

AllianzGI NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND
Form N-CSR
April 09, 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 811-21417

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund
(Exact name of registrant as specified in charter)

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

10019
(Zip code)

Lawrence G. Altadonna 1633 Broadway New York, New York 10019
(Name and address of agent for service)

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

Date of fiscal year January 31
end:

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

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

*President & Chief
Executive Officer*

• 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

Receive this report electronically and eliminate paper mailings.

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.

To enroll, visit:
us.allianzgi.com/edelivery.

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.

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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.

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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.

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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.

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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

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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

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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

NAV(2)

Discount to NAV

Market Price Yield(3)

Leverage Ratio(4)

\$22.40

\$23.88

-6.20%

8.95%

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

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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).

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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

NAV(2)

Discount to NAV

Market Price Yield(3)

\$22.08

\$24.51

-9.91%

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

NAV(2)

Discount to NAV

Market Price Yield(3)

\$13.52

\$15.32

-11.75%

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.

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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%	
1,450	DISH Network Corp. (g), 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%	
	Air Transport Services Group, Inc., 1.125%, 10/15/24 (a)(b)(g)	1,886,866
1,790		1,178,686
1,030	Atlas Air Worldwide Holdings, Inc., 1.875%, 6/1/24 (g)	2,038,989
1,770	Greenbrier Cos., Inc., 2.875%, 2/1/24 (a)(b)(g)	1,488,866
1,550	Teekay Corp., 5.00%, 1/15/23 (a)(b)	6,593,407
		156,596,182
	Total Convertible Bonds & Notes (cost-\$153,974,234)	
	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
	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

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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)

(1) 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				
Preferred Stock	\$1,274,400	Market and Company Comparables	EV Multiples Illiquidity Discount	0.78x (0.26x-1.22x) 20%
Warrants	1,643	Black Scholes Model	Volatility	71%

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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)

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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

See accompanying Notes to Financial Statements | January 31, 2018 | Annual Report **31**

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

January 31, 2018

Common Stock	Shares		Value
	64.9%		
	34,500	Aerospace & Defense 1.8% Boeing Co. (g)	\$12,225,765
	465,300	Automobiles 0.8% Ford Motor Co.	5,104,341
	297,900	Banks 3.1% Bank of America Corp. (g)	9,532,800
	100,300	JPMorgan Chase & Co.	11,601,701
			21,134,501
	45,800	Beverages 0.8% PepsiCo, Inc.	5,509,740
	99,400	Biotechnology 3.8% 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
	133,544	Building Products 0.8% Johnson Controls International PLC	5,225,577
	46,400	Chemicals 1.9% Chemours Co.	2,395,168
	43,600	DowDuPont, Inc.	3,295,288
	56,400	Monsanto Co.	6,869,520
			12,559,976
	13,000	Construction & Engineering 0.1% Fluor Corp.	789,100
	114,800	Diversified Telecommunication Services 0.9% Verizon Communications, Inc.	6,207,236
	85,560	Electric Utilities 0.5% Exelon Corp.	3,294,915
	48,000	Electronic Equipment, Instruments & Components 0.7% Amphenol Corp., Class A	4,452,960
	103,271	Energy Equipment & Services 1.6% 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
	34,500	Food & Staples Retailing 2.6% 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
	93,300	Healthcare Equipment & Supplies 1.3% 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	Insmmed, Inc., 1.75%, 1/15/25	1,016,058
930	Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21	995,477

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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

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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
1,100	Twitter, Inc., 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%	
1,385	DISH Network Corp., 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)	2
	(acquisition cost-\$3,160,750; purchased 4/21/10)	
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)	0.9%		Value
Corporate Bonds & Notes		Oil, Gas & Consumable Fuels	
		Cobalt International Energy, Inc., (c),	
\$2,509		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	
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

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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)

(1) 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				

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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.

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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									
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:

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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

See accompanying Notes to Financial Statements | January 31, 2018 | Annual Report 41

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

January 31, 2018

Shares