AllianzGI Equity & Convertible Income Fund
Form N-CSR
April 06, 2018

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 811-21989

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

1633 Broadway, New York, New York 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

Date of fiscal year end: January 31

Date of reporting period: January 31, 2018

ITEM 1. REPORT TO SHAREHOLDERS

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**Letter from the President**

Dear Shareholder:

The US economy continued to expand during the twelve-month fiscal reporting period ended January 31, 2018. This trend also occurred outside the US, and global inflation remained well-contained. Against this backdrop, US and international equities generated very strong results. Elsewhere, the US bond market posted a positive return during the reporting period.

**For the twelve-month reporting period ended January 31, 2018**

¡ AllianzGI Diversified Income & Convertible Fund returned 21.03% on net asset value ( NAV ) and 26.13% on market price.

**Thomas J. Fuccillo**

*President & Chief Executive Officer*

¡ AllianzGI Equity & Convertible Income Fund returned 21.81% on NAV and 24.96% on market price.

¡ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund returned 12.45% on NAV and 12.92% on market price.

During the twelve-month period ended January 31, 2018, the Russell 3000 Index, a broad measure of US stock market performance, gained 25.15%; the Russell 1000 Value Index, a measure of large-cap value-style stocks, rose 17.20%; and the Russell 1000 Growth Index, a measure of growth style stocks, gained 34.89%. Convertible securities, as reflected by the ICE BofA Merrill Lynch All Convertibles All Qualities Index, returned 14.18%.

Turning to the US economy, gross domestic product ( GDP ), the value of goods and services produced in the country, which is the broadest measure of economic activity and the principal indicator of economic performance, expanded at an annual pace of 1.4% during the first quarter of 2017. GDP growth then improved to an annualized pace of 3.1% and 3.2% during the second and third quarters of 2017, respectively. Finally, the Commerce Department s second estimate released after the reporting period had ended showed that GDP grew at an annualized pace of 2.5% for the fourth quarter of 2017.

The US Federal Reserve (the Fed ) raised interest rates three times during the reporting period: in March, June and December 2017. With the rate hike in December, the federal funds rate moved to a range between 1.25% and 1.50%. Meanwhile, in October 2017 the Fed started to gradually reduce its balance sheet a process that will likely take several years. The Fed s actions during the fiscal year were well telegraphed and there were minimal market disruptions.

**Outlook**

Since the depths of the global financial crisis, central banks have supported financial markets and the economies they serve through expansionary monetary policies, increasing their balance sheets to previously unheard-of sizes. In our opinion, the strong growth in corporate profits and diminishing fears of deflation show that this approach has worked, and central banks will be careful not to stifle current gains.

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So, while we anticipate the scale of central bank support will diminish in 2018 led by the Fed we expect the overall shift to be slow and the precise actions to vary from one central bank to the next. In our view, interest rates will stay low overall in 2018. Consequently, we believe investors should continue to keep a careful eye on inflation, particularly because official data appear to understate rises in real-world costs. In addition to macroeconomic considerations, we feel several dominant investment themes, including geopolitical risk and business disruption, will persist in 2018.

Following muted conditions for much of last year, we have seen increased market volatility during the first quarter of 2018. This does not appear to be driven by a change in underlying market fundamentals, but rather driven by concerns that improving economic growth may trigger an uptick in inflation and more aggressive monetary policy tightening by the Fed.

Against this backdrop, we will continue to use our fundamental research and insights and our strong global network to help our clients balance risk and reward. Where appropriate, we will also seek to capitalize on volatility spikes and prepare to trim exposure to risky assets if cyclical data start to lose momentum.

On behalf of Allianz Global Investors U.S. LLC, thank you for investing with us. We encourage you to consult with your financial advisor and to visit our website, us.allianzgi.com, for additional information. We remain dedicated to serving your investment needs.

Thomas J. Fuccillo

*President & Chief Executive Officer*

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

For the period of February 1, 2017 through January 31, 2018, as provided by Doug Forsyth, CFA, Portfolio Manager.

For the twelve-month period ended January 31, 2018, the AllianzGI Diversified Income & Convertible Fund (the Fund ) returned 21.03% on net asset value ( NAV ) and 26.13% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, advanced 34.89%; convertible securities, as reflected by the ICE BofA Merrill Lynch All Convertibles All Quality Index, returned 14.18%; and high yield bonds, as reflected by the ICE BofA Merrill Lynch High Yield Master II Index, returned 6.74%.

**Market Environment**

Several factors influenced large-cap equities, convertible securities and high-yield bonds throughout the reporting period, including constructive economic trends, corporate fundamentals, the US Federal Reserve s (the Fed ) actions and commentary, tax reform and rising commodity prices.

Strong US economic trends supported the market over the reporting period. Higher housing prices helped push household wealth higher. Key manufacturing and service surveys signaled ongoing expansion. Stronger consumer spending and steady job gains supported gross domestic product ( GDP ) growth. Headline inflation eased in December but core inflation rose.

Credit trends showed sustained improvement during the reporting period as most high-yield bond and convertible bond issuers reported financial results that met or exceeded expectations. In particular, net leverage and interest coverage for the high-yield market were better quarter-over-quarter. Large-cap equities reported consecutive quarters of year-over-year earnings growth.

The Fed increased its benchmark interest rate three times in 2017, ending the year at a range of 1.25% to 1.50%. The Fed also began to trim its balance sheet holdings, which started with a $10 billion reduction in October.

All three markets also benefited from optimism tied to tax reform progress and the resulting expectation of greater corporate profitability. The Tax Cuts and Jobs Act included several positive elements such as a reduction in the corporate tax rate and the immediate expensing of capital expenditures. On balance, the prospect of US companies capturing tax savings lifted investor sentiment.

Crude oil prices rose and ended the reporting period at levels not seen since 2014 benefitting energy- and commodity-related issuers.

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

The trend of subdued volatility continued to persist throughout the 2017 calendar year. The Chicago Board Options Exchange Volatility Index ( CBOE VIX ) averaged 11.10 for the calendar year. During the reporting period, the CBOE VIX hit long-term lows multiple times and troughed intra-day with a sub-9 reading near the Christmas holiday.

**Portfolio Specifics**

The Fund was a natural beneficiary of the increased risk appetite across three key asset classes: equities, convertible bonds and high yield bonds. In addition to providing a strong total return, the Fund also provided a high level of income over the reporting period.

In the equity sleeve, health care, information technology, and industrials sectors helped relative performance. Conversely, the consumer discretionary, consumer staples, and energy sectors hindered relative performance.

In the convertible sleeve, sectors that contributed positively to relative performance were financials, consumer discretionary, and transportation. On the other hand, information technology, energy, and telecommunications sectors pressured relative performance.

In the high yield sleeve, industries that aided relative performance were health care, retail, and financial services. In contrast, energy, telecommunications, and support-services hampered relative performance.

For the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums. The number of equities with a covered call structure remained low given the subdued equity volatility backdrop and resulting opportunity set.

**Outlook**

At fiscal year end, US stock markets were trading near all-time highs and interest rates were above their prior lows on an improving economic outlook. Historically, these factors have been positive indicators for both economic and corporate earnings growth and supportive of investments in risk assets.

We believe the US economy will expand at a moderate pace in 2018 given favorable economic indicators exiting 2017. Corporate profits have accelerated and based on bottom-up estimates, we believe earnings are poised to trend higher throughout 2018.

In addition, US monetary policy continues to be modestly accommodative with the Fed and new Chair Jerome Powell expected to take a gradual approach toward policy adjustments.

**AllianzGI Equity & Convertible Income Fund**

For the period of February 1, 2017 through January 31, 2018, as provided by Doug Forsyth, CFA, Portfolio Manager.

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

For the twelve-month period ended January 31, 2018, the AllianzGI Equity & Convertible Income Fund (the Fund ) returned 21.81% on net asset value ( NAV ) and 24.96% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, advanced 34.89%; and convertible securities, as reflected by the ICE BofA Merrill Lynch All Convertibles All Qualities Index, returned 14.18%.

**Market Environment**

Several factors influenced equities and convertible bonds throughout the reporting period, including constructive economic trends, corporate fundamentals, the US Federal Reserve s (the Fed ) actions and commentary, tax reform and rising commodity prices.

Strong US economic trends supported the market over the reporting period. Higher housing prices helped push household wealth higher. Key manufacturing and service surveys signaled ongoing expansion. Stronger consumer spending and steady job gains supported gross domestic product ( GDP ) growth. Headline inflation eased in December but core inflation rose.

Credit trends showed sustained improvement during the reporting period as most convertible bond issuers reported financial results that met or exceeded expectations. Large-cap equities reported consecutive quarters of year-over-year earnings growth.

The Fed increased its benchmark interest rate three times in 2017, ending the year at a range of 1.25% to 1.50%. The Fed also began to trim its balance sheet holdings, which started with a $10 billion reduction in October.

The convertible and equity markets also benefited from optimism tied to tax reform progress and the resulting expectation of greater corporate profitability. The Tax Cuts and Jobs Act included several positive elements such as a reduction in the corporate tax rate and the immediate expensing of capital expenditures. On balance, the prospect of US companies capturing tax savings lifted investor sentiment.

Crude oil prices rose and ended the reporting period at levels not seen since 2014, benefitting energy- and commodity-related issuers.

The trend of subdued volatility continued to persist throughout the 2017 calendar year. The Chicago Board Options Exchange Volatility Index ( CBOE VIX ) averaged 11.10 for the calendar year. During the reporting period, the CBOE VIX hit long-term lows multiple times and troughed intra-day with a sub-9 reading near the Christmas holiday.

**Portfolio Specifics**

The Fund was a natural beneficiary of the increased risk appetite across two key asset classes: equities and convertible bonds. In addition to providing a strong total return, the

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

Fund also provided a high level of income over the reporting period.

In the equity sleeve, health care, industrials, and real estate sectors helped relative performance. Conversely, the energy, consumer discretionary, and consumer staples sectors hindered relative performance.

In the convertible sleeve, sectors that contributed positively to relative performance were energy, materials, and consumer discretionary. On the other hand, information technology, health care, and media pressured relative performance.

For the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums. The number of equities with a covered call structure remained low given the subdued equity volatility backdrop and resulting opportunity set.

**Outlook**

At fiscal year end, US stock markets were trading near all-time highs and interest rates were above their prior lows on an improving economic outlook. Historically, these factors have been positive indicators for both economic and corporate earnings growth and supportive of investments in risk assets.

We believe the US economy will expand at a moderate pace in 2018 given favorable economic indicators exiting 2017. Corporate profits have accelerated and based on bottom-up estimates, earnings are poised to trend higher throughout 2018.

In addition, US monetary policy continues to be modestly accommodative with the Fed and new Chair Jerome Powell expected to take a gradual approach toward policy adjustments.

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

For the period of February 1, 2017 through January 31, 2018, as provided by the Value Equity, US team.

For the twelve-month period ended January 31, 2018, the AllianzGI NFJ Dividend, Interest & Premium Strategy Fund (the Fund ) returned 12.45% on net asset value ( NAV ) and 12.92% on market price.

During the reporting period, the Russell 1000 Value Index, a measure of large-cap value style stocks, advanced 17.20%; and convertible securities, as reflected by the ICE BofA Merrill Lynch All Convertibles All Qualities Index, returned 14.18%.

**Market Environment**

The twelve-month period ended January 31, 2018 was a robust period for US equities, with major indices touching a series of fresh peaks and the S&P 500 Index up more than 26%. Share prices were buoyed by better-than-expected company earnings, renewed

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

merger and acquisition activity, and optimism over the prospects for tax reform. In December, the Senate finally approved plans for $1.5 trillion of tax cuts, the most sweeping overhaul of the US tax system in more than three decades. Despite the temporary shocks caused by hurricanes Harvey and Irma in late August and early September, US economic activity was robust. After annualized growth of 1.4% in the first quarter, US gross domestic product ( GDP ) expanded at annualized rates of 3.1% in the second quarter, 3.2% in the third quarter, and 2.5% in the fourth quarter. This placed the economy on track to expand at the fastest pace in 2017 than at any time since 2005. The momentum appeared to be continuing into the final quarter of the year, with more than 200,000 jobs added in each of October and November. The reporting period ended with a temporary government shutdown and rising bond yields, though better-than-expected corporate earnings and optimism that tax reform would further uplift US company profits helped US equities overcome these hurdles.

The US Federal Reserve (the Fed ) continued to gradually normalize monetary policy, announcing it would start to reduce the $4.5 trillion of Treasury bonds and mortgage-backed securities it amassed through its quantitative easing programs. As widely expected, the Fed raised interest rates three times, in March, June and December, increasing the federal funds interest rate to a range of 1.25% to 1.50%. It also maintained its forecasts for three further increases in 2018 followed by two in 2019. Jerome Powell assumed office as the Chair of the Fed in February 2018. Mr. Powell is expected to continue with the current policy of slowly normalizing rates.

**Portfolio Specifics**

In the equity sleeve, positive stock selection and sector allocation, albeit to a lesser degree, generated positive absolute and relative returns over the trailing twelve-month period. Selection was strong across the consumer staples, health care and industrials sectors, while holdings in the energy, financials and information technology sectors failed to keep pace with benchmark shares. Underweight exposures in real estate and financials boosted relative performance results over the reporting period. Conversely, overweight positions in the energy and telecommunication services sectors detracted from trailing twelve-month returns.

In the convertibles sleeve, sector allocations that helped relative performance during the period were materials, consumer discretionary, and consumer staples. In contrast, health care, information technology, and telecommunication sector exposure weighed on relative returns.

In the equity options sleeve, retaining call premiums proved difficult during the twelve-month period. The period was notable for US

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

equities, with major indices touching a series of fresh peaks and the S&P 500 Index delivering a return of approximately 26.4%. That momentum carried into the new year as better-than-expected company earnings, renewed merger and acquisition activity, and optimism over the prospects for tax reform continued. Levels of implied volatility, as measured by the Chicago Board Options Exchange Volatility Index ( CBOE VIX ), averaged just over 11.1 with a high of 17.3 during a brief stint in August. Overall, the 200 day moving average trended lower throughout the period, adversely affecting ability to collect premiums. The overall strong performance in equities resulted in our options positions expiring in-the-money, requiring cash assignments in excess of the premium collected or short covering in excess of premiums collected. The options portfolio as of January 31, 2018 consisted of single stock covered calls that are diversified by sector, strike and maturity.

**Outlook**

Last year marked another robust return period for US equities, with markets reaching all-time highs in 10 of 12 months in 2017. Much of these gains were sustained by remarkably low volatility across risk assets. Now in the midst of a nine-year bull market the second longest in S&P 500 history US investors have become sufficiently confident to place a large overweight on equities. At the end of December, stocks accounted for 72% of the average US retail investor s holding the most since April 2000. What do the equity markets have in store for investors?

With the Fed removing liquidity from the system, some global central banks beginning their tightening cycles (*e.g.* Bank of England, European Central Bank, and Bank of China), and tax reform now a reality, we believe that volatility may be on the horizon equity markets. Though the CBOE VIX ended the year at 11, its long term average is close to double that at 20.5. With interest rates beginning to move upward, investors may find themselves looking beyond equities to access sufficient portfolio returns. Increased volatility typically ushers in lower correlations and higher dispersions in risk assets, and active managers will be important resources to help investors sift through market winners and losers.

With the Fed on a normalization trajectory in 2018, it is also important to keep in mind that 10 of the last 13 Fed cycles post-World War II have ended in recession. Though history may not repeat itself, it often rhymes; and while untampered optimism could lead to overreach, supportive dynamics for market strength remain. From synchronized global growth to US tax reform to continued monetary accommodation and favorable domestic demographics, US equities could climb higher in 2018. After almost a decade in a seemingly complacent bull market, are investors and their portfolios prepared to weather increased volatility?

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

Effective October 10, 2017, Dividend, Interest & Premium Strategy rescinded its non-fundamental policy regarding written call options on equity indices and adopted a new non-fundamental policy of writing (selling) covered call options on individual stocks held in the Fund s Equity Component. The newly adopted non-fundamental policy of the Fund with respect to writing call options is set forth below:

The Fund normally employs a strategy of writing (selling) covered call options on the stocks held in the Fund s Equity Component (the Option Strategy ). It is expected that the Fund ordinarily will write call options on some or all of the individual stocks held in the Equity Component, depending on market conditions and other factors, and with respect to generally 70% or less of the value of each position. As the Fund writes covered call options over more of its equity portfolio, its ability to benefit from capital appreciation of its common stock holdings in the Equity Component becomes more limited. The extent of the Fund s use of the Option Strategy may vary from time to time, depending on market conditions and other factors. The Option Strategy is designed to generate gains from option premiums in an attempt to enhance amounts available for distributions payable to the Fund s shareholders. However, there is no assurance that the Option Strategy will achieve its objective.

Call options on individual securities are contracts representing the right to purchase the underlying equity security at a specified price (the strike price ) at or before a specified future date (the expiration date ). The price of the option is determined by trading activity in the broad options market and generally reflects the relationship between factors including the current value of the underlying equity security and the strike price, the volatility of the underlying equity security and the time remaining until the expiration date. As the writer (seller) of a call option, the Fund would receive cash (the premium) from the purchaser of the option, and the purchaser would have the right to receive from the Fund either the underlying security or any appreciation in the value of the underlying security above the strike price upon exercise. In effect, the Fund would forgo the potential appreciation in the underlying security above the strike price in exchange for the premium, although it would retain the risk of loss should the price of the underlying security decline. Therefore, the Fund s use of the Option Strategy will generally limit the Fund s ability to benefit from the full upside potential of its Equity Component.

As part of the Option Strategy, the Fund will generally write call options with a strike price that is above ( out-of-the-money ) the market value of the underlying security at the time the option is written. In addition to providing possible gains through premiums,

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

out-of-the-money call options allow the Fund to potentially benefit from appreciation in the underlying security held by the Fund up to the strike price, but the Fund forgoes any appreciation above the strike price. The Fund also reserves the flexibility to write at-the-money (*i.e.*, with a strike price equal to the market value of the underlying security) and in-the-money call options (*i.e.*, with a strike price below the market value of the underlying security). The Fund will typically only write call options on individual securities if those options are covered. The Fund s written call options on individual securities will ordinarily be covered by the Fund holding the underlying security in its portfolio throughout the term of the option. The Fund will generally not write options with respect to individual equity securities (other than ETFs, as described below) that are not held in the Fund s portfolio (*i.e.*, naked options). The Fund may also write call options on equity indexes and ETFs. The Fund will normally cover any options on equity indexes and ETFs either by segregating liquid assets in an amount equal to its net obligations under the contract or by entering into offsetting positions.

The Fund generally will write listed call options that are originated and standardized by the Options Clearing Corporation and trade on a major exchange, although it also may write unlisted (or over-the-counter ) call options and so-called flex options (options that are traded on an exchange, but with customized strike prices and expiration dates). The Fund s Option Strategy could cause the Fund to recognize larger amounts of net short-term capital gains, which are taxable at the higher ordinary income tax rates when distributed to shareholders, than it otherwise would in the absence of such strategy. The Fund s Option Strategy also could terminate or suspend the Fund s holding period in the underlying securities, and, as a result, any dividends received by the Fund on those securities may not qualify for treatment as qualified dividend income (which generally is taxable to individual shareholders at the lower rates applicable to long-term capital gain).

Certain risks associated with the Dividend, Interest & Premium Strategy s new policy are set for the below:

The ability of the Fund to achieve current gains to support Fund dividends is partially dependent on the successful implementation of its Option Strategy. There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objective. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or

**Fund Insights**

**AllianzGI Diversified Income & Convertible Fund/ AllianzGI Equity & Convertible Income Fund/ AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited) (continued)

unexpected events. The Fund s ability to use options successfully will depend on the Investment Manager s ability to predict pertinent market movements, which cannot be assured. As the writer of a covered call option, the Fund forgoes, during the option s life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline. In other words, as the Fund writes covered calls over more of its Equity Component, the Fund s ability to benefit from capital appreciation of its common stock holdings becomes more limited.

Effective January 22, 2018, Diversified Income & Convertible revised its non-fundamental policy regarding written call options. Under the preexisting policy, covered call options were to be written on approximately 30% to 80% of the Fund s common stocks, while the revised policy contemplates options written on up to 80% of the Fund s common stocks. Certain additional changes were also implemented. The newly adopted non-fundamental policy of the Fund with respect to writing call options is set forth below:

The Fund expects to normally employ a strategy of writing (selling) covered call options on the stocks held in its portfolio (the Option Strategy ). The Fund will ordinarily write call options on the individual stocks held in its portfolio, and with respect to up to approximately 70% of the value of each position. The Fund will normally write covered call options on up to 80% of the Fund s common stocks, with the percentage varying from time to time, depending on market conditions and other factors. The Fund s use of the Option Strategy may vary from time to time, depending on market conditions and other factors, and the Fund may determine not to employ the Option Strategy at all during certain periods.

We believe our dividend and value-oriented equity portfolios have the potential to provide additional protection when investing in equities. Our dividend focus, for example, positions our portfolios with an inherent advantage relative to the benchmark, as dividends provide a tangible return and more predictable current income. Historical studies also suggest that dividend-paying stocks have exhibited less volatility than non-dividend paying securities. As US equity markets continue their meteoric rise, our team continues to identify investment opportunities with compelling valuations and stable earnings growth. Though we cannot predict when today s bull market will run its course, we can design portfolios that seek attractive valuations that we believe will participate on the upside and aim to protect on the downside for our investors.

**Performance & Statistics**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (unaudited)

| **Total Return**(1) | **Market Price** | **NAV** |
|---|---|---|
| 1 Year | 26.13% | 21.03% |
| Commencement of Operations (5/27/15) to 1/31/18 | 5.97% | 9.47% |

**Market Price/NAV Performance**

Commencement of Operations (5/27/15) to 1/31/18

NAV

Market Price

| **Market Price/NAV** | |
|---|---|
| Market Price | $22.40 |
| NAV(2) | $23.88 |
| Discount to NAV | -6.20% |
| Market Price Yield(3) | 8.95% |
| Leverage Ratio(4) | 29.97% |

**Investment Allocation**

(as a % of total investments, before call options written)

(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 and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return.

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 the Fund s shares, or changes in the Fund s dividends.

An investment in the 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) The NAV disclosed in the Fund s financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current (declared February 1, 2018) monthly dividend per common share (comprised of net investment income and net capital gains, if any) by the market price per common share at January 31, 2018.

(4) Represents Mandatory Redeemable Preferred Shares, Senior Secured Notes and amounts drawn under the short-term margin loan facility ( 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).

**Performance & Statistics**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (unaudited)

| **Total Return**(1) | **Market Price** | **NAV** |
|---|---|---|
| 1 Year | 24.96% | 21.81% |
| 5 Year | 12.38% | 11.16% |
| 10 Year | 8.19% | 7.79% |
| Commencement of Operations (2/27/07) to 1/31/18 | 6.90% | 7.58% |

**Market Price/NAV Performance**

Commencement of Operations (2/27/07) to 1/31/18

NAV

Market Price

| **Market Price/NAV** | |
|---|---|
| Market Price | $22.08 |
| NAV(2) | $24.51 |
| Discount to NAV | -9.91% |
| Market Price Yield(3) | 6.88% |

**Investment Allocation**

(as a % of total investments, before call options written)

(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 and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return.

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 the Fund s shares, or changes in the Fund s dividends.

An investment in the 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 less total liabilities divided by the number of shares

outstanding. Holdings are subject to change daily.

(2) The NAV disclosed in the Fund s financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current quarterly dividend per share (comprised of net investment income and net capital gains, if any) by the market price per share at January 31, 2018.

**Performance & Statistics**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (unaudited)

| **Total Return**(1) | | **Market Price** | | **NAV** |
|---|---|---|---|---|
| 1 Year | | 12.92% | | 12.45% |
| 5 Year | | 5.96% | | 6.26% |
| 10 Year | | 3.81% | | 4.12% |
| Commencement of Operations (2/28/05) to 1/31/18 | | 4.34% | | 5.12% |

**Market Price/NAV Performance**

Commencement of Operations (2/28/05) to 1/31/18

NAV

Market Price

| **Market Price/NAV** | |
|---|---|
| Market Price | $13.52 |
| NAV(2) | $15.32 |
| Discount to NAV | -11.75% |
| Market Price Yield(3) | 0.55% |

**Investment Allocation**

(as a % of total investments, before call options written)

(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 and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return.

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 the Fund s shares, or changes in the Fund s dividends.

An investment in the 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 less total liabilities divided by the number of shares

outstanding. Holdings are subject to change daily.

(2) The NAV disclosed in the Fund s financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current quarterly dividend per share (comprised of net investment income and net capital gains, if any) by the market price per share at January 31, 2018.

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018

| Principal Amount (000s) | | Value |
|---|---|---|
| **Convertible Bonds & Notes 63.8%** | | |
| | **Aerospace & Defense 0.4%** | |
| $740 | Aerojet Rocketdyne Holdings, Inc., 2.25%, 12/15/23 | $931,924 |
| | **Auto Components 1.4%** | |
| 2,000 | Horizon Global Corp., 2.75%, 7/1/22 | 1,650,910 |
| 1,670 | Meritor, Inc., 3.25%, 10/15/37 (a)(b) | 1,850,649 |
| | | 3,501,559 |
| | **Auto Manufacturers 1.8%** | |
| 1,040 | Navistar International Corp., 4.75%, 4/15/19 | 1,132,412 |
| | Tesla, Inc., | |
| 1,920 | 0.25%, 3/1/19 (g) | 2,135,388 |
| 920 | 2.375%, 3/15/22 | 1,155,654 |
| | | 4,423,454 |
| | **Biotechnology 4.8%** | |
| | BioMarin Pharmaceutical, Inc. (g), | |
| 1,630 | 0.599%, 8/1/24 | 1,610,952 |
| 585 | 1.50%, 10/15/20 | 686,788 |
| 825 | Dermira, Inc., 3.00%, 5/15/22 (a)(b) | 938,815 |
| 2,135 | Exact Sciences Corp., 1.00%, 1/15/25 | 2,087,996 |
| 1,800 | Illumina, Inc., 0.50%, 6/15/21 (g) | 2,181,902 |
| 1,285 | Insmed, Inc., 1.75%, 1/15/25 | 1,231,730 |
| 1,270 | Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21 (g) | 1,359,414 |
| 650 | Ligand Pharmaceuticals, Inc., 0.75%, 8/15/19 (g) | 1,360,648 |
| 325 | Novavax, Inc., 3.75%, 2/1/23 (a)(g) | 219,375 |
| | | 11,677,620 |
| | **Building Materials 0.4%** | |
| 990 | Patrick Industries, Inc., 1.00%, 2/1/23 (a)(b) | 1,019,019 |
| | **Commercial Services 1.8%** | |
| 690 | Euronet Worldwide, Inc., 1.50%, 10/1/44 (g) | 915,382 |
| 595 | LendingTree, Inc., 0.625%, 6/1/22 (a)(b) | 1,096,805 |
| 905 | Live Nation Entertainment, Inc., 2.50%, 5/15/19 (g) | 1,219,743 |
| 590 | Square, Inc., 0.375%, 3/1/22 (a)(b)(g) | 1,239,460 |
| | | 4,471,390 |
| | **Computers 1.0%** | |
| 505 | Lumentum Holdings, Inc., 0.25%, 3/15/24 (a)(b) | 541,663 |
| 1,875 | Nutanix, Inc., zero coupon, 1/15/23 (a)(b) | 1,833,356 |
| | | 2,375,019 |
| | **Diversified Financial Services 0.9%** | |
| 1,435 | Encore Capital Group, Inc., 3.25%, 3/15/22 (a)(b)(g) | 1,589,026 |
| 675 | PRA Group, Inc., 3.00%, 8/1/20 (g) | 651,222 |
| | | 2,240,248 |
| | **Electrical Equipment 0.7%** | |
| | SunPower Corp. (g), | |
| 1,115 | 0.875%, 6/1/21 | 844,613 |
| 1,035 | 4.00%, 1/15/23 | 861,133 |
| | | 1,705,746 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Electronics 1.0%** | |
| $965 | II-VI, Inc., 0.25%, 9/1/22 (a)(b)(g) | $1,091,282 |
| 1,450 | OSI Systems, Inc., 1.25%, 9/1/22 (a)(b) | 1,341,453 |
| | | 2,432,735 |
| | **Energy-Alternate Sources 1.1%** | |
| 1,910 | NextEra Energy Partners L.P., 1.50%, 9/15/20 (a)(b) | 1,925,750 |
| 750 | Pattern Energy Group, Inc., 4.00%, 7/15/20 | 753,694 |
| 3,615 | SunEdison, Inc., 3.375%, 6/1/25 (d)(f) | 81,337 |
| | | 2,760,781 |
| | **Engineering & Construction 0.7%** | |
| 1,315 | Dycom Industries, Inc., 0.75%, 9/15/21 (g) | 1,752,548 |
| | **Equity Real Estate Investment Trusts (REITs) 0.5%** | |
| 1,025 | Extra Space Storage L.P., 3.125%, 10/1/35 (a)(b)(g) | 1,107,616 |
| | **Healthcare-Products 2.3%** | |
| 905 | Hologic, Inc., 2.00%, 3/1/42 (g) | 1,235,292 |
| 1,590 | Insulet Corp., 1.375%, 11/15/24 (a)(b)(g) | 1,688,324 |
| 1,125 | Quidel Corp., 3.25%, 12/15/20 | 1,778,086 |
| 800 | Wright Medical Group, Inc., 2.00%, 2/15/20 | 831,000 |
| | | 5,532,702 |
| | **Healthcare-Services 2.3%** | |
| 730 | Anthem, Inc., 2.75%, 10/15/42 (g) | 2,485,985 |
| 700 | Molina Healthcare, Inc., 1.125%, 1/15/20 | 1,577,566 |
| 1,440 | Teladoc, Inc., 3.00%, 12/15/22 (a)(b) | 1,671,948 |
| | | 5,735,499 |
| | **Home Builders 0.3%** | |
| 660 | KB Home, 1.375%, 2/1/19 | 803,991 |
| | **Insurance 0.5%** | |
| 1,510 | AmTrust Financial Services, Inc., 2.75%, 12/15/44 (g) | 1,329,460 |
| | **Internet 5.8%** | |
| 1,360 | Altaba, Inc., zero coupon, 12/1/18 (g) | 2,050,404 |
| 1,730 | IAC FinanceCo., Inc., 0.875%, 10/1/22 (a)(b)(g) | 1,981,220 |
| 1,220 | Palo Alto Networks, Inc., zero coupon, 7/1/19 (g) | 1,788,001 |
| 1,310 | Pandora Media, Inc., 1.75%, 12/1/20 (g) | 1,161,314 |
| 1,325 | Priceline Group, Inc., 0.90%, 9/15/21 | 1,592,486 |
| 600 | VeriSign, Inc., 4.702%, 8/15/37 (g) | 2,013,643 |
| 1,190 | Wayfair, Inc., 0.375%, 9/1/22 (a)(b) | 1,323,280 |
| 910 | Weibo Corp., 1.25%, 11/15/22 (a)(b) | 1,100,382 |
| 1,055 | Zillow Group, Inc., 2.00%, 12/1/21 | 1,189,558 |
| | | 14,200,288 |
| | **Iron/Steel 0.5%** | |
| 570 | Allegheny Technologies, Inc., 4.75%, 7/1/22 (g) | 1,159,972 |
| 160 | Cleveland-Cliffs, Inc., 1.50%, 1/15/25 (g) | 172,253 |
| | | 1,332,225 |
| | **Lodging 0.8%** | |
| 930 | Caesars Entertainment Corp., 5.00%, 10/1/24 (a)(g) | 1,957,979 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Machinery-Diversified 0.9%** | |
| $2,145 | Chart Industries, Inc., 1.00%, 11/15/24 (a)(b)(g) | $2,326,853 |
| | **Media 2.6%** | |
| | DISH Network Corp. (g), | |
| 1,450 | 2.375%, 3/15/24 (a)(b) | 1,360,428 |
| 1,665 | 3.375%, 8/15/26 | 1,772,156 |
| 1,500 | Liberty Interactive LLC, 1.75%, 9/30/46 (a)(b)(g) | 1,845,183 |
| 1,170 | Liberty Media Corp., 1.00%, 1/30/23 (a)(b) | 1,382,659 |
| | | 6,360,426 |
| | **Metal Fabricate/Hardware 0.7%** | |
| 1,350 | RTI International Metals, Inc., 1.625%, 10/15/19 (g) | 1,596,645 |
| | **Miscellaneous Manufacturing 0.4%** | |
| 685 | Trinity Industries, Inc., 3.875%, 6/1/36 | 1,003,702 |
| | **Oil, Gas & Consumable Fuels 5.1%** | |
| 580 | Alon USA Energy, Inc., 3.00%, 9/15/18 (g) | 769,271 |
| 580 | Bristow Group, Inc., 4.50%, 6/1/23 (g) | 715,690 |
| 885 | Chesapeake Energy Corp., 5.50%, 9/15/26 | 813,034 |
| 1,685 | Ensco Jersey Finance Ltd., 3.00%, 1/31/24 | 1,531,074 |
| 2,620 | Nabors Industries, Inc., 0.75%, 1/15/24 (a)(b)(g) | 2,112,506 |
| 1,385 | Oasis Petroleum, Inc., 2.625%, 9/15/23 (g) | 1,472,833 |
| 1,400 | Oil States International, Inc., 1.50%, 2/15/23 (a)(b) | 1,437,160 |
| 765 | PDC Energy, Inc., 1.125%, 9/15/21 (g) | 767,737 |
| 1,690 | SM Energy Co., 1.50%, 7/1/21 (g) | 1,727,574 |
| 1,115 | Weatherford International Ltd., 5.875%, 7/1/21 (g) | 1,164,466 |
| | | 12,511,345 |
| | **Pharmaceuticals 3.8%** | |
| 775 | Array BioPharma, Inc., 2.625%, 12/1/24 (a)(b)(g) | 970,733 |
| 650 | Depomed, Inc., 2.50%, 9/1/21 (g) | 542,978 |
| 880 | DexCom, Inc., 0.75%, 5/15/22 (a)(b)(g) | 834,255 |
| 1,345 | Flexion Therapeutics, Inc., 3.375%, 5/1/24 (a)(b)(g) | 1,530,268 |
| 1,360 | Horizon Pharma Investment Ltd., 2.50%, 3/15/22 (g) | 1,263,100 |
| 1,340 | Neurocrine Biosciences, Inc., 2.25%, 5/15/24 (a)(b) | 1,806,616 |
| 1,235 | Sarepta Therapeutics, Inc., 1.50%, 11/15/24 (a)(b) | 1,427,745 |
| 185 | Synergy Pharmaceuticals, Inc., 7.50%, 11/1/19 (a)(b)(g) | 191,706 |
| 960 | Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26, Ser. C (g) | 865,126 |
| | | 9,432,527 |
| | **Pipelines 0.7%** | |
| 2,145 | Cheniere Energy, Inc., 4.25%, 3/15/45 (g) | 1,658,085 |
| | **Retail 0.4%** | |
| 870 | RH, zero coupon, 6/15/19 (a)(b) | 895,163 |
| | **Semiconductors 5.8%** | |
| 640 | Advanced Micro Devices, Inc., 2.125%, 9/1/26 (g) | 1,199,380 |
| | Cypress Semiconductor Corp. (g), | |
| 745 | 2.00%, 2/1/23 (a)(b) | 807,105 |
| 495 | 4.50%, 1/15/22 | 704,117 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Semiconductors** (continued) | |
| $1,560 | Intel Corp., 3.25%, 8/1/39 (g) | $3,583,126 |
| 2,750 | Microchip Technology, Inc., 1.625%, 2/15/27 (a)(b) | 3,354,255 |
| 2,160 | Micron Technology, Inc., 3.00%, 11/15/43, Ser. G (g) | 3,301,340 |
| 895 | Teradyne, Inc., 1.25%, 12/15/23 | 1,370,041 |
| | | 14,319,364 |
| | **Software 10.3%** | |
| 1,325 | Citrix Systems, Inc., 0.50%, 4/15/19 (g) | 1,758,698 |
| 1,450 | Coupa Software, Inc., 0.375%, 1/15/23 (a)(b) | 1,576,875 |
| 1,700 | Envestnet, Inc., 1.75%, 12/15/19 (g) | 1,829,423 |
| 900 | Everbridge, Inc., 1.50%, 11/1/22 (g) | 1,046,490 |
| 680 | Medidata Solutions, Inc., 1.00%, 8/1/18 | 819,714 |
| 1,605 | Nice Systems, Inc., 1.25%, 1/15/24 | 1,958,596 |
| 2,130 | Nuance Communications, Inc., 1.25%, 4/1/25 (a)(b)(g) | 2,251,022 |
| 1,095 | Proofpoint, Inc., 0.75%, 6/15/20 | 1,492,494 |
| 1,880 | PROS Holdings, Inc., 2.00%, 6/1/47 (a)(b) | 1,713,020 |
| 1,640 | RealPage, Inc., 1.50%, 11/15/22 (a)(b) | 2,201,208 |
| 1,230 | Salesforce.com, Inc., 0.25%, 4/1/18 (g) | 2,106,263 |
| 2,185 | ServiceNow, Inc., zero coupon, 6/1/22 (a)(b) | 2,683,973 |
| 1,515 | Verint Systems, Inc., 1.50%, 6/1/21 (g) | 1,476,875 |
| 2,230 | Workday, Inc., 0.25%, 10/1/22 (a)(b) | 2,327,576 |
| | | 25,242,227 |
| | **Telecommunications 1.4%** | |
| 1,350 | CalAmp Corp., 1.625%, 5/15/20 (g) | 1,488,375 |
| 980 | Ciena Corp., 3.75%, 10/15/18 (g) | 1,142,606 |
| 605 | InterDigital, Inc., 1.50%, 3/1/20 | 733,654 |
| | | 3,364,635 |
| | **Transportation 2.7%** | |
| 1,790 | Air Transport Services Group, Inc., 1.125%, 10/15/24 (a)(b)(g) | 1,886,866 |
| 1,030 | Atlas Air Worldwide Holdings, Inc., 1.875%, 6/1/24 (g) | 1,178,686 |
| 1,770 | Greenbrier Cos., Inc., 2.875%, 2/1/24 (a)(b)(g) | 2,038,989 |
| 1,550 | Teekay Corp., 5.00%, 1/15/23 (a)(b) | 1,488,866 |
| | | 6,593,407 |
| Total Convertible Bonds & Notes (cost-$153,974,234) | | 156,596,182 |

| Shares | | |
|---|---|---|
| **Common Stock 36.0%** | | |
| | **Aerospace & Defense 1.0%** | |
| 6,700 | Boeing Co. (g) | 2,374,279 |
| | **Automobiles 0.5%** | |
| 104,700 | Ford Motor Co. (g) | 1,148,559 |
| | **Banks 1.7%** | |
| 58,200 | Bank of America Corp. (g) | 1,862,400 |
| 19,900 | JPMorgan Chase & Co. | 2,301,833 |
| | | 4,164,233 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Beverages 0.4%** | |
| 9,000 | PepsiCo, Inc. | $1,082,700 |
| | **Biotechnology 2.6%** | |
| 19,200 | AbbVie, Inc. (g) | 2,154,624 |
| 4,200 | Biogen, Inc. (g)(h) | 1,460,802 |
| 18,600 | Gilead Sciences, Inc. (g) | 1,558,680 |
| 1,843 | Regeneron Pharmaceuticals, Inc. (g)(h) | 675,736 |
| 3,500 | Vertex Pharmaceuticals, Inc. (g)(h) | 584,045 |
| | | 6,433,887 |
| | **Building Products 0.5%** | |
| 30,252 | Johnson Controls International PLC (g) | 1,183,761 |
| | **Chemicals 0.7%** | |
| 16,600 | Chemours Co. | 856,892 |
| 11,400 | DowDuPont, Inc. | 861,612 |
| | | 1,718,504 |
| | **Construction & Engineering 0.4%** | |
| 15,300 | Fluor Corp. (g) | 928,710 |
| | **Diversified Telecommunication Services 0.5%** | |
| 25,100 | Verizon Communications, Inc. (g) | 1,357,157 |
| | **Electronic Equipment, Instruments & Components 0.4%** | |
| 9,600 | Amphenol Corp., Class A | 890,592 |
| | **Energy Equipment & Services 0.4%** | |
| 15,000 | Schlumberger Ltd. (g) | 1,103,700 |
| | **Food & Staples Retailing 1.7%** | |
| 6,800 | Costco Wholesale Corp. | 1,325,116 |
| 37,600 | Kroger Co. (g) | 1,141,536 |
| 22,400 | Walgreens Boots Alliance, Inc. (g) | 1,685,824 |
| | | 4,152,476 |
| | **Healthcare Equipment & Supplies 0.8%** | |
| 21,400 | Baxter International, Inc. (g) | 1,541,442 |
| 1,000 | Intuitive Surgical, Inc. (h) | 431,670 |
| | | 1,973,112 |
| | **Healthcare Providers & Services 1.9%** | |
| 20,825 | Envision Healthcare Corp. (g)(h) | 749,492 |
| 9,300 | McKesson Corp. (g) | 1,570,584 |
| 9,500 | UnitedHealth Group, Inc. | 2,249,410 |
| | | 4,569,486 |
| | **Hotels, Restaurants & Leisure 1.2%** | |
| 8,100 | McDonald s Corp. | 1,386,234 |
| 25,700 | Starbucks Corp. (g) | 1,460,017 |
| | | 2,846,251 |
| | **Household Durables 0.3%** | |
| 17,100 | DR Horton, Inc. | 838,755 |
| | **Industrial Conglomerates 0.9%** | |
| 3,500 | 3M Co. (g) | 876,750 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Industrial Conglomerates** (continued) | |
| 35,500 | General Electric Co. (g) | 574,035 |
| 4,100 | Honeywell International, Inc. (g) | 654,647 |
| | | 2,105,432 |
| | **Internet & Catalog Retail 1.2%** | |
| 2,100 | Amazon.com, Inc. (h) | 3,046,869 |
| | **Internet Software & Services 2.7%** | |
| 9,100 | Alibaba Group Holding Ltd., ADR (h) | 1,859,039 |
| 2,500 | Alphabet, Inc., Class A (h) | 2,955,550 |
| 10,000 | Facebook, Inc., Class A (g)(h) | 1,868,900 |
| | | 6,683,489 |
| | **IT Services 1.9%** | |
| 7,400 | International Business Machines Corp. (g) | 1,211,380 |
| 14,100 | Square, Inc., Class A (h) | 661,431 |
| 22,900 | Visa, Inc., Class A | 2,844,867 |
| | | 4,717,678 |
| | **Machinery 1.6%** | |
| 15,000 | Caterpillar, Inc. | 2,441,700 |
| 9,500 | Deere & Co. | 1,580,990 |
| | | 4,022,690 |
| | **Media 1.4%** | |
| 31,500 | Comcast Corp., Class A (g) | 1,339,695 |
| 13,573 | LiveStyle, Inc. (d)(f)(h)(j) | 1 |
| 18,700 | Walt Disney Co. (g) | 2,032,129 |
| | | 3,371,825 |
| | **Multi-Line Retail 0.8%** | |
| 25,100 | Target Corp. (g) | 1,888,022 |
| | **Oil, Gas & Consumable Fuels 0.7%** | |
| 8,100 | Occidental Petroleum Corp. (g) | 607,257 |
| 60,184 | Southwestern Energy Co. (h) | 255,180 |
| 7,900 | Valero Energy Corp. (g) | 758,163 |
| | | 1,620,600 |
| | **Pharmaceuticals 0.5%** | |
| 20,300 | Bristol-Myers Squibb Co. (g) | 1,270,780 |
| | **Road & Rail 0.7%** | |
| 13,200 | Union Pacific Corp. (g) | 1,762,200 |
| | **Semiconductors & Semiconductor Equipment 3.4%** | |
| 6,200 | Broadcom Ltd. | 1,537,786 |
| 27,000 | Intel Corp. (g) | 1,299,780 |
| 9,400 | Micron Technology, Inc. (h) | 410,968 |
| 8,800 | NVIDIA Corp. (g) | 2,163,040 |
| 17,200 | QUALCOMM, Inc. (g) | 1,173,900 |
| 15,900 | Texas Instruments, Inc. (g) | 1,743,753 |
| | | 8,329,227 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Software 3.2%** | |
| 9,600 | Adobe Systems, Inc. (g)(h) | $1,917,696 |
| 32,100 | Microsoft Corp. | 3,049,821 |
| 19,300 | Oracle Corp. | 995,687 |
| 3,300 | ServiceNow, Inc. (g)(h) | 491,271 |
| 11,800 | Take-Two Interactive Software, Inc. (h) | 1,494,706 |
| | | 7,949,181 |
| | **Specialty Retail 1.0%** | |
| 12,300 | Home Depot, Inc. | 2,471,070 |
| | **Technology Hardware, Storage & Peripherals 1.0%** | |
| 14,400 | Apple, Inc. | 2,410,992 |
| Total Common Stock (cost-$90,943,256) | | 88,416,217 |

| Principal Amount (000s) | | |
|---|---|---|
| **Corporate Bonds & Notes 29.9%** | | |
| | **Aerospace & Defense 0.8%** | |
| $1,000 | KLX, Inc., 5.875%, 12/1/22 (a)(b)(g) | 1,045,000 |
| 1,000 | TransDigm, Inc., 6.50%, 5/15/25 (g) | 1,030,000 |
| | | 2,075,000 |
| | **Auto Manufacturers 0.2%** | |
| 435 | Navistar International Corp., 6.625%, 11/1/25 (a)(b) | 455,793 |
| | **Banks 0.4%** | |
| 160 | CIT Group, Inc., 5.00%, 8/15/22 (g) | 167,600 |
| 680 | Royal Bank of Scotland Group PLC, 5.125%, 5/28/24 | 711,394 |
| | | 878,994 |
| | **Building Materials 0.2%** | |
| 565 | Builders FirstSource, Inc., 5.625%, 9/1/24 (a)(b)(g) | 593,250 |
| | **Chemicals 1.4%** | |
| 1,000 | Chemours Co., 7.00%, 5/15/25 (g) | 1,097,500 |
| 305 | Kraton Polymers LLC, 7.00%, 4/15/25 (a)(b) | 324,062 |
| 1,000 | Platform Specialty Products Corp., 6.50%, 2/1/22 (a)(b)(g) | 1,034,050 |
| 85 | Trinseo Materials Operating SCA, 5.375%, 9/1/25 (a)(b) | 87,312 |
| 540 | Tronox Finance LLC, 7.50%, 3/15/22 (a)(b) | 561,600 |
| 365 | Univar USA, Inc., 6.75%, 7/15/23 (a)(b)(g) | 383,250 |
| | | 3,487,774 |
| | **Commercial Services 1.7%** | |
| 1,000 | Cardtronics, Inc. (g), 5.125%, 8/1/22 | 972,500 |
| 190 | 5.50%, 5/1/25 (a)(b) | 177,175 |
| 350 | Cenveo Corp., 6.00%, 5/15/24 (a)(b)(g) | 288,750 |
| 300 | Gartner, Inc., 5.125%, 4/1/25 (a)(b)(g) | 312,660 |
| 365 | KAR Auction Services, Inc., 5.125%, 6/1/25 (a)(b)(g) | 370,931 |
| 915 | RR Donnelley & Sons Co., 6.00%, 4/1/24 (g) | 878,400 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Commercial Services** (continued) | |
| | United Rentals North America, Inc., | |
| $185 | 4.625%, 10/15/25 | $188,238 |
| 1,000 | 5.50%, 7/15/25 (g) | 1,058,750 |
| | | 4,247,404 |
| | **Computers 0.6%** | |
| 520 | Dell International LLC, 7.125%, 6/15/24 (a)(b)(g) | 568,286 |
| 500 | Harland Clarke Holdings Corp., 9.25%, 3/1/21 (a)(b)(g) | 517,500 |
| 310 | Western Digital Corp., 10.50%, 4/1/24 | 363,242 |
| | | 1,449,028 |
| | **Distribution/Wholesale 0.2%** | |
| 495 | H&E Equipment Services, Inc., 5.625%, 9/1/25 (a)(b)(g) | 514,800 |
| | **Diversified Financial Services 1.9%** | |
| 1,500 | Community Choice Financial, Inc., 10.75%, 5/1/19 (g) | 1,417,500 |
| 1,000 | International Lease Finance Corp., 8.25%, 12/15/20 (g) | 1,139,811 |
| 1,000 | Nationstar Mortgage LLC, 7.875%, 10/1/20 (g) | 1,025,625 |
| 1,000 | Navient Corp., 8.45%, 6/15/18 (g) | 1,022,500 |
| | | 4,605,436 |
| | **Electric Utilities 0.8%** | |
| 1,000 | NRG Energy, Inc., 6.25%, 5/1/24 (g) | 1,050,380 |
| 1,000 | Talen Energy Supply LLC, 6.50%, 6/1/25 (g) | 835,000 |
| | | 1,885,380 |
| | **Engineering & Construction 0.4%** | |
| 500 | AECOM, 5.875%, 10/15/24 (g) | 535,625 |
| 435 | Tutor Perini Corp., 6.875%, 5/1/25 (a)(b) | 464,363 |
| | | 999,988 |
| | **Entertainment 1.2%** | |
| 885 | AMC Entertainment Holdings, Inc., 6.125%, 5/15/27 (g) | 868,849 |
| | Cedar Fair L.P. (g), | |
| 750 | 5.375%, 6/1/24 | 783,750 |
| 190 | 5.375%, 4/15/27 (a)(b) | 198,550 |
| 1,000 | International Game Technology PLC, 6.25%, 2/15/22 (a)(b)(g) | 1,075,950 |
| | | 2,927,099 |
| | **Equity Real Estate Investment Trusts (REITs) 0.1%** | |
| | CyrusOne L.P., | |
| 210 | 5.00%, 3/15/24 | 214,725 |
| 60 | 5.375%, 3/15/27 | 62,550 |
| | | 277,275 |
| | **Food & Beverage 0.8%** | |
| 170 | Albertsons Cos. LLC, 6.625%, 6/15/24 (g) | 162,350 |
| 380 | Lamb Weston Holdings, Inc., 4.875%, 11/1/26 (a)(b) | 388,550 |
| 495 | Post Holdings, Inc., 5.75%, 3/1/27 (a)(b) | 499,331 |
| 1,000 | SUPERVALU, Inc., 6.75%, 6/1/21 (g) | 990,000 |
| | | 2,040,231 |
| | **Food Service 0.2%** | |
| 390 | Aramark Services, Inc., 5.00%, 2/1/28 (a)(b) | 396,581 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Healthcare-Products 0.1%** | |
| $260 | Hill-Rom Holdings, Inc., 5.00%, 2/15/25 (a)(b)(g) | $265,200 |
| | **Healthcare-Services 2.0%** | |
| 1,000 | Community Health Systems, Inc., 6.875%, 2/1/22 (g) | 718,125 |
| 800 | DaVita, Inc., 5.125%, 7/15/24 (g) | 807,524 |
| 185 | Envision Healthcare Corp., 6.25%, 12/1/24 (a)(b)(g) | 196,794 |
| 1,000 | HCA, Inc., 7.50%, 2/15/22 (g) | 1,125,000 |
| 1,000 | Kindred Healthcare, Inc., 8.75%, 1/15/23 (g) | 1,067,500 |
| 1,000 | Tenet Healthcare Corp., 8.125%, 4/1/22 (g) | 1,035,630 |
| | | 4,950,573 |
| | **Home Builders 0.8%** | |
| 375 | Beazer Homes USA, Inc., 8.75%, 3/15/22 (g) | 410,625 |
| 365 | Brookfield Residential Properties, Inc., 6.50%, 12/15/20 (a)(b)(g) | 373,213 |
| 1,000 | KB Home, 8.00%, 3/15/20 (g) | 1,096,250 |
| | | 1,880,088 |
| | **Internet 0.2%** | |
| 305 | Symantec Corp., 5.00%, 4/15/25 (a)(b) | 311,810 |
| 90 | Zayo Group LLC, 5.75%, 1/15/27 (a)(b) | 91,692 |
| | | 403,502 |
| | **Iron/Steel 0.4%** | |
| | AK Steel Corp. (g), | |
| 205 | 7.00%, 3/15/27 | 210,638 |
| 265 | 7.50%, 7/15/23 | 286,862 |
| 354 | United States Steel Corp., 8.375%, 7/1/21 (a)(b) | 382,320 |
| | | 879,820 |
| | **Lodging 0.9%** | |
| 1,000 | MGM Resorts International, 6.625%, 12/15/21 (g) | 1,092,190 |
| 1,000 | Wynn Las Vegas LLC, 5.50%, 3/1/25 (a)(b)(g) | 1,011,875 |
| | | 2,104,065 |
| | **Machinery-Construction & Mining 0.1%** | |
| 360 | Terex Corp., 5.625%, 2/1/25 (a)(b) | 371,700 |
| | **Machinery-Diversified 0.1%** | |
| 250 | Tennant Co., 5.625%, 5/1/25 (a)(b) | 261,563 |
| | **Media 2.6%** | |
| 1,000 | Cablevision Systems Corp., 8.00%, 4/15/20 (g) | 1,076,250 |
| | CCO Holdings LLC (g), | |
| 125 | 5.125%, 5/1/27 (a)(b) | 122,065 |
| 500 | 5.75%, 1/15/24 | 516,250 |
| 1,000 | Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22, Ser. B (g) | 1,034,470 |
| 425 | CSC Holdings LLC, 6.75%, 11/15/21 (g) | 456,875 |
| 750 | DISH DBS Corp., 5.875%, 7/15/22 (g) | 749,062 |
| 500 | LIN Television Corp., 5.875%, 11/15/22 | 517,800 |
| 415 | McClatchy Co., 9.00%, 12/15/22 | 434,194 |
| 1,000 | Mediacom Broadband LLC, 6.375%, 4/1/23 (g) | 1,035,000 |
| 440 | Meredith Corp., 6.875%, 2/1/26 (a)(b) | 451,550 |
| | | 6,393,516 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Metal Fabricate/Hardware 0.1%** | |
| $270 | Park-Ohio Industries, Inc., 6.625%, 4/15/27 | $290,844 |
| | **Mining 0.8%** | |
| 305 | Alcoa Nederland Holding BV, 6.75%, 9/30/24 (a)(b)(g) | 333,213 |
| 695 | Constellium NV, 6.625%, 3/1/25 (a)(b)(g) | 734,962 |
| 560 | Freeport-McMoRan, Inc., 3.55%, 3/1/22 (g) | 557,200 |
| | Hudbay Minerals, Inc. (a)(b)(g), | |
| 80 | 7.25%, 1/15/23 | 85,800 |
| 270 | 7.625%, 1/15/25 | 298,350 |
| | | 2,009,525 |
| | **Miscellaneous Manufacturing 0.1%** | |
| 285 | Koppers, Inc., 6.00%, 2/15/25 (a)(b) | 301,388 |
| | **Oil, Gas & Consumable Fuels 3.4%** | |
| 235 | AmeriGas Partners L.P., 5.875%, 8/20/26 (g) | 244,400 |
| 1,000 | BreitBurn Energy Partners L.P., 8.625%, 10/15/20 (c)(g) | 70,000 |
| 250 | Callon Petroleum Co., 6.125%, 10/1/24 (g) | 260,625 |
| 560 | Calumet Specialty Products Partners L.P., 6.50%, 4/15/21 (g) | 562,800 |
| 1,000 | Carrizo Oil & Gas, Inc., 6.25%, 4/15/23 (g) | 1,037,500 |
| 1,000 | Chesapeake Energy Corp., 6.625%, 8/15/20 (g) | 1,055,000 |
| 2,030 | Cobalt International Energy, Inc., 11.75%, 12/1/21 (c)(g) | 2,233,000 |
| 1,000 | CVR Refining LLC, 6.50%, 11/1/22 (g) | 1,035,000 |
| 45 | Noble Holding International Ltd., 7.75%, 1/15/24 | 41,963 |
| 1,000 | Sanchez Energy Corp., 6.125%, 1/15/23 (g) | 880,000 |
| | Sunoco L.P. (a)(b), | |
| 300 | 5.50%, 2/15/26 | 307,035 |
| 170 | 5.875%, 3/15/28 | 174,037 |
| 320 | Transocean, Inc., 7.50%, 1/15/26 (a)(b) | 333,904 |
| 165 | Weatherford International Ltd., 8.25%, 6/15/23 | 174,900 |
| | | 8,410,164 |
| | **Pharmaceuticals 1.0%** | |
| 615 | Endo Finance LLC, 5.375%, 1/15/23 (a)(b)(g) | 482,775 |
| 1,000 | Horizon Pharma, Inc., 6.625%, 5/1/23 (g) | 1,012,500 |
| 1,000 | Valeant Pharmaceuticals International, Inc., 6.125%, 4/15/25 (a)(b)(g) | 898,950 |
| | | 2,394,225 |
| | **Pipelines 0.9%** | |
| 1,000 | Energy Transfer Equity L.P., 5.875%, 1/15/24 (g) | 1,085,000 |
| 1,000 | Sabine Pass Liquefaction LLC, 5.75%, 5/15/24 (g) | 1,102,522 |
| | | 2,187,522 |
| | **Real Estate 0.8%** | |
| 500 | Equinix, Inc., 5.375%, 1/1/22 (g) | 520,625 |
| 1,000 | Kennedy-Wilson, Inc., 5.875%, 4/1/24 (g) | 1,027,500 |
| 360 | Uniti Group L.P., 8.25%, 10/15/23 (g) | 342,900 |
| | | 1,891,025 |
| | **Retail 0.6%** | |
| 500 | Dollar Tree, Inc., 5.75%, 3/1/23 (g) | 522,500 |
| 300 | L Brands, Inc., 6.875%, 11/1/35 | 308,250 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Retail** (continued) | |
| $1,000 | Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (a)(b)(g) | $642,500 |
| | | 1,473,250 |
| | **Semiconductors 0.8%** | |
| 1,000 | Amkor Technology, Inc., 6.375%, 10/1/22 (g) | 1,032,500 |
| 500 | Qorvo, Inc., 7.00%, 12/1/25 | 542,500 |
| 400 | Sensata Technologies BV, 5.625%, 11/1/24 (a)(b)(g) | 437,000 |
| | | 2,012,000 |
| | **Software 0.4%** | |
| 340 | Camelot Finance S.A., 7.875%, 10/15/24 (a)(b)(g) | 362,950 |
| 230 | Rackspace Hosting, Inc., 8.625%, 11/15/24 (a)(b) | 245,238 |
| 290 | SS&C Technologies Holdings, Inc., 5.875%, 7/15/23 | 305,587 |
| | | 913,775 |
| | **Telecommunications 2.8%** | |
| 800 | Cincinnati Bell, Inc., 7.00%, 7/15/24 (a)(b)(g) | 774,000 |
| 1,000 | Consolidated Communications, Inc., 6.50%, 10/1/22 (g) | 902,500 |
| 700 | Frontier Communications Corp., 10.50%, 9/15/22 (g) | 579,250 |
| 355 | GTT Communications, Inc., 7.875%, 12/31/24 (a)(b)(g) | 380,737 |
| 1,000 | Hughes Satellite Systems Corp., 7.625%, 6/15/21 (g) | 1,096,250 |
| 500 | Level 3 Financing, Inc., 5.375%, 5/1/25 (g) | 502,235 |
| 1,000 | Sprint Communications, Inc., 6.00%, 11/15/22 (g) | 1,000,000 |
| 1,000 | T-Mobile USA, Inc., 4.75%, 2/1/28 | 1,005,000 |
| 1,080 | Windstream Services LLC, 6.375%, 8/1/23 (a)(b) | 612,900 |
| | | 6,852,872 |
| | **Transportation 0.1%** | |
| 200 | XPO Logistics, Inc., 6.50%, 6/15/22 (a)(b)(g) | 208,950 |
| Total Corporate Bonds & Notes (cost-$74,157,663) | | 73,289,600 |
| Shares | | |
| **Convertible Preferred Stock 9.3%** | | |
| | **Banks 1.8%** | |
| 2,000 | Bank of America Corp., 7.25%, Ser. L (e) | 2,524,000 |
| 1,585 | Wells Fargo & Co., 7.50%, Ser. L (e)(g) | 2,028,800 |
| | | 4,552,800 |
| | **Commercial Services & Supplies 0.6%** | |
| 23,485 | Stericycle, Inc., 5.25%, 9/15/18 (g) | 1,383,971 |
| | **Diversified Financial Services 1.3%** | |
| 12,920 | 2017 Mandatory Exchangeable Trust, 5.188%, 12/1/20 (a)(b)(g) | 1,576,593 |
| 24,215 | AMG Capital Trust II, 5.15%, 10/15/37 (g) | 1,524,128 |
| | | 3,100,721 |
| | **Diversified Telecommunication Services 0.1%** | |
| 24,375 | Frontier Communications Corp., 11.125%, 6/29/18, Ser. A (g) | 310,781 |
| | **Electric Utilities 0.3%** | |
| 11,470 | NextEra Energy, Inc., 6.123%, 9/1/19 (g) | 648,743 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Equity Real Estate Investment Trusts (REITs) 0.8%** | |
| 1,700 | Crown Castle International Corp., 6.875%, 8/1/20, Ser. A (f)(g) | $1,911,225 |
| | **Food & Beverage 0.3%** | |
| 4,980 | Post Holdings, Inc., 2.50% (e)(g) | 717,966 |
| | **Hand/Machine Tools 0.7%** | |
| 15,005 | Stanley Black & Decker, Inc., 5.375%, 5/15/20 (g) | 1,787,846 |
| | **Healthcare-Products 1.0%** | |
| 40,265 | Becton Dickinson and Co., 6.125%, 5/1/20, Ser. A (g) | 2,535,487 |
| | **Metal Fabricate/Hardware 0.4%** | |
| 17,545 | Rexnord Corp., 5.75%, 11/15/19, Ser. A | 1,076,035 |
| | **Oil, Gas & Consumable Fuels 0.6%** | |
| 23,355 | Hess Corp., 8.00%, 2/1/19 (g) | 1,398,264 |
| | **Pharmaceuticals 1.4%** | |
| 3,895 | Allergan PLC, 5.50%, 3/1/18, Ser. A (g) | 2,522,791 |
| 2,310 | Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18 (g) | 878,701 |
| | | 3,401,492 |
| Total Convertible Preferred Stock (cost-$29,091,100) | | 22,825,331 |
| **Preferred Stock** (a)(d)(f)(h)(j) **0.5%** | | |
| | **Media 0.5%** | |
| 1,248 | LiveStyle, Inc., Ser. A | 124,800 |
| 11,496 | LiveStyle, Inc., Ser. B | 1,149,600 |
| 1,250 | LiveStyle, Inc., Ser. B | 13 |
| Total Preferred Stock (cost-$2,499,840) | | 1,274,413 |
| Units | | |
| **Warrants** (a)(d)(f)(h) **0.0%** | | |
| | **Commercial Services 0.0%** | |
| 37,000 | Cenveo, Inc., strike price $12.00, expires 6/10/24 | 1,643 |
| | **Media 0.0%** | |
| 3,000 | LiveStyle, Inc., Ser.C, expires 11/30/21, (j) | |
| Total Warrants (cost-$10,114) | | 1,643 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| **Repurchase Agreements 5.1%** | | |
| $12,518 | State Street Bank and Trust Co., dated 1/31/18, 0.20%, due 2/1/18, proceeds $12,518,070; collateralized by U.S. Treasury Bonds, 2.875%, due 5/15/43, valued at $12,770,826 including accrued interest (cost-$12,518,000) | $12,518,000 |
| **Total Investments, before options written** (cost-$363,194,207) **144.6%** | | 354,921,386 |
| Total Options Written (0.00)% (premiums received-$92,107) (h)(i)(k) | | (115,810) |
| **Total Investments, net of options written** (cost-$363,102,100) **144.6%** | | 354,805,576 |
| Other liabilities in excess of other assets (44.6)% | | (109,423,553) |
| **Net Assets 100.0%** | | **$245,382,023** |

**Notes to Schedule of Investments:**

(a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of $90,533,296, representing 36.9% of net assets.

(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. Securities with an aggregate value of $87,079,886, representing 35.5% of net assets.

(c) In default.

(d) Fair-Valued Securities with an aggregate value of $1,357,394, representing 0.6% of net assets. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

(e) Perpetual maturity. The date shown, if any, is the next call date.

(f) Level 3 security. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

(g) All or partial amount segregated for the benefit of the counterparty as collateral for options written and long-term and short-term loan financing.

(h) Non-income producing.

(i) Exchange traded-Chicago Board Options Exchange.

(j) A member of the Fund s portfolio management team is a member of the board of directors of LiveStyle, Inc. The Fund s aggregate value of investments in LiveStyle, Inc. represents 0.5% of net assets.

(k) Exchange traded option contracts outstanding at January 31, 2018:

Options written contracts outstanding at January 31, 2018:

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| **Call options:** | | | | | | | |
| 3M Co. | 260.00USD | 2/16/18 | (25) | $(2,500) | $(1,950) | $(2,694) | $744 |
| Abbvie, Inc. | 116.00USD | 2/16/18 | (110) | (11,000) | (14,245) | (4,289) | (9,956) |
| Adobe Systems, Inc. | 210.00USD | 2/16/18 | (50) | (5,000) | (4,825) | (4,965) | 140 |
| Alibaba Group Holding Ltd. | 230.00USD | 3/16/18 | (45) | (4,500) | (12,937) | (13,128) | 191 |
| Bank of America Corp. | 34.00USD | 2/16/18 | (290) | (29,000) | (1,450) | (3,174) | 1,724 |
| Boeing Co. | 370.00USD | 3/16/18 | (35) | (3,500) | (19,600) | (12,959) | (6,641) |
| Comcast Corp. | 45.00USD | 2/16/18 | (160) | (16,000) | (2,560) | (9,551) | 6,991 |
| Costco Wholesale Corp. | 210.00USD | 3/16/18 | (35) | (3,500) | (4,620) | (5,392) | 772 |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

| Description | Exercise Price | | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|---|
| DowDuPont, Inc. | 80.00 | USD | 3/16/18 | (60) | $(6,000) | $(3,150) | $(2,598) | $(552) |
| Facebook, Inc. | 200.00 | USD | 2/16/18 | (60) | (6,000) | (9,930) | (6,589) | (3,341) |
| Honeywell International, Inc. | 170.00 | USD | 2/16/18 | (15) | (1,500) | (142) | (644) | 502 |
| Intel Corp. | 50.50 | USD | 2/16/18 | (135) | (13,500) | (3,105) | (1,908) | (1,197) |
| Intuitive Surgical, Inc. | 470.00 | USD | 2/16/18 | (5) | (500) | (538) | (345) | (193) |
| NVIDIA Corp. | 260.00 | USD | 2/16/18 | (40) | (4,000) | (26,900) | (8,918) | (17,982) |
| ServiceNow, Inc. | 155.00 | USD | 2/16/18 | (15) | (1,500) | (4,950) | (1,568) | (3,382) |
| Starbucks Corp. | 66.00 | USD | 2/16/18 | (155) | (15,500) | (543) | (3,403) | 2,860 |
| Texas Instruments, Inc. | 127.00 | USD | 2/16/18 | (80) | (8,000) | (400) | (4,495) | 4,095 |
| Union Pacific Corp. | 155.00 | USD | 2/16/18 | (65) | (6,500) | (162) | (2,921) | 2,759 |
| Valero Energy Corp. | 100.00 | USD | 2/16/18 | (45) | (4,500) | (3,803) | (2,566) | (1,237) |
| Total options written contracts | | | | | | $(115,810) | $(92,107) | $(23,703) |

(l) Fair Value Measurements See Note 1(b) in the Notes to Financial Statements.

| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 1/31/18 |
|---|---|---|---|---|
| **Investments in Securities Assets** | | | | |
| Convertible Bonds & Notes: | | | | |
| Energy-Alternate Sources | $ | $2,679,444 | $81,337 | $2,760,781 |
| All Other | | 153,835,401 | | 153,835,401 |
| Common Stock: | | | | |
| Media | 3,371,824 | | 1 | 3,371,825 |
| All Other | 85,044,392 | | | 85,044,392 |
| Corporate Bonds & Notes | | 73,289,600 | | 73,289,600 |
| Convertible Preferred Stock: | | | | |
| Diversified Financial Services | | 3,100,721 | | 3,100,721 |
| Equity Real Estate Investment Trusts (REITs) | | | 1,911,225 | 1,911,225 |
| Food & Beverage | | 717,966 | | 717,966 |
| Healthcare-Products | | 2,535,487 | | 2,535,487 |
| Pharmaceuticals | 2,522,791 | 878,701 | | 3,401,492 |
| All Other | 11,158,440 | | | 11,158,440 |
| Preferred Stock | | | 1,274,413 | 1,274,413 |
| Warrants | | | 1,643 | 1,643 |
| Repurchase Agreements | | 12,518,000 | | 12,518,000 |
| | 102,097,447 | 249,555,320 | 3,268,619 | 354,921,386 |

| **Investments in Securities** | **Liabilities** | | | |
|---|---|---|---|---|
| Options Written: | | | | |
| Market Price | (115,810) | | | (115,810) |
| **Totals** | $101,981,637 | $249,555,320 | $3,268,619 | $354,805,576 |

At January 31, 2018, the Fund had no transfers between levels.

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the year ended January 31, 2018, was as follows:

| | Beginning Balance 1/31/17 | Purchases | Sales | Accrued Discount (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3 | Transfers out of Level 3 | Ending Balance 1/31/18 |
|---|---|---|---|---|---|---|---|---|---|
| **Investments in Securities Assets** | | | | | | | | | |
| Convertible Bonds & Notes: | | | | | | | | | |
| Energy-Alternate Sources | $ | $81,337 | $ | $114 | $ | $(114) | | | $81,337 |
| Common Stock: | | | | | | | | | |
| Media | 1 | | | | | | | | 1 |
| Convertible Preferred Stock: | | | | | | | | | |
| Equity Real Estate Investment Trust (REITs) | | 6,534,590 | (4,919,670) | | 259,415 | 36,890 | | | 1,911,225 |
| Preferred Stock | 1,165,086 | | | | | 109,327 | | | 1,274,413 |
| Warrants | 10,634 | | | | | (8,991) | | | 1,643 |
| **Totals** | $1,175,721 | $6,615,927 | $(4,919,670) | $114 | $259,415 | $137,112 | | | $3,268,619 |

The table above includes Level 3 investments that are valued by brokers and pricing services. The inputs for these investments are not readily available or cannot be reasonably estimated and are generally those inputs described in Note 1(b).

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 January 31, 2018:

| | Ending Balance at 1/31/18 | Valuation Technique Used | Unobservable Inputs | Input Values (Range) |
|---|---|---|---|---|
| **Investments in Securities Assets** | | | | |
| Preferred Stock | $1,274,400 | Market and Company Comparables | EV Multiples | 0.78x (0.26x-1.22x) |
| | | | Illiquidity Discount | 20% |
| Warrants | 1,643 | Black Scholes Model | Volatility | 71% |

The net change in unrealized appreciation/depreciation of Level 3 investments held at January 31, 2018, was $137,112. The net realized gain (loss) and net change in unrealized appreciation/depreciation are reflected on the Statements of Operations.

(m) The following is a summary of the Fund s derivatives categorized by risk exposure.

The effect of derivatives on the Fund s Statements of Assets and Liabilities at January 31, 2018:

| Location | Market Price |
|---|---|
| **Liability derivatives:** | |
| Options written, at value | $(115,810) |

The effect of derivatives on the Fund s Statements of Operations for the year ended January 31, 2018:

| Location | Market Price |
|---|---|
| **Net realized loss on:** | |
| Options written | $(611,103) |
| **Net change in unrealized appreciation/depreciation of:** | |
| Options written | $(42,642) |

**Schedule of Investments**

**AllianzGI Diversified Income & Convertible Fund**

January 31, 2018 (continued)

The average volume (based on the open positions at each month-end) of derivative activity during the year ended January 31, 2018 was 1,530 call options written contracts.

**Glossary:**

ADR - American Depositary Receipt
REIT - Real Estate Investment Trust

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018

| Shares | | Value |
|---|---|---|
| **Common Stock 64.9%** | | |
| | **Aerospace & Defense 1.8%** | |
| 34,500 | Boeing Co. (g) | $12,225,765 |
| | **Automobiles 0.8%** | |
| 465,300 | Ford Motor Co. | 5,104,341 |
| | **Banks 3.1%** | |
| 297,900 | Bank of America Corp. (g) | 9,532,800 |
| 100,300 | JPMorgan Chase & Co. | 11,601,701 |
| | | 21,134,501 |
| | **Beverages 0.8%** | |
| 45,800 | PepsiCo, Inc. | 5,509,740 |
| | **Biotechnology 3.8%** | |
| 99,400 | AbbVie, Inc. (g) | 11,154,668 |
| 9,700 | Biogen, Inc. (i) | 3,373,757 |
| 91,000 | Gilead Sciences, Inc. | 7,625,800 |
| 21,400 | Vertex Pharmaceuticals, Inc. (i) | 3,571,018 |
| | | 25,725,243 |
| | **Building Products 0.8%** | |
| 133,544 | Johnson Controls International PLC | 5,225,577 |
| | **Chemicals 1.9%** | |
| 46,400 | Chemours Co. | 2,395,168 |
| 43,600 | DowDuPont, Inc. | 3,295,288 |
| 56,400 | Monsanto Co. | 6,869,520 |
| | | 12,559,976 |
| | **Construction & Engineering 0.1%** | |
| 13,000 | Fluor Corp. | 789,100 |
| | **Diversified Telecommunication Services 0.9%** | |
| 114,800 | Verizon Communications, Inc. | 6,207,236 |
| | **Electric Utilities 0.5%** | |
| 85,560 | Exelon Corp. | 3,294,915 |
| | **Electronic Equipment, Instruments & Components 0.7%** | |
| 48,000 | Amphenol Corp., Class A | 4,452,960 |
| | **Energy Equipment & Services 1.6%** | |
| 103,271 | Baker Hughes a GE Co. | 3,320,163 |
| 53,600 | National Oilwell Varco, Inc. | 1,966,048 |
| 72,000 | Schlumberger Ltd. | 5,297,760 |
| | | 10,583,971 |
| | **Food & Staples Retailing 2.6%** | |
| 34,500 | Costco Wholesale Corp. | 6,723,015 |
| 182,400 | Kroger Co. | 5,537,664 |
| 74,100 | Walgreens Boots Alliance, Inc. | 5,576,766 |
| | | 17,837,445 |
| | **Healthcare Equipment & Supplies 1.3%** | |
| 93,300 | Baxter International, Inc. | 6,720,399 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Healthcare Equipment & Supplies** (continued) | |
| 5,300 | Intuitive Surgical, Inc. (i) | $2,287,851 |
| | | 9,008,250 |
| | **Healthcare Providers & Services 2.7%** | |
| 46,400 | McKesson Corp. | 7,836,032 |
| 44,400 | UnitedHealth Group, Inc. | 10,513,032 |
| | | 18,349,064 |
| | **Hotels, Restaurants & Leisure 2.2%** | |
| 46,400 | McDonald s Corp. | 7,940,896 |
| 128,900 | Starbucks Corp. (g) | 7,322,809 |
| | | 15,263,705 |
| | **Household Durables 0.6%** | |
| 87,600 | DR Horton, Inc. | 4,296,780 |
| | **Industrial Conglomerates 1.4%** | |
| 17,800 | 3M Co. (g) | 4,458,900 |
| 122,459 | General Electric Co. | 1,980,162 |
| 20,900 | Honeywell International, Inc. (g) | 3,337,103 |
| | | 9,776,165 |
| | **Internet & Catalog Retail 2.4%** | |
| 11,300 | Amazon.com, Inc. (i) | 16,395,057 |
| | **Internet Software & Services 5.2%** | |
| 55,700 | Alibaba Group Holding Ltd., ADR (i) | 11,378,953 |
| 12,600 | Alphabet, Inc., Class A (i) | 14,895,972 |
| 49,900 | Facebook, Inc., Class A (g)(i) | 9,325,811 |
| | | 35,600,736 |
| | **IT Services 3.5%** | |
| 37,200 | International Business Machines Corp. | 6,089,640 |
| 72,300 | Square, Inc., Class A (i) | 3,391,593 |
| 115,500 | Visa, Inc., Class A | 14,348,565 |
| | | 23,829,798 |
| | **Machinery 3.0%** | |
| 76,000 | Caterpillar, Inc. | 12,371,280 |
| 47,800 | Deere & Co. | 7,954,876 |
| | | 20,326,156 |
| | **Media 2.4%** | |
| 158,700 | Comcast Corp., Class A (g) | 6,749,511 |
| 88,200 | Walt Disney Co. | 9,584,694 |
| | | 16,334,205 |
| | **Multi-Line Retail 1.3%** | |
| 118,000 | Target Corp. | 8,875,960 |
| | **Oil, Gas & Consumable Fuels 1.5%** | |
| 77,900 | Occidental Petroleum Corp. | 5,840,163 |
| 86,739 | Southwestern Energy Co. (i) | 367,773 |
| 40,600 | Valero Energy Corp. (g) | 3,896,382 |
| | | 10,104,318 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Pharmaceuticals 0.9%** | |
| 99,100 | Bristol-Myers Squibb Co. | $6,203,660 |
| | **Road & Rail 1.0%** | |
| 51,300 | Union Pacific Corp. (g) | 6,848,550 |
| | **Semiconductors & Semiconductor Equipment 6.8%** | |
| 31,600 | Broadcom Ltd. | 7,837,748 |
| 169,800 | Intel Corp. (g) | 8,174,172 |
| 48,400 | Micron Technology, Inc. (i) | 2,116,048 |
| 39,700 | NVIDIA Corp. (g) | 9,758,260 |
| 128,100 | QUALCOMM, Inc. | 8,742,825 |
| 87,300 | Texas Instruments, Inc. (g) | 9,574,191 |
| | | 46,203,244 |
| | **Software 5.6%** | |
| 37,300 | Adobe Systems, Inc. (g)(i) | 7,451,048 |
| 162,100 | Microsoft Corp. | 15,401,121 |
| 96,500 | Oracle Corp. | 4,978,435 |
| 24,900 | ServiceNow, Inc. (g)(i) | 3,706,863 |
| 51,400 | Take-Two Interactive Software, Inc. (i) | 6,510,838 |
| | | 38,048,305 |
| | **Specialty Retail 1.9%** | |
| 64,100 | Home Depot, Inc. | 12,877,690 |
| | **Technology Hardware, Storage & Peripherals 1.8%** | |
| 72,400 | Apple, Inc. | 12,121,932 |
| Total Common Stock (cost-$423,561,980) | | 441,114,345 |

| Principal Amount (000s) | | |
|---|---|---|
| **Convertible Bonds & Notes 23.7%** | | |
| | **Aerospace & Defense 0.2%** | |
| $865 | Aerojet Rocketdyne Holdings, Inc., 2.25%, 12/15/23 | 1,089,344 |
| | **Auto Components 0.3%** | |
| 1,725 | Meritor, Inc., 3.25%, 10/15/37 (a)(b) | 1,911,598 |
| | **Auto Manufacturers 0.3%** | |
| 1,695 | Tesla, Inc., 0.25%, 3/1/19 | 1,885,147 |
| | **Biotechnology 1.6%** | |
| 2,650 | BioMarin Pharmaceutical, Inc., 0.599%, 8/1/24 | 2,619,032 |
| 1,210 | 1.50%, 10/15/20 | 1,420,536 |
| 1,240 | Exact Sciences Corp., 1.00%, 1/15/25 | 1,212,700 |
| 1,500 | Illumina, Inc., 0.50%, 6/15/21 | 1,818,252 |
| 590 | Innoviva, Inc., 2.50%, 8/15/25 (a)(b) | 640,295 |
| 1,060 | Insmed, Inc., 1.75%, 1/15/25 | 1,016,058 |
| 930 | Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21 | 995,477 |

| | | |
|---|---|---|
| 1,205 | Medicines Co., 2.75%, 7/15/23 | 1,177,874 |
| | | 10,900,224 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Commercial Services 0.1%** | |
| $965 | Macquarie Infrastructure Corp., 2.875%, 7/15/19 | $998,624 |
| | **Computers 0.4%** | |
| 1,500 | Electronics For Imaging, Inc., 0.75%, 9/1/19 | 1,449,016 |
| 345 | Lumentum Holdings, Inc., 0.25%, 3/15/24 (a)(b) | 370,047 |
| 1,115 | Nutanix, Inc., zero coupon, 1/15/23 (a)(b) | 1,090,236 |
| | | 2,909,299 |
| | **Diversified Financial Services 0.9%** | |
| | Encore Capital Group, Inc., | |
| 2,000 | 2.875%, 3/15/21 | 1,944,822 |
| 410 | 3.25%, 3/15/22 (a)(b) | 454,007 |
| 3,625 | PRA Group, Inc., 3.00%, 8/1/20 | 3,497,306 |
| | | 5,896,135 |
| | **Electrical Equipment 0.1%** | |
| 1,155 | SunPower Corp., 4.00%, 1/15/23 | 960,975 |
| | **Electronics 0.2%** | |
| 1,370 | OSI Systems, Inc., 1.25%, 9/1/22 (a)(b) | 1,267,442 |
| | **Energy-Alternate Sources 0.2%** | |
| 1,170 | SolarCity Corp., 1.625%, 11/1/19 | 1,099,829 |
| | SunEdison, Inc. (d)(f), | |
| 4,000 | 2.625%, 6/1/23 | 90,000 |
| 1,000 | 3.375%, 6/1/25 | 22,500 |
| | | 1,212,329 |
| | **Engineering & Construction 0.2%** | |
| 870 | Dycom Industries, Inc., 0.75%, 9/15/21 | 1,159,480 |
| | **Equity Real Estate Investment Trusts (REITs) 1.0%** | |
| 1,900 | IH Merger Sub LLC, 3.50%, 1/15/22 (a)(b) | 2,154,157 |
| 1,035 | Spirit Realty Capital, Inc., 2.875%, 5/15/19 | 1,033,572 |
| 1,380 | Starwood Property Trust, Inc., 4.55%, 3/1/18 | 1,400,711 |
| 2,000 | Two Harbors Investment Corp., 6.25%, 1/15/22 | 2,035,372 |
| | | 6,623,812 |
| | **Healthcare-Products 0.8%** | |
| 1,055 | Insulet Corp., 1.375%, 11/15/24 (a)(b) | 1,120,240 |
| 1,665 | NuVasive, Inc., 2.25%, 3/15/21 | 1,785,531 |
| 2,360 | Wright Medical Group, Inc., 2.00%, 2/15/20 | 2,451,450 |
| | | 5,357,221 |
| | **Healthcare-Services 0.3%** | |
| 880 | Molina Healthcare, Inc., 1.125%, 1/15/20 | 1,983,225 |
| | **Internet 2.9%** | |
| 2,070 | Altaba, Inc., zero coupon, 12/1/18 | 3,120,835 |
| 1,100 | FireEye, Inc., 1.00%, 6/1/35, Ser. A | 1,041,591 |
| 655 | IAC FinanceCo., Inc., 0.875%, 10/1/22 (a)(b) | 750,115 |
| 1,380 | Liberty Expedia Holdings, Inc., 1.00%, 6/30/47 (a)(b) | 1,397,798 |
| 1,100 | Palo Alto Networks, Inc., zero coupon, 7/1/19 | 1,612,133 |

| | | |
|---|---|---|
| 1,700 | Pandora Media, Inc., 1.75%, 12/1/20 | 1,507,048 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Internet** (continued) | |
| $3,280 | Priceline Group, Inc., 0.35%, 6/15/20 | $4,870,813 |
| | Twitter, Inc., | |
| 1,100 | 0.25%, 9/15/19 | 1,056,967 |
| 1,100 | 1.00%, 9/15/21 | 1,039,353 |
| 710 | VeriSign, Inc., 4.702%, 8/15/37 | 2,382,810 |
| 700 | Wayfair, Inc., 0.375%, 9/1/22 (a)(b) | 778,400 |
| | | 19,557,863 |
| | **Iron/Steel 0.2%** | |
| 730 | Allegheny Technologies, Inc., 4.75%, 7/1/22 | 1,485,578 |
| | **Lodging 0.4%** | |
| 1,225 | Caesars Entertainment Corp., 5.00%, 10/1/24 (a) | 2,579,059 |
| | **Machinery-Diversified 0.2%** | |
| 1,055 | Chart Industries, Inc., 1.00%, 11/15/24 (a)(b) | 1,144,443 |
| | **Media 1.4%** | |
| | DISH Network Corp., | |
| 1,385 | 2.375%, 3/15/24 (a)(b) | 1,299,443 |
| 3,780 | 3.375%, 8/15/26 | 4,023,273 |
| 865 | Liberty Interactive LLC, 1.75%, 9/30/46 (a)(b) | 1,064,056 |
| | Liberty Media Corp., | |
| 1,205 | 1.00%, 1/30/23 (a)(b) | 1,424,021 |
| 1,485 | 1.375%, 10/15/23 | 1,857,883 |
| | | 9,668,676 |
| | **Metal Fabricate/Hardware 0.3%** | |
| 1,635 | RTI International Metals, Inc., 1.625%, 10/15/19 | 1,933,714 |
| | **Miscellaneous Manufacturing 0.2%** | |
| 1,200 | Trinity Industries, Inc., 3.875%, 6/1/36 | 1,758,310 |
| | **Oil, Gas & Consumable Fuels 1.0%** | |
| 2,235 | Chesapeake Energy Corp., 5.50%, 9/15/26 | 2,053,257 |
| 750 | Helix Energy Solutions Group, Inc., 4.25%, 5/1/22 | 747,389 |
| 2,000 | Nabors Industries, Inc., 0.75%, 1/15/24 (a)(b) | 1,612,600 |
| 1,500 | SM Energy Co., 1.50%, 7/1/21 | 1,533,349 |
| 1,065 | Weatherford International Ltd., 5.875%, 7/1/21 | 1,112,248 |
| | | 7,058,843 |
| | **Pharmaceuticals 1.5%** | |
| 1,035 | Herbalife Ltd., 2.00%, 8/15/19 | 1,137,672 |
| | Jazz Investments I Ltd., | |
| 3,000 | 1.50%, 8/15/24 (a)(b) | 2,888,022 |
| 1,900 | 1.875%, 8/15/21 | 1,954,317 |
| 1,100 | Neurocrine Biosciences, Inc., 2.25%, 5/15/24 (a)(b) | 1,483,043 |
| 1,055 | Sarepta Therapeutics, Inc., 1.50%, 11/15/24 (a)(b) | 1,219,653 |
| 270 | TESARO, Inc., 3.00%, 10/1/21 | 557,639 |
| 1,115 | Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26, Ser. C | 1,004,808 |
| | | 10,245,154 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Pipelines 0.4%** | |
| $4,000 | Cheniere Energy, Inc., 4.25%, 3/15/45 | $3,092,000 |
| | **Semiconductors 4.4%** | |
| 870 | Advanced Micro Devices, Inc., 2.125%, 9/1/26 | 1,630,408 |
| | Cypress Semiconductor Corp., | |
| 2,010 | 2.00%, 2/1/23 (a)(b) | 2,177,557 |
| 215 | 4.50%, 1/15/22 | 305,828 |
| 2,145 | Intel Corp., 3.25%, 8/1/39 | 4,926,799 |
| 800 | Lam Research Corp., 1.25%, 5/15/18 | 2,552,629 |
| 6,300 | Microchip Technology, Inc., 1.625%, 2/15/27 (a)(b) | 7,684,293 |
| 3,150 | Micron Technology, Inc., 3.00%, 11/15/43, Ser. G | 4,814,454 |
| 90 | Novellus Systems, Inc., 2.625%, 5/15/41 | 512,997 |
| 1,500 | ON Semiconductor Corp., 1.00%, 12/1/20 | 2,151,831 |
| 1,725 | Silicon Laboratories, Inc., 1.375%, 3/1/22 (a)(b) | 2,092,960 |
| 135 | Synaptics, Inc., 0.50%, 6/15/22 (a)(b) | 127,596 |
| 870 | Veeco Instruments, Inc., 2.70%, 1/15/23 | 785,264 |
| | | 29,762,616 |
| | **Software 2.7%** | |
| 1,700 | Citrix Systems, Inc., 0.50%, 4/15/19 | 2,256,442 |
| 1,055 | Evolent Health, Inc., 2.00%, 12/1/21 | 1,068,847 |
| 1,070 | Medidata Solutions, Inc., 1.00%, 8/1/18 | 1,289,844 |
| | Nuance Communications, Inc., | |
| 1,075 | 1.00%, 12/15/35 | 1,049,665 |
| 1,750 | 1.25%, 4/1/25 (a)(b) | 1,849,432 |
| 820 | Proofpoint, Inc., 0.75%, 6/15/20 | 1,117,667 |
| 1,180 | Red Hat, Inc., 0.25%, 10/1/19 | 2,120,284 |
| 1,550 | Salesforce.com, Inc., 0.25%, 4/1/18 | 2,654,234 |
| 1,250 | ServiceNow, Inc., zero coupon, 11/1/18 | 2,521,758 |
| 2,080 | Workday, Inc., 0.25%, 10/1/22 (a)(b) | 2,171,012 |
| | | 18,099,185 |
| | **Telecommunications 1.1%** | |
| 355 | CalAmp Corp., 1.625%, 5/15/20 | 391,388 |
| 1,600 | Ciena Corp., 3.75%, 10/15/18 | 1,865,480 |
| | Finisar Corp., | |
| 1,200 | 0.50%, 12/15/33 | 1,191,712 |
| 1,470 | 0.50%, 12/15/36 | 1,337,503 |
| 1,300 | Gogo, Inc., 3.75%, 3/1/20 | 1,139,811 |
| 1,980 | Viavi Solutions, Inc., 1.00%, 3/1/24 (a)(b) | 1,940,378 |
| | | 7,866,272 |
| | **Transportation 0.4%** | |
| 1,380 | Atlas Air Worldwide Holdings, Inc., 2.25%, 6/1/22 | 1,549,819 |
| 1,125 | Greenbrier Cos., Inc., 2.875%, 2/1/24 (a)(b) | 1,295,967 |
| | | 2,845,786 |
| Total Convertible Bonds & Notes (cost-$155,350,136) | | 161,252,354 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| **Convertible Preferred Stock 6.8%** | | |
| | **Agriculture 0.2%** | |
| 9,550 | Bunge Ltd., 4.875% (e) | $1,080,050 |
| | **Banks 1.6%** | |
| 3,400 | Bank of America Corp., 7.25%, Ser. L (e) | 4,290,800 |
| 770 | Huntington Bancshares, Inc., 8.50%, Ser. A (e) | 1,051,253 |
| 4,335 | Wells Fargo & Co., 7.50%, Ser. L (e) | 5,548,800 |
| | | 10,890,853 |
| | **Commercial Services & Supplies 0.3%** | |
| 29,890 | Stericycle, Inc., 5.25%, 9/15/18 | 1,761,418 |
| | **Diversified Telecommunication Services 0.1%** | |
| 42,905 | Frontier Communications Corp., 11.125%, 6/29/18, Ser. A | 547,039 |
| | **Electric Utilities 0.4%** | |
| 50,000 | NextEra Energy, Inc., 6.123%, 9/1/19 | 2,828,000 |
| | **Electronic Equipment, Instruments & Components 0.2%** | |
| 10,350 | Belden, Inc., 6.75%, 7/15/19 | 1,150,609 |
| | **Equity Real Estate Investment Trusts (REITs) 0.7%** | |
| 2,780 | Crown Castle International Corp., 6.875%, 8/1/20, Ser. A (f) | 3,125,415 |
| 32,170 | Welltower, Inc., 6.50%, Ser. I (e) | 1,861,678 |
| | | 4,987,093 |
| | **Food & Beverage 0.2%** | |
| 8,430 | Post Holdings, Inc., 2.50% (e) | 1,215,351 |
| | **Hand/Machine Tools 0.3%** | |
| 19,595 | Stanley Black & Decker, Inc., 5.375%, 5/15/20 | 2,334,744 |
| | **Healthcare Providers & Services 0.7%** | |
| 73,670 | Anthem, Inc., 5.25%, 5/1/18 | 4,424,620 |
| | **Healthcare-Products 0.5%** | |
| 57,500 | Becton Dickinson and Co., 6.125%, 5/1/20, Ser. A | 3,620,775 |
| | **Metal Fabricate/Hardware 0.2%** | |
| 25,935 | Rexnord Corp., 5.75%, 11/15/19, Ser. A | 1,590,594 |
| | **Multi-Utilities 0.3%** | |
| 17,705 | Sempra Energy, 6.00%, 1/15/21, Ser. A | 1,770,500 |
| | **Oil, Gas & Consumable Fuels 0.6%** | |
| 25,000 | ATP Oil & Gas Corp., 8.00% (a)(b)(d)(e)(f)(h) (acquisition cost-$3,160,750; purchased 4/21/10) | 2 |
| 47,840 | Kinder Morgan, Inc., 9.75%, 10/26/18, Ser. A | 1,760,990 |
| 35,410 | WPX Energy, Inc., 6.25%, 7/31/18, Ser. A | 2,225,873 |
| | | 3,986,865 |
| | **Pharmaceuticals 0.5%** | |
| 3,935 | Allergan PLC, 5.50%, 3/1/18, Ser. A | 2,548,700 |
| 2,960 | Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18 | 1,125,954 |
| | | 3,674,654 |
| Total Convertible Preferred Stock (cost-$54,265,576) | | 45,863,165 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| **Corporate Bonds & Notes 0.9%** | | |
| | **Oil, Gas & Consumable Fuels 0.9%** | |
| $2,509 | Cobalt International Energy, Inc., (c), 7.75%, 12/1/23 | $2,463,525 |
| 3,200 | 11.75%, 12/1/21 | 3,520,000 |
| Total Corporate Bonds & Notes (cost-$6,283,128) | | 5,983,525 |
| | **Repurchase Agreements 2.9%** | |
| 19,689 | State Street Bank and Trust Co., dated 1/31/18, 0.20%, due 2/1/18, proceeds $19,689,109; collateralized by U.S. Treasury Bonds, 2.875%, due 5/15/43, valued at $20,085,432 including accrued interest (cost-$19,689,000) | 19,689,000 |
| **Total Investments, before options written** (cost-$659,149,820) **99.2%** | | 673,902,389 |
| Total Options Written (0.1)% (premiums received-$475,363) (i)(j)(k) | | (607,770) |
| **Total Investments, net of options written** (cost-$658,674,457) **99.1%** | | 673,294,619 |
| Other assets less other liabilities 0.9% | | 5,946,854 |
| **Net Assets 100.0%** | | **$679,241,473** |

**Notes to Schedule of Investments:**

(a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of $45,987,872, representing 6.8% of net assets.

(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. Securities with an aggregate value of $43,408,813, representing 6.4% of net assets.

(c) In default.

(d) Fair-Valued Securities with an aggregate value of $112,502, representing less than 0.05% of net assets. See

Note 1(a) and Note 1(b) in the Notes to Financial Statements.

(e) Perpetual maturity. The date shown, if any, is the next call date.

(f) Level 3 security. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

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

(h) Restricted. The acquisition cost of such security is $3,160,750. The value is $2, representing less than 0.05% of net assets.

(i) Non-income producing.

(j) Exchange traded-Chicago Board Options Exchange.

(k) Exchange traded option contracts outstanding at January 31, 2018:

Options written contracts outstanding at January 31, 2018:

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| **Call options:** | | | | | | | |
| 3M Co. | 260.00USD | 2/16/18 | (125) | $(12,500) | $(9,750) | $(13,471) | $3,721 |
| Abbvie, Inc. | 116.00USD | 2/16/18 | (560) | (56,000) | (72,520) | (21,836) | (50,684) |
| Adobe Systems, Inc. | 210.00USD | 2/16/18 | (190) | (19,000) | (18,335) | (18,999) | 664 |
| Alibaba Group Holding Ltd. | 230.00USD | 3/16/18 | (280) | (28,000) | (80,500) | (81,695) | 1,195 |

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| Bank of America Corp. | 34.00 USD | 2/16/18 | (1,490) | $(149,000) | $(7,450) | $(16,305) | $8,855 |
| Boeing Co. | 370.00 USD | 3/16/18 | (175) | (17,500) | (98,000) | (64,796) | (33,204) |
| Comcast Corp. | 45.00 USD | 2/16/18 | (795) | (79,500) | (12,720) | (47,455) | 34,735 |
| Costco Wholesale Corp. | 210.00 USD | 3/16/18 | (175) | (17,500) | (23,100) | (26,961) | 3,861 |
| DowDuPont, Inc. | 80.00 USD | 3/16/18 | (220) | (22,000) | (11,550) | (9,524) | (2,026) |
| Facebook, Inc. | 200.00 USD | 2/16/18 | (295) | (29,500) | (48,823) | (32,397) | (16,426) |
| Honeywell International, Inc. | 170.00 USD | 2/16/18 | (85) | (8,500) | (807) | (3,652) | 2,845 |
| Intel Corp. | 50.50 USD | 2/16/18 | (850) | (85,000) | (19,550) | (12,013) | (7,537) |
| Intuitive Surgical, Inc. | 470.00 USD | 2/16/18 | (25) | (2,500) | (2,687) | (1,724) | (963) |
| NVIDIA Corp. | 260.00 USD | 2/16/18 | (200) | (20,000) | (134,500) | (44,588) | (89,912) |
| ServiceNow, Inc. | 155.00 USD | 2/16/18 | (125) | (12,500) | (41,250) | (13,064) | (28,186) |
| Starbucks Corp. | 66.00 USD | 2/16/18 | (775) | (77,500) | (2,713) | (17,014) | 14,301 |
| Texas Instruments, Inc. | 127.00 USD | 2/16/18 | (435) | (43,500) | (2,175) | (24,444) | 22,269 |
| Union Pacific Corp. | 155.00 USD | 2/16/18 | (255) | (25,500) | (637) | (11,460) | 10,823 |
| Valero Energy Corp. | 100.00 USD | 2/16/18 | (245) | (24,500) | (20,703) | (13,965) | (6,738) |
| Total options written contracts | | | | | $(607,770) | $(475,363) | $(132,407) |

(l) Fair Value Measurements See Note 1(b) in the Notes to Financial Statements.

| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 1/31/18 |
|---|---|---|---|---|
| **Investments in Securities Assets** | | | | |
| Common Stock | $441,114,345 | $ | $ | $441,114,345 |
| Convertible Bonds & Notes: | | | | |
| Energy-Alternate Sources | | 1,099,829 | 112,500 | 1,212,329 |
| All Other | | 160,040,025 | | 160,040,025 |
| Convertible Preferred Stock: | | | | |
| Agriculture | | 1,080,050 | | 1,080,050 |
| Banks | 9,839,600 | 1,051,253 | | 10,890,853 |
| Equity Real Estate Investment Trusts (REITs) | 1,861,678 | | 3,125,415 | 4,987,093 |
| Food & Beverage | | 1,215,351 | | 1,215,351 |
| Healthcare-Products | | 3,620,775 | | 3,620,775 |
| Oil, Gas & Consumable Fuels | 3,986,863 | | 2 | 3,986,865 |
| Pharmaceuticals | 2,548,700 | 1,125,954 | | 3,674,654 |
| All Other | 16,407,524 | | | 16,407,524 |
| Corporate Bonds & Notes | | 5,983,525 | | 5,983,525 |
| Repurchase Agreements | | 19,689,000 | | 19,689,000 |
| | 475,758,710 | 194,905,762 | 3,237,917 | 673,902,389 |
| **Investments in Securities Liabilities** | | | | |

| | | | | |
|---|---|---|---|---|
| Options Written: | | | | |
| Market Price | (607,770) | | | (607,770) |
| **Totals** | $475,150,940 | $194,905,762 | $3,237,917 | $673,294,619 |

At January 31, 2018, a security valued at $1,051,253 was transferred from Level 1 to Level 2. This transfer was a result of a security with an exchange-traded closing price at January 31, 2017, which was not available on January 31, 2018.

**Schedule of Investments**

**AllianzGI Equity & Convertible Income Fund**

January 31, 2018 (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the year ended January 31, 2018, was as follows:

| | Beginning Balance 1/31/17 | Purchases | Sales | Accrued Discount (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3* | Transfers out of Level 3 | Ending Balance 1/31/18 |
|---|---|---|---|---|---|---|---|---|---|
| **Investments in Securities Assets** | | | | | | | | | |
| Convertible Bonds & Notes: | | | | | | | | | |
| Energy-Alternate Sources | $112,500 | | $ | $1,749 | $ | $(1,749) | $ | | $112,500 |
| Convertible Preferred Stock: | | | | | | | | | |
| Equity Real Estate Investment Trusts (REITs) | 3,056,514 | | (127,462) | | 4,156 | 192,207 | | | 3,125,415 |
| Oil, Gas & Consumable Fuels | | | | | | | 2 | | 2 |
| **Totals** | $3,169,014 | | $(127,462) | $1,749 | $4,156 | $190,458 | $2 | | $3,237,917 |

* Transferred out of Level 2 into Level 3 because an evaluated mean price was not available at January 31, 2018.

The table above includes Level 3 investments that are valued by brokers and pricing services. The inputs for these investments are not readily available or cannot be reasonably estimated and are generally those inputs described in Note 1(b).

The net change in unrealized appreciation/depreciation of Level 3 investments held at January 31, 2018, was $190,458. The net realized gain (loss) and net change in unrealized appreciation/depreciation are reflected on the Statements of Operations.

(m) The following is a summary of the Fund s derivatives categorized by risk exposure.

The effect of derivatives on the Fund s Statements of Assets and Liabilities at January 31, 2018:

| Location | Market Price |
|---|---|
| **Liability derivatives:** | |
| Options written, at value | $(607,770) |

The effect of derivatives on the Fund s Statements of Operations for the year ended January 31, 2018:

| Location | Market Price |
|---|---|
| **Net realized loss on:** | |
| Options written | $(3,265,782) |
| **Net change in unrealized appreciation/depreciation of:** | |
| Options written | $(177,735) |

The average volume (based on the open positions at each month-end) of derivative activity during the year ended January 31, 2018 was 7,379 call options written contracts.

**Glossary:**

ADR - American Depositary Receipt

REIT - Real Estate Investment Trust

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

| Shares | | Value |
|---|---|---|
| **Common Stock 71.8%** | | |
| | **Aerospace & Defense 2.9%** | |
| 93,940 | General Dynamics Corp. (g) | $20,899,771 |
| 158,050 | United Technologies Corp. | 21,812,481 |
| | | 42,712,252 |
| | **Automobiles 1.3%** | |
| 459,400 | General Motors Co. | 19,483,154 |
| | **Banks 11.7%** | |
| 662,620 | Bank of America Corp. | 21,203,840 |
| 387,380 | BB&T Corp. | 21,379,502 |
| 269,790 | Citigroup, Inc. | 21,173,119 |
| 464,580 | Citizens Financial Group, Inc. | 21,324,222 |
| 370,080 | JPMorgan Chase & Co. (g) | 42,807,154 |
| 307,290 | SunTrust Banks, Inc. | 21,725,403 |
| 364,640 | U.S. Bancorp (g) | 20,835,530 |
| | | 170,448,770 |
| | **Beverages 1.7%** | |
| 207,360 | Dr. Pepper Snapple Group, Inc. | 24,748,416 |
| | **Biotechnology 1.4%** | |
| 176,790 | AbbVie, Inc. | 19,839,374 |
| | **Capital Markets 2.9%** | |
| 60,800 | Ameriprise Financial, Inc. | 10,256,960 |
| 185,710 | Bank of New York Mellon Corp. | 10,529,757 |
| 369,390 | Morgan Stanley (g) | 20,889,005 |
| | | 41,675,722 |
| | **Chemicals 1.5%** | |
| 212,160 | Eastman Chemical Co. | 21,042,029 |
| | **Communications Equipment 1.4%** | |
| 503,220 | Cisco Systems, Inc. | 20,903,759 |
| | **Consumer Finance 1.5%** | |
| 216,100 | American Express Co. (g) | 21,480,340 |
| | **Containers & Packaging 1.4%** | |
| 329,110 | International Paper Co. (g) | 20,687,855 |
| | **Diversified Telecommunication Services 2.8%** | |
| 518,220 | AT&T, Inc. (g) | 19,407,339 |
| 387,150 | Verizon Communications, Inc. | 20,933,201 |
| | | 40,340,540 |
| | **Electric Utilities 1.2%** | |
| 218,450 | Entergy Corp. (g) | 17,189,831 |
| | **Electrical Equipment 1.4%** | |
| 241,670 | Eaton Corp. PLC | 20,293,030 |
| | **Food & Staples Retailing 1.4%** | |
| 196,450 | Wal-Mart Stores, Inc. (g) | 20,941,570 |
| | **Food Products 1.4%** | |
| 141,330 | Ingredion, Inc. | 20,300,641 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Healthcare Equipment & Supplies 2.9%** | |
| 338,900 | Abbott Laboratories | $21,066,024 |
| 249,480 | Medtronic PLC | 21,427,837 |
| | | 42,493,861 |
| | **Healthcare Providers & Services 2.9%** | |
| 83,600 | Anthem, Inc. | 20,720,260 |
| 197,100 | Quest Diagnostics, Inc. (g) | 20,857,122 |
| | | 41,577,382 |
| | **Hotels, Restaurants & Leisure 1.5%** | |
| 293,740 | Carnival Corp. (g) | 21,034,721 |
| | **Independent Power Producers & Energy Traders 0.2%** | |
| 185,918 | Dynegy, Inc. (i) | 2,327,693 |
| | **Industrial Conglomerates 1.4%** | |
| 131,420 | Honeywell International, Inc. (g) | 20,983,831 |
| | **Insurance 4.1%** | |
| 219,350 | Allstate Corp. | 21,665,199 |
| 369,740 | MetLife, Inc. (g) | 17,773,402 |
| 130,780 | Reinsurance Group of America, Inc. | 20,486,687 |
| | | 59,925,288 |
| | **Multi-Utilities 1.5%** | |
| 414,200 | Public Service Enterprise Group, Inc. (g) | 21,484,554 |
| | **Oil, Gas & Consumable Fuels 8.7%** | |
| 171,440 | Chevron Corp. | 21,490,004 |
| 481,200 | Devon Energy Corp. | 19,907,244 |
| 575,940 | Energy Transfer Equity L.P. | 10,539,702 |
| 143,980 | Magellan Midstream Partners L.P. (g) | 10,278,732 |
| 153,190 | Marathon Petroleum Corp. | 10,611,471 |
| 606,220 | Royal Dutch Shell PLC, Class A, ADR (g) | 42,580,893 |
| 193,488 | Southwestern Energy Co. (i) | 820,389 |
| 235,400 | TransCanada Corp. | 10,837,816 |
| | | 127,066,251 |
| | **Pharmaceuticals 2.7%** | |
| 141,630 | Johnson & Johnson | 19,571,849 |
| 527,194 | Pfizer, Inc. (g) | 19,527,266 |
| | | 39,099,115 |
| | **Road & Rail 1.4%** | |
| 184,940 | Kansas City Southern | 20,922,262 |
| | **Semiconductors & Semiconductor Equipment 2.9%** | |
| 438,880 | Intel Corp. (g) | 21,127,683 |
| 106,960 | Lam Research Corp. (g) | 20,484,979 |
| | | 41,612,662 |
| | **Software 1.4%** | |
| 392,240 | Oracle Corp. (g) | 20,235,662 |
| | **Technology Hardware, Storage & Peripherals 2.8%** | |
| 119,800 | Apple, Inc. (g) | 20,058,114 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Technology Hardware, Storage & Peripherals** (continued) | |
| 887,920 | HP, Inc. (g) | $20,706,294 |
| | | 40,764,408 |
| | **Textiles, Apparel & Luxury Goods 1.5%** | |
| 265,300 | V.F. Corp. | 21,526,442 |
| Total Common Stock (cost-$881,349,678) | | 1,043,141,415 |

| Principal Amount (000s) | | |
|---|---|---|
| **Convertible Bonds & Notes 19.7%** | | |
| | **Aerospace & Defense 0.1%** | |
| $635 | Aerojet Rocketdyne Holdings, Inc., 2.25%, 12/15/23 | 799,692 |
| | **Auto Components 0.1%** | |
| 775 | Meritor, Inc., 3.25%, 10/15/37 (a)(b) | 858,834 |
| | **Auto Manufacturers 0.2%** | |
| 3,205 | Tesla, Inc., 0.25%, 3/1/19 | 3,564,540 |
| | **Biotechnology 1.4%** | |
| | BioMarin Pharmaceutical, Inc., | |
| 5,050 | 0.599%, 8/1/24 | 4,990,986 |
| 2,290 | 1.50%, 10/15/20 | 2,688,453 |
| 2,265 | Exact Sciences Corp., 1.00%, 1/15/25 | 2,215,134 |
| 2,820 | Illumina, Inc., 0.50%, 6/15/21 | 3,418,314 |
| 1,120 | Innoviva, Inc., 2.50%, 8/15/25 (a)(b) | 1,215,474 |
| 1,940 | Insmed, Inc., 1.75%, 1/15/25 | 1,859,577 |
| 1,770 | Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21 | 1,894,617 |
| 2,295 | Medicines Co., 2.75%, 7/15/23 | 2,243,337 |
| | | 20,525,892 |
| | **Commercial Services 0.1%** | |
| 1,835 | Macquarie Infrastructure Corp., 2.875%, 7/15/19 | 1,898,937 |
| | **Computers 0.4%** | |
| 3,570 | Electronics For Imaging, Inc., 0.75%, 9/1/19 | 3,448,659 |
| 655 | Lumentum Holdings, Inc., 0.25%, 3/15/24 (a)(b) | 702,553 |
| 2,035 | Nutanix, Inc., zero coupon, 1/15/23 (a)(b) | 1,989,803 |
| | | 6,141,015 |
| | **Diversified Financial Services 0.8%** | |
| 5,000 | Encore Capital Group, Inc., 2.875%, 3/15/21 | 4,862,055 |
| 7,130 | PRA Group, Inc., 3.00%, 8/1/20 | 6,878,839 |
| | | 11,740,894 |
| | **Electrical Equipment 0.1%** | |
| 2,195 | SunPower Corp., 4.00%, 1/15/23 | 1,826,269 |
| | **Electronics 0.2%** | |
| 2,530 | OSI Systems, Inc., 1.25%, 9/1/22 (a)(b) | 2,340,604 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Energy-Alternate Sources 0.2%** | |
| $2,205 | SolarCity Corp., 1.625%, 11/1/19 | $2,072,755 |
| | SunEdison, Inc. (d)(f), | |
| 2,915 | 2.625%, 6/1/23 | 65,588 |
| 3,820 | 3.375%, 6/1/25 | 85,950 |
| | | 2,224,293 |
| | **Engineering & Construction 0.2%** | |
| 1,665 | Dycom Industries, Inc., 0.75%, 9/15/21 | 2,219,005 |
| | **Equity Real Estate Investment Trusts (REITs) 0.9%** | |
| 3,600 | IH Merger Sub LLC, 3.50%, 1/15/22 (a)(b) | 4,081,561 |
| 1,965 | Spirit Realty Capital, Inc., 2.875%, 5/15/19 | 1,962,289 |
| 2,620 | Starwood Property Trust, Inc., 4.55%, 3/1/18 | 2,659,321 |
| 4,000 | Two Harbors Investment Corp., 6.25%, 1/15/22 | 4,070,744 |
| | | 12,773,915 |
| | **Healthcare-Products 0.7%** | |
| 1,945 | Insulet Corp., 1.375%, 11/15/24 (a)(b) | 2,065,277 |
| 3,135 | NuVasive, Inc., 2.25%, 3/15/21 | 3,361,946 |
| 4,465 | Wright Medical Group, Inc., 2.00%, 2/15/20 | 4,638,018 |
| | | 10,065,241 |
| | **Healthcare-Services 0.3%** | |
| 1,605 | Molina Healthcare, Inc., 1.125%, 1/15/20 | 3,617,132 |
| | **Internet 2.4%** | |
| 3,920 | Altaba, Inc., zero coupon, 12/1/18 | 5,909,988 |
| | FireEye, Inc., | |
| 1,000 | 1.00%, 6/1/35, Ser. A | 946,901 |
| 2,150 | 1.625%, 6/1/35, Ser. B | 1,983,306 |
| 1,200 | IAC FinanceCo., Inc., 0.875%, 10/1/22 (a)(b) | 1,374,257 |
| 2,620 | Liberty Expedia Holdings, Inc., 1.00%, 6/30/47 (a)(b) | 2,653,790 |
| 2,610 | Palo Alto Networks, Inc., zero coupon, 7/1/19 | 3,825,151 |
| | Priceline Group, Inc., | |
| 2,900 | 0.35%, 6/15/20 | 4,306,512 |
| 3,800 | 0.90%, 9/15/21 | 4,567,129 |
| | Twitter, Inc., | |
| 2,080 | 0.25%, 9/15/19 | 1,998,628 |
| 2,150 | 1.00%, 9/15/21 | 2,031,462 |
| 1,340 | VeriSign, Inc., 4.702%, 8/15/37 | 4,497,135 |
| 1,300 | Wayfair, Inc., 0.375%, 9/1/22 (a)(b) | 1,445,600 |
| | | 35,539,859 |
| | **Iron/Steel 0.2%** | |
| 1,320 | Allegheny Technologies, Inc., 4.75%, 7/1/22 | 2,686,250 |
| | **Lodging 0.3%** | |
| 2,225 | Caesars Entertainment Corp., 5.00%, 10/1/24 (a) | 4,684,413 |
| | **Machinery-Diversified 0.1%** | |
| 1,945 | Chart Industries, Inc., 1.00%, 11/15/24 (a)(b) | 2,109,897 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Media 1.3%** | |
| | DISH Network Corp., | |
| $3,050 | 2.375%, 3/15/24 (a)(b) | $2,861,589 |
| 7,195 | 3.375%, 8/15/26 | 7,658,056 |
| 1,600 | Liberty Interactive LLC, 1.75%, 9/30/46 (a)(b) | 1,968,195 |
| | Liberty Media Corp., | |
| 2,295 | 1.00%, 1/30/23 (a)(b) | 2,712,139 |
| 2,815 | 1.375%, 10/15/23 | 3,521,847 |
| | | 18,721,826 |
| | **Metal Fabricate/Hardware 0.3%** | |
| 3,110 | RTI International Metals, Inc., 1.625%, 10/15/19 | 3,678,197 |
| | **Miscellaneous Manufacturing 0.2%** | |
| 2,300 | Trinity Industries, Inc., 3.875%, 6/1/36 | 3,370,093 |
| | **Oil, Gas & Consumable Fuels 0.8%** | |
| 4,240 | Chesapeake Energy Corp., 5.50%, 9/15/26 | 3,895,216 |
| 600 | Helix Energy Solutions Group, Inc., 4.25%, 5/1/22 | 597,912 |
| 2,000 | Nabors Industries, Inc., 0.75%, 1/15/24 (a)(b) | 1,612,600 |
| 3,000 | SM Energy Co., 1.50%, 7/1/21 | 3,066,699 |
| 1,935 | Weatherford International Ltd., 5.875%, 7/1/21 | 2,020,844 |
| | | 11,193,271 |
| | **Pharmaceuticals 1.1%** | |
| 1,965 | Herbalife Ltd., 2.00%, 8/15/19 | 2,159,928 |
| | Jazz Investments I Ltd., | |
| 4,030 | 1.50%, 8/15/24 (a)(b) | 3,879,576 |
| 3,600 | 1.875%, 8/15/21 | 3,702,917 |
| 2,100 | Neurocrine Biosciences, Inc., 2.25%, 5/15/24 (a)(b) | 2,831,264 |
| 1,945 | Sarepta Therapeutics, Inc., 1.50%, 11/15/24 (a)(b) | 2,248,554 |
| 515 | TESARO, Inc., 3.00%, 10/1/21 | 1,063,644 |
| 885 | Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26, Ser. C | 797,538 |
| | | 16,683,421 |
| | **Pipelines 0.2%** | |
| 4,335 | Cheniere Energy, Inc., 4.25%, 3/15/45 | 3,350,955 |
| | **Retail 0.1%** | |
| 1,975 | RH, zero coupon, 7/15/20 (a)(b) | 2,007,125 |
| | **Semiconductors 3.4%** | |
| 1,655 | Advanced Micro Devices, Inc., 2.125%, 9/1/26 | 3,101,523 |
| | Cypress Semiconductor Corp., | |
| 3,715 | 2.00%, 2/1/23 (a)(b) | 4,024,690 |
| 385 | 4.50%, 1/15/22 | 547,646 |
| 3,910 | Intel Corp., 3.25%, 8/1/39 | 8,980,785 |
| 1,000 | Lam Research Corp., 1.25%, 5/15/18 | 3,190,786 |
| 11,960 | Microchip Technology, Inc., 1.625%, 2/15/27 (a)(b) | 14,587,959 |
| 5,760 | Micron Technology, Inc., 3.00%, 11/15/43, Ser. G | 8,803,573 |
| 200 | Novellus Systems, Inc., 2.625%, 5/15/41 | 1,139,993 |
| 3,275 | Silicon Laboratories, Inc., 1.375%, 3/1/22 (a)(b) | 3,973,590 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| | **Semiconductors** (continued) | |
| $255 | Synaptics, Inc., 0.50%, 6/15/22 (a)(b) | $241,014 |
| 1,605 | Veeco Instruments, Inc., 2.70%, 1/15/23 | 1,448,678 |
| | | 50,040,237 |
| | **Software 2.2%** | |
| 1,500 | Citrix Systems, Inc., 0.50%, 4/15/19 | 1,990,978 |
| 1,945 | Evolent Health, Inc., 2.00%, 12/1/21 | 1,970,528 |
| 2,030 | Medidata Solutions, Inc., 1.00%, 8/1/18 | 2,447,088 |
| 3,375 | Nuance Communications, Inc., 1.00%, 12/15/35 | 3,295,461 |
| 1,950 | 1.25%, 4/1/25 (a)(b) | 2,060,795 |
| 1,555 | Proofpoint, Inc., 0.75%, 6/15/20 | 2,119,477 |
| 2,170 | Red Hat, Inc., 0.25%, 10/1/19 | 3,899,167 |
| 2,950 | Salesforce.com, Inc., 0.25%, 4/1/18 | 5,051,607 |
| 2,300 | ServiceNow, Inc., zero coupon, 11/1/18 | 4,640,034 |
| 3,940 | Workday, Inc., 0.25%, 10/1/22 (a)(b) | 4,112,399 |
| | | 31,587,534 |
| | **Telecommunications 1.0%** | |
| 645 | CalAmp Corp., 1.625%, 5/15/20 | 711,113 |
| 3,000 | Ciena Corp., 3.75%, 10/15/18 | 3,497,775 |
| 2,795 | Finisar Corp., 0.50%, 12/15/36 | 2,543,075 |
| 5,000 | Gogo, Inc., 3.75%, 3/1/20 | 4,383,890 |
| 3,770 | Viavi Solutions, Inc., 1.00%, 3/1/24 (a)(b) | 3,694,559 |
| | | 14,830,412 |
| | **Transportation 0.4%** | |
| 2,620 | Atlas Air Worldwide Holdings, Inc., 2.25%, 6/1/22 | 2,942,409 |
| 2,065 | Greenbrier Cos., Inc., 2.875%, 2/1/24 (a)(b) | 2,378,820 |
| | | 5,321,229 |
| Total Convertible Bonds & Notes (cost-$274,837,194) | | 286,400,982 |

| Shares | | |
|---|---|---|
| **Convertible Preferred Stock 6.3%** | | |
| | **Agriculture 0.1%** | |
| 18,080 | Bunge Ltd., 4.875% (e) | 2,044,743 |
| | **Banks 1.4%** | |
| 6,455 | Bank of America Corp., 7.25%, Ser. L (e) | 8,146,210 |
| 1,455 | Huntington Bancshares, Inc., 8.50%, Ser. A (e) | 1,986,458 |
| 8,240 | Wells Fargo & Co., 7.50%, Ser. L (e) | 10,547,200 |
| | | 20,679,868 |
| | **Commercial Services & Supplies 0.1%** | |
| 30,390 | Stericycle, Inc., 5.25%, 9/15/18 | 1,790,883 |
| | **Diversified Telecommunication Services 0.1%** | |
| 110,050 | Frontier Communications Corp., 11.125%, 6/29/18, Ser. A | 1,403,138 |
| | **Electric Utilities 0.4%** | |
| 100,000 | NextEra Energy, Inc., 6.123%, 9/1/19 | 5,656,000 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Shares | | Value |
|---|---|---|
| | **Electronic Equipment, Instruments & Components 0.2%** | |
| 19,650 | Belden, Inc., 6.75%, 7/15/19 | $2,184,490 |
| | **Equity Real Estate Investment Trusts (REITs) 0.7%** | |
| 5,255 | Crown Castle International Corp., 6.875%, 8/1/20, Ser. A (f) | 5,907,934 |
| 61,055 | Welltower, Inc., 6.50%, Ser. I (e) | 3,533,253 |
| | | 9,441,187 |
| | **Food & Beverage 0.2%** | |
| 15,970 | Post Holdings, Inc., 2.50% (e) | 2,302,392 |
| | **Hand/Machine Tools 0.3%** | |
| 37,185 | Stanley Black & Decker, Inc., 5.375%, 5/15/20 | 4,430,593 |
| | **Healthcare Providers & Services 0.6%** | |
| 135,990 | Anthem, Inc., 5.25%, 5/1/18 | 8,167,559 |
| | **Healthcare-Products 0.5%** | |
| 108,135 | Becton Dickinson and Co., 6.125%, 5/1/20, Ser. A | 6,809,261 |
| | **Metal Fabricate/Hardware 0.2%** | |
| 49,065 | Rexnord Corp., 5.75%, 11/15/19, Ser. A | 3,009,156 |
| | **Multi-Utilities 0.2%** | |
| 32,295 | Sempra Energy, 6.00%, 1/15/21, Ser. A | 3,229,500 |
| | **Oil, Gas & Consumable Fuels 0.8%** | |
| 45,100 | ATP Oil & Gas Corp., 8.00% (a)(b)(d)(e)(f)(h) (acquisition cost-$4,510,000; purchased 9/23/09) | 4 |
| 90,780 | Kinder Morgan, Inc., 9.75%, 10/26/18, Ser. A | 3,341,612 |
| 213,230 | Sanchez Energy Corp., 6.50%, Ser. B (e) | 4,567,387 |
| 67,125 | WPX Energy, Inc., 6.25%, 7/31/18, Ser. A | 4,219,477 |
| | | 12,128,480 |
| | **Pharmaceuticals 0.5%** | |
| 7,480 | Allergan PLC, 5.50%, 3/1/18, Ser. A | 4,844,796 |
| 6,225 | Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18 | 2,367,928 |
| | | 7,212,724 |
| Total Convertible Preferred Stock (cost-$109,252,926) | | 90,489,974 |

| Principal Amount (000s) | | |
|---|---|---|
| **Corporate Bonds & Notes 0.7%** | | |
| | **Oil, Gas & Consumable Fuels 0.7%** | |
| $4,647 | Cobalt International Energy, Inc., (c), 7.75%, 12/1/23 | 4,562,773 |
| 5,350 | 11.75%, 12/1/21 | 5,885,000 |
| Total Corporate Bonds & Notes (cost-$11,070,959) | | 10,447,773 |

| Units | | |
|---|---|---|
| **Warrants** (a)(d)(f)(i) **0.0%** | | |
| | **Commercial Services 0.0%** | |
| 97,838 | Cenveo, Inc., strike price $12.00, expires 6/10/24 (cost-$0) | 4,345 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Principal Amount (000s) | | Value |
|---|---|---|
| **Repurchase Agreements 1.5%** | | |
| $22,092 | State Street Bank and Trust Co., dated 1/31/18, 0.20%, due 2/1/18, proceeds $22,092,123; collateralized by U.S. Treasury Bonds, 2.875%, due 5/15/43, valued at $22,543,457 including accrued interest (cost-$22,092,000) | $22,092,000 |
| **Total Investments, before options written** (cost-$1,298,602,757) **100.0%** | | 1,452,576,489 |
| Total Options Written (0.3)% (premiums received-$1,611,531) (i)(j)(k) | | (4,219,263) |
| **Total Investments, net of options written** (cost-$1,296,991,226) **99.7%** | | 1,448,357,226 |
| Other assets less other liabilities 0.3% | | 4,228,152 |
| **Net Assets 100.0%** | | **$1,452,585,378** |

**Notes to Schedule of Investments:**

(a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of $80,721,280, representing 5.6% of net assets.

(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. Securities with an aggregate value of $76,032,522, representing 5.2% of net assets.

(c) In default.

(d) Fair-Valued Securities with an aggregate value of $155,887, representing less than 0.05% of net assets. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

(e) Perpetual maturity. The date shown, if any, is the next call date.

(f) Level 3 security. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

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

(h) Restricted. The acquisition cost of such security is $4,510,000. The value is $4, representing less than 0.05% of net assets.

(i) Non-income producing.

(j) Exchange traded-Chicago Board Options Exchange.

(k) Exchange traded option contracts outstanding at January 31, 2018:

Options written contracts outstanding at January 31, 2018:

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| **Call options:** | | | | | | | |
| Anthem, Inc. | 255.00USD | 2/16/18 | (334) | $(33,400) | $(83,166) | $(94,533) | $11,367 |
| Carnival Corp. | 69.00USD | 2/2/18 | (1,175) | (117,500) | (317,250) | (76,571) | (240,679) |
| Cisco Systems, Inc. | 39.00USD | 2/16/18 | (2,175) | (217,500) | (626,400) | (139,197) | (487,203) |
| Citizens Financial Group, Inc. | 45.00USD | 4/20/18 | (1,888) | (188,800) | (542,800) | (230,330) | (312,470) |
| Eaton Corp. PLC | 87.00USD | 2/16/18 | (900) | (90,000) | (72,000) | (134,961) | 62,961 |
| Entergy Corp. | 82.50USD | 2/16/18 | (874) | (87,400) | (8,740) | (34,959) | 26,219 |
| General Dynamics Corp. | 210.00USD | 2/16/18 | (407) | (40,700) | (549,450) | (89,279) | (460,171) |
| General Motors Co. | 45.00USD | 2/16/18 | (1,838) | (183,800) | (56,059) | (94,207) | 38,148 |
| Honeywell International, Inc. | 160.00USD | 2/16/18 | (534) | (53,400) | (109,737) | (47,300) | (62,437) |
| HP, Inc | 25.00USD | 3/2/18 | (3,108) | (310,800) | (68,376) | (96,346) | 27,970 |

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Received | Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|---|---|---|
| Johnson & Johnson | 145.00 USD | 2/16/18 | (504) | $(50,400) | $(11,088) | $(37,799) | $26,711 |
| Medtronic PLC | 85.00 USD | 2/16/18 | (887) | (88,700) | (161,434) | (40,801) | (120,633) |
| MetLife, Inc. | 50.00 USD | 2/16/18 | (1,400) | (140,000) | (65,800) | (66,719) | 919 |
| Oracle Corp. | 48.00 USD | 2/2/18 | (1,597) | (159,700) | (548,570) | (55,894) | (492,676) |
| Pfizer, Inc. | 37.50 USD | 2/9/18 | (2,109) | (210,900) | (35,853) | (33,743) | (2,110) |
| Quest Diagnostics, Inc. | 105.00 USD | 2/16/18 | (864) | (86,400) | (248,400) | (83,806) | (164,594) |
| United Technologies Corp. | 139.00 USD | 2/23/18 | (553) | (55,300) | (104,241) | (105,621) | 1,380 |
| VF Corp. | 80.00 USD | 2/9/18 | (1,061) | (106,100) | (198,937) | (73,207) | (125,730) |
| Wal-Mart Stores, Inc. | 102.00 USD | 2/9/18 | (843) | (84,300) | (410,962) | (76,258) | (334,704) |
| Total options written contracts | | | | | $(4,219,263) | $(1,611,531) | $(2,607,732) |

(l) Fair Value Measurements See Note 1(b) in the Notes to Financial Statements.

| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 1/31/18 |
|---|---|---|---|---|
| **Investments in Securities Assets** | | | | |
| Common Stock | $1,043,141,415 | $ | $ | $1,043,141,415 |
| Convertible Bonds & Notes: | | | | |
| Energy-Alternate Sources | | 2,072,755 | 151,538 | 2,224,293 |
| All Other | | 284,176,689 | | 284,176,689 |
| Convertible Preferred Stock: | | | | |
| Agriculture | | 2,044,743 | | 2,044,743 |
| Banks | 18,693,410 | 1,986,458 | | 20,679,868 |
| Equity Real Estate Investment Trusts (REITs) | 3,533,253 | | 5,907,934 | 9,441,187 |
| Food & Beverage | | 2,302,392 | | 2,302,392 |
| Healthcare-Products | | 6,809,261 | | 6,809,261 |
| Oil, Gas & Consumable Fuels | 7,561,089 | 4,567,387 | 4 | 12,128,480 |
| Pharmaceuticals | 4,844,796 | 2,367,928 | | 7,212,724 |
| All Other | 29,871,319 | | | 29,871,319 |
| Corporate Bonds & Notes | | 10,447,773 | | 10,447,773 |
| Warrants | | | 4,345 | 4,345 |
| Repurchase Agreements | | 22,092,000 | | 22,092,000 |
| | 1,107,645,282 | 338,867,386 | 6,063,821 | 1,452,576,489 |
| **Investments in Securities Liabilities** | | | | |
| Options Written: | | | | |
| Market Price | (4,219,263) | | | (4,219,263) |
| **Totals** | $1,103,426,019 | $338,867,386 | $6,063,821 | $1,448,357,226 |

At January 31, 2018, a security valued at $1,986,458 was transferred from Level 1 to Level 2. This transfer was a result of a security with an exchange- traded closing price at January 31, 2017, which was not available on January 31, 2018.

**Schedule of Investments**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018 (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the year ended January 31, 2018, was as follows:

| | Beginning Balance 1/31/17 | Purchases | Sales | Accrued Discount (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3* | Transfers out of Level 3 | Ending Balance 1/31/18 |
|---|---|---|---|---|---|---|---|---|---|
| **Investments in Securities** | **Assets** | | | | | | | | |
| Convertible Bonds & Notes: | | | | | | | | | |
| Energy-Alternate Sources | $ | $151,538 | $ | $1,372 | $ | $(1,372) | $ | | $151,538 |
| Convertible Preferred Stock: | | | | | | | | | |
| Equity Real Estate Investment Trusts (REITs) | | 5,773,763 | (238,992) | | 7,792 | 365,371 | | | 5,907,934 |
| Oil, Gas & Consumable Fuels | | | | | | | 4 | | 4 |
| Warrants | 28,118 | | | | | (23,773) | | | 4,345 |
| **Totals** | $28,118 | $5,925,301 | $(238,992) | $1,372 | $7,792 | $340,226 | $4 | | $6,063,821 |

The table above includes Level 3 investments that are valued by brokers and pricing services. The inputs for these investments are not readily available or cannot be reasonably estimated and are generally those inputs described in Note 1(b).

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 January 31, 2018:

| | Ending Balance at 1/31/18 | Valuation Technique Used | Unobservable Inputs | Input Values |
|---|---|---|---|---|
| **Investments in Securities** **Assets** | | | | |
| Warrants | $4,345 | Black Scholes Model | Volatility | 71% |

* Transferred out of Level 2 into Level 3 because an evaluated mean price was not available at January 31, 2018.

The net change in unrealized appreciation/depreciation of Level 3 investments held at January 31, 2018, was $340,226. The net realized gain (loss) and net change in unrealized appreciation/depreciation are reflected on the Statements of Operations.

(m) The following is a summary of the Fund s derivatives categorized by risk exposure.

The effect of derivatives on the Fund s Statements of Assets and Liabilities at January 31, 2018:

| Location | Market Price |
|---|---|
| **Liability derivatives:** | |
| Options written, at value | $(4,219,263) |

The effect of derivatives on the Fund s Statements of Operations for the year ended January 31, 2018:

| Location | Market Price |
|---|---|
| **Net realized loss on:** | |
| Options written | $(28,870,288) |
| **Net change in unrealized appreciation/depreciation of:** | |
| Options written | $(4,214,589) |

The average volume (based on the open positions at each month-end) of derivative activity during the year ended January 31, 2018 was 34,126 call options written contracts.

**Glossary:**

ADR - American Depositary Receipt
REIT - Real Estate Investment Trust

**Statements of Assets and Liabilities**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

| | Diversified Income & Convertible | Equity & Convertible Income | Dividend, Interest & Premium Strategy |
|---|---|---|---|
| **Assets:** | | | |
| Investments, at value (cost-$363,194,207, $659,149,820 and $1,298,602,757, respectively) | $354,921,386 | $673,902,389 | $1,452,576,489 |
| Cash | | 417,645 | 4,102 |
| Receivable for investments sold | 8,492,075 | 5,808,463 | 10,731,270 |
| Receivable due from broker | | | 772,487 |
| Interest and dividends receivable | 1,990,700 | 1,492,232 | 3,237,793 |
| Investments in Affiliated Funds- Trustees Deferred Compensation Plan (see Note 4) | 21,064 | 53,849 | 126,195 |
| Prepaid expenses and other assets | 15,802 | 8,939 | 18,654 |
| Total Assets | 365,441,027 | 681,683,517 | 1,467,466,990 |
| | | | |
| **Liabilities:** | | | |
| Loan payable (See Note 7 and Note 8) | 75,000,000 | | |
| Payable for investments purchased | 9,146,732 | 995,623 | 8,204,146 |
| Payable to custodian for cash overdraft | 2,444,840 | | |
| Dividends payable to common shareholders | 1,715,920 | | |
| Loan interest payable | 798,937 | | |
| Investment management fees payable | 286,546 | 550,312 | 1,064,740 |
| Call options written, at value (premiums received- $92,107, $475,363 and $1,611,531, respectively) | 115,810 | 607,770 | 4,219,263 |
| Interest payable on dividends to mandatory redeemable preferred shareholders | 106,724 | | |
| Trustees Deferred Compensation Plan payable (see Note 4) | 21,064 | 53,849 | 126,195 |
| Payable due to broker | | | 772,487 |
| Accrued expenses | 422,431 | 234,490 | 494,781 |
| Mandatory redeemable preferred shares (see Note 7) | 30,000,000 | | |
| Total Liabilities | 120,059,004 | 2,442,044 | 14,881,612 |
| **Net Assets Applicable to Common Shareholders** | $245,382,023 | $679,241,473 | $1,452,585,378 |
| | | | |
| **Composition of Net Assets Applicable to Common Shareholders:** | | | |
| Common Stock: | | | |
| Par value ($0.00001 per share) | $103 | $277 | $948 |
| Paid-in-capital in excess of par | 250,614,824 | 671,525,781 | 1,327,402,207 |
| Dividends in excess of net investment income | (3,068,596) | (762,644) | (87,230) |
| Accumulated net realized gain (loss) | 6,132,216 | (6,140,646) | (26,096,547) |

| | | | |
|---|---|---|---|
| Net unrealized appreciation (depreciation) | (8,296,524) | 14,618,705 | 151,366,000 |
| **Net Assets Applicable to Common Shareholders** | $245,382,023 | $679,241,473 | $1,452,585,378 |
| Common Shares Issued and Outstanding | 10,274,970 | 27,708,965 | 94,801,581 |
| **Net Asset Value Per Common Share** | $23.88 | $24.51 | $15.32 |

**Statements of Operations**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Year ended January 31, 2018

| | Diversified Income & Convertible | Equity & Convertible Income | Dividend, Interest & Premium Strategy |
|---|---|---|---|
| **Investment Income:** | | | |
| Interest | $7,409,699 | $3,644,920 | $6,380,597 |
| Dividends (net of foreign withholding taxes of $24,255, $35,302 and $619,818, respectively) | 3,250,082 | 14,078,816 | 35,121,213 |
| Miscellaneous | 21,334 | 359 | 2,760 |
| Total Investment Income | 10,681,115 | 17,724,095 | 41,504,570 |
| **Expenses:** | | | |
| Investment management | 3,340,604 | 6,194,864 | 12,482,280 |
| Loan interest | 2,509,488 | | |
| Interest on dividends to mandatory redeemable preferred shareholders | 1,298,444 | | |
| Excise tax | 166,561 | | |
| Custodian and accounting agent | 105,996 | 84,717 | 209,370 |
| Audit and tax services | 82,846 | 82,469 | 104,208 |
| Shareholder communications | 55,271 | 94,657 | 255,869 |
| Legal | 44,086 | 34,403 | 85,658 |
| Transfer agent | 31,318 | 24,359 | 24,275 |
| Trustees | 13,594 | 41,761 | 89,587 |
| New York Stock Exchange listing | 12,500 | 14,201 | 48,586 |
| Insurance | 10,013 | 17,454 | 31,653 |
| Miscellaneous | 26,772 | 10,289 | 64,531 |
| Total Expenses | 7,697,493 | 6,599,174 | 13,396,017 |
| **Net Investment Income** | 2,983,622 | 11,124,921 | 28,108,553 |
| **Realized and Change in Unrealized Gain (Loss):** | | | |
| Net realized gain (loss) on: | | | |
| Investments | 22,190,824 | 36,534,160 | 88,172,533 |
| Call options written | (611,103) | (3,265,782) | (28,870,288) |
| Foreign currency transactions | | | (646) |
| Net change in unrealized appreciation/depreciation of: | | | |
| Investments | 19,603,314 | 80,228,892 | 80,925,817 |
| Call options written | (42,642) | (177,735) | (4,214,589) |
| Foreign currency transactions | | 3,716 | |
| Net realized and change in unrealized gain | 41,140,393 | 113,323,251 | 136,012,827 |
| **Net Increase in Net Assets Resulting from Investment Operations** | $44,124,015 | $124,448,172 | $164,121,380 |

**Statement of Changes in Net Assets Applicable to Common Shareholders**

**AllianzGI Diversified Income & Convertible Fund**

| | Year ended January 31, 2018 | Year ended January 31, 2017 |
|---|---|---|
| **Investment Operations:** | | |
| Net investment income | $2,983,622 | $4,003,036 |
| Net realized gain | 21,579,721 | 17,171,792 |
| Net change in unrealized appreciation/depreciation | 19,560,672 | 26,235,147 |
| Net increase in net assets resulting from investment operations | 44,124,015 | 47,409,975 |
| **Dividends and Distributions to Common Shareholders from:** | | |
| Net investment income | (4,515,790) | (5,346,002) |
| Net realized gains | (16,075,250) | (15,349,833) |
| Total dividends and distributions to common shareholders | (20,591,040) | (20,695,835) |
| **Common Share Transactions:** | | |
| Cost of shares repurchased | | (6,509,184) |
| Total increase in net assets | 23,532,975 | 20,204,956 |
| **Net Assets:** | | |
| Beginning of year | 221,849,048 | 201,644,092 |
| End of year* | $245,382,023 | $221,849,048 |
| * Including dividends in excess of net investment income of: | $(3,068,596) | $(2,885,000) |
| **Shares Activity:** | | |
| Shares outstanding, beginning of year | 10,274,970 | 10,661,039 |
| Shares repurchased | | (386,069) |
| Shares outstanding, end of year | 10,274,970 | 10,274,970 |

**Statements of Changes in Net Assets**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

**Equity & Convertible Income:**

| | Year ended January 31, 2018 | Year ended January 31, 2017 |
|---|---|---|
| **Investment Operations:** | | |
| Net investment income | $11,124,921 | $11,233,451 |
| Net realized gain | 33,268,378 | 16,212,157 |
| Net change in unrealized appreciation/depreciation | 80,054,873 | 60,205,403 |
| Net increase in net assets resulting from investment operations | 124,448,172 | 87,651,011 |
| **Dividends and Distributions to Shareholders from:** | | |
| Net investment income | (11,985,450) | (14,987,688) |
| Net realized gains | (30,132,177) | (27,129,938) |
| Total dividends and distributions to shareholders | (42,117,627) | (42,117,626) |
| Total increase in net assets | 82,330,545 | 45,533,385 |
| **Net Assets:** | | |
| Beginning of year | 596,910,928 | 551,377,543 |
| End of year* | $679,241,473 | $596,910,928 |
| * Including dividends in excess of net investment income of: | $(762,644) | $(2,423,770) |

**Dividend, Interest & Premium Strategy:**

| | Year ended January 31, 2018 | Year ended January 31, 2017 |
|---|---|---|
| **Investment Operations:** | | |
| Net investment income | $28,108,553 | $32,796,080 |
| Net realized gain (loss) | 59,301,599 | (31,654,348) |
| Net change in unrealized appreciation/depreciation | 76,711,228 | 219,417,196 |
| Net increase in net assets resulting from investment operations | 164,121,380 | 220,558,928 |
| **Dividends and Distributions to Shareholders from:** | | |
| Net investment income | (28,416,813) | (34,626,028) |
| Return of capital | (78,234,965) | (79,135,870) |
| Total dividends and distributions to shareholders | (106,651,778) | (113,761,898) |
| Total increase in net assets | 57,469,602 | 106,797,030 |
| **Net Assets:** | | |
| Beginning of year | 1,395,115,776 | 1,288,318,746 |
| End of year* | $1,452,585,378 | $1,395,115,776 |
| * Including dividends in excess of net investment income of: | $(87,230) | $(5,527,499) |

**Statement of Cash Flows***

**AllianzGI Diversified Income & Convertible Fund**

For the Year ended January 31, 2018

**Increase (Decrease) in Cash from:**

| | |
|---|---|
| **Cash Flows provided by Operating Activities:** | |
| Net increase in net assets resulting from investment operations | $44,124,015 |
| **Adjustments to Reconcile Net Increase in Net Assets Resulting from Investment Operations to Net Cash provided by Operating Activities:** | |
| Purchases of long-term investments | (504,709,621) |
| Proceeds from sales of long-term investments | 523,827,831 |
| Purchases of short-term portfolio investments, net | (6,350,267) |
| Net change in unrealized appreciation/depreciation | (19,560,672) |
| Net amortization/accretion on investments | 93,004 |
| Net realized gain | (21,579,721) |
| Increase in payable for investments purchased | 6,180,026 |
| Proceeds from sale of written options | 742,739 |
| Payments to cover written options | (1,339,552) |
| Increase in investments in Affiliated Funds Trustees Deferred Compensation Plan | (11,804) |
| Increase in Trustees Deferred Compensation Plan payable | 11,804 |
| Increase in receivable for investments sold | (3,690,223) |
| Decrease in interest and dividends receivable | 155,268 |
| Increase in prepaid expenses and other assets | (1,906) |
| Increase in investment management fees payable | 10,234 |
| Increase in accrued expenses | 271,958 |
| Decrease in loan interest payable | (23,357) |
| **Net cash provided by operating activities** | 18,149,756 |
| **Cash Flows used for Financing Activities:** | |
| Increase in payable to custodian for cash overdraft | 2,444,840 |
| Cash dividends paid | (20,594,596) |
| **Net cash used for financing activities** | (18,149,756) |
| **Net increase (decrease) in cash** | |
| **Cash:** | |
| Beginning of year | |
| End of year | $ |
| **Noncash Investing and Financing Activities:** | |
| Noncash investing transactions Conversions of convertible preferred stock | $5,714,518 |
| **Cash Paid for Interest** | $2,532,845 |
| **Cash Paid for Interest on Dividends to Mandatory Redeemable Preferred Shares** | $1,302,000 |

* A Statement of Cash Flows is not required for Equity & Convertible Income and Dividend, Interest & Premium Strategy.

**Financial Highlights**

**AllianzGI Diversified Income & Convertible Fund**

For a common share outstanding throughout each period:

| | Year ended January 31, 2018 | Year ended January 31, 2017 | For the period May 27, 2015* through January 31, 2016 |
|---|---|---|---|
| Net asset value, beginning of period | $21.59 | $18.91 | $23.88 |
| **Investment Operations:** | | | |
| Net investment income (1) | 0.29 | 0.39 | 0.18 |
| Net realized and change in unrealized gain (loss) | 4.00 | 4.21 | (4.09) |
| Total from investment operations | 4.29 | 4.60 | (3.91) |
| **Dividends and Distributions to Common Shareholders from:** | | | |
| Net investment income | (0.44) | (0.51) | (0.62) |
| Net realized gains | (1.56) | (1.49) | (0.55) |
| Total dividends and distributions to common shareholders | (2.00) | (2.00) | (1.17) |
| **Common Share Transactions:** | | | |
| Offering costs charged to paid-in-capital in excess of par | | | (0.05) |
| Accretion to net asset value resulting from share repurchases | | 0.08 | 0.16 |
| Net asset value, end of period | $23.88 | $21.59 | $18.91 |
| Market price, end of period | $22.40 | $19.49 | $16.40 |
| **Total Investment Return** (2) | 26.13% | 32.56% | (30.12)% |
| **RATIOS/SUPPLEMENTAL DATA:** | | | |
| Net assets, end of period (000s) | $245,382 | $221,849 | $201,644 |
| Ratio of expenses to average net assets, including interest expense (4)(5) | 3.36%(6) | 3.48%(6) | 3.26%(3) |
| Ratio of expenses to average net assets, excluding interest expense (4)(5) | 2.26%(6) | 2.34%(6) | 2.56%(3) |
| Ratio of net investment income to average net assets (5) | 1.30%(6) | 1.90%(6) | 1.24%(3) |
| Mandatory redeemable preferred shares asset coverage per share | $229 | $209 | $193 |
| Portfolio turnover rate | 154% | 196% | 149% |

* Commencement of operations.

(1) Calculated on average common shares outstanding during the period.

(2) Total investment return is calculated assuming a purchase of a common share at the market price on the first day and a sale of a common share at the market price on the last day of each period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares. Total investment return for a period of less than one year is not annualized.

(3) Annualized.

(4) Interest expense relates to participation in Senior Secured Notes and Margin Loan Financing (See Note 7 and Note 8).

(5) Calculated on the basis of income and expenses applicable to both common and mandatory redeemable preferred shares relative to average net assets of common shareholders.

(6) Inclusive of excise tax expense of 0.07% and 0.01% for the years ended January 31, 2018 and January 31, 2017, respectively.

**Financial Highlights**

**AllianzGI Equity & Convertible Income Fund**

For a share outstanding throughout each year:

| | Year ended January 31, | | | | |
|---|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Net asset value, beginning of year | $21.54 | $19.90 | $22.13 | $21.79 | $20.10 |
| **Investment Operations:** | | | | | |
| Net investment income (4) | 0.40 | 0.41 | 0.47 | 0.53 | 0.56 |
| Net realized and change in unrealized gain (loss) | 4.09 | 2.75 | (1.18) | 1.13 | 2.49 |
| Total from investment operations | 4.49 | 3.16 | (0.71) | 1.66 | 3.05 |
| **Dividends and Distributions to Shareholders from:** | | | | | |
| Net investment income | (0.43) | (0.54) | (0.41) | (0.63) | (0.92) |
| Net realized gains | (1.09) | (0.98) | (1.11) | (0.69) | (0.44) |
| Total dividends and distributions to shareholders | (1.52) | (1.52) | (1.52) | (1.32) | (1.36) |
| Net asset value, end of year | $24.51 | $21.54 | $19.90 | $22.13(1) | $21.79 |
| Market price, end of year | $22.08 | $19.03 | $16.97 | $20.01 | $18.73 |
| **Total Investment Return** (2) | 24.96% | 21.69% | (8.01)% | 14.07% | 12.35% |
| **RATIOS/SUPPLEMENTAL DATA:** | | | | | |
| Net assets, end of year (000s) | $679,241 | $596,911 | $551,378 | $613,133 | $603,786 |
| Ratio of expenses to average net assets | 1.07% | 1.08% | 1.10%(5) | 1.13%(5) | 1.09%(3) |
| Ratio of net investment income to average net assets | 1.80% | 1.94% | 2.15%(5) | 2.34%(5) | 2.39%(3) |
| Portfolio turnover rate | 99% | 90% | 110% | 63% | 82% |

(1) Payment from affiliate increased the net asset value by less than $0.01.

(2) Total investment return is calculated assuming a purchase of a share at the market price on the first day and a sale of a share at the market price on the last day of each year reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares.

(3) Inclusive of Reimbursement from Investment Manager of 0.02%.

(4) Calculated on average shares outstanding during the year.

(5) Inclusive of excise tax expense of 0.02% and 0.05% for the years ended January 31, 2016 and January 31, 2015, respectively.

**Financial Highlights**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

For a share outstanding throughout each year:

| | Year ended January 31, | | | | |
|---|---|---|---|---|---|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Net asset value, beginning of year | $14.72 | $13.59 | $16.95 | $18.19 | $17.91 |
| **Investment Operations:** | | | | | |
| Net investment income (4) | 0.30 | 0.35 | 0.38 | 0.41 | 0.49 |
| Net realized and change in unrealized gain (loss) | 1.43 | 1.98 | (2.09) | 0.15 | 1.59 |
| Total from investment operations | 1.73 | 2.33 | (1.71) | 0.56 | 2.08 |
| **Dividends and Distributions to Shareholders from:** | | | | | |
| Net investment income | (0.30) | (0.37) | (0.39) | (0.65) | (0.54) |
| Return of capital | (0.83) | (0.83) | (1.26) | (1.15) | (1.26) |
| Total dividends and distributions to shareholders | (1.13) | (1.20) | (1.65) | (1.80) | (1.80) |
| Net asset value, end of year | $15.32 | $14.72 | $13.59 | $16.95(1) | $18.19 |
| Market price, end of year | $13.52 | $13.03 | $11.50 | $15.88 | $17.86 |
| **Total Investment Return** (2) | 12.92% | 24.60% | (18.68)% | (1.75)% | 18.83% |
| **RATIOS/SUPPLEMENTAL DATA:** | | | | | |
| Net assets, end of year (000s) | $1,452,585 | $1,395,116 | $1,288,319 | $1,606,718 | $1,719,489 |
| Ratio of expenses to average net assets | 0.97% | 1.01% | 0.97% | 0.96% | 0.94%(3) |
| Ratio of net investment income to average net assets | 2.03% | 2.42% | 2.41% | 2.20% | 2.69%(3) |
| Portfolio turnover rate | 85% | 39% | 54% | 47% | 48% |

(1) Payment from Affiliates increased the net asset value by $0.02.

(2) Total investment return is calculated assuming a purchase of a share at the market price on the first day and a sale of a share at the market price on the last day of each year reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund s dividend reinvestment plan. Total investment return does not reflect brokerage commissions or sales charges in connection with the purchase or sale of Fund shares.

(3) Inclusive of Reimbursement from Investment Manager of 0.02%.

(4) Calculated on average shares outstanding during the year.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies**

AllianzGI Diversified Income & Convertible Fund ( Diversified Income & Convertible ), AllianzGI Equity & Convertible Income Fund ( Equity & Convertible Income ) and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund ( Dividend, Interest & Premium Strategy ) (each, a Fund and, together, the Funds ) were organized as Massachusetts business trusts on March 10, 2015, December 12, 2006 and August 20, 2003, respectively. The Funds follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board ( FASB ) Accounting Standards Codification ( ASC ) Topic 946 Financial Services Investment Companies. Prior to commencing operations on May 27, 2015, February 27, 2007, and February 28, 2005, respectively, the Funds had no operations other than matters relating to their organization and registration as diversified, closed-end management investment companies registered under the Investment Company Act of 1940, as amended (the 1940 Act ), and the rules and regulations thereunder. Allianz Global Investors U.S. LLC ( AllianzGI U.S. or the Investment Manager ) serves as the Funds investment manager and during part of the reporting period, NFJ Investment Group LLC ( NFJ or the Sub-Adviser ), an affiliate of the Investment Manager, served as a sub-adviser to Dividend, Interest & Premium Strategy. On July 1, 2017, NFJ merged with and into AllianzGI U.S. (the NFJ Merger ). As of July 1, 2017, AllianzGI U.S. assumed all services and responsibilities that had been provided by NFJ and Dividend, Interest & Premium Strategy ceased to have a sub-adviser. The NFJ Merger did not result in any change to the manner in which investment management services are provided to the Fund, the personnel responsible for providing investment management services to the Fund or the personnel ultimately responsible for overseeing the provision of such services. The Investment Manager is, and NFJ prior to its merger with and into AllianzGI U.S. on July 1, 2017, was, an indirect wholly-owned subsidiary of Allianz Asset Management of America L.P. ( AAM ). AAM is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. Each Fund has authorized an unlimited amount of common shares with $0.00001 par value.

Diversified Income & Convertible s investment objective is to provide total return through a combination of current income and capital appreciation, while seeking to provide downside protection against capital loss. Under normal market conditions, the Fund will seek to achieve its investment objective by investing in a combination of convertible securities, debt and other income-producing instruments and common stocks and other equity securities. The Fund expects to employ a strategy of writing (selling) covered call options on the stocks held in the equity portion of the portfolio.

Equity & Convertible Income s investment objective is to seek total return comprised of capital appreciation, current income and

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

gains. Under normal market conditions the Fund pursues its objective by investing in a diversified portfolio of equity securities and income-producing convertible securities. The Fund also employs a strategy of writing (selling) call options on the equity securities held by the Fund as well as on equity indexes.

Dividend, Interest & Premium Strategy s primary investment objective is to seek current income and gains, with a secondary objective of long-term capital appreciation. Under normal market conditions the Fund pursues its investment objectives by investing in a diversified portfolio of dividend-paying common stocks and income-producing convertible securities. The Fund also employs a strategy of writing (selling) call options on the equity securities held by the Fund in an attempt to generate gains from option premiums.

Effective June 28, 2017, Dividend, Interest & Premium Strategy may invest up to 10% of its total assets in securities issued by master limited partnerships ( MLPs ), including, without limitation, common units, preferred units, convertible subordinated units or other equity or debt securities.

There can be no assurance that the Funds will meet their stated objectives.

The preparation of the Funds financial statements in accordance with accounting principles generally accepted in the United States of America ( U.S. GAAP ) requires the Funds management to make estimates and assumptions that affect the reported amounts and disclosures in each Fund s financial statements. Actual results could differ from those estimates.

In the normal course of business, the Funds enter into contracts that contain a variety of representations that provide general indemnifications. The Funds maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds that have not yet occurred.

In August 2016, the FASB issued Accounting Standards Update ( ASU ) 2016-15 which amends ASC 230 to clarify guidance on the classification of certain cash receipts and cash payments in the statement of cash flows. The ASU 2016-15 is effective for annual periods beginning after December 15, 2017, and interim periods within those annual periods. At this time, management is evaluating the implications of these changes on the financial statements.

In October 2016, the U.S. Securities and Exchange Commission ( SEC ) adopted new rules and forms, and amendments to certain current rules and forms, to modernize reporting and disclosure of information by registered investment companies. The amendments to Regulation S-X require standardized, enhanced disclosure about derivatives in investment company financial statements, and also change the rules governing the form and content of such financial statements. The amendments to Regulation S-X took effect on August 1, 2017 and the financial statements have been modified accordingly, as applicable.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

In November 2016, the FASB issued ASU 2016-18 which amends ASC 230 to provide guidance on the classification and presentation of changes in restricted cash and restricted cash equivalents on the statement of cash flows. The ASU 2016-18 is effective for annual periods beginning after December 15, 2017, and interim periods within those annual periods. At this time, management is evaluating the implications of these changes on the financial statements.

The following is a summary of significant accounting policies consistently followed by the Funds:

**(a) Valuation 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 Funds 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 of each Fund (together, 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 the Investment Manager. The Funds Valuation Committee of the Board of each Fund was established by the Board to oversee the implementation of the Funds valuation methods and to make fair value determinations on behalf of the Board, as necessary. The Investment Manager monitors the continued appropriateness of methods applied and identifies circumstances and events that may require fair valuation. The Investment Manager determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Investment Manager determines that a valuation method may no longer be appropriate, another valuation method may be selected or the Funds Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures adopted 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 Funds Valuation Committee.

Short-term debt instruments maturing in 60 days or less are valued at amortized cost, if

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

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 Funds to value investments may differ from the value that would be realized if the investments were sold, and these differences could be material to the Funds financial statements. Each Fund s net asset value ( NAV ) is normally determined as of 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. In unusual circumstances, the Board or the Valuation Committee may in good faith determine the NAV as of 4:00 p.m., Eastern Time, notwithstanding an earlier, unscheduled close or halt of trading on the NYSE.

**(b) 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:

n Level 1 quoted prices in active markets for identical investments that the Funds have the ability to access

n 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

n Level 3 valuations based on significant unobservable inputs (including the Investment Manager 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 Funds to measure fair value during the year ended January 31, 2018 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Funds 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 input, individually or in aggregate, that is significant to the 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. Investments 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 Funds generally use to evaluate how to classify each major

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

category of assets and liabilities within Level 2 and Level 3, in accordance with U.S. GAAP.

Equity Securities (Common and Preferred Stock and Warrants) 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 based on 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 bonds. 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 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 corporate 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 ) options are valued by independent pricing services based on pricing models that incorporate various

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

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.

**(c) Investment Transactions and Investment Income**

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on an identified cost basis. Interest income adjusted for the accretion of discounts and amortization of premiums is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized, respectively, to interest income. Conversion premium is not amortized. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, and then are recorded as soon after the ex-dividend date as the Funds, using reasonable diligence, become aware of such dividends. Consent fees relating to corporate actions and facility are recorded as miscellaneous income upon receipt. Payments received from certain investments may be comprised of dividends, realized gains and return of capital. These payments may initially be recorded as dividend income and may subsequently be reclassified as realized gains and/or return of capital upon receipt of information from the issuer. Payments considered return of capital reduce the cost basis of the respective security. Distributions, if any, in excess of the cost basis of a security are recognized as capital gains. Expenses are recorded on an accrual basis.

**(d) Federal Income Taxes**

The Funds intend to distribute all of their taxable income and to comply with the other requirements of Subchapter M of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required. The Funds may be subject to excise tax based on distributions to shareholders.

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. In accordance with provisions set forth under U.S. GAAP, the Investment Manager has reviewed the Funds tax positions for all open tax years. As of January 31, 2018, the Funds have recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions they have taken. The Funds federal income tax returns for the prior three years, as applicable, remain subject to examination by the Internal Revenue Service.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

**(e) Dividends and Distributions to Shareholders**

Diversified Income & Convertible declares dividends and distributions on a monthly basis. Equity & Convertible Income and Dividend, Interest & Premium Strategy declare dividends and distributions on a quarterly basis. These dividends and distributions may be comprised in varying proportions of net investment income, gains from option premiums and the sale of portfolio securities and return of capital. The Funds record dividends and distributions on the ex-dividend date. The amount of dividends from net investment income and distributions from net realized capital gains or return of capital is determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. These book-tax differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment. Temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions to shareholders from return of capital.

**(f) Convertible Securities**

It is the Funds policy to invest a portion of their assets in convertible securities. Although convertible securities derive part of their value from that of the securities into which they are convertible, they are not considered derivative financial instruments. However, certain of the Funds investments in convertible securities include features which render them sensitive to price changes in their underlying securities. The value of structured/synthetic convertible securities can be affected by interest rate changes and credit risks of the issuer. Such securities may be structured in ways that limit their potential for capital appreciation and the entire value of the security may be at risk of loss depending on the performance of the underlying equity security. Consequently, the Funds are exposed to greater downside risk than traditional convertible securities, but typically still less than that of the underlying stock.

**(g) Payment In-Kind Securities**

The Funds may invest in payment in-kind securities, which are debt or preferred stock securities that require or permit payment of interest in the form of additional securities. Payment in-kind securities allow the issuer to avoid or delay the need to generate cash to meet current interest payments and, as a result, may involve greater risk than securities that pay interest currently or in cash.

**(h) Warrants**

The Funds may receive warrants. Warrants are securities that are usually issued together with a debt security or preferred stock and that give the holder the right to buy a proportionate amount of common stock at a specified price. Warrants may be freely transferable and are often traded on major exchanges. Warrants normally have a life that

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**1. Organization and Significant Accounting Policies (continued)**

is measured in years and entitle the holder to buy common stock of a company at a price that is usually higher than the market price at the time the warrant is issued. Warrants may entail greater risks than certain other types of investments. Generally, warrants do not carry the right to receive dividends or exercise voting rights with respect to the underlying securities, and they do not represent any rights in the assets of the issuer. In addition, their value does not necessarily change with the value of the underlying securities, and they cease to have value if they are not exercised on or before their expiration date. If the market price of the underlying stock does not exceed the exercise price during the life of the warrant, the warrant will expire worthless. Warrants may increase the potential profit or loss to be realized from the investment as compared with investing the same amount in the underlying securities. Similarly, the percentage increase or decrease in the value of an equity security warrant may be greater than the percentage increase or decrease in the value of the underlying common stock. Warrants may relate to the purchase of equity or debt securities. Debt obligations with warrants attached to purchase equity securities have many characteristics of convertible securities and their prices may, to some degree, reflect the performance of the underlying stock. Debt obligations also may be issued with warrants attached to purchase additional debt securities at the same coupon rate. A decline in interest rates would permit a Fund to sell such warrants at a profit. If interest rates rise, these warrants would generally expire with no value.

**(i) Statement of Cash Flows**

U.S. GAAP requires entities providing financial statements that report both financial position and results of operations to also provide a statement of cash flows for each period for which results of operations are provided, but exempts investment companies meeting certain conditions. One of the conditions is that the fund had little or no debt, based on the average debt outstanding during the period, in relation to average total assets. Diversified Income & Convertible s indebtedness has been determined to be at a level requiring a statement of cash flows. The Statement of Cash Flows has been prepared using the indirect method which required net change in net assets resulting from operations to be adjusted to reconcile to net cash flows from operating activities.

**(j) Loan Interest Expense**

Loan interest expense relates to the Diversified Income & Convertible s participation in debt financing transactions (See Note 7 and Note 8). Interest expense is recorded as it is incurred.

**(k) Repurchase Agreements**

The Funds are parties to Master Repurchase Agreements ( Master Repo Agreements ) with select counterparties. The Master Repo Agreements include provisions for initiation of repurchase transactions, income payments, events of default, and maintenance of collateral.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

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**1. Organization and Significant Accounting Policies (continued)**

The Funds enter into transactions, under the Master Repo Agreements, with their custodian bank or securities brokerage firms whereby they purchase securities under agreements (*i.e.*, repurchase agreements) to resell such securities at an agreed upon price and date. The Funds, through their custodian, take possession of securities collateralizing the repurchase agreement. Such agreements are carried at the contract amount in the financial statements, which is considered to represent fair value. The collateral that is pledged (*i.e.* the securities received by the Funds), which consists primarily of U.S. government obligations and asset-backed securities, is held by the custodian bank for the benefit of the Funds until maturity of the repurchase agreement. Provisions of the repurchase agreements and the procedures adopted by the Funds require that the market value of the collateral, including accrued interest thereon, be sufficient in the event of default by the counterparty. If the counterparty defaults under the Master Repo Agreements and the value of the collateral declines or if the counterparty enters an insolvency proceeding, realization of the collateral by the Funds may be delayed or limited. The gross values are included in the Funds Schedules of Investments. As of January 31, 2018, the value of the related collateral exceeded the value of the repurchase agreements.

**(l) Restricted Securities**

The Funds are permitted to invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expenses, and prompt sale at an acceptable price may be difficult.

**2. Principal Risks**

In the normal course of business, the Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to, among other things, changes in the market (market risk) or failure of the other party to a transaction to perform (counterparty risk). The Funds are also exposed to other risks such as, but not limited to, interest rate, credit and leverage risks.

Interest rate risk is the risk that fixed income securities valuations will change because of changes in interest rates. During periods of rising nominal interest rates, the values of fixed income instruments are generally expected to decline. Conversely, during periods of declining nominal interest rates, the values of fixed income instruments are generally expected to rise. To the extent that a Fund effectively has short positions with respect to fixed income instruments, the values of such short positions would generally be expected to rise when nominal interest rates rise and to decline with nominal interest rates decline. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income

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**2. Principal Risks (continued)**

securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is used primarily as a measure of the sensitivity of a fixed income security s market price to interest rate (*i.e.,* yield) movements. Interest rate changes can be sudden and unpredictable, and a fund may lose money as a result of movements in interest rates. A fund may not be able to hedge against changes in interest rates or may choose not to do so for cost or other reasons. In addition, any hedges may not work as intended. The values of equity and other non-fixed income securities may decline due to fluctuations in interest rates.

The Funds are exposed to credit risk, which is the risk of losing money if the issuer or guarantor of a fixed income security is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to make timely principal and/or interest payments, or to otherwise honor its obligations. Securities are subject to varying degrees of credit risk, which are often reflected in credit ratings.

The market values of securities may decline due to general market conditions (market risk) which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, adverse changes to credit markets or adverse investor sentiment. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity-related investments generally have greater market price volatility than fixed income securities, although under certain market conditions fixed income securities may have comparable or greater price volatility. Credit ratings downgrades may also negatively affect securities held by the Funds. Even when markets perform well, there is no assurance that the investments held by the Funds will increase in value along with the broader market. In addition, market risk includes the risk that geopolitical events will disrupt the economy on a national or global level.

The Funds are exposed to counterparty risk, or the risk that an institution or other entity with which the Funds have unsettled or open transactions will default. The potential loss to the Funds could exceed the value of the financial assets recorded in the Funds financial statements. Financial assets, which potentially expose the Funds to counterparty risk, consist principally of cash due from counterparties and investments. The Investment Manager seeks to minimize the Funds counterparty risk by performing reviews of each counterparty and by minimizing concentration of counterparty risk by undertaking transactions with multiple customers and counterparties on recognized and reputable exchanges. Delivery of securities sold is only made once the Funds

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**AllianzGI Diversified Income & Convertible Fund**

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**2. Principal Risks (continued)**

have received payment. Payment is made on a purchase once the securities have been delivered by the counterparty. The trade will fail if either party fails to meet its obligation.

The Funds are exposed to risks associated with leverage. Leverage may cause the value of the Funds shares to be more volatile than if the Funds did not use leverage. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of the Funds portfolio securities. The Funds may engage in transactions or purchase instruments that give rise to forms of leverage. In addition, to the extent the Funds employ leverage, dividend and interest costs may not be recovered by any appreciation of the securities purchased with the leverage proceeds and could exceed the Funds investment returns, resulting in greater losses. As discussed further in Note 7 and Note 8, Diversified Income & Convertible has mandatory redeemable preferred shares and senior secured notes outstanding and entered into margin loan financing.

The Funds may hold defaulted securities that may involve special considerations including bankruptcy proceedings, other regulatory and legal restrictions affecting the Funds ability to trade, and the availability of prices from independent pricing services or dealer quotations. Defaulted securities are often illiquid and may not be actively traded. Sale of securities in bankrupt companies at an acceptable price may be difficult and differences compared to the value of the securities used by the Funds could be material. A Fund may incur additional expenses to the extent it is required to seek recovery upon a portfolio security s default in the payment of principal or interest. In any bankruptcy proceeding relating to a defaulted investment, a Fund may lose its entire investment or may be required to accept cash or securities with a value substantially less than its original investment.

Diversified Income & Convertible will terminate on the first business day following the fifteenth anniversary of the effective date of its registration statement, May 22, 2030, unless such term is extended by the Trustees and absent Trustee and shareholder approval to amend the limited term. Leading up to the Fund s dissolution date, the Fund may begin liquidating all or a portion of the Fund s portfolio, and the Fund may deviate from its investment strategy. As a result, during the wind-down period, the Fund s distributions may decrease, and such distributions may include a return of capital. The Fund does not seek to return $25.00 per common share (its initial offering price) upon termination. As the assets of the Fund will be liquidated in connection with its termination, the Fund may be required to sell portfolio securities when it otherwise would not, including at times when market conditions are not favorable, which may cause the fund to lose money.

**3. Financial Derivative Instruments**

Disclosure about derivatives and hedging activities requires qualitative disclosure regarding objectives and strategies for using derivatives, quantitative disclosure about fair

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**AllianzGI Diversified Income & Convertible Fund**

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**3. Financial Derivative Instruments (continued)**

value amounts of gains and losses on derivatives, and disclosure about credit-risk-related contingent features in derivative agreements. The disclosure requirements distinguish between derivatives which are accounted for as hedges , and those that do not qualify for such accounting. Although the Funds at times use derivatives for hedging purposes, the Funds reflect derivatives at fair value and recognize changes in fair value through the Funds Statements of Operations, and such derivatives do not qualify for hedge accounting treatment.

**Option Transactions**

The Funds may write (sell) put and call options on securities and indices to earn premiums, for hedging purposes, risk management purposes or otherwise as part of their investment strategies. When an option is written, the premium received is recorded as an asset with an equal liability that is subsequently marked to market to reflect the market value of the option written. These liabilities, if any, are reflected as options written in the Funds Statements of Assets and Liabilities. Premiums received from writing options which expire unexercised are recorded on the expiration date as a realized gain. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option written is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a put option written is exercised, the premium reduces the cost basis of the security. In writing an option, the Funds bear the market risk of an unfavorable change in the price of the security underlying the written option. Exercise of a written option could result in the Funds purchasing a security at a price different from its current market value.

There are several risks associated with option transactions on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objective. The Funds ability to use options successfully will depend on the Investment Manager s ability to predict pertinent market movements, which cannot be assured. As the writer of a covered call option, a Fund foregoes, during the option s life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline.

**4. Investment Manager/Sub-Adviser & Deferred Compensation**

Investment Manager/Sub-Adviser. Each Fund has an Investment Management Agreement (for the purpose of this section, each an Agreement ) with the Investment Manager. Subject to the supervision of the

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

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**4. Investment Manager/Sub-Adviser & Deferred Compensation (continued)**

Funds Board, the Investment Manager is responsible for managing, either directly or through others selected by it, the Funds investment activities, business affairs and administrative matters. Pursuant to their Agreements, Diversified Income & Convertible and Equity & Convertible Income pay the Investment Manager an annual fee, payable monthly, at an annual rate of 1.00% of their average daily total managed assets. Pursuant to its Agreement, Dividend, Interest & Premium Strategy pays the Investment Manager an annual fee, payable monthly, at an annual rate of 0.90% of its average daily total managed assets. Diversified Income & Convertible s Agreement defines total managed assets as the total assets of the Fund (including assets attributable to any Preferred Shares, borrowings, issued debt securities or other forms of leverage that may be outstanding) minus accrued liabilities (other than liabilities representing leverage). The Agreements of each of Equity & Convertible Income and Dividend, Interest & Premium Strategy define total managed assets as the total assets of each Fund (including assets attributable to any borrowing that may be outstanding) minus accrued liabilities (other than liabilities representing borrowings).

Prior to the NFJ Merger, AllianzGI U.S. retained NFJ as sub-adviser to Dividend, Interest & Premium Strategy, with respect to its equity sleeve only. From and after the NFJ Merger, AllianzGI U.S. has directly provided all advisory services for the Fund.

During the period, the Funds primary adviser and not the Fund, paid advisory fees to Dividend, Interest & Premium Strategy s sub-adviser.

Deferred Compensation. Trustees do not currently receive any pension or retirement benefits from the Funds. The Funds have adopted a deferred compensation plan (the Plan ) for the Trustees, which permits the Trustees to defer their receipt of compensation from the Funds, at their election, in accordance with the terms of the Plan. Under the Plan, each Trustee may elect not to receive all or a portion of his or her fees from the Funds on a current basis but to receive in a subsequent period, chosen by the Trustee, an amount equal to the value of such compensation if such compensation had been invested in one or more series of Allianz Funds Multi-Strategy Trust or Allianz Funds selected by the Trustees from and after the normal payment dates for such compensation. The deferred compensation program is structured such that the Funds remain in substantially the same financial position whether Trustee fees are paid when earned or deferred.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

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**5. Investments in Securities**

For the year ended January 31, 2018, purchases and sales of investments, other than short-term securities were:

| | Purchases | Sales |
|---|---|---|
| Diversified Income & Convertible | $504,709,621 | $526,386,069 |
| Equity & Convertible Income | 597,235,235 | 653,746,999 |
| Dividend, Interest & Premium Strategy | 1,144,070,907 | 1,242,186,575 |

**6. Income Tax Information**

The tax character of dividends and distributions paid were:

| | Year ended January 31, 2018 | | | Year ended January 31, 2017 | | |
|---|---|---|---|---|---|---|
| | Ordinary Income (1) | 15% Long-Term Capital Gain | Return of Capital | Ordinary Income (1) | 15% Long-Term Capital Gain | Return of Capital |
| Diversified Income & Convertible | $20,591,040 | $ | $ | $20,672,856 | $22,979 | $ |
| Equity & Convertible Income | 42,117,627 | | | 42,117,626 | | |
| Dividend, Interest & Premium Strategy | 28,416,813 | | $78,234,965 | 34,626,028 | | $79,135,870 |

(1) Includes short-term capital gains, if any.

At January 31, 2018, the components of distributable earnings were as follows.

| | Ordinary Income | 15% Long-Term Capital Gain | Capital Loss Carryforwards (2) | Post-October Capital Loss (3) Short-Term | Long-Term |
|---|---|---|---|---|---|
| Diversified Income & Convertible | $10,843,789 | $21,048 | $ | $ | $4,673,669 |
| Equity & Convertible Income | 16,391,487 | | 17,785,868 | | 3,414,050 |
| Dividend, Interest & Premium Strategy | | | 19,352,201 | 2,833,949 | |

(2) Capital loss carryforwards available as a reduction, to the extent provided in the regulations, of any future net realized gains. To the extent that these losses are used to offset future realized capital gains, such gains will not be disbursed.

(3) Capital losses realized during the period November 1, 2017 through January 31, 2018 which the Funds elected to defer to the following taxable year pursuant to income tax regulations.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

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**6. Income Tax Information (continued)**

At January 31, 2018, capital loss carryforward amounts were:

| | No Expiration (4) | |
|---|---|---|
| | Short-Term | Long-Term |
| Equity & Convertible Income | $ | $17,785,868 |
| Dividend, Interest & Premium Strategy | 19,352,201 | |

(4) Carryforward amounts are subject to the provision of the Regulated Investment Company Modernization Act of 2010.

For the year ended January 31, 2018, the Funds utilized the following amounts of capital loss carryforwards:

| | Post-Enactment Utilized | |
|---|---|---|
| | Short-Term | Long-Term |
| Equity & Convertible Income | | $904,100 |
| Dividend, Interest & Premium Strategy | | 45,645,512 |

For the year ended January 31, 2018, the following Fund had capital loss carryforwards which expired and were written off as follows:

| | Expired |
|---|---|
| Dividend, Interest & Premium Strategy | $157,410,348 |

For the year ended January 31, 2018, permanent book-tax adjustments were:

| | Undistributed (dividends in excess of) net investment income | Accumulated net realized gain (loss) | Paid-in Capital In Excess of Par |
|---|---|---|---|
| Diversified Income & Convertible (a)(d)(e)(g) | $1,348,572 | $(1,182,011) | $(166,561) |
| Equity & Convertible Income (a)(d)(h)(j) | 2,521,655 | (2,521,655) | |
| Dividend, Interest & Premium Strategy (a)(b)(c)(d)(f)(i)(j) | 5,748,529 | 153,083,006 | (158,831,535) |

These permanent book-tax differences were primarily attributable to:

(a) Reclassification of contingent debt

(b) Capital loss carryforward written-off

(c) Reclassification from sales of securities with return of capital

(d) Section 305 sales adjustment

(e) Non-deductible excise tax paid

(f) Reclassification due to investments in partnerships

(g) Treatment of bond premium amortization

(h) Reclassifications related to investments in Real Estate Investment Trusts (REITs).

(i) Reclassification of gains and losses from foreign currency transactions

(j) Adjustment due to convertible preferred securities

Net investment income, net realized gains or losses and net assets were not affected by these adjustments.

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

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**6. Income Tax Information (continued)**

At January 31, 2018, the aggregate cost basis and the net unrealized appreciation (depreciation) of investments for federal income tax purposes were:

| | Federal Tax Cost Basis (5) | Unrealized Appreciation | Unrealized Deprecation | Net Unrealized Appreciation (Depreciation) |
|---|---|---|---|---|
| Diversified Income & Convertible | $364,379,240 | $18,651,423 | $28,225,087 | ($9,573,664) |
| Equity & Convertible Income | 659,351,552 | 76,060,944 | 62,117,877 | 13,943,067 |
| Dividend, Interest & Premium Strategy | 1,297,801,857 | 204,939,718 | 54,384,349 | 150,555,369 |

(5) Differences between book and tax cost basis are primarily attributable to the differing treatment of convertible securities, wash sale loss deferrals, Section 305 adjustments, basis adjustments from investments in partnerships, return of capital distributions and differing treatment of bond premium amortization.

**7. Long-Term Financing Arrangements**

On October 2, 2015, Diversified Income & Convertible completed a private placement with a single institutional investor, consisting of $30,000,000 in Series A Mandatory Redeemable Preferred Shares ( MRPS ) with a mandatory redemption date of October 2, 2025, and $50,000,000 in Senior Secured Notes ( Notes and together with MRPS, Long-Term Financing Arrangements ) due November 22, 2029. Fitch Ratings ( Fitch ) assigned a rating of AA to the MRPS and AAA to the Notes. The Long-Term Financing Arrangements refinanced a portion of the Diversified Income & Convertible s short-term borrowings under the Margin Loan Financing described in Note 8. For a portion of its borrowings, Diversified Income & Convertible continues to maintain short-term borrowings under the Margin Loan Financing described in Note 8 at variable interest rates.

**Mandatory Redeemable Preferred Shares**

At January 31, 2018, Diversified Income & Convertible had 1,200,000 shares of MRPS outstanding with an aggregate liquidation preference of $30,000,000 ($25.00 per share). The following table summarizes the key terms of the MRPS at January 31, 2018:

| Mandatory Redemption Date | Annual Dividend Rate | Aggregate Liquidation Preference | Estimated Fair Value |
|---|---|---|---|
| October 2, 2025 | 4.34% | $30,000,000 | $30,000,000 |

Holders of MRPS are entitled to receive a quarterly dividend at an annual fixed dividend rate of 4.34%, subject to upward adjustment (by as much as 4.00%) during any period when the MRPS have a rating of below A from Fitch, or the equivalent from another rating agency (with the rate increasing at lower rating levels). The MRPS will have a default interest rate of 5.00% whenever a past due amount is outstanding with respect to the MRPS. Dividends are accrued daily and paid quarterly and are presented in Diversified Income & Convertible s Statement of Assets & Liabilities as interest payable on

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**AllianzGI Diversified Income & Convertible Fund**

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**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**7. Long-Term Financing Arrangements (continued)**

dividends to mandatory redeemable preferred shareholders. For the year ended January 31, 2018, Diversified Income & Convertible paid $1,302,000 in interest on dividends to mandatory redeemable preferred shareholders. The MRPS are senior, with priority in all respects, to Diversified Income & Convertible s outstanding common shares as to payments of dividends and as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund. The MRPS rank pari passu with any and all other preferred shares of the Fund, and rank junior to the Fund s indebtedness, including the Notes, the Margin Loan Financing and any other senior secured indebtedness. Diversified Income & Convertible may redeem all or any part of the MRPS at any time, subject to certain redemption premiums. With respect to the MRPS, the Fund is subject to periodic asset coverage testing, including a monthly 225% asset coverage test and a weekly asset coverage test that is tied to rating agency criteria, in each case subject to various terms and conditions. If the Fund s asset coverage is insufficient under either of these tests, it may be required to redeem some or all of the MRPS. No such mandatory redemption had been triggered as of the end of the most recent fiscal period.

**Senior Secured Notes**

At January 31, 2018, Diversified Income & Convertible had $50,000,000 in aggregate principal amount of Notes outstanding. The Notes rank pari passu with all other senior debt of Diversified Income & Convertible, including the Margin Loan Financing, and are secured by a lien on all assets of the Fund of every kind, including all securities and all other investment property, equal and ratable with the liens securing the Margin Loan Financing. The Notes are senior, with priority in all respects, to the MRPS and the outstanding common shares as to payments of dividends and as to distribution of assets upon dissolution, liquidation or winding up of the affairs of the Fund. Holders of the Notes are entitled to receive cash interest payments semi-annually until maturity. The Notes accrue interest at an annual fixed rate of 3.94%. The Notes will be subject to a penalty interest rate of an additional 2.00% while overdue payments are outstanding, and an additional 1.00% during any interest rate period when the Notes, at any time, have a rating of less than A- from Fitch or the equivalent from another agency. The Notes are prepayable in whole or in part at any time, subject to a prepayment premium, which may be adjusted under some circumstances based on asset coverage levels. Interest expense of $1,970,000 is included in the Diversified Income & Convertible s Statement of Operations.

The following table shows the maturity date, interest rate, notional/carrying amount and estimated fair value of the Notes outstanding at January 31, 2018:

| Maturity Date | Interest Rate | Notional/Carrying Amount | Estimated Fair Value |
|---|---|---|---|
| November 22, 2029 | 3.94% | $50,000,000 | $50,000,000 |

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

January 31, 2018

**7. Long-term Financing Arrangements (continued)**

With respect to the Notes, the Fund is subject to monthly asset coverage tests that mirror those applicable to closed-end funds set forth in Section 18 of the 1940 Act, as well as a weekly asset coverage test that is tied to rating agency criteria, in each case subject to various terms and conditions. A breach of any of these tests, after the passage of a cure period, would constitute an event of default under the Notes. As of the end of the most recent fiscal period, no such breach had occurred. The agreements governing the MRPS and Notes impose certain additional customary covenants and restrictions on the Fund, including, among others, restrictions on distributions and a requirement that the Fund adhere to its stated investment policies.

**8. Margin Loan Financing**

Diversified Income & Convertible has entered into a margin loan financing agreement with BNP Paribas Prime Brokerage International, Ltd. ( BNP ). The margin loan is offered at a daily rate equal to the U.S. 3-month LIBOR rate plus 0.90%. At January 31, 2018, the Fund had a borrowing outstanding under the margin agreement totaling $25,000,000. The interest rate charged at January 31, 2018, was 2.678%. During the year ended January 31, 2018, the weighted average daily balance was $25,000,000 at the weighted average interest rate of 2.225%. With respect to the margin agreement, loan interest expense of $539,488 is included in the Diversified Income & Convertible s Statement of Operations.

The Fund is required to fully collateralize its outstanding loan balance as determined by BNP. Pledged assets are held in a segregated account and are denoted in the Fund s Schedule of Investments.

**9. Common Share Repurchase Plan**

The common share repurchase plan (the Repurchase Plan ) of Diversified Income & Convertible (for purposes of this paragraph, the Fund ) became effective on September 4, 2015. The Board of Trustees initially authorized the Repurchase Plan at the Fund s organizational meeting on April 20, 2015. The Repurchase Plan was intended in part to provide additional liquidity in the marketplace for the Fund s common shares. The Repurchase Plan remained in effect until 230 days after the commencement of the Repurchase Plan (*i.e.,* April 21, 2016) (the Repurchase Period ), during which the Fund repurchased its common shares in the open market on any trading day when the Fund s common shares were trading at a discount of 2% or more from the common shares closing NAV on the prior trading day and only so long as shares of the SPDR Barclays Convertible Securities ETF had not, at any time during such trading day, traded down 2% or more from their closing market price on the prior trading day. Any repurchases were made through a single broker-dealer who was not an underwriter in this initial public offering of the Fund s common shares acting as the Fund s agent. On any day that shares were repurchased under the Repurchase Plan, the Fund, subject to certain conditions under Rule 10b-18 under the Exchange Act and

**Notes to Financial Statements**

**AllianzGI Diversified Income & Convertible Fund**

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January 31, 2018

**9. Common Share Repurchase Plan (continued)**

other applicable laws, including Regulation M, repurchased its shares in an amount equal to the lesser of (i) $125,000 based on the aggregate purchase price of the common shares or (ii) the maximum number of common shares the Fund may purchase under Rule 10b-18, which, generally, is currently 25% of the average daily trading volume of the common shares over the trailing four week period. In addition to providing potential additional liquidity in the marketplace, any repurchases under the Repurchase Plan were made by the Fund at a discount to then current NAV of the common shares and therefore were accretive to the NAV of the remaining common shares following the repurchases, and the Repurchase Plan may have had the effect of preventing or reducing a significant decline in the market price of the common shares in comparison to their NAV. Effective April 22, 2016, the Common Share Repurchase Plan was discontinued.

**10. Significant Account Holder**

From time to time, a Fund may have a concentration of shareholders, which may include the Investment Manager or affiliates of the Investment Manager, holding a significant percentage of shares outstanding. Investment activities of these shareholders could have a material impact on a Fund. At January 31, 2018, Advisors Asset Management, Inc. held 5% or more of shares of common stock of Diversified Income & Convertible.

**11. Subsequent Events**

In preparing these financial statements, the Funds management has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued.

On February 1, 2018, a monthly distribution of $0.167 per share was declared to Diversified Income & Convertible common shareholders, payable March 1, 2018, to common shareholders of record on February 12, 2018.

On March 1, 2018, a monthly distribution of $0.167 per share was declared to Diversified Income & Convertible common shareholders, payable April 2, 2018 to common shareholders of record on March 12, 2018.

On March 2, 2018, the following quarterly distributions were declared to shareholders, payable March 23, 2018, to shareholders of record on March 12, 2018:

| | |
|---|---|
| Equity & Convertible Income | $0.380 per share |
| Dividend, Interest & Premium Strategy | $0.225 per share |

There were no other subsequent events identified that require recognition or disclosure.

**Report of Independent Registered Public Accounting Firm**

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

**To the Board of Trustees and Shareholders of AllianzGI Diversified Income & Convertible Fund, AllianzGI Equity & Convertible Income Fund and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

***Opinions on the Financial Statements***

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of AllianzGI Diversified Income & Convertible Fund, AllianzGI Equity & Convertible Income Fund and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund (hereafter collectively referred to as the Funds ) as of January 31, 2018, for AllianzGI Diversified Income & Convertible Fund the related statements of operations and cash flows for the year ended January 31, 2018 and the statement of changes in net assets applicable to common shareholders for each of the two years in the period ended January 31, 2018, and for AllianzGI Equity & Convertible Income Fund and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund the related statements of operations for the year ended January 31, 2018 and the statements of changes in net assets for each of the two years in the period ended January 31, 2018, including the Funds related notes, and each of the Funds financial highlights for each of the periods indicated therein (collectively referred to as the financial statements ). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds as of January 31, 2018, for AllianzGI Diversified Income & Convertible Fund the results of its operations and its cash flows for the year ended January 31, 2018 and the changes in its net assets applicable to common shareholders for each of the two years in the period ended January 31, 2018, and for AllianzGI Equity & Convertible Income Fund and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund the results of each of their operations for the year ended January 31, 2018 and the changes in each of their net assets for each of the two years in the period ended January 31, 2018, and each of the Funds financial highlights for each of the periods indicated therein in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

These financial statements are the responsibility of the Funds management. Our responsibility is to express an opinion on the Funds financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ( PCAOB ) and are required to be independent with respect to the Funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

**Report of Independent Registered Public Accounting Firm** (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of January 31, 2018 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinions.

PricewaterhouseCoopers LLP
New York, NY
March 26, 2018

We have served as the auditor of one or more of the investment companies in the Allianz Global Investors U.S. group of investment companies since at least 1995. We have not determined the specific year we began serving as auditor.

**Tax Information** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the following percentages of ordinary dividends paid during the fiscal year ended January 31, 2018, are designated as qualified dividend income (or the maximum amount allowable):

| | |
|---|---|
| Diversified Income & Convertible | 10.64% |
| Equity & Convertible Income | 29.66% |
| Dividend, Interest & Premium Strategy | 100.00% |

Corporate shareholders are generally entitled to take the dividend received deduction on the portion of a Fund s dividend distribution that qualifies under tax law. The percentage of the following Funds ordinary income dividends paid during the fiscal year ended January 31, 2018, that qualify for the corporate deduction is set below (or the maximum amount allowable):

| | |
|---|---|
| Diversified Income & Convertible | 9.30% |
| Equity & Convertible Income | 28.43% |
| Dividend, Interest & Premium Strategy | 99.27% |

Since the Funds tax year is not the calendar year, another notification will be sent with respect to calendar year 2018. In January 2019, shareholders will be advised on IRS Form 1099 DIV as to the federal tax status of dividends and distributions received during calendar 2018. The amount that will be reported will be the amount to use on the shareholders 2018 federal income tax return and may differ from the amount which must be reported in connection with the Funds tax year ended January 31, 2018. Shareholders are advised to consult their tax advisers as to the federal, state and local tax status of the dividend income received from the Funds.

**Annual Shareholder Meeting Results** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

The Funds held their annual meeting of shareholders on July 13, 2017. Shareholders voted as indicated below:

Diversified Income & Convertible:

| | | Affirmative | Withheld Authority |
|---|---|---|---|
| Re-election of A. Douglas Eu | Class II to serve until the annual meeting for the 2017-2018 fiscal year | 10,350,768 | 106,726 |
| Election of F. Ford Drummond | Class I to serve until the annual meeting for the 2017-2018 fiscal year | 10,349,967 | 107,527 |
| Election of James S. MacLeod | Class I to serve until the annual meeting for the 2017-2018 fiscal year | 10,351,085 | 106,409 |
| Re-election of James A. Jacobson | Class II to serve until the annual meeting for the 2017-2018 fiscal year* | 1,200,000 | |

The other members of the Board of Trustees at the time of the meeting, namely, Mses. Deborah A. DeCotis, Barbara R. Claussen** and Messrs. Davey S. Scoon, Bradford K. Gallagher, Hans W. Kertess, William B. Odgen, IV and Alan Rappaport continued to serve as Trustees of the Fund.

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Interested Trustee

* Mr. Jacobson was elected by preferred shareholders voting as a separate class. All other trustees of Diversified Income & Convertible were elected by common and preferred shareholders voting together as a single class.

** Effective December 12, 2017, Barbara R. Claussen resigned as a Trustee of the Fund and Erick R. Holt was appointed as a Class III Trustee of the Fund. Mr. Holt is an interested person of the Fund, as defined in Section 2(a) (19) of the 1940 Act, due to his positions with the Investment Manager and its affiliates.

Equity & Convertible Income:

| | Affirmative | Withheld Authority |
|---|---|---|
| Election of Hans W. Kertess Class I to serve until the annual meeting for the 2017-2018 fiscal year | 23,914,013 | 1,669,797 |
| Election of William B. Odgen, IV Class I to serve until the annual meeting for the 2017-2018 fiscal year | 23,906,845 | 1,676,965 |
| Election of Alan Rappaport Class I to serve until the annual meeting for the 2017-2018 fiscal year | 23,986,609 | 1,597,201 |
| Election of Davey S. Scoon Class I to serve until the annual meeting for the 2017-2018 fiscal year | 23,889,524 | 1,694,286 |

The other members of the Board of Trustees at the time of the meeting, namely, Mses. Barbara R Claussen*, Deborah A. DeCotis and Messrs. F. Ford Drummond, A. Douglas Eu, Bradford K. Gallagher, James A. Jacobson and James S. MacLeod continued to serve as Trustees of the Fund.

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* Effective December 12, 2017, Barbara R. Claussen resigned as a Trustee of the Fund and Erick R. Holt was appointed as a Class III Trustee of the Fund. Mr. Holt is an interested person of the Fund, as defined in Section 2(a) (19) of the 1940 Act, due to his positions with the Investment Manager and its affiliates.

**Annual Shareholder Meeting Results** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Dividend, Interest & Premium Strategy:

| | Affirmative | Withheld Authority |
|---|---|---|
| Election of F. Ford Drummond Class I to serve until the annual meeting for the 2017-2018 fiscal year | 82,595,842 | 1,711,352 |
| Election of Alan Rappaport Class I to serve until the annual meeting for the 2017-2018 fiscal year | 82,586,972 | 1,720,222 |
| Election of Davey S. Scoon Class I to serve until the annual meeting for the 2017-2018 fiscal year | 82,553,972 | 1,753,222 |

The other members of the Board of Trustees at the time of the meeting, namely, Mses. Barbara R. Claussen*, Deborah A. DeCotis and Messrs. A. Douglas Eu, Bradford K. Gallagher, James A. Jacobson, Hans W. Kertess, James S. MacLeod and William B. Odgen, IV continued to serve as Trustees of the Fund.

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* Effective December 12, 2017, Barbara R. Claussen resigned as a Trustee of the Fund and Erick R. Holt was appointed as a Class II Trustee of the Fund. Mr. Holt is an interested person of the Fund, as defined in Section 2(a) (19) of the 1940 Act, due to his positions with the Investment Manager and its affiliates.

**Proxy Voting Policies & Procedures/**
**Changes in Investment Policy** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**
**AllianzGI Equity & Convertible Income Fund**
**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

**Proxy Voting Policies & Procedures:**

A description of the policies and procedures that the Funds have adopted to determine how to vote proxies relating to portfolio securities and information about how the Funds voted proxies relating to portfolio securities held during the most recent twelve month period ended June 30 is available (i) without charge, upon request, by calling the Funds shareholder servicing agent at (800) 254-5197; (ii) on the Funds website at us.allianzgi.com/closedendfunds; and (iii) on the Securities and Exchange Commission website at www.sec.gov.

**Changes in Investment Policy:**

Effective June 14, 2017, Dividend, Interest & Premium Strategy adopted the following investment policy, which permits the Fund to invest up to 10% of its total assets in securities issued by master limited partnerships ( MLPs ):

The Fund may invest up to 10% of its total assets in securities issued by master limited partnerships ( MLPs ), including, without limitation, common units, preferred units, convertible subordinated units or other equity or debt securities.

Information regarding master limited partnerships and the risks related to investments in master limited partnerships is included below.

**Master Limited Partnerships**

A master limited partnership ( MLP ) generally is a publicly traded company organized as a limited partnership or limited liability company and treated as a partnership for U.S. federal income tax purposes. A Fund s investments in interests in oil, gas or mineral exploration or development programs, including pipelines, or in the financial sector, may be held through MLPs. While MLPs often own or own interests in properties or businesses that are related to oil and gas industries or financials, MLPs may invest in other types of industries, or in credit related investments. MLPs generally have two classes of owners, the general partner and limited partners. The general partner of an MLP is typically owned by one or more of the following: a major energy company, an investment fund or the direct management of the MLP. The general partner may be structured as a private or publicly traded corporation or other entity. The general partner typically controls the operations and management of the MLP through an up to 2% equity interest in the MLP plus, in many cases, ownership of common units and subordinated units. Limited partners own the remainder of the partnership through ownership of common units and have a limited role in the partnership s operations and management. For purposes of qualifying as a regulated investment company under the U.S. Internal Revenue Code of 1986, a Fund is not permitted to have more than 25% of the value of its total assets invested in qualified publicly traded partnerships, including MLPs. Additionally, while MLPs are typically treated as partnerships for U.S. federal income

tax purposes, changes in U.S. tax laws could revoke the pass-through attributes that provide the tax efficiencies that make MLPs attractive investment structures.

MLP securities may include, without limitation, common units, preferred units, convertible subordinated units or other equity or debt securities.

Investments in MLPs are generally subject to many of the risks that apply to investments in partnerships. For example, holders of the units of MLPs may have limited control and limited voting rights on matters affecting the partnership. There may be fewer corporate protections afforded investors in an MLP than investors in a corporation. Conflicts of interest may exist among unit holders, subordinated unit holders and the general partner of an MLP, including those arising from incentive distribution payments. MLPs that concentrate in a particular industry or region are subject to risks associated with such industry or region. MLPs holding credit-related investments are subject to interest rate risk and the risk of default on payment obligations by debt issuers. Investments held by MLPs may be illiquid. MLP units may trade infrequently and in limited volume, and they may be subject to more abrupt or erratic price movements than securities of larger or more broadly based companies.

**Master Limited Partnership Risk**

Equity securities of MLPs are generally listed and traded on U.S. securities exchanges. The value of an MLP equity security fluctuates based predominately on the MLP s financial performance, as well as changes in overall market conditions. Investments in MLP equity securities involve risks that differ from investments in common stocks, including risks related to the fact that investors have limited control of and limited rights to vote on matters affecting the MLP; dilution risks; and risks related to the general partner s right to require investors to sell their holdings at an undesirable time or price. Debt securities of MLPs have characteristics similar to debt securities of other types of issuers, and are subject to the risks applicable to debt securities in general, such as credit risk, interest rate risk and liquidity risk. Investments in debt securities of MLPs may not offer the tax characteristics of equity securities of MLPs. To the extent a Fund invests in debt securities of MLPs that are rated below investment grade, such investments are also generally subject to the risks associated with high yield investments. Investments in MLPs are subject to cash flow risk and risks related to potential conflicts of interest between the MLP and the MLP s general partner. Certain MLP securities may trade in lower volumes due to their smaller capitalizations, and may be subject to more abrupt or erratic price movements and lower market liquidity. MLP securities are generally considered interest-rate sensitive investments. During periods of interest rate volatility, these investments may not provide attractive returns and may decline in value. MLPs may be subject to state taxation in certain jurisdictions, which may reduce the amount of income an MLP pays to its investors. In addition, if the tax treatment of an MLP changes, a Fund s after-tax return from its MLP investment would be materially reduced.

**Proxy Voting Policies & Procedures/**
**Changes in Investment Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**
**AllianzGI Equity & Convertible Income Fund**
**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Effective October 10, 2017, Dividend, Interest & Premium Strategy rescinded its non-fundamental policy regarding written call options on equity indices and adopted a new non-fundamental policy of writing (selling) covered call options on individual stocks held in the Fund s Equity Component. The newly adopted non-fundamental policy of the Fund with respect to writing call options is set forth below:

The Fund normally employs a strategy of writing (selling) covered call options on the stocks held in the Fund s Equity Component (the Option Strategy ). It is expected that the Fund ordinarily will write call options on some or all of the individual stocks held in the Equity Component, depending on market conditions and other factors, and with respect to generally 70% or less of the value of each position. As the Fund writes covered call options over more of its equity portfolio, its ability to benefit from capital appreciation of its common stock holdings in the Equity Component becomes more limited. The extent of the Fund s use of the Option Strategy may vary from time to time, depending on market conditions and other factors. The Option Strategy is designed to generate gains from option premiums in an attempt to enhance amounts available for distributions payable to the Fund s shareholders. However, there is no assurance that the Option Strategy will achieve its objective.

Call options on individual securities are contracts representing the right to purchase the underlying equity security at a specified price (the strike price ) at or before a specified future date (the expiration date ). The price of the option is determined by trading activity in the broad options market and generally reflects the relationship between factors including the current value of the underlying equity security and the strike price, the volatility of the underlying equity security and the time remaining until the expiration date. As the writer (seller) of a call option, the Fund would receive cash (the premium) from the purchaser of the option, and the purchaser would have the right to receive from the Fund either the underlying security or any appreciation in the value of the underlying security above the strike price upon exercise. In effect, the Fund would forgo the potential appreciation in the underlying security above the strike price in exchange for the premium, although it would retain the risk of loss should the price of the underlying security decline. Therefore, the Fund s use of the Option Strategy will generally limit the Fund s ability to benefit from the full upside potential of its Equity Component.

As part of the Option Strategy, the Fund will generally write call options with a strike price that is above ( out-of-the-money ) the market value of the underlying security at the time the option is written. In addition to providing possible gains through premiums, out-of-the-money call options allow the Fund to potentially benefit from appreciation in the underlying security held by the Fund up to the strike price, but the Fund forgoes any appreciation above the strike price. The Fund also reserves the flexibility to write at-the-money (*i.e.*, with a strike price equal to the market value of the underlying security) and in-the-money call

**Proxy Voting Policies & Procedures/**
**Changes in Investment Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**
**AllianzGI Equity & Convertible Income Fund**
**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

options (*i.e.*, with a strike price below the market value of the underlying security). The Fund will typically only write call options on individual securities if those options are covered. The Fund s written call options on individual securities will ordinarily be covered by the Fund holding the underlying security in its portfolio throughout the term of the option. The Fund will generally not write options with respect to individual equity securities (other than ETFs, as described below) that are not held in the Fund s portfolio (*i.e.*, naked options). The Fund may also write call options on equity indexes and ETFs. The Fund will normally cover any options on equity indexes and ETFs either by segregating liquid assets in an amount equal to its net obligations under the contract or by entering into offsetting positions.

The Fund generally will write listed call options that are originated and standardized by the Options Clearing Corporation and trade on a major exchange, although it also may write unlisted (or over-the-counter ) call options and so-called flex options (options that are traded on an exchange, but with customized strike prices and expiration dates). The Fund s Option Strategy could cause the Fund to recognize larger amounts of net short-term capital gains, which are taxable at the higher ordinary income tax rates when distributed to shareholders, than it otherwise would in the absence of such strategy. The Fund s Option Strategy also could terminate or suspend the Fund s holding period in the underlying securities, and, as a result, any dividends received by the Fund on those securities may not qualify for treatment as qualified dividend income (which generally is taxable to individual shareholders at the lower rates applicable to long-term capital gain).

Certain risks associated with the Dividend, Interest & Premium Strategy s new policy are set for the below:

The ability of the Fund to achieve current gains to support Fund dividends is partially dependent on the successful implementation of its Option Strategy. There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objective. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. The Fund s ability to use options successfully will depend on the Investment Manager s ability to predict pertinent market movements, which cannot be assured. As the writer of a covered call option, the Fund forgoes, during the option s life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline. In other words, as the Fund writes covered calls over more of its Equity Component, the

**Proxy Voting Policies & Procedures/**
**Changes in Investment Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**
**AllianzGI Equity & Convertible Income Fund**
**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Fund s ability to benefit from capital appreciation of its common stock holdings becomes more limited.

Effective January 22, 2018, Diversified Income & Convertible revised its non-fundamental policy regarding written call options. Under the preexisting policy, covered call options were to be written on approximately 30% to 80% of the Fund s common stocks, while the revised policy contemplates options written on up to 80% of the Fund s common stocks. Certain additional changes were also implemented. The newly adopted non-fundamental policy of the Fund with respect to writing call options is set forth below:

The Fund expects to normally employ a strategy of writing (selling) covered call options on the stocks held in its portfolio (the Option Strategy ). The Fund will ordinarily write call options on the individual stocks held in its portfolio, and with respect to up to approximately 70% of the value of each position. The Fund will normally write covered call options on up to 80% of the Fund s common stocks, with the percentage varying from time to time, depending on market conditions and other factors. The Fund s use of the Option Strategy may vary from time to time, depending on market conditions and other factors, and the Fund may determine not to employ the Option Strategy at all during certain periods.

**Privacy Policy** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

**Privacy Policy**

Please read this Policy carefully. It gives you important information about how Allianz Global Investors U.S. and its U.S. affiliates ( AllianzGI US, we or us ) handle non-public personal information ( Personal Information ) that we may receive about you. It applies to all of our past, present and future clients and shareholders of AllianzGI US and the funds and accounts it manages, advises, sub-advises, administers or distributes, and will continue to apply when you are no longer a client or shareholder. As used throughout this Policy, AllianzGI US means Allianz Global Investors U.S. LLC, Allianz Global Investors Distributors LLC, and the family of registered and unregistered funds managed by one or more of these firms. AllianzGI US is part of a global investment management group, and the privacy policies of other Allianz Global Investors entities outside of the United States may have provisions in their policies that differ from this Privacy Policy. Please refer to the website of the specific non-US Allianz Global Investors entity for its policy on privacy.

**We Care about Your Privacy**

We consider your privacy to be a fundamental aspect of our relationship with you, and we strive to maintain the confidentiality, integrity and security of your Personal Information. To ensure your privacy, we have developed policies that are designed to protect your Personal Information while allowing your needs to be served.

**Information We May Collect**

In the course of providing you with products and services, we may obtain Personal Information about you, which may come from sources such as account application and other forms, from other written, electronic, or verbal communications, from account transactions, from a brokerage or financial advisory firm, financial advisor or consultant, and/or from information you provide on our website.

You are not required to supply any of the Personal Information that we may request. However, failure to do so may result in us being unable to open and maintain your account, or to provide services to you.

**How Your Information Is Shared**

We do not disclose your Personal Information to anyone for marketing purposes. We disclose your Personal Information only to those service providers, affiliated and non-affiliated, who need the information for everyday business purposes, such as to respond to your inquiries, to perform services, and/or to service and maintain your account. This applies to all of the categories of Personal Information we collect about you. The affiliated and non-affiliated service providers who receive your Personal Information also may use it to process your transactions, provide

you with materials (including preparing and mailing prospectuses and shareholder reports and gathering shareholder proxies), and provide you with account statements and other materials relating to your account. These service providers provide services at our direction, and under their agreements with us, are required to keep your Personal Information confidential and to use it only for providing the contractually required services. Our service providers may not use your Personal

**Privacy Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

Information to market products and services to you except in conformance with applicable laws and regulations. We also may provide your Personal Information to your respective brokerage or financial advisory firm, custodian, and/or to your financial advisor or consultant.

In addition, we reserve the right to disclose or report Personal Information to non-affiliated third parties, in limited circumstances, where we believe in good faith that disclosure is required under law, to cooperate with regulators or law enforcement authorities or pursuant to other legal process, or to protect our rights or property, including to enforce our Privacy Policy or other agreements with you. Personal Information collected by us may also be transferred as part of a corporate sale, restructuring, bankruptcy, or other transfer of assets.

**Security of Your Information**

We maintain your Personal Information for as long as necessary for legitimate business purposes or otherwise as required by law. In maintaining this information, we have implemented appropriate procedures that are designed to restrict access to your Personal Information only to those who need to know that information in order to provide products and/or services to you. In addition, we have implemented physical, electronic and procedural safeguards to help protect your Personal Information.

**Privacy and the Internet**

The Personal Information that you provide through our website, as applicable, is handled in the same way as the Personal Information that you provide by any other means, as described above. This section of the Policy gives you additional information about the way in which Personal Information that is obtained online is handled.

• **Online Enrollment, Account Access and Transactions:** When you visit our website, you can visit pages that are open to the general public, or, where available, log into protected pages to enroll online, access information about your account, or conduct certain transactions. Access to the secure pages of our website is permitted only after you have created a User ID and Password. The User ID and Password must be supplied each time you want to access your account information online. This information serves to verify your identity. When you enter Personal Information into our website to enroll or access your account online, you will log into secure pages. By using our website, you consent to this Privacy Policy and to the use of your Personal Information in accordance with the practices described in this Policy. If you provide Personal Information to effect transactions, a record of the transactions you have performed while on the site is retained by us. For additional terms and conditions governing your use of our website, please refer to the Investor Mutual Fund Access Disclaimer which is incorporated herein by reference and is available on our

website.

• **Cookies and Similar Technologies:** Cookies are small text files stored in your computer s hard drive when you visit certain web pages. Clear GIFs (also known as Web Beacons) are typically transparent very small graphic images (usually 1 pixel x 1 pixel) that are placed on a website that may be included

**Privacy Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

on our services provided via our website and typically work in conjunction with cookies to identify our users and user behavior. We may use cookies and automatically collected information to: (i) personalize our website and the services provided via our website, such as remembering your information so that you will not have to re-enter it during your use of, or the next time you use, our website and the services provided via our website; (ii) provide customized advertisements, content, and information; (iii) monitor and analyze the effectiveness of our website and the services provided via our website and third-party marketing activities; (iv) monitor aggregate site usage metrics such as total number of visitors and pages viewed; and (v) track your entries, submissions, and status in any promotions or other activities offered through our website and the services provided via our website. Tracking technology also helps us manage and improve the usability of our website, (i) detecting whether there has been any contact between your computer and us in the past and (ii) to identify the most popular sections of our website. Because an industry-standard Do-Not-Track protocol is not yet established, our website will continue to operate as described in this Privacy Policy and will not be affected by any Do-Not-Track signals from any browser.

• **Use of Social Media Plugins** Our website uses the following Social Media Plugins ( Plugins ):

• Facebook Share Button operated by Facebook Inc., 1601 S. California Ave, Palo Alto, CA 94304, USA

•Tweet Button operated by Twitter Inc., 795 Folsom St., Suite 600, San Francisco, CA 94107, USA

• LinkedIn Share Button operated by LinkedIn Corporation, 2029 Stierlin Court, Mountain View, CA 94043, USA

All Plugins are marked with the brand of the respective operators Facebook, Twitter and LinkedIn ( Operators ). When you visit our website that contains a social plugin, your browser establishes a direct connection to the servers of the Operator. The Operator directly transfers the plugin content to your browser which embeds the latter into our website, enabling the Operator to receive information about you having accessed the respective page of our website. Thus, AllianzGI US has no influence on the data gathered by the plugin and we inform you according to our state of knowledge: The embedded plugins provide the Operator with the information that you have accessed the corresponding page of our website. If you do not wish to have such data transferred to the Operators, you need to log out of your respective account before visiting our website. Please see the Operators data privacy statements in order to get further information about purpose and scope of the data collection and the processing and use:

- Facebook: https://de-de.facebook.com/about/privacy/

- Twitter: https://twitter.com/privacy

- Linked In: https://www.linkedin.com/legal/privacy-policy

**Changes to Our Privacy Policy**

We may modify this Privacy Policy from time-to-time to reflect changes in related

**Privacy Policy** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

practices and procedures, or applicable laws and regulations. If we make changes, we will notify you on our website and the revised Policy will become effective immediately upon posting to our website. We also will provide account owners with a copy of our Privacy Policy annually if required. We encourage you to visit our website periodically to remain up to date on our Privacy Policy. You acknowledge that by using our website after we have posted changes to this Privacy Policy, you are agreeing to the terms of the Privacy Policy as modified.

**Obtaining Additional Information**

If you have any questions about this Privacy Policy or our privacy related practices in the United States, you may contact us via our dedicated email at PrivacyUS@allianzgi.com.

**Dividend Reinvestment Plan** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

**Dividend Reinvestment Plan**

Each Fund has adopted a Dividend Reinvestment Plan (the Plan ) which allows common shareholders to reinvest Fund distributions in additional common shares of the Fund. American Stock Transfer & Trust Company, LLC (the Plan Agent ) serves as agent for common shareholders in administering the Plan. It is important to note that participation in the Plan and automatic reinvestment of Fund distributions does not ensure a profit, nor does it protect against losses in a declining market.

**Automatic enrollment / voluntary participation.** Under the Plan, common shareholders whose shares are registered with the Plan Agent ( registered shareholders ) are automatically enrolled as participants in the Plan and will have all Fund distributions of income, capital gains and returns of capital (together, distributions ) reinvested by the Plan Agent in additional common shares of the Funds, unless the shareholder elects to receive cash. Registered shareholders who elect not to participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholder of record (or if the shares are held in street or other nominee name, to the nominee) by the Plan Agent. Participation in the Plan is voluntary. Participants may terminate or resume their enrollment in the Plan at any time without penalty by notifying the Plan Agent online at www.amstock.com, by calling (800) 254-5197, by writing to the Plan Agent, American Stock Transfer & Trust Company, LLC, at P.O. Box 922, Wall Street Station, New York, NY 10269-0560, or, as applicable, by completing and returning the transaction form attached to the Plan statement. A proper notification will be effective immediately and apply to the Funds next distribution if received by the Plan Agent at least three (3) days prior to the record date for the distribution; otherwise, a notification will be effective shortly following the Funds next succeeding distribution thereafter. If you withdraw from the Plan and so request, the Plan Agent will arrange for the sale of your shares and send you the proceeds, minus a transaction fee and brokerage commissions.

**How shares are purchased under the Plan.** For each Fund distribution, the Plan Agent will acquire common shares for participants either (i) through receipt of newly issued common shares from the Fund ( newly issued shares ) or (ii) by purchasing common shares of the Fund on the open market ( open market purchases ). If, on a distribution payment date, the net asset value per common share of the Funds ( NAV ) is equal to or less than the market price per common share plus estimated brokerage commissions (often referred to as a market premium ), the Plan Agent will invest the distribution amount on behalf of participants in newly issued shares at a price equal to the greater of (i) NAV or (ii) 95% of the market price per common share on the payment date. If the NAV is greater than the market price per common share plus estimated brokerage commissions (often referred to as a market discount ) on a distribution payment date, the Plan Agent will instead attempt to invest the distribution amount through open market purchases. If

the Plan Agent is unable to invest the full distribution amount in open market purchases, or if the

**Dividend Reinvestment Plan** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

market discount shifts to a market premium during the purchase period, the Plan Agent will invest any un-invested portion of the distribution in newly issued shares at a price equal to the greater of (i) NAV or (ii) 95% of the market price per share as of the last business day immediately prior to the purchase date (which, in either case, may be a price greater or lesser than the NAV per common shares on the distribution payment date). No interest will be paid on distributions awaiting reinvestment. Under the Plan, the market price of common shares on a particular date is the last sales price on the exchange where the shares are listed on that date or, if there is no sale on the exchange on that date, the mean between the closing bid and asked quotations for the shares on the exchange on that date. The NAV per common share on a particular date is the amount calculated on that date (normally at the close of regular trading on the New York Stock Exchange) in accordance with the Funds then current policies.

**Fees and expenses.** No brokerage charges are imposed on reinvestments in newly issued shares under the Plan. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases. There are currently no direct service charges imposed on participants in the Plan, although the Funds reserve the right to amend the Plan to include such charges. The Plan Agent imposes a transaction fee (in addition to brokerage commissions that are incurred) if it arranges for the sale of your common shares held under the Plan.

**Shares held through nominees.** In the case of a registered shareholder such as a broker, bank or other nominee (together, a nominee ) that holds common shares for others who are the beneficial owners, the Plan Agent will administer the Plan on the basis of the number of common shares certified by the nominee/record stockholder as representing the total amount registered in such shareholder s name and held for the account of beneficial owners who are to participate in the Plan. If your common shares are held through a nominee and are not registered with the Plan Agent, neither you nor the nominee will be participants in or have distributions reinvested under the Plan. If you are a beneficial owner of common shares and wish to participate in the Plan, and your nominee is unable or unwilling to become a registered shareholder and a Plan participant on your behalf, you may request that your nominee arrange to have all or a portion of your shares re-registered with the Plan Agent in your name so that you may be enrolled as a participant in the Plan. Please contact your nominee for details or for other possible alternatives. Participants whose shares are registered with the Plan Agent in the name of one nominee firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

**Tax consequences.** Automatically reinvested dividends and distributions are taxed in the same manner as cash dividends and distributions i.e., automatic reinvestment in additional shares does not relieve stockholders of, or defer the need

to pay, any income tax that may be payable (or that is required to be withheld) on Fund dividends

**Dividend Reinvestment Plan** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

and distributions. The Fund and the Plan Agent reserve the right to amend or terminate the Plan. Additional information about the Plan, as well as a copy of the full Plan itself, may be obtained from the Plan Agent, American Stock Transfer & Trust Company, LLC, at P.O. Box 922, Wall Street Station, New York, NY 10269-0560; telephone number: (800) 254-5197; website: www.amstock.com.

**Board of Trustees** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

| Name, Address* and Year of Birth | Term of Office and Length of Time Served | Principal Occupation(s) During the Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee During the Past 5 Years |
|---|---|---|---|---|
| **Independent Trustees (1)** | | | | |
| **Davey S. Scoon**<br><br>**1946**<br><br>*Chairman of the Board of Trustees* | NIE & NFJ<br><br>Since June 2015<br><br>ACV<br><br>Since April 2015 | Adjunct Professor, University of Wisconsin-Madison (since 2011). | 66 | Director, Albireo Pharma, Inc. (since 2016); and Director, AMAG Pharmaceuticals, Inc. (since 2006). Formerly, Director, Biodel Inc. (2013-2016); Director, Orthofix International N.V. (2011-2015); and Chairman, Tufts Health Plan (1997-2014). |
| **Deborah A. DeCotis**<br><br>**1952** | NIE & NFJ<br><br>Since March 2011<br><br>ACV<br><br>Since April 2015 | Advisory Director, Morgan Stanley & Co., Inc. (since 1996); Member, Circle Financial Group (since 2009); and Member, Council on Foreign Relations (since 2013). Trustee, Smith College (since 2017); and Director, Watford Re (Since 2017). Formerly, Co-Chair Special Projects Committee, Memorial Sloan Kettering (2005-2015); Trustee, Stanford University (2010-2015); Principal, LaLoop LLC, a retail accessories company (1999-2014). | 92 | None. |
| **F. Ford Drummond**<br><br>**1962** | NIE & NFJ<br><br>Since June 2015<br><br>ACV<br><br>Since April 2015 | Owner/Operator, Drummond Ranch; and Chairman, Oklahoma Water Resources Board. Formerly, Director, The Cleveland Bank; and General Counsel, BMI-Health Plans (benefits administration). | 66 | Director, Bancfirst Corporation. |
| | NIE & NFJ Since | | 92 | None |

| | | | | |
|---|---|---|---|---|
| **Bradford K. Gallagher**<br><br>**1944** | September 2010<br><br>ACV<br><br>Since April 2015 | Retired. Founder, Spyglass Investments LLC, a private investment vehicle (since 2001). Formerly, Chairman and Trustee, The Common Fund (2005-2014); Partner, New Technology Ventures Capital Management LLC, a venture capital fund (2011-2013). | | |
| **James A. Jacobson**<br><br>**1945** | NIE & NFJ Since<br><br>December 2009<br><br>ACV<br><br>Since April 2015 | Retired. Trustee (since 2002) and Chairman of Investment Committee (since 2007), Ronald McDonald House of New York; and Trustee, New Jersey City University (since 2014). | 92 | Formerly, Trustee, Alpine Mutual Funds Complex (consisting of 18 funds) (2009-2016). |

**Board of Trustees** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

| Name, Address* and Year of Birth | Term of Office and Length of Time Served | Principal Occupation(s) During the Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee During the Past 5 Years |
|---|---|---|---|---|
| **Hans W. Kertess 1939** | NFJ Since September 2006 NIE Since June 2007 ACV Since April 2015 | President, H. Kertess & Co., a financial advisory company; and Senior Adviser (formerly Managing Director), Royal Bank of Canada Capital Markets (since 2004). | 92 | None. |
| **James S. MacLeod 1947** | NIE & NFJ Since June 2015 ACV Since April 2015 | Executive Chairman of the Board, CoastalSouth Bancshares, Inc.; Chairman, CoastalStates Bank; Vice Chairman of the Board and Member of Executive Committee, University of Tampa. Trustee, MUSC Foundation and Director, Mortgage Bankers Association of America. Formerly, Executive Vice President, Mortgage Guaranty Insurance Corporation; and Chief Executive Officer, Homeowners Mortgage. | 66 | Non-Executive Chairman (formerly Director), Sykes Enterprises, Inc. |
| **William B. Ogden, IV 1945** | NFJ Since September 2006 NIE Since June 2007 ACV Since April 2015 | Retired. Formerly, Asset Management Industry Consultant; and Managing Director, Investment Banking Division of Citigroup Global Markets Inc. | 92 | None. |
| **Alan Rappaport 1953** | NIE & NFJ Since June 2010 ACV Since April 2015 | Advisory Director (formerly Vice Chairman), Roundtable Investment Partners (since 2009); Adjunct Professor, New York University Stern School of Business (since 2011); Lecturer, Stanford University Graduate School of Business (since 2013); and Director, Victory Capital Holdings, Inc., an asset management firm (since 2013). Formerly, Trustee, | 92 | None. |

| | | | | |
|---|---|---|---|---|
| | | American Museum of Natural History (2005-2015); and Trustee and Member of Board of Overseers, NYU Langone Medical Center (2007-2015). | | |
| **Interested Trustees (1)** | | | | |
| **A. Douglas Eu (2)**<br>**1961** | NIE, NFJ & ACV<br>Since April 2016 | Chief Executive Officer, Managing Director and Chairman of the Executive Committee of Allianz Global Investors U.S. Holdings LLC (since 2016); and Member of the Global Executive Committee of Allianz Global Investors GmbH (since 2006). Formerly, Chief Executive Officer of Allianz Global Investors Asia Pacific GmbH (2006-2015). | 66 | Formerly, Director, Securities and Futures Commission Advisory Committee Hong Kong (2007-2013). |

**Board of Trustees** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

| Name, Address* and Year of Birth | Term of Office and Length of Time Served | Principal Occupation(s) During the Past 5 Years | Number of Funds in Fund Complex Overseen by Trustee | Other Directorships Held by Trustee During the Past 5 Years |
|---|---|---|---|---|
| **Erick R. Holt (2) 1952** | NIE, NFJ & ACV Since December 2017 | Board Member, Global Chief Risk Officer, General Counsel and Chief Compliance Officer (2006-December 2017) of Allianz Asset Management GmbH. | 66 | None. |

* Unless otherwise indicated, the business address of the persons listed is c/o Allianz Global Investors U.S. LLC, 1633 Broadway, New York, New York 10019.

(1) Independent Trustees are those Trustees who are not Interested Persons , as defined in Section 2(a)(19) of the 1940 Act, and Interested Trustees are those Trustees who are Interested Persons of the Funds.

(2) Mr. Eu and Mr. Holt are Interested Persons of the Funds, as defined in Section 2(a)(19) of the 1940 Act, due to their affiliation with the Investment Manager and its affiliates.

**Fund Officers** (unaudited)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

| Name, Address*, Year of Birth and Position(s) Held With Trust | Term of Office and Length of Time Served | Principal Occupation(s) During the Past 5 Years |
|---|---|---|
| **Thomas J. Fuccillo**<br>President and Chief Executive Officer<br>**1968** | NIE, NFJ & ACV<br>April 2016 to present | Managing Director, Chief Regulatory Counsel and Head of Retail and Funds Legal of Allianz Global Investors U.S. Holdings LLC; Managing Director, Chief Legal Officer and Secretary of Allianz Global Investors Distributors LLC; Secretary and Chief Legal Officer of The Korea Fund, Inc. and President and Chief Executive Officer of 66 funds in the Fund Complex. Formerly, Vice President, Secretary and Chief Legal Officer of numerous funds in the Fund Complex (2004-2016). |
| **Lawrence G. Altadonna**<br>Treasurer, Principal Financial and Accounting Officer<br>**1966** | NIE<br>2/2007 to present<br>NFJ<br>2/2005 to present<br>ACV<br>5/2015 to present | Director, Director of Fund Administration of Allianz Global Investors U.S. LLC; and Treasurer, Principal Financial and Accounting Officer of 66 funds in the Fund Complex and of The Korea Fund, Inc. |
| **Angela Borreggine**<br>Secretary and Chief Legal Officer<br>**1964** | NIE, NFJ & ACV<br>April 2016 to present | Director and Senior Counsel of Allianz Global Investors U.S. Holdings LLC; and Chief Legal Officer and Secretary of 66 funds in the Fund Complex. Formerly, Assistant Secretary of numerous funds in the Fund Complex (2015-2016). |
| **Thomas L. Harter, CFA**<br>Chief Compliance Officer<br>600 West Broadway<br>San Diego, CA 92101<br>**1975** | NIE & NFJ 6/2013 to present<br>ACV<br>5/2015 to present | Director of Allianz Global Investors U.S. Holdings LLC; Director, Deputy Chief Compliance Officer of Allianz Global Investors U.S. LLC; and Chief Compliance Officer of 66 funds in the Fund Complex and of The Korea Fund, Inc. |
| **Richard J. Cochran**<br>Assistant Treasurer<br>**1961** | NIE & NFJ 5/2008 to present<br>ACV<br>5/2015 to present | Vice President of Allianz Global Investors U.S. LLC; and Assistant Treasurer of 66 funds in the Fund Complex and of The Korea Fund, Inc. |
| **Orhan Dzemaili**<br>Assistant Treasurer<br>**1974** | NIE & NFJ 1/2011 to present<br>ACV<br>5/2015 to present | Director of Allianz Global Investors U.S. LLC; and Assistant Treasurer of 66 funds in the Fund Complex and of The Korea Fund, Inc. |
| **Scott Whisten**<br>Assistant Treasurer<br>**1971** | NIE & NFJ 1/2007 to present<br>ACV<br>5/2015 to present | Director of Allianz Global Investors U.S. LLC; and Assistant Treasurer of 66 funds in the Fund Complex. |
| **Debra Rubano**<br>Assistant Secretary<br>**1975** | NIE, NFJ & ACV<br>12/2015 to present | Director and Senior Counsel of Allianz Global Investors U.S. Holdings LLC; and Assistant Secretary of 66 funds in the Fund Complex. |

**Fund Officers** (unaudited) (continued)

**AllianzGI Diversified Income & Convertible Fund**

**AllianzGI Equity & Convertible Income Fund**

**AllianzGI NFJ Dividend, Interest & Premium Strategy Fund**

| Name, Address*, Year of Birth and Position(s) Held With Trust | Term of Office and Length of Time Served | Principal Occupation(s) During the Past 5 Years |
|---|---|---|
| **Craig Ruckman**<br>Assistant Secretary<br>**1977** | NIE, NFJ & ACV<br>12/2017 to present | Director and Senior Counsel of Allianz Global Investors U.S. Holdings LLC; and Assistant Secretary of 66 funds in the Fund Complex. Formerly, Associate of K&L Gates LLP (2012-2016). |

Each of the Fund s executive officers is an interested person of the Funds (as defined in Section 2(a)(19) of the 1940 Act) as a result of his or her position(s) set forth in the table above.

* Unless otherwise indicated, the business address of the persons listed above is c/o Allianz Global Investors U.S. LLC, 1633 Broadway, New York, New York 10019.

**Trustees**

Davey S. Scoon
*Chairman of the Board of Trustees*

Deborah A. DeCotis

F. Ford Drummond

A. Douglas Eu

Bradford K. Gallagher

Erick R. Holt

James A. Jacobson

Hans W. Kertess

James S. MacLeod

William B. Ogden, IV

Alan Rappaport

**Fund Officers**

Thomas J. Fuccillo
*President and Chief Executive Officer*

Lawrence G. Altadonna
*Treasurer, Principal Financial and Accounting Officer*

Angela Borreggine
*Chief Legal Officer and Secretary*

Thomas L. Harter, CFA
*Chief Compliance Officer*

Scott Whisten
*Assistant Treasurer*

Orhan Dzemaili
*Assistant Treasurer*

Richard J. Cochran
*Assistant Treasurer*

Debra Rubano
*Assistant Secretary*

**Investment Manager**

Allianz Global Investors U.S. LLC
1633 Broadway
New York, NY 10019

**Custodian & Accounting Agent**

State Street Bank & Trust Co.
801 Pennsylvania Avenue
Kansas City, MO 64105

**Transfer Agent, Dividend Paying Agent and Registrar**

American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219

**Independent Registered Public Accounting Firm**

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017

**Legal Counsel**

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199

Craig Ruckman
*Assistant Secretary*

*This report, including the financial information herein, is transmitted to the shareholders of AllianzGI Diversified Income & Convertible Fund, AllianzGI Equity & Convertible Income Fund and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund, for their information. It is not a prospectus, circular or representation intended for use in the purchase of shares of the Funds or any securities mentioned in this report.*

*Notice is hereby given in accordance with Section 23(c) of the investment Company Act of 1940, as amended, that from time to time the Funds may purchase shares of their stock in the open market.*

*The Funds file their complete schedule of portfolio holdings with the Securities and Exchange Commission ( SEC ) for the first and third quarters of their fiscal year on Form N-Q. Each Fund s Form N-Q is available on the SEC s website at www.sec.gov and may be reviewed and copied at the SEC s Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The information on Form N-Q is also available on the Funds website at us.allianzgi.com/closedendfunds.*

*Information on the Funds is available at us.allianzgi.com/closedendfunds or by calling the Funds shareholder servicing agent at (800) 254-5197.*

**Receive this report electronically and eliminate paper mailings.**

To enroll, go to us.allianzgi.com/edelivery.

419207

Allianz Global Investors Distributors LLC AZ601AR_013118

ITEM 2. CODE OF ETHICS

(a) As of the end of the period covered by this report, the registrant has adopted a code of ethics (the Section 406 Standards for Investment Companies Ethical Standards for Principal Executive and Financial Officers ) that applies to the registrant s Principal Executive Officer and Principal Financial Officer; the registrant s Principal Financial Officer also serves as the Principal Accounting Officer. The registrant undertakes to provide a copy of such code of ethics to any person upon request, without charge, by calling 1-800-254-5197. The code of ethics is included as an Exhibit 99.CODEETH hereto.

(b) During the period covered by this report, there were not any amendments to a provision of the code of ethics adopted in 2(a) above.

(c) During the period covered by this report, there were not any waivers or implicit waivers to a provision of the code of ethics adopted in 2(a) above.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT

The registrant s Board has determined that Messrs. James A. Jacobson and Davey S. Scoon, each a member of the Board s Audit Oversight Committee, is an audit committee financial expert, and that each is independent, for purposes of this Item.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES

a) Audit fees. The aggregate fees billed for each of the last two fiscal years (the Reporting Periods ) for professional services rendered by the Registrant s principal accountant (the Auditor ) for the audit of the Registrant s annual financial statements, or services that are normally provided by the Auditor in connection with the statutory and regulatory filings or engagements for the Reporting Periods, were $64,581 in 2017 and $71,518 in 2018.

b) Audit-Related Fees. There were no audit related fees billed for each of the last two fiscal years.

c) Tax Fees. The aggregate fees billed in the Reporting Periods for professional services rendered by the Auditor for tax compliance,

tax service and tax planning ( Tax Services ) were $15,696 in 2017 and $16,167 in 2018. These services consisted of review or preparation of U.S. federal, state, local and excise tax returns and calculation of excise tax distributions.

d) All Other Fees. There were no other fees billed in the Reporting Periods for products and services provided by the Auditor to the Registrant.

e) 1. Audit Committee Pre-Approval Policies and Procedures. The Registrant s Audit Committee has established policies and procedures for pre-approval of all audit and permissible non-audit services by the Auditor for the Registrant, as well as the Auditor s engagements related directly to the operations and financial reporting of the Registrant. The Registrant s policy is stated below.

AUDIT OVERSIGHT COMMITTEE POLICY FOR PRE-APPROVAL OF SERVICES PROVIDED BY THE INDEPENDENT ACCOUNTANTS

The Fund s Audit Oversight Committee ( Committee ) is charged with the oversight of the Fund s financial reporting policies and practices and their internal controls. As part of this responsibility, the Committee must pre-approve any independent accounting firm s engagement to render audit and/or permissible non-audit services, to the Fund as well as to the Fund s investment manager or any entity controlling, controlled by or under common control with the investment adviser that provides ongoing services to the Fund ( Applicable Service Providers ), if the engagement relates directly to operations and financial reporting of the Fund. In evaluating a proposed engagement by the independent accountants, the Committee will assess the effect that the engagement might reasonably be expected to have on the accountant s independence. The Committee s evaluation will be based on:

a review of the nature of the professional services expected to provided, the fees to be charged in connection with the services expected to be provided, a review of the safeguards put into place by the accounting firm to safeguard independence, and periodic meetings with the accounting firm.

POLICY FOR AUDIT AND NON-AUDIT SERVICES TO BE PROVIDED TO THE FUND

On an annual basis, the Fund s Committee will review and pre-approve the scope of the audits of the Fund and proposed audit fees and permitted non-audit (including audit-related) services that may be performed by the Fund s independent accountants. At least annually, the Committee will receive a report of all audit and non-audit services that were rendered in the previous calendar year pursuant to this Policy. In addition to the Committee s

pre-approval of services pursuant to this Policy, the engagement of the independent accounting firm for any permitted non-audit service provided to the Fund will also require the separate written pre-approval of the President of the Fund, who will confirm, independently, that the accounting firm s engagement will not adversely affect the firm s independence. All non-audit services performed by the independent accounting firm will be disclosed, as required, in filings with the Securities and Exchange Commission.

AUDIT SERVICES

The categories of audit services and related fees to be reviewed and pre-approved annually by the Committee are:

Annual Fund financial statement audits

Seed audits (related to new product filings, as required)

SEC and regulatory filings and consents

AUDIT-RELATED SERVICES

The following categories of audit-related services are considered to be consistent with the role of the Fund s independent accountants and services falling under one of these categories will be pre-approved by the Committee on an annual basis if the Committee deems those services to be consistent with the accounting firm s independence:

Accounting consultations

Fund merger support services

Agreed upon procedure reports

Other attestation reports

Comfort letters

Other internal control reports

Individual audit-related services that fall within one of these categories and are not presented to the Committee as part of the annual pre-approval process described above, may be pre-approved, if deemed consistent with the accounting firm s independence, by the Committee Chair (or any other Committee member who is a disinterested trustee under the Investment Company Act to whom this responsibility has been delegated) so long as the estimated fee for those services does not exceed $500,000. Any such pre-approval shall be reported to the full Committee at its next regularly scheduled meeting.

TAX SERVICES

The following categories of tax services are considered to be consistent with the role of the Fund s independent accountants and services falling under one of these categories will be pre-approved by the Committee on an annual basis if the Committee deems those services to be consistent with the accounting firm s independence:

Tax compliance services related to the filing or amendment of the following:

Federal, state and local income tax compliance; and, sales and use tax compliance

Timely RIC qualification reviews

Tax distribution analysis and planning

Tax authority examination services

Tax appeals support services

Accounting methods studies

Fund merger support service

Other tax consulting services and related projects

Individual tax services that fall within one of these categories and are not presented to the Committee as part of the annual pre-approval process described above, may be pre-approved, if deemed consistent with the accounting firm s independence, by the Committee Chairman (or any other Committee member who is a disinterested trustee under the Investment Company Act to whom this responsibility has been delegated) so long as the estimated fee for those services does not exceed $500,000. Any such pre-approval shall be reported to the full Committee at its next regularly scheduled meeting.

PROSCRIBED SERVICES

The Fund s independent accountants will not render services in the following categories of non-audit services:

Bookkeeping or other services related to the accounting records or financial statements of the Fund

Financial information systems design and implementation

Appraisal or valuation services, fairness opinions, or contribution-in-kind reports

Actuarial services

Internal audit outsourcing services

Management functions or human resources

Broker or dealer, investment adviser or investment banking services

Legal services and expert services unrelated to the audit

Any other service that the Public Company Accounting Oversight Board determines, by regulation, is impermissible

PRE-APPROVAL OF NON-AUDIT SERVICES PROVIDED TO OTHER ENTITIES WITHIN THE FUND COMPLEX

The Committee will pre-approve annually any permitted non-audit services to be provided to Allianz Global Investors U.S. LLC or any other investment manager to the Fund (but not including any sub-adviser whose role is primarily portfolio management and is sub-contracted by the investment manager) (the Investment Manager ) and any entity

controlling, controlled by, or under common control with the Investment Manager that provides ongoing services to the Fund (including affiliated sub-advisers to the Fund), provided, in each case, that the engagement relates directly to the operations and financial reporting of the Fund (such entities, including the Investment Manager, shall be referred to herein as the Accounting Affiliates ). Individual projects that are not presented to the Committee as part of the annual pre-approval process, may be pre-approved, if deemed consistent with the accounting firm s independence, by the Committee Chairman (or any other Committee member who is a disinterested trustee under the Investment Company Act to whom this responsibility has been delegated) so long as the estimated fee for those services does not exceed $500,000. Any such pre-approval shall be reported to the full Committee at its next regularly scheduled meeting.

Although the Committee will not pre-approve all services provided to the Investment Manager and its affiliates, the Committee will receive an annual report from the Fund s independent accounting firm showing the aggregate fees for all services provided to the Investment Manager and its affiliates.

DE MINIMUS EXCEPTION TO REQUIREMENT OF PRE-APPROVAL OF NON-AUDIT SERVICES

With respect to the provision of permitted non-audit services to a Fund or Accounting Affiliates, the pre-approval requirement is waived if:

(1) The aggregate amount of all such permitted non-audit services provided constitutes no more than (i) with respect to such services provided to the Fund, five percent (5%) of the total amount of revenues paid by the Fund to its independent accountant during the fiscal year in which the services are provided, and (ii) with respect to such services provided to Accounting Affiliates, five percent (5%) of the total amount of revenues paid to the Fund s independent accountant by the Fund and the Accounting Affiliates during the fiscal year in which the services are provided;

(2) Such services were not recognized by the Fund at the time of the engagement for such services to be non-audit services; and

(3) Such services are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee or by the Committee Chairman (or any other Committee member who is a disinterested trustee under the Investment Company Act to whom this Committee Chairman or other delegate shall be reported to the full Committee at its next regularly scheduled meeting.

e) 2. No services were approved pursuant to the procedures contained in paragraph (C) (7) (i) (C) of Rule 2-01 of Registration S-X.

f) Not applicable

g) Non-audit fees. The aggregate non-audit fees billed by the Auditor for services rendered to the Registrant, and rendered to the Adviser, for the 2017 Reporting Period was $4,600,230 and the 2018 Reporting Period was $3,766,873.

h) Auditor Independence. The Registrant s Audit Oversight Committee has considered whether the provision of non-audit services that were rendered to the Adviser which were not pre-approved is compatible with maintaining the Auditor s independence.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANT

The Fund has a separately designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934. The audit committee of the Fund is comprised of Deborah A. DeCotis, F. Ford Drummond, Bradford K. Gallagher, James A. Jacobson, Hans W. Kertess, James S. MacLeod, William B. Ogden, IV, David S. Scoon and Alan Rappaport.

ITEM 6. SCHEDULE OF INVESTMENTS

(a) The registrant s Schedule of Investments is included as part of the report to shareholders filed under Item 1 of this form.

(b) Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES

**ALLIANZGI EQUITY & CONVERTIBLE INCOME FUND**

**(the Trust )**

**PROXY VOTING POLICY**

1. It is the policy of each Trust that proxies should be voted in the interest of its shareholders, as determined by those who are in the best position to make this determination. Each Trust believes that the firms and/or persons purchasing and selling securities for the Trust and analyzing the performance of the Trust s securities are in the best position and have the information necessary to vote proxies in the best interests of the Trust and its shareholders, including in situations where conflicts of interest may arise between the interests of shareholders, on one hand, and the interests of the investment adviser, a sub-adviser and/or any other affiliated person of the Trust, on the other. Accordingly, each Trust s policy shall be to delegate proxy voting responsibility to the entity with portfolio management responsibility for the Trust.

2. Each Trust delegates the responsibility for voting proxies to Allianz Global Investors U.S. LLC ( AllianzGI US ). A summary of the detailed proxy voting policy of AllianzGI US is attached as Appendix A hereto. Such summary may be revised from time to time to reflect changes to AllianzGI US s detailed proxy voting policy.

3. The party voting the proxy (i.e., AllianzGI US) shall vote such proxies in accordance with such party s proxy voting policy and, to the extent consistent with such policy, may rely on information and/or recommendations supplied by others.

4. AllianzGI US shall deliver a copy of its proxy voting policy and any material amendments thereto to the applicable Board of the Trust promptly after the adoption or amendment of any such policy.

5. The party voting the proxy shall: (i) maintain such records and provide such voting information as is required for the Trust s regulatory filings including, without limitation, Form N-PX and the required disclosure of policy called for by Item 18 of Form N-2 and Item 7 of Form N-CSR; and (ii) shall provide such additional information as may be requested, from time to time, by the Board or the Trust s Chief Compliance Officer.

6. This Proxy Voting Policy Statement, a summary of the detailed proxy voting policy of AllianzGI US, and how each Trust voted proxies relating to portfolio securities held during the most recent twelve month period ending June 30, shall be made available (i) without charge, upon request, by calling 1-800-254-5197; (ii) on the Trusts website at us.allianzgi.com; and (iii) on the U.S. Securities and Exchange Commission s ( SEC s ) website at www.sec.gov. In addition, to the extent required by applicable law or determined by the Trust s Chief Compliance Officer or Board of Trustees, a summary of the detailed proxy voting policy of AllianzGI US shall also be included in the Trust s Registration Statement or Form N-CSR filings.

**Appendix A**

**Allianz Global Investors U.S. LLC ( AllianzGI US ) Description of Proxy Voting Policy and Procedures**

AllianzGI US typically votes proxies as part of its discretionary authority to manage accounts, unless the client has explicitly reserved the authority for itself. When voting proxies, AllianzGI US seeks to make voting decisions solely in the best interests of its clients and to enhance the economic value of the underlying portfolio securities held in its clients accounts.

AllianzGI US has adopted the Allianz Global Investors Global Corporate Governance Guidelines and Proxy Voting Policy (the Proxy Guidelines ) that are reasonably designed to ensure that the firm is voting in the best interest of its clients. The Proxy Guidelines set forth AllianzGI US s policies and procedures with regards to proxy voting and reflect AllianzGI US s general voting positions on specific corporate governance issues. For the purpose of voting proxies for all accounts of AllianzGI US, AllianzGI US uses the services of its affiliate, Allianz Global Investors GmbH ( AllianzGI GmbH ). The employees of AllianzGI GmbH who provide proxy voting services to AllianzGI US are considered associated persons as that term is defined in the Advisers Act. AllianzGI has retained an independent third party service provider (the Proxy Provider ) to assist in the proxy voting process by implementing the votes in accordance with the Proxy Guidelines as well as assisting in the administrative process. The Proxy Provider offers a variety of proxy-related services to assist in AllianzGI US s handling of proxy voting responsibilities.

The Proxy Guidelines also provide for oversight of the proxy voting process by a proxy committee comprised of senior representatives from various functions within the organization ( Proxy Committee ). The Proxy Guidelines summarize AllianzGI US s position on various issues, including issues of corporate governance and corporate actions, and give general indication as to how AllianzGI US will vote shares on such issues. Under certain circumstances, AllianzGI US may not vote proxies in accordance with the standard positions denoted in to the Proxy Guidelines, for example if: (1) the Proxy Guidelines do not cover potential voting issues, (2) AllianzGI US determines there may be a potential material conflict between AllianzGI US s interest and those of a client with respect to proxy voting and (3) the Proxy Committee has

determined that voting otherwise would be in the best interests of AllianzGI US s clients . In evaluating issues, the Proxy Committee may consider information from many sources, including the portfolio management team, the analyst responsible for monitoring the stock of the company at issue, management of a company presenting a proposal, shareholder groups and independent proxy research services. In the event that either the analyst or portfolio manager wishes to override the Proxy Guidelines, the proposal will be presented to the Proxy Committee for a final decision. Any deviations from the Proxy Guidelines will be documented and maintained in accordance with Rule 204-2 under the Advisers Act.

In certain circumstances, a client may request in writing that AllianzGI US vote proxies for its account in accordance with a set of guidelines which differs from the Proxy Guidelines. For example, a client may wish to have proxies voted for its account in accordance with the Taft-Hartley proxy voting guidelines. In that case, AllianzGI US will vote the shares held by such client accounts in accordance with their direction, which may be different from the vote cast for shares held on behalf of other client accounts that vote in accordance with the Proxy Guidelines.

AllianzGI US will generally refrain from voting proxies on securities that are subject to share blocking restrictions. Certain countries require the freezing of shares for trading purposes at the custodian/sub-custodian bank level in order to vote proxies to ensure that shareholders voting at meetings continue to hold the shares through the actual shareholder meeting. However, because AllianzGI US cannot anticipate every proxy proposal that may arise (including a proxy proposal that an analyst and/or portfolio manager believes has the potential to significantly affect the economic value of the underlying security, such as proxies relating to mergers and acquisitions), AllianzGI US may, from time to time, instruct the Proxy Provider to cast a vote for a proxy proposal in a share blocked country. AllianzGI US will not be responsible for voting of proxies that AllianzGI US has not been notified on a timely basis by the client s custodian.

In accordance with the Proxy Guidelines, AllianzGI US may review additional criteria associated with voting proxies and evaluate the expected benefit to its clients when making an overall determination on how or whether to vote a proxy. In addition, AllianzGI US may refrain from voting a proxy on behalf of its clients accounts due to de-minimis holdings, immaterial impact on the portfolio, items relating to non-U.S. issuers (such as those described below), non- discretionary holdings not covered by AllianzGI US, timing issues related to the opening/closing

of accounts, securities lending issues (see below), contractual arrangements with clients and/or their authorized delegate, the timing of receipt of information, or where circumstances beyond its control prevent it from voting. For example, AllianzGI US may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may impair AllianzGI US s ability to vote the proxy. These issues may include, but are not limited to: (i) proxy statements and ballots being written in a language other than English, (ii) untimely notice of a shareholder meeting, (iii) requirements to vote proxies in person, (iv) restrictions on non-U.S. person s ability to exercise votes, (v) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting, or (vi) requirements to provide local agents with power of attorney to facilitate the voting instructions. Such proxies are voted on a best-efforts basis.

AllianzGI US typically votes proxies as part of its discretionary authority to manage Wrap Program accounts, unless a client has indicated to the Sponsor that it has explicitly reserved the authority to vote proxies for itself. AllianzGI US will generally vote all proxies sent to it by the Sponsor on an aggregate basis. When AllianzGI US votes proxies on an aggregate basis, the proxy voting records are generally available only on an aggregate level and are not maintained on an individual account basis.

If a client has decided to participate in a securities lending program, AllianzGI US will defer to the client s determination and not attempt to recall securities on loan solely for the purpose of voting routine proxies as this could impact the returns received from securities lending and make the client a less desirable lender in the marketplace. If the participating client requests, AllianzGI US will use reasonable efforts to notify the client of proxy measures that AllianzGI US deems material.

The ability to timely identify material events and recommend recall of shares for proxy voting purposes is not within the control of AllianzGI US and requires the cooperation of the client and its other service providers. Efforts to recall loaned securities are not always effective and there can be no guarantee that any such securities can be retrieved in a timely manner for purposes of voting the securities.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES

(a)(1)

As of April 6, 2018, the following individuals have primary responsibility for the day-to-day implementation of the AllianzGI Equity & Convertible Income Fund ( NIE or the Fund ):

**Douglas G. Forsyth, CFA**
***Managing Director, Chief Investment Officer, US Income & Growth Strategies***

Mr. Forsyth, CFA, is a portfolio manager, a managing director and CIO US Income & Growth Strategies with Allianz Global Investors, which he joined in 1994. He is the head of the Income and Growth Strategies team. Mr. Forsyth has portfolio management, trading and research responsibilities, and oversees all aspects of the Income and Growth platform s business, including product development and implementation. He has 26 years of investment-industry experience. Mr. Forsyth was previously an analyst at AEGON USA. He has a B.B.A. from The University of Iowa.

**Justin Kass, CFA**
***Managing Director, Portfolio Manager***

Mr. Kass, CFA, is a portfolio manager and managing director with Allianz Global Investors, which he joined in 2000. He has portfolio management and research responsibilities for the Income and Growth Strategies team. Mr. Kass has 20 years of investment-industry experience. He has a B.S. from the University of California, Davis, and an M.B.A. from the UCLA Anderson School of Management.

**Michael E. Yee**

***Managing Director, Portfolio Manager***

Mr. Yee is a portfolio manager and a managing director with Allianz Global Investors, which he joined in 1995. He has portfolio-management and research responsibilities for the Income and Growth Strategies team. Mr. Yee was previously an analyst for the Global and Systematic team. He has 24 years of investment-industry experience. Before joining the firm, Mr. Yee was a financial consultant for Priority One Financial/Liberty Foundation. He has a B.S. from the University of California, San Diego, and an M.B.A. from San Diego State University.

(a) (2) **AllianzGI US**

The following summarizes information regarding each of the accounts, excluding the Fund, that were managed by the Portfolio Managers as of January 31, 2018 including accounts managed by a team, committee, or other group that includes the Portfolio Managers.

| Portfolio Managers | Other Registered Investment Companies | | Other Accounts | | Other Pooled Investment Vehicles | |
|---|---|---|---|---|---|---|
| | # | AUM($million) | # | AUM($million) | # | AUM($million) |
| Douglas G. Forsyth, CFA | 10 | 9,398 | 10 | 873* | 35 | 34,930** |
| Justin Kass, CFA | 8 | 6,926 | 5 | 530 | 22 | 30,671 |
| Michael E. Yee | 8 | 6,926 | 5 | 530 | 22 | 30,671 |

* Of the Other Accounts, two accounts totaling $169 million in assets pay an advisory fee that is based on the performance of the accounts.

** Of the Other Pooled Investment Vehicles, four accounts totaling $1,417 million pay an advisory fee that is based in part on the performance of the account.

**AllianzGI US**

Potential Conflicts of Interest

Like other investment professionals with multiple clients, a portfolio manager for a Fund may face certain potential conflicts of interest in connection with managing both the Portfolio and other accounts at the same time. The paragraphs below describe some of these potential conflicts, which AllianzGI US believes are faced by investment professionals at most major financial firms.

AllianzGI US has adopted compliance policies and procedures that address certain of these potential conflicts. The management of accounts with different advisory fee rates and/or fee structures, including accounts that pay advisory fees based on account performance ( performance fee accounts ), may raise potential conflicts of interest by creating an incentive to favor higher- fee accounts. These potential conflicts may include, among others:

- The most attractive investments could be allocated to higher-fee accounts or performance fee accounts.

- The trading of higher-fee accounts could be favored as to timing and/or execution price. For example, higher -fee accounts could be permitted to sell securities earlier than other accounts when a prompt sale is desirable or to buy securities at an earlier and more opportune time.

- The investment management team could focus their time and efforts primarily on higher-fee accounts due to a personal stake in compensation.

When AllianzGI US considers the purchase or sale of a security to be in the best interests of a Fund as well as other accounts, AllianzGI US s trading desk may, to the extent permitted by applicable laws and regulations, aggregate the securities to be sold or purchased. Aggregation of trades may create the potential for unfairness to a Fund or another account if one account is favored over another in allocating the securities purchased or sold for example, by allocating a disproportionate amount of a security that is likely to increase in value to a favored account. AllianzGI US considers many factors when allocating securities among accounts, including the account s investment style, applicable investment restrictions, availability of securities, available cash and other current holdings. AllianzGI US attempts to allocate investment opportunities among accounts in a fair and equitable manner. However, accounts are not assured of participating equally or at all in particular investment allocations due to such factors as noted above.

Cross trades, in which one AllianzGI US account sells a particular security to another account (potentially saving transaction costs for both accounts), may also pose a potential conflict of interest when cross trades are effected in a manner perceived to favor one client over another. For example, AllianzGI US may cross a trade between performance fee account and a fixed fee account that results in a benefit to the performance fee account and a detriment to the fixed fee account. AllianzGI US has adopted compliance procedures that provide that all cross trades are to be made at an independent current market price, as required by law.

Another potential conflict of interest may arise from the different investment objectives and strategies of a Fund and other accounts. For example, another account may have a shorter-term investment horizon or different investment objectives, policies or restrictions than a Portfolio. Depending on another account s objectives or other factors, a portfolio manager may give advice and make decisions that may differ from advice given, or the timing or nature of decisions made, with respect to a Fund. In addition, investment decisions are subject to suitability for the particular account involved. Thus, a particular security may not be bought or sold for certain accounts even though it was bought or sold for other accounts at the same time. More rarely, a particular security may be bought for one or more accounts managed by a portfolio manager when one or more other accounts are selling the security (including short sales). There may be circumstances when purchases or sales of portfolio securities for one or more accounts may have an adverse effect on other accounts. AllianzGI US maintains trading policies designed to provide portfolio managers an opportunity to minimize the effect that short sales in one portfolio may have on holdings in other portfolios.

A portfolio manager who is responsible for managing multiple funds and/or accounts may devote unequal time and attention to the management of those funds and/or accounts. As a result, the portfolio manager may not be able to formulate as complete a strategy or identify equally attractive investment opportunities for each of those accounts as might be the case if he or she were to devote substantially more attention to the management of a single fund. The effects of this potential conflict may be more pronounced where funds and/or accounts overseen by a particular portfolio manager have different investment strategies.

A Portfolio s portfolio manager(s) may be able to select or influence the selection of the broker/dealers that are used to execute securities transactions for the Fund. In addition to executing trades, some brokers and dealers provide AllianzGI US with brokerage and research services (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934), which may result in the payment of higher brokerage fees than might have otherwise be available. These services may be more beneficial to certain funds or accounts than to others. In order to be assured of continuing to receive services considered of value to its clients, AllianzGI US has adopted a brokerage allocation policy embodying the concepts of Section 28(e) of the Securities Exchange Act of 1934. Although the payment of brokerage commissions is subject to the requirement that the portfolio manager determine in good faith that the commissions are reasonable in relation to the value of the brokerage and research services provided to the Fund and the Sub-Adviser s other clients, a portfolio manager s decision as to the selection of brokers and dealers could yield disproportionate costs and benefits among the funds and/or accounts that he or she manages.

A Fund s portfolio manager(s) may also face other potential conflicts of interest in managing a Portfolio, and the description above is not a complete description of every conflict that could be deemed to exist in managing both the Portfolios and other accounts. In addition, a Fund s portfolio manager may also manage other accounts (including their personal assets or the assets of family members) in their personal capacity.

AllianzGI US s investment personnel, including each Fund s portfolio manager, are subject to restrictions on engaging in personal securities transactions pursuant to AllianzGI US s Code of Business Conduct and Code of Ethics (the Code ), which contain provisions and requirements designed to identify and address conflicts of interest between personal investment activities and the interests of the Fund. The Code is designed to ensure that the personal securities transactions, activities and interests of the employees of AllianzGI US will not interfere with

(i) making decisions in the best interest of advisory clients (including the Portfolios) or (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

(a) (3)

**Compensation Structure for AllianzGI US**

As of January 31, 2018 the following explains the compensation structure of each individual who shares primary responsibility for day-to-day portfolio management of the Fund:

The compensation system is designed to support the organization s corporate values and culture. While acknowledging the importance of financial incentives and seeking to pay top quartile compensation for top quartile performance, AllianzGI US also believes that compensation is only one of a number of critically important elements that allow the emergence of a strong, winning culture that attracts, retains and motivates talented investors and teams. AllianzGI US s compensation system supports its belief that investment professionals are a key element of the company s success in meeting clients objectives. To the extent that there are regional experts located in other AllianzGI US-affiliated offices worldwide who are associated persons of AllianzGI US and who serve as portfolio managers for certain of the Funds, this compensation strategy is applied independently by the AllianzGI US-affiliated company that employs such a portfolio manager. In such cases, AllianzGI US compensates the employing company through an affiliated transfer pricing arrangement that takes into account the value placed by AllianzGI US on the shared service of the portfolio manager.

The primary components of compensation are the base salary and an annual variable compensation payment. Base salary typically reflects scope, responsibilities and experience required in a particular role, be it on the investment side or any other function in the company. Base compensation is regularly reviewed against peers with the help of compensation survey data. Base compensation is typically a greater percentage of total compensation for more junior positions, while for the most senior roles it is typically a comparatively small component, often capped and only adjusted every few years.

The variable compensation component typically comprises a cash bonus that pays out immediately after the performance year as well as a deferred component, for members of staff whose variable compensation exceeds a certain threshold. Except for certain specialist investment teams as noted below, variable compensation is determined on a discretionary basis and is primarily designed to reflect the achievements of an individual against set goals, over a certain time period. For an investment professional these goals will typically be 70% quantitative and 30% qualitative. The former will reflect a weighted average of investment performance over a three-year rolling time period (one-year (25%) and three year (75%) results) and the latter reflects contributions to broader team goals, contributions made to client review meetings, product development or product refinement initiatives. Portfolio managers have their performance metric aligned with the benchmarks of the client portfolios they manage.

Variable compensation for certain specialist investment teams including AllianzGI US Income & Growth and Structured Products is determined on a formulaic basis. These teams share a percentage of advisory fee revenue including performance fee revenue, if applicable, generated by the investment strategy.

After consultation and oversight from the firm s compensation committee, the lead portfolio manager allocates the team s share of the shared revenue to the individual team members. Allocation to individual team members is determined based on individual performance and contribution to the team and client success. All team members have agreed upon performance objectives to serve as a basis for performance evaluation during the year. These objectives are both quantitative and qualitative in nature. Quantitative objectives typically align to investment performance and client-stated objectives. Qualitative objectives reflect contributions to broader team goals, such as idea sharing, contributions made to client review meetings, product development or product refinement initiatives, and the way behaviors reflect AllianzGI US s core values of excellence, passion, integrity and respect. For all investment professionals, a 360 degree feedback evaluation forms part of the qualitative input. Achievement against these goals as measured by the lead portfolio manager and Chief Investment Officer serve to link performance to compensation. Notwithstanding the basis for determining variable compensation, all compensation principles, including the deferral rules and deferred instruments described below, apply.

As noted above, variable compensation includes a deferral component. The deferred component for most recipients would be a notional award of the Long Term Incentive Program ( LTIP ); for members of staff whose variable compensation exceeds an additional threshold, the deferred compensation is itself split 50%/50% between the LTIP and a Deferral into Funds program ( DIF ). Deferral rates increase in line with the overall variable compensation and can reach up to 42%. Overall awards, splits, components and deferral percentages are regularly reviewed to ensure they are competitive and, where applicable, comply with regulatory standards.

The LTIP element of the variable compensation cliff vests three years after each (typically annual) award. Its value is directly tied to the operating profit of Allianz Global Investors.

The DIF element of the variable compensation cliff vests three years after each (typically annual) award and enables qualifying members of staff to invest in a range of Allianz Global Investors funds. Investment professionals are encouraged to invest into their own funds or funds of a similar nature to those that they manage. The value of the DIF award is determined by the performance of the fund over the three-year period covering each award.

Assuming an annual deferral of 33% over a three year period, a typical member of staff will have roughly one year s variable compensation (3x33%) as a deferred component in the bank . Three years after the first award, and for as long as deferred components were awarded without break, cash payments in each year will consist of the annual cash bonus for that current year s performance as well as a payout from LTIP/DIF commensurate with the prior cumulative three-year performance.

In addition to competitive compensation, the firm s approach to retention includes providing a challenging career path for each professional, a supportive culture to ensure each employee s progress and a full benefits package.

(a)(4)

The following summarizes the dollar range of securities each portfolio manager for the Fund beneficially owned of the Fund that he managed as of January 31, 2018.

AllianzGI Equity & Convertible Income Fund

| | **PM Ownership** |
|---|---|
| Douglas G. Forsyth | Over $100,000 |
| Justin Kass | None |
| Michael E. Yee | $10,001 $50,000 |

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED COMPANIES

None

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

There have been no material changes to the procedures by which shareholders may recommend nominees to the Fund s Board of Trustees since the Fund last provided disclosure in response to this item.

ITEM 11. CONTROLS AND PROCEDURES

(a) The registrant s President and 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))), as amended 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 second fiscal quarter of the period covered by this report that materially affected , or is reasonably likely to affect, the registrant s internal control over financial reporting.

ITEM 12. EXHIBITS

(a) (1) Exhibit 99.CODE ETH - Code of Ethics

(a) (2) Exhibit 99.302 Cert. - Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

(a) (3) Not Applicable

(b) Exhibit 99.906 Cert. - Certification pursuant to Section 906 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.

AllianzGI Equity & Convertible Income Fund

| | |
|---|---|
| By: | /s/ Thomas J. Fuccillo<br>Thomas J. Fuccillo, President & Chief Executive Officer |
| Date: | April 6, 2018 |
| By: | /s/ Lawrence G. Altadonna<br>Lawrence G. Altadonna, Treasurer, Principal Financial & Accounting Officer |
| Date: | April 6, 2018 |

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<br>Thomas J. Fuccillo, President & Chief Executive Officer |
| Date: | April 6, 2018 |
| By: | /s/ Lawrence G. Altadonna<br>Lawrence G. Altadonna, Treasurer, Principal Financial & Accounting Officer |
| Date: | April 6, 2018 |