

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC

Form N-Q

June 01, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY  
Investment Company Act file number **811-05715**  
The Gabelli Convertible and Income Securities Fund Inc.**

(Exact name of registrant as specified in charter)

One Corporate Center  
Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Bruce N. Alpert  
Gabelli Funds, LLC  
One Corporate Center  
Rye, New York 10580-1422

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: December 31

Date of reporting period: March 31, 2009

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond 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, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Schedule of Investments.**

The Schedule(s) of Investments is attached herewith.

**The Gabelli Convertible and Income Securities Fund Inc.**

First Quarter Report

March 31, 2009

**To Our Shareholders,**

The Gabelli Convertible and Income Securities Fund's (the "Fund") net asset value ("NAV") total return was (8.4)% during the first quarter of 2009, compared with declines of 11.0% and 1.3% for the Standard & Poor's ("S&P") 500 Index and the Barclays Capital Government/Corporate Bond Index, respectively, and a gain of 2.4% for the Lipper Convertible Securities Fund Average. The total return for the Fund's publicly traded shares was (3.2)% during the first quarter. On March 31, 2009, the Fund's NAV per share was \$4.66, while the price of the publicly traded shares closed at \$5.26 on the New York Stock Exchange ("NYSE").

Enclosed is the investment portfolio as of March 31, 2009.

**Comparative Results****Average Annual Returns through March 31, 2009 (a)**

	Quarter	1 Year	3 Year	5 Year	10 Year	15 Year	Since Inception (07/03/89)
<b>Gabelli Convertible and Income Securities Fund NAV Total Return (b)</b>	<b>(8.39)%</b>	<b>(27.75)%</b>	<b>(7.86)%</b>	<b>(2.55)%</b>	<b>0.88%</b>	<b>3.44%</b>	<b>5.16%</b>
<b>Investment Total Return (c)</b>	<b>(3.25)</b>	<b>(18.78)</b>	<b>(8.11)</b>	<b>(5.13)</b>	<b>2.13</b>	<b>N/A(d)</b>	<b>4.13(d)</b>
S&P 500 Index	(10.98)	(38.06)	(13.05)	(4.76)	(3.00)	5.91	7.06(e)
Barclays Capital Government/Corporate Bond Index	(1.28)	1.78	5.47	3.74	5.64	6.33	7.02(e)
Lipper Convertible Securities Fund Average	2.37	(28.01)	(9.01)	(3.04)	1.96	4.94	6.79(e)

(a) **Returns represent past performance and do not guarantee future results.** Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the

*most recent month end. Performance returns for periods of less than one year are not annualized. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The S&P 500 Index is an unmanaged indicator of stock market performance. The Barclays Capital Government/Corporate Bond Index is an unmanaged market value weighted index that tracks the total return performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends and interest income are considered reinvested. You cannot invest directly in an index.*

- (b) *Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$10.00.*

- (c) *Total returns and average annual returns reflect changes in closing market values on the New York Stock Exchange, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$11.25.*
  
- (d) *The Fund converted to closed-end status on March 31, 1995 and had no operating history on the New York Stock Exchange prior to that date.*
  
- (e) *From June 30, 1989, the date closest to the Fund's inception for which data is available.*

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com](http://www.gabelli.com).

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**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**SCHEDULE OF INVESTMENTS**  
**March 31, 2009 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>CONVERTIBLE CORPORATE BONDS 19.9%</b>	
	<b>Aerospace 0.4%</b>	
\$ 500,000	GenCorp Inc., Sub. Deb. Cv., 4.000%, 01/16/24	\$ 349,375
	<b>Automotive: Parts and Accessories 2.0%</b>	
150,000	Johnson Controls Inc., Cv., 6.500%, 09/30/12	189,750
2,114,000	Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09	1,537,935
		1,727,685
	<b>Broadcasting 2.5%</b>	
4,500,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv., 6.000%, 09/15/12	1,468,125
1,400,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv. (STEP), 4.875%, 07/15/18	595,000
		2,063,125
	<b>Business Services 0.0%</b>	
900,000	BBN Corp., Sub. Deb. Cv., 6.000%, 04/01/12 (a)	0
	<b>Cable and Satellite 0.0%</b>	
400,000	Adelphia Communications Corp., Sub. Deb. Cv., 3.250%, 05/01/21 (a)	0
	<b>Communications Equipment 3.6%</b>	
3,000,000	Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09	3,026,250
	<b>Computer Hardware 1.2%</b>	
1,600,000	SanDisk Corp., Cv., 1.000%, 05/15/13	968,000
	<b>Diversified Industrial 1.0%</b>	
100,000	Griffon Corp., Ser. 2ND, Sub. Deb. Cv., 4.000%, 07/18/23	93,375
1,400,000	Roper Industries Inc., Sub. Deb. Cv. (STEP), 1.481%, 01/15/34	738,500
100,000	Trinity Industries Inc., Sub. Deb. Cv., 3.875%, 06/01/36	43,375
		875,250
	<b>Electronics 0.4%</b>	
10,000	Artesyn Technologies Inc., Sub. Deb. Cv., 5.500%, 08/15/10 (b)	13,691
300,000	CTS Corp., Sub. Deb. Cv., 2.125%, 05/01/24	292,500
		306,191
	<b>Energy and Utilities 0.4%</b>	
400,000	Unisource Energy Corp., Cv., 4.500%, 03/01/35 (b)	344,500

	<b>Entertainment 2.0%</b>	
1,750,000	International Game Technology, Cv., 2.600%, 12/15/36	1,704,063
	<b>Equipment and Supplies 0.0%</b>	
10,000	Regal-Beloit Corp., Sub. Deb. Cv., 2.750%, 03/15/24	12,312
	<b>Financial Services 0.1%</b>	
500,000	Conseco Inc., Cv. (STEP), 3.500%, 09/30/35 (b)	117,500
	<b>Health Care 0.3%</b>	
100,000	Chemed Corp., Cv., 1.875%, 05/15/14	73,000
100,000	Millipore Corp., Cv., 3.750%, 06/01/26	93,250
150,000	Thoratec Corp., Sub. Deb. Cv. (STEP), 1.380%, 05/16/34	120,563
		286,813
	<b>Metals and Mining 0.2%</b>	
100,000	Alcoa Inc., Cv., 5.250%, 03/15/14	132,625
	<b>Real Estate 0.7%</b>	
2,500,000	Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24	628,125
	<b>Retail 2.3%</b>	
60,000	Costco Wholesale Corp., Sub. Deb. Cv., Zero Coupon, 08/19/17	63,375
100,000	Pier 1 Imports Inc., Cv. (STEP), 6.375%, 02/15/36	37,625
3,200,000	The Great Atlantic & Pacific Tea Co. Inc., Cv., 5.125%, 06/15/11	1,808,000
		1,909,000
	<b>Specialty Chemicals 1.1%</b>	
2,700,000	Ferro Corp., Cv., 6.500%, 08/15/13	911,250
	<b>Wireless Communications 1.7%</b>	
1,500,000	Nextel Communications Inc., Cv., 5.250%, 01/15/10	1,453,125
	<b>TOTAL CONVERTIBLE CORPORATE BONDS</b>	<b>16,815,189</b>

See accompanying notes to schedule of investments.

**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**March 31, 2009 (Unaudited)**

Shares		Market Value
	<b>CONVERTIBLE PREFERRED STOCKS 2.4%</b>	
	<b>Agriculture 0.2%</b>	
3,500	Archer-Daniels-Midland Co., 6.250% Cv. Pfd.	\$ 128,555
	<b>Business Services 0.0%</b>	
15,143	Interep National Radio Sales Inc., 4.000% Cv. Pfd., Ser. A (a)(b)(c)	0
20,000	Key3Media Group Inc. (STEP), 5.500% Cv. Pfd., Ser. B (a)	117
		117
	<b>Communications Equipment 0.2%</b>	
600	Lucent Technologies Capital Trust I, 7.750% Cv. Pfd.	169,800
	<b>Energy and Utilities 0.6%</b>	
6,000	AES Trust III, 6.750% Cv. Pfd.	207,480
500	El Paso Corp., 4.990% Cv. Pfd. (b)	288,655
300	El Paso Energy Capital Trust I, 4.750% Cv. Pfd.	7,500
		503,635
	<b>Financial Services 0.1%</b>	
100	Alleghany Corp., 5.750% Cv. Pfd.	25,460
37,000	Federal National Mortgage Association, 8.750%, Cv. Pfd., Ser. 08-1	38,480
		63,940
	<b>Health Care 0.0%</b>	
100	Elite Pharmaceuticals Inc., \$2.32 Cv. Pfd. Ser. C (a)(c)	7,603
	<b>Telecommunications 0.4%</b>	
14,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	376,180
	<b>Transportation 0.9%</b>	
2,500	GATX Corp., \$2.50 Cv. Pfd.	748,425
	<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>	<b>1,998,255</b>
	<b>COMMON STOCKS 34.6%</b>	
	<b>Aerospace 1.0%</b>	
11,000	Kaman Corp.	137,940
8,000	Northrop Grumman Corp.	349,120
6,000	Rockwell Automation Inc	131,040
52,500	Rolls-Royce Group plc	221,468

		839,568
	<b>Automotive: Parts and Accessories 1.8%</b>	
50,000	Genuine Parts Co.	1,493,000
	<b>Broadcasting 0.0%</b>	
12,000	Emmis Communications Corp., Cl. A	4,680
	<b>Business Services 0.1%</b>	
308,000	Trans-Lux Corp. (d)	67,760
	<b>Cable and Satellite 0.3%</b>	
493,409	Adelphia Recovery Trust (a)	0
15,000	Cablevision Systems Corp., Cl. A	194,100
2,000	Rogers Communications Inc., Cl. B	45,660
		239,760
	<b>Communications Equipment 0.5%</b>	
33,000	Corning Inc.	437,910
	<b>Computer Hardware 1.1%</b>	
10,000	International Business Machines Corp.	968,900
	<b>Computer Software and Services 0.5%</b>	
12,000	Diebold Inc.	256,200
36,000	Furmanite Corp.	111,960
3,000	Microsoft Corp.	55,110
		423,270
	<b>Consumer Products 0.9%</b>	
1,000	Avon Products Inc.	19,230
50,000	Swedish Match AB	723,897
		743,127
	<b>Diversified Industrial 2.1%</b>	
100,000	General Electric Co	1,011,000
379,703	National Patent Development Corp. (a)(b)	433,946
55,554	WHX Corp.	372,212
		1,817,158
	<b>Electronics 0.4%</b>	
24,000	Intel Corp.	361,200
	<b>Energy and Utilities 8.6%</b>	
6,000	Anadarko Petroleum Corp.	233,340
12,000	BP plc, ADR	481,200



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2,000	Cameron International Corp.	43,860
2,000	CH Energy Group Inc	93,800
14,000	Chevron Corp.	941,360
6,000	ConocoPhillips	234,960
3,000	Devon Energy Corp.	134,070
18,000	Exxon Mobil Corp.	1,225,800
12,000	FPL Group Inc.	608,760
30,000	Great Plains Energy Inc.	404,100

See accompanying notes to schedule of investments.

**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**March 31, 2009 (Unaudited)**

Shares		Market Value
	<b>COMMON STOCKS (Continued)</b>	
	<b>Energy and Utilities (Continued)</b>	
18,000	Halliburton Co.	\$ 278,460
41,000	Mirant Corp.	467,400
1,200,000	Mirant Corp., Escrow (a)	0
24,000	National Fuel Gas Co.	736,080
15,000	Northeast Utilities	323,850
10,000	Progress Energy Inc., CVO (a)	3,300
16,000	Royal Dutch Shell plc, Cl. A, ADR	708,800
7,000	SJW Corp.	178,010
10,000	Xcel Energy Inc.	186,300
		7,283,450
	<b>Equipment and Supplies 0.1%</b>	
3,000	Mueller Industries Inc	65,070
	<b>Financial Services 3.3%</b>	
20,000	AllianceBernstein Holding LP .	294,400
35,000	American Express Co.	477,050
150,000	Citigroup Inc.	379,500
5,000	M&T Bank Corp	226,200
10,000	Marsh & McLennan Companies Inc.	202,500
7,000	Morgan Stanley	159,390
8,000	The Bank of New York Mellon Corp.	226,000
60,000	Wells Fargo & Co.	854,400
		2,819,440
	<b>Food and Beverage 3.9%</b>	
24,080	Cadbury plc, ADR	729,624
11,000	Dr. Pepper Snapple Group Inc.	186,010
9,000	General Mills Inc.	448,920
210,000	Parmalat SpA, GDR (b)(c)	432,453
2,800	Pernod-Ricard SA	156,151
30,000	The Coca-Cola Co.	1,318,500
		3,271,658
	<b>Health Care 5.7%</b>	
25,000	Eli Lilly & Co	835,250
54,669	Elite Pharmaceuticals Inc., Cl. A	7,654
20,000	Johnson & Johnson	1,052,000

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50,000	Pfizer Inc	681,000
8,000	Schering-Plough Corp	188,400
15,000	UnitedHealth Group Inc.	313,950
40,000	Wyeth	1,721,600
		4,799,854
	<b>Hotels and Gaming 0.7%</b>	
210,000	Ladbrokes plc	552,164
	<b>Manufactured Housing and Recreational Vehicles 0.0%</b>	
14,000	Fleetwood Enterprises Inc.	518
	<b>Retail 1.3%</b>	
13,000	Wal-Mart Stores Inc.	677,300
17,000	Walgreen Co.	441,320
		1,118,620
	<b>Specialty Chemicals 0.9%</b>	
10,000	Rohm and Haas Co	788,400
	<b>Telecommunications 1.3%</b>	
7,000	Philippine Long Distance Telephone Co., ADR	308,910
27,000	Verizon Communications Inc.	815,400
		1,124,310
	<b>Transportation 0.1%</b>	
4,000	GATX Corp	80,920
	<b>Wireless Communications 0.0%</b>	
49	Winstar Communications Inc. (a)	0
	<b>TOTAL COMMON STOCKS</b>	29,300,737
	<b>PREFERRED STOCKS 0.0%</b>	
	<b>Telecommunications 0.0%</b>	
3,679	PTV Inc., 10.000% Pfd., Ser. A	478
	<b>WARRANTS 0.0%</b>	
	<b>Consumer Products 0.0%</b>	
4,331	Pillowtex Corp., expire 11/24/09 (a)	0
	<b>Food and Beverage 0.0%</b>	
1,300	Parmalat SpA, GDR, expire 12/31/15 (a)(b)(c)	526
	<b>Health Care 0.0%</b>	
12,930	Elite Pharmaceuticals Inc., expire 04/24/12 (a)(c)	1,543
	<b>TOTAL WARRANTS</b>	2,069

<b>Principal Amount</b>		
	<b>CORPORATE BONDS 1.0%</b>	
	<b>Consumer Products 0.0%</b>	
\$ 1,500,000	Pillowtex Corp., Sub. Deb., 9.000%, 12/15/09 (a)	0
	<b>Diversified Industrial 0.0%</b>	
100,000	Park-Ohio Industries Inc., Sub. Deb., 8.375%, 11/15/14	38,500
	<b>Electronics 0.3%</b>	
300,000	Stoneridge Inc., 11.500%, 05/01/12	237,000

See accompanying notes to schedule of investments.

**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**SCHEDULE OF INVESTMENTS (Continued)**  
**March 31, 2009 (Unaudited)**

<b>Principal Amount</b>		<b>Market Value</b>
	<b>CORPORATE BONDS (Continued)</b>	
	<b>Energy and Utilities 0.6%</b>	
\$ 1,000,000	Texas Competitive Electric Holdings Co. LLC, Ser. B (STEP), 10.250%, 11/01/15	\$ 505,000
	<b>Health Care 0.0%</b>	
150,000	Sabratek Corp., Sub. Deb., 6.000%, 04/15/10 (a)	0
	<b>Manufactured Housing and Recreational Vehicles 0.1%</b>	
103,000	Fleetwood Enterprises Inc., Sub. Deb., 14.000%, 12/15/11 (a)	70,241
	<b>Telecommunications 0.0%</b>	
	AMNEX Inc., Sub. Deb.,	
30,000	8.500%, 09/25/49 (a)(b)	0
50,000	8.500%, 09/25/49 (a)(b)(c)	0
		0
	<b>TOTAL CORPORATE BONDS</b>	<b>850,741</b>
	<b>U.S. GOVERNMENT OBLIGATIONS 42.1%</b>	
	<b>U.S. Treasury Bills 29.7%</b>	
25,110,000	U.S. Treasury Bills, 0.081% to 0.396% , 04/09/09 to 09/24/09	25,098,961
	<b>U.S. Treasury Cash Management Bills 7.1%</b>	
6,005,000	U.S. Treasury Cash Management Bills, 0.112% to 0.137% , 04/29/09 to 06/24/09	6,002,560
	<b>U.S. Treasury Notes 5.3%</b>	
4,490,000	4.500%, 04/30/09	4,501,864
	<b>TOTAL U.S. GOVERNMENT OBLIGATIONS</b>	<b>35,603,385</b>
<b>TOTAL INVESTMENTS 100.0%</b>		
(Cost \$111,065,291)		\$ 84,570,854
	Aggregate book cost	\$ 111,331,340
	Gross unrealized appreciation	\$ 1,457,266
	Gross unrealized depreciation	(28,217,752)
	Net unrealized appreciation/(depreciation)	\$ (26,760,486)

- (a) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At March 31, 2009, the market value of fair valued securities amounted to \$517,276 or 0.61% of total investments.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At March 31, 2009, the market value of Rule 144A

securities  
amounted to  
\$1,631,271 or  
1.93% of total  
investments.  
Except as noted  
in (c), these  
securities are  
liquid.

- (c) At March 31,  
2009, the Fund  
held  
investments in  
restricted and  
illiquid  
securities  
amounting to  
\$442,125 or  
0.52% of total  
investments,  
which were  
valued under  
methods  
approved by the  
Board of  
Directors as  
follows:

<b>Acquisition Shares/ Principal Amount</b>	<b>Issuer</b>	<b>Acquisition Date</b>	<b>Acquisition Cost</b>	<b>03/31/2009 Carrying Value Per Unit</b>
\$ 50,000	Amnex Inc., Sub. Deb., 8.500%, 09/25/49	09/15/97	\$ 48,801	
100	Elite Pharmaceuticals Inc., \$2.32 Cv. Pfd. Ser C	04/25/07	91,465	\$ 76.0300
12,930	Elite Pharmaceuticals Inc. Warrants expire 04/24/12	04/25/07	8,535	0.1193
15,143	Interep National Radio Sales Inc., 4.000% Cv. Pfd., Ser. A	05/03/02	1,347,184	
210,000	Parmalat SpA, GDR	04/10/03	897,621	2.0593
1,300	Parmalat SpA, GDR, Warrants expire 12/31/15	11/09/05		0.4046

- (d) Security  
considered an  
affiliated  
holding because  
the Fund owns  
at least 5% of its

outstanding  
shares.

Non-income  
producing  
security.

Represents  
annualized yield  
at date of  
purchase.

ADR American  
Depository  
Receipt

CVO Contingent  
Value  
Obligation

GDR Global  
Depository  
Receipt

STEP Step coupon  
bond. The rate  
disclosed is that  
in effect at  
March 31, 2009.

See accompanying notes to schedule of investments.



**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**NOTES TO SCHEDULE OF INVESTMENTS (Unaudited)**

**1. Security Valuation.** Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Directors (the Board) so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC, the Adviser.

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Statement of Financial Accounting Standard No. 157, Fair Value Measurements (SFAS 157) clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

Level 1 quoted prices in active markets for identical securities;

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and

Level 3 significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of the Fund's investments and other financial instruments by inputs used to value the Fund's investments as of March 31, 2009 is as follows:

<b>Valuation Inputs</b>	<b>Investments in Securities (Market Value) Assets</b>	<b>Other Financial Instruments (Unrealized Appreciation)* Assets</b>
Level 1 Quoted Prices	\$ 32,392,439	
Level 2 Other Significant Observable Inputs	52,095,611	\$ 14,665
Level 3 Significant Unobservable Inputs	82,804	
<b>Total</b>	<b>\$ 84,570,854</b>	<b>\$ 14,665</b>

\* Other financial instruments are derivative

instruments not reflected  
in the Schedule of  
Investments, such as  
futures, forwards and  
swaps which are valued at  
the unrealized  
appreciation/depreciation  
on the investment.

**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	<b>Investments in Securities (Market Value)</b>
<b>Balance as of 12/31/08</b>	\$ 78,679
Accrued discounts/(premiums)	41
Realized gain/(loss)	
Change in unrealized appreciation/(depreciation)	2,541
Net purchase/(sales)	
Transfers in and/or out of Level 3	1,543
<b>Balance as of 3/31/09</b>	<b>\$ 82,804</b>
Net change in unrealized appreciation/(depreciation) during the period on Level 3 investments held at 03/31/09	\$ (4,451)

Statement of Financial Accounting Standard No. 161, Disclosures about Derivative Instruments and Hedging Activities clarifies the financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position. As of March 31, 2009, the Fund did not hold any significant investments in derivatives.

**2. Swap Agreements.** The Fund may enter into equity and contract for difference swap transactions. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. In a swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to a swap contract or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time a swap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments.

**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.  
NOTES TO SCHEDULE OF INVESTMENTS (Continued) (Unaudited)**

The use of derivative instruments involves, to varying degrees, elements of market and counterparty risk in excess of the amount recognized below.

Effective March 16, 2008, Bear, Stearns International Limited entered into a Guaranty Agreement with JPMorgan Chase & Co., whereby JPMorgan Chase & Co. unconditionally guaranteed the due and punctual payment of certain liabilities of Bear, Stearns International Limited, including the current liabilities of Bear, Stearns International Limited to the Fund. As of March 31, 2009, the Fund held a contract for difference swap with Bear, Stearns International Limited which is covered by the JPMorgan Chase & Co. Guaranty Agreement as of the date of the report. Details of the swap at March 31, 2009 are as follows:

<b>Notional Amount</b>	<b>Equity Security Received</b> Market Value Appreciation on:	<b>Interest Rate/ Equity Security Paid</b> Overnight LIBOR plus 75 bps plus Market Value Depreciation on:	<b>Termination Date</b>	<b>Net Unrealized Appreciation</b>
\$185,654 (47,500 Shares)	Rolls-Royce Group plc	Rolls-Royce Group plc	03/11/10	\$14,665

**AUTOMATIC DIVIDEND REINVESTMENT  
AND VOLUNTARY CASH PURCHASE PLANS**

**Enrollment in the Plan**

It is the policy of The Gabelli Convertible and Income Securities Fund Inc. (the Fund ) to automatically reinvest dividends payable to common shareholders. As a registered shareholder you automatically become a participant in the Fund's Automatic Dividend Reinvestment Plan (the Plan ). The Plan authorizes the Fund to credit shares of common stock to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their stock certificates to Computershare Trust Company, N.A. ( Computershare ) to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Convertible and Income Securities Fund Inc.  
c/o Computershare  
P.O. Box 43010  
Providence, RI 02940-3010

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan, may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of street name and re-registered in your own name. Once registered in your own name your dividends will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in street name at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of shares of common stock distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund's common stock is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued shares of common stock valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund's common stock. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange ( NYSE ) trading day, the next trading day. If the net asset value of the common stock at the time of valuation exceeds the market price of the common stock, participants will receive shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy common stock in the open market, or on the NYSE or elsewhere, for the participants' accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common stock exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or distribution in an amount equal to the cash the participant could have received instead of shares.

### **Voluntary Cash Purchase Plan**

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 43010, Providence, RI 02940-3010 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

*Shareholders wishing to liquidate shares held at Computershare* must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

For more information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.

**DIRECTORS AND OFFICERS**  
**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.**  
**One Corporate Center, Rye, NY 10580-1422**

***Directors***

Mario J. Gabelli, CFA

*Chairman & Chief Executive Officer,  
GAMCO Investors, Inc.*

E. Val Cerutti

*Chief Executive Officer,  
Cerutti Consultants, Inc.*

Anthony J. Colavita

*Attorney-at-Law,  
Anthony J. Colavita, P.C.*

Dugald A. Fletcher

*President, Fletcher & Company, Inc.*

Anthony R. Pustorino

*Certified Public Accountant,  
Professor Emeritus, Pace University*

Werner J. Roeder, MD

*Medical Director,  
Lawrence Hospital*

Anthonie C. van Ekris

*Chairman, BALMAC International, Inc.*

Salvatore J. Zizza

*Chairman, Zizza & Co., Ltd.*

***Officers***

Bruce N. Alpert

*President*

Peter D. Goldstein

*Chief Compliance Officer*

Laurissa M. Martire

*Vice President & Ombudsman*

Agnes Mullady

*Treasurer & Secretary*

***Investment Adviser***

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

***Custodian***

State Street Bank and Trust Company

***Counsel***

Skadden, Arps, Slate, Meagher & Flom LLP

***Transfer Agent and Registrar***

Computershare Trust Company, N.A.

***Stock Exchange Listing***

NYSE Symbol:

	6.00%
Common	Preferred
GCV	GCV PrB

Shares Outstanding:	13,043,767	969,022
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The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading Convertible Securities Funds, in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading Convertible Securities Funds.

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com). For general information about the Gabelli Funds, call **800-GABELLI** (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds Internet homepage at: [www.gabelli.com](http://www.gabelli.com), or e-mail us at: [closedend@gabelli.com](mailto:closedend@gabelli.com)

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase shares of its common stock in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase shares of its preferred stock in the open market when the preferred shares are trading at a discount to the liquidation value.

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**THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC. One Corporate  
Center Rye, NY 10580-1422 (914) 921-5070 [www.gabelli.com](http://www.gabelli.com)**

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**Item 2. Controls and Procedures.**

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act ) (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

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**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)                    The Gabelli Convertible and Income Securities  
Fund Inc.

By (Signature and            /s/ Bruce N. Alpert  
Title)\*  
Bruce N. Alpert, Principal Executive Officer

Date 5/27/09

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 (Signature and            /s/ Bruce N. Alpert  
Title)\*  
Bruce N. Alpert, Principal Executive Officer

Date 5/27/09

By (Signature and            /s/ Agnes Mullady  
Title)\*  
Agnes Mullady, Principal Financial Officer  
and Treasurer

Date 5/27/09

\*    Print the name  
and title of each  
signing officer  
under his or her  
signature.