

AllianzGI Equity & Convertible Income Fund  
Form N-Q  
June 21, 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 811-21989

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

1633 Broadway New York, New York  
(Address of principal executive offices)

10019  
(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

Date of fiscal year January 31, 2017  
end:

Date of reporting period: April 30, 2016

---

**Item 1. Schedule of Investments**

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

April 30, 2016 (unaudited)

Shares		Value*
<b>COMMON STOCK</b>	<b>70.6%</b>	
	<b>Aerospace &amp; Defense 1.8%</b>	
	Boeing Co.	
46,700		\$6,295,160
	United Technologies Corp. (a)	
39,116		4,082,537
		10,377,697
	<b>Auto Components 1.1%</b>	
159,800	Johnson Controls, Inc.	6,615,720
	<b>Automobiles 2.3%</b>	
23,899	Ferrari NV	1,095,769
547,300	Ford Motor Co.	7,421,388
154,426	General Motors Co.	4,910,747
		13,427,904
	<b>Banks 0.9%</b>	
	Wells Fargo & Co.	
101,000		5,047,980
	<b>Beverages 2.6%</b>	
164,300	Coca-Cola Co.	7,360,640
	PepsiCo, Inc.	
72,000		7,413,120
		14,773,760
	<b>Biotechnology 4.8%</b>	
138,100	AbbVie, Inc.	8,424,100
	Amgen, Inc.	
52,700		8,342,410
9,700	Biogen, Inc. (b)	2,667,403

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

91,000	Gilead Sciences, Inc.	8,027,110
		27,461,023
	<b>Chemicals 0.9%</b>	
56,400	Monsanto Co.	5,283,552
	<b>Communications Equipment 1.1%</b>	
128,100	Qualcomm, Inc.	6,471,612
	<b>Computers &amp; Peripherals 1.5%</b>	
	EMC Corp.	
341,500		8,916,565
	<b>Construction &amp; Engineering 0.1%</b>	
	Fluor Corp.	
15,200		830,832
	<b>Diversified Telecommunications Services 1.2%</b>	
140,400	Verizon Communications, Inc.	7,151,976
	<b>Electric Utilities 0.6%</b>	
	Exelon Corp.	
97,185		3,410,222
	<b>Electronic Equipment, Instruments &amp; Components 1.8%</b>	
	Amphenol Corp., Class A (a)	
115,400		6,442,782
	Corning, Inc.	
208,840		3,899,043
		10,341,825
	<b>Energy Equipment &amp; Services 2.2%</b>	
	Baker Hughes, Inc.	
103,271		4,994,186
	Diamond Offshore Drilling, Inc.	
9,700		235,322
53,600	National Oilwell Varco, Inc.	1,931,744
	Schlumberger Ltd.	
72,000		5,784,480
		12,945,732
	<b>Food &amp; Staples Retailing 3.7%</b>	

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

	Costco Wholesale Corp.	
61,200		9,065,556
	Kroger Co.	
182,400		6,455,136
	Walgreens Boots Alliance, Inc.	
74,100		5,874,648
		21,395,340
	<b>Health Care Equipment &amp; Supplies 0.7%</b>	
93,300	Baxter International, Inc. (a)	4,125,726
	<b>Health Care Providers &amp; Services 3.3%</b>	
	Laboratory Corp. of America Holdings (b)	
38,381		4,809,907
	McKesson Corp.	
46,400		7,786,848
	United Health Group, Inc. (a)	
46,400		6,109,952
		18,706,707
	<b>Hotels Restaurants &amp; Leisure 2.9%</b>	
	McDonald's Corp. (a)	
58,900		7,450,261
	Starbucks Corp. (a)	
161,900		9,103,637
		16,553,898

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

April 30, 2016 (unaudited) (continued)

Shares		Value*
<b>Household Products 1.2%</b>		
	Procter & Gamble Co.	
83,000		\$6,649,960
<b>Industrial Conglomerates 2.3%</b>		
37,100	3M Co. (a)	6,209,798
226,085	General Electric Co. (a)	6,952,114
		13,161,912
<b>Insurance 1.1%</b>		
	Prudential Financial, Inc. (a)	
79,500		6,172,380
<b>Internet &amp; Catalog Retail 1.9%</b>		
16,200	Amazon.com, Inc. (a) (b)	10,685,358
<b>Internet Software &amp; Services 4.2%</b>		
	Alibaba Group Holding Ltd., ADR (b)	
26,800		2,061,992
	Alphabet, Inc., Class A (a)(b)	
14,305		10,126,223
85,900	Facebook, Inc., Class A (a)(b)	10,100,122
132,029	Twitter, Inc. (b)	1,930,264
		24,218,601
<b>IT Services 2.6%</b>		
	International Business Machines Corp.	
42,400		6,187,856
116,300	Visa, Inc., Class A (a)	8,983,012
		15,170,868
<b>Machinery 2.6%</b>		
	AGCO Corp.	
170,200		9,100,594
52,900	Deere & Co.	4,449,419

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

	Joy Global, Inc.	
64,300		1,369,590
		14,919,603
<b>Media 2.9%</b>		
	Comcast Corp., Class A (a)	
121,800		7,400,568
	The Walt Disney Co.	
88,200		9,107,532
		16,508,100
<b>Metals &amp; Mining 0.7%</b>		
636,481	ArcelorMittal	3,583,388
	Freeport-McMoRan Copper & Gold, Inc.	
23,400		327,600
		3,910,988
<b>Multiline Retail 2.5%</b>		
	Macy's, Inc.	
126,482		5,007,422
	Target Corp. (a)	
118,000		9,381,000
		14,388,422
<b>Oil, Gas &amp; Consumable Fuels 2.1%</b>		
	Apache Corp.	
29,155		1,586,032
	Occidental Petroleum Corp.	
83,400		6,392,610
	Valero Energy Corp.	
72,400		4,262,188
		12,240,830
<b>Pharmaceuticals 1.4%</b>		
	Bristol-Myers Squibb Co. (a)	
108,500		7,831,530
<b>Road &amp; Rail 0.8%</b>		
	Union Pacific Corp.	
51,300		4,474,899
<b>Semiconductors &amp; Semiconductor Equipment 4.0%</b>		
	Intel Corp.	
301,200		9,120,336
	Lam Research Corp.	
61,593		4,705,705
157,000	Texas Instruments, Inc. (a)	8,955,280

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

		22,781,321
<b>Software 3.3%</b>		
	Microsoft Corp. (a)	
198,500		9,899,195
	Oracle Corp.	
230,000		9,167,800
		19,066,995
<b>Specialty Retail 1.7%</b>		
	Home Depot, Inc. (a)	
71,000		9,506,190
<b>Technology Hardware, Storage &amp; Peripherals 1.8%</b>		
	Apple, Inc.	
110,600		10,367,644
	<b>Total Common Stock (cost-\$487,020,782)</b>	<b>405,893,672</b>

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

April 30, 2016 (unaudited) (continued)

Shares		Value*
<b>CONVERTIBLE PREFERRED STOCK 15.7%</b>		
<b>Banks 1.8%</b>		
	Huntington Bancshares, Inc., 8.50% (c)	
3,050		\$4,176,960
	Wells Fargo & Co., Ser. L, 7.50% (c)	
5,000		6,230,000
		10,406,960
<b>Commercial Services &amp; Supplies 0.4%</b>		
	Stericycle, Inc., 5.25%, 9/15/18	
29,890		2,321,257
<b>Diversified Financial Services 1.0%</b>		
	Bank of America Corp., Ser. L, 7.25% (c)	
4,825		5,685,297
<b>Diversified Telecommunications Services 0.8%</b>		
	Frontier Communications Corp., Ser. A, 11.125%, 6/29/18	
42,905		4,474,992
<b>Electric Utilities 0.9%</b>		
	Exelon Corp., 6.50%, 6/1/17	
105,000		5,088,300
<b>Food Products 1.8%</b>		
	Bunge Ltd., 4.875% (c)	
48,800		4,489,600
	Post Holdings, Inc., 2.50% (c)	
19,800		2,727,450
	Tyson Foods, Inc., 4.75%, 7/15/17	
38,680		2,821,319
		10,038,369
<b>Health Care Providers &amp; Services 1.6%</b>		
85,670	Anthem, Inc., 5.25%, 5/1/18	3,970,804
71,100	JPMorgan Chase & Co., 8.00%, 5/5/16 (HCA Holding, Inc.) (d)	5,163,282

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

		9,134,086
	<b>Multi-Utilities 0.5%</b>	
58,650	AES Trust III, 6.75%, 10/15/29	2,997,015
	<b>Oil, Gas &amp; Consumable Fuels 0.9%</b>	
	ATP Oil & Gas Corp., 8.00% (b)(c)(e)(f)(h)	
25,000		3
	Chesapeake Energy Corp., 5.00% (c)	
34,050		936,375
	Kinder Morgan, Inc., 9.75%, 10/26/18	
46,870		2,069,779
	Southwestern Energy Co., Ser. B, 6.25%, 1/15/18	
20,000		633,800
	WPX Energy, Inc., 6.25%, 7/31/18	
30,215		1,428,263
		5,068,220
	<b>Pharmaceuticals 1.2%</b>	
	Allergan PLC, Ser. A, 5.50%, 3/1/18	
5,515		4,475,367
2,960	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18	2,652,693
		7,128,060
	<b>Real Estate Investment Trust 3.5%</b>	
131,200	Alexandria Real Estate Equities, Inc., 7.00% (c)	4,021,280
	American Tower Corp., 5.50%, 2/15/18	
36,635		3,798,317
	FelCor Lodging Trust, Inc., Ser. A, 1.95% (c)	
98,900		2,486,346
75,000	Welltower, Inc., 6.50% (c)	4,629,750
	Weyerhaeuser Co., 6.375%, 7/1/16	
103,455		5,328,967
		20,264,660
	<b>Technology Hardware, Storage &amp; Peripherals 0.8%</b>	
	Bank of America Corp., 8.00%, 5/10/16 (Apple, Inc.) (d)	
51,710		4,830,748
	<b>Wireless Telecommunication Services 0.5%</b>	
42,255	T-Mobile US, Inc., 5.50%, 12/15/17	2,865,312
	Total Convertible Preferred Stock (cost-\$100,999,393)	90,303,276
<b>Principal Amount (000s)</b>		
	<b>CONVERTIBLE BONDS &amp; NOTES 12.4%</b>	
	<b>Automobiles 0.4%</b>	
\$30,890	Fiat Chrysler, 7.875%, 12/15/16	2,249,178

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

<b>Biotechnology 0.2%</b>		
1,155	BioMarin Pharmaceutical, Inc., 0.75%, 10/15/18	1,360,734
<b>Capital Markets 0.9%</b>		
3,370	BGC Partners, Inc., 4.50%, 7/15/16 Walter Investment Management Corp., 4.50%, 11/1/19	3,412,125
3,000		1,831,875
		5,244,000

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

April 30, 2016 (unaudited) (continued)

Principal Amount (000s)		Value*
<b>Communications Equipment 0.2%</b>		
	Ciena Corp., 3.75%, 10/15/18 (e)(f)	
\$1,000		\$1,127,500
<b>Construction &amp; Engineering 0.5%</b>		
	Dycom Industries, Inc., 0.75%, 9/15/21 (e)(f)	
2,600		2,684,500
<b>Consumer Finance 0.5%</b>		
	PRA Group, Inc., 3.00%, 8/1/20	
3,625		3,131,094
<b>Electrical Equipment 0.3%</b>		
	SolarCity Corp., 1.625%, 11/1/19	
2,700		1,770,188
<b>Health Care Equipment &amp; Supplies 0.3%</b>		
	Hologic, Inc., 2.00%, 3/1/42 (g)	
1,200		1,520,250
<b>Independent Power &amp; Renewable Electricity Producers 0.4%</b>		
2,265	NRG Yield, Inc., 3.25%, 6/1/20 (e)(f)	2,061,150
<b>Internet Software &amp; Services 1.1%</b>		
	Gogo, Inc., 3.75%, 3/1/20	
1,300		1,001,819
1,500	LinkedIn Corp., 0.50%, 11/1/19	1,408,125

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

	Qihoo 360 Technology Co. Ltd., 2.50%, 9/15/18	
1,400		1,398,250
	Web.com Group, Inc., 1.00%, 8/15/18	
2,650		2,577,125
		6,385,319
	<b>Machinery 0.2%</b>	
	Meritor, Inc., 7.875%, 3/1/26 (g)	
1,000		1,196,250
	<b>Oil, Gas &amp; Consumable Fuels 0.7%</b>	
	Cheniere Energy, Inc., 4.25%, 3/15/45	
4,000		2,325,000
	Cobalt International Energy, Inc.,	
1,750	2.625%, 12/1/19	889,219
1,550	3.125%, 5/15/24	670,375
		3,884,594
	<b>Personal Products 0.4%</b>	
2,270	Herbalife Ltd., 2.00%, 8/15/19	2,163,605
	<b>Pharmaceuticals 0.9%</b>	
	Depomed, Inc., 2.50%, 9/1/21	
1,000		1,106,875
1,500	Horizon Pharma Investment Ltd., 2.50%, 3/15/22	1,316,250
900	Jazz Investments I Ltd., 1.875%, 8/15/21	1,005,750
1,115	Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26	1,472,497
		4,901,372
	<b>Real Estate Investment Trust 0.4%</b>	
	Extra Space Storage LP, 3.125%, 10/1/35 (e)(f)	
2,225		2,455,844
	<b>Semiconductors &amp; Semiconductor Equipment 3.8%</b>	
	Inphi Corp., 1.125%, 12/1/20 (e)(f)	
2,000		2,076,250
	Intel Corp., 3.25%, 8/1/39	
2,000		3,045,010
	Microchip Technology, Inc., 1.625%, 2/15/25	
3,070		3,198,556
	Micron Technology, Inc., 3.00%, 11/15/43	
4,165		2,970,166
	NVIDIA Corp., 1.00%, 12/1/18	
2,000		3,573,750

## Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

ON Semiconductor Corp., 1.00%, 12/1/20 (e)(f)

2,620		2,389,112
	<b>SunEdison, Inc. (e)(f)(h),</b>	
4,000	2.625%, 6/1/23	160,000
1,000	3.375%, 6/1/25	40,000
	SunPower Corp.,	
3,000	0.875%, 6/1/21	2,405,625
2,135	4.00%, 1/15/23 (e)(f)	2,073,619
		21,932,088
	<b>Software 0.4%</b>	
	FireEye, Inc., 1.00%, 6/1/35 (e)(f)	
2,500		2,173,437
	<b>Specialty Retail 0.5%</b>	
	Restoration Hardware Holdings, Inc., zero coupon, 6/15/19 (e)(f)	
3,495		2,896,481
	<b>Thriffs &amp; Mortgage Finance 0.0%</b>	
	MGIC Investment Corp., 5.00%, 5/1/17	
200		207,875
	<b>Tobacco 0.3%</b>	
	Vector Group Ltd., 1.75%, 4/15/20 (i)	
1,700		1,816,875
	<b>Total Convertible Bonds &amp; Notes (cost-\$79,971,952)</b>	<b>71,162,334</b>

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

April 30, 2016 (unaudited) (continued)

Units		Value*
<b>WARRANTS (b) 0.0%</b>		
	General Motors Co., expires 7/10/16	
5,558		\$120,775
	expires 7/10/19	
5,558		77,145
	Total Warrants (cost-\$775,632)	\$197,920
<b>Principal Amount (000s)</b>		
<b>SHORT-TERM INVESTMENT 1.2%</b>		
	<b>Time Deposit 1.2%</b>	
\$6,810	ANZ National Bank - London, 0.15%, 5/2/16 (cost-\$6,809,585)	6,809,585
	<b>Total Investments, before call options written</b> (cost-\$675,577,344)(j) <b>99.9%</b>	<b>574,366,787</b>

## Schedule of Investments

## AllianzGI Equity &amp; Convertible Income Fund

April 30, 2016 (unaudited) (continued)

Contracts		Value*
<b>CALL OPTIONS WRITTEN (b) (0.1)%</b>		
185	3M Co., (ASE), strike price \$175, expires 5/20/16	\$(2,035)
895	AbbVie, Inc., (ASE), strike price \$67.50, expires 6/17/16	(40,275)
43	Alphabet, Inc., (ASE), strike price \$790, expires 5/20/16	(860)
75	Amazon.com, Inc., (ASE), strike price \$700, expires 5/20/16	(24,038)
690	Amphenol Corp., (ASE), strike price \$60, expires 5/20/16	(6,900)
560	Baxter International, Inc., (ASE), strike price \$45, expires 5/20/16	(23,520)
540	Bristol-Myers Squibb Co., (CBOE), strike price \$75, expires 5/20/16	(22,410)
610	Comcast Corp., (ASE), strike price \$65, expires 6/17/16	(16,775)
600	Facebook, Inc., (ASE), strike price \$121, expires 5/20/16	(78,300)
250	General Electric Co., (CBOE), strike price \$33, expires 5/20/16	(375)
425	Home Depot, Inc., (ASE), strike price \$142, expires 5/20/16	(14,663)
295	McDonald's Corp., (CBOE), strike price \$133, expires 5/20/16	(3,097)
1,190	Microsoft Corp., (CBOE), strike price \$60, expires 5/20/16	(1,785)
335	Prudential Financial, Inc., (ASE), strike price \$82.50, expires 5/20/16	(18,257)
970	Starbucks Corp., (CBOE), strike price \$62.50, expires 5/20/16	(1,455)
530	Target Corp., (ASE), strike price \$85.50, expires 5/20/16	(7,155)
880	Texas Instruments, Inc., (ASE), strike price \$62.50, expires 5/20/16	(3,080)
125	United Health Group, Inc., (CBOE), strike price \$135, expires 5/20/16	(13,000)
165	United Technologies Corp., (CBOE), strike price \$112, expires 5/20/16	(825)
	Visa, Inc., (ASE),	

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

700	strike price \$85, expires 5/20/16	(1,750)
	Total Call Options Written (premiums received-\$508,111)	(280,555)
	<b>Total Investments, net of call options written</b>	
	(cost-\$675,069,233) <b>99.8%</b>	<b>574,086,232</b>
	Other assets less other liabilities 0.2%	1,124,733
	<b>Net Assets 100.0%</b>	<b>\$575,210,965</b>

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

April 30, 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-Adviser) 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.

Synthetic convertible securities are valued based on quotations obtained from unaffiliated brokers who are the principal market-makers in such securities. Such valuations are derived by the brokers from proprietary models which are generally based on readily available market information including valuations of the common stock underlying the synthetic security.

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) All or partial amount segregated for the benefit of the counterparty as collateral for call options written.

Edgar Filing: AllianzGI Equity & Convertible Income Fund - Form N-Q

- (b) Non-income producing.
- (c) Perpetual maturity. The date shown, if any, is the next call date.
- (d) Securities exchangeable or convertible into securities of an entity different than the issuer or structured by the issuer to provide exposure to securities of an entity different than the issuer (synthetic convertible securities). Such entity is identified in the parenthetical.
- (e) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$20,137,896, representing 3.5% of net assets.
- (f) 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.
- (g) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (h) In default.
- (i) 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.
- (j) At April 30, 2016, the cost basis of portfolio securities (before call options written) for federal income tax purposes was \$675,688,676 Gross unrealized appreciation was \$9,645,735, gross unrealized depreciation was \$110,967,624 and net unrealized depreciation was \$101,321,889. The difference between book and tax cost basis was attributable to wash sale loss deferrals.
- (k) Transactions in call options written for the three months ended April 30, 2016:

	Contracts	Premiums
Options outstanding, January 31, 2016	7,750	\$452,476
Options written	20,798	938,989
Options terminated in closing transactions	(5,475)	(204,458)
Options expired	(13,010)	(678,896)
Options outstanding, April 30, 2016	10,063	\$508,111

## Schedule of Investments

### AllianzGI Equity & Convertible Income Fund

April 30, 2016 (unaudited) (continued)

## 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 April 30, 2016 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

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.

**Option Contracts** Option contracts traded over-the-counter ( OTC ) and FLEXible EXchange ( FLEX ) are valued by independent pricing services based on pricing models that incorporate various inputs such as interest rates, credit spreads, currency exchange rates and volatility measurements for in-the-money, at-the-money, and out-of-the-money contracts based on a given strike price. To the extent that these inputs are observable, the values of OTC and FLEX option contracts are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

---

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

April 30, 2016 (unaudited) (continued)

A summary of the inputs used at April 30, 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 - Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Value at 4/30/16
<b>Investments in Securities - Assets</b>				
Common Stock	\$405,893,672	\$	\$	\$405,893,672
Convertible Preferred Stock:				
Food Products	2,821,319	7,217,050		10,038,369
Health Care Providers & Services	3,970,804		5,163,282	9,134,086
Oil, Gas & Consumable Fuels	4,131,842	936,378		5,068,220
Pharmaceuticals	4,475,367	2,652,693		7,128,060
Technology Hardware, Storage & Peripherals			4,830,748	4,830,748
All Other	54,103,793			54,103,793
Convertible Bonds & Notes		71,162,334		71,162,334
Warrants	197,920			197,920
Short-Term Investment		6,809,585		6,809,585
	475,594,717	88,778,040	9,994,030	574,366,787
<b>Investments in Securities - Liabilities</b>				
Call Options Written, at value:				
Market price	\$(280,555)	\$	\$	\$(280,555)
<b>Totals</b>	<b>\$475,314,162</b>	<b>\$88,778,040</b>	<b>\$9,994,030</b>	<b>\$574,086,232</b>

At April 30, 2016, the Fund had no transfers between levels.

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

April 30, 2016 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the three months ended April 30, 2016, was as follows:

<b>Beginning Balance 1/31/16</b>	<b>Purchases</b>	<b>Sales</b>	<b>Accrued Discounts (Premiums)</b>	<b>Net Realized Gain (Loss)</b>	<b>Net Change in Unrealized Appreciation/ Depreciation</b>	<b>Transfers into</b>	<b>Transfers out of</b>	<b>Ending Balance</b>
--	------------------	--------------	---	---	--	---------------------------	-----------------------------	---------------------------