

EVERGREEN UTILITIES & HIGH INCOME FUND

Form N-Q

July 30, 2009

OMB APPROVAL

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY**

Investment Company Act file number **811-21507**

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 May 31, 2009. This series has August 31 fiscal year end.

Date of reporting period: **May 31, 2009**

Item 1 Schedule of Investments

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|----------------|
| CORPORATE BONDS 31.3% | | |
| CONSUMER DISCRETIONARY 4.6% | | |
| Auto Components 0.8% | | |
| Cooper Standard Automotive, Inc., 7.00%, 12/15/2012 | \$45,000 | \$9,225 |
| Cooper Tire & Rubber Co., 7.625%, 03/15/2027 | 595,000 | 359,975 |
| Goodyear Tire & Rubber Co.: | | |
| 6.32%, 12/01/2009 | 125,000 | 125,000 |
| 7.86%, 08/15/2011 | 140,000 | 136,850 |
| 8.625%, 12/01/2011 | 25,000 | 24,437 |
| 9.00%, 07/01/2015 | 55,000 | 52,800 |
| 10.50%, 05/15/2016 | 60,000 | 60,000 |
| | | <u>768,287</u> |
| Diversified Consumer Services 0.1% | | |
| Carriage Services, Inc., 7.875%, 01/15/2015 | 145,000 | 112,375 |
| Service Corporation International, 6.75%, 04/01/2015 | 10,000 | 9,275 |
| | | <u>121,650</u> |
| Hotels, Restaurants & Leisure 0.6% | | |
| Boyd Gaming Corp.: | | |
| 7.125%, 02/01/2016 | 40,000 | 28,600 |
| 7.75%, 12/15/2012 | 15,000 | 13,875 |
| Caesars Entertainment, Inc., 7.875%, 03/15/2010 | 105,000 | 96,863 |
| Inn of the Mountain Gods Resort & Casino, 12.00%, 11/15/2010 | 145,000 | 34,800 |
| MGM Mirage, 11.125%, 11/15/2017 144A | 50,000 | 52,625 |
| Pinnacle Entertainment, Inc., 8.75%, 10/01/2013 | 10,000 | 9,900 |
| Pokagon Gaming Authority, 10.375%, 06/15/2014 144A | 7,000 | 6,790 |
| Seneca Gaming Corp., 7.25%, 05/01/2012 | 55,000 | 44,825 |
| Shingle Springs Tribal Gaming Authority, 9.375%, 06/15/2015 144A | 130,000 | 76,050 |
| Speedway Motorsports, Inc., 8.75%, 06/01/2016 144A | 65,000 | 65,163 |
| Universal City Development Partners, Ltd., 11.75%, 04/01/2010 | 165,000 | 158,812 |
| | | <u>588,303</u> |
| Household Durables 1.3% | | |
| D.R. Horton, Inc.: | | |
| 6.00%, 04/15/2011 | 15,000 | 14,513 |
| 9.75%, 09/15/2010 | 270,000 | 276,075 |
| Hovnanian Enterprises, Inc., 11.50%, 05/01/2013 | 30,000 | 25,725 |
| Lennar Corp.: | | |
| 5.125%, 10/01/2010 | 280,000 | 264,600 |
| 5.60%, 05/31/2015 | 5,000 | 3,888 |
| 12.25%, 06/01/2017 144A | 5,000 | 5,175 |
| Libbey, Inc., FRN, 9.57%, 06/01/2011 | 165,000 | 103,331 |
| Meritage Homes Corp.: | | |
| 6.25%, 03/15/2015 | 65,000 | 49,237 |
| 7.00%, 05/01/2014 | 170,000 | 133,450 |
| Newell Rubbermaid, Inc., 10.60%, 04/15/2019 | 45,000 | 50,443 |

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| | | |
|---|---------|------------------|
| Pulte Homes, Inc.: | | |
| 7.875%, 08/01/2011 | 145,000 | 146,450 |
| 8.125%, 03/01/2011 | 95,000 | 95,950 |
| Sealy Mattress Corp., 10.875%, 04/15/2016 144A | 35,000 | 36,050 |
| Whirlpool Corp., 8.60%, 05/01/2014 | 115,000 | 116,340 |
| | | <u>1,321,227</u> |
| Internet & Catalog Retail 0.1% | | |
| Ticketmaster Entertainment, Inc., 10.75%, 08/01/2016 144A | 75,000 | <u>60,375</u> |
| Media 1.1% | | |
| AMC Entertainment, Inc., 8.75%, 06/01/2019 144A # | 10,000 | 9,675 |
| CBS Corp., 8.875%, 05/15/2019 | 105,000 | 104,511 |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|------------------|
| CORPORATE BONDS continued | | |
| CONSUMER DISCRETIONARY continued | | |
| Media continued | | |
| Charter Communications, Inc.: | | |
| 10.875%, 09/15/2014 144A | \$375,000 | \$388,125 |
| Step Bond, 10.00%, 04/30/2012 144A | 90,000 | 86,850 |
| CSC Holdings, Inc., 7.625%, 04/01/2011 | 80,000 | 80,200 |
| DirectTV Holdings, LLC, 7.625%, 05/15/2016 | 55,000 | 53,487 |
| Lamar Media Corp.: | | |
| 6.625%, 08/15/2015 | 10,000 | 8,550 |
| 7.25%, 01/01/2013 | 35,000 | 32,200 |
| Mediacom, LLC, 7.875%, 02/15/2011 | 100,000 | 98,000 |
| R.H. Donnelley Corp., 11.75%, 05/15/2015 144A | 65,000 | 30,063 |
| Sinclair Broadcast Group, Inc., 8.00%, 03/15/2012 | 25,000 | 16,375 |
| Time Warner, Inc., 8.25%, 04/01/2019 | 40,000 | 44,890 |
| WMG Acquisition Corp., 9.50%, 06/15/2016 144A | 100,000 | 100,750 |
| | | <u>1,053,676</u> |
| Multiline Retail 0.0% | | |
| Neiman Marcus Group, Inc., 9.00%, 10/15/2015 | 25,609 | 13,829 |
| Specialty Retail 0.2% | | |
| American Achievement Corp., 8.25%, 04/01/2012 144A | 280,000 | 236,600 |
| Textiles, Apparel & Luxury Goods 0.4% | | |
| Oxford Industries, Inc., 8.875%, 06/01/2011 | 255,000 | 228,225 |
| Visant Corp., 7.625%, 10/01/2012 | 135,000 | 133,650 |
| | | <u>361,875</u> |
| CONSUMER STAPLES 0.7% | | |
| Beverages 0.1% | | |
| Anheuser-Busch InBev, 7.75%, 01/15/2019 144A | 115,000 | 123,911 |
| Food Products 0.3% | | |
| Del Monte Foods Co.: | | |
| 6.75%, 02/15/2015 | 10,000 | 9,525 |
| 8.625%, 12/15/2012 | 160,000 | 161,600 |
| Smithfield Foods, Inc., 7.00%, 08/01/2011 | 85,000 | 73,525 |
| Tyson Foods, Inc.: | | |
| 7.85%, 04/01/2016 | 80,000 | 75,704 |
| 10.50%, 03/01/2014 144A | 20,000 | 21,300 |
| | | <u>341,654</u> |
| Tobacco 0.3% | | |
| Altria Group, Inc., 10.20%, 02/06/2039 | 215,000 | 246,368 |
| ENERGY 6.3% | | |
| Energy Equipment & Services 1.5% | | |
| Bristow Group, Inc., 7.50%, 09/15/2017 | 240,000 | 210,000 |
| Forbes Energy Services, Ltd., 11.00%, 02/15/2015 | 425,000 | 295,375 |
| GulfMark Offshore, Inc., 7.75%, 07/15/2014 | 225,000 | 202,500 |

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| | | |
|--|---------|------------------|
| Hornbeck Offshore Services, Inc., Ser. B, 6.125%, 12/01/2014 | 325,000 | 286,813 |
| Parker Drilling Co., 9.625%, 10/01/2013 | 104,000 | 91,520 |
| PHI, Inc., 7.125%, 04/15/2013 | 190,000 | 155,800 |
| Pride International, Inc., 8.50%, 06/15/2019 | 100,000 | 101,250 |
| Smith International, Inc., 9.75%, 03/15/2019 | 120,000 | 132,792 |
| | | <u>1,476,050</u> |
| Oil, Gas & Consumable Fuels 4.8% | | |
| Chesapeake Energy Corp.: | | |
| 6.875%, 01/15/2016 | 569,000 | 493,607 |
| 9.50%, 02/15/2015 | 160,000 | 158,800 |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|---|---------------------|------------------|
| CORPORATE BONDS continued | | |
| ENERGY continued | | |
| Oil, Gas & Consumable Fuels continued | | |
| El Paso Corp.: | | |
| 7.42%, 02/15/2037 | \$240,000 | \$175,174 |
| 12.00%, 12/12/2013 | 45,000 | 49,725 |
| Encore Acquisition Co., 6.00%, 07/15/2015 | 185,000 | 153,550 |
| Exco Resources, Inc., 7.25%, 01/15/2011 | 125,000 | 112,500 |
| Ferrellgas Partners, LP, 8.75%, 06/15/2012 | 50,000 | 46,250 |
| Florida Gas Transmission Co., LLC, 7.90%, 05/15/2019 144A | 75,000 | 78,166 |
| Forest Oil Corp.: | | |
| 7.25%, 06/15/2019 | 325,000 | 281,125 |
| 8.50%, 02/15/2014 144A | 75,000 | 72,750 |
| Frontier Oil Corp., 6.625%, 10/01/2011 | 160,000 | 157,200 |
| Newfield Exploration Co., 6.625%, 04/15/2016 | 75,000 | 68,250 |
| Nustar Logistics, LP, 7.65%, 04/15/2018 | 260,000 | 243,403 |
| Peabody Energy Corp.: | | |
| 5.875%, 04/15/2016 | 315,000 | 277,988 |
| 7.875%, 11/01/2026 | 210,000 | 187,950 |
| Petrohawk Energy Corp.: | | |
| 7.875%, 06/01/2015 | 160,000 | 149,200 |
| 10.50%, 08/01/2014 144A | 60,000 | 61,800 |
| Plains Exploration & Production Co., 7.625%, 06/01/2018 | 290,000 | 257,375 |
| Range Resources Corp., 8.00%, 05/15/2019 | 15,000 | 14,850 |
| Sabine Pass LNG, LP, 7.25%, 11/30/2013 | 390,000 | 333,450 |
| SandRidge Energy, Inc., 8.00%, 06/01/2018 144A | 30,000 | 25,500 |
| Southwestern Energy Co., 7.50%, 02/01/2018 144A | 20,000 | 19,150 |
| Tennessee Gas Pipeline, 8.00%, 02/01/2016 144A | 100,000 | 102,250 |
| Tesoro Corp., 6.50%, 06/01/2017 | 55,000 | 44,963 |
| Valero Energy Corp.: | | |
| 6.875%, 07/15/2012 | 125,000 | 121,734 |
| 9.375%, 03/15/2019 | 45,000 | 50,459 |
| 10.50%, 03/15/2039 | 115,000 | 134,715 |
| Williams Cos.: | | |
| 7.125%, 09/01/2011 | 485,000 | 490,082 |
| 8.125%, 03/15/2012 | 95,000 | 97,213 |
| 8.75%, 01/15/2020 144A | 70,000 | 72,224 |
| 8.75%, 03/15/2032 | 155,000 | 149,157 |
| | | <u>4,680,560</u> |
| FINANCIALS 4.8% | | |
| Capital Markets 0.2% | | |
| E*TRADE Financial Corp.: | | |
| 8.00%, 06/15/2011 | 40,000 | 27,000 |
| 12.50%, 11/30/2017 144A | 223,000 | 148,852 |
| 12.50%, 11/30/2017 | 31,000 | 20,693 |

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|--|---------|----------------|
| Lehman Brothers Holdings, Inc., 6.875%, 05/02/2018 | 20,000 | <u>3,400</u> |
| | | <u>199,945</u> |
| Consumer Finance 2.9% | | |
| Ford Motor Credit Co., LLC: | | |
| 5.70%, 01/15/2010 | 635,000 | 607,330 |
| 9.75%, 09/15/2010 | 155,000 | 146,805 |
| GMAC, LLC: | | |
| 6.75%, 12/01/2014 144A | 36,000 | 30,093 |
| 6.875%, 09/15/2011 144A | 76,000 | 68,054 |
| 6.875%, 08/28/2012 144A | 351,000 | 303,826 |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|---|---------------------|------------------|
| CORPORATE BONDS continued | | |
| FINANCIALS continued | | |
| Consumer Finance continued | | |
| GMAC, LLC: | | |
| 8.00%, 12/31/2018 144A | \$101,000 | \$73,334 |
| 8.00%, 11/01/2031 144A | 275,000 | 206,698 |
| International Lease Finance Corp.: | | |
| 4.375%, 11/01/2009 | 70,000 | 67,133 |
| 4.55%, 10/15/2009 | 30,000 | 28,800 |
| 4.75%, 07/01/2009 | 50,000 | 49,216 |
| 4.75%, 01/13/2012 | 65,000 | 51,177 |
| 4.875%, 09/01/2010 | 135,000 | 122,208 |
| 5.00%, 04/15/2010 | 5,000 | 4,602 |
| 5.125%, 11/01/2010 | 60,000 | 54,007 |
| JBS USA Finance, Inc., 11.625%, 05/01/2014 144A | 250,000 | 241,250 |
| NiSource Finance Corp., 10.75%, 03/15/2016 | 195,000 | 212,724 |
| Sprint Capital Corp.: | | |
| 6.875%, 11/15/2028 | 620,000 | 437,100 |
| 7.625%, 01/30/2011 | 145,000 | 143,912 |
| | | <u>2,848,269</u> |
| Diversified Financial Services 0.7% | | |
| Citigroup, Inc., 8.50%, 05/22/2019 | | |
| | 60,000 | 62,228 |
| Leucadia National Corp.: | | |
| 7.00%, 08/15/2013 | 70,000 | 64,663 |
| 7.125%, 03/15/2017 | 230,000 | 178,537 |
| 8.125%, 09/15/2015 | 438,000 | 390,915 |
| | | <u>696,343</u> |
| Insurance 0.2% | | |
| Aflac, Inc., 8.50%, 05/15/2019 | | |
| | 20,000 | 20,747 |
| Allegheny Technologies, 9.375%, 06/01/2019 | | |
| | 150,000 | 153,309 |
| | | <u>174,056</u> |
| Real Estate Investment Trusts (REITs) 0.7% | | |
| Host Hotels & Resorts, LLP: | | |
| 7.125%, 11/01/2013 | 95,000 | 88,825 |
| 9.00%, 05/15/2017 144A | 35,000 | 33,075 |
| Omega Healthcare Investors, Inc., 7.00%, 04/01/2014 | 195,000 | 180,375 |
| Simon Property Group, Inc., 10.35%, 04/01/2019 | 30,000 | 33,843 |
| Ventas, Inc.: | | |
| 6.75%, 04/01/2017 | 67,000 | 62,143 |
| 7.125%, 06/01/2015 | 196,000 | 186,690 |
| 9.00%, 05/01/2012 | 65,000 | 67,275 |
| WEA Finance, LLC, 7.50%, 06/02/2014 144A # | 45,000 | 44,604 |
| | | <u>696,830</u> |
| Thriffs & Mortgage Finance 0.1% | | |

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| | | |
|--|---------|----------------|
| Residential Capital, LLC, 8.50%, 05/15/2010 144A | 120,000 | <u>108,600</u> |
| HEALTH CARE 1.3% | | |
| Health Care Equipment & Supplies 0.1% | | |
| Biomet, Inc., 10.375%, 10/15/2017 | 75,000 | 71,625 |
| Universal Hospital Services, Inc., 8.50%, 06/01/2015 | 12,000 | <u>11,580</u> |
| | | <u>83,205</u> |
| Health Care Providers & Services 1.1% | | |
| Apria Healthcare Group, 11.25%, 11/01/2014 144A | 60,000 | 58,650 |
| Cigna Corp., 8.50%, 05/01/2019 | 60,000 | 59,016 |
| HCA, Inc.: | | |
| 8.50%, 04/15/2019 144A | 250,000 | 245,625 |
| 9.25%, 11/15/2016 | 215,000 | 211,775 |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|------------------|
| CORPORATE BONDS continued | | |
| HEALTH CARE continued | | |
| Health Care Providers & Services continued | | |
| HCA, Inc.: | | |
| 9.625%, 11/15/2016 | \$494,000 | \$474,240 |
| Omnicare, Inc., 6.125%, 06/01/2013 | 125,000 | <u>114,063</u> |
| | | <u>1,163,369</u> |
| Life Sciences Tools & Services 0.1% | | |
| Bio-Rad Laboratories, Inc.: | | |
| 7.50%, 08/15/2013 | 15,000 | 14,887 |
| 8.00%, 09/15/2016 144A | 40,000 | <u>40,200</u> |
| | | <u>55,087</u> |
| INDUSTRIALS 2.3% | | |
| Aerospace & Defense 1.0% | | |
| L-3 Communications Holdings, Inc.: | | |
| 5.875%, 01/15/2015 | 976,000 | 873,520 |
| 6.375%, 10/15/2015 | 85,000 | <u>77,775</u> |
| | | <u>951,295</u> |
| Commercial Services & Supplies 0.8% | | |
| Allied Waste North America, Inc., 6.875%, 06/01/2017 | | |
| | 5,000 | 4,832 |
| Browning-Ferris Industries, Inc.: | | |
| 7.40%, 09/15/2035 | 120,000 | 111,053 |
| 9.25%, 05/01/2021 | 225,000 | 235,615 |
| Corrections Corporation of America: | | |
| 6.25%, 03/15/2013 | 25,000 | 23,813 |
| 6.75%, 01/31/2014 | 25,000 | 24,125 |
| 7.50%, 05/01/2011 | 15,000 | 14,925 |
| 7.75%, 06/01/2017 | 100,000 | 98,500 |
| DigitalGlobe, Inc., 10.50%, 05/01/2014 144A | 25,000 | 25,813 |
| Geo Group, Inc., 8.25%, 07/15/2013 | 30,000 | 29,400 |
| Mobile Mini, Inc., 6.875%, 05/01/2015 | 170,000 | 139,825 |
| Toll Corp., 8.91%, 10/15/2017 | 55,000 | <u>55,200</u> |
| | | <u>763,101</u> |
| Machinery 0.3% | | |
| Commercial Vehicle Group, Inc., 8.00%, 07/01/2013 | 715,000 | <u>307,450</u> |
| Trading Companies & Distributors 0.2% | | |
| United Rentals, Inc., 6.50%, 02/15/2012 | 180,000 | <u>169,200</u> |
| INFORMATION TECHNOLOGY 1.1% | | |
| Communications Equipment 0.1% | | |
| EchoStar Corp.: | | |
| 6.625%, 10/01/2014 | 15,000 | 13,650 |
| 7.75%, 05/31/2015 | 100,000 | <u>95,000</u> |
| | | <u>108,650</u> |
| Electronic Equipment, Instruments & Components 0.9% | | |
| Anixter International, Inc., 10.00%, 03/15/2014 | 180,000 | 179,100 |

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| | | |
|--|---------|----------------|
| Da-Lite Screen Co., Inc., 9.50%, 05/15/2011 | 270,000 | 233,550 |
| Jabil Circuit, Inc.: | | |
| 5.875%, 07/15/2010 | 25,000 | 24,625 |
| 8.25%, 03/15/2018 | 450,000 | 418,500 |
| Sanmina-SCI Corp., 8.125%, 03/01/2016 | 65,000 | 36,725 |
| | | <u>892,500</u> |
| Office Electronics 0.1% | | |
| Xerox Corp., 8.25%, 05/15/2014 | 45,000 | 45,719 |
| Semiconductors & Semiconductor Equipment 0.0% | | |
| National Semiconductor Corp., 6.60%, 06/15/2017 | 50,000 | <u>42,337</u> |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|---|---------------------|----------------|
| CORPORATE BONDS continued | | |
| MATERIALS 3.0% | | |
| Chemicals 1.0% | | |
| Ashland, Inc., 9.125%, 06/01/2017 144A | \$10,000 | \$10,175 |
| Dow Chemical Co., 8.55%, 05/15/2019 | 105,000 | 105,163 |
| Huntsman, LLC: | | |
| 7.375%, 01/01/2015 | 35,000 | 23,669 |
| 11.625%, 10/15/2010 | 150,000 | 152,625 |
| Koppers Holdings, Inc., Sr. Disc. Note, Step Bond, 0.00%, 11/15/2014 | 265,000 | 234,525 |
| Lubrizol Corp., 8.875%, 02/01/2019 | 50,000 | 55,218 |
| Momentive Performance Materials, Inc.: | | |
| 9.75%, 12/01/2014 | 25,000 | 9,625 |
| 10.125%, 12/01/2014 | 84,409 | 25,745 |
| Mosaic Co.: | | |
| 7.30%, 01/15/2028 | 365,000 | 297,475 |
| 7.625%, 12/01/2016 144A | 53,000 | 52,735 |
| Nalco Co., 8.25%, 05/15/2017 144A | 5,000 | 5,050 |
| | | <u>972,005</u> |
| Construction Materials 0.8% | | |
| CPG International, Inc.: | | |
| 10.50%, 07/01/2013 | 695,000 | 368,350 |
| FRN, 8.56%, 07/01/2012 | 140,000 | 74,900 |
| CRH America, Inc.: | | |
| 5.625%, 09/30/2011 | 60,000 | 58,646 |
| 8.125%, 07/15/2018 | 215,000 | 201,597 |
| Texas Industries, Inc., 7.25%, 07/15/2013 144A | 135,000 | 116,775 |
| | | <u>820,268</u> |
| Containers & Packaging 0.3% | | |
| Exopack Holding Corp., 11.25%, 02/01/2014 | 260,000 | 209,625 |
| Silgan Holdings, Inc., 7.25%, 08/15/2016 144A | 40,000 | 38,800 |
| | | <u>248,425</u> |
| Metals & Mining 0.4% | | |
| AK Steel Corp., 7.75%, 06/15/2012 | 40,000 | 37,800 |
| Freeport-McMoRan Copper & Gold, Inc.: | | |
| 8.25%, 04/01/2015 | 260,000 | 260,297 |
| 8.375%, 04/01/2017 | 70,000 | 69,573 |
| | | <u>367,670</u> |
| Paper & Forest Products 0.5% | | |
| Georgia Pacific Corp.: | | |
| 8.125%, 05/15/2011 | 120,000 | 121,200 |
| 8.25%, 05/01/2016 144A | 5,000 | 4,950 |
| 8.875%, 05/15/2031 | 25,000 | 21,375 |
| International Paper Co.: | | |
| 7.95%, 06/15/2018 | 305,000 | 287,703 |

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| | | |
|--|---------|----------------|
| 9.375%, 05/15/2019 | 30,000 | 30,246 |
| Verso Paper Holdings, LLC, 11.50%, 07/01/2014 144A # | 20,000 | <u>18,400</u> |
| | | <u>483,874</u> |
| TELECOMMUNICATION SERVICES 2.5% | | |
| Diversified Telecommunication Services 1.2% | | |
| Citizens Communications Co.: | | |
| 7.875%, 01/15/2027 | 205,000 | 168,100 |
| 9.25%, 05/15/2011 | 130,000 | 135,363 |
| FairPoint Communications, Inc., 13.125%, 04/01/2018 | 55,000 | 19,113 |
| Frontier Communications Corp., 8.25%, 05/01/2014 | 140,000 | 137,550 |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|------------------|
| CORPORATE BONDS continued | | |
| TELECOMMUNICATION SERVICES continued | | |
| Diversified Telecommunication Services continued | | |
| Qwest Corp.: | | |
| 7.50%, 06/15/2023 | \$125,000 | \$100,000 |
| 7.875%, 09/01/2011 | 370,000 | 370,462 |
| 8.875%, 03/15/2012 | 255,000 | 258,187 |
| | | <u>1,188,775</u> |
| Wireless Telecommunication Services 1.3% | | |
| Centennial Communications Corp., 8.125%, 02/01/2014 | 355,000 | 366,094 |
| Cricket Communications, Inc.: | | |
| 7.75%, 05/15/2016 144A # | 105,000 | 101,981 |
| 9.375%, 11/01/2014 | 25,000 | 25,000 |
| MetroPCS Communications, Inc., 9.25%, 11/01/2014 | 225,000 | 226,969 |
| Sprint Nextel Corp.: | | |
| 6.90%, 05/01/2019 | 30,000 | 24,450 |
| Ser. D, 7.375%, 08/01/2015 | 195,000 | 155,513 |
| Ser. E, 6.875%, 10/31/2013 | 365,000 | 305,687 |
| | | <u>1,205,694</u> |
| UTILITIES 4.7% | | |
| Electric Utilities 2.7% | | |
| Allegheny Energy Supply Co., 8.25%, 04/15/2012 144A | 300,000 | 312,066 |
| Aquila, Inc., Step Bond, 11.875%, 07/01/2012 | 909,000 | 974,392 |
| CMS Energy Corp., 8.50%, 04/15/2011 | 65,000 | 65,976 |
| Energy Future Holdings Corp., 11.25%, 11/01/2017 | 238,500 | 125,809 |
| Mirant Mid-Atlantic, LLC, Ser. C, 10.06%, 12/30/2028 | 350,746 | 347,239 |
| Mirant North America, LLC, 7.375%, 12/31/2013 | 120,000 | 115,500 |
| NRG Energy, Inc., 7.375%, 02/01/2016 | 230,000 | 217,062 |
| Orion Power Holdings, Inc., 12.00%, 05/01/2010 | 367,000 | 380,762 |
| Public Service Company of New Mexico, 7.95%, 04/01/2015 | 80,000 | 80,035 |
| | | <u>2,618,841</u> |
| Gas Utilities 0.6% | | |
| Atmos Energy Corp., 8.50%, 03/15/2019 | 100,000 | 110,914 |
| EQT Corp., 8.125%, 06/01/2019 | 95,000 | 98,166 |
| National Fuel Gas Co., 8.75%, 05/01/2019 | 235,000 | 247,736 |
| ONEOK, Inc., 8.625%, 03/01/2019 | 135,000 | 149,159 |
| | | <u>605,975</u> |
| Independent Power Producers & Energy Traders 0.9% | | |
| AES Corp., 8.00%, 06/01/2020 | 5,000 | 4,425 |
| Calpine Construction Finance, 8.00%, 06/01/2016 144A | 20,000 | 19,125 |
| Dynegy Holdings, Inc.: | | |
| 6.875%, 04/01/2011 | 120,000 | 114,900 |
| 7.125%, 05/15/2018 | 60,000 | 38,700 |
| RRI Energy, Inc.: | | |
| 6.75%, 12/15/2014 | 585,000 | 565,987 |

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| | | |
|--|---------|-------------------|
| 7.625%, 06/15/2014 | 155,000 | 135,238 |
| 7.875%, 06/15/2017 | 30,000 | <u>25,350</u> |
| | | <u>903,725</u> |
| Multi-Utilities 0.5% | | |
| Ameren Corp, 8.875%, 05/15/2014 | 40,000 | 41,400 |
| PNM Resources, Inc., 9.25%, 05/15/2015 | 60,000 | 54,975 |
| Sempra Energy, 6.50%, 06/01/2016 | 60,000 | 61,302 |
| Texas-New Mexico Power Co., 9.50%, 04/01/2019 144A | 270,000 | <u>298,274</u> |
| | | <u>455,951</u> |
| <i>Total Corporate Bonds (cost \$32,160,419)</i> | | <u>30,571,524</u> |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|---|---------------------|----------------|
| YANKEE OBLIGATIONS CORPORATE 5.4% | | |
| CONSUMER DISCRETIONARY 0.1% | | |
| Media 0.1% | | |
| UPC Holdings BV, 9.875%, 04/15/2018 144A | \$45,000 | \$43,650 |
| Videotron, Ltd.: | | |
| 9.125%, 04/15/2018 144A | 5,000 | 5,250 |
| 9.125%, 04/15/2018 | 15,000 | 15,600 |
| | | <u>64,500</u> |
| CONSUMER STAPLES 0.3% | | |
| Beverages 0.3% | | |
| Bacardi, Ltd., 8.20%, 04/01/2019 144A | 295,000 | 312,452 |
| ENERGY 0.7% | | |
| Oil, Gas & Consumable Fuels 0.7% | | |
| Connacher Oil & Gas, Ltd., 10.25%, 12/15/2015 144A | 180,000 | 115,200 |
| Griffin Coal Mining Co., Ltd., 9.50%, 12/01/2016 144A | 784,000 | 335,160 |
| OPTI Canada, Inc., 7.875%, 12/15/2014 | 290,000 | 197,200 |
| Talisman Energy, Inc., 7.75%, 06/01/2019 | 30,000 | 31,506 |
| | | <u>679,066</u> |
| FINANCIALS 1.0% | | |
| Consumer Finance 0.1% | | |
| Petroplus Finance, Ltd., 6.75%, 05/01/2014 144A | 120,000 | 100,800 |
| Diversified Financial Services 0.9% | | |
| FMG Finance Property, Ltd.: | | |
| 10.625%, 09/01/2016 144A | 610,000 | 544,425 |
| FRN, 5.26%, 09/01/2011 144A | 170,000 | 152,150 |
| Ship Finance International, Ltd., 8.50%, 12/15/2013 | 300,000 | 226,500 |
| | | <u>923,075</u> |
| INDUSTRIALS 1.1% | | |
| Machinery 0.2% | | |
| Ingersoll-Rand Co., Ltd., 9.50%, 04/15/2014 | 225,000 | 244,106 |
| Road & Rail 0.9% | | |
| Kansas City Southern de Mexico: | | |
| 7.375%, 06/01/2014 | 685,000 | 544,575 |
| 9.375%, 05/01/2012 | 230,000 | 207,575 |
| 12.50%, 04/01/2016 144A | 100,000 | 95,000 |
| | | <u>847,150</u> |
| MATERIALS 1.5% | | |
| Metals & Mining 1.4% | | |
| ArcelorMittal SA, 9.85%, 06/01/2019 | 165,000 | 169,722 |
| Evrax Group SA: | | |
| 8.875%, 04/24/2013 144A | 100,000 | 80,000 |
| 8.875%, 04/24/2013 | 100,000 | 80,825 |
| 9.50%, 04/24/2018 144A | 30,000 | 21,900 |
| Novelis, Inc., 7.25%, 02/15/2015 | 314,000 | 208,025 |
| Rio Tinto, Ltd., 9.00%, 05/01/2019 | 230,000 | 247,104 |

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| | | |
|---|---------|------------------|
| Teck Resources, Ltd.: | | |
| 9.75%, 05/15/2014 144A | 135,000 | 134,454 |
| 10.75%, 05/15/2019 144A | 185,000 | 190,609 |
| Vedanta Resources plc, 9.50%, 07/18/2018 144A | 285,000 | <u>249,375</u> |
| | | <u>1,382,014</u> |
| Paper & Forest Products 0.1% | | |
| Cascades, Inc., 7.25%, 02/15/2013 | 95,000 | <u>82,412</u> |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|------------------|
| YANKEE OBLIGATIONS CORPORATE continued | | |
| TELECOMMUNICATION SERVICES 0.7% | | |
| Wireless Telecommunication Services 0.7% | | |
| Inmarsat, plc, Sr. Disc. Note, Step Bond, 10.375%, 11/15/2012 Intelsat, Ltd.: | \$70,000 | \$72,625 |
| 8.50%, 04/15/2013 144A | 375,000 | 369,375 |
| 8.875%, 01/15/2015 144A | 10,000 | 9,850 |
| Vimpel Communications: | | |
| 8.375%, 04/30/2013 144A | 5,000 | 4,575 |
| 9.125%, 04/30/2018 144A | 255,000 | 213,562 |
| | | <u>669,987</u> |
| UTILITIES 0.0% | | |
| Electric Utilities 0.0% | | |
| InterGen NV, 9.00%, 06/30/2017 144A | 30,000 | 28,800 |
| <i>Total Yankee Obligations Corporate (cost \$5,850,018)</i> | | <u>5,334,362</u> |
| CONVERTIBLE DEBENTURES 0.1% | | |
| INFORMATION TECHNOLOGY 0.1% | | |
| Communications Equipment 0.1% | | |
| Lucent Technologies, Inc., 2.875%, 06/15/2025 (cost \$68,611) | 145,000 | 93,525 |
| | | <u>93,525</u> |
| | Shares | Value |
| COMMON STOCKS 68.6% | | |
| CONSUMER DISCRETIONARY 1.3% | | |
| Media 1.3% | | |
| Vivendi SA | 50,000 | 1,320,014 |
| ENERGY 4.1% | | |
| Oil, Gas & Consumable Fuels 4.1% | | |
| El Paso Corp. | 75,000 | 731,250 |
| Southwestern Energy Co. * | 30,000 | 1,304,100 |
| Spectra Energy Corp. | 70,000 | 1,123,500 |
| Williams Cos. | 50,000 | 839,000 |
| | | <u>3,997,850</u> |
| INDUSTRIALS 0.4% | | |
| Construction & Engineering 0.4% | | |
| Bouygues SA | 10,000 | 411,552 |
| TELECOMMUNICATION SERVICES 16.8% | | |
| Diversified Telecommunication Services 11.1% | | |
| BCE, Inc. | 21,000 | 480,900 |
| D&E Communications, Inc. | 50,000 | 487,500 |
| France Telecom | 102,900 | 2,516,042 |
| Shenandoah Telecommunications Co. + | 54,951 | 1,061,104 |
| Tele2 AB, Ser. B | 211,600 | 2,148,066 |
| Telstra Corp., Ltd. | 1,000,000 | 2,493,696 |

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| | | |
|---|---------|-------------------|
| TELUS Corp. | 27,900 | 826,714 |
| Windstream Corp. | 100,000 | 841,000 |
| | | <u>10,855,022</u> |
| Wireless Telecommunication Services 5.7% | | |
| American Tower Corp., Class A * | 80,000 | 2,549,600 |
| Rogers Communications, Inc., Class B | 65,000 | 1,940,250 |
| Sprint Nextel Corp. | 200,500 | 1,032,575 |
| | | <u>5,522,425</u> |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Shares | Value |
|--|-----------|-------------------|
| COMMON STOCKS continued | | |
| UTILITIES 46.0% | | |
| Electric Utilities 29.6% | | |
| Allegheny Energy, Inc. | 100,000 | \$2,500,000 |
| DPL, Inc. | 190,000 | 4,134,400 |
| E.ON AG | 50,000 | 1,767,866 |
| Edison International | 75,000 | 2,193,000 |
| El Paso Electric Co. | 75,000 | 993,000 |
| Enel SpA | 500,000 | 2,983,282 |
| Exelon Corp. | 70,000 | 3,360,700 |
| Fortum Oyj | 25,000 | 614,226 |
| Great Plains Energy, Inc. | 100,000 | 1,507,000 |
| Hera SpA | 302,500 | 698,633 |
| ITC Holdings Corp. | 36,000 | 1,544,040 |
| Maine & Maritimes Corp. | 1,135 | 43,641 |
| Northeast Utilities | 71,900 | 1,494,801 |
| Portland General Electric Co. | 40,000 | 719,600 |
| Southern Co. | 120,000 | 3,409,200 |
| TERNA SpA | 250,000 | 918,769 |
| | | <u>28,882,158</u> |
| Independent Power Producers & Energy Traders 3.3% | | |
| Constellation Energy Group, Inc. | 24,000 | 654,720 |
| Ormat Technologies, Inc. | 65,000 | 2,592,850 |
| | | <u>3,247,570</u> |
| Multi-Utilities 9.8% | | |
| National Grid plc | 250,000 | 2,422,725 |
| PNM Resources, Inc. | 50,000 | 462,500 |
| Sempra Energy | 100,000 | 4,568,000 |
| Suez Environnement SA * | 40,000 | 727,166 |
| United Utilities Group plc | 150,000 | 1,301,491 |
| Wisconsin Energy Corp. | 1,500 | 59,190 |
| | | <u>9,541,072</u> |
| Water Utilities 3.3% | | |
| American States Water Co. | 4,800 | 150,480 |
| Pennichuck Corp. + | 145,000 | 3,101,550 |
| | | <u>3,252,030</u> |
| <i>Total Common Stocks (cost \$74,078,197)</i> | | <u>67,029,693</u> |
| ESCROW SHARES 0.0% | | |
| Mirant Corp. Escrow * o + (cost \$0) | 5,000,000 | 0 |
| CLOSED END MUTUAL FUND SHARES 0.2% | | |
| Dreyfus High Yield Strategies Fund, Inc. | 20,689 | 61,653 |
| Eaton Vance Limited Duration Income Trust | 1,739 | 21,564 |
| ING Prime Rate Trust | 1,133 | 4,668 |
| LMP Corporate Loan Fund, Inc. | 1,677 | 13,617 |

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| | | |
|---|-------|----------------|
| Morgan Stanley High Yield Fund, Inc. | 610 | 2,794 |
| New America High Income Fund, Inc. | 9,121 | 60,016 |
| Wellington High Yield Plus Fund, Inc. | 470 | <u>1,349</u> |
| <i>Total Closed End Mutual Fund Shares (cost \$123,946)</i> | | <u>165,661</u> |

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

| | Principal Amount | Value |
|--|---------------------|------------------|
| LOANS 2.1% | | |
| CONSUMER DISCRETIONARY 0.4% | | |
| Ford Motor Co., FRN, 3.35%-4.14%, 06/15/2009-07/15/2013 | \$ 123,678 | \$ 90,040 |
| Idearc, Inc., FRN: 3.75%, 06/30/2009 | 24,269 | 9,806 |
| 6.25%, 11/17/2014 | 333,681 | 136,836 |
| Newsday, LLC, 9.75%, 07/15/2013 | 185,000 | 184,358 |
| | | <u>421,040</u> |
| CONSUMER STAPLES 0.3% | | |
| Merisant Co., FRN, 3.93%, 01/11/2010 | 303,787 | 243,030 |
| ENERGY 0.2% | | |
| Alon Krotz Springs, Inc., FRN, 11.75%, 07/03/2014 < | 88,820 | 64,211 |
| Semgroup Energy Partners, FRN, 9.50%, 06/30/2009 | 155,000 | 138,630 |
| | | <u>202,841</u> |
| FINANCIALS 0.1% | | |
| Realogy Corp., FRN: 3.50%, 09/01/2014 | 36,840 | 25,768 |
| 4.18%, 09/01/2014 | 136,834 | 95,710 |
| | | <u>121,478</u> |
| HEALTH CARE 0.1% | | |
| HCA, Inc., FRN, 2.47%, 11/18/2012 | 119,855 | 108,939 |
| INDUSTRIALS 0.3% | | |
| Clarke American Corp., FRN, 2.82%-3.72%, 06/30/2009-07/01/2009 | 149,191 | 118,187 |
| Neff Corp., FRN, 9.75%, 11/30/2014 | 705,000 | 123,375 |
| | | <u>241,562</u> |
| INFORMATION TECHNOLOGY 0.1% | | |
| iPayment, Inc., FRN, 2.32%-3.23%, 06/22/2009-06/30/2009 | 114,849 | 82,691 |
| MATERIALS 0.6% | | |
| LyondellBasell, FRN: 5.75%, 12/15/2009 | 47,996 | 21,839 |
| 5.94%, 12/15/2009 | 240,847 | 197,497 |
| 6.00%, 12/15/2009 | 29,013 | 13,191 |
| 7.00%, 12/15/2009 | 125,901 | 57,237 |
| 12.25%, 12/15/2009 < | 240,966 | 247,994 |
| Novelis, Inc., FRN: 2.32%, 07/06/2014 | 23,936 | 20,051 |
| 3.22%, 07/06/2014 | 52,659 | 44,112 |
| | | <u>601,921</u> |
| <i>Total Loans (cost \$2,670,335)</i> | | <u>2,023,502</u> |
| | Shares | Value |
| SHORT-TERM INVESTMENTS 11.6% | | |
| MUTUAL FUND SHARES 11.6% | | |

Evergreen Institutional Money Market Fund, Class I, 0.35% q ø

##

(cost \$11,308,743)

11,308,743

11,308,743

Total Investments (cost \$126,260,269) 119.3%

116,527,010

Other Assets and Liabilities (19.3%)

(18,874,364)

Net Assets 100.0%

\$97,652,646

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

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

Security which has defaulted on payment of interest and/or principal. The Fund has stopped accruing interest on this 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.

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

- * Non-income producing security
- + Security is deemed illiquid.
- o Security is valued at fair value as determined by the investment advisor in good faith, according to procedures approved by the Board of Trustees.
- < All or a portion of the position represents an unfunded loan commitment.
- q Rate shown is the 7-day annualized yield at period end.
- ∅ Evergreen Investment Management Company, LLC is the investment advisor to both the Fund and the money market fund.
- ## All or a portion of this security has been segregated for when-issued or delayed delivery securities and/or unfunded loans.

Summary of Abbreviations

FRN Floating Rate Note

The following table shows the percent of total long-term investments by geographic location as of May 31, 2009:

| | | |
|----------------|--------------|----------|
| United States | 73.1 | % |
| France | 4.7 | % |
| Italy | 4.4 | % |
| United Kingdom | 3.8 | % |
| Canada | 3.8 | % |
| Australia | 3.3 | % |
| Sweden | 2.0 | % |
| Germany | 1.7 | % |
| Bermuda | 1.2 | % |
| Mexico | 0.8 | % |
| Finland | 0.6 | % |
| Luxembourg | 0.3 | % |
| Ireland | 0.2 | % |
| Netherlands | 0.1 | % |
| | <u>100.0</u> | <u>%</u> |

At May 31, 2009, the Fund had the following credit default swap contracts outstanding:

Credit default swaps on debt obligations Buy protection

| <u>Expiration</u> | <u>Counterparty</u> | <u>Reference Debt Obligation</u> | <u>Rating of Reference Debt Obligation*</u> | <u>Notional Amount</u> | <u>Fixed Payments Made by the Fund</u> | <u>Frequency of Payments Made</u> | <u>Market Value</u> | <u>Upfront Premiums Paid/(Received)</u> | <u>Unrealized Gain (Loss)</u> |
|-------------------|---------------------|----------------------------------|---|------------------------|--|-----------------------------------|---------------------|---|-------------------------------|
| 06/14/2020 | Goldman | Motorola, 6.50%, | BB+ | \$125,000 | 1.00% | Quarterly | \$ 7,630 | \$12,384 | \$ (4,754) |

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| | | | | | | | | | |
|---|----------|-----------------------------------|-----|---------|-------|-----------|----------|---------|----------|
| | Sachs | 09/01/2015 # | | | | | | | |
| 06/14/2020 | JPMorgan | Motorola, 6.50%, 09/01/2015 | BB+ | 65,000 | 1.00% | Quarterly | 3,968 | 4,391 | (423) |
| | | 09/01/2015 # | | | | | | | |
| 06/14/2020 | UBS | Motorola, 6.50%, 09/01/2015 | BB+ | 90,000 | 1.00% | Quarterly | 5,494 | 8,415 | (2,921) |
| | | 09/01/2015 # | | | | | | | |
| 06/14/2020 | UBS | Expedia, 7.46%, 08/15/2018 | BB | 250,000 | 5.00% | Quarterly | (30,723) | (7,728) | (22,995) |
| | | 08/15/2018 # | | | | | | | |
| Credit default swaps on an index Buy protection | | | | | | | | | |

| Expiration | Counterparty | Reference Index | Rating of Reference Index* [@] | Notional Amount | Fixed Payments Made by the Fund | Frequency of Payments Made | Market Value | Upfront Premiums Paid/(Received) | Unrealized Gain (Loss) |
|------------|---------------|---------------------------------|---|-----------------|---------------------------------|----------------------------|--------------|----------------------------------|------------------------|
| 03/14/2020 | Credit Suisse | CDX North America HY12 Index ## | B | \$415,800 | 1.00% | Monthly | \$76,590 | \$80,832 | \$(4,242) |

* Reflects the ratings of a nationally recognized ratings agency at period end. A rating of D would most likely indicate a trigger event of default has occurred although circumstances including bankruptcy, failure to pay, obligation default, obligation acceleration, repudiation/ moratorium and restructuring may also cause a credit event to take place.

[@] Rating represents an average rating for the underlying securities within the index.

The Fund entered into the swap contract for speculative purposes.

The Fund entered into the swap contract for hedging purposes.

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

Credit default swaps on debt obligations Sell protection

| <u>Expiration</u> | <u>Counterparty</u> | <u>Obligation</u> | <u>Rating of Reference Debt</u> | <u>Notional Amount</u> | <u>Fixed Payments Received by the Fund</u> | <u>Frequency of Payments Received</u> | <u>Market Value</u> | <u>Upfront Premiums Paid/ (Received)</u> | <u>Unrealized Gain (Loss)</u> |
|-------------------|---------------------|---|---|----------------------------|--|---|-------------------------|--|---------------------------------------|
| 12/20/2013 | Citigroup | General Electric, 6.00%, 06/15/2012 # | AA+ | \$90,000 | 6.65% | Quarterly | \$7,598 | \$ 0 | \$7,598 |
| 12/20/2013 | Goldman Sachs | General Electric, 6.00%, 06/15/2012 # | AA+ | 75,000 | 4.50% | Quarterly | 268 | 0 | 268 |
| 03/20/2014 | Goldman Sachs | General Electric, 5.62%, 03/20/2014 # | AA+ | 50,000 | 5.10% | Quarterly | 1,369 | 0 | 1,369 |
| 06/14/2014 | Deutsche Bank | General Electric, 5.62%, 09/15/2017 # | AA+ | 45,000 | 5.00% | Quarterly | 1,311 | (4,365) | 5,676 |
| 09/12/2020 | Deutsche Bank | General Electric, 4.00%, 09/05/2017 # | AA+ | 65,000 | 4.00% | Quarterly | (960) | 0 | (960) |

* Reflects the ratings of a nationally recognized ratings agency at period end. A rating of D would most likely indicate a trigger event of default has occurred although circumstances including bankruptcy, failure to pay, obligation default, obligation acceleration, repudiation/ moratorium and restructuring may also cause a credit event to take place.

The Fund entered into the swap contract for speculative purposes.

The total notional amount of credit default swaps in the tables above are representative of the volume of derivative activity during period ended May 31, 2009.

On May 31, 2009, the aggregate fair value of all derivative instruments with net asset contingent features that were in a liability position amounted to \$31,683.

On May 31, 2009, the aggregate cost of securities for federal income tax purposes was \$128,361,377. The gross unrealized appreciation and depreciation on securities based on tax cost was \$3,611,807 and

\$15,446,174, respectively, with a net unrealized depreciation of \$11,834,367.

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 fair market value obtained from yield data relating to investments or securities with similar characteristics.

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

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

Foreign currency translation

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

When-issued and delayed delivery transactions

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

Loans

The Fund may purchase loans through an agent, by assignment from another holder of the loan or as a participation interest in another holder's portion of the loan. Loans are purchased on a when-issued or

delayed delivery basis. Interest income is accrued based on the terms of the securities. Fees earned on loan purchasing activities are recorded as income when earned. Loans involve interest rate risk, liquidity risk and credit risk, including the potential default or insolvency of the borrower.

As of May 31, 2009, the Fund had unfunded loan commitments of \$108,497.

EVERGREEN UTILITIES AND HIGH INCOME FUND
SCHEDULE OF INVESTMENTS continued

May 31, 2009 (unaudited)

Credit default swaps

The Fund is subject to credit risk in the normal course of pursuing its investment objectives. The Fund may enter into credit default swap contracts for hedging or speculative purposes to provide or receive a measure of protection against default on a referenced entity, obligation or index. Credit default swaps involve an exchange of a stream of payments for protection against the loss in value of an underlying security or index. Under the terms of the swap, one party acts as a guarantor (referred to as the seller of protection) and receives a periodic stream of payments, provided that there is no credit event, from another party (referred to as the buyer of protection) that is a fixed percentage applied to a notional principal amount over the term of the swap. An index credit default swap references all the names in the index, and if a credit event is triggered, the credit event is settled based on that name's weight in the index. A credit event includes bankruptcy, failure to pay, obligation default, obligation acceleration, repudiation/moratorium, and restructuring. The Fund may enter into credit default swaps as either the seller of protection or the buyer of protection. As the seller of protection, the Fund is subject to investment exposure on the notional amount of the swap and has assumed the risk of default of the underlying security or index. As the buyer of protection, the Fund could be exposed to risks if the seller of the protection defaults on its obligation to perform, or if there are unfavorable changes in the fluctuation of interest rates or in the price of the underlying security or index. The maximum potential amount of future payments (undiscounted) that the Fund as the seller of protection could be required to make under the credit default swap contract would be an amount equal to the notional amount of the swap contract. The Fund's maximum risk of loss from counterparty risk, either as the protection seller or as the protection buyer, is the fair value of the contract. This risk is mitigated by having a master netting arrangement between the Fund and the counterparty and by having the counterparty post collateral to cover the Fund's exposure to the counterparty.

If the Fund is the seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will pay to the buyer of protection the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index. If the Fund is the buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Fund will receive from the seller of protection the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index.

Any premiums paid or received on the transactions are recorded as an asset or liability on the Statement of Assets and Liabilities and amortized. The value of the swap contract is marked-to-market daily based on quotations from an independent pricing service or market makers and any change in value is recorded as an unrealized gain or loss. Periodic payments made or received are recorded as realized gains or losses. In addition, payments received or made as a result of a credit event or termination of the contract are recognized as realized gains or losses.

Certain credit default swap contracts entered into by the Fund provide for conditions that result in events of default or termination that enable the counterparty to the agreement to cause an early termination of the transactions under those agreements. Any election by the counterparty to terminate early may impact the amounts reported on the financial statements.

Valuation hierarchy

On September 1, 2008, the Fund implemented Statement of Financial Accounting Standards No. 157, *Fair*

Value Measurements (FAS 157). FAS 157 establishes a single authoritative definition of fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. FAS 157 establishes a fair value hierarchy based upon the various inputs used in determining the value of the Fund's investments. These inputs are summarized into three broad levels as follows:

Level 1 quoted prices in active markets for identical securities

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

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

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

As of May 31, 2009, the inputs used in valuing the Fund's assets, which are carried at fair value, were as follows:

| <u>Valuation Inputs</u> | <u>Investments in Securities</u> | <u>Other Financial Instruments*</u> |
|---|----------------------------------|-------------------------------------|
| Level 1 Quoted Prices | \$ 78,504,097 | \$ 0 |
| Level 2 Other Significant Observable Inputs | 38,022,913 | (21,384) |
| Level 3 Significant Unobservable Inputs | <u>0</u> | <u>0</u> |
| Total | <u>\$ 116,527,010</u> | <u>\$(21,384)</u> |

* Other financial instruments include swap contracts.

Item 2 - Controls and Procedures

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized, and reported timely.
- (b) There has been no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting.

Item 3 - Exhibits

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

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

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Evergreen Utilities and High Income Fund

By: /s/ W. Douglas Munn
W. Douglas Munn
Principal Executive Officer

Date: July 30, 2009

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ W. Douglas Munn
W. Douglas Munn
Principal Executive Officer

Date: July 30, 2009

By: /s/ Kasey Phillips
Kasey Phillips
Principal Financial Officer

Date: July 30, 2009