

AllianzGI Convertible & Income Fund  
Form N-Q  
July 22, 2016

**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 811-21284

**AllianzGI Convertible & Income Fund**

(Exact name of registrant as specified in charter)

1633 Broadway, New York, NY 10019

(Address of principal executive offices) (Zip code)

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**Lawrence G. Altadonna**

**1633 Broadway,**

**New York, NY 10019**

(Name and address of agent for service)

**Registrant's telephone number, including area code: 212-739-3371**

**Date of fiscal year end: February 28, 2017**

**Date of reporting period: May 31, 2016**

**Item 1. Schedule of Investments****Schedule of Investments****AllianzGI Convertible & Income Fund**

May 31, 2016 (unaudited)

| Principal<br>Amount<br>(000s)                  |   | Value*       |
|--|---|--------------|
| <b>CORPORATE BONDS &amp; NOTES 39.0%</b>       |   |              |
| <b>Advertising 0.3%</b>                        |   |              |
| \$5,650  | Affinion Group, Inc., 7.875%, 12/15/18                    | \$ 2,789,687 |
| <b>Aerospace &amp; Defense 1.2%</b>            |   |              |
| 7,135  | Erickson, Inc., 8.25%, 5/1/20                             | 3,817,225    |
| 5,151  | Kratos Defense & Security Solutions, Inc., 7.00%, 5/15/19 | 4,095,045    |
| 2,560  | TransDigm, Inc., 6.50%, 5/15/25                           | 2,608,000    |
|  |   | 10,520,270   |
| <b>Air Freight &amp; Logistics 1.1%</b>        |   |              |
|  | XPO Logistics, Inc. (a)(b),                               |              |
| 2,830  | 6.50%, 6/15/22  | 2,730,950    |
| 6,820  | 7.875%, 9/1/19  | 7,126,900    |
|  |   | 9,857,850    |
| <b>Chemicals 1.4%</b>                          |   |              |
| 7,500  | Chemours Co., 6.625%, 5/15/23                             | 6,768,750    |
| 5,745  | OMNOVA Solutions, Inc., 7.875%, 11/1/18                   | 5,788,088    |
|  |   | 12,556,838   |
| <b>Commercial Services 2.4%</b>                |   |              |
| 11,500   | Cenveo Corp., 11.50%, 5/15/17                             | 10,953,750   |
| 5,705  | DynCorp International, Inc., 10.375%, 7/1/17              | 4,678,100    |
| 7,375  | Monitronics International, Inc., 9.125%, 4/1/20           | 6,084,375    |
|  |   | 21,716,225   |
| <b>Commercial Services &amp; Supplies 0.6%</b> |   |              |
| 5,585  | West Corp., 5.375%, 7/15/22 (a)(b)                        | 5,075,369    |
| <b>Construction Materials 1.5%</b>             |   |              |
|  | US Concrete, Inc.,  |              |
| 5,665  | 6.375%, 6/1/24 (a)(b)                                     | 5,679,163    |
| 7,310  | 8.50%, 12/1/18  | 7,640,046    |
|  |   | 13,319,209   |
| <b>Consumer Finance 0.9%</b>                   |   |              |

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|        |   |            |
|--------|---|------------|
| 3,210  | Navient Corp., 8.45%, 6/15/18   | 3,470,813  |
| 4,935  | Springleaf Finance Corp., 8.25%, 10/1/23  | 4,885,650  |
|        |   | 8,356,463  |
|        | <b>Diversified Financial Services 1.9%</b>  |            |
| 1,992  | Affinion International Holdings Ltd., 7.50%, 7/30/18 (a)(b)                       | 1,643,323  |
|        | Community Choice Financial, Inc.,   |            |
| 10,085 | 10.75%, 5/1/19  | 4,689,525  |
| 7,130  | 12.75%, 5/1/20 (a)(b)   | 3,422,400  |
|        | Nationstar Mortgage LLC / Nationstar Capital Corp.,                               |            |
| 2,500  | 7.875%, 10/1/20   | 2,381,250  |
| 5,300  | 9.625%, 5/1/19  | 5,551,750  |
|        |   | 17,688,248 |
|        | <b>Diversified Telecommunications Services 0.6%</b>                               |            |
|        | Frontier Communications Corp.,  |            |
| 4,400  | 10.50%, 9/15/22 (a)(b)  | 4,592,500  |
| 890    | 10.50%, 9/15/22   | 928,938    |
|        |   | 5,521,438  |
|        | <b>Electrical Components &amp; Equipment 0.7%</b>                                 |            |
| 6,980  | WireCo WorldGroup, Inc., 9.50%, 5/15/17   | 6,648,450  |
|        | <b>Electronic Equipment, Instruments &amp; Components 0.8%</b>                    |            |
| 7,725  | Kemet Corp., 10.50%, 5/1/18   | 7,300,125  |
|        | <b>Entertainment 0.5%</b>   |            |
| 4,000  | Cedar Fair LP / Canada's Wonderland Co. / Magnum Management Corp., 5.375%, 6/1/24 | 4,180,000  |
|        | <b>Health Care Providers &amp; Services 2.3%</b>                                  |            |
| 5,430  | DaVita HealthCare Partners, Inc., 5.125%, 7/15/24                                 | 5,513,486  |
| 7,955  | Kindred Healthcare, Inc., 8.75%, 1/15/23  | 7,815,787  |
|        | Tenet Healthcare Corp.,   |            |
| 3,500  | 5.00%, 3/1/19   | 3,395,000  |
| 4,530  | 8.125%, 4/1/22  | 4,580,963  |
|        |   | 21,305,236 |
|        | <b>Healthcare-Products 1.0%</b>   |            |
| 8,885  | Kinetic Concepts, Inc./KCI USA, Inc., 10.50%, 11/1/18                             | 8,907,213  |
|        | <b>Holding Companies-Diversified 0.6%</b>   |            |
| 5,865  | Horizon Pharma Financing, Inc., 6.625%, 5/1/23                                    | 5,454,450  |
|        | <b>Hotels, Restaurants &amp; Leisure 1.1%</b>                                     |            |
| 8,405  | MGM Resorts International, 11.375%, 3/1/18  | 9,623,725  |
|        | <b>Household Durables 0.8%</b>  |            |
| 5,045  | Beazer Homes USA, Inc., 9.125%, 5/15/19   | 4,956,712  |
| 1,800  | Lennar Corp., 12.25%, 6/1/17  | 1,984,500  |
|        |   | 6,941,212  |

## Schedule of Investments

## AllianzGI Convertible &amp; Income Fund

May 31, 2016 (unaudited) (continued)

| Principal<br>Amount<br>(000s) |   | Value*       |
|-------------------------------|---|--------------|
|                               | <b>Independent Power &amp; Renewable Electricity Producers 1.3%</b> |              |
| \$5,585                       | NRG Energy, Inc., 6.25%, 5/1/24                                     | \$ 5,457,595 |
| 7,090                         | TerraForm Power Operating LLC, 5.875%, 2/1/23 (a)(b)                | 6,310,100    |
|                               |   | 11,767,695   |
|                               | <b>Internet &amp; Catalog Retail 0.3%</b>                           |              |
| 2,800                         | Netflix, Inc., 5.875%, 2/15/25                                      | 2,947,000    |
|                               | <b>Internet Software &amp; Services 1.9%</b>                        |              |
|                               | EarthLink Holdings Corp.,   |              |
| 2,800                         | 7.375%, 6/1/20  | 2,954,000    |
| 7,488                         | 8.875%, 5/15/19   | 7,693,920    |
| 6,805                         | Rackspace Hosting, Inc., 6.50%, 1/15/24 (a)(b)                      | 6,839,025    |
|                               |   | 17,486,945   |
|                               | <b>Iron/Steel 0.6%</b>  |              |
| 7,305                         | AK Steel Corp., 8.375%, 4/1/22                                      | 5,652,244    |
|                               | <b>Lodging 0.4%</b>   |              |
| 9,550                         | Caesars Entertainment Operating Co., Inc., 12.75%, 4/15/18 (c)      | 3,724,500    |
|                               | <b>Machinery 1.4%</b>   |              |
| 5,250                         | BlueLine Rental Finance Corp., 7.00%, 2/1/19 (a)(b)                 | 4,462,500    |
| 3,997                         | Commercial Vehicle Group, Inc., 7.875%, 4/15/19                     | 3,937,045    |
| 6,755                         | Navistar International Corp., 8.25%, 11/1/21                        | 4,814,288    |
|                               |   | 13,213,833   |
|                               | <b>Media 1.7%</b>   |              |
| 7,370                         | Cablevision Systems Corp., 8.00%, 4/15/20                           | 7,517,400    |
| 8,355                         | McClatchy Co., 9.00%, 12/15/22                                      | 7,979,025    |
| 4,671                         | SFX Entertainment, Inc., 9.625%, 2/1/19 (a)(b)(c)(d)                | 105,097      |
|                               |   | 15,601,522   |
|                               | <b>Metals &amp; Mining 2.7%</b>                                     |              |
| 6,590                         | ArcelorMittal, 10.85%, 6/1/19                                       | 7,767,962    |
| 3,680                         | HudBay Minerals, Inc., 9.50%, 10/1/20                               | 3,072,800    |
| 2,250                         | Joseph T Ryerson & Son, Inc., 11.00%, 5/15/22 (a)(b)                | 2,351,250    |
|                               | Thompson Creek Metals Co., Inc.,                                    |              |
| 8,295                         | 7.375%, 6/1/18  | 4,852,575    |
| 830                           | 12.50%, 5/1/19  | 485,550      |

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|       |  |            |
|-------|--|------------|
| 5,975 | United States Steel Corp., 8.375%, 7/1/21 (a)(b)                               | 6,184,125  |
|       |  | 24,714,262 |
|       | <b>Miscellaneous Manufacturing 0.8%</b>  |            |
|       | Harland Clarke Holdings Corp. (a)(b),  |            |
| 7,350 | 9.25%, 3/1/21  | 6,128,063  |
| 900   | 9.75%, 8/1/18  | 906,750    |
|       |  | 7,034,813  |
|       | <b>Multiline Retail 0.3%</b>   |            |
| 2,835 | Dollar Tree, Inc., 5.75%, 3/1/23 (a)(b)  | 3,008,644  |
|       | <b>Oil &amp; Gas 0.2%</b>  |            |
| 2,700 | Calumet Specialty Products Partners LP / Calumet Finance Corp., 6.50%, 4/15/21 | 1,822,500  |
| 450   | Vanguard Natural Resources LLC / VNR Finance Corp., 7.00%, 2/15/23 (a)(b)      | 126,000    |
|       |  | 1,948,500  |
|       | <b>Oil, Gas &amp; Consumable Fuels 0.9%</b>                                    |            |
| 500   | Carrizo Oil & Gas, Inc., 6.25%, 4/15/23  | 488,750    |
| 7,225 | EP Energy LLC / Everest Acquisition Finance, Inc., 9.375%, 5/1/20              | 4,714,312  |
| 4,530 | Sanchez Energy Corp., 6.125%, 1/15/23  | 3,284,250  |
|       |  | 8,487,312  |
|       | <b>Paper &amp; Forest Products 0.3%</b>  |            |
| 3,000 | Louisiana-Pacific Corp., 7.50%, 6/1/20   | 3,110,625  |
|       | <b>Pharmaceuticals 0.6%</b>  |            |
| 2,290 | Endo Finance LLC & Endo Finco, Inc., 5.875%, 1/15/23 (a)(b)                    | 1,986,575  |
| 4,000 | Valeant Pharmaceuticals International, Inc., 7.50%, 7/15/21 (a)(b)             | 3,640,000  |
|       |  | 5,626,575  |
|       | <b>Real Estate Investment Trust 0.3%</b>                                       |            |
| 3,085 | Kennedy-Wilson, Inc., 5.875%, 4/1/24   | 3,027,156  |
|       | <b>Retail 0.8%</b>   |            |
| 9,465 | Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (a)(b)                           | 7,240,725  |
|       | <b>Semiconductors &amp; Semiconductor Equipment 1.0%</b>                       |            |
| 3,745 | Amkor Technology, Inc., 6.375%, 10/1/22  | 3,646,694  |
| 6,210 | Micron Technology, Inc., 5.875%, 2/15/22                                       | 5,682,150  |
|       |  | 9,328,844  |
|       | <b>Specialty Retail 0.7%</b>   |            |
| 3,500 | Claire's Stores, Inc., 9.00%, 3/15/19 (a)(b)                                   | 2,187,500  |
| 5,500 | Conn's, Inc., 7.25%, 7/15/22   | 4,303,750  |
|       |  | 6,491,250  |
|       | <b>Technology Hardware, Storage &amp; Peripherals 0.5%</b>                     |            |
| 3,935 | Western Digital Corp., 10.50%, 4/1/24 (a)(b)                                   | 4,082,563  |
|       | <b>Telecommunications 1.9%</b>   |            |

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|       |   |                    |
|-------|---|--------------------|
| 7,370 | Consolidated Communications, Inc., 6.50%, 10/1/22             | 6,743,550          |
| 4,250 | Hughes Satellite Systems Corp., 7.625%, 6/15/21               | 4,616,562          |
| 7,655 | Windstream Corp., 7.50%, 4/1/23                               | 6,257,963          |
|       |   | 17,618,075         |
|       | <b>Wireless Telecommunication Services 0.7%</b>               |                    |
| 7,205 | Sprint Communications, Inc., 11.50%, 11/15/21                 | 6,700,650          |
|       | <b>Total Corporate Bonds &amp; Notes (cost-\$407,632,606)</b> | <b>356,575,741</b> |

## Schedule of Investments

## AllianzGI Convertible &amp; Income Fund

May 31, 2016 (unaudited) (continued)

| Principal<br>Amount<br>(000s)                                  |  | Value*       |
|--|--|--------------|
| <b>CONVERTIBLE BONDS &amp; NOTES 29.3%</b>                     |  |              |
| <b>Air Freight &amp; Logistics 0.2%</b>                        |  |              |
| \$2,280  | Echo Global Logistics, Inc., 2.50%, 5/1/20         | \$ 2,171,700 |
| <b>Automobiles 1.1%</b>  |  |              |
| 113,610  | Fiat Chrysler, 7.875%, 12/15/16                    | 7,604,769    |
| 2,850  | Tesla Motors, Inc., 1.25%, 3/1/21                  | 2,636,250    |
|  |  | 10,241,019   |
| <b>Biotechnology 0.3%</b>                                      |  |              |
| 3,420  | Cepheid, 1.25%, 2/1/21                             | 2,924,100    |
| <b>Capital Markets 2.4%</b>                                    |  |              |
| 13,195   | BGC Partners, Inc., 4.50%, 7/15/16                 | 13,326,950   |
| 16,490   | Walter Investment Management Corp., 4.50%, 11/1/19 | 8,183,162    |
|  |  | 21,510,112   |
| <b>Commercial Services 2.1%</b>                                |  |              |
| 20,305   | Cenveo Corp., 7.00%, 5/15/17                       | 18,947,103   |
| <b>Construction &amp; Engineering 0.4%</b>                     |  |              |
| 4,485  | Layne Christensen Co., 4.25%, 11/15/18             | 3,952,406    |
| <b>Construction Materials 0.4%</b>                             |  |              |
| 4,275  | Cemex SAB de CV, 3.72%, 3/15/20                    | 4,021,172    |
| <b>Consumer Finance 1.1%</b>                                   |  |              |
| 12,165   | PRA Group, Inc., 3.00%, 8/1/20                     | 9,709,191    |
| <b>Diversified Consumer Services 1.0%</b>                      |  |              |
| 13,510   | Ascent Capital Group, Inc., 4.00%, 7/15/20         | 8,688,619    |
| <b>Electrical Equipment 1.0%</b>                               |  |              |
| 16,800   | SolarCity Corp., 1.625%, 11/1/19                   | 9,460,500    |
| <b>Electronic Equipment, Instruments &amp; Components 0.4%</b> |  |              |
| 3,615  | TTM Technologies, Inc., 1.75%, 12/15/20            | 3,599,184    |
| <b>Energy Equipment &amp; Services 0.6%</b>                    |  |              |
| 5,985  | Helix Energy Solutions Group, Inc., 3.25%, 3/15/32 | 5,442,609    |

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|   |  |            |
|---|--|------------|
| <b>Health Care Providers &amp; Services 0.3%</b>                    |  |            |
| 2,850   | Brookdale Senior Living, Inc., 2.75%, 6/15/18      | 2,825,063  |
| <b>Independent Power &amp; Renewable Electricity Producers 0.9%</b> |  |            |
| 9,230   | NRG Yield, Inc., 3.25%, 6/1/20 (a)(b)              | 8,497,369  |
| <b>Insurance 0.7%</b>   |  |            |
| 7,680   | AmTrust Financial Services, Inc., 2.75%, 12/15/44  | 6,067,200  |
| <b>Internet Software &amp; Services 1.4%</b>                        |  |            |
| 4,560   | Blucora, Inc., 4.25%, 4/1/19                       | 4,035,600  |
| 10,445  | Gogo, Inc., 3.75%, 3/1/20                          | 8,349,524  |
|   |  | 12,385,124 |
| <b>Iron/Steel 0.2%</b>  |  |            |
| 1,425   | AK Steel Corp., 5.00%, 11/15/19                    | 1,517,625  |
| <b>IT Services 0.4%</b>   |  |            |
| 3,705   | ServiceSource International, Inc., 1.50%, 8/1/18   | 3,188,616  |
| <b>Life Sciences Tools &amp; Services 0.1%</b>                      |  |            |
| 1,480   | Fluidigm Corp., 2.75%, 2/1/34                      | 951,825    |
| <b>Machinery 1.3%</b>   |  |            |
| 6,975   | Meritor, Inc., 7.875%, 3/1/26                      | 8,452,828  |
| 6,225   | Navistar International Corp., 4.75%, 4/15/19       | 3,478,219  |
|   |  | 11,931,047 |
| <b>Metals &amp; Mining 0.3%</b>                                     |  |            |
| 2,850   | Allegheny Technologies, Inc., 4.75%, 7/1/22        | 2,994,281  |
| <b>Oil, Gas &amp; Consumable Fuels 2.1%</b>                         |  |            |
| 12,815  | Cheniere Energy, Inc., 4.25%, 3/15/45              | 7,312,559  |
| 17,495  | Cobalt International Energy, Inc., 2.625%, 12/1/19 | 7,391,638  |
| 6,145   | Whiting Petroleum Corp., 1.25%, 4/1/20 (a)(b)      | 4,700,925  |
|   |  | 19,405,122 |
| <b>Personal Products 2.1%</b>                                       |  |            |
| 19,630  | Herbalife Ltd., 2.00%, 8/15/19                     | 19,200,692 |
| <b>Pharmaceuticals 1.6%</b>   |  |            |
| 3,705   | ANI Pharmaceuticals, Inc., 3.00%, 12/1/19          | 3,971,297  |
| 3,260   | Horizon Pharma Investment Ltd., 2.50%, 3/15/22     | 2,995,125  |
| 9,135   | Teligent, Inc., 3.75%, 12/15/19                    | 7,730,494  |
|   |  | 14,696,916 |
| <b>Semiconductors &amp; Semiconductor Equipment 1.5%</b>            |  |            |
| 4,570   | Micron Technology, Inc., 3.00%, 11/15/43           | 3,347,525  |
|   | SunPower Corp.,                                    |            |
| 1,995   | 0.875%, 6/1/21                                     | 1,493,756  |
| 9,405   | 4.00%, 1/15/23 (a)(b)                              | 8,582,063  |
|   |  | 13,423,344 |

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|  |  |                    |
|--|--|--------------------|
| <b>Software 0.8%</b>                                       |  |                    |
| 8,695  | FireEye, Inc., 1.625%, 6/1/35 (a)(b)                             | 7,189,678          |
| 570  | PROS Holdings, Inc., 2.00%, 12/1/19                              | 485,925            |
|  |  | 7,675,603          |
| <b>Specialty Retail 0.8%</b>                               |  |                    |
| 9,000  | Restoration Hardware Holdings, Inc., zero coupon, 6/15/19 (a)(b) | 7,126,875          |
| <b>Technology Hardware, Storage &amp; Peripherals 0.4%</b> |  |                    |
| 5,130  | Avid Technology, Inc., 2.00%, 6/15/20 (a)(b)                     | 3,459,544          |
| <b>Textiles, Apparel &amp; Luxury Goods 0.7%</b>           |  |                    |
| 8,565  | Iconix Brand Group, Inc., 1.50%, 3/15/18                         | 6,236,391          |
| <b>Thrifts &amp; Mortgage Finance 0.7%</b>                 |  |                    |
| 6,535  | MGIC Investment Corp., 5.00%, 5/1/17                             | 6,800,484          |
| <b>Tobacco 2.0%</b>  |  |                    |
|  | Vector Group Ltd. (e),   |                    |
| 5,665  | 1.75%, 4/15/20   | 6,150,065          |
| 8,780  | 2.50%, 1/15/19   | 12,321,738         |
|  |  | 18,471,803         |
|  | <b>Total Convertible Bonds &amp; Notes (cost-\$277,622,348)</b>  | <b>267,522,639</b> |

## Schedule of Investments

## AllianzGI Convertible &amp; Income Fund

May 31, 2016 (unaudited) (continued)

| Shares  |  | Value*        |
|---|--|---------------|
| <b>CONVERTIBLE PREFERRED STOCK 27.2%</b>                            |  |               |
| <b>Banks 3.4%</b>   |  |               |
| 9,695   | Huntington Bancshares, Inc., 8.50% (f)                       | \$ 13,563,111 |
| 13,990  | Wells Fargo & Co., Ser. L, 7.50% (f)                         | 17,198,886    |
|   |  | 30,761,997    |
| <b>Commercial Services &amp; Supplies 0.6%</b>                      |  |               |
| 71,290  | Stericycle, Inc., 5.25%, 9/15/18                             | 5,649,732     |
| <b>Diversified Financial Services 1.7%</b>                          |  |               |
| 13,220  | Bank of America Corp., Ser. L, 7.25% (f)                     | 15,275,710    |
| <b>Diversified Telecommunications Services 1.7%</b>                 |  |               |
| 161,595   | Frontier Communications Corp., Ser. A, 11.125%, 6/29/18      | 15,904,180    |
| <b>Electric Utilities 0.4%</b>                                      |  |               |
| 85,390  | Exelon Corp., 6.50%, 6/1/17                                  | 4,032,116     |
| <b>Food Products 0.7%</b>   |  |               |
| 95,970  | Tyson Foods, Inc., 4.75%, 7/15/17                            | 6,768,764     |
| <b>Health Care Providers &amp; Services 1.1%</b>                    |  |               |
| 187,995   | Anthem, Inc., 5.25%, 5/1/18                                  | 8,375,177     |
| 2,280   | Kindred Healthcare, Inc., 7.50%, 12/1/17                     | 1,392,738     |
|   |  | 9,767,915     |
| <b>Independent Power &amp; Renewable Electricity Producers 1.2%</b> |  |               |
| 156,435   | Dynegy, Inc., 5.375%, 11/1/17                                | 10,576,570    |
| <b>Machinery 2.0%</b>   |  |               |
| 154,085   | Stanley Black & Decker, Inc., 6.25%, 11/17/16                | 18,212,847    |
| <b>Media 0.0%</b>   |  |               |
| 6,750   | SFX Entertainment, Inc., Ser. B, 9.00%, 9/17/19 (a)(c)(d)(g) | 67            |
| <b>Metals &amp; Mining 0.3%</b>                                     |  |               |
| 78,695  | Alcoa, Inc., 5.375%, 10/1/17                                 | 2,593,001     |
| <b>Multi-Utilities 2.1%</b>   |  |               |
| 239,645   | AES Trust III, 6.75%, 10/15/29                               | 12,329,735    |
| 128,500   | Dominion Resources, Inc., 6.375%, 7/1/17                     | 6,444,275     |
|   |  | 18,774,010    |

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|   |   |                       |
|---|---|-----------------------|
| <b>Oil, Gas &amp; Consumable Fuels 3.6%</b>     |   |                       |
| 159,375   | Anadarko Petroleum Corp., 7.50%, 6/7/18   | 6,215,625             |
| 40,000  | Hess Corp., 8.00%, 2/1/19   | 3,042,800             |
| 173,410   | Kinder Morgan, Inc., 9.75%, 10/26/18  | 7,928,305             |
| 124,235   | PetroQuest Energy, Inc., 6.875% (f)   | 2,432,521             |
| 230,425   | Sanchez Energy Corp., 6.50%, 4/16/18 (f)  | 5,488,724             |
| 116,800   | Southwestern Energy Co., Ser. B, 6.25%, 1/15/18   | 3,766,800             |
| 87,160  | WPX Energy, Inc., 6.25%, 7/31/18  | 4,401,580             |
|   |   | 33,276,355            |
| <b>Pharmaceuticals 1.9%</b>                     |   |                       |
| 7,070   | Allergan PLC, Ser. A, 5.50%, 3/1/18   | 5,971,746             |
| 13,805  | Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18  | 11,750,126            |
|   |   | 17,721,872            |
| <b>Real Estate Investment Trust 5.6%</b>        |   |                       |
| 439,700   | Alexandria Real Estate Equities, Inc., 7.00% (f)  | 14,400,175            |
| 798,310   | FelCor Lodging Trust, Inc., Ser. A, 1.95% (f)   | 20,109,429            |
| 208,680   | Welltower, Inc., 6.50% (f)  | 13,071,715            |
| 67,560  | Weyerhaeuser Co., 6.375%, 7/1/16  | 3,429,346             |
|   |   | 51,010,665            |
| <b>Wireless Telecommunication Services 0.9%</b> |   |                       |
| 114,005   | T-Mobile US, Inc., 5.50%, 12/15/17  | 8,265,363             |
|   | <b>Total Convertible Preferred Stock (cost-\$236,283,932)</b>   | <b>248,591,164</b>    |
| Principal Amount (000s)                         |   |                       |
| <b>SENIOR LOANS (a)(d)(g)(h) 0.7%</b>           |   |                       |
| <b>Media 0.7%</b>                               |   |                       |
| \$2,356   | SFX Entertainment, Inc., 10.00%, 1/31/17, Term B, DIP, PIK (i)  | 2,355,956             |
| 3,712   | SFXE Netherlands Holding Coöperatief U.A., 20.00%, 1/31/17, Term B, DIP, PIK  | 3,711,954             |
|   | <b>Total Senior Loans (cost-\$6,067,910)</b>  | <b>6,067,910</b>      |
| Shares  |   |                       |
| <b>COMMON STOCK 0.5%</b>                        |   |                       |
| <b>Advertising 0.5%</b>                         |   |                       |
| 173,720   | Affinion Group Holdings, Inc., Class A (cost-\$3,080,312) (acquisition cost-\$3,080,312; purchased 11/9/15-11/12/15) (d)(g)(j)(k) | 4,261,352             |
| Principal Amount (000s)                         |   |                       |
| <b>SHORT-TERM INVESTMENT 3.3%</b>               |   |                       |
| <b>Time Deposit 3.3%</b>                        |   |                       |
| \$30,339  | ANZ National Bank London, 0.15%, 6/1/16 (cost-\$30,338,802)   | 30,338,802            |
|   | <b>Total Investments (cost-\$961,025,910)(l) 100.0%</b>   | <b>\$ 913,357,608</b> |



**Schedule of Investments**

**AllianzGI Convertible & Income Fund**

May 31, 2016 (unaudited) (continued)

**Notes to Schedule of Investments:**

\*Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of official closing prices, last reported sales prices, or if no sales or closing prices are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Fund's investments are valued daily using prices supplied by an independent pricing service or broker/dealer quotations, or by using the last sale or settlement price on the exchange that is the primary market for such securities, or the mean between the last bid and ask quotations. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics.

The Board of Trustees (the "Board") has adopted procedures for valuing portfolio securities and other financial instruments in circumstances where market quotations are not readily available (including in cases where available market quotations are deemed to be unreliable), and has delegated primary responsibility for applying the valuation methods to Allianz Global Investors Fund Management LLC (the "Investment Manager") and Allianz Global Investors U.S. LLC (the "Sub-Adviser"), an affiliate of the Investment Manager. The Fund's Valuation Committee was established by the Board to oversee the implementation of the Fund's valuation methods and to make fair value determinations on behalf of the Board, as instructed by the Board. The Sub-Adviser monitors the continued appropriateness of methods applied and identifies to the Investment Manager circumstances and events that may require fair valuation. The Investment Manager, in turn, determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Investment Manager (in consultation with the Sub-Advisers) determines that a valuation method may no longer be appropriate, another valuation method may be selected or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review and ratify the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

Short-term debt instruments maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing premiums or discounts based on their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Fund to value investments may differ from the value that would be realized if the investments were sold, and these differences could be material. The Fund's net asset value ( NAV ) is normally determined at the close of regular trading (normally, 4:00 p.m. Eastern Time) on the New York Stock Exchange ( NYSE ) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$131,453,953, representing 14.4% of total investments.
- (b) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (c) In default.
- (d) Illiquid.

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- (e) In addition to the coupon rate shown, the issuer is expected to pay additional interest based on the actual dividends paid on its common stock.
- (f) Perpetual maturity. The date shown, if any, is the next call date.
- (g) Fair-Valued-Securities with an aggregate value of \$10,329,329 representing 1.1% of total investments.
- (h) Debtor-in-possession financial obligations.
- (i) \$988,784 of this amount is being held in escrow for the benefit of the debtor by an agent. PIK interest is not charged on the amount held in escrow until drawn by the debtor.
- (j) Non-income producing.
- (k) Restricted. The acquisition cost is \$3,080,312. The value is \$4,261,352, representing 0.5% of total investments.
- (l) At May 31, 2016, the cost basis of portfolio securities for federal income tax purposes was \$967,366,986. Gross unrealized appreciation was \$54,889,705, gross unrealized depreciation was \$108,899,083 and net unrealized depreciation was \$54,009,378. The difference between book and tax cost basis was attributable to wash sale loss deferrals and the differing treatment of bond amortization.
- (m) At May 31, 2016, the Fund had the following unfunded commitment under a debtor-in-possession financing which could be extended at the option of the in-bankruptcy issuer:

| Borrower                | Principal Amount |
|-------------------------|------------------|
| SFX Entertainment, Inc. | \$ 593,598       |

### Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access

Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Level 3 valuations based on significant unobservable inputs (including the Sub-Adviser's or Valuation Committee's own assumptions and securities whose price was determined by using a single broker's quote)

The valuation techniques used by the Fund to measure fair value during the three months ended May 31, 2016 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

## Schedule of Investments

### AllianzGI Convertible & Income Fund

May 31, 2016 (unaudited) (continued)

The Fund's policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level of input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used. Assets categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with U.S. Generally Accepted Accounting Principles.

**Equity Securities (Common and Preferred Stock)** Equity securities traded in inactive markets are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from independent pricing services that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

**Convertible Bonds & Notes** Convertible bonds & notes are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of convertible bonds & notes are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

**Corporate Bonds & Notes** Corporate bonds & notes are generally comprised of two main categories: investment grade bonds and high yield bond. Investment grade bonds are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and option adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. High yield bonds are valued by independent pricing services based primarily on broker-dealer quotations from relevant market makers and recently are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds & notes are categorized as Level 2. To the extent that these are unobservable, the values are categorized as Level 3.

**Senior Loans** Senior Loans generally are valued by independent pricing services based on the average of quoted prices received from multiple dealers or valued relative to other benchmark securities when broker-dealer quotes are unavailable. These quoted prices are based on interest rates, yield curves, option adjusted spreads, credit spreads and/or other criteria. To the extent that these inputs are observable, the values of Senior Loans are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

**Schedule of Investments****AllianzGI Convertible & Income Fund**

May 31, 2016 (unaudited) (continued)

A summary of the inputs used at May 31, 2016 in valuing the Fund's assets and liabilities is listed below (refer to the Schedule of Investments for more detailed information on Investments in Securities):

|   | Level 1<br>Quoted Prices | Level 2<br>Other Significant<br>Observable<br>Inputs | Level 3<br>Significant<br>Unobservable<br>Inputs | Value at<br>5/31/16   |
|---|--------------------------|--|--|-----------------------|
| <b>Investments in Securities Assets</b> |                          |  |  |                       |
| Corporate Bonds & Notes                 | \$                       | \$ 356,575,741                                       | \$   | \$ 356,575,741        |
| Convertible Bonds & Notes               |                          | 267,522,639  |  | 267,522,639           |
| Convertible Preferred Stock:            |                          |  |  |                       |
| Health Care Providers & Services        | 8,375,177                | 1,392,738  |  | 9,767,915             |
| Media                                   |                          |  | 67   | 67                    |
| Oil, Gas & Consumable Fuels             | 25,355,110               | 7,921,245  |  | 33,276,355            |
| Pharmaceuticals                         | 5,971,746                | 11,750,126   |  | 17,721,872            |
| All Other                               | 187,824,955              |  |  | 187,824,955           |
| Senior Loans                            |                          |  | 6,067,910  | 6,067,910             |
| Common Stock                            |                          |  | 4,261,352  | 4,261,352             |
| Short-Term Investments                  |                          | 30,338,802   |  | 30,338,802            |
| <b>Totals</b>                           | <b>\$ 227,526,988</b>    | <b>\$ 675,501,291</b>                                | <b>\$ 10,329,329</b>                             | <b>\$ 913,357,608</b> |

At May 31, 2016, securities valued at \$27,963,286 were transferred from Level 2 to Level 1. This transfer was a result of securities with an evaluated mean price at February 29, 2016, using an exchange-traded closing price on May 31, 2016.

**Schedule of Investments**

**AllianzGI Convertible & Income Fund**

May 31, 2016 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the three months ended May 31, 2016, was as follows:

|  | Beginning<br>Balance<br>2/29/16 | Purchases         | Sales                  | Accrued<br>Discounts<br>(Premiums) | Net<br>Realized<br>Gain<br>(Loss) | Net Change<br>in Unrealized<br>Appreciation/<br>Depreciation | Transfers<br>into<br>Level<br>3 | Transfers<br>out of<br>Level 3* | Ending<br>Balance<br>5/31/16 |
|--|---------------------------------|-------------------|------------------------|------------------------------------|-----------------------------------|--|---------------------------------|---------------------------------|------------------------------|
| <b>Investments in Securities Assets</b>    |                                 |                   |                        |                                    |                                   |  |                                 |                                 |                              |
| Corporate Bonds & Notes:                   |                                 |                   |                        |                                    |                                   |  |                                 |                                 |                              |
| Diversified Financial Services             | \$ 3,328,050                    | \$                | \$                     | \$ (14,541)                        | \$                                | \$ 1,376,016   | \$                              | \$ (4,689,525)                  | \$                           |
| Oil, Gas & Consumable Fuels                | 1,744,050                       |                   |                        | 3,666                              |                                   | 1,536,534  |                                 | (3,284,250)                     |                              |
| Convertible Preferred Stock:               |                                 |                   |                        |                                    |                                   |  |                                 |                                 |                              |
| Health Care Providers & Services           | 28,514,755                      |                   | (34,697,388)           |                                    |                                   | 6,182,633  |                                 |                                 |                              |
| Media                                      | 67                              |                   |                        |                                    |                                   |  |                                 |                                 | 67                           |
| Technology Hardware, Storage & Peripherals | 14,628,600                      |                   | (19,068,350)           |                                    |                                   | 4,439,750  |                                 |                                 |                              |
| Senior Loans                               | 5,922,105                       | 145,805           |                        |                                    |                                   |  |                                 |                                 | 6,067,910                    |
| Common Stock                               | 3,635,960                       |                   |                        |                                    |                                   | 625,392  |                                 |                                 | 4,261,352                    |
| <b>Totals</b>                              | <b>\$ 57,773,587</b>            | <b>\$ 145,805</b> | <b>\$ (53,765,738)</b> | <b>\$ 3,666</b>                    | <b>\$</b>                         | <b>\$ 14,145,784</b>   | <b>\$</b>                       | <b>\$ (7,973,775)</b>           | <b>\$ 10,329,329</b>         |

Conversion  
PIK payment

\* Transferred out of Level 3 into Level 2 because third-party vendor price was used on May 31, 2016.

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 at May 31, 2016:

|   | Ending Balance<br>at 5/31/16 | Valuation<br>Technique Used | Unobservable<br>Inputs         | Input<br>Values |
|---|------------------------------|-----------------------------|--------------------------------|-----------------|
| <b>Investments in Securities Assets</b> |                              |                             |                                |                 |
| Convertible Preferred Stock             | \$ 67                        | Model Price                 | Proprietary Data Used in Model | \$ 0.01*        |
| Senior Loans                            | \$ 6,067,910                 | Model Price                 | Proprietary Data Used in Model | \$ 100.00       |
| Common Stock                            | \$ 4,261,352                 | Model Price                 | Proprietary Data Used in Model | \$ 24.53        |

\* Preferred stock trades are in lots of 1,000.

The net change in unrealized appreciation/depreciation of Level 3 investments held at May 31, 2016 was \$625,392.

**Glossary:**

DIP Debtor-in-Possession

PIK Payment-in-Kind

**Item 2. Controls and Procedures**

(a) The registrant's President & Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a-3(c))) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits**

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

**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.

Registrant: AllianzGI Convertible & Income Fund

By /s/ Thomas J. Fuccillo  
Thomas J. Fuccillo,  
President & Chief Executive Officer

Date: July 22, 2016

By /s/ Lawrence G. Altadonna  
Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: July 22, 2016

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/ Thomas J. Fuccillo  
Thomas J. Fuccillo,  
President & Chief Executive Officer

Date: July 22, 2016

By /s/ Lawrence G. Altadonna  
Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: July 22, 2016