

NICHOLAS APPLGATE CONVERTIBLE & INCOME FUND
Form N-Q
January 25, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS
OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

OMB APPROVAL
OMB Number:
3235-0578
Expires: February
28, 2006
Estimated average
burden
hours per response:
20.0

Investment Company Act File Number: 811-21284

Registrant Name: Nicholas-Applegate Convertible & Income Fund

Address of Principal Executive Offices: 1345 Avenue of the Americas New York, New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna □ 1345 Avenue of the Americas New York, New York 10105

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

Date of Fiscal Year End: 2/28/06

Date of Reporting Period: 11/30/05

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

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

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

November 30, 2005 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Value*
CORPORATE BONDS & NOTES 42.2%			
Apparel 0.9%			
	Levi Strauss & Co.,		
\$ 2,000	9.75%, 1/15/15	Caa2/B-	\$ 2,080,000
7,055	12.25%, 12/15/12	Caa2/B-	7,883,962
3,085	Phillips-Van Heusen Corp., 8.125%, 5/1/13	B1/BB	3,254,675
580	Warnaco, Inc., 8.875%, 6/15/13	B1/BB-	627,850
			<u>13,846,487</u>
Automotive 0.8%			
3,335	Goodyear Tire & Rubber Co., 11.00%, 3/1/11, Ser. AI (a)	B3/NR	3,710,187
11,543	HLI Operating Co., Inc., 10.50%, 6/15/10	Caa3/B-	9,003,540
			<u>12,713,727</u>
Chemicals 4.1%			
5,713	Huntsman LLC, 11.625%, 10/15/10	Ba3/BB-	6,491,396
13,590	IMC Global, Inc., 11.25%, 6/1/11	Ba3/BB	14,745,150
	Lyondell Chemical Co.,		
3,120	9.625%, 5/1/07, Ser. A	B1/BB-	3,268,200
5,115	10.875%, 5/1/09	B3/B	5,319,600
5,435	11.125%, 7/15/12	B1/BB-	6,114,375
5,125	PolyOne Corp., 10.625%, 5/15/10	B3/B+	5,278,750
12,450	Resolution Performance Products LLC, 13.50%, 11/15/10	Caa2/B-	13,150,313
7,440	Rhodia S.A., 10.25%, 6/1/10	B3/CCC+	8,202,600
			<u>62,570,384</u>
Commercial Services 1.1%			
11,990	Integrated Electrical Services, Inc., 9.375%, 2/1/09, Ser. C	Caa3/C	6,294,750
10,005	Vertrue, Inc., 9.25%, 4/1/14	B2/B	10,305,150
			<u>16,599,900</u>
Electric 3.2%			
13,025	AES Corp., 9.50%, 6/1/09	B1/B-	14,034,438
12,750	Mission Energy Holdings Co., 13.50%, 7/15/08	B2/CCC+	14,821,875
11,755	PSEG Energy Holdings LLC, 10.00%, 10/1/09	Ba3/BB-	12,901,112
7,180	Reliant Energy, Inc., 9.50%, 7/15/13	B1/B+	7,323,600
			<u>44,081,025</u>

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			49,081,025
	Electronics	2.2%	
9,095	IMAX Corp., 9.625%, 12/1/10	B3/B-	9,595,225
10,100	Sanmina-SCI Corp., 10.375%, 1/15/10	Ba2/BB-	11,034,250
12,400	Stoneridge, Inc., 11.50%, 5/1/12	B1/B+	12,772,000
			33,401,475
	Environmental Control	0.8%	
10,495	Aleris International, Inc., 10.375%, 10/15/10	B2/B+	11,478,906
	Financial Services	1.3%	
11,080	Alamosa Delaware, Inc., 11.00%, 7/31/10	Caa1/CCC+	12,575,800
6,245	AMR Holdings Co., 10.00%, 2/15/15 (a)	Caa1/B-	6,588,475
1,000	Medcath Holdings Corp., 9.875%, 7/15/12	Caa1/B-	1,065,000
			20,229,275
	Food Products	0.8%	
11,645	Pilgrim's Pride Corp., 9.625%, 9/15/11	Ba2/BB-	12,314,588
	Healthcare	0.6%	
5,730	Alliance Imaging, Inc., 7.25%, 12/15/12	B3/B-	4,813,200
3,941	Hanger Orthopedic Group, Inc., 11.25%, 6/15/09	NR/CCC+	3,970,557
			8,783,757
	Home Builders	1.6%	
12,325	Ryland Group, Inc., 9.125%, 6/15/11	Ba2/BB+	13,067,470
11,620	William Lyon Homes, Inc., 10.75%, 4/1/13	B2/B	11,968,600
			25,036,070
	Household Products	1.7%	
10,290	Central Garden & Pet Co., 9.125%, 2/1/13	B1/B+	10,830,225
13,910	Jarden Corp., 9.75%, 5/1/12	B3/B-	14,327,300
			25,157,525

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

November 30, 2005 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Value*
	Iron/Steel 1.9%		
\$ 7,710	AK Steel Corp., 7.875%, 2/15/09	B1/B+	\$ 7,363,050
6,040	Oregon Steel Mills, Inc., 10.00%, 7/15/09	Ba3/B+	6,477,900
14,170	United States Steel Corp., 10.75%, 8/1/08	Ba2/BB	15,640,138
			<u>29,481,088</u>
	Leisure 0.5%		
7,295	Equinox Holdings, Inc., 9.00%, 12/15/09	B3/B-	<u>7,495,612</u>
	Lodging 0.7%		
10,500	Mandalay Resort Group, Inc., 10.25%, 8/1/07, Ser. B	Ba3/B+	<u>11,208,750</u>
	Machinery 1.0%		
14,940	Case New Holland, Inc., 9.25%, 8/1/11	Ba3/BB-	<u>15,836,400</u>
	Metals & Mining 0.8%		
11,665	Freeport-McMoRan Copper & Gold, Inc., 10.125%, 2/1/10	B1/B+	<u>12,773,175</u>
	Miscellaneous 2.3%		
35,170	Dow Jones CDX High Yield, 10.50%, 12/29/09 (a)(b)	NR/NR	<u>34,290,750</u>
	Multi-Media 3.9%		
12,870	CCH I LLC, 11.00%, 10/1/15 (a)	Caa3/CCC-	11,036,025
2,715	CSC Holdings, Inc., 10.50%, 5/15/16	B2/B+	2,911,838
5,700	Lodgenet Entertainment Corp., 9.50%, 6/15/13	B3/B-	6,213,000
9,340	Mediacom Broadband LLC, 11.00%, 7/15/13	B2/B	10,040,500
6,665	Salem Communications Holding Corp., 9.00%, 7/1/11, Ser. B	B2/B-	7,031,575
8,140	Sirius Satellite Radio, Inc., 9.625%, 8/1/13 (a)	Caa1/CCC	7,956,850
11,911	XM Satellite Radio, Inc., 12.00%, 6/15/10	Caa1/CCC+	13,399,875
			<u>58,589,663</u>
	Office/Business Equipment 0.4%		
5,565	Xerox Corp., 9.75%, 1/15/09	Ba2/BB-	<u>6,163,238</u>

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Office Furnishings 1.1%			
	Interface, Inc.,		
5,375	9.50%, 2/1/14	Caa1/CCC	5,375,000
6,490	10.375%, 2/1/10	B2/B-	6,976,750
3,791	Tempur-Pedic, Inc., 10.25%, 8/15/10	B2/B	4,080,064
			<hr/>
			16,431,814
Oil & Gas 1.1%			
10,500	Petroleum Geo-Services ASA, 10.00%, 11/5/10	B1/B+	11,891,250
5,000	Seitel, Inc., 11.75%, 7/15/11	B3/NR	5,525,000
			<hr/>
			17,416,250
Paper Products 1.1%			
5,096	Buckeye Technologies, Inc., 9.25%, 9/15/08	Caa1/B	5,096,000
9,935	Georgia-Pacific Corp., 9.375%, 2/1/13	Ba1/BB+	11,139,619
			<hr/>
			16,235,619
Pharmaceuticals 0.7%			
10,955	Leiner Health Products Corp., 11.00%, 6/1/12	Caa1/CCC+	10,188,150
			<hr/>
Pipelines 1.2%			
4,275	Dynegy Holdings, Inc., 10.125%, 7/15/13 (a)	B3/B-	4,788,000
13,330	Sonat, Inc., 7.625%, 7/15/11	Caa1/B-	13,296,675
			<hr/>
			18,084,675
Real Estate 0.2%			
2,715	Host Marriot L.P., 9.50%, 1/15/07, Ser. I, REIT	Ba2/BB-	2,830,388
			<hr/>
Retail 3.4%			
5,420	EPL Finance Corp., 11.75%, 11/15/13 (a)	Caa1/CCC+	5,365,800
3,250	GSC Holdings Corp., 8.00%, 10/1/12 (a)	Ba3/B+	3,136,250
4,240	Mothers Work, Inc., 11.25%, 8/1/10	Caa1/B-	4,006,800
8,675	Neiman-Marcus Group, Inc., 10.375%, 10/15/15 (a)	B3/B-	8,772,594
10,000	R.H. Donnelley, Inc., 10.875%, 12/15/12	B2/B+	11,325,000
13,575	Rite Aid Corp., 12.50%, 9/15/06	NR/B+	14,185,875
5,085	United Auto Group, Inc., 9.625%, 3/15/12	B3/B	5,262,975
			<hr/>
			52,055,294

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

November 30, 2005 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Value*
	Semi-Conductors 0.8%		
\$ 9,085	Amkor Technology, Inc., 10.50%, 5/1/09	Caa3/CCC	\$ 8,199,212
3,795	Avago Technologies Finance, 10.125%, 12/1/13 (a)	B3/B	3,870,900
			<u>12,070,112</u>
	Telecommunications 2.0%		
7,000	Hawaiian Telcom Communications, Inc., 12.50%, 5/1/15 (a)	Caa1/B-	6,160,000
13,800	Millicom International Cellular S.A., 10.00%, 12/1/13	B3/B-	14,265,750
8,860	Time Warner Telecom, Inc., 10.125%, 2/1/11	Caa1/CCC+	9,258,700
			<u>29,684,450</u>
	Total Corporate Bonds & Notes (cost-\$649,226,721)		<u>642,048,547</u>
	CONVERTIBLE BONDS & NOTES 32.2%		
	Aerospace 0.2%		
2,000	GenCorp, Inc., 4.00%, 1/16/24	Caa2/B	2,607,500
	Airlines 1.2%		
20,572	Continental Airlines, Inc., 4.50%, 2/1/07	Caa2/CCC+	18,926,240
	Auto Parts & Equipment 1.2%		
11,900	Goodyear Tire & Rubber Co., 4.00%, 6/15/34 (a)	B3/B-	18,415,250
	Chemicals 0.9%		
6,760	Millennium Chemicals, Inc., 4.00%, 11/15/23	B1/BB-	13,359,450
	Commercial Services 3.0%		
9,100	Bowne & Co., Inc., 5.00%, 10/1/33	B2/B-	9,850,750
20,614	Quebecor World USA, Inc., 6.00%, 10/1/07	Ba3/B+	20,768,605
13,440	Vertrue, Inc., 5.50%, 10/1/10	NR/B-	14,750,400
			<u>45,369,755</u>
	Computers 1.1%		

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17,400	Maxtor Corp., 6.80%, 4/30/10	B2/NR	16,769,250
	Electric 1.1%		
6,075	PG&E Corp., 9.50%, 6/30/10	NR/NR	16,934,063
	Electrical Components & Equipment 0.6%		
7,250	Artesyn Technologies, Inc., 5.50%, 8/15/10	NR/NR	10,095,625
	Financial Services 1.2%		
18,800	E*Trade Financial Corp., 6.00%, 2/1/07	NR/B-	19,082,000
	Household Products 0.9%		
7,300	American Greetings Corp., 7.00%, 7/15/06	Ba2/BB+	13,979,500
	Metals & Mining 1.5%		
12,600	Freeport-McMoRan Copper & Gold, Inc., 7.00%, 2/11/11	NR/B+	22,191,750
	Multi-Media 1.3%		
20,995	EchoStar Communications Corp., 5.75%, 5/15/08	B2/B	20,548,856
	Oil & Gas 1.1%		
14,100	Devon Energy Corp., 4.95%, 8/15/08	Baa2/BBB	16,426,500
	Pharmaceuticals 2.4%		
9,650	Ligand Pharmaceuticals, Inc., 6.00%, 11/16/07	NR/NR	15,234,938
20,950	Sepracor, Inc., 5.00%, 2/15/07	NR/CCC+	20,845,250
			36,080,188
	Real Estate 0.6%		
8,500	Capital Automotive, 6.00%, 5/15/24, REIT	NR/NR	9,296,875
	Retail 2.0%		
6,105	Guitar Center, Inc., 4.00%, 7/15/13	B1/BB-	9,561,956
21,008	Sonic Automotive, Inc., 5.25%, 5/7/09	B3/B	20,614,100
			30,176,056

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

November 30, 2005 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Value*
Semi-Conductors 2.5%			
\$ 15,900	Advanced Micro Devices, Inc., 4.75%, 2/1/22 (c)	B3/B-	\$ 18,543,375
2,363	Amkor Technology, Inc., 5.00%, 3/15/07	Caa3/CCC	2,162,145
17,379	5.75%, 6/1/06	Caa3/CCC	17,183,486
			<u>37,889,006</u>
Telecommunications 7.0%			
19,000	American Tower Corp., 5.00%, 2/15/10	B1/BB-	19,000,000
15,900	CenturyTel, Inc., 4.75%, 8/1/32	Baa2/BBB+	16,237,875
7,090	Crown Castle International, Inc., 4.00%, 7/15/10	NR/NR	18,239,025
19,800	Lucent Technologies, Inc., 8.00%, 8/1/31	B3/CCC+	20,196,000
20,500	Nextel Communications, Inc., 5.25%, 1/15/10	Baa2/A-	20,653,750
12,345	Nortel Networks Corp., 4.25%, 9/1/08	B3/B-	11,635,162
			<u>105,961,812</u>
Transportation 0.9%			
9,150	Yellow Roadway Corp., 5.00%, 8/8/23	Ba1/BBB-	13,976,625
Trucking/Leasing 1.5%			
18,500	GATX Corp., 7.50%, 2/1/07	Baa3/BBB-	22,500,625
			<u>490,586,926</u>
Convertible Bonds & Notes (cost-\$478,106,256)			
CONVERTIBLE PREFERRED STOCK 19.4%			
Shares (000)			
Automotive 0.6%			
284	Ford Motor Co. Capital Trust II, 6.50%, 1/15/32	Ba2/B+	8,758,652
Banking 1.1%			
322	Washington Mutual Capital Trust, 5.375%, 5/3/41	Baa1/BBB	17,063,928
Commercial Services 1.4%			

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495	United Rentals Trust I, 6.50%, 8/1/28	Caa2/B	20,356,875
Electric 2.7%			
447	AES Trust III, 6.75%, 10/15/29	B3/CCC+	20,463,440
315	FPL Group, Inc., 8.00%, 2/16/06	NR/A-	19,963,579
			40,427,019
Financial Services 0.2%			
100	Citigroup Funding, Inc., 4.583%, 9/27/08, Ser. GNW (c)	Aa1/AA-	3,324,800
Food 1.1%			
747	Albertson's, Inc., 7.25%, 5/16/07	Baa3/BBB-	17,421,894
Holding Companies 1.2%			
178	Williams Cos., Inc., 5.50%, 6/1/33	NR/B-	18,559,200
Insurance 3.8%			
460	Genworth Financial, Inc., 6.00%, 5/16/07	A2/A	17,503,000
137	Metlife, Inc., 6.375%, 8/15/08, Ser. B	NR/BBB+	3,901,418
765	PMI Group, Inc., 5.875, 11/15/06	A1/A	18,895,500
782	XL Capital Ltd, 6.50%, 5/15/07	A3/A-	17,258,740
			57,558,658
Iron/Steel 0.5%			
46	U.S. Steel Corp., 7.00%, 6/15/06, Ser. B	NR/B	7,007,375
Office/Business Equipment 1.1%			
137	Xerox Corp., 6.25%, 7/1/06	B1/B-	16,511,760

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

November 30, 2005 (unaudited)

Shares (000)		Credit Rating (Moody's/S&P)	Value*
Oil & Gas 3.4%			
190	Amerada Hess Corp., 7.00%, 12/01/06	Ba3/BB	\$ 19,769,500
104	Chesapeake Energy Corp., 5.00%, 12/31/49	B2/B	18,760,019
403	ONEOK, Inc., 8.50%, 2/16/06	Baa2/BBB	13,447,525
			51,977,054
Pharmaceuticals 1.7%			
521	Schering-Plough Corp., 6.00%, 9/14/07	Baa3/BBB	26,456,640
Telecommunications 0.6%			
175	Crown Castle International Corp., 6.25%, 8/15/12	NR/NR	9,537,500
Total Convertible Preferred Stock (cost-\$276,258,723)			294,961,345

U.S. GOVERNMENT SECURITIES 2.5%

Principal Amount (000)			
United States Treasury Notes,			
\$ 16,275	10.375%, 11/15/12		18,074,152
16,275	12.00%, 8/15/13		19,398,417
Total U.S Government Securities (cost-\$38,152,062)			37,472,569

COMMON STOCK 1.0%

Shares (000)			
Insurance 1.0%			
498	Platinum Underwriters Holdings Ltd. (cost-\$15,661,118)		15,184,066

SHORT-TERM INVESTMENTS 2.7%

Principal
Amount
(000)

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Time Deposits 2.7%		
\$ 40,328	Bank of America, 3.49%, due 12/01/05	40,327,857
1,091	HSBC Bank, 3.49%, due 12/01/05	1,091,288
		<hr/>
	Total Short-Term Investments (cost-\$41,419,145)	41,419,145
		<hr/>
	Total Investments (cost-\$1,498,824,025) 100%	\$ 1,521,672,598
		<hr/>

Notes to Schedule of Investments

- * Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, may be fair-valued, in good faith, pursuant to guidelines established by the Board of Trustees. The Fund's investments are valued daily by an independent pricing service, dealer quotations, or are valued at the last sale price on the exchange that is the primary market for such securities, or the last quoted bid price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Prices obtained from 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. Short-term investments maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund's net asset value is determined daily at the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange.
- (a) 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (b) Credit-linked trust certificate.
- (c) Variable rate security. Interest rate disclosed reflects the rate in effect on November 30, 2005.

Glossary:NR Not RatedREIT Real Estate Investment Trust**Other Investments:**

Interest rate cap agreements outstanding at November 30, 2005:

Counterparty	Notional Amount (000)	Termination Date	Premium	Payment received by Fund	Unrealized Appreciation (Depreciation)
UBS AG	\$525,000	1/15/06	\$5,131,875	1 month LIBOR-BBA over 2% strike price	\$(2,454,315)
UBS AG	525,000	1/15/08	15,041,250	1 month LIBOR-BBA over 3% strike price	3,234,750
					\$ 780,435

LIBOR London Interbank Offered Rate

Item 2. Controls and Procedures

(a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, 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 controls or in factors that could affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 3. Exhibits

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 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.

Registrant: Nicholas-Applegate Convertible & Income Fund

By /s/ Brian S. Shlissel
President & Chief Executive Officer

Date: January 25, 2006

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer

Date: January 25, 2006

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/ Brian S. Shlissel
President & Chief Executive Officer

Date: January 25, 2006

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer

Date: January 25, 2006
