

NICHOLAS APPLGATE CONVERTIBLE & INCOME FUND
Form N-Q
January 28, 2009

UNITED STATES

OMB APPROVAL

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

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FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act File Number: 811-21284

Nicholas-Applegate Convertible & Income Fund

(Registrant Name)

1345 Avenue of the Americas New York, New York

10105

(Address of Principal Executive Offices)

(Zip code)

Lawrence G. Altadonna 1345 Avenue of the Americas New York, New York 10105

(Name and Address of Agent for Service)

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

Date of Fiscal Year End: February 28, 2009

Date of Reporting Period: November 30, 2008

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments**Nicholas-Applegate Convertible & Income Fund Schedule of Investments**

November 30, 2008 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value*
CORPORATE BONDS & NOTES-42.0%			
Advertising - 0.9%			
\$11,450	Affinion Group, Inc., 11.50%, 10/15/15	B3/B-	\$6,755,500
Apparel - 1.5%			
12,295	Levi Strauss & Co., 9.75%, 1/15/15	B2/B+	7,438,475
6,090	Oxford Industries, Inc., 8.875%, 6/1/11	B2/B+	4,354,350
			11,792,825
Automotive - 2.1%			
8,545	Accuride Corp., 8.50%, 2/1/15	Caa1/CCC	3,118,925
14,195	Exide Technologies, 10.50%, 3/15/13, Ser. B	B3/B-	7,665,300
7,490	General Motors Corp., 8.375%, 7/15/33	Caa3/CCC+	1,685,250
10,225	Tenneco, Inc., 8.625%, 11/15/14	B3/B	3,834,375
			16,303,850
Chemicals - 0.2%			
4,890	Momentive Performance Materials, Inc., 9.75%, 12/1/14	B3/B	1,919,325
Commercial Services - 1.5%			
13,665	Cenveo Corp., 7.875%, 12/1/13	B3/B	6,917,906
11,810	Hertz Corp., 10.50%, 1/1/16	B2/B	4,783,050
			11,700,956
Computers - 0.5%			

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10,325	Unisys Corp., 8.00%, 10/15/12	B2/B+	4,284,875
	Electric - 0.6%		
7,475	Energy Future Holdings Corp., 10.875%, 11/1/17 (a) (b)	B3/B-	4,858,750
	Electronics - 1.2%		
12,170	Stoneridge, Inc., 11.50%, 5/1/12	B2/B+	9,279,625
	Financial Services - 3.4%		
12,725	AMR Holdings Co., 10.00%, 2/15/15	B1/B	11,897,875
	Ford Motor Credit Co.,		
10,795	7.00%, 10/1/13	B3/CCC+	4,546,314
8,080	9.875%, 8/10/11	B3/CCC+	3,799,483
8,070	GMAC LLC, 6.75%, 12/1/14	C/CC	2,624,461
10,090	KAR Holdings, Inc., 8.75%, 5/1/14	B3/CCC+	4,338,700
			27,206,833
	Healthcare - 2.5%		
7,275	Alliance Imaging, Inc., 7.25%, 12/15/12	B3/B	6,092,813
8,515	Hanger Orthopedic Group, Inc., 10.25%, 6/1/14	Caa1/CCC+	7,280,325
4,000	HCA, Inc., 9.25%, 11/15/16	B2/BB-	3,260,000
3,585	Health Net, Inc., 6.375%, 6/1/17	Ba3/BB	1,953,825
1,350	Psychiatric Solutions, Inc., 7.75%, 7/15/15	B3/B-	985,500
			19,572,463
	Home Furnishings - 1.1%		
13,090	Jarden Corp., 7.50%, 5/1/17	B3/B	8,573,950
	Hotels/Gaming - 0.3%		
2,385	Mandalay Resort Group, 3.954%, 3/21/33, FRN (c)	Ba3/BB-	2,742,887
	Manufacturing - 1.8%		
13,610	Harland Clarke Holdings Corp., 9.50%, 5/15/15	Caa1/B-	6,056,450
2,155	Park-Ohio Industries, Inc., 8.375%, 11/15/14	B3/B-	894,325
9,710	Polypore, Inc., 8.75%, 5/15/12	B3/B-	7,622,350

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Metals & Mining - 1.0%			
\$12,735	RathGibson, Inc., 11.25%, 2/15/14	B3/B	\$7,832,025
Multi-Media - 1.4%			
12,640	CCH I LLC, 11.00%, 10/1/15	Caa3/CCC	3,412,800
9,330	Mediacom LLC, 9.50%, 1/15/13	B3/B-	7,697,250
			11,110,050
Office Furnishings - 1.3%			
	Interface, Inc.,		
4,835	9.50%, 2/1/14	B3/B-	3,892,175
6,600	10.375%, 2/1/10	B1/BB-	6,402,000
			10,294,175
Oil & Gas - 0.5%			
5,760	Chesapeake Energy Corp., 6.875%, 1/15/16	Ba3/BB	4,089,600
Packaging & Containers - 0.4%			
11,850	Smurfit-Stone Container Enterprises, Inc., 8.375%, 7/1/12	B3/B-	3,377,250
Paper Products - 1.4%			
11,705	Neenah Paper, Inc., 7.375%, 11/15/14	B2/B+	6,554,800
12,945	NewPage Corp., 12.00%, 5/1/13	B3/CCC+	4,530,750
			11,085,550
Pipelines - 0.8%			

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9,100	Dynergy Holdings, Inc., 7.75%, 6/1/19	B2/B	6,097,000
Retail - 4.7%			
7,550	Burlington Coat Factory Warehouse Corp., 11.125%, 4/15/14	B3/CCC	1,925,250
8,405	El Pollo Loco Finance Corp., 11.75%, 11/15/13	Caa1/CCC+	6,261,725
1,000	Inergy L.P., 8.25%, 3/1/16	B1/B+	740,000
12,825	Michaels Stores, Inc., 10.00%, 11/1/14	Caa1/CCC	4,104,000
13,355	Neiman-Marcus Group, Inc., 10.375%, 10/15/15	B3/B	5,074,900
3,309	R.H. Donnelley, Inc., 11.75%, 5/15/15 (a) (b)	B1/B+	893,430
12,785	Rite Aid Corp., 8.625%, 3/1/15	Caa2/CCC	3,739,613
12,115	Sally Holdings LLC, 10.50%, 11/15/16	Caa1/CCC+	7,087,275
11,440	Star Gas Partners L.P., 10.25%, 2/15/13, Ser. B	Caa3/CCC	7,722,000
			37,548,193
Semi-Conductors - 1.4%			
13,565	Amkor Technology, Inc., 9.25%, 6/1/16	B1/B+	8,003,350
12,405	Freescale Semiconductor, Inc., 10.125%, 12/15/16	B3/B-	3,163,275
			11,166,625
Software - 0.9%			
12,395	First Data Corp., 9.875%, 9/24/15	B3/B	7,189,100
Telecommunications - 9.0%			
14,705	Centennial Cellular Operating Co., 10.125%, 6/15/13	B2/B	14,576,331
9,150	Cincinnati Bell, Inc., 8.375%, 1/15/14	B2/B-	6,805,313
10,365	Cricket Communications, Inc., 9.375%, 11/1/14	B3/B-	8,279,044
13,540	Hawaiian Telcom Communications, Inc., 12.50%, 5/1/15, Ser. B (e)	C/D	135,400
13,555	Level 3 Financing, Inc., 12.25%, 3/15/13	Caa1/CCC+	7,861,900
11,735	MasTec, Inc., 7.625%, 2/1/17	B1/B+	8,859,925
14,200	Millicom International Cellular S.A., 10.00%, 12/1/13	B1/BB	11,786,000
1,300	Nextel Communications, Inc., 7.375%, 8/1/15	Baa3/BB	520,244
12,680	Nortel Networks, Ltd., 10.75%, 7/15/16	B3/B-	3,740,600
5,385	Sprint Capital Corp., 8.75%, 3/15/32	Baa3/BB	2,804,427
14,220	West Corp., 11.00%, 10/15/16	Caa1/B-	6,185,700

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71,554,884

Theaters - 1.2%

12,940	AMC Entertainment, Inc., 11.00%, 2/1/16	B2/CCC+	9,252,100
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Travel Services - 0.4%

14,560	Travelport LLC, 11.875%, 9/1/16	Caa1/CCC+	3,567,200
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	Total Corporate Bonds & Notes (cost-\$597,436,249)		333,728,716
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November 30, 2008 (unaudited)

Shares		Credit Rating	
(000)		(Moody's/S&P)	Value*
CONVERTIBLE PREFERRED STOCK-31.8%			
	Agriculture - 1.3%		
	Bunge Ltd.,		