01/2011                           | 1,000,000           | 985,000          |
| Dex Media West, LLC, 8.50%, 08/15/2010                           | 420,000             | 429,450          |
| Idearc, Inc., 8.00%, 11/15/2016                                  | 205,000             | 192,700          |
| Lamar Media Corp.:   |                     |                  |
| 6.625%, 08/15/2015   | 1,130,000           | 1,079,150        |
| Ser. B, 6.625%, 08/15/2015                                       | 70,000              | 66,850           |
| Ser. C, 6.625%, 08/15/2015 144A                                  | 120,000             | 114,600          |
| Mediacom Broadband, LLC, 8.50%, 10/15/2015                       | 60,000              | 53,700           |
| Mediacom Communications Corp., 9.50%, 01/15/2013                 | 785,000             | 733,975          |

Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|   |         |                  |
|---|---------|------------------|
| R.H. Donnelley Corp., Ser. A-4, 8.875%, 10/15/2017 144A | 770,000 | 700,700          |
| Sinclair Broadcast Group, Inc., 8.00%, 03/15/2012       | 90,000  | 92,250           |
|   |         | <u>4,936,700</u> |
| <b>Multi-line Retail 0.1%</b>                           |         |                  |
| Neiman Marcus Group, Inc., 9.00%, 10/15/2015            | 100,000 | 104,500          |
| <b>Specialty Retail 0.3%</b>                            |         |                  |
| Home Depot, Inc., 5.875%, 12/16/2036                    | 75,000  | 63,725           |
| Payless ShoeSource, Inc., 8.25%, 08/01/2013             | 615,000 | 575,025          |
|   |         | <u>638,750</u>   |

---

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

November 30, 2007 (unaudited)

|  | Principal<br>Amount | Value            |
|--|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                             |                     |                  |
| <b>CONSUMER DISCRETIONARY</b> continued                      |                     |                  |
| <b>Textiles, Apparel &amp; Luxury Goods</b> 0.7%             |                     |                  |
| Oxford Industries, Inc., 8.875%, 06/01/2011                  | \$ 815,000          | \$ 812,963       |
| Warnaco Group, Inc., 8.875%, 06/15/2013                      | 725,000             | 746,750          |
|  |                     | <u>1,559,713</u> |
| <b>CONSUMER STAPLES</b> 1.7%                                 |                     |                  |
| <b>Beverages</b> 0.1%  |                     |                  |
| Constellation Brands, Inc., 8.375%, 12/15/2014 #             | 250,000             | 253,125          |
| <b>Food &amp; Staples Retailing</b> 0.7%                     |                     |                  |
| Ingles Markets, Inc., 8.875%, 12/01/2011                     | 495,000             | 502,425          |
| Rite Aid Corp., 8.125%, 05/01/2010                           | 1,000,000           | 1,005,000        |
|  |                     | <u>1,507,425</u> |
| <b>Food Products</b> 0.4%                                    |                     |                  |
| Del Monte Foods Co.:   |                     |                  |
| 6.75%, 02/15/2015  | 475,000             | 448,875          |
| 8.625%, 12/15/2012   | 240,000             | 243,600          |
| Pilgrim's Pride Corp.:                                       |                     |                  |
| 7.625%, 05/01/2015   | 125,000             | 123,125          |
| 8.375%, 05/01/2017   | 35,000              | 34,475           |
| Smithfield Foods, Inc., 7.75%, 07/01/2017                    | 20,000              | 19,500           |
|  |                     | <u>869,575</u>   |
| <b>Household Products</b> 0.2%                               |                     |                  |
| Church & Dwight Co., 6.00%, 12/15/2012                       | 345,000             | 338,100          |
| <b>Personal Products</b> 0.3%                                |                     |                  |
| Central Garden & Pet Co., 9.125%, 02/01/2013                 | 620,000             | 554,900          |
| <b>ENERGY</b> 5.4%   |                     |                  |
| <b>Energy Equipment &amp; Services</b> 1.1%                  |                     |                  |
| Bristow Group, Inc.:   |                     |                  |
| 6.125%, 06/15/2013   | 10,000              | 9,575            |
| 7.50%, 09/15/2017 144A                                       | 240,000             | 242,100          |
| Dresser-Rand Group, Inc., 7.375%, 11/01/2014                 | 110,000             | 109,175          |
| Hornbeck Offshore Services, Inc., Ser. B, 6.125%, 12/01/2014 | 700,000             | 666,750          |
| Parker Drilling Co., 9.625%, 10/01/2013                      | 395,000             | 422,650          |
| PHI, Inc., 7.125%, 04/15/2013                                | 885,000             | 862,875          |
|  |                     | <u>2,313,125</u> |
| <b>Oil, Gas &amp; Consumable Fuels</b> 4.3%                  |                     |                  |
| Chesapeake Energy Corp., 6.875%, 01/15/2016                  | 980,000             | 967,750          |
| El Paso Corp., 7.00%, 06/15/2017                             | 190,000             | 191,362          |
| Encore Acquisition Co.:                                      |                     |                  |
| 6.00%, 07/15/2015  | 235,000             | 212,675          |
| 6.25%, 04/15/2014  | 120,000             | 111,600          |
| Exco Resources, Inc., 7.25%, 01/15/2011                      | 575,000             | 562,063          |
| Forest Oil Corp., 7.75%, 05/01/2014                          | 1,000,000           | 1,020,000        |

Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|  |         |         |
|--|---------|---------|
| Frontier Oil Corp., 6.625%, 10/01/2011                 | 150,000 | 149,625 |
| Mariner Energy, Inc., 8.00%, 05/15/2017                | 80,000  | 76,000  |
| Overseas Shipholding Group, Inc., 8.25%, 03/15/2013    | 625,000 | 642,188 |
| Peabody Energy Corp.:                                  |         |         |
| 5.875%, 04/15/2016                                     | 120,000 | 114,600 |
| 6.875%, 03/15/2013                                     | 875,000 | 881,562 |
| Plains Exploration & Production Co., 7.75%, 06/15/2015 | 180,000 | 179,100 |
| Regency Energy Partners, LP, 8.375%, 12/15/2013        | 525,000 | 551,250 |
| Sabine Pass LNG, LP, 7.25%, 11/30/2013                 | 750,000 | 725,625 |
| Targa Resources, Inc., 8.50%, 11/01/2013 144A          | 475,000 | 467,875 |
| Tesoro Corp., 6.625%, 11/01/2015                       | 500,000 | 497,500 |

---

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

November 30, 2007 (unaudited)

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                          |                     |                  |
| <b>ENERGY</b> continued                                   |                     |                  |
| <b>Oil, Gas &amp; Consumable Fuels</b> continued          |                     |                  |
| Williams Cos., 7.125%, 09/01/2011                         | \$ 1,000,000        | \$ 1,055,000     |
| Williams Partners, LP, 7.25%, 02/01/2017                  | 545,000             | 561,350          |
|   |                     | <u>8,967,125</u> |
| <b>FINANCIALS</b> 5.6%                                    |                     |                  |
| <b>Consumer Finance</b> 3.0%                              |                     |                  |
| Ford Motor Credit Co., LLC:                               |                     |                  |
| 5.70%, 01/15/2010   | 880,000             | 794,582          |
| 7.375%, 10/28/2009  | 1,360,000           | 1,288,199        |
| 9.75%, 09/15/2010   | 400,000             | 388,771          |
| General Motors Acceptance Corp., LLC:                     |                     |                  |
| 5.125%, 05/09/2008  | 155,000             | 150,440          |
| 5.625%, 05/15/2009  | 285,000             | 269,510          |
| 6.12%, 05/15/2009   | 470,000             | 440,537          |
| 6.875%, 09/15/2011  | 1,330,000           | 1,162,949        |
| 6.875%, 08/28/2012  | 930,000             | 791,392          |
| 7.25%, 03/02/2011   | 90,000              | 79,768           |
| 7.75%, 01/19/2010   | 300,000             | 284,932          |
| 8.00%, 11/01/2031   | 770,000             | 654,883          |
| Qwest Capital Funding, Inc., 6.50%, 11/15/2018            | 145,000             | 123,612          |
|   |                     | <u>6,429,575</u> |
| <b>Diversified Financial Services</b> 0.4%                |                     |                  |
| Leucadia National Corp., 8.125%, 09/15/2015               | 810,000             | 810,000          |
| <b>Insurance</b> 0.0%                                     |                     |                  |
| Crum & Forster Holdings Corp., 7.75%, 05/01/2017          | 105,000             | 102,375          |
| <b>Real Estate Investment Trusts</b> 1.5%                 |                     |                  |
| Host Marriott Corp.:                                      |                     |                  |
| 7.125%, 11/01/2013  | 455,000             | 458,413          |
| Ser. O, 6.375%, 03/15/2015                                | 105,000             | 103,163          |
| Ser. Q, 6.75%, 06/01/2016                                 | 605,000             | 603,487          |
| Omega Healthcare Investors, Inc., 7.00%, 04/01/2014       | 1,000,000           | 995,000          |
| Ventas, Inc., 7.125%, 06/01/2015                          | 1,000,000           | 1,000,000        |
|   |                     | <u>3,160,063</u> |
| <b>Thriffs &amp; Mortgage Finance</b> 0.7%                |                     |                  |
| Residential Capital, LLC:                                 |                     |                  |
| 7.625%, 11/21/2008  | 310,000             | 243,350          |
| 7.875%, 06/30/2010  | 1,690,000           | 1,153,425        |
|   |                     | <u>1,396,775</u> |
| <b>HEALTH CARE</b> 1.1%                                   |                     |                  |
| <b>Health Care Equipment &amp; Supplies</b> 0.0%          |                     |                  |
| Universal Hospital Services, Inc., 8.50%, 06/01/2015 144A | 57,000              | 57,285           |
| <b>Health Care Providers &amp; Services</b> 1.1%          |                     |                  |



Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|                              |           |                  |
|------------------------------|-----------|------------------|
| HCA, Inc., 9.25%, 11/15/2016 | 1,510,000 | 1,566,625        |
| Omnicare, Inc.:              |           |                  |
| 6.125%, 06/01/2013           | 320,000   | 289,600          |
| 6.875%, 12/15/2015           | 490,000   | 453,250          |
|                              |           | <u>2,309,475</u> |

---

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

November 30, 2007 (unaudited)

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                          |                     |                  |
| <b>INDUSTRIALS</b> 3.5%                                   |                     |                  |
| <b>Aerospace &amp; Defense</b> 2.0%                       |                     |                  |
| Alliant Techsystems, Inc., 6.75%, 04/01/2016              | \$ 110,000          | \$ 109,450       |
| DRS Technologies, Inc.:                                   |                     |                  |
| 6.625%, 02/01/2016  | 310,000             | 306,900          |
| 7.625%, 02/01/2018  | 215,000             | 219,837          |
| Hexcel Corp., 6.75%, 02/01/2015                           | 120,000             | 118,200          |
| L-3 Communications Holdings, Inc.:                        |                     |                  |
| 5.875%, 01/15/2015  | 2,260,000           | 2,180,900        |
| 6.375%, 10/15/2015  | 1,275,000           | 1,268,625        |
|   |                     | <u>4,203,912</u> |
| <b>Commercial Services &amp; Supplies</b> 0.6%            |                     |                  |
| Browning-Ferris Industries, Inc.:                         |                     |                  |
| 7.40%, 09/15/2035   | 610,000             | 564,250          |
| 9.25%, 05/01/2021   | 315,000             | 337,050          |
| Corrections Corporation of America, 6.25%, 03/15/2013     | 35,000              | 34,737           |
| Geo Group, Inc., 8.25%, 07/15/2013                        | 250,000             | 251,250          |
| Mobile Mini, Inc., 6.875%, 05/01/2015                     | 130,000             | 118,300          |
| Norcross Safety Products, LLC, Ser. B, 9.875%, 08/15/2011 | 80,000              | 82,600           |
|   |                     | <u>1,388,187</u> |
| <b>Machinery</b> 0.5%                                     |                     |                  |
| Commercial Vehicle Group, Inc., 8.00%, 07/01/2013         | 810,000             | 733,050          |
| Manitowoc Co., 7.125%, 11/01/2013                         | 135,000             | 133,988          |
| Terex Corp., 8.00%, 11/15/2017                            | 190,000             | 191,900          |
|   |                     | <u>1,058,938</u> |
| <b>Road &amp; Rail</b> 0.3%                               |                     |                  |
| Avis Budget Car Rental, LLC:                              |                     |                  |
| 7.625%, 05/15/2014  | 435,000             | 419,775          |
| 7.75%, 05/15/2016   | 30,000              | 28,463           |
| Hertz Global Holdings, Inc.:                              |                     |                  |
| 8.875%, 01/01/2014  | 145,000             | 145,725          |
| 10.50%, 01/01/2016  | 20,000              | 20,800           |
|   |                     | <u>614,763</u>   |
| <b>Trading Companies &amp; Distributors</b> 0.1%          |                     |                  |
| United Rentals, Inc., 6.50%, 02/15/2012                   | 170,000             | 162,775          |
| <b>INFORMATION TECHNOLOGY</b> 1.1%                        |                     |                  |
| <b>Electronic Equipment &amp; Instruments</b> 0.3%        |                     |                  |
| Da-Lite Screen Co., Inc., 9.50%, 05/15/2011               | 430,000             | 430,000          |
| Sanmina-SCI Corp., FRN:                                   |                     |                  |
| 8.44%, 06/15/2010 144A                                    | 140,000             | 140,700          |
| 8.44%, 06/15/2014 144A                                    | 105,000             | 102,375          |
|   |                     | <u>673,075</u>   |
| <b>IT Services</b> 0.6%                                   |                     |                  |

Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|  |         |                  |
|--|---------|------------------|
| First Data Corp., 9.875%, 09/24/2015 144A                | 405,000 | 377,156          |
| SunGard Data Systems, Inc., 4.875%, 01/15/2014           | 705,000 | 613,350          |
| Unisys Corp., 7.875%, 04/01/2008                         | 165,000 | 164,794          |
|  |         | <u>1,155,300</u> |
| <b>Semiconductors &amp; Semiconductor Equipment 0.2%</b> |         |                  |
| Freescale Semiconductor, Inc., 8.875%, 12/15/2014        | 535,000 | <u>491,531</u>   |

---

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

November 30, 2007 (unaudited)

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>CORPORATE BONDS</b> continued                              |                     |                  |
| <b>MATERIALS</b> 5.2%   |                     |                  |
| <b>Chemicals</b> 2.5%   |                     |                  |
| ARCO Chemical Co.:  |                     |                  |
| 9.80%, 02/01/2020   | \$ 170,000          | \$ 169,150       |
| 10.25%, 11/01/2010  | 30,000              | 32,250           |
| Equistar Chemicals, LP, 10.625%, 05/01/2011                   | 571,000             | 599,550          |
| Koppers Holdings, Inc.:                                       |                     |                  |
| 9.875%, 10/15/2013  | 45,000              | 47,475           |
| Sr. Disc. Note, Step Bond, 0.00%, 11/15/2014 †                | 450,000             | 384,750          |
| Lyondell Chemical Co.:  |                     |                  |
| 6.875%, 06/15/2017  | 420,000             | 478,800          |
| 10.50%, 06/01/2013  | 1,000,000           | 1,075,000        |
| Millenium America, Inc., 7.625%, 11/15/2026                   | 330,000             | 295,350          |
| Momentive Performance Materials, Inc., 9.75%, 12/01/2014 144A | 575,000             | 536,187          |
| Mosaic Co.:   |                     |                  |
| 7.30%, 01/15/2028   | 260,000             | 258,700          |
| 7.625%, 12/01/2016 144A                                       | 410,000             | 440,750          |
| Tronox Worldwide, LLC, 9.50%, 12/01/2012                      | 975,000             | 936,000          |
|   |                     | <u>5,253,962</u> |
| <b>Construction Materials</b> 0.3%                            |                     |                  |
| CPG International, Inc., 10.50%, 07/01/2013                   | 600,000             | 579,000          |
| <b>Containers &amp; Packaging</b> 1.0%                        |                     |                  |
| Berry Plastics Holding Corp., 8.875%, 09/15/2014              | 200,000             | 194,000          |
| Exopack Holding Corp., 11.25%, 02/01/2014                     | 605,000             | 598,950          |
| Graphic Packaging International, Inc.:                        |                     |                  |
| 8.50%, 08/15/2011   | 380,000             | 376,200          |
| 9.50%, 08/15/2013   | 245,000             | 243,775          |
| Smurfit-Stone Container Corp., 8.375%, 07/01/2012             | 710,000             | 697,575          |
|   |                     | <u>2,110,500</u> |
| <b>Metals &amp; Mining</b> 0.5%                               |                     |                  |
| Freeport-McMoRan Copper & Gold, Inc.:                         |                     |                  |
| 6.875%, 02/01/2014  | 420,000             | 428,400          |
| 8.375%, 04/01/2017  | 515,000             | 557,488          |
|   |                     | <u>985,888</u>   |
| <b>Paper &amp; Forest Products</b> 0.9%                       |                     |                  |
| Buckeye Technologies, Inc., 8.50%, 10/01/2013                 | 25,000              | 25,375           |
| Georgia Pacific Corp.:  |                     |                  |
| 8.00%, 01/15/2024   | 360,000             | 341,100          |
| 8.875%, 05/15/2031  | 370,000             | 360,750          |
| Glatfelter, 7.125%, 05/01/2016                                | 800,000             | 788,000          |
| Verso Paper Holdings, LLC, 9.125%, 08/01/2014                 | 465,000             | 464,419          |
|   |                     | <u>1,979,644</u> |
| <b>TELECOMMUNICATION SERVICES</b> 1.8%                        |                     |                  |

**Diversified Telecommunication Services 0.9%**

|  |         |                  |
|--|---------|------------------|
| Citizens Communications Co., 7.875%, 01/15/2027      | 465,000 | 448,725          |
| Consolidated Communications, Inc., 9.75%, 04/01/2012 | 303,000 | 312,090          |
| Qwest Corp.:   |         |                  |
| 6.50%, 06/01/2017 144A                               | 260,000 | 248,950          |
| 7.875%, 09/01/2011                                   | 625,000 | 648,437          |
| 8.875%, 03/15/2012                                   | 265,000 | 285,869          |
|  |         | <u>1,944,071</u> |

---

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

November 30, 2007 (unaudited)

|  | Principal<br>Amount | Value             |
|--|---------------------|-------------------|
| <b>CORPORATE BONDS</b> continued                             |                     |                   |
| <b>TELECOMMUNICATION SERVICES</b> continued                  |                     |                   |
| <b>Wireless Telecommunication Services</b> 0.9%              |                     |                   |
| Dobson Cellular Systems, Inc.:                               |                     |                   |
| 8.375%, 11/01/2011   | \$ 410,000          | \$ 441,775        |
| 9.875%, 11/01/2012   | 300,000             | 329,250           |
| Rural Cellular Corp., 8.25%, 03/15/2012                      | 1,000,000           | 1,042,500         |
|  |                     | <u>1,813,525</u>  |
| <b>UTILITIES</b> 3.4%  |                     |                   |
| <b>Electric Utilities</b> 2.9%                               |                     |                   |
| Allegheny Energy Supply Co., 8.25%, 04/15/2012 144A          | 785,000             | 845,837           |
| Aquila, Inc., 11.875%, 07/01/2012                            | 1,070,000           | 1,353,550         |
| CMS Energy Corp.:  |                     |                   |
| 6.55%, 07/17/2017  | 50,000              | 48,798            |
| 8.50%, 04/15/2011  | 100,000             | 108,153           |
| Edison Mission Energy:                                       |                     |                   |
| 7.00%, 05/15/2017  | 130,000             | 125,125           |
| 7.20%, 05/15/2019  | 230,000             | 220,800           |
| Mirant North America, LLC, 7.375%, 12/31/2013                | 1,030,000           | 1,037,725         |
| NRG Energy, Inc., 7.375%, 02/01/2016                         | 845,000             | 830,213           |
| Orion Power Holdings, Inc., 12.00%, 05/01/2010               | 422,000             | 462,090           |
| PSEG Energy Holdings, LLC, 10.00%, 10/01/2009                | 105,000             | 111,132           |
| Reliant Energy, Inc.:  |                     |                   |
| 6.75%, 12/15/2014  | 1,045,000           | 1,047,612         |
| 7.875%, 06/15/2017   | 15,000              | 14,606            |
|  |                     | <u>6,205,641</u>  |
| <b>Independent Power Producers &amp; Energy Traders</b> 0.5% |                     |                   |
| AES Corp., 8.00%, 10/15/2017 144A                            | 540,000             | 540,000           |
| Dynegy Holdings, Inc., 7.50%, 06/01/2015                     | 480,000             | 444,000           |
|  |                     | <u>984,000</u>    |
| <i>Total Corporate Bonds (cost \$77,264,919)</i>             |                     |                   |
|  |                     | <u>75,109,209</u> |
| <b>YANKEE OBLIGATIONS – CORPORATE</b> 3.7%                   |                     |                   |
| <b>ENERGY</b> 1.0%   |                     |                   |
| <b>Oil, Gas &amp; Consumable Fuels</b> 1.0%                  |                     |                   |
| Connacher Oil & Gas, Ltd., 10.25%, 12/15/2015 144A #         | 210,000             | 211,050           |
| Griffin Coal Mining Co., Ltd., 9.50%, 12/01/2016 144A        | 930,000             | 888,150           |
| OPTI Canada, Inc., 7.875%, 12/15/2014 144A                   | 1,010,000           | 989,800           |
|  |                     | <u>2,089,000</u>  |
| <b>FINANCIALS</b> 0.5%                                       |                     |                   |
| <b>Consumer Finance</b> 0.3%                                 |                     |                   |
| Avago Technologies Finance, Ltd., 10.125%, 12/01/2013        | 105,000             | 111,037           |
| NXP Funding, LLC, 7.875%, 10/15/2014                         | 30,000              | 28,950            |
| Virgin Media Finance plc, 9.125%, 08/15/2016                 | 440,000             | 440,000           |
|  |                     | <u>579,987</u>    |

**Diversified Financial Services 0.2%**

|   |         |                |
|---|---------|----------------|
| Ship Finance International, Ltd., 8.50%, 12/15/2013 | 535,000 | <u>546,369</u> |
|---|---------|----------------|

**INDUSTRIALS 0.5%**

**Road & Rail 0.5%**

|                                 |         |                |
|---------------------------------|---------|----------------|
| Kansas City Southern de Mexico: |         |                |
| 7.375%, 06/01/2014 144A         | 455,000 | 449,313        |
| 9.375%, 05/01/2012              | 490,000 | <u>519,400</u> |
|                                 |         | <u>968,713</u> |

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

November 30, 2007 (unaudited)

|  | Principal<br>Amount | Value            |
|--|---------------------|------------------|
| <b>YANKEE OBLIGATIONS – CORPORATE continued</b>                |                     |                  |
| <b>INFORMATION TECHNOLOGY 0.4%</b>                             |                     |                  |
| <b>Communications Equipment 0.4%</b>                           |                     |                  |
| Nortel Networks Corp., 10.125%, 07/15/2013 144A                | \$ 870,000          | \$ 898,275       |
| <b>Semiconductors &amp; Semiconductor Equipment 0.0%</b>       |                     |                  |
| Sensata Technologies, Inc., 8.00%, 05/01/2014                  | 30,000              | 28,050           |
| <b>MATERIALS 1.2%</b>  |                     |                  |
| <b>Metals &amp; Mining 1.1%</b>                                |                     |                  |
| Novelis, Inc., 7.25%, 02/15/2015                               | 2,400,000           | 2,250,000        |
| <b>Paper &amp; Forest Products 0.1%</b>                        |                     |                  |
| Corporacion Durango SAB de CV, 10.50%, 10/05/2017 144A         | 300,000             | 273,000          |
| <b>TELECOMMUNICATION SERVICES 0.1%</b>                         |                     |                  |
| <b>Wireless Telecommunication Services 0.1%</b>                |                     |                  |
| Intelsat, Ltd., 9.25%, 06/15/2016                              | 180,000             | 184,275          |
| <b>UTILITIES 0.0%</b>  |                     |                  |
| <b>Electric Utilities 0.0%</b>                                 |                     |                  |
| InterGen NV, 9.00%, 06/30/2017 144A                            | 35,000              | 36,925           |
| <i>Total Yankee Obligations – Corporate (cost \$8,188,141)</i> |                     | <u>7,854,594</u> |

|   | Shares  | Value             |
|---|---------|-------------------|
| <b>CONVERTIBLE PREFERRED STOCKS 2.5%</b>            |         |                   |
| <b>ENERGY 2.5%</b>                                  |         |                   |
| <b>Oil, Gas &amp; Consumable Fuels 2.5%</b>         |         |                   |
| El Paso Corp., 4.99%, 12/31/2049 (cost \$4,534,687) | 4,000   | 5,348,500         |
| <b>COMMON STOCKS 78.1%</b>                          |         |                   |
| <b>CONSUMER DISCRETIONARY 0.1%</b>                  |         |                   |
| <b>Media 0.1%</b>                                   |         |                   |
| Idearc, Inc .                                       | 15,000  | 283,800           |
| <b>ENERGY 17.4%</b>                                 |         |                   |
| <b>Oil, Gas &amp; Consumable Fuels 17.4%</b>        |         |                   |
| Boardwalk Pipeline Partners, LP                     | 40,000  | 1,278,000         |
| Copano Energy, LLC                                  | 300,000 | 11,700,000        |
| Crosstex Energy, Inc.                               | 170,000 | 6,103,000         |
| El Paso Pipeline Partners, LP                       | 16,933  | 394,539           |
| ENI SpA   | 200,000 | 7,164,748         |
| Genesis Energy, LP                                  | 45,557  | 1,011,365         |
| McMoRan Exploration Co.                             | 4,931   | 57,989            |
| NuSTAR GP Holdings, LLC                             | 268,480 | 7,635,571         |
| Southwestern Energy Co. *                           | 25,000  | 1,244,250         |
|   |         | <u>36,589,462</u> |
| <b>TELECOMMUNICATION SERVICES 24.8%</b>             |         |                   |
| <b>Diversified Telecommunication Services 17.5%</b> |         |                   |
| AT&T, Inc.  | 100,000 | 3,821,000         |



Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|                                     |           |                   |
|-------------------------------------|-----------|-------------------|
| BT Group plc                        | 1,000,000 | 5,894,651         |
| Elisa Oyj                           | 200,000   | 6,240,914         |
| Shenandoah Telecommunications Co. + | 478,410   | 11,802,375        |
| TELUS Corp.                         | 75,000    | 3,515,543         |
| Verizon Communications, Inc.        | 100,000   | 4,321,000         |
| Windstream Corp.                    | 100,000   | 1,295,000         |
|                                     |           | <u>36,890,483</u> |

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

November 30, 2007 (unaudited)

|  | Shares  | Value              |
|--|---------|--------------------|
| <b>COMMON STOCKS</b> continued                               |         |                    |
| <b>TELECOMMUNICATION SERVICES</b> continued                  |         |                    |
| <b>Wireless Telecommunication Services</b> 7.3%              |         |                    |
| American Tower Corp., Class A *                              | 100,000 | \$ 4,554,000       |
| Bouygues SA  | 50,000  | 4,497,530          |
| Rogers Communications, Inc., Class B                         | 150,000 | 6,279,000          |
|  |         | <u>15,330,530</u>  |
| <b>UTILITIES</b> 35.8%                                       |         |                    |
| <b>Electric Utilities</b> 23.7%                              |         |                    |
| Allegheny Energy, Inc. *                                     | 50,000  | 3,037,500          |
| DPL, Inc.  | 300,000 | 9,084,000          |
| E.ON AG, ADR   | 100,000 | 6,770,000          |
| Edison International   | 75,000  | 4,198,500          |
| Entergy Corp.  | 56,000  | 6,694,240          |
| Exelon Corp.   | 57,000  | 4,620,990          |
| FirstEnergy Corp.  | 47,000  | 3,222,320          |
| Fortum Oyj   | 100,000 | 4,314,797          |
| ITC Holdings Corp.   | 36,000  | 1,837,440          |
| Maine & Maritimes Corp. *                                    | 1,135   | 39,271             |
| Mirant Corp.   | 80,920  | 3,122,703          |
| Westar Energy, Inc.  | 111,714 | 2,894,509          |
|  |         | <u>49,836,270</u>  |
| <b>Independent Power Producers &amp; Energy Traders</b> 4.0% |         |                    |
| Calpine Corp. *  | 50,000  | 39,750             |
| Constellation Energy Group, Inc.                             | 84,500  | 8,467,745          |
|  |         | <u>8,507,495</u>   |
| <b>Multi-Utilities</b> 6.3%                                  |         |                    |
| SUEZ   | 200,000 | 13,282,223         |
| Wisconsin Energy Corp.                                       | 1,500   | 71,760             |
|  |         | <u>13,353,983</u>  |
| <b>Water Utilities</b> 1.8%                                  |         |                    |
| Pennichuck Corp.   | 150,000 | 3,775,500          |
| <i>Total Common Stocks (cost \$119,136,816)</i>              |         | <u>164,567,523</u> |
| <b>PREFERRED STOCKS</b> 9.1%                                 |         |                    |
| <b>UTILITIES</b> 9.1%  |         |                    |
| <b>Electric Utilities</b> 8.7%                               |         |                    |
| Carolina Power & Light Co., 5.00%                            | 9,217   | 827,514            |
| Connecticut Light & Power Co., Ser. 1947, 2.00%              | 22,000  | 862,814            |
| Connecticut Light & Power Co., Ser. 1949, 2.04%              | 9,600   | 384,000            |
| Consolidated Edison, Inc., 5.00%                             | 27,820  | 2,487,108          |
| Dayton Power & Light Co., Ser. A, 3.75%                      | 9,416   | 702,080            |
| Dayton Power & Light Co., Ser. B, 3.75%                      | 5,120   | 419,680            |
| Dayton Power & Light Co., Ser. C, 3.90%                      | 17,500  | 1,312,500          |
| Entergy Arkansas, Inc., 6.08%                                | 644     | 74,825             |

Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|   |         |                   |
|---|---------|-------------------|
| Hawaiian Electric Industries, Inc., Ser. K, 4.65% | 27,000  | 477,562           |
| Pacific Gas & Electric Co., Ser. D, 5.00%         | 126,000 | 2,677,500         |
| Pacific Gas & Electric Co., Ser. H, 4.50%         | 33,800  | 697,970           |
| Pacific Gas & Electric Co., Ser. I, 4.36%         | 34,800  | 687,300           |
| PECO Energy Co., Ser. C, 4.40%                    | 29,590  | 2,400,785         |
| Southern California Edison Co., Ser. B, 4.08%     | 45,900  | 867,510           |
| Southern California Edison Co., Ser. D, 4.32%     | 54,000  | 1,062,720         |
| Union Electric Co., 4.50%                         | 14,600  | 1,209,610         |
| Union Electric Co., 4.56%                         | 11,190  | 957,976           |
| Union Electric Co., Ser. 1969, 4.00%              | 4,200   | 306,474           |
|   |         | <u>18,415,928</u> |

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

November 30, 2007 (unaudited)

|  | Shares    | Value             |
|--|-----------|-------------------|
| <b>PREFERRED STOCKS</b> continued                  |           |                   |
| <b>UTILITIES</b> continued                         |           |                   |
| <b>Water Utilities</b> 0.4%                        |           |                   |
| Hackensack Water Co., 4.99% o                      | 10,469    | \$ 837,520        |
| <i>Total Preferred Stocks</i> (cost \$19,269,147)  |           | <u>19,253,448</u> |
| <b>ESCROW SHARES</b> 0.0%                          |           |                   |
| Mirant Corp. Escrow * + o (cost \$0)               | 5,000,000 | <u>0</u>          |
| <b>MUTUAL FUND SHARES</b> 0.8%                     |           |                   |
| Kayne Anderson MLP Investment Co.                  | 15,006    | 424,219           |
| Tortoise Capital Resources Corp.                   | 65,000    | 754,000           |
| Tortoise Energy Capital Corp.                      | 21,000    | <u>534,870</u>    |
| <i>Total Mutual Fund Shares</i> (cost \$2,019,090) |           | <u>1,713,089</u>  |

|   | Principal<br>Amount | Value            |
|---|---------------------|------------------|
| <b>INVESTMENTS OF CASH COLLATERAL FROM SECURITIES</b> |                     |                  |
| <b>LOANED</b> 16.7%                                   |                     |                  |
| <b>CORPORATE BONDS</b> 2.8%                           |                     |                  |
| <b>Capital Markets</b> 0.5%                           |                     |                  |
| Bear Stearns Cos., FRN, 4.83%, 01/10/2008             | \$ 1,000,488        | <u>999,181</u>   |
| <b>Consumer Finance</b> 2.3%                          |                     |                  |
| Cullinan Finance Corp., FRN, 4.57%, 01/11/2008        | 4,999,028           | <u>4,993,756</u> |
|   |                     | <u>5,992,937</u> |

|  | Shares  | Value          |
|--|---------|----------------|
| <b>MUTUAL FUND SHARES</b> 0.1%   |         |                |
| AIM Short-Term Investment Trust Government & Agency Portfolio,<br>Class I, 4.58% q | 105,161 | <u>105,161</u> |

|  | Principal<br>Amount | Value     |
|--|---------------------|-----------|
| <b>REPURCHASE AGREEMENTS</b> ^ 13.8%   |                     |           |
| ABN Amro, Inc., 4.77%, dated 11/30/2007, maturing 12/03/2007,<br>maturity value \$2,000,795                  | \$ 2,000,000        | 2,000,000 |
| Banc of America Securities, LLC, 4.76%, dated 11/30/2007,<br>maturing 12/03/2007, maturity value \$6,002,380 | 6,000,000           | 6,000,000 |
| BNP Paribas SA, 4.77%, dated 11/30/2007, maturing 12/03/2007,<br>maturity value \$5,001,988                  | 5,000,000           | 5,000,000 |
| Credit Suisse First Boston, LLC, 4.77%, dated 11/30/2007,<br>maturing 12/03/2007, maturity value \$7,002,783 | 7,000,000           | 7,000,000 |
| Deutsche Bank Securities, Inc., 4.77%, dated 11/30/2007, maturing<br>12/03/2007, maturity value \$1,000,398  | 1,000,000           | 1,000,000 |
|  | 5,000,000           | 5,000,000 |

Edgar Filing: EVERGREEN UTILITIES & HIGH INCOME FUND - Form N-Q

|  |           |                   |
|--|-----------|-------------------|
| Dresdner Kleinwort Wasserstein Securities, LLC, 4.77%, dated 11/30/2007, maturing 12/03/2007, maturity value \$5,001,988 |           |                   |
| Greenwich Capital Markets, Inc., 4.77%, dated 11/30/2007, maturing 12/03/2007, maturity value \$1,000,398                | 1,000,000 | 1,000,000         |
| Lehman Brothers, Inc., 4.76%, dated 11/30/2007, maturing 12/03/2007, maturity value \$1,000,397                          | 1,000,000 | 1,000,000         |
| Merrill Lynch Pierce Fenner & Smith, Inc., 4.76%, dated 11/30/2007, maturing 12/03/2007, maturity value \$1,000,397      | 1,000,000 | 1,000,000         |
|  |           | <u>29,000,000</u> |
| <i>Total Investments of Cash Collateral from Securities Loaned (cost \$35,098,098)</i>                                   |           | <u>35,098,098</u> |
| <b>LOANS 1.1%</b>  |           |                   |
| <b>CONSUMER DISCRETIONARY 0.1%</b>   |           |                   |
| Catalina Marketing Corp., 8.23%, 10/11/2014  | 115,000   | <u>112,101</u>    |
| <b>ENERGY 0.4%</b>   |           |                   |
| Blue Grass Energy Corp., FRN, 10.50%, 12/30/2013   | 975,000   | <u>974,669</u>    |

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

November 30, 2007 (unaudited)

|   | Principal<br>Amount | Value                        |
|---|---------------------|------------------------------|
| <b>LOANS continued</b>  |                     |                              |
| <b>INDUSTRIALS 0.2%</b>   |                     |                              |
| Clarke American Corp., FRN, 7.32%, 02/28/2014   | \$ 115,000          | \$ 106,374                   |
| Neff Corp., FRN, 9.20%, 11/30/2014  | 315,000             | 256,353                      |
|   |                     | <u>362,727</u>               |
| <b>INFORMATION TECHNOLOGY 0.3%</b>  |                     |                              |
| First Data Corp., FRN, 7.98%, 09/24/2014  | 300,000             | 283,841                      |
| Flextonics International, Ltd., FRN, 7.47%, 10/01/2014                                    | 300,000             | 294,264                      |
|   |                     | <u>578,105</u>               |
| <b>TELECOMMUNICATION SERVICES 0.1%</b>  |                     |                              |
| Telesat, FRN, 8.20%, 09/01/2014   | 245,000             | 240,330                      |
| <i>Total Loans (cost \$2,291,490)</i>   |                     | <u>2,267,932</u>             |
|   | <b>Shares</b>       | <b>Value</b>                 |
| <b>SHORT-TERM INVESTMENTS 9.7%</b>  |                     |                              |
| <b>MUTUAL FUND SHARES 9.7%</b>  |                     |                              |
| Evergreen Institutional Money Market Fund, Class I, 4.88% q ## ø<br>μ (cost \$20,431,042) | 20,431,042          | 20,431,042                   |
| <b>Total Investments (cost \$288,233,430) 157.4%</b>                                      |                     | 331,643,435                  |
| <b>Other Assets and Liabilities and Preferred Shares (57.4%)</b>                          |                     | <u>(120,984,288 )</u>        |
| <b>Net Assets Applicable to Common Shareholders 100.0%</b>                                |                     | <u><u>\$ 210,659,147</u></u> |

All or a portion of this security is on loan.

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.

# When-issued or delayed delivery security

† 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.

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

^ Collateral is pooled with the collateral of other Evergreen funds and allocated on a pro-rata basis into 147 issues of high grade short-term securities such that sufficient collateral is applied to the respective repurchase agreement.

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

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

μ All or a portion of this security has been segregated as collateral for reverse repurchase agreements.

**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, 2007:

|                |              |          |
|----------------|--------------|----------|
| United States  | 77.0         | %        |
| France         | 6.4          | %        |
| Canada         | 5.1          | %        |
| Finland        | 3.8          | %        |
| Italy          | 2.6          | %        |
| Germany        | 2.5          | %        |
| United Kingdom | 2.3          | %        |
| Mexico         | 0.2          | %        |
| Cayman Islands | 0.1          | %        |
|                | <u>100.0</u> | <u>%</u> |

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

November 30, 2007 (unaudited)

At November 30, 2007, reverse repurchase agreements outstanding were as follows:

| <u>Repurchase Amount</u> | <u>Counterparty</u>            | <u>Interest Rate</u> | <u>Maturity Date</u> |
|--------------------------|--------------------------------|----------------------|----------------------|
| \$6,498,709              | Lehman Brothers Holdings, Inc. | 5.74%                | 01/09/2008           |

At November 30, 2007, the Fund had the following open credit default swap contracts outstanding:

| <u>Expiration</u> | <u>Counterparty</u>       | <u>Reference 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> |
|-------------------|---------------------------|---|------------------------|--|-----------------------------------|-------------------------------|
| 12/20/2012        | Goldman Sachs Group, Inc. | Down Jones CDX North America Investment Grade Index | \$695,000              | 3.75%                                  | Quarterly                         | \$484                         |
| 12/13/2049        | Goldman Sachs Group, Inc. | CMBX North America Index                            | 210,000                | 0.27%                                  | Monthly                           | (14,265)                      |

On November 30, 2007, the aggregate cost of securities for federal income tax purposes was \$288,452,836. The gross unrealized appreciation and depreciation on securities based on tax cost was \$47,573,136 and \$4,382,537, respectively, with a net unrealized appreciation of \$43,190,599.

**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.



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 other 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.

### **Repurchase agreements**

Securities pledged as collateral for repurchase agreements are held by the custodian bank or in a segregated account in the Fund's name until the agreements mature. Collateral for certain tri-party repurchase agreements is held at the counterparty's custodian in a segregated account for the benefit of the Fund and the counterparty. Each agreement requires that the market value of the collateral be sufficient to cover payments of interest and principal. However, in the event of default or bankruptcy by the other party to the agreement, retention of the collateral may be subject to legal proceedings. The Fund will enter into repurchase agreements with banks and other financial institutions, which are deemed by the investment advisor to be creditworthy pursuant to guidelines established by the Board of Trustees. In certain instances, the Fund's securities lending agent may provide collateral in the form of repurchase agreements.

### **Reverse repurchase agreements**

To obtain short-term financing, the Fund may enter into reverse repurchase agreements with banks and other financial institutions, which are deemed by the investment advisor to be creditworthy. At the time the Fund enters into a reverse repurchase agreement, it will establish a segregated account with the custodian containing qualified assets having a value not less than the repurchase price, including accrued interest. If the counterparty to the transaction is rendered insolvent, the Fund may be delayed or limited in the repurchase of the collateral securities.

### **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.

### **Securities lending**

The Fund may lend its securities to certain qualified brokers in order to earn additional income. The Fund receives compensation in the form of fees or interest earned on the investment of any cash collateral received. The Fund also continues to receive interest and dividends on the securities loaned. The Fund receives collateral in the form of cash or securities with a market value at least equal to the market value of the securities on loan, including accrued interest. In the event of default or bankruptcy by the borrower, the Fund could experience delays and costs in recovering the loaned securities or in gaining access to the collateral. The Fund has the right under the lending agreement to recover the securities from the borrower on demand.

---

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

---

November 30, 2007 (unaudited)

**Credit default swaps**

Swaps are marked-to-market daily based on quotations from market makers and any change in value is recorded as an unrealized gain or loss. The Fund may enter into credit default swaps. Credit default swaps involve an exchange of a fixed rate premium for protection against the loss in value of an underlying debt instrument 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. In return, the party agrees to purchase the notional amount of the underlying instrument, at par, if a credit event occurs during the term of the swap. Periodic payments are recorded as realized gains or losses. Any premiums or discounts received on the transactions are recorded as an asset or liability on the Statement of Assets and Liabilities and amortized. The Fund may enter into credit default swaps as either the guarantor or the counterparty.

Payments received or made as a result of a credit event or termination of the contract are recognized as realized gains or losses. The Fund could be exposed to risks if the counterparty 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.

**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.
-

**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:  
Dennis H. Ferro,  
Principal Executive Officer

Date: January 29, 2008

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:  
Dennis H. Ferro,  
Principal Executive Officer

Date: January 29, 2008

By:  
Kasey Phillips  
Principal Financial Officer

Date: January 29, 2008