

WESTERN ASSET PREMIER BOND FUND

Form N-Q

November 28, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-10603

Western Asset Premier Bond Fund

(Exact Name of Registrant as Specified In Its Charter)

385 East Colorado Boulevard

Pasadena, CA 91101

Address of Principal Executive Offices:

Charles A. Ruys de Perez

385 East Colorado Boulevard

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

Pasadena, CA 91101

Name and address of agent for service:

Registrant's telephone number, including area code: (410) 539-0000

Date of fiscal year end: December 31, 2008

Date of reporting period: September 30, 2008

Item 1 Schedule of Investments

Page 1 of 3

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

Western Asset Premier Bond Fund

September 30, 2008 (Unaudited)

| | Rate | Maturity Date | Par/Shares | Value |
|----------------------------------|---------|---------------|------------|------------------------|
| Long-Term Securities 155.5% | | | | |
| Corporate Bonds and Notes 94.2% | | | | |
| Aerospace and Defense 2.2% | | | | |
| DRS Technologies Inc. | 6.625% | 2/1/16 | \$ 300,000 | \$ 303,000 |
| L-3 Communications Corp. | 6.375% | 10/15/15 | 535,000 | 492,200 |
| Northrop Grumman Corp. | 7.750% | 2/15/31 | 1,000,000 | 1,148,121 |
| Sequa Corp. | 11.750% | 12/1/15 | 90,000 | 75,600 _A |
| Sequa Corp. | 13.500% | 12/1/15 | 93,037 | 78,151 _{A,B} |
| The Boeing Co. | 6.125% | 2/15/33 | 600,000 | 579,717 |
| | | | | 2,676,789 |
| Airlines 10.6% | | | | |
| America West Airlines Inc. | 8.057% | 7/2/20 | 2,774,887 | 2,330,905 |
| Continental Airlines Inc. | 7.160% | 3/24/13 | 802,861 | 655,798 |
| Continental Airlines Inc. | 6.900% | 1/2/18 | 977,786 | 860,451 |
| Continental Airlines Inc. | 6.820% | 5/1/18 | 913,728 | 781,237 |
| Continental Airlines Inc. | 6.545% | 2/2/19 | 1,788,051 | 1,519,843 |
| Continental Airlines Inc. | 8.048% | 11/1/20 | 671,752 | 634,806 |
| Continental Airlines Inc. | 6.703% | 6/15/21 | 887,932 | 745,863 |
| DAE Aviation Holdings Inc. | 11.250% | 8/1/15 | 460,000 | 427,800 _A |
| Northwest Airlines Corp. | 7.575% | 9/1/20 | 683,006 | 590,800 |
| Northwest Airlines Inc. | 3.278% | 8/6/13 | 2,251,186 | 1,710,902 _C |
| United Air Lines Inc. | 7.032% | 10/1/10 | 199,585 | 197,838 |
| United Air Lines Inc. | 7.186% | 4/1/11 | 41,863 | 41,642 |
| United Air Lines Inc. | 6.602% | 9/1/13 | 383,827 | 380,389 |
| US Airways Pass-Through Trust | 6.850% | 1/30/18 | 2,628,393 | 2,286,702 |
| | | | | 13,164,976 |
| Auto Components 0.2% | | | | |
| Visteon Corp. | 8.250% | 8/1/10 | 122,000 | 101,260 |
| Visteon Corp. | 12.250% | 12/31/16 | 313,000 | 187,800 _A |
| | | | | 289,060 |
| Automobiles 1.8% | | | | |
| DaimlerChrysler NA Holding Corp. | 7.300% | 1/15/12 | 1,000,000 | 1,011,317 |
| DaimlerChrysler NA Holding Corp. | 8.500% | 1/18/31 | 1,000,000 | 1,004,769 |
| General Motors Corp. | 8.375% | 7/15/33 | 420,000 | 168,000 |
| | | | | 2,184,086 |
| Building Products 0.6% | | | | |
| Associated Materials Inc. | 0.000% | 3/1/14 | 675,000 | 435,375 _D |
| Nortek Inc. | 8.500% | 9/1/14 | 185,000 | 105,450 |
| NTK Holdings Inc. | 0.000% | 3/1/14 | 500,000 | 215,000 _D |
| | | | | 755,825 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | |
|------------------------|--------|----------|----------------|------------------------|
| Capital Markets | 3.9% | | | |
| Credit Suisse Nassau | 6.790% | 10/29/09 | 31,200,000 RUB | 1,182,340 _A |
| Credit Suisse Nassau | 7.000% | 10/27/11 | 10,400,000 RUB | 370,816 _A |
| Credit Suisse USA Inc. | 6.500% | 1/15/12 | 1,125,000 | 1,110,145 |
| Morgan Stanley | 6.600% | 4/1/12 | 1,500,000 | 1,089,570 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|---------------------------------------|---------|---------------|--------------|----------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Capital Markets Continued | | | | |
| The Goldman Sachs Group Inc. | 6.600% | 1/15/12 | \$ 1,200,000 | \$ 1,118,626 |
| | | | | 4,871,497 |
| Chemicals 2.3% | | | | |
| Georgia Gulf Corp. | 9.500% | 10/15/14 | 20,000 | 12,300 |
| Georgia Gulf Corp. | 10.750% | 10/15/16 | 415,000 | 186,750 |
| Huntsman International LLC | 7.875% | 11/15/14 | 95,000 | 81,700 |
| The Dow Chemical Co. | 6.000% | 10/1/12 | 2,500,000 | 2,528,223 |
| Westlake Chemical Corp. | 6.625% | 1/15/16 | 70,000 | 59,500 |
| | | | | 2,868,473 |
| Commercial Services and Supplies 2.3% | | | | |
| Interface Inc. | 10.375% | 2/1/10 | 400,000 | 408,000 |
| Rental Service Corp. | 9.500% | 12/1/14 | 300,000 | 227,250 |
| US Investigations Services Inc. | 10.500% | 11/1/15 | 310,000 | 275,900 ^A |
| Waste Management Inc. | 7.375% | 5/15/29 | 2,000,000 | 1,893,738 |
| Waste Management Inc. | 7.750% | 5/15/32 | 40,000 | 39,357 |
| | | | | 2,844,245 |
| Communications Equipment 0.1% | | | | |
| EchoStar DBS Corp. | 7.750% | 5/31/15 | 120,000 | 101,700 |
| Motorola Inc. | 7.625% | 11/15/10 | 64,000 | 64,662 |
| | | | | 166,362 |
| Computers and Peripherals 0.2% | | | | |
| International Business Machines Corp. | 4.750% | 11/29/12 | 240,000 | 240,255 |
| Consumer Finance 3.3% | | | | |
| Ford Motor Credit Co. | 5.538% | 1/13/12 | 70,000 | 44,782 ^C |
| Ford Motor Credit Co. | 12.000% | 5/15/15 | 1,030,000 | 786,004 |
| Ford Motor Credit Co. | 8.000% | 12/15/16 | 680,000 | 429,949 |
| GMAC LLC | 6.875% | 8/28/12 | 150,000 | 59,622 |
| GMAC LLC | 8.000% | 11/1/31 | 1,530,000 | 577,234 |
| HSBC Finance Corp. | 4.750% | 7/15/13 | 1,670,000 | 1,502,472 |
| SLM Corp. | 8.450% | 6/15/18 | 1,020,000 | 693,600 |
| | | | | 4,093,663 |
| Containers and Packaging 0.3% | | | | |
| Graham Packaging Co. Inc. | 9.875% | 10/15/14 | 163,000 | 141,810 |
| Graphic Packaging International Corp. | 9.500% | 8/15/13 | 210,000 | 190,050 |
| | | | | 331,860 |
| Distributors 0.2% | | | | |
| Keystone Automotive Operations Inc. | 9.750% | 11/1/13 | 480,000 | 254,400 |
| Diversified Consumer Services 0.3% | | | | |
| Education Management LLC | 8.750% | 6/1/14 | 70,000 | 58,450 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | |
|-----------------------------|---------|---------|---------|---------|
| Education Management LLC | 10.250% | 6/1/16 | 170,000 | 136,000 |
| Service Corp. International | 6.750% | 4/1/16 | 140,000 | 119,700 |
| Service Corp. International | 7.625% | 10/1/18 | 5,000 | 4,475 |
| Service Corp. International | 7.500% | 4/1/27 | 60,000 | 45,900 |
| | | | | 364,525 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|---|---------|---------------|------------|---------------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Diversified Financial Services 8.8% | | | | |
| AAC Group Holding Corp. | 0.000% | 10/1/12 | \$ 440,000 | \$ 435,600 _{A,D} |
| Air 2 US | 8.027% | 10/1/19 | 434,125 | 347,300 _A |
| Bank of America Corp. | 8.000% | 12/29/49 | 1,360,000 | 1,076,939 _D |
| Boeing Capital Corp. | 6.500% | 2/15/12 | 1,000,000 | 1,062,636 |
| Boeing Capital Corp. | 5.800% | 1/15/13 | 400,000 | 414,497 |
| CCM Merger Inc. | 8.000% | 8/1/13 | 140,000 | 113,750 _A |
| Citigroup Inc. | 6.625% | 6/15/32 | 1,000,000 | 724,637 |
| DI Finance LLC | 9.500% | 2/15/13 | 502,000 | 491,960 |
| General Electric Capital Corp. | 3.750% | 12/15/09 | 740,000 | 714,597 |
| General Electric Capital Corp. | 6.000% | 6/15/12 | 700,000 | 675,622 |
| General Electric Capital Corp. | 5.450% | 1/15/13 | 250,000 | 233,562 |
| JPMorgan Chase and Co. | 5.750% | 1/2/13 | 1,750,000 | 1,675,378 |
| JPMorgan Chase and Co. | 5.125% | 9/15/14 | 1,300,000 | 1,158,580 |
| Liberty Media LLC | 3.750% | 2/15/30 | 1,860,000 | 837,000 _E |
| TNK-BP Finance SA | 7.875% | 3/13/18 | 420,000 | 294,000 _A |
| Vanguard Health Holding Co. II LLC | 9.000% | 10/1/14 | 735,000 | 709,275 |
| | | | | 10,965,333 |
| Diversified Telecommunication Services 3.6% | | | | |
| AT&T Inc. | 6.250% | 3/15/11 | 1,000,000 | 1,010,650 |
| BellSouth Corp. | 6.000% | 10/15/11 | 1,000,000 | 1,002,000 |
| Cincinnati Bell Inc. | 6.300% | 12/1/28 | 25,000 | 17,750 |
| Citizens Communications Co. | 9.250% | 5/15/11 | 90,000 | 90,000 |
| Citizens Communications Co. | 7.875% | 1/15/27 | 115,000 | 86,250 |
| Citizens Communications Co. | 7.050% | 10/1/46 | 25,000 | 14,250 |
| Hawaiian Telcom Communications Inc. | 12.500% | 5/1/15 | 135,000 | 18,900 |
| Level 3 Financing Inc. | 9.250% | 11/1/14 | 660,000 | 498,300 |
| MetroPCS Wireless Inc. | 9.250% | 11/1/14 | 35,000 | 32,725 |
| Qwest Communications International Inc. | 7.250% | 2/15/11 | 160,000 | 151,600 |
| Qwest Communications International Inc. | 7.500% | 2/15/14 | 140,000 | 121,100 |
| Qwest Corp. | 7.875% | 9/1/11 | 390,000 | 374,400 |
| Qwest Corp. | 7.500% | 10/1/14 | 150,000 | 129,750 |
| Telcordia Technologies Inc. | 10.000% | 3/15/13 | 485,000 | 390,425 _A |
| Windstream Corp. | 8.625% | 8/1/16 | 635,000 | 585,787 |
| | | | | 4,523,887 |
| Electric Utilities 6.4% | | | | |
| Duke Energy Corp. | 6.250% | 1/15/12 | 250,000 | 257,380 |
| Energy Future Holdings Corp. | 11.250% | 11/1/17 | 1,580,000 | 1,335,100 _{A,B} |
| FirstEnergy Corp. | 6.450% | 11/15/11 | 610,000 | 612,910 |
| FirstEnergy Corp. | 7.375% | 11/15/31 | 3,040,000 | 2,826,416 |
| IPALCO Enterprises Inc. | 8.625% | 11/14/11 | 130,000 | 130,650 _F |
| Niagara Mohawk Power Corp. | 7.750% | 10/1/08 | 1,500,000 | 1,500,000 |
| Orion Power Holdings Inc. | 12.000% | 5/1/10 | 150,000 | 145,500 |
| Progress Energy Inc. | 7.100% | 3/1/11 | 117,000 | 120,220 |
| Progress Energy Inc. | 6.850% | 4/15/12 | 750,000 | 771,780 |
| TXU Electric Delivery Co. | 7.000% | 9/1/22 | 250,000 | 209,907 |
| | | | | 7,909,863 |
| Energy Equipment and Services 1.2% | | | | |
| Complete Production Services Inc. | 8.000% | 12/15/16 | 150,000 | 142,500 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

EEB International Ltd.

8.750%

10/31/14

820,000

815,900_A

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|---------|---------------|------------|------------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Energy Equipment and Services Continued | | | | |
| Gulfmark Offshore Inc. | 7.750% | 7/15/14 | \$ 270,000 | \$ 253,800 |
| Pride International Inc. | 7.375% | 7/15/14 | 240,000 | 229,200 |
| | | | | 1,441,400 |
| Food and Staples Retailing 4.1% | | | | |
| CVS Caremark Corp. | 6.943% | 1/10/30 | 1,974,427 | 1,869,684 _A |
| CVS Corp. | 5.789% | 1/10/26 | 875,994 | 800,528 _A |
| CVS Lease Pass-Through Trust | 5.880% | 1/10/28 | 955,497 | 882,429 _A |
| CVS Lease Pass-Through Trust | 6.036% | 12/10/28 | 959,867 | 861,528 _A |
| Delhaize America Inc. | 9.000% | 4/15/31 | 166,000 | 174,258 |
| Safeway Inc. | 5.800% | 8/15/12 | 500,000 | 506,659 |
| | | | | 5,095,086 |
| Food Products 0.2% | | | | |
| Dole Food Co. Inc. | 7.250% | 6/15/10 | 285,000 | 250,800 |
| Gas Utilities 0.4% | | | | |
| Southern Natural Gas Co. | 8.000% | 3/1/32 | 20,000 | 18,611 |
| Suburban Propane Partners LP | 6.875% | 12/15/13 | 580,000 | 513,300 |
| | | | | 531,911 |
| Health Care Providers and Services 3.5% | | | | |
| Community Health Systems Inc. | 8.875% | 7/15/15 | 200,000 | 190,000 |
| DaVita Inc. | 6.625% | 3/15/13 | 70,000 | 66,500 |
| DaVita Inc. | 7.250% | 3/15/15 | 300,000 | 285,000 |
| HCA Inc. | 6.250% | 2/15/13 | 85,000 | 70,975 |
| HCA Inc. | 6.375% | 1/15/15 | 430,000 | 338,625 |
| HCA Inc. | 9.250% | 11/15/16 | 195,000 | 189,637 |
| HCA Inc. | 9.625% | 11/15/16 | 380,000 | 361,000 _B |
| HCA Inc. | 7.690% | 6/15/25 | 90,000 | 66,892 |
| HCA Inc. | 7.500% | 11/15/95 | 185,000 | 122,779 |
| Tenet Healthcare Corp. | 9.250% | 2/1/15 | 2,810,000 | 2,655,450 |
| | | | | 4,346,858 |
| Hotels, Restaurants and Leisure 1.5% | | | | |
| Buffets Inc. | 12.500% | 11/1/14 | 265,000 | 2,650 _G |
| Caesars Entertainment Inc. | 8.125% | 5/15/11 | 920,000 | 542,800 |
| Denny's Holdings Inc. | 10.000% | 10/1/12 | 90,000 | 81,900 |
| El Pollo Loco Inc. | 11.750% | 11/15/13 | 195,000 | 186,225 |
| Inn of the Mountain Gods Resort and Casino | 12.000% | 11/15/10 | 530,000 | 360,400 |
| MGM MIRAGE | 8.500% | 9/15/10 | 10,000 | 9,200 |
| Pokagon Gaming Authority | 10.375% | 6/15/14 | 233,000 | 235,912 _A |
| River Rock Entertainment Authority | 9.750% | 11/1/11 | 180,000 | 165,600 |
| Sbarro Inc. | 10.375% | 2/1/15 | 100,000 | 68,500 |
| Snoqualmie Entertainment Authority | 6.875% | 2/1/14 | 110,000 | 79,200 _{A,C} |
| Station Casinos Inc. | 7.750% | 8/15/16 | 205,000 | 111,213 |
| Station Casinos Inc. | 6.625% | 3/15/18 | 100,000 | 26,500 |
| | | | | 1,870,100 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|------------------------------|------|--------|---------|---------|--------|
| Household Durables | 0.5% | | | | |
| American Greetings Corp. | | 7.375% | 6/1/16 | 20,000 | 18,200 |
| K Hovnanian Enterprises Inc. | | 8.625% | 1/15/17 | 120,000 | 73,200 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|---|---------|---------------|------------|------------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Household Durables Continued | | | | |
| Norcraft Cos. | 9.000% | 11/1/11 | \$ 360,000 | \$ 345,600 |
| Norcraft Holdings LP | 9.750% | 9/1/12 | 155,000 | 139,500 |
| | | | | 576,500 |
| Independent Power Producers and Energy Traders 3.4% | | | | |
| Dynegy Holdings Inc. | 7.750% | 6/1/19 | 650,000 | 520,000 |
| Edison Mission Energy | 7.750% | 6/15/16 | 180,000 | 169,200 |
| Edison Mission Energy | 7.625% | 5/15/27 | 20,000 | 16,200 |
| Exelon Generation Co. LLC | 6.950% | 6/15/11 | 2,000,000 | 2,025,340 |
| Mirant North America LLC | 7.375% | 12/31/13 | 350,000 | 329,000 |
| NRG Energy Inc. | 7.375% | 2/1/16 | 505,000 | 454,500 |
| NRG Energy Inc. | 7.375% | 1/15/17 | 225,000 | 204,750 |
| The AES Corp. | 8.000% | 10/15/17 | 525,000 | 473,813 |
| The AES Corp. | 8.000% | 6/1/20 | 100,000 | 87,500 _A |
| | | | | 4,280,303 |
| IT Services 1.5% | | | | |
| Ceridian Corp. | 12.250% | 11/15/15 | 130,000 | 105,950 _{A,B} |
| Electronic Data Systems Corp. | 7.125% | 10/15/09 | 700,000 | 711,283 |
| Electronic Data Systems Corp. | 7.450% | 10/15/29 | 500,000 | 513,419 |
| SunGard Data Systems Inc. | 10.250% | 8/15/15 | 630,000 | 546,525 |
| | | | | 1,877,177 |
| Leisure Equipment and Products 1.4% | | | | |
| Eastman Kodak Co. | 7.250% | 11/15/13 | 1,800,000 | 1,683,000 |
| Media 6.5% | | | | |
| Affinion Group Inc. | 10.125% | 10/15/13 | 180,000 | 169,200 |
| Affinion Group Inc. | 11.500% | 10/15/15 | 225,000 | 209,250 |
| CCH I Holdings LLC | 11.000% | 10/1/15 | 927,000 | 611,820 |
| CCH II Holdings LLC | 10.250% | 10/1/13 | 150,000 | 126,000 |
| Charter Communications Holdings LLC | 11.750% | 5/15/11 | 110,000 | 63,800 |
| Charter Communications Holdings LLC | 12.125% | 1/15/12 | 60,000 | 35,700 |
| Charter Communications Operating LLC | 10.875% | 9/15/14 | 280,000 | 271,600 _A |
| Clear Channel Communications Inc. | 4.900% | 5/15/15 | 700,000 | 208,250 |
| CMP Susquehanna Corp. | 9.875% | 5/15/14 | 170,000 | 95,200 |
| Comcast Cable Communications Inc. | 6.750% | 1/30/11 | 500,000 | 507,148 |
| Comcast Corp. | 5.900% | 3/15/16 | 400,000 | 366,622 |
| Comcast Corp. | 7.050% | 3/15/33 | 1,000,000 | 896,872 |
| CSC Holdings Inc. | 8.125% | 7/15/09 | 30,000 | 29,700 |
| CSC Holdings Inc. | 8.125% | 8/15/09 | 40,000 | 39,600 |
| CSC Holdings Inc. | 7.625% | 4/1/11 | 50,000 | 48,000 |
| CSC Holdings Inc. | 6.750% | 4/15/12 | 250,000 | 229,062 |
| EchoStar DBS Corp. | 7.000% | 10/1/13 | 600,000 | 517,500 |
| Idearc Inc. | 8.000% | 11/15/16 | 850,000 | 231,625 |
| News America Holdings Inc. | 8.875% | 4/26/23 | 400,000 | 432,098 |
| R.H. Donnelley Corp. | 11.750% | 5/15/15 | 250,000 | 152,500 _A |
| R.H. Donnelley Corp. | 8.875% | 10/15/17 | 320,000 | 108,800 |
| Time Warner Inc. | 6.875% | 5/1/12 | 1,400,000 | 1,388,094 |
| Time Warner Inc. | 7.700% | 5/1/32 | 1,150,000 | 1,004,801 |
| TL Acquisitions Inc. | 10.500% | 1/15/15 | 270,000 | 213,300 _A |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|---------|---------------|------------|-------------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Media Continued | | | | |
| Tube City IMS Corp. | 9.750% | 2/1/15 | \$ 160,000 | \$ 142,400 |
| | | | | 8,098,942 |
| Metals and Mining 2.4% | | | | |
| Alcoa Inc. | 5.375% | 1/15/13 | 750,000 | 723,414 |
| CII Carbon LLC | 11.125% | 11/15/15 | 580,000 | 565,500 _A |
| Freeport-McMoRan Copper & Gold Inc. | 8.375% | 4/1/17 | 730,000 | 719,050 |
| GTL Trade Finance Inc. | 7.250% | 10/20/17 | 428,000 | 410,362 _A |
| Metals USA Inc. | 11.125% | 12/1/15 | 445,000 | 427,200 |
| Noranda Aluminium Holding Corp. | 8.578% | 11/15/14 | 195,000 | 128,700 _{B,C} |
| | | | | 2,974,226 |
| Multi-Utilities 0.8% | | | | |
| Dominion Resources Inc. | 5.700% | 9/17/12 | 770,000 | 762,585 |
| MidAmerican Energy Holdings Co. | 5.875% | 10/1/12 | 250,000 | 247,805 |
| | | | | 1,010,390 |
| Multiline Retail 0.6% | | | | |
| Dollar General Corp. | 11.875% | 7/15/17 | 325,000 | 300,625 _B |
| The Neiman-Marcus Group Inc. | 9.000% | 10/15/15 | 260,000 | 217,750 _B |
| The Neiman-Marcus Group Inc. | 7.125% | 6/1/28 | 330,000 | 239,250 |
| | | | | 757,625 |
| Oil, Gas and Consumable Fuels 11.5% | | | | |
| Belden and Blake Corp. | 8.750% | 7/15/12 | 750,000 | 682,500 |
| Chesapeake Energy Corp. | 6.375% | 6/15/15 | 480,000 | 428,400 |
| Chesapeake Energy Corp. | 6.625% | 1/15/16 | 30,000 | 26,925 |
| Chesapeake Energy Corp. | 7.250% | 12/15/18 | 255,000 | 234,600 |
| Colorado Interstate Gas Co. | 6.800% | 11/15/15 | 150,000 | 142,103 |
| ConocoPhillips | 4.750% | 10/15/12 | 900,000 | 885,096 |
| DCP Midstream LP | 7.875% | 8/16/10 | 750,000 | 768,000 |
| Devon Energy Corp. | 7.950% | 4/15/32 | 1,000,000 | 1,029,142 |
| Devon Financing Corp. ULC | 6.875% | 9/30/11 | 2,000,000 | 2,086,122 |
| El Paso Corp. | 6.375% | 2/1/09 | 333,000 | 333,834 |
| El Paso Corp. | 7.750% | 6/15/10 | 1,496,000 | 1,513,214 |
| El Paso Corp. | 7.800% | 8/1/31 | 190,000 | 160,078 |
| Exco Resources Inc. | 7.250% | 1/15/11 | 465,000 | 439,425 |
| Hess Corp. | 7.875% | 10/1/29 | 1,640,000 | 1,603,031 |
| Hess Corp. | 7.300% | 8/15/31 | 60,000 | 54,914 |
| International Coal Group Inc. | 10.250% | 7/15/14 | 220,000 | 196,350 |
| KazMunaiGaz Exploration Production GDR | 8.375% | 7/2/13 | 330,000 | 283,800 _A |
| Kinder Morgan Energy Partners LP | 7.125% | 3/15/12 | 500,000 | 505,528 |
| Occidental Petroleum Corp. | 6.750% | 1/15/12 | 500,000 | 538,984 |
| Parker Drilling Co. | 9.625% | 10/1/13 | 300,000 | 291,000 |
| Petrohawk Energy Corp. | 9.125% | 7/15/13 | 145,000 | 136,300 |
| SemGroup LP | 8.750% | 11/15/15 | 305,000 | 30,500 _{A,G,H} |
| Sonat Inc. | 7.625% | 7/15/11 | 500,000 | 506,018 |
| Stone Energy Corp. | 8.250% | 12/15/11 | 160,000 | 148,800 |
| The Williams Cos. Inc. | 7.500% | 1/15/31 | 902,000 | 820,802 |
| The Williams Cos. Inc. | 8.750% | 3/15/32 | 85,000 | 87,156 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|---------|---------------|------------|-----------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Oil, Gas and Consumable Fuels Continued | | | | |
| Valero Energy Corp. | 7.500% | 4/15/32 | \$ 400,000 | \$ 375,720 |
| | | | | 14,308,342 |
| Paper and Forest Products 1.7% | | | | |
| Appleton Papers Inc. | 8.125% | 6/15/11 | 5,000 | 4,388 |
| Appleton Papers Inc. | 9.750% | 6/15/14 | 305,000 | 234,087 |
| NewPage Corp. | 9.051% | 5/1/12 | 250,000 | 223,750 _C |
| Weyerhaeuser Co. | 6.750% | 3/15/12 | 800,000 | 790,670 |
| Weyerhaeuser Co. | 7.375% | 3/15/32 | 1,000,000 | 876,852 |
| | | | | 2,129,747 |
| Pharmaceuticals N.M. | | | | |
| Leiner Health Products Inc. | 11.000% | 6/1/12 | 280,000 | 14,000 _{G,H} |
| Real Estate Investment Trusts (REITs) 0.2% | | | | |
| Ventas Inc. | 6.750% | 4/1/17 | 260,000 | 245,700 |
| Real Estate Management and Development 0.2% | | | | |
| Ashton Woods USA LLC | 9.500% | 10/1/15 | 125,000 | 56,250 _I |
| Realogy Corp. | 12.375% | 4/15/15 | 495,000 | 168,300 |
| | | | | 224,550 |
| Road and Rail 2.5% | | | | |
| Hertz Corp. | 10.500% | 1/1/16 | 645,000 | 538,575 |
| Kansas City Southern Railway | 7.500% | 6/15/09 | 150,000 | 150,000 |
| Kansas City Southern Railway | 8.000% | 6/1/15 | 200,000 | 197,000 |
| Swift Transportation Co. | 10.554% | 5/15/15 | 90,000 | 27,900 _{A,C} |
| Swift Transportation Co. | 12.500% | 5/15/17 | 325,000 | 107,250 _A |
| Union Pacific Corp. | 6.125% | 1/15/12 | 2,000,000 | 2,036,184 |
| | | | | 3,056,909 |
| Semiconductors and Semiconductor Equipment N.M. | | | | |
| Freescale Semiconductor Inc. | 8.875% | 12/15/14 | 25,000 | 17,250 |
| Software 0.1% | | | | |
| Activant Solutions Inc. | 9.500% | 5/1/16 | 165,000 | 122,100 |
| Specialty Retail 0.1% | | | | |
| Blockbuster Inc. | 9.000% | 9/1/12 | 210,000 | 150,150 |
| Michaels Stores Inc. | 11.375% | 11/1/16 | 80,000 | 37,800 |
| | | | | 187,950 |
| Textiles, Apparel and Luxury Goods 0.1% | | | | |
| Oxford Industries Inc. | 8.875% | 6/1/11 | 180,000 | 162,675 |
| Thrifts and Mortgage Finance N.M. | | | | |
| Washington Mutual Bank | 5.500% | 1/15/13 | 295,000 | 369 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|---|---------|---------|---------|----------------------|--|
| Tobacco 0.2% | | | | | |
| Alliance One International Inc. | 11.000% | 5/15/12 | 205,000 | 200,900 | |
| Trading Companies and Distributors 0.5% | | | | | |
| Ashtead Capital Inc. | 9.000% | 8/15/16 | 129,000 | 110,940 _A | |
| H&E Equipment Services Inc. | 8.375% | 7/15/16 | 345,000 | 255,300 | |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|---------|---------------|------------|-------------------------|
| Long-Term Securities Continued | | | | |
| Corporate Bonds and Notes Continued | | | | |
| Trading Companies and Distributors Continued | | | | |
| Penhall International Corp. | 12.000% | 8/1/14 | \$ 390,000 | \$ 269,100 _A |
| | | | | 635,340 |
| Transportation Infrastructure 0.3% | | | | |
| Hawker Beechcraft Acquisition Co. | 8.875% | 4/1/15 | 330,000 | 298,650 _B |
| Hawker Beechcraft Acquisition Co. | 9.750% | 4/1/17 | 70,000 | 62,650 |
| | | | | 361,300 |
| Wireless Telecommunication Services 1.7% | | | | |
| AT&T Mobility LLC | 6.500% | 12/15/11 | 250,000 | 254,463 |
| New Cingular Wireless Services Inc. | 8.125% | 5/1/12 | 500,000 | 533,290 |
| Sprint Capital Corp. | 8.375% | 3/15/12 | 1,450,000 | 1,305,000 |
| | | | | 2,092,753 |
| Total Corporate Bonds and Notes (Cost \$133,084,961) | | | | 117,059,302 |
| Asset-Backed Securities 18.4% | | | | |
| Fixed Rate Securities 8.0% | | | | |
| America West Airlines 1996-1 A | 6.850% | 7/2/09 | 54,500 | 53,671 |
| Bear Stearns Asset Backed Securities Trust 2007-SD1 1A3A | 6.500% | 10/25/36 | 1,745,329 | 1,393,438 |
| Captiva CBO 1997-1A A | 6.860% | 11/30/09 | 295,627 | 274,933 _{A,J} |
| Contimortgage Home Equity Trust 1997-4 B1F | 7.330% | 10/15/28 | 612,081 | 499,641 |
| Firstfed Corp. Manufactured Housing Contract 1996-1 B | 8.060% | 10/15/22 | 2,100,000 | 2,688,415 _A |
| Global Franchise Trust 1998-1 A2 | 6.659% | 10/10/11 | 1,106,961 | 1,001,301 _A |
| Green Tree Financial Corp. 1992-2 B | 9.150% | 1/15/18 | 316,301 | 217,134 |
| Green Tree Financial Corp. 1993-1 B | 8.450% | 4/15/18 | 417,353 | 372,562 |
| Green Tree Home Improvement Loan Trust 1996-D HIB2 | 8.000% | 9/15/27 | 108,131 | 75,482 |
| Green Tree Recreational Equipment & Consumer Trust 1996-C CTFS | 7.650% | 10/15/17 | 406,556 | 375,814 |
| IndyMac Manufactured Housing Contract 1997-1 A5 | 6.970% | 2/25/28 | 355,586 | 328,178 |
| Lehman XS Trust 2007-1 WF1 | 7.000% | 1/25/37 | 1,320,112 | 720,700 |
| Pegasus Aviation Lease Securitization 2000-1 A2 | 8.370% | 3/25/30 | 1,300,000 | 546,218 _A |
| Structured Asset Securities Corp. 2002-AL1 A3 | 3.450% | 2/25/32 | 1,172,002 | 926,466 |
| Vanderbilt Mortgage Finance 1997-B 1B2 | 8.155% | 10/7/26 | 455,130 | 455,169 |
| | | | | 9,929,122 |
| Indexed Securities ^C 6.6% | | | | |
| ACE Securities Corp. 2005-SD1 A1 | 2.872% | 11/25/50 | 115,679 | 111,091 |
| AmeriCredit Automobile Receivables Trust 2007-CM A3B | 2.517% | 5/7/12 | 2,500,000 | 2,346,499 |
| Bayview Financial Asset Trust 2004-SSRA A1 | 3.072% | 12/25/39 | 574,795 | 459,836 _A |
| Citigroup Mortgage Loan Trust Inc. 2006-SHL1 A1 | 2.672% | 11/25/45 | 402,672 | 312,953 _A |
| Countrywide Asset-Backed Certificates 2007-13 2A1 | 3.372% | 10/25/47 | 1,431,052 | 1,220,688 |
| Countrywide Home Equity Loan Trust 2007-GW A | 3.038% | 11/15/28 | 2,237,427 | 1,566,395 |
| CS First Boston Mortgage Securities Corp. 2004-CF2 2A1 | 2.942% | 5/25/44 | 135,759 | 123,960 _A |
| GSAA Home Equity Trust 2006-19 A3A | 2.712% | 12/25/36 | 1,000,000 | 432,393 |
| Long Beach Mortgage Loan Trust 2005-WL2 3A1 | 2.652% | 8/25/35 | 156,981 | 152,891 |
| MSDWCC Heloc Trust 2003-2 A | 2.732% | 4/25/16 | 292,533 | 219,111 |
| Residential Asset Mortgage Products Inc. 2004-RZ1 AII | 2.952% | 3/25/34 | 489,361 | 332,229 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|--------|---------------|------------|-------------------------|
| Long-Term Securities Continued | | | | |
| Asset-Backed Securities Continued | | | | |
| Indexed Securities Continued | | | | |
| Residential Asset Securities Corp. 2001-KS3 AII | 2.932% | 9/25/31 | \$ 379,429 | \$ 317,817 |
| Salomon Brothers Mortgage Securities VII 2002-CIT1 | 2.772% | 3/25/32 | 662,546 | 631,867 |
| | | | | 8,227,730 |
| Stripped Securities 0.5% | | | | |
| Bear Stearns Asset Backed Securities Trust 2006-SD3 1P0 | 0.000% | 8/25/36 | 1,826,337 | 596,296 _{J2} |
| Oakwood Mortgage Investors Inc. 2002-C AIO | 6.000% | 8/15/10 | 591,547 | 48,320 _{H,K,I} |
| | | | | 644,616 |
| Variable Rate Securities ^K 3.3% | | | | |
| BankAmerica Manufactured Housing Contract 1997-2 M | 6.900% | 4/10/28 | 100,000 | 132,752 |
| Conseco Finance Securitizations Corp. 2002-1 A | 6.681% | 12/1/33 | 626,836 | 601,072 |
| Greenpoint Manufactured Housing 1999-5 A5 | 7.820% | 12/15/29 | 706,000 | 692,792 |
| GSAMP Trust 2003-SEA2 A1 | 4.422% | 7/25/33 | 2,463,287 | 2,083,149 |
| Oakwood Mortgage Investors Inc. 2002-B A3 | 6.060% | 3/15/25 | 339,175 | 303,315 |
| Saxon Asset Securities Trust 2000-2 MF1 | 8.870% | 7/25/30 | 286,469 | 283,325 |
| | | | | 4,096,405 |
| Total Asset-Backed Securities (Cost \$24,967,424) | | | | 22,897,873 |
| Mortgage-Backed Securities 19.0% | | | | |
| Fixed Rate Securities 0.9% | | | | |
| Bear Stearns Asset Backed Securities Trust 2002-AC1 B4 | 7.000% | 1/25/32 | 1,132,524 | 770,997 _A |
| Enterprise Mortgage Acceptance Co. 1999-1 A1 | 6.420% | 10/15/25 | 31,628 | 19,293 _A |
| Metropolitan Asset Funding Inc. 1998-BI B1 | 8.000% | 11/20/24 | 975,822 | 379,208 |
| | | | | 1,169,498 |
| Indexed Securities ^C 16.1% | | | | |
| Bayview Commercial Asset Trust 2005-3A A2 | 2.872% | 11/25/35 | 896,408 | 807,820 _A |
| Bella Vista Mortgage Trust 2004-2 A1 | 2.842% | 2/25/35 | 2,664,535 | 1,802,473 |
| BlackRock Capital Finance LP 1997-R2 B5 | 6.650% | 12/25/35 | 578,068 | 57,806 _A |
| CNL Funding 1998-1 C2 | 3.498% | 9/18/11 | 3,360,000 | 1,680,156 _A |
| Countrywide Alternative Loan Trust 2005-J12 | 2.742% | 8/25/35 | 411,040 | 225,193 |
| Countrywide Home Loans 2004-HYB5 7A1 | 4.547% | 4/20/35 | 4,764,367 | 2,864,299 |
| Countrywide Home Loans 2005-09 1A1 | 2.772% | 5/25/35 | 2,051,217 | 1,332,843 |
| Greenpoint Mortgage Funding Trust 2005-AR5 2A2 | 2.742% | 11/25/46 | 4,018,802 | 1,699,070 |
| Greenpoint Mortgage Funding Trust 2005-AR5 3A2 | 2.742% | 11/25/46 | 2,445,516 | 1,029,488 |
| Harborview Mortgage Loan Trust 2004-8 3A2 | 3.430% | 11/19/34 | 246,009 | 159,298 |
| Harborview Mortgage Loan Trust 2005-9 B10 | 4.221% | 6/20/35 | 1,226,905 | 269,919 |
| Impac CMB Trust 2A-10 | 2.792% | 3/25/35 | 650,753 | 317,290 |
| IndyMac Index Mortgage Loan Trust 2007-AR15 2A1 | 5.982% | 8/25/37 | 6,560,745 | 4,222,813 |
| Luminent Mortgage Trust 2006-6 A1 | 2.672% | 10/25/46 | 1,538,540 | 952,619 |
| Merit Securities Corp. 11PA B3 | 4.720% | 9/28/32 | 850,000 | 93,517 _A |
| Regal Trust IV 1999-1 A | 4.611% | 9/29/31 | 169,759 | 169,471 _A |
| Structured Asset Securities Corp. 2002-9 A2 | 2.772% | 10/25/27 | 1,425,682 | 1,317,608 |
| Washington Mutual Inc. 2004-AR12 A2A | 2.890% | 10/25/44 | 253,190 | 196,609 |
| Washington Mutual Mortgage Pass-Through Certificates 2006-AR5 3A | 4.019% | 7/25/46 | 1,642,362 | 788,334 |
| | | | | 19,986,626 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|---|---------|---------------|---------------|----------------------------|
| Long-Term Securities Continued | | | | |
| Mortgage-Backed Securities Continued | | | | |
| Stripped Securities 1.1% | | | | |
| IndyMac Index Mortgage Loan Trust 2005-AR14 BX | 0.000% | 7/25/35 | \$ 10,517,078 | \$ 197,721 _{H,K2} |
| LB-UBS Commercial Mortgage Trust 2001-C3 X | 1.149% | 6/15/36 | 2,560,391 | 54,616 _{A,H,KJ} |
| Prime Mortgage Trust 2005-2 2XB | 1.743% | 10/25/32 | 3,917,050 | 259,671 _{K1} |
| Prime Mortgage Trust 2005-5 1X | 0.871% | 7/25/34 | 12,835,566 | 226,722 _{K1} |
| Prime Mortgage Trust 2005-5 1XB | 1.565% | 7/25/34 | 3,210,601 | 194,497 _{K1} |
| Residential Asset Mortgage Products, Inc. 2005-SL2 AP0 | 0.000% | 2/25/32 | 575,784 | 459,575 _{K2} |
| | | | | 1,392,802 |
| Variable Rate Securities ^K 0.9% | | | | |
| Bear Stearns Alt-A Trust 2005 -10 21A1 | 5.729% | 1/25/36 | 1,598,366 | 1,072,763 |
| Total Mortgage-Backed Securities (Cost \$30,266,004) | | | | 23,621,689 |
| U.S. Government Agency Mortgage-Backed Securities 4.9% | | | | |
| Fixed Rate Securities 4.9% | | | | |
| Fannie Mae | 6.000% | 11/1/37 | 4,150,536 | 4,208,532 |
| Fannie Mae | 6.500% | 8/25/44 | 810,979 | 833,410 |
| Freddie Mac | 6.000% | 12/1/37 | 992,502 | 1,005,651 |
| Total U.S. Government Agency Mortgage-Backed Securities (Cost \$6,061,844) | | | | 6,047,593 |
| Yankee Bonds ¹ 15.5% | | | | |
| Aerospace and Defense 0.2% | | | | |
| Systems 2001 Asset Trust | 6.664% | 9/15/13 | 200,747 | 209,766 _A |
| Chemicals 0.2% | | | | |
| Methanex Corp. | 8.750% | 8/15/12 | 195,000 | 200,850 |
| Montell Finance Co. BV | 8.100% | 3/15/27 | 200,000 | 90,000 _A |
| | | | | 290,850 |
| Commercial Banks 1.2% | | | | |
| ATF Capital BV | 9.250% | 2/21/14 | 660,000 | 488,400 _A |
| HSBK Europe BV | 7.250% | 5/3/17 | 600,000 | 360,000 _A |
| ICICI Bank Ltd. | 6.375% | 4/30/22 | 284,000 | 196,025 _{A,D} |
| TuranAlem Finance BV | 8.250% | 1/22/37 | 440,000 | 246,400 _A |
| TuranAlem Finance BV | 8.250% | 1/22/37 | 440,000 | 246,400 _A |
| | | | | 1,537,225 |
| Containers and Packaging 0.1% | | | | |
| Smurfit Kappa Funding PLC | 7.750% | 4/1/15 | 150,000 | 124,875 |
| Diversified Financial Services 0.6% | | | | |
| Lukoil International Finance BV | 6.356% | 6/7/17 | 340,000 | 258,400 _A |
| UFJ Finance Aruba AEC | 6.750% | 7/15/13 | 500,000 | 524,253 |
| | | | | 782,653 |
| Diversified Telecommunication Services 2.5% | | | | |
| Axtel SA | 11.000% | 12/15/13 | 221,000 | 227,078 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | |
|---|---------|---------|---------|----------------------|
| Deutsche Telekom International Finance BV | 5.250% | 7/22/13 | 600,000 | 557,124 |
| France Telecom SA | 8.500% | 3/1/31 | 600,000 | 650,938 _F |
| Intelsat Bermuda Ltd. | 11.250% | 6/15/16 | 340,000 | 330,650 |
| Nordic Telephone Co. Holdings ApS | 8.875% | 5/1/16 | 220,000 | 200,200 _A |
| NTL Cable PLC | 9.125% | 8/15/16 | 790,000 | 661,625 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|---|---------|---------------|------------|-------------------------|
| Long-Term Securities Continued | | | | |
| Yankee Bonds Continued | | | | |
| Diversified Telecommunication Services Continued | | | | |
| Wind Acquisition Finance SA | 10.750% | 12/1/15 | \$ 500,000 | \$ 490,000 _A |
| | | | | 3,117,615 |
| Electric Utilities 1.5% | | | | |
| Hydro-Quebec | 6.300% | 5/11/11 | 1,700,000 | 1,826,973 |
| Energy Equipment and Services 0.2% | | | | |
| Compagnie Generale de Geophysique-Veritas | 7.500% | 5/15/15 | 210,000 | 200,550 |
| Foreign Governments 0.5% | | | | |
| Republic of Argentina | 7.000% | 9/12/13 | 818,000 | 558,285 |
| Republic of Honduras | 1.926% | 10/1/11 | 117,426 | 111,371 _C |
| Republic of Venezuela | 9.375% | 1/13/34 | 2,000 | 1,390 |
| | | | | 671,046 |
| Industrial Conglomerates 2.8% | | | | |
| Tyco International Group SA | 6.375% | 10/15/11 | 1,000,000 | 1,008,140 |
| Tyco International Group SA | 6.875% | 1/15/21 | 2,615,000 | 2,495,364 _A |
| | | | | 3,503,504 |
| Insurance 0.7% | | | | |
| XL Capital Ltd. | 5.250% | 9/15/14 | 1,000,000 | 864,970 |
| Media N.M. | | | | |
| Sun Media Corp. | 7.625% | 2/15/13 | 55,000 | 50,600 |
| Metals and Mining 0.4% | | | | |
| Evrz Group SA | 8.875% | 4/24/13 | 100,000 | 76,000 _A |
| Novelis Inc. | 7.250% | 2/15/15 | 105,000 | 91,350 |
| Vedanta Resources PLC | 8.750% | 1/15/14 | 330,000 | 294,294 _A |
| | | | | 461,644 |
| Oil, Gas and Consumable Fuels 2.3% | | | | |
| Anadarko Finance Co. | 6.750% | 5/1/11 | 750,000 | 767,545 |
| Anadarko Finance Co. | 7.500% | 5/1/31 | 1,000,000 | 916,987 |
| Burlington Resources Finance Co. | 7.400% | 12/1/31 | 450,000 | 474,695 |
| Gazprom | 6.212% | 11/22/16 | 280,000 | 221,413 _A |
| Gazprom | 6.510% | 3/7/22 | 130,000 | 93,600 _A |
| OPTI Canada Inc. | 7.875% | 12/15/14 | 240,000 | 212,400 |
| OPTI Canada Inc. | 8.250% | 12/15/14 | 205,000 | 183,475 |
| | | | | 2,870,115 |
| Paper and Forest Products 0.4% | | | | |
| Abitibi-Consolidated Co. of Canada | 13.750% | 4/1/11 | 520,000 | 517,400 _A |
| Road and Rail 1.0% | | | | |
| Canadian Pacific Railway Co. | 6.250% | 10/15/11 | 1,000,000 | 1,010,780 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | |
|--|--------|----------|---------|-----------|
| Grupo Transportacion Ferroviaria Mexicana SA de CV | 9.375% | 5/1/12 | 170,000 | 173,400 |
| | | | | 1,184,180 |
| Semiconductors and Semiconductor Equipment 0.2% | | | | |
| NXP BV/NXP Funding LLC | 7.875% | 10/15/14 | 150,000 | 100,500 |
| NXP BV/NXP Funding LLC | 9.500% | 10/15/15 | 155,000 | 79,825 |
| | | | | 180,325 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | Rate | Maturity Date | Par/Shares | Value |
|--|---------|---------------|---------------|-------------------------|
| Long-Term Securities Continued | | | | |
| Yankee Bonds Continued | | | | |
| Wireless Telecommunication Services 0.7% | | | | |
| True Move Co. Ltd. | 10.750% | 12/16/13 | \$ 200,000 | \$ 135,000 ^A |
| True Move Co. Ltd. | 10.750% | 12/16/13 | 590,000 | 416,041 ^A |
| Vodafone Group PLC | 7.750% | 2/15/10 | 250,000 | 257,670 |
| | | | | 808,711 |
| Total Yankee Bonds (Cost \$21,081,036) | | | | 19,203,002 |
| Preferred Stocks 1.7% | | | | |
| Fannie Mae | 5.375% | | 15 shs | 48,750 ^E |
| Freddie Mac | 5.160% | | 100 | 150 ^C |
| Freddie Mac | 5.000% | | 200 | 360 |
| Freddie Mac | 8.375% | | 20,500 | 33,415 ^D |
| General Motors Corp. | 5.250% | | 225,000 | 2,000,250 ^E |
| Total Preferred Stocks (Cost \$5,567,740) | | | | 2,082,925 |
| Trust Preferred Securities 1.8% | | | | |
| Corp-Backed Trust Certificates | 7.375% | | 33,900 | 240,690 |
| Corp-Backed Trust Certificates | 8.000% | | 15,600 | 111,540 |
| CORTS Trust for Ford Motor Co. | 8.000% | | 155,100 | 1,060,884 |
| PreferredPlus TR-CCR1 | 8.250% | | 5,100 | 36,975 |
| SATURNS-F 2003-5 | 8.125% | | 104,100 | 728,700 |
| Total Trust Preferred Securities (Cost \$5,033,601) | | | | 2,178,789 |
| Total Long-Term Securities (Cost \$226,062,610) | | | | 193,091,173 |
| Short-Term Securities 8.3% | | | | |
| Foreign Government Obligations 1.5% | | | | |
| Egypt Treasury Bills | 0.000% | 10/28/08 | 8,725,000 EGP | 1,588,889 ^M |
| Egypt Treasury Bills | 0.000% | 11/11/08 | 1,825,000 EGP | 331,699 ^M |
| Total Foreign Government Obligations (Cost \$1,903,297) | | | | 1,920,588 |
| Repurchase Agreement 6.8% | | | | |
| Merrill Lynch Government Securities Inc. | | | | |
| 0.25%, dated 9/30/08, to be repurchased at \$8,489,059 on 10/1/08 (Collateral: | | | | |
| \$8,531,000 Federal Home Loan Bank note, 3.500%, due 5/5/11, value | | | | |
| \$8,658,794) | | | | |
| | | | \$ 8,489,000 | 8,489,000 |
| Total Short-Term Securities (Cost \$10,392,297) | | | | 10,409,588 |
| Total Investments 163.8% (Cost \$236,454,907) | | | | 203,500,761 |
| Other Assets Less Liabilities (5.8)% | | | | (7,265,784) |
| Liquidation value of preferred shares (58.0)% | | | | (72,000,000) |
| Net Assets Applicable to Common Shareholders 100.0% | | | | \$ 124,234,977 |
| Net Asset Value Per Share: | | | | \$ 10.83 |

N.M. Not Meaningful.

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

- A Rule 144a Security A security purchased pursuant to Rule 144a under the Securities Act of 1933 which may not be resold subject to that rule except to qualified institutional buyers. These securities, which the Fund's investment adviser has determined to be liquid, represent 23.98% of net assets.
- B Pay-in-Kind (PIK) security A security in which interest or dividends during the initial few years is paid in additional PIK securities rather than in cash.
- C Indexed Security The rates of interest earned on these securities are tied to the London Interbank Offered Rate (LIBOR), the Euro Interbank Offered Rate (EURIBOR) Index, the Consumer Price Index (CPI), the one-year Treasury Bill Rate or the ten-year Japanese Government Bond Rate. The coupon rates are the rates as of September 30, 2008.
- D Stepped Coupon Security A security with a predetermined schedule of interest or dividend rate changes at which time it begins to accrue interest or pay dividends according to the predetermined schedule.

- E Convertible Security Security may be converted into the issuer's common stock.
- F Credit Linked Security The rates of interest earned on these securities are tied to the credit rating assigned by Standard & Poor's Rating Service and/or Moody's Investors Services.
- G Bond is in default as of September 30, 2008.
- H Illiquid security valued at fair value under the procedures approved by the Board of Trustees.
- I Bond is in default subsequent to September 30, 2008.
- J Yankee Bond A dollar-denominated bond issued in the U.S. by foreign entities.
- K Stripped Security Security with interest-only or principal-only payment streams, denoted by a 1 or 2, respectively. For interest-only securities, the amount shown as principal is the notional balance used to calculate the amount of interest due.
- L The coupon rates shown on variable rate securities are the rates at September 30, 2008. These rates vary with the weighted average coupon of the underlying loans.
- M Zero coupon bond A bond with no periodic interest payments which is sold at such a discount as to produce a current yield to maturity.
- N Aggregate cost for federal income tax purposes is substantially the same as book cost. At September 30, 2008, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were substantially as follows:

| | |
|------------------------------------|------------------------|
| Gross unrealized appreciation | \$ 2,646,257 |
| Gross unrealized depreciation | (35,600,403) |
| Net unrealized depreciation | \$ (32,954,146) |

Securities are denominated in U.S. Dollars, unless otherwise noted.

EGP Egyptian Pound

RUB Russian Ruble

Investment Valuation

The Fund's securities are valued under policies approved by and under the general oversight of the Board of Trustees. Effective January 1, 2008, the Fund adopted Statement of Financial Accounting Standards No. 157 (FAS 157). FAS 157 establishes a single definition of fair value, creates a three-tier hierarchy as a framework for measuring fair value based on inputs used to value the Fund's investments, and requires additional disclosure about fair value. The hierarchy of inputs is summarized below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, 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)

Debt securities are valued at the last quoted bid prices provided by an independent pricing service that are based on transactions in debt obligations, quotations from bond dealers, market transactions in comparable securities and various other relationships between securities. Equity securities for which market quotations are available are valued at the last sale price or official closing price on the primary market or exchange on which they trade. Publicly traded foreign government debt securities are typically traded internationally in the over-the-counter market and are valued at the bid price as of the close of business of that market. When prices are not readily available, or are determined not to reflect fair value, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund may value these securities at fair value as determined in accordance with the procedures approved by the Fund's Board of Trustees.

The following is a summary of the inputs used in valuing the Fund's assets carried at fair value:

| | September 30, 2008 | Quoted Prices (Level 1) | Other Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------------------|-----------------------|----------------------------|--|--|
| Investments in Securities | \$ 203,500,761 | \$ 4,175,989 | \$ 199,324,772 | |
| Other Financial Instruments* | | | | |
| Derivatives | (7,530,842) | | (7,530,842) | |
| Reverse Repurchase Agreements | (12,741,185) | | (12,741,185) | |
| Total Value | \$ 183,228,734 | \$ 4,175,989 | \$ 179,052,745 | |

* Other financial instruments include reverse repurchase agreements and derivatives, e.g. swaps contracts.

Reverse Repurchase Agreements

The Fund may enter into reverse repurchase agreements. Under the terms of a typical reverse repurchase agreement, a fund sells a security subject to an obligation to repurchase the security from the buyer at an agreed-upon time and price, thereby determining the yield to the buyer during the buyer's holding period. A reverse repurchase agreement involves the risk, among others, that the market value of the collateral retained by the fund may decline below the price of the securities the fund has sold but is obligated to repurchase under the agreement. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the fund's use of the proceeds of the agreement may be restricted pending a determination by the party, or its trustee or receiver, whether to enforce the Fund's obligation to repurchase the securities. In entering into reverse repurchase agreements, the Fund will maintain cash, U.S. government securities or other liquid debt obligations at least equal in value to its obligations with respect to reverse repurchase agreements or will take other actions permitted by law to cover its obligations.

Options, Futures and Swap Agreements

The current market value of an exchange traded option is the last sale price or, in the absence of a sale, the price obtained by reference to broker-dealer quotations. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. Futures contracts are marked-to-market on a daily basis. As the contract's value fluctuates, payments known as variation margin are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. The daily changes in contract value are recorded as unrealized gains or losses, and the Fund recognizes a gain or loss when the contract is closed. Swap agreements are generally priced daily based upon quotations from brokers and the change, if any, is recorded as unrealized appreciation or depreciation.

Swap Agreements

The Fund may invest in swaps for the purpose of managing their exposure to interest rate, credit or market risk, or for other purposes. The use of swaps involves risks that are different from those associated with ordinary portfolio transactions.

Credit default swaps involve the exchange of a fixed rate premium for protection against the loss in value of an underlying debt instrument in the event of a defined credit event (such as payment default or bankruptcy). Under the terms of the swap, one party acts as a guarantor, receiving a periodic payment that is a fixed percentage applied to a notional principal amount. 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. The Fund may enter into credit default swaps in which the Fund or its counterparty act as guarantors. By acting as the guarantor of a swap, the Fund assumes the market and credit risk of the underlying instrument, including liquidity and loss of value.

Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation/(depreciation). Gains or losses are realized upon termination of the swap agreement. Periodic payments and premiums received or made by a Fund are recorded in the accompanying statement of operations as realized gains or losses, respectively. Collateral, in the form of restricted cash or securities, may be required to be held in segregated accounts with the Fund's custodian in compliance with the terms of the swap contracts. Risks may exceed amounts recognized on the statement of assets and liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms, and the possible lack of liquidity with respect to the swap agreements.

If the Fund is a seller of protection and a credit event occurs, as defined under the terms of the particular swap agreement, the Fund will pay to the buyer of the protection an amount up to the notional value of the swap and in certain instances, take delivery of the security.

As of September 30, 2008, the annualized one-month London Interbank Offered Rate (LIBOR) was 3.93%.

The following is a summary of open credit default swap contracts outstanding as of September 30, 2008.

Western Asset Premier Bond

| Agreement With: | Termination Date | The Fund Agrees to Pay ^A | The Fund Will Receive ^A | Contract Notional Amount | Unrealized Appreciation/ (Depreciation) |
|--|---------------------|--|---------------------------------------|--------------------------------|---|
| Credit Default Swaps | | | | | |
| Credit Suisse First Boston USA (AAMES Mortgage Investment Trust 2005-1 M8, | April 25, 2035 | 1.28% Monthly | Specified amount | \$ 43,000 | \$ 37,802 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|---|-------------------|---------------|-------------------|--------|--------|
| 1-Month LIBOR + 160 bp ^B , due 6/25/35) | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (AAMES Mortgage Investment Trust 2005-1 M9, 1-Month LIBOR + 250 bp, due 6/25/35) | April 25, 2035 | 2.05% Monthly | Specified amount | 43,000 | 39,002 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (ACE Securities Corp. 2005-HE1 M8, 1-Month LIBOR + 138 bp, due 2/25/35) | February 25, 2035 | 1.31% Monthly | Specified amount | 43,000 | 39,356 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (ACE Securities Corp. 2005-HE1 M9, 1-Month LIBOR + 220bp, due 2/25/35) | February 25, 2035 | 2.06% Monthly | Specified amount | 28,289 | 26,928 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (Aegis Asset Backed Securities Trust 2004-4 B2, 1-Month LIBOR + 190bp, due 10/25/34) | October 25, 2034 | 1.37% Monthly | Specified amount | 32,243 | 28,970 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (Aegis Asset Backed Securities Trust 2005 B2, 1-Month LIBOR + 130 bp, due 3/25/35) | March 25, 2035 | 1.31% Monthly | Specified amount | 43,000 | 41,320 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (Aegis Asset Backed Securities Trust 2005 B3, 1-Month LIBOR + 200 bp, due 3/25/35) | March 25, 2035 | 2.18% Monthly | Specified amount | 43,000 | 42,068 |
| | | | upon credit event | | |
| | | | notice | | |
| Credit Suisse First Boston USA (Argent Securities Inc. 2004-W11 M10, 1-Month LIBOR + 350bp, due 11/25/34) | November 25, 2034 | 2.15% Monthly | Specified amount | 16,384 | 15,257 |
| | | | upon credit event | | |
| | | | notice | | |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|---|-------------------|---------------|---|--------|--------|
| Credit Suisse First Boston USA (Argent Securities Inc. 2004-W11 M9, 1-Month LIBOR + 225bp, due 11/25/34) | November 25, 2034 | 1.33% Monthly | Specified amount upon credit event notice | 16,384 | 15,125 |
| Credit Suisse First Boston USA (Argent Securities Inc. 2004-W4 M3, 1-Month LIBOR + 300 bp, due 3/25/34) | March 25, 2034 | 2.2% Monthly | Specified amount upon credit event notice | 20,620 | 18,584 |
| Credit Suisse First Boston USA (Finance America Mortgage Loan Trust 2004-3 M8, 1-Month LIBOR + 180bp, due 11/25/34) | November 25, 2034 | 1.31% Monthly | Specified amount upon credit event notice | 15,633 | 14,540 |
| Credit Suisse First Boston USA (Finance America Mortgage Loan Trust 2004-3 M9, 1-Month LIBOR + 315bp, due 11/25/34) | November 25, 2034 | 2.18% Monthly | Specified amount upon credit event notice | 15,632 | 14,776 |
| Credit Suisse First Boston USA (Fremont Home Loan Trust 2005-A M8, 1-Month LIBOR + 135 bp, due 1/25/35) | January 25, 2035 | 1.31% Monthly | Specified amount upon credit event notice | 17,046 | 12,224 |
| Credit Suisse First Boston USA (Fremont Home Loan Trust 2005-A, 1-Month LIBOR + 100bp, due 1/25/35) | January 25, 2035 | 2.08% Monthly | Specified amount upon credit event notice | 17,202 | 13,394 |
| Credit Suisse First Boston USA (IndyMac Home Equity Loan Asset-Backed, Trust 2004-C M8, 1-Month LIBOR + 190bp, due 3/25/35) | March 25, 2035 | 1.28% Monthly | Specified amount upon credit event notice | 25,220 | 15,496 |
| Credit Suisse First Boston USA (IndyMac Home Equity Loan Asset-Backed, Trust 2004-C M9, 1-Month LIBOR + 325bp, due 3/25/35) | March 25, 2035 | 2.05% Monthly | Specified amount upon credit event notice | 17,912 | 15,844 |
| Credit Suisse First Boston USA (Long Beach Mortgage Loan Trust 2004-1 M9, 1-Month LIBOR + 350bp, due 2/25/34) | February 25, 2034 | 2.15% Monthly | Specified amount upon credit event notice | 13,872 | 10,365 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|--|--------------------|---------------|---|--------|--------|
| Credit Suisse First Boston USA (Long Beach Mortgage Loan Trust 2005-1 M8, 1-Month LIBOR + 170 bp, due 2/25/35) | February 25, 2035 | 1.31% Monthly | Specified amount upon credit event notice | 20,879 | 19,700 |
| Credit Suisse First Boston USA (Long Beach Mortgage Loan Trust 2005-1 M9, 1-Month LIBOR + 275bp, due 2/25/35) | February 25, 2035 | 2.08% Monthly | Specified amount upon credit event notice | 17,102 | 16,207 |
| Credit Suisse First Boston USA (MASTR Asset Backed Securities Trust 2005-NC1 M8, 1-Month LIBOR + 153bp, due 12/25/34) | December 25, 2034 | 1.31% Monthly | Specified amount upon credit event notice | 27,935 | 15,554 |
| Credit Suisse First Boston USA (MASTR Asset Backed Securities Trust 2005-NC1 M9, 1-Month LIBOR + 240bp, due 12/25/34) | December 25, 2034 | 2.08% Monthly | Specified amount upon credit event notice | 22,737 | 20,525 |
| Credit Suisse First Boston USA (Merrill Lynch Mortgage Investors, Inc. 2004-WMC1 B3, 1-Month LIBOR + 225bp, due 9/25/35) | September 25, 2035 | 2.05% Monthly | Specified amount upon credit event notice | 43,000 | 11,873 |
| Credit Suisse First Boston USA (Merrill Lynch Mortgage Investors, Inc. 2004-WMC4 B3, 1-Month LIBOR + 375bp, due 4/25/35) | April 25, 2035 | 2.15% Monthly | Specified amount upon credit event notice | 12,666 | 10,974 |
| Credit Suisse First Boston USA (Merrill Lynch Mortgage Investors, Inc. 2005-NC1 B2, 1-Month LIBOR + 130bp, due 10/25/35) | October 25, 2035 | 1.28% Monthly | Specified amount upon credit event notice | 43,000 | 12,207 |
| Credit Suisse First Boston USA (Merrill Lynch Mortgage Investors, Inc. 2005-NC1 B3, 1-Month LIBOR + 205bp, due 10/25/35) | October 25, 2035 | 2.05% Monthly | Specified amount upon credit event notice | 43,000 | 11,741 |
| Credit Suisse First Boston USA (Merrill Lynch Mortgage Investors, Inc. 2005-WMC1 B2, 1-Month LIBOR + 135bp, due 9/25/35) | September 25, 2035 | 1.28% Monthly | Specified amount upon credit event notice | 43,000 | 12,749 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|--|------------------|---------------|---|--------|--------|
| Credit Suisse First Boston USA (Morgan Stanley ABS Capital I 2005-WMC1 B2, 1-Month LIBOR + 130 bp, due 1/25/35) | January 25, 2035 | 1.31% Monthly | Specified amount upon credit event notice | 13,639 | 12,805 |
| Credit Suisse First Boston USA (Morgan Stanley ABS Capital I 2005-WMC1 B3, 1-Month LIBOR + 215bp, due 1/25/35) | January 25, 2035 | 2.18% Monthly | Specified amount upon credit event notice | 15,932 | 15,302 |
| Credit Suisse First Boston USA (New Century Home Equity Loan Trust 2004-2 M9, 1-Month LIBOR + 325bp, due 8/25/34) | August 25, 2034 | 2.15% Monthly | Specified amount upon credit event notice | 18,669 | 8,135 |
| Credit Suisse First Boston USA (New Century Home Equity Loan Trust 2005-1 M8, 1-Month LIBOR + 140 bp, due 3/25/35) | March 25, 2035 | 1.31% Monthly | Specified amount upon credit event notice | 43,000 | 16,710 |
| Credit Suisse First Boston USA (New Century Home Equity Loan Trust 2005-1 M9, 1-Month LIBOR + 205 bp, due 3/25/35) | March 25, 2035 | 2.18% Monthly | Specified amount upon credit event notice | 20,426 | 14,629 |
| Credit Suisse First Boston USA (Novastar Home Equity Loan 2005-1 B2, 1-Month LIBOR + 135 bp, due 6/25/35) | June 25, 2035 | 1.28% Monthly | Specified amount upon credit event notice | 43,000 | 30,897 |
| Credit Suisse First Boston USA (Novastar Home Equity Loan 2005-4 B3, 1-Month LIBOR + 195 bp, due 6/25/35) | June 25, 2035 | 2.05% Monthly | Specified amount upon credit event notice | 43,000 | 37,114 |
| Credit Suisse First Boston USA (Park Place Securities Inc. 2005-WCH1 M8, 1-Month LIBOR + 155bp, due 1/25/36) | January 25, 2036 | 1.36% Monthly | Specified amount upon credit event notice | 43,000 | 40,832 |
| Credit Suisse First Boston USA (Park Place Securities, Inc. 2005-WCH1 M9, 1-Month LIBOR + 250 bp, due 1/25/36) | January 25, 2036 | 2.18% Monthly | Specified amount upon credit event notice | 41,462 | 39,794 |

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

| | | | | | |
|---|------------------|---|---|----------------|-------------|
| Credit Suisse First Boston USA (People's Choice Home Loan Securities Trust 2004-1 M6, 1-Month LIBOR + 230bp, due 6/25/34) | June 25, 2034 | 1.37% Quarterly | Specified amount upon credit event notice | 35,714 | 33,672 |
| Credit Suisse First Boston USA (People's Choice Home Loan Securities Trust 2005-1 B3, 1-Month LIBOR + 260bp, due 1/25/35) | January 25, 2035 | 2.05% Monthly | Specified amount upon credit event notice | 33,714 | 32,049 |
| Credit Suisse First Boston USA (People's Choice Home Loan Securities Trust 2005-1, 1-Month LIBOR + 165bp, due 1/25/35) | January 25, 2035 | 1.28% Monthly | Specified amount upon credit event notice | 43,000 | 40,124 |
| Deutsche Bank AG (ABX.HE-AAA 06-2) | May 25, 2046 | Specified amount upon credit event notice | 0.11% Monthly | 300,000 | (78,479) |
| JP Morgan Chase & Co. (ABX.HE-AAA 07-2) | January 25, 2038 | Specified amount upon credit event notice | 0.76% Monthly | 17,000,000 | (6,831,986) |
| Merrill Lynch & Co., Inc. (ABX.HE-AAA 06-1) | July 25, 2045 | Specified amount upon credit event notice | 0.18% Monthly | 9,748,292 | (137,426) |
| Merrill Lynch & Co., Inc. (CDX HY 8) | June 20, 2012 | Specified amount upon credit event notice | 0.86% Quarterly | 30,000,000 | (976,099) |
| Merrill Lynch & Co., Inc. (CDX HY 8) | June 20, 2012 | Specified amount upon credit event notice | 1.135% Quarterly | 10,000,000 | (240,647) |
| Merrill Lynch & Co., Inc. (CDX HY 8) | June 20, 2012 | Specified amount upon credit event notice | 1.4% Quarterly | 12,000,000 | (120,849) |
| Total Unrealized Depreciation | | | | \$ (7,530,842) | |

^A The rates indicated are annual rates, which are paid or received monthly, quarterly or upon a credit event notice as noted in the table

Edgar Filing: WESTERN ASSET PREMIER BOND FUND - Form N-Q

^B 100 basis points = 1%.

Other information regarding the Fund is available in the Fund's most recent Report to Shareholders. This information is available on the Securities and Exchange Commission's website (www.sec.gov).

Item 2 Controls and Procedures

- (a) Western Asset Premier Bond Fund (the Registrant) principal executive and principal financial officers have concluded, based on their evaluation of the Registrant s disclosure controls and procedures as of a date within 90 days of the filing date of this report, that the Registrant s disclosure controls and procedures are reasonably designed to ensure that information required to be disclosed by the Registrant on Form N-Q is recorded, processed, summarized and reported within the required time periods in the Securities and Exchange Commission s rules and forms and that information required to be disclosed by the Registrant in the reports that it files or submits on Form N-Q is accumulated and communicated to the Registrant s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

- (b) There were no changes in the Registrant s internal control over financial reporting during the Registrant s last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the internal control over financial reporting.

Item 3 Exhibits

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 filed as an exhibit hereto.

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.

Western Asset Premier Bond Fund

By: /s/ R. Jay Gerken
R. Jay Gerken
President
Western Asset Premier Bond Fund

Date: November 19, 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: /s/ R. Jay Gerken
R. Jay Gerken
President
Western Asset Premier Bond Fund

Date: November 19, 2008

By: /s/ Marie K. Karpinski
Marie K. Karpinski
Principal Financial and Accounting Officer
Western Asset Premier Bond Fund

Date: November 19, 2008