

AllianzGI Convertible & Income Fund II
Form N-CSRS
October 30, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES
Investment Company Act file number: 811-21338

AllianzGI Convertible & Income Fund II
(Exact name of registrant as specified in charter)

1633 Broadway, New York, NY **10019**
(Address of principal executive offices) **(Zip code)**
Lawrence G. Altadonna 1633 Broadway, New York, New York 10019

(Name and address of agent for service)

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

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Date of fiscal year end: February 28, 2013

Date of reporting period: August 31, 2013

Item 1. Report to Shareholders

AllianzGI Convertible & Income Fund

AllianzGI Convertible & Income Fund II

Semiannual Report

August 31, 2013

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Letter from the Chairman of the Board &

President

Hans W. Kertess

Chairman

Brian S. Shlissel

President & CEO

Dear Shareholder:

While global economic growth was far from robust, there were signs of improvement in a number of countries during the fiscal six-month reporting period ended August 31, 2013. Against this backdrop, US equities generated strong results, while bond prices were pressured by rising interest rates.

Six Months in Review through August 31, 2013

n AllianzGI Convertible & Income Fund returned 8.60% on net asset value (NAV) and 6.58% on market price.

n AllianzGI Convertible & Income Fund II returned 8.72% on NAV and 7.20% on market price.

In comparison, the Standard & Poor's (S&P) 500 Index, an unmanaged index generally representative of the US stock market, rose 8.95% and the Barclays US Credit Index, an unmanaged index considered representative of publicly issued, Securities & Exchange Commission (SEC) registered US corporate and specific foreign debentures and secured notes, declined 3.53% during the six-month reporting period. Convertible securities, which share characteristics of both stocks and bonds, rose. The BofA Merrill Lynch All Convertibles Index, an unmanaged index generally representative of the convertible securities market, advanced 8.64% for the period.

During the reporting period, the United States experienced choppy, but continued growth. Gross domestic product (GDP), the value of goods and

services produced in the country, the broadest measure of economic activity and the principal indicator of economic performance, grew at an annual pace of 0.1% during the fourth quarter of 2012, as private inventory investment and federal government spending moderated. GDP growth rose to 1.1% during the first quarter of 2013. According to the second estimate from the US Commerce Department, GDP growth increased to a 2.5% annual pace during the second quarter of 2013.

Although US economic data was mixed at times, there were continued signs of the long-awaited recovery in the housing market. In addition, while unemployment remained elevated, the unemployment rate dropped from 7.7% in February 2013 to 7.3% in August 2013.

With unemployment falling and some signs of improving economic activity the Federal Reserve (the Fed) announced its intention to begin tapering its monthly \$85 billion asset purchase program. This triggered sharply rising yields and declining bond prices. The yield on the benchmark 10-year US Treasury bond rose from 1.89% at the beginning of the reporting period to 2.78% at August 31, 2013. While long-term rates have increased, the Fed has indicated that it intends to maintain the Fed Funds rate in the 0.0% to 0.25% range as long as the unemployment rate remains above 6.5%, provided that inflations remain well contained.

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Outlook

Market volatility increased sharply toward the end of the fiscal reporting period. This was partially triggered by concerns regarding the Fed's plans to taper its asset purchase program and slower global growth.

We expect the Fed's policy stance to remain accommodative, even if it begins to taper its purchase program sooner rather than later. Fed tapering is likely to create greater volatility, but we expect the Fed will only raise interest rates if it is confident the economic

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recovery is on solid footing. Concerns of higher interest rates impacting the housing market, geopolitical issues and an impasse in Congress regarding the raising of the debt ceiling may also contribute to market volatility.

With respect to the US economy, an important factor going forward will be consumer spending, as it comprises in excess of two-thirds of GDP. While the global financial crisis of 2008-2009 has had a significant impact on consumers' mindset, auto and retail sales have been generally solid. In addition, it appears that as the employment situation improves, consumer confidence will likely rise and spending should follow. This could help drive the economy during the remainder of the year and into 2014.

For specific information on the Funds and their performance, please refer to the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources is available on our website, us.allianzgi.com/closedendfunds.

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Allianz Global Investors U.S. LLC, the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Hans W. Kertess
Chairman of the Board of Trustees

Brian S. Shlissel
President & Chief Executive Officer

Fund Insights

AllianzGI Convertible & Income Funds

August 31, 2013 (unaudited)

For the period of March 1, 2013, through August 31, 2013 as provided by Doug Forsyth, Portfolio Manager.

For the fiscal six-month period ended August 31, 2013, AllianzGI Convertible & Income Fund and AllianzGI Convertible & Income Fund II (the Funds) returned 8.60% and 8.72% on net asset value (NAV) and 6.58% and 7.20% on market price, respectively.

Market Environment

The factors contributing to the convertible and high-yield market's positive returns varied during the period. In April and May 2013, the market moved higher as first-quarter corporate profits for most companies exceeded expectations. In June, however, the markets pulled back. What had been perceived by investors as a unilaterally accommodative global monetary policy had been tempered by the language, not the actions, of the US Federal Reserve (the Fed). The Fed's statements in June rattled the markets in general, but also specifically impacted longer-dated Treasuries. As 2013 has demonstrated, Treasury rates can move on the long end of the curve well ahead of the stated 2015 target for Fed funds rate changes.

The convertible and high-yield markets outperformed fixed-income asset classes during the six-month period due to their low and even negative correlations with interest rates. Typically, a backup in rates positively impacts the convertible and high yield markets, particularly when due to an improving economy. However, because of the more widespread negative reaction to the Fed's statement by both the equity and fixed-income markets, most convertible bonds traded down in June. This knee-jerk reaction faded toward the end of the month, as a more normalized response to rising rates materialized among the aforementioned asset classes.

Markets rebounded during July 2013, but reversed course in August. Initially, better-than-expected second-quarter corporate profits, rising consumer confidence and a strengthening US economy helped support an advance that lifted equity markets to new highs for the year. In August, the convertible and high-yield markets declined alongside equities, but to a lesser degree. Speculation on the timing of monetary stimulus tapering and a further rise in interest rates pressured investor sentiment. However, against this backdrop of macro-related risks, issuer fundamentals on average continued to improve on average the reporting period.

Fund Insights (continued)

Portfolio Specifics

The Funds rallied with the markets during the reporting period. Strength was evident in a variety of holdings and industries.

In the convertibles sleeve, sector allocations which benefitted performance in the period relative to the convertibles universe were Industrials, Energy, Media, Transportation and Materials. Stronger issuer-specific performance was evident across all of the aforementioned sectors, but greatest among Industrials and Energy. Additionally, the Funds benefited from an underweighting in Materials. Conversely, sector allocations which hindered relative performance in the reporting period included Healthcare, Utilities and Financials. An underweighting and security selection in Healthcare negatively impacted relative performance. Furthermore, an overweighting in Utilities and relative underperformance detracted from returns. An overweighting in Financials also hindered relative returns.

In the high yield bond sleeve, industry allocations which benefitted performance in the period relative to the high yield universe were Publishing/Printing, Energy, Services and Diversified Financial Services. All of the aforementioned industries exhibited strong security selection. Additionally, an overweighting in Publishing/Printing positively impacted relative performance. In contrast, industry allocations which hindered relative performance during the period included Gaming, Chemicals and Broadcasting. An underweighting in Chemicals was a drag on relative performance, while weaker issuer-specific performance was evident across the Gaming and Broadcasting sectors.

Performance & Statistics

AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	6.58%	8.60%
1 Year	12.95%	22.66%
5 Year	9.57%	10.17%
10 Year	8.72%	8.14%
Commencement of Operations (3/31/03) to 8/31/13	8.49%	8.88%

Market Price/NAV Performance:

Commencement of Operations (3/31/03) to 8/31/13

Market Price/NAV:

Market Price	\$9.22
NAV	\$8.98
Premium to NAV	2.67%
Market Price Yield ⁽²⁾	11.23%
Leverage ⁽³⁾	32.89%

Moody's Rating

(as a % of total investments)

Performance & Statistics

AllianzGI Convertible & Income Fund II

August 31, 2013 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	7.20%	8.72%
1 Year	13.00%	23.24%
5 Year	9.95%	8.95%
10 Year	7.40%	7.29%
Commencement of Operations (7/31/03) to 8/31/13	7.33%	7.43%

Market Price/NAV Performance:

Commencement of Operations (7/31/03) to 8/31/13

Market Price/NAV:

Market Price	\$8.59
NAV	\$8.13
Premium to NAV	5.66%
Market Price Yield ⁽²⁾	10.84%
Leverage ⁽³⁾	32.50%

Moody's Rating

(as a % of total investments)

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Total return for a period of more than one year represents the average annual total return. Total return for a period of less than one year is not annualized.

Performance at market price will differ from results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for each Fund's shares, or changes in each Fund's dividends.

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An investment in each Fund involves risk, including the loss of principal. Total return, market price, market price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one time public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per common share dividend (comprised of net investment income) by the market price per common share at August 31, 2013.

(3) Represents Preferred Shares (Leverage) outstanding, as a percentage of total managed assets. Total managed assets refer to total assets (including assets attributable to Leverage) minus liabilities (other than liabilities representing Leverage).

Schedule of Investments

AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited)

Principal Amount (000s)		Value
Corporate Bonds & Notes 43.7%		
Advertising 0.7%		
\$ 8,230	Affinion Group, Inc., 11.50%, 10/15/15	\$ 7,139,525
Auto Components 1.1%		
5,205	American Axle & Manufacturing Holdings, Inc., 9.25%, 1/15/17 (a)(b)	5,582,362
5,280	Goodyear Tire & Rubber Co., 8.25%, 8/15/20	5,847,600
		11,429,962
Auto Manufacturers 0.7%		
7,410	Chrysler Group LLC, 8.25%, 6/15/21	8,169,525
Commercial Services 4.5%		
4,000	Avis Budget Car Rental LLC/Avis Budget Finance, Inc., 9.75%, 3/15/20	4,610,000
11,500	Cenveo Corp., 11.50%, 5/15/17	10,867,500
5,705	DynCorp International, Inc., 10.375%, 7/1/17	5,876,150
7,955	Interactive Data Corp., 10.25%, 8/1/18	8,869,825
6,375	Monitronics International, Inc., 9.125%, 4/1/20	6,630,000
11,000	National Money Mart Co., 10.375%, 12/15/16	11,522,500
		48,375,975
Commercial Services & Supplies 0.8%		
5,645	United Rentals North America, Inc., 8.375%, 9/15/20	6,209,500
2,255	West Corp., 8.625%, 10/1/18	2,452,313
		8,661,813
Consumer Finance 0.9%		
3,210	SLM Corp., 8.45%, 6/15/18	3,675,450
5,775	Springleaf Finance Corp., 6.90%, 12/15/17	5,912,156
		9,587,606
Diversified Consumer Services 0.6%		
6,815	Cambium Learning Group, Inc., 9.75%, 2/15/17	6,440,175
Diversified Financial Services 1.5%		
	Community Choice Financial, Inc.,	
10,085	10.75%, 5/1/19	9,429,475
7,130	12.75%, 5/1/20 (a)(b)	6,960,663
		16,390,138
Diversified Telecommunications 1.0%		
10,275	Cincinnati Bell, Inc., 8.75%, 3/15/18	10,711,687
Electric 0.3%		
	Texas Competitive Electric Holdings Co. LLC,	
750	11.50%, 10/1/20 (a)(b)	525,938
10,800	15.00%, 4/1/21	2,592,000
		3,117,938

	Electrical Components & Equipment	1.3%	
13,585	WireCo WorldGroup, Inc., 9.50%, 5/15/17		14,128,400
	Electronic Equipment, Instruments & Components	0.7%	
7,725	Kemet Corp., 10.50%, 5/1/18		7,416,000
	Electronics	0.2%	
1,700	NXP BV/NXP Funding LLC, 9.75%, 8/1/18 (a)(b)		1,887,000

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AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value
	Energy Equipment & Services 1.0%	
\$ 9,795	Pioneer Drilling Co., 9.875%, 3/15/18	\$ 10,639,819
	Food & Staples Retailing 0.5%	
5,000	Rite Aid Corp., 10.25%, 10/15/19	5,656,250
	Health Care Providers & Services 0.9%	
8,875	ExamWorks Group, Inc., 9.00%, 7/15/19	9,607,188
	Healthcare-Products 0.9%	
8,885	Kinetic Concepts, Inc./KCI USA, Inc., 10.50%, 11/1/18	9,840,138
	Hotels, Restaurants & Leisure 1.9%	
9,120	DineEquity, Inc., 9.50%, 10/30/18	10,191,600
8,405	MGM Resorts International, 11.375%, 3/1/18	10,548,275
		20,739,875
	Household Durables 1.2%	
	Beazer Homes USA, Inc.,	
2,945	7.25%, 2/1/23	2,989,175
5,045	9.125%, 5/15/19	5,360,312
3,950	Jarden Corp., 7.50%, 5/1/17	4,414,125
		12,763,612
	Household Products/Wares 0.7%	
7,610	Reynolds Group Issuer, Inc., 9.875%, 8/15/19	8,123,675
	Internet Software & Services 1.1%	
	EarthLink, Inc.,	
2,800	7.375%, 6/1/20 (a)(b)	2,751,000
9,060	8.875%, 5/15/19	8,788,200
		11,539,200
	Iron/Steel 0.6%	
7,305	AK Steel Corp., 8.375%, 4/1/22	6,209,250
	IT Services 0.2%	
2,615	Stream Global Services, Inc., 11.25%, 10/1/14	2,631,344
	Leisure Time 0.8%	
8,855	Travelport LLC, 11.875%, 9/1/16	8,722,175
	Lodging 0.8%	
12,385	Caesars Entertainment Operating Co., Inc., 12.75%, 4/15/18	8,266,987
	Machinery 0.5%	
5,755	Navistar International Corp., 8.25%, 11/1/21	5,747,806
	Media 3.1%	
8,355	McClatchy Co., 9.00%, 12/15/22	8,856,300
	McGraw-Hill Global Education Holdings LLC/McGraw-Hill Global Education	
8,220	Finance, 9.75%, 4/1/21 (a)(b)	8,713,200

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6,750	Media General, Inc., 11.75%, 2/15/17	7,458,750
3,745	Mood Media Corp., 9.25%, 10/15/20 (a)(b)	3,651,375
4,240	Sinclair Television Group, Inc., 9.25%, 11/1/17 (a)(b)	4,494,400
		33,174,025
	Metals & Mining 1.2%	
6,590	ArcelorMittal, 10.35%, 6/1/19	7,842,100
5,465	Thompson Creek Metals Co., Inc., 7.375%, 6/1/18	4,686,237
		12,528,337

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August 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value
	Miscellaneous Manufacturing 0.8%	
\$ 8,278	Harland Clarke Holdings Corp., 9.50%, 5/15/15	\$ 8,319,390
	Oil & Gas 1.6%	
9,050	Energy XXI Gulf Coast, Inc., 9.25%, 12/15/17	10,113,375
6,038	United Refining Co., 10.50%, 2/28/18	6,732,370
		16,845,745
	Oil, Gas & Consumable Fuels 2.2%	
2,840	Arch Coal, Inc., 9.875%, 6/15/19 (a)(b)	2,485,000
9,890	Endeavour International Corp., 12.00%, 3/1/18	10,236,150
5,050	EP Energy LLC/EP Energy Finance, Inc., 9.375%, 5/1/20	5,580,250
4,500	Laredo Petroleum, Inc., 9.50%, 2/15/19	5,028,750
		23,330,150
	Packaging & Containers 0.7%	
6,768	Tekni-Plex, Inc., 9.75%, 6/1/19 (a)(b)	7,614,000
	Retail 0.5%	
6,110	Toys R Us, Inc., 10.375%, 8/15/17	6,025,988
	Semiconductors & Semiconductor Equipment 1.0%	
2,580	Advanced Micro Devices, Inc., 8.125%, 12/15/17	2,689,650
7,160	Freescale Semiconductor, Inc., 10.75%, 8/1/20	7,947,600
		10,637,250
	Software 0.9%	
9,045	First Data Corp., 12.625%, 1/15/21	9,825,131
	Specialty Retail 0.4%	
4,160	Brown Shoe Co., Inc., 7.125%, 5/15/19	4,368,000
	Telecommunications 1.9%	
	Clearwire Communications LLC/Clearwire Finance, Inc., 12.00%, 12/1/15	
7,420	(a)(b)	7,846,650
7,415	Consolidated Communications Finance Co., 10.875%, 6/1/20	8,564,325
5,090	NII Capital Corp., 8.875%, 12/15/19	4,288,325
		20,699,300
	Textiles, Apparel & Luxury Goods 0.8%	
7,540	Fifth & Pacific Cos, Inc., 10.50%, 4/15/19	8,265,725
	Trading Companies & Distribution 0.6%	
6,075	Aircastle Ltd., 9.75%, 8/1/18	6,743,250
	Transportation 1.7%	
8,144	Quality Distribution LLC, 9.875%, 11/1/18	8,917,680
8,610	Swift Services Holdings, Inc., 10.00%, 11/15/18	9,557,100
		18,474,780
	Wireless Telecommunication Services 0.9%	

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7,205	Sprint Communications, Inc., 11.50%, 11/15/21	9,438,550
	Total Corporate Bonds & Notes (cost-\$469,056,695)	470,232,684
Shares		
Convertible Preferred Stock 35.6%		
Aerospace & Defense 1.1%		
193,595	United Technologies Corp., 7.50%, 8/1/15	12,024,185

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Schedule of Investments

AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited) (continued)

Shares		Value
	Airlines 1.3%	
313,435	Continental Airlines Finance Trust II, 6.00%, 11/15/30	\$ 13,712,781
	Auto Components 0.9%	
162,110	Goodyear Tire & Rubber Co., 5.875%, 4/1/14	9,515,857
	Biotechnology 1.2%	
219,000	Credit Suisse, 8.00%, 5/9/14 (Gilead Sciences, Inc.) (c)	12,426,060
	Capital Markets 0.7%	
115,475	AMG Capital Trust I, 5.10%, 4/15/36	7,260,491
	Commercial Banks 3.6%	
9,695	Huntington Bancshares, Inc., 8.50%, 12/31/49 (d)	12,070,275
17,900	Wells Fargo & Co., 7.50%, 3/15/13, Ser. L (d)	20,316,500
112,870	Wintrust Financial Corp., 7.50%, 12/15/13	6,240,548
		38,627,323
	Communications Equipment 3.4%	
23,985	Lucent Technologies Capital Trust I, 7.75%, 3/15/17	23,451,334
219,090	The Goldman Sachs Group, Inc., 8.00%, 1/15/14 (QualComm) (c)	13,534,284
		36,985,618
	Computers & Peripherals 1.2%	
543,785	JPMorgan Chase & Co., 7.50%, 3/24/14 (EMC Corp.) (c)	13,110,656
	Diversified Financial Services 1.4%	
13,660	Bank of America Corp., 7.25%, 12/31/49, Ser. L (d)	14,737,091
	Electric Utilities 2.6%	
276,815	NextEra Energy, Inc., 7.00%, 9/1/13	15,709,251
222,670	PPL Corp., 8.75%, 5/1/14	11,910,619
		27,619,870
	Energy Equipment & Services 1.4%	
310,395	Wells Fargo & Co., 8.00%, 8/6/14 (Halliburton) (c)	14,675,475
	Health Care Providers & Services 1.3%	
11,340	HealthSouth Corp., 6.50%, 12/31/49, Ser. A (d)	14,106,960
	Household Durables 1.2%	
374,000	Wells Fargo & Co., 8.00%, 6/20/14 (Lennar Corp.) (c)	12,428,020
	Insurance 2.3%	
344,500	JPMorgan Chase & Co., 7.00%, 3/10/14 (American International Group, Inc.) (c)	14,451,775
194,050	MetLife, Inc., 5.00%, 3/26/14	10,577,666
		25,029,441
	Internet & Catalog Retail 1.3%	
16,330	Credit Suisse, 8.00%, 5/21/14 (Priceline.com) (c)	13,954,148
	IT Services 1.1%	
173,180	Unisys Corp., 6.25%, 3/1/14	11,909,589
	Metals & Mining 2.1%	
577,020	ArcelorMittal, 6.00%, 1/15/16	12,126,422

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399,970	Cliffs Natural Resources, Inc., 7.00%, 2/1/16	7,863,410
160,000	Thompson Creek Metals Co., Inc., 6.50%, 5/15/15	3,088,800
		23,078,632
	Multi-Utilities 1.1%	
239,645	AES Trust III, 6.75%, 10/15/29	12,018,197

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Schedule of Investments

AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited) (continued)

Shares		Value
	Oil, Gas & Consumable Fuels 0.7%	
124,235	PetroQuest Energy, Inc., 6.875%, 12/31/49 (d)	\$ 3,820,226
63,305	Sanchez Energy Corp., 6.50%, 12/31/49 (a)(b)(d)	3,752,721
		7,572,947
	Real Estate Investment Trust 4.0%	
439,700	Alexandria Real Estate Equities, Inc., 7.00%, 12/31/49 (d)	11,080,440
707,605	FelCor Lodging Trust, Inc., 1.95%, 12/31/49, Ser. A (d)	16,281,991
208,680	Health Care REIT, Inc., 6.50%, 4/20/18, Ser. I (d)	11,971,971
79,020	Weyerhaeuser Co., 6.375%, 7/1/16	4,202,284
		43,536,686
	Road & Rail 1.7%	
1,202,840	2010 Swift Mandatory Common Exchange Security Trust, 6.00%, 12/31/13 (b)	18,005,793
	Total Convertible Preferred Stock (cost-\$350,212,052)	382,335,820
Principal Amount (000s)		
	Convertible Bonds & Notes 19.4%	
	Biotechnology 0.6%	
\$ 8,910	Dendreon Corp., 2.875%, 1/15/16	5,841,619
	Capital Markets 2.3%	
10,755	Ares Capital Corp., 5.75%, 2/1/16	11,595,234
13,195	BGC Partners, Inc., 4.50%, 7/15/16	13,409,419
		25,004,653
	Commercial Services 1.8%	
20,305	Cenveo Corp., 7.00%, 5/15/17	19,670,469
	Construction Materials 0.8%	
7,645	Cemex S.A.B. de C.V., 4.875%, 3/15/15	9,030,656
	Electrical Equipment 1.2%	
9,100	EnerSys, 3.375%, 6/1/38 (e)	12,341,920
	Hotels, Restaurants & Leisure 2.1%	
9,075	MGM Resorts International, 4.25%, 4/15/15	10,810,594
11,940	Morgans Hotel Group Co., 2.375%, 10/15/14	11,775,825
		22,586,419
	Life Sciences Tools & Services 0.7%	
8,130	Sequenom, Inc., 5.00%, 10/1/17 (a)(b)	7,820,044
	Machinery 3.9%	
9,125	Greenbrier Cos, Inc., 3.50%, 4/1/18	9,518,516
12,480	Meritor, Inc., 4.625%, 3/1/26 (e)	12,573,600

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5,655	7.875%, 3/1/26 (a)(b)	6,860,222
11,335	Navistar International Corp., 3.00%, 10/15/14	11,391,675
1,100	Wabash National Corp., 3.375%, 5/1/18	1,357,125
		41,701,138
	Oil, Gas & Consumable Fuels 0.7%	
2,300	Endeavour International Corp., 5.50%, 7/15/16	1,828,500
3,685	PDC Energy, Inc., 3.25%, 5/15/16 (a)(b)	5,490,650

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Schedule of Investments

AllianzGI Convertible & Income Fund

August 31, 2013 (unaudited) (continued)

Principal Amount (000s)		Value
	Oil, Gas & Consumable Fuels (continued)	
\$ 635	Peabody Energy Corp., 4.75%, 12/15/41	\$ 494,506
		7,813,656
	Real Estate Investment Trust 0.6%	
7,070	IAS Operating Partnership LP, 5.00%, 3/15/18 (a)(b)	6,416,025
	Semiconductors & Semiconductor Equipment 1.0%	
9,920	SunPower Corp., 4.75%, 4/15/14	10,806,600
	Software 1.6%	
6,335	Nuance Communications, Inc., 2.75%, 8/15/27	7,253,575
10,320	TeleCommunication Systems, Inc., 7.75%, 6/30/18	10,216,800