

AllianzGI Equity & Convertible Income Fund
Form N-CSRS
October 03, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21989

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

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

10019
(Zip code)

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

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

Date of fiscal year January 31, 2017
end:

Date of reporting period: July 31, 2016

ITEM 1. REPORT TO SHAREHOLDERS

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Letter from the President

Dear Shareholder:

The US economy expanded at a moderate pace during the six-month reporting period ended July 31, 2016. Economic activity overseas was mixed and generally lackluster. Against this backdrop, US and international equities generated strong results. In addition, the US bond market posted a positive return during the reporting period.

For the six-month period ended July 31, 2016

• AllianzGI Diversified Income & Convertible Fund returned 18.13% on net asset value (NAV) and 22.41% on market price.

Thomas J. Fuccillo

• AllianzGI Equity & Convertible Income Fund returned 12.05% on NAV and 18.47% on market price.

*President & Chief
Executive Officer*

• AllianzGI NFJ Dividend, Interest & Premium Strategy Fund returned 10.75% on NAV and 16.23% on market price.

During the six-month period ended July 31, 2016, the Russell 3000 Index, a broad measure of US stock market performance, gained 14.18%; the Russell 1000 Value Index, a measure of large-cap value-style stocks, rose 15.34%; and the Russell 1000 Growth Index, a measure of growth-style stocks, gained 12.42%. Convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

US gross domestic product (GDP), which is an approximation of the value of goods and services produced in the country, the broadest measure of economic activity and a key indicator of economic performance, expanded at a revised 0.9% annualized pace during the fourth quarter of 2015. Economic growth then decelerated, as GDP grew at an annualized pace of 0.8% during the first quarter of 2016. In addition, the Commerce Department's second estimate showed that GDP released after the reporting period had ended grew at an annualized pace of 1.1% for the second quarter of 2016.

At its meeting in December 2015 the US Federal Reserve (the Fed) raised interest rates for the first time in nearly a decade. More specifically, the US central bank increased the federal funds rate from a range between 0% and 0.25% to a range between 0.25% and 0.50%. However, since that time the Fed has paused increases in interest rates and has downgraded its expectations for growth in the US for 2016. In its official statement following its meeting in July 2016 the Fed said, "The Committee expects that economic conditions will evolve in a manner that will warrant only

gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run.

Receive this report electronically and eliminate paper mailings.

Outlook

Nine years since the financial crisis started, monetary easing is continuing with few signs of an end in sight. This appears to be especially true in a post-Brexit world rife with economic uncertainty and generally weak growth around the world. Against this backdrop, investor sentiment is likely to be challenged at times. Other questions facing investors are the upcoming November elections in the US and a host of geopolitical issues.

To enroll, visit:

us.allianzgi.com/edelivery.

In such an environment, we expect investors to be in for a choppy ride. However, in our view it won't be without opportunity, especially for those with long term outlooks, a healthy risk appetite and the latitude to invest actively. As always, we will continue to conduct extensive research and focus on quality and sustainability to help our shareholders navigate the many uncertainties around the globe.

For specific information on the Funds and their performance, please review the following pages. If you have any questions regarding the information provided, we encourage you to contact your financial advisor or call the Funds' shareholder servicing agent at (800) 254-5197. In addition, a wide range of information and resources are available on our website, us.allianzgi.com/closedendfunds.

Together with Allianz Global Investors Fund Management LLC*, the Funds' investment manager, NFJ Investment Group LLC and Allianz Global Investors U.S. LLC, the Funds' sub-advisers, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Thomas J. Fuccillo

President & Chief Executive Officer

* Effective October 1, 2016 the Funds' investment manager is Allianz Global Investors U.S. LLC. NFJ Investment Group LLC will continue as a sub-adviser to the AllianzGI NFJ Dividend, Interest & Premium Strategy Fund.

Fund Insights

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

July 31, 2016 (unaudited)

AllianzGI Diversified Income & Convertible Fund

For the period of February 1, 2016 through July 31, 2016 as provided by Doug Forsyth, CFA, Portfolio Manager.

For the six-month period ended July 31, 2016, the AllianzGI Diversified Income & Convertible Fund (the Fund) returned 18.13% on NAV and 22.41% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, returned 12.42%; high-yield securities, as reflected by the BofA Merrill Lynch High Yield Master II Index, returned 13.88%; and convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

The path for convertible, high yield and large-cap equity markets was higher over the reporting period.

The market began 2016 by continuing last year's downward trend, trading sharply lower through mid-February 2016. The markets then turned dramatically higher, experiencing only a brief setback when the UK public voted to exit (Brexit) the European Union, and rallied into the end of July as investors gravitated toward riskier assets.

Strong US Treasury demand, driven by a weak global bond yield environment, had a positive impact on high-yield and convertible bonds, as investors sought yield-oriented assets.

Fed communications continued to influence sentiment throughout the reporting period as investors interpreted Fed Chair Janet Yellen's remarks. Outside of the US, aggressive quantitative-easing measures by global central banks remained in place, and on balance, this accommodative environment helped support the performance of risk assets.

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Evidence of the appetite for risky assets was apparent when examining the returns for bonds by their credit ratings within the high-yield asset class. The lowest-quality, most distressed issues substantially outperformed higher-quality bonds. This credit dynamic was also evident in the convertible market.

US economic data continued to be mixed, but overall, the trend in economic data reinforced the favorable conditions for high-yield bonds, convertibles and stocks.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive impact on many energy and materials companies.

The Chicago Board Options Exchange Volatility Index (VIX) started the reporting period just

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Fund Insights

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

July 31, 2016 (unaudited) (continued)

above 20 and spiked to 28 in February 2016, coinciding with stock market weakness. It then moved lower with a recovery in equities. Finally, the VIX rose in front of and on the day of the Brexit decision before reversing to close the reporting period at 11.9.

Portfolio Review

The Fund provided attractive income over the reporting period.

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

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

In the high-yield sleeve, industries that aided relative performance were utilities, banking and technology. In contrast, energy, theatres & entertainment and the metals/mining ex-steel industries hampered relative performance.

Regarding the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums.

Outlook

The short-term forecasts for the high yield, convertible, and equity markets are challenging. The path for all three markets may be choppy and, at times, may require strong conviction. Investors would be wise to take advantage of lower prices when they present themselves.

AllianzGI Equity & Convertible Income Fund

For the period of February 1, 2016 through July 31, 2016 as provided by Doug Forsyth, CFA, Portfolio Manager.

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For the six-month period ended July 31, 2016, the AllianzGI Equity & Convertible Income Fund (the Fund) returned 12.05% on NAV and 18.47% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, advanced 12.42%; and convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

The path for convertible and large-cap equity markets was higher over the reporting period.

The market began 2016 by continuing last year's downward trend, trading sharply lower through mid-February 2016. The markets then turned dramatically higher, experiencing only

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Fund Insights

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

July 31, 2016 (unaudited) (continued)

a brief setback when the UK public voted to exit the European Union, and rallied into the end of July as investors gravitated toward riskier assets.

Strong US Treasury demand, driven by a weak global bond yield environment, had a positive impact on convertibles, as investors sought yield-oriented assets.

Fed communications continued to influence sentiment throughout the reporting period as investors interpreted Fed Chair Janet Yellen's remarks. Outside of the US, aggressive quantitative-easing measures by global central banks remained in place, and on balance, this accommodative environment helped support the performance of risk assets.

Evidence of the appetite for risky assets was apparent when examining the returns for components of the convertible asset class. While yield-oriented or busted convertibles outperformed both total return and equity convertibles, the lowest quality and most distressed issuers substantially outperformed higher quality bonds. Although this trend reflected an improved fundamental backdrop, the outperformance of the lowest quality category was also technically driven, reflecting their oversold levels.

US economic data continued to be mixed, but overall, the trend in economic data reinforced the favorable conditions for convertibles and stocks.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive impact on many energy and materials companies.

The VIX started the reporting period just above 20 and spiked to 28 in February 2016, coinciding with stock market weakness. It then moved lower with a recovery in equities. Finally, the VIX rose in front of and on the day of the Brexit decision before reversing to close the period at 11.9.

Portfolio Review

The Fund provided attractive income over the reporting period.

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

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

Regarding the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums.

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Fund Insights

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

July 31, 2016 (unaudited) (continued)

Outlook

The short-term forecasts for the convertible and equity markets are challenging. The path for these markets may be choppy and, at times, may require strong conviction. We believe that investors would be wise to take advantage of lower prices when they present themselves.

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

For the period of February 1, 2016 through July 31, 2016 as provided by the NFJ Investment Team.

For the six-month period ended July 31, 2016, the AllianzGI NFJ Dividend, Interest & Premium Strategy Fund (the Fund) returned 10.75% on NAV and 16.23% on market price.

During the reporting period, the Russell 1000 Value Index, a measure of large-cap value style stocks, returned 15.34%; and convertibles securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

US equities rallied strongly over the reporting period against a backdrop of the UK's June 23, 2016 Brexit vote and the Fed's decision to pause increases in interest rates. Signs that commodity prices may have stabilized and additional central bank stimulus measures overseas boosted investor sentiment, helping the market recover. Merger and acquisition activity remained subdued compared to the elevated levels seen in 2015, but share buybacks continued to underpin valuations: US share buybacks rose to \$95 billion in February 2016, the third highest month on record. Equities in the S&P 500 Index touched a record closing high during the month of July as rising risk appetite and better than expected economic data helped to support valuations. Commodity prices largely trended upward as global uncertainty grew and the price of gold gained ground.

Within the Russell 1000 Value index, all ten GICS economic sectors delivered returns of 10% or more over the reporting period. Materials (39.8%) and telecom services (20.78%) led performance results, followed by 19%+ returns from the IT and industrials sectors. Consumer staples and financials posted the weakest results, gaining just 10%.

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Investors gravitated toward risk assets during the reporting period, and one of the greatest beneficiaries of this trend was convertibles, which rallied alongside equities. Evidence of the appetite for risky assets was apparent when examining the returns for components of the convertible asset class. While yield-oriented or busted convertibles outperformed both total return and equity convertibles, the lowest quality and most distressed issuers substantially outperformed higher quality bonds. Although this trend reflected an improved fundamental backdrop, the outperformance of the lowest quality category

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Fund Insights

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

July 31, 2016 (unaudited) (continued)

was also technically driven, reflecting their oversold levels.

Strong US Treasury demand, driven by a weak global bond yield environment, also had a positive impact on convertibles as investors sought yield-oriented assets.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive credit impact for many energy and materials issuers in the convertible market.

New convertible issuance brought the year-to-date 2016 total to \$17.4 billion. This compares with roughly \$24.6 billion in maturities and redemptions.

Portfolio Review

The equity portion of the Fund delivered robust positive returns but failed to keep pace with the Russell 1000 Value Index. Negative stock selection offset positive sector allocation and drove relative underperformance during the reporting period. In terms of security selection, the Fund's holdings in IT and industrials were the most beneficial. However, these positive results were overwhelmed by negative selection in the financials, energy and materials sectors.

From a sector allocation perspective, overweight positions in materials and telecom services boosted the Fund's performance.

Conversely, the Fund's overweight in consumer discretionary and an underweight in health care somewhat detracted from results.

During the reporting period, within the equity portion of the Fund, the largest overweights relative to the Russell 1000 Value Index were in the telecom services, consumer discretionary and materials sectors. The Fund's largest relative underweights were in the consumer staples, materials and utilities sectors.

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In the convertible sleeve, sectors that helped relative performance during the reporting period included energy, materials and consumer staples. An underweight in health care was beneficial, as was stock picking in the energy sector. In contrast, technology, telecom and consumer discretionary sector exposure weighed on performance. An overweight and issue selection in all three of the above-mentioned sectors was a detractor.

In the equity option sleeve, calls written on financials, technology and the energy sector added to returns, as the Fund was able to retain the premium on many of the options that were written, despite positive performances in these indexes over the period. Strong equity performance in the broader market, led by utilities and the S&P 500 Index (used to cover exposure in multiple sectors such as healthcare, industrials, and materials) which returned 16.8% and 13.3%, respectively,

Fund Insights

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

July 31, 2016 (unaudited) (continued)

during the reporting period. The strong performance in the S&P 500 Index and utilities resulted in many of those option positions expiring in-the-money, requiring cash assignments in excess of the premium collected.

Outlook

The short-term forecasts for the convertible and equity markets are challenging. The path for all these markets may be choppy and, at times, may require strong conviction. We believe that investors would be wise to take advantage of lower prices when they present themselves.

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Performance & Statistics

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	22.41%	18.13%
1 Year	1.32%	0.45%
Commencement of Operations (5/27/15) to 7/31/16	-12.39%	-1.06%

Market Price/NAV Performance

Commencement of Operations (5/27/15) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price	\$18.98
NAV(2)	\$21.22
Discount to NAV	-10.56%
Market Price Yield(3)	10.56%
Leverage Ratio(4)	32.51%

(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. Total return for a period of less than one year is not annualized.

Performance at market price will differ from results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's shares, or changes in the Fund's dividends.

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

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- (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 August 1, 2016) monthly dividend per common share (comprised of net investment income and net capital gains, if any) by the market price per common share at July 31, 2016.
- (4) Represents Mandatory Redeemable Preferred Shares, Senior Secured Notes and amounts drawn under the short-term margin loan facility (Leverage) outstanding, as a percentage of total managed assets. Total managed assets refer to total assets (including assets attributable to Leverage) minus liabilities (other than liabilities representing Leverage).

Performance & Statistics

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	18.47%	12.05%
1 Year	8.07%	3.25%
5 Year	9.25%	8.28%
Commencement of Operations (2/27/07) to 7/31/16	5.22%	6.16%

Market Price/NAV Performance

Commencement of Operations (2/27/07) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price \$19.28
NAV(2) \$21.49
Discount to NAV -10.28%
Market Price Yield(3) 7.88%

(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. Total return for a period of less than one year is not annualized.

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

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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 July 31, 2016.

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Performance & Statistics

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	16.23%	10.75%
1 Year	-2.16%	-3.04%
5 Year	3.84%	4.75%
10 Year	3.49%	3.48%
Commencement of Operations (2/28/05) to 7/31/16	3.19%	4.18%

Market Price/NAV Performance

Commencement of Operations (2/28/05) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price \$12.73
NAV(2) \$14.44
Discount to NAV -11.84%
Market Price Yield(3) 5.52%

(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. Total return for a period of less than one year is not annualized.

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 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 July 31, 2016.

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited)

Principal Amount (000s)		Value
Convertible Bonds & Notes	61.1%	
	Air Freight & Logistics 1.1%	
\$1,610	Atlas Air Worldwide Holdings, Inc., 2.25%, 6/1/22 (a)	\$1,596,919
840	Echo Global Logistics, Inc., 2.50%, 5/1/20 (a)	831,075
		2,427,994
	Automobiles 2.2%	
25,440	Fiat Chrysler, 7.875%, 12/15/16 (a)	1,591,590
3,445	Tesla Motors, Inc., 0.25%, 3/1/19 (a)	3,188,778
		4,780,368
	Biotechnology 3.5%	
	BioMarin Pharmaceutical, Inc. (a),	
695	0.75%, 10/15/18	886,994
760	1.50%, 10/15/20	1,008,900
45	Exelixis, Inc., 4.25%, 8/15/19 (a)	78,075
715	Incyte Corp., 0.375%, 11/15/18 (a)	1,311,131
1,005	Ironwood Pharmaceuticals, Inc., 2.25%, 6/15/22 (a)	1,100,475
790	Ligand Pharmaceuticals, Inc., 0.75%, 8/15/19 (a)	1,460,513
365	Novavax, Inc., 3.75%, 2/1/23 (a)(b)(c)	473,131
195	Regeneron Pharmaceuticals, Inc., 1.875%, 10/1/16 (a)	986,700
185	Synergy Pharmaceuticals, Inc., 7.50%, 11/1/19 (a)(b)(c)	280,853
		7,586,772
	Building Materials 0.9%	
1,830	Cemex SAB de CV, 3.75%, 3/15/18 (a)	2,054,175
	Communications Equipment 1.5%	
1,490	Ciena Corp., 3.75%, 10/15/18 (a)(b)(c)	1,776,825
1,160	Palo Alto Networks, Inc., zero coupon, 7/1/19 (a)	1,547,875
		3,324,700
	Construction & Engineering 1.5%	
1,470	Dycom Industries, Inc., 0.75%, 9/15/21 (a)(b)(c)	1,737,356
1,320	Tutor Perini Corp., 2.875%, 6/15/21 (a)(b)(c)	1,452,000
		3,189,356
	Consumer Finance 0.3%	
675	PRA Group, Inc., 3.00%, 8/1/20 (a)	564,891
	Electrical Equipment 0.8%	
2,225	SolarCity Corp., 1.625%, 11/1/19 (a)	1,649,281
	Health Care Equipment & Supplies 4.0%	
1,610	Hologic, Inc., 2.00%, 3/1/42 (a)(d)	2,191,612
965	Integra LifeSciences Holdings Corp., 1.625%, 12/15/16 (a)	1,549,428
1,410	NuVasive, Inc., 2.25%, 3/15/21 (a)(b)(c)	1,729,013
1,075	Spectranetics Corp., 2.625%, 6/1/34 (a)	1,101,203
1,775	Wright Medical Group NV, 2.25%, 11/15/21 (a)(b)(c)	2,161,063
		8,732,319

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Health Care Providers & Services 1.5%	
\$1,175	HealthSouth Corp., 2.00%, 12/1/43 (a)	\$1,440,844
1,515	Molina Healthcare, Inc., 1.625%, 8/15/44 (a)	1,770,656
		3,211,500
	Health Care Technology 0.9%	
910	Allscripts Healthcare Solutions, Inc., 1.25%, 7/1/20 (a)	964,600
895	Medidata Solutions, Inc., 1.00%, 8/1/18 (a)	1,047,709
		2,012,309
	Household Durables 1.1%	
825	CalAtlantic Group, Inc., 1.625%, 5/15/18 (a)	1,047,234
695	Lennar Corp., 3.25%, 11/15/21 (a)	1,388,263
		2,435,497
	Independent Power & Renewable Electricity Producers 0.0%	
95	NRG Yield, Inc., 3.50%, 2/1/19 (a)(b)(c)	95,594
	Insurance 0.8%	
2,085	AmTrust Financial Services, Inc., 2.75%, 12/15/44 (a)	1,636,725
	Internet & Catalog Retail 2.1%	
1,390	Ctrip.com International Ltd., 1.00%, 7/1/20 (a)	1,513,363
2,585	Priceline Group, Inc., 0.35%, 6/15/20 (a)	3,147,237
		4,660,600
	Internet Software & Services 4.7%	
1,120	Cornerstone OnDemand, Inc., 1.50%, 7/1/18 (a)	1,195,600
1,495	Gogo, Inc., 3.75%, 3/1/20 (a)	976,429
1,230	j2 Global, Inc., 3.25%, 6/15/29 (a)	1,440,638
2,060	LinkedIn Corp., 0.50%, 11/1/19 (a)	2,049,700
940	Pandora Media, Inc., 1.75%, 12/1/20 (a)(b)(c)	1,005,800
905	VeriSign, Inc., 4.345%, 8/15/37 (a)	2,291,347
1,300	WebMD Health Corp., 2.625%, 6/15/23 (a)(b)(c)	1,319,500
		10,279,014
	Iron/Steel 0.2%	
295	AK Steel Corp., 5.00%, 11/15/19 (a)	438,444
	IT Services 3.0%	
1,425	Blackhawk Network Holdings, Inc., 1.50%, 1/15/22 (a)(b)(c)	1,460,625
1,595	Cardtronics, Inc., 1.00%, 12/1/20 (a)	1,706,650
1,185	CSG Systems International, Inc., 4.25%, 3/15/36 (a)(b)(c)	1,264,987
1,640	Euronet Worldwide, Inc., 1.50%, 10/1/44 (a)	2,014,125
		6,446,387
	Life Sciences Tools & Services 0.8%	
1,700	Illumina, Inc., 0.50%, 6/15/21 (a)	1,802,000
	Machinery 0.2%	
440	Trinity Industries, Inc., 3.88%, 6/1/36	528,825
	Media 1.2%	
445	Liberty Interactive LLC, 0.75%, 3/30/43 (a)	514,927
2,055	Live Nation Entertainment, Inc., 2.50%, 5/15/19 (a)	2,192,428
		2,707,355

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Metals & Mining 0.5%	
\$965	RTI International Metals, Inc., 1.625%, 10/15/19 (a)	\$1,069,944
	Oil & Gas 0.5%	
1,035	Weatherford International Ltd., 5.875%, 7/1/21 (a)	1,152,731
	Oil, Gas & Consumable Fuels 0.8%	
2,820	Cheniere Energy, Inc., 4.25%, 3/15/45 (a)	1,704,338
990	Energy XXI Ltd., 3.00%, 12/15/18 (a)(e)	5,445
		1,709,783
	Pharmaceuticals 4.9%	
775	ANI Pharmaceuticals, Inc., 3.00%, 12/1/19 (a)	899,000
1,035	Depomed, Inc., 2.50%, 9/1/21 (a)	1,229,062
1,660	Horizon Pharma Investment Ltd., 2.50%, 3/15/22 (a)	1,650,663
1,945	Impax Laboratories, Inc., 2.00%, 6/15/22 (a)	1,795,478
1,740	Jazz Investments I Ltd., 1.875%, 8/15/21 (a)	1,909,650
1,905	Medicines Co., 2.75%, 7/15/23 (a)(b)(c)	2,003,822
960	Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26 (a)	1,278,000
		10,765,675
	Real Estate Investment Trust 0.5%	
1,070	Extra Space Storage LP, 3.125%, 10/1/35 (a)(b)(c)	1,179,675
	Semiconductors & Semiconductor Equipment 10.0%	
1,610	Cypress Semiconductor Corp., 4.50%, 1/15/22 (a)(b)(c)	1,800,181
1,390	Inphi Corp., 1.125%, 12/1/20 (a)(b)(c)	1,562,013
2,395	Intel Corp., 3.25%, 8/1/39 (a)	4,095,462
1,505	Lam Research Corp., 1.25%, 5/15/18 (a)	2,302,650
1,775	Microchip Technology, Inc., 1.625%, 2/15/25 (a)	2,124,453
	Micron Technology, Inc. (a),	
90	2.125%, 2/15/33	130,781
3,030	3.00%, 11/15/43	2,458,088
395	Novellus Systems, Inc., 2.625%, 5/15/41 (a)	1,046,750
440	NVIDIA Corp., 1.00%, 12/1/18 (a)	1,246,575
1,815	NXP Semiconductors NV, 1.00%, 12/1/19 (a)	2,025,994
3,615	SunEdison, Inc., 3.375%, 6/1/25 (a)(b)(c)(e)	162,675
	SunPower Corp. (a),	
1,115	0.875%, 6/1/21	905,937
1,035	4.00%, 1/15/23 (b)(c)	902,391
525	Xilinx, Inc., 2.625%, 6/15/17 (a)	927,937
		21,691,887
	Software 8.3%	
1,120	BroadSoft, Inc., 1.00%, 9/1/22 (a)(b)(c)	1,461,600
1,230	Citrix Systems, Inc., 0.50%, 4/15/19 (a)	1,447,556
405	Interactive Intelligence Group, Inc., 1.25%, 6/1/20 (a)	438,666
	Nuance Communications, Inc. (a),	
1,420	1.00%, 12/15/35 (b)(c)	1,282,438
975	1.50%, 11/1/35	970,734
1,795	Proofpoint, Inc., 0.75%, 6/15/20 (a)	2,119,222

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Software (continued)	
\$1,715	Red Hat, Inc., 0.25%, 10/1/19 (a)	\$2,112,666
900	Rovi Corp., 0.50%, 3/1/20 (a)	913,500
1,715	Salesforce.com, Inc, 0.25%, 4/1/18 (a)	2,258,440
1,575	ServiceNow, Inc., zero coupon, 11/1/18 (a)	1,865,391
900	Take-Two Interactive Software, Inc., 1.00%, 7/1/18 (a)	1,701,000
1,515	Verint Systems, Inc., 1.50%, 6/1/21 (a)	1,429,781
		18,000,994
	Thriffs & Mortgage Finance 1.3%	
920	MGIC Investment Corp., 2.00%, 4/1/20 (a)	1,115,500
1,315	Radian Group, Inc., 2.25%, 3/1/19 (a)	1,668,406
		2,783,906
	Trading Companies & Distributors 1.0%	
1,265	Air Lease Corp., 3.875%, 12/1/18 (a)	1,586,784
360	WESCO International, Inc., 6.00%, 9/15/29 (a)	697,500
		2,284,284
	Transportation Infrastructure 1.0%	
1,820	Macquarie Infrastructure Corp., 2.875%, 7/15/19 (a)	2,114,612
	Total Convertible Bonds & Notes (cost-\$149,078,879)	133,317,597
	Shares	
Common Stock (a)	35.0%	
	Aerospace & Defense 0.9%	
14,000	Boeing Co.	1,871,240
	Auto Components 0.8%	
36,200	Johnson Controls, Inc.	1,662,304
	Automobiles 1.0%	
16,775	Ferrari NV	757,727
104,700	Ford Motor Co.	1,325,502
		2,083,229
	Banks 0.7%	
34,000	Wells Fargo & Co.	1,630,980
	Beverages 1.3%	
30,000	Coca-Cola Co.	1,308,900
14,200	PepsiCo, Inc.	1,546,664
		2,855,564
	Biotechnology 2.9%	
30,600	AbbVie, Inc.	2,026,638
9,300	Amgen, Inc.	1,599,879
4,200	Biogen, Inc. (f)	1,217,706
18,600	Gilead Sciences, Inc.	1,478,142
		6,322,365
	Chemicals 0.7%	
15,400	Monsanto Co.	1,644,258

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Communications Equipment 0.5%	
17,200	Qualcomm, Inc.	\$1,076,376
	Construction & Engineering 0.4%	
15,300	Fluor Corp.	818,856
	Diversified Telecommunications Services 0.6%	
25,100	Verizon Communications, Inc.	1,390,791
	Electronic Equipment, Instruments & Components 0.6%	
22,500	Amphenol Corp., Class A	1,339,200
	Energy Equipment & Services 0.5%	
15,000	Schlumberger Ltd.	1,207,800
	Food & Staples Retailing 2.0%	
8,400	Costco Wholesale Corp.	1,404,648
37,600	Kroger Co.	1,285,544
22,400	Walgreens Boots Alliance, Inc.	1,775,200
		4,465,392
	Health Care Equipment & Supplies 0.5%	
21,400	Baxter International, Inc.	1,027,628
	Health Care Providers & Services 1.6%	
9,300	McKesson Corp.	1,809,408
11,100	United Health Group, Inc.	1,589,520
		3,398,928
	Hotels Restaurants & Leisure 1.6%	
12,100	McDonald's Corp.	1,423,565
34,300	Starbucks Corp.	1,991,115
		3,414,680
	Household Products 0.4%	
11,100	Procter & Gamble Co.	950,049
	Industrial Conglomerates 1.3%	
9,200	3M Co.	1,640,912
35,500	General Electric Co.	1,105,470
		2,746,382
	Insurance 0.6%	
16,500	Prudential Financial, Inc.	1,242,285
	Internet & Catalog Retail 0.9%	
2,700	Amazon.com, Inc. (f)	2,048,787
	Internet Software & Services 2.4%	
9,500	Alibaba Group Holding Ltd., ADR (f)	783,560
2,950	Alphabet, Inc., Class A (f)	2,334,453
16,400	Facebook, Inc., Class A (f)	2,032,616
		5,150,629
	IT Services 1.4%	
7,400	International Business Machines Corp.	1,188,588
23,800	Visa, Inc., Class A	1,857,590
		3,046,178

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Machinery 0.9%	
16,000	AGCO Corp.	\$770,560
11,200	Deere & Co.	870,352
12,200	Joy Global, Inc.	337,086
		1,977,998
	Media 1.8%	
31,400	Comcast Corp., Class A	2,111,650
18,700	The Walt Disney Co.	1,794,265
		3,905,915
	Metals & Mining 0.4%	
146,286	ArcelorMittal	953,785
	Multiline Retail 0.9%	
25,100	Target Corp.	1,890,783
	Oil, Gas & Consumable Fuels 0.6%	
8,100	Occidental Petroleum Corp.	605,313
15,200	Valero Energy Corp.	794,656
		1,399,969
	Pharmaceuticals 0.7%	
20,300	Bristol-Myers Squibb Co.	1,518,643
	Road & Rail 0.7%	
17,300	Union Pacific Corp.	1,609,765
	Semiconductors & Semiconductor Equipment 1.6%	
48,300	Intel Corp.	1,683,738
24,600	Texas Instruments, Inc.	1,715,850
		3,399,588
	Software 1.9%	
40,500	Microsoft Corp.	2,295,540
47,000	Oracle Corp.	1,928,880
		4,224,420
	Specialty Retail 0.8%	
12,300	Home Depot, Inc.	1,700,352
	Technology Hardware, Storage & Peripherals 1.1%	
22,200	Apple, Inc.	2,313,462
	Total Common Stock (cost-\$83,239,319)	76,288,581
Principal Amount (000s)		
Corporate Bonds & Notes (a) 33.9%		
\$1,000	Aerospace & Defense 0.9%	
1,000	KLX, Inc., 5.875%, 12/1/22 (b)(c)	1,017,500
	TransDigm, Inc., 6.50%, 5/15/25	1,048,750
		2,066,250

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Air Freight & Logistics 0.6%	
\$200	XPO Logistics, Inc. (b)(c), 6.50%, 6/15/22	\$199,000
1,000	7.875%, 9/1/19	1,038,750
		1,237,750
	Banks 0.4%	
160	CIT Group, Inc., 5.00%, 8/15/22	168,800
680	Royal Bank of Scotland Group PLC, 5.125%, 5/28/24	683,635
		852,435
	Chemicals 1.8%	
1,000	A Schulman, Inc., 6.875%, 6/1/23 (b)(c)	1,020,000
1,000	Chemours Co., 7.00%, 5/15/25	855,000
750	OMNOVA Solutions, Inc., 7.875%, 11/1/18	756,562
1,000	Platform Specialty Products Corp., 6.50%, 2/1/22 (b)(c)	872,500
365	Univar USA, Inc., 6.75%, 7/15/23 (b)(c)	376,863
		3,880,925
	Commercial Services 0.9%	
	Cenveo Corp. (b)(c),	
205	6.00%, 8/1/19	179,375
350	6.00%, 5/15/24	315,875
500	Harland Clarke Holdings Corp., 9.25%, 3/1/21 (b)(c)	425,000
1,000	United Rentals North America, Inc., 5.50%, 7/15/25	1,031,760
		1,952,010
	Commercial Services & Supplies 0.8%	
915	RR Donnelley & Sons Co., 6.00%, 4/1/24	864,675
1,000	West Corp., 5.375%, 7/15/22 (b)(c)	938,750
		1,803,425
	Construction & Engineering 0.2%	
500	AECOM, 5.875%, 10/15/24	538,750
	Consumer Finance 1.0%	
1,000	Navient Corp., 8.45%, 6/15/18	1,090,000
1,000	Springleaf Finance Corp., 6.90%, 12/15/17	1,058,020
		2,148,020
	Diversified Financial Services 1.3%	
1,500	Community Choice Financial, Inc., 10.75%, 5/1/19	720,000
1,000	International Lease Finance Corp., 8.25%, 12/15/20	1,211,250
1,000	Nationstar Mortgage LLC / Nationstar Capital Corp., 7.875%, 10/1/20	945,620
		2,876,870
	Electric 0.4%	
1,000	Talen Energy Supply LLC, 6.50%, 6/1/25	885,000
	Electronic Equipment, Instruments & Components 0.4%	
500	Kemet Corp., 10.50%, 5/1/18	500,000
250	Zebra Technologies Corp., 7.25%, 10/15/22	268,125
		768,125

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Energy-Alternate Sources 0.5%	
\$1,000	TerraForm Power Operating LLC, 5.875%, 2/1/23 (b)(c)	\$1,008,750
	Entertainment 0.4%	
750	Cedar Fair LP / Canada's Wonderland Co. / Magnum Management Corp., 5.375%, 6/1/24	783,750
	Food & Staples Retailing 0.5%	
170	Albertsons Cos LLC / Safeway, Inc. / New Albertson's, Inc. / Albertson's LLC, 6.625%, 6/15/24 (b)(c)	181,050
1,000	SUPERVALU, Inc., 6.75%, 6/1/21	875,000
		1,056,050
	Forest Products & Paper 0.2%	
430	Mercer International, Inc., 7.75%, 12/1/22	440,750
	Health Care Equipment & Supplies 0.2%	
360	Hologic, Inc., 5.25%, 7/15/22 (b)(c)	382,950
	Health Care Products 0.5%	
1,000	Kinetic Concepts, Inc./KCI USA, Inc., 10.50%, 11/1/18	1,026,250
	Health Care Providers & Services 1.1%	
310	DaVita HealthCare Partners, Inc., 5.125%, 7/15/24	320,591
1,000	Kindred Healthcare, Inc., 8.75%, 1/15/23	1,011,250
1,000	Tenet Healthcare Corp., 8.125%, 4/1/22	1,037,500
		2,369,341
	Health Care Services 0.9%	
1,000	CHS/Community Health Systems, Inc., 6.875%, 2/1/22	865,000
1,000	HCA, Inc., 7.50%, 2/15/22	1,137,500
		2,002,500
	Hotels Restaurants & Leisure 1.0%	
1,000	International Game Technology PLC, 6.25%, 2/15/22 (b)(c)	1,052,500
1,000	MGM Resorts International, 6.625%, 12/15/21	1,111,880
		2,164,380
	Household Durables 1.0%	
1,000	Brookfield Residential Properties, Inc., 6.50%, 12/15/20 (b)(c)	1,025,000
1,000	KB Home, 8.00%, 3/15/20	1,110,000
		2,135,000
	Independent Power & Renewable Electricity Producers 0.4%	
1,000	NRG Energy, Inc., 6.25%, 5/1/24	992,500
	Internet & Catalog Retail 0.2%	
500	Netflix, Inc., 5.875%, 2/15/25	537,500
	Internet Software & Services 0.6%	
1,000	EarthLink, Inc., 7.375%, 6/1/20	1,050,000
335	Rackspace Hosting, Inc., 6.50%, 1/15/24 (b)(c)	347,562
		1,397,562
	Iron/Steel 0.1%	
265	AK Steel Corp., 7.50%, 7/15/23	280,238
	IT Services 0.5%	
1,000	Cardtronics, Inc., 5.125%, 8/1/22	1,011,250

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Lodging 0.5%	
\$1,000	Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., 5.50%, 3/1/25 (b)(c)	\$1,008,750
	Machinery 0.8%	
1,000	BlueLine Rental Finance Corp., 7.00%, 2/1/19 (b)(c)	925,000
940	Commercial Vehicle Group, Inc., 7.875%, 4/15/19	923,550
		1,848,550
	Media 2.8%	
1,000	Cablevision Systems Corp., 8.00%, 4/15/20	1,045,000
500	CCO Holdings LLC / CCO Holdings Capital Corp., 5.75%, 1/15/24	528,750
1,000	Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22	1,040,000
425	CSC Holdings LLC, 6.75%, 11/15/21	452,625
1,000	DISH DBS Corp., 5.875%, 7/15/22	1,001,880
1,000	LIN Television Corp., 5.875%, 11/15/22	1,042,500
1,000	Mediacom Broadband LLC / Mediacom Broadband Corp., 6.375%, 4/1/23	1,050,000
		6,160,755
	Metals & Mining 0.8%	
1,000	ArcelorMittal, 10.85%, 6/1/19	1,180,000
545	United States Steel Corp., 8.375%, 7/1/21 (b)(c)	596,094
		1,776,094
	Multiline Retail 0.2%	
500	Dollar Tree, Inc., 5.75%, 3/1/23 (b)(c)	542,500
	Oil & Gas 1.4%	
1,000	BreitBurn Energy Partners LP / BreitBurn Finance Corp., 8.625%, 10/15/20 (e)	225,000
1,000	Calumet Specialty Products Partners LP / Calumet Finance Corp., 6.50%, 4/15/21	737,500
1,000	CVR Refining LLC / Coffeyville Finance, Inc., 6.50%, 11/1/22	855,000
1,000	Sunoco LP / Sunoco Finance Corp., 6.375%, 4/1/23 (b)(c)	1,022,500
165	Weatherford International Ltd., 8.25%, 6/15/23	154,275
		2,994,275
	Oil, Gas & Consumable Fuels 2.0%	
1,000	Carrizo Oil & Gas, Inc., 6.25%, 4/15/23	950,000
1,000	Chesapeake Energy Corp., 6.625%, 8/15/20	765,000
1,000	Energy Transfer Equity LP, 5.875%, 1/15/24	1,008,090
1,000	Rice Energy, Inc., 6.25%, 5/1/22	980,000
1,000	Sanchez Energy Corp., 6.125%, 1/15/23	677,500
		4,380,590
	Pharmaceuticals 1.0%	
500	Endo Finance LLC & Endo Finco, Inc., 5.375%, 1/15/23 (b)(c)	436,250
1,000	Horizon Pharma, Inc., 6.625%, 5/1/23	975,000
1,000	Valeant Pharmaceuticals International, Inc., 6.125%, 4/15/25 (b)(c)	832,500
		2,243,750
	Pipelines 0.5%	
1,000	Sabine Pass Liquefaction LLC, 5.75%, 5/15/24	1,030,000
	Real Estate Investment Trust 0.7%	
500	Equinix, Inc., 5.375%, 1/1/22	528,750
1,000	Kennedy-Wilson, Inc., 5.875%, 4/1/24	1,013,750
		1,542,500

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Retail 0.4%	
\$1,000	Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (b)(c)	\$852,600
	Semiconductors 0.2%	
400	Sensata Technologies BV, 5.625%, 11/1/24 (b)(c)	425,500
	Semiconductors & Semiconductor Equipment 1.4%	
1,000	Advanced Micro Devices, Inc., 6.75%, 3/1/19	1,000,940
1,000	Amkor Technology, Inc., 6.375%, 10/1/22	1,017,330
1,000	Micron Technology, Inc., 5.875%, 2/15/22	970,000
		2,988,270
	Software 0.4%	
670	First Data Corp., 7.00%, 12/1/23 (b)(c)	692,612
290	SS&C Technologies Holdings, Inc., 5.875%, 7/15/23	302,325
		994,937
	Technology Hardware, Storage & Peripherals 0.4%	
	Diamond 1 Finance Corp. / Diamond 2 Finance Corp., 7.125%, 6/15/24 (b)(c)	334,028
310		350,300
310	Western Digital Corp., 10.50%, 4/1/24 (b)(c)	684,328
	Telecommunications 3.1%	
560	CommScope Technologies Finance LLC, 6.00%, 6/15/25 (b)(c)	593,600
1,000	Consolidated Communications, Inc., 6.50%, 10/1/22	925,000
1,000	Hughes Satellite Systems Corp., 7.625%, 6/15/21	1,073,750
1,000	Intelsat Jackson Holdings S.A., 7.25%, 4/1/19	752,500
500	Level 3 Financing, Inc., 5.375%, 5/1/25	526,875
1,000	Sprint Communications, Inc., 6.00%, 11/15/22	862,880
1,000	T-Mobile USA, Inc., 6.836%, 4/28/23	1,071,250
1,000	Windstream Services LLC, 7.50%, 6/1/22	925,000
		6,730,855
	Trading Companies & Distributors 0.5%	
1,000	H&E Equipment Services, Inc., 7.00%, 9/1/22	1,047,500
	Total Corporate Bonds & Notes (cost-\$77,492,503)	73,850,085
	Convertible Preferred Stock 15.8%	
	Commercial Services & Supplies 0.8%	
23,485	Stericycle, Inc., 5.25%, 9/15/18 (a)	1,751,746
	Diversified Telecommunications Services 1.1%	
24,375	Frontier Communications Corp., 11.125%, 6/29/18 (a)	2,410,200
	Electrical Components & Equipment 0.9%	
18,470	Belden, Inc., 6.75%, 7/15/19 (a)	1,959,852
	Financial Services 0.9%	
19,270	Mandatory Exchangeable Trust, 5.75%, 6/1/19 (a)(b)(c)	2,038,477
	Food Products 1.3%	
12,345	Post Holdings, Inc., 5.25%, 6/1/17 (a)	1,894,155
11,320	Tyson Foods, Inc., 4.75%, 7/15/17 (a)	911,373
		2,805,528

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Health Care Providers & Services 2.3%	
11,480	Amsurg Corp., 5.25%, 7/1/17 (a)	\$1,615,695
74,385	Anthem, Inc., 5.25%, 5/1/18 (a)	3,307,901
		4,923,596
	Independent Power & Renewable Electricity Producers 0.3%	
7,080	Dynegy, Inc., 7.00%, 7/1/19 (a)	690,654
	Media 0.0%	
1,250	SFX Entertainment, Inc., Ser. B, 9.00%, 9/17/19, (b)(e)(g)(h)	13
	Oil, Gas & Consumable Fuels 3.0%	
1,970	Chesapeake Energy Corp., 5.75% (a)(b)(c)(i)	655,025
25,765	Hess Corp., 8.00%, 2/1/19 (a)	1,698,429
41,570	Kinder Morgan, Inc., 9.75%, 10/26/18 (a)	2,028,616
30,000	Sanchez Energy Corp., 6.50% (a)(i)	639,600
46,165	Southwestern Energy Co., 6.25%, 1/15/18 (a)	1,539,603
		6,561,273
	Pharmaceuticals 3.0%	
5,070	Allergan PLC, 5.50%, 3/1/18 (a)	4,544,444
2,310	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18 (a)	2,048,392
		6,592,836
	Real Estate Investment Trust 1.2%	
22,950	American Tower Corp., 5.50%, 2/15/18 (a)	2,539,417
	Wireless Telecommunication Services 1.0%	
28,470	T-Mobile US, Inc., 5.50%, 12/15/17 (a)	2,222,653
	Total Convertible Preferred Stock (cost-\$40,215,629)	34,496,245
	Principal Amount (000s)	
	Senior Loans (b)(g)(h)(j) 0.4%	
	Media 0.4%	
\$229	SFX Entertainment, Inc., 10.00%, 1/31/17, Term B, DIP, PIK (k)	228,432
749	SFXE Netherlands Holding Coöperatief U.A., 20.00%, 1/14/17, Term B, DIP, PIK	749,434
	Total Senior Loans (cost-\$977,866)	977,866
	Units	
	Warrant (a)(f)(g) 0.0%	
37,000	Cenveo, Inc., expires 6/10/24 (cost-\$10,114)	15,867
	Principal Amount (000s)	
	Short-Term Investment 2.2%	
	Time Deposit 2.2%	
\$4,699	BNP Paribas Paris, 0.15%, 8/1/16 (cost-\$4,699,379)	4,699,379
	Total Investments, before call options written (cost-\$355,713,689) 148.4%	323,645,620

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Contracts Call Options Written (f) (0.0)%		Value
15	Alphabet, Inc., (CBOE), strike price \$775, expires 8/19/16	\$(33,750)
16	Amazon.com, Inc., (CBOE), strike price \$825, expires 8/19/16	(696)
55	Amgen, Inc., (CBOE), strike price \$180, expires 8/19/16	(1,265)
135	Amphenol Corp., (CBOE), strike price \$60, expires 8/19/16	(8,775)
150	Baxter International, Inc., (CBOE), strike price \$47.50, expires 8/19/16	(15,450)
105	Bristol-Myers Squibb Co., (CBOE), strike price \$80, expires 8/19/16	(1,365)
210	Coca-Cola Co., (CBOE), strike price \$47, expires 8/19/16	(315)
160	Comcast Corp., (CBOE), strike price \$70, expires 8/19/16	(1,920)
50	Costco Wholesale Corp., (CBOE), strike price \$175, expires 9/16/16	(3,550)
98	Facebook, Inc., (CBOE), strike price \$135, expires 8/19/16	(931)
165	General Electric Co., (CBOE), strike price \$34, expires 8/19/16	(248)
75	Home Depot, Inc., (CBOE), strike price \$140, expires 8/19/16	(12,525)
290	Intel Corp., (CBOE), strike price \$37, expires 8/19/16	(435)
11	International Business Machines Corp., (ASE), strike price \$170, expires 8/19/16	(88)
60	McDonald's Corp., (CBOE), strike price \$132, expires 8/19/16	(210)
240	Microsoft Corp., (ASE), strike price \$58.50, expires 8/19/16	(2,760)
55	Occidental Petroleum Corp., (ASE), strike price \$80, expires 8/19/16	(687)
175	Starbucks Corp., (ASE), strike price \$61, expires 8/19/16	(788)
150	Texas Instruments, Inc., (CBOE), strike price \$75, expires 9/16/16	(3,450)
125	Verizon Communications, Inc., (CBOE), strike price \$57.50, expires 8/19/16	(937)
120	Visa, Inc., (CBOE), strike price \$83, expires 8/19/16	(600)
	Total Call Options Written (premiums received-\$82,843)	(90,745)
	Total Investments, net of call options written (cost-\$355,630,846) 148.4%	323,554,875
	Other liabilities in excess of other assets (48.4)%	(105,553,924)
	Net Assets 100.0%	\$218,000,951

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Notes to Schedule of Investments:

- (a) All or partial amount segregated for the benefit of the counterparty as collateral for call options written and long-term and short-term loan financing.
- (b) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$47,776,582, representing 21.9% of net assets.
- (c) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (d) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (e) In default.
- (f) Non-income producing.
- (g) Fair-Valued Securities with an aggregate value of \$993,746, representing 0.5% of net assets. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (h) Illiquid.
- (i) Perpetual maturity. The date shown, if any, is the next call date.
- (j) Debtor-in-possession financial obligations.
- (k) Includes approximately \$23,914 extended to two indirect, wholly-owned subsidiaries located in Brazil through an intercompany note secured by all or substantially all of the assets of the Brazilian subsidiaries.
- (l) Transactions in call options written for the six months ended July 31, 2016:

	Contracts	Premiums
Options outstanding, January 31, 2016	1,870	\$102,810
Options written	9,382	383,589
Options terminated in closing transactions	(3,148)	(106,685)
Options expired	(5,644)	(296,871)
Options outstanding, July 31, 2016	2,460	\$82,843

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

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 7/31/16
Investments in Securities Assets				
Convertible Bonds & Notes	\$	\$133,317,597	\$	\$133,317,597
Common Stock	76,288,581			76,288,581
Corporate Bonds & Notes		73,850,085		73,850,085
Convertible Preferred Stock:				
Electrical Components & Equipment		1,959,852		1,959,852
Financial Services		2,038,477		2,038,477
Food Products	911,373	1,894,155		2,805,528
Media			13	13
Oil, Gas & Consumable Fuels	5,266,648	1,294,625		6,561,273
Pharmaceuticals	4,544,444	2,048,392		6,592,836
All Other	14,538,266			14,538,266
Senior Loans			977,866	977,866
Warrant			15,867	15,867
Short-Term Investment		4,699,379		4,699,379
	101,549,312	221,102,562	993,746	323,645,620
Investments in Securities Liabilities				
Call Options Written, at value:				
Market price	(90,745)			(90,745)
Totals	\$101,458,567	\$221,102,562	\$993,746	\$323,554,875

At July 31, 2016, the Fund had no transfers between levels.

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended July 31, 2016, was as follows:

	Beginning Balance 1/31/16	Purchases	Sales	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 7/31/16
Investments in Securities									
Assets									
Convertible Preferred									
Stock	\$581,250	\$	\$	\$	\$	\$(581,237)	\$	\$	\$13
Senior Loans		977,866							977,866
Warrant		10,113				5,754			15,867
Totals	\$581,250	\$987,979	\$	\$	\$	\$(575,483)	\$	\$	\$993,746

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 July 31, 2016:

	Ending Balance at 7/31/16	Valuation Technique Used	Unobservable Inputs	Input Values
Investments in Securities				
Assets				
Convertible Preferred Stock	\$13	Fundamental Analytical Data Relating to the Investment	Liquidation Value	\$0.01*
Senior Loans	977,866	Model Price	Proprietary Data Used in Model	\$100.00
Warrant	15,867	Fundamental Analytical Data Relating to the Investment	Price of Warrant	\$0.42884

* Preferred stock trades are in lots of 1,000.

The net change in unrealized appreciation/depreciation of Level 3 investments held at July 31, 2016, was \$(575,483). Net change in unrealized appreciation/depreciation is reflected on the Statements of Operations.

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(n) The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure:

The effect of derivatives on the Fund's Statements of Assets and Liabilities at July 31, 2016:

Location	Market Price
Liability derivatives:	
Call options written, at value	\$(90,745)

The effect of derivatives on the Fund's Statements of Operations for the six months ended July 31, 2016:

Location	Market Price
Net realized loss on:	
Call options written	\$(79,560)
Net change in unrealized appreciation/depreciation of:	
Call options written	\$(35,202)

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

The average volume (based on the open positions at each fiscal quarter-end) of derivative activity during the six months ended July 31, 2016 was 2,166 call options written contracts.

Glossary:

- ADR - American Depositary Receipt
- ASE - American Stock Exchange
- CBOE - Chicago Board Options Exchange
- DIP - Debtor-in-Possession
- PIK - Payment-in-Kind

See accompanying Notes to Financial Statements | July 31, 2016 | Semi-Annual Report **27**

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Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited)

Common Stock	Shares		Value
	70.9%		
	46,700	Aerospace & Defense 1.8%	
	39,116	Boeing Co.	\$6,241,922
		United Technologies Corp.	4,210,837
			10,452,759
	159,800	Auto Components 1.2%	
		Johnson Controls, Inc.	7,338,016
	2,817	Automobiles 2.0%	
	547,300	Ferrari NV	127,244
	154,426	Ford Motor Co.	6,928,818
		General Motors Co.	4,870,596
			11,926,658
	101,000	Banks 0.8%	
		Wells Fargo & Co.	4,844,970
	164,300	Beverages 2.5%	
	72,000	Coca-Cola Co. (a)	7,168,409
		PepsiCo, Inc.	7,842,240
			15,010,649
	138,100	Biotechnology 4.7%	
	52,700	AbbVie, Inc. (a)	9,146,363
	9,700	Amgen, Inc. (a)	9,065,981
	91,000	Biogen, Inc. (b)	2,812,321
		Gilead Sciences, Inc.	7,231,770
			28,256,435
	56,400	Chemicals 1.0%	
		Monsanto Co.	6,021,828
	128,100	Communications Equipment 1.3%	
		Qualcomm, Inc.	8,016,498
	341,500	Computers & Peripherals 1.6%	
		EMC Corp.	9,657,620
	15,200	Construction & Engineering 0.1%	
		Fluor Corp.	813,504
	140,400	Diversified Telecommunications Services 1.3%	
		Verizon Communications, Inc. (a)	7,779,564
	97,185	Electric Utilities 0.6%	
		Exelon Corp.	3,623,057
	115,400	Electronic Equipment, Instruments & Components 1.9%	
	208,840	Amphenol Corp., Class A (a)	6,868,608
		Corning, Inc.	4,640,425
			11,509,033
	103,271	Energy Equipment & Services 2.1%	
	9,700	Baker Hughes, Inc.	4,939,452
	53,600	Diamond Offshore Drilling, Inc.	220,384
		National Oilwell Varco, Inc.	1,733,960

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Energy Equipment & Services (continued)	
72,000	Schlumberger Ltd.	\$5,797,440
		12,691,236
	Food & Staples Retailing 3.3%	
44,900	Costco Wholesale Corp. (a)	7,508,178
182,400	Kroger Co.	6,236,256
74,100	Walgreens Boots Alliance, Inc.	5,872,425
		19,616,859
	Health Care Equipment & Supplies 0.8%	
93,300	Baxter International, Inc. (a)	4,480,266
	Health Care Providers & Services 4.3%	
62,781	HCA Holdings, Inc. (b)	4,842,299
38,381	Laboratory Corp. of America Holdings (a)(b)	5,356,452
46,400	McKesson Corp.	9,027,584
44,400	United Health Group, Inc.	6,358,080
		25,584,415
	Hotels Restaurants & Leisure 2.7%	
58,900	McDonald's Corp. (a)	6,929,585
161,900	Starbucks Corp. (a)	9,398,295
		16,327,880
	Household Products 1.2%	
83,000	Procter & Gamble Co.	7,103,970
	Industrial Conglomerates 2.1%	
37,100	3M Co.	6,617,156
184,485	General Electric Co.	5,744,863
		12,362,019
	Insurance 1.0%	
79,500	Prudential Financial, Inc.	5,985,555
	Internet & Catalog Retail 1.8%	
14,000	Amazon.com, Inc. (b)	10,623,340
	Internet Software & Services 4.4%	
26,800	Alibaba Group Holding Ltd., ADR (b)	2,210,464
14,305	Alphabet, Inc., Class A (a)(b)	11,320,119
85,900	Facebook, Inc., Class A (a)(b)	10,646,446
132,029	Twitter, Inc. (b)	2,196,962
		26,373,991
	IT Services 2.7%	
42,400	International Business Machines Corp.	6,810,288
116,300	Visa, Inc., Class A (a)	9,077,215
		15,887,503
	Machinery 2.4%	
170,200	AGCO Corp.	8,196,832
52,900	Deere & Co.	4,110,859
64,300	Joy Global, Inc.	1,776,609
		14,084,300

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Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Media 2.8%	
121,800	Comcast Corp., Class A (a)	\$8,191,050
88,200	The Walt Disney Co.	8,462,790
		16,653,840
	Metals & Mining 0.8%	
636,481	ArcelorMittal (b)	4,149,856
23,400	Freeport-McMoRan Copper & Gold, Inc.	303,264
		4,453,120
	Multiline Retail 2.3%	
126,482	Macy's, Inc.	4,531,850
118,000	Target Corp.	8,888,940
		13,420,790
	Oil, Gas & Consumable Fuels 1.9%	
29,155	Apache Corp.	1,530,638
83,400	Occidental Petroleum Corp.	6,232,482
72,400	Valero Energy Corp.	3,785,072
		11,548,192
	Pharmaceuticals 1.4%	
108,500	Bristol-Myers Squibb Co. (a)	8,116,885
	Road & Rail 0.8%	
51,300	Union Pacific Corp.	4,773,465
	Semiconductors & Semiconductor Equipment 3.3%	
301,200	Intel Corp. (a)	10,499,832
130,800	Texas Instruments, Inc. (a)	9,123,300
		19,623,132
	Software 3.5%	
198,500	Microsoft Corp. (a)	11,250,980
230,000	Oracle Corp.	9,439,200
		20,690,180
	Specialty Retail 1.7%	
71,000	Home Depot, Inc. (a)	9,815,040
	Technology Hardware, Storage & Peripherals 2.8%	
160,978	Apple, Inc.	16,775,517
Total Common Stock (cost-\$492,390,333)		422,242,086
Principal Amount (000s)		
Convertible Bonds & Notes 16.1%		
	Automobiles 0.4%	
\$30,890	Fiat Chrysler, 7.875%, 12/15/16	1,932,556
580	Tesla Motors, Inc., 0.25%, 3/1/19	536,862
		2,469,418
	Biotechnology 0.5%	
725	BioMarin Pharmaceutical, Inc., 0.75%, 10/15/18	925,281

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Biotechnology (continued)	
\$2,600	Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21	\$2,042,625 2,967,906
	Building Materials 0.4%	
2,000	Cemex SAB de CV, 3.75%, 3/15/18	2,245,000
	Capital Markets 0.2%	
3,000	Walter Investment Management Corp., 4.50%, 11/1/19	1,125,000
	Construction & Engineering 0.5%	
2,315	Dycom Industries, Inc., 0.75%, 9/15/21 (c)(d)	2,736,041
	Consumer Finance 0.5%	
3,625	PRA Group, Inc., 3.00%, 8/1/20	3,033,672
	Electrical Equipment 0.3%	
2,700	SolarCity Corp., 1.625%, 11/1/19	2,001,375
	Energy Equipment & Services 0.6%	
3,730	Helix Energy Solutions Group, Inc., 3.25%, 3/15/32	3,459,575
	Health Care Equipment & Supplies 0.8%	
1,200	Hologic, Inc., 2.00%, 3/1/42 (e)	1,633,500
2,500	Wright Medical Group NV, 2.25%, 11/15/21 (c)(d)	3,043,750 4,677,250
	Independent Power & Renewable Electricity Producers 0.4%	
2,265	NRG Yield, Inc., 3.25%, 6/1/20 (c)(d)	2,197,050
	Internet & Catalog Retail 0.3%	
1,500	Priceline Group, Inc., 0.35%, 6/15/20	1,826,250
	Internet Software & Services 2.1%	
1,300	Gogo, Inc., 3.75%, 3/1/20	849,069
1,500	LinkedIn Corp., 0.50%, 11/1/19	1,492,500
1,700	Pandora Media, Inc., 1.75%, 12/1/20 (c)(d)	1,819,000
1,400	Qihoo 360 Technology Co. Ltd., 2.50%, 9/15/18	1,404,382
1,500	Trulia LLC, 2.75%, 12/15/20	2,527,500
2,650	Web.com Group, Inc., 1.00%, 8/15/18	2,499,281
2,150	WebMD Health Corp., 2.625%, 6/15/23 (c)(d)	2,182,250 12,773,982
	Machinery 0.2%	
1,000	Meritor, Inc., 7.875%, 3/1/26 (e)	1,186,250
	Media 0.3%	
1,665	Live Nation Entertainment, Inc., 2.50%, 5/15/19	1,776,347
	Metals & Mining 0.3%	
1,500	RTI International Metals, Inc., 1.625%, 10/15/19	1,663,125
	Oil, Gas & Consumable Fuels 0.6%	
4,000	Cheniere Energy, Inc., 4.25%, 3/15/45	2,417,500
	Cobalt International Energy, Inc.,	
1,750	2.625%, 12/1/19	790,781
1,550	3.125%, 5/15/24	636,469 3,844,750

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
\$1,450	Personal Products 0.3% Herbalife Ltd., 2.00%, 8/15/19	\$1,507,101
1,500	Pharmaceuticals 1.0% Horizon Pharma Investment Ltd., 2.50%, 3/15/22	1,491,562
900	Jazz Investments I Ltd., 1.875%, 8/15/21	987,750
1,750	Medicines Co., 2.75%, 7/15/23 (c)(d)	1,840,781
1,115	Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26	1,484,344
		5,804,437
2,225	Real Estate Investment Trust 0.4% Extra Space Storage LP, 3.125%, 10/1/35 (c)(d)	2,453,063
1,000	Semiconductors & Semiconductor Equipment 4.4% Cypress Semiconductor Corp., 4.50%, 1/15/22 (c)(d)	1,118,125
2,000	Inphi Corp., 1.125%, 12/1/20 (c)(d)	2,247,500
2,610	Intel Corp., 3.25%, 8/1/39	4,463,113
3,070	Microchip Technology, Inc., 1.625%, 2/15/25	3,674,406
5,315	Micron Technology, Inc., 3.00%, 11/15/43	4,311,794
470	NVIDIA Corp., 1.00%, 12/1/18	1,331,569
2,620	ON Semiconductor Corp., 1.00%, 12/1/20	2,472,625
2,270	Rovi Corp., 0.50%, 3/1/20	2,304,050
	SunEdison, Inc. (c)(d)(f), 2.625%, 6/1/23	180,000
4,000	3.375%, 6/1/25	45,000
1,000	SunPower Corp., 0.875%, 6/1/21	2,437,500
3,000	4.00%, 1/15/23 (c)(d)	1,861,453
2,135		26,447,135
	Software 0.4% FireEye, Inc., 1.00%, 6/1/35	2,335,937
2,500	Specialty Retail 0.5% Restoration Hardware Holdings, Inc., zero coupon, 6/15/19 (c)(d)	2,992,594
3,495	Textiles, Apparel & Luxury Goods 0.4% Iconix Brand Group, Inc., 1.50%, 3/15/18	2,231,700
2,595	Thriffs & Mortgage Finance 0.0% MGIC Investment Corp., 5.00%, 5/1/17	205,125
200	Tobacco 0.3% Vector Group Ltd., 1.75%, 4/15/20 (g)	1,885,937
1,700		95,846,020
	Total Convertible Bonds & Notes (cost-\$101,829,319)	
	Convertible Preferred Stock 11.7%	
	Banks 1.2% Huntington Bancshares, Inc., 8.50% (h)	4,392,000
3,050	Wells Fargo & Co., Ser. L, 7.50% (h)	2,922,116
2,195		7,314,116

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Commercial Services & Supplies 0.4%	
29,890	Stericycle, Inc., 5.25%, 9/15/18	\$2,229,495
	Diversified Financial Services 0.8%	
3,965	Bank of America Corp., Ser. L, 7.25% (h)	4,781,790
	Diversified Telecommunications Services 0.7%	
42,905	Frontier Communications Corp., Ser. A, 11.125%, 6/29/18	4,242,446
	Electric Utilities 0.9%	
105,000	Exelon Corp., 6.50%, 6/1/17	5,255,250
	Financial Services 0.4%	
23,400	Mandatory Exchangeable Trust, 5.75%, 6/1/19 (c)(d)	2,475,369
	Food Products 1.3%	
48,800	Bunge Ltd., 4.875% (h)	4,870,850
11,900	Post Holdings, Inc., 2.50% (h)	1,949,369
13,800	Tyson Foods, Inc., 4.75%, 7/15/17	1,111,038
		7,931,257
	Health Care Providers & Services 0.6%	
85,670	Anthem, Inc., 5.25%, 5/1/18	3,809,745
	Multi-Utilities 0.5%	
58,650	AES Trust III, 6.75%, 10/15/29	3,012,850
	Oil, Gas & Consumable Fuels 1.1%	
25,000	ATP Oil & Gas Corp., 8.00% (b)(c)(d)(f)(h)	3
34,050	Chesapeake Energy Corp., 5.00% (h)	1,012,987
46,870	Kinder Morgan, Inc., 9.75%, 10/26/18	2,287,256
39,900	Southwestern Energy Co., Ser. B, 6.25%, 1/15/18	1,330,665
35,410	WPX Energy, Inc., 6.25%, 7/31/18	1,776,520
		6,407,431
	Pharmaceuticals 1.3%	
5,515	Allergan PLC, Ser. A, 5.50%, 3/1/18	4,943,315
2,960	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18	2,624,780
		7,568,095
	Real Estate Investment Trust 2.0%	
36,635	American Tower Corp., 5.50%, 2/15/18	4,053,663
98,900	FelCor Lodging Trust, Inc., Ser. A, 1.95% (h)	2,482,390
75,000	Welltower, Inc., 6.50% (h)	5,268,750
		11,804,803
	Wireless Telecommunication Services 0.5%	
36,255	T-Mobile US, Inc., 5.50%, 12/15/17	2,830,428
	Total Convertible Preferred Stock (cost-\$77,038,355)	69,663,075
	Warrant (b) 0.0%	
5,558	Units General Motors Co., expires 7/10/19 (cost-\$336,224)	75,700

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Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
Short-Term Investment	1.5%	
\$8,893	Time Deposit	
	1.5%	
	Wells Fargo-Grand Cayman, 0.15%, 8/1/16 (cost-\$8,893,302)	\$8,893,302
Total Investments, before call options written		
(cost-\$680,487,533)	100.2%	596,720,183
 Contracts		
Call Options Written (b)	(0.1)%	
895	AbbVie, Inc., (ISX), strike price \$67.50, expires 8/19/16	(43,855)
75	Alphabet, Inc., (CBOE), strike price \$775, expires 8/19/16	(168,750)
85	Amazon.com, Inc., (CBOE), strike price \$825, expires 8/19/16	(3,698)
265	Amgen, Inc., (CBOE), strike price \$180, expires 8/19/16	(6,095)
690	Amphenol Corp., (CBOE), strike price \$60, expires 8/19/16	(44,850)
650	Baxter International, Inc., (CBOE), strike price \$47.50, expires 8/19/16	(66,950)
540	Bristol-Myers Squibb Co., (CBOE), strike price \$80, expires 8/19/16	(7,020)
1,150	Coca-Cola Co., (CBOE), strike price \$47, expires 8/19/16	(1,725)
610	Comcast Corp., (CBOE), strike price \$70, expires 8/19/16	(7,320)
270	Costco Wholesale Corp., (CBOE), strike price \$175, expires 9/16/16	(19,170)
515	Facebook, Inc., (CBOE), strike price \$135, expires 8/19/16	(4,893)
425	Home Depot, Inc., (CBOE), strike price \$140, expires 8/19/16	(70,975)
1,505	Intel Corp., (CBOE), strike price \$37, expires 8/19/16	(2,257)
265	Laboratory Corp. of America Holdings, (CBOE), strike price \$145, expires 11/18/16	(82,150)
295	McDonald's Corp., (CBOE), strike price \$132, expires 8/19/16	(1,033)
1,190	Microsoft Corp., (ASE), strike price \$58.50, expires 8/19/16	(13,685)
970	Starbucks Corp., (ASE), strike price \$61, expires 8/19/16	(4,365)
785	Texas Instruments, Inc., (CBOE), strike price \$75, expires 9/16/16	(18,055)

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Contracts	Value
705	Verizon Communications, Inc., (CBOE), strike price \$57.50, expires 8/19/16 \$(5,287)
585	Visa, Inc., (CBOE), strike price \$83, expires 8/19/16 (2,925)
Total Call Options Written (premiums received-\$426,975) (575,058)	
Total Investments, net of call options written	
(cost-\$680,060,558) 100.1% 596,145,125	
Other liabilities in excess of other assets (0.1)% (621,166)	
Net Assets 100.0% \$595,523,959	

Notes to Schedule of Investments:

- (a) All or partial amount segregated for the benefit of the counterparty as collateral for call options written.
- (b) Non-income producing.
- (c) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$27,191,979, representing 4.6% of net assets.
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (f) In default.
- (g) In addition to the coupon rate shown, the issuer is expected to pay additional interest based on the actual dividends paid on its common stock.
- (h) Perpetual maturity. The date shown, if any, is the next call date.
- (i) Transactions in call options written for the six months ended July 31, 2016:

	Contracts	Premiums
Options outstanding, January 31, 2016	7,750	\$452,476
Options written	42,301	1,776,580
Options terminated in closing transactions	(11,145)	(398,668)
Options expired	(26,436)	(1,403,413)

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Options outstanding, July 31, 2016 12,470 \$426,975

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

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 7/31/16
Investments in Securities Assets				
Common Stock	\$422,242,086	\$	\$	\$422,242,086
Convertible Bonds & Notes		95,846,020		95,846,020
Convertible Preferred Stock:				
Financial Services		2,475,369		2,475,369
Food Products	1,111,038	6,820,219		7,931,257
Oil, Gas & Consumable Fuels	5,394,441	1,012,990		6,407,431
Pharmaceuticals	4,943,315	2,624,780		7,568,095
All Other	45,280,923			45,280,923
Warrant	75,700			75,700
Short-Term Investment		8,893,302		8,893,302
	479,047,503	117,672,680		596,720,183

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Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 7/31/16
Investments in Securities				
Liabilities				
Call Options Written, at value:				
Market price	(575,058)			(575,058)
Totals	\$478,472,445	\$117,672,680	\$	\$596,145,125

At July 31, 2016, the Fund had no transfers between levels.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended July 31, 2016, was as follows:

	Beginning Balance 1/31/16	Purchases	Sales	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 7/31/16
Investments in Securities									
Assets									
Convertible Preferred Stock:									
Electronic Equipment, Instruments & Components	\$3,895,800	\$	\$(5,297,600)	\$	\$	\$1,401,800	\$	\$	\$
Health Care Providers & Services	9,097,103		(10,886,327)			1,789,224			
Technology Hardware, Storage & Peripherals	5,086,196		(6,551,657)			1,465,461			
Totals	\$18,079,099	\$	\$(22,735,584)	\$	\$	\$4,656,485	\$	\$	\$

Conversion

(k) The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure:

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The effect of derivatives on the Fund's Statements of Assets and Liabilities at July 31, 2016:

Location	Market Price
Liability derivatives:	
Call options written, at value	\$(575,058)

The effect of derivatives on the Fund's Statements of Operations for the six months ended July 31, 2016:

Location	Market Price
Net realized gain on:	
Call options written	\$11,136
Net change in unrealized appreciation/depreciation of:	
Call options written	\$(306,344)

The average volume (based on the open positions at each fiscal quarter-end) of derivative activity during the six months ended July 31, 2016 was 10,094 call options written contracts.

Glossary:

ADR - American Depositary Receipt
ASE - American Stock Exchange
CBOE - Chicago Board Options Exchange
ISX - International Securities Exchange

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

Common Stock	Shares		Value
	71.0%		
	133,500	Aerospace & Defense 3.0%	
	200,000	General Dynamics Corp.	\$19,609,815
		United Technologies Corp. (a)	21,530,000
			41,139,815
		Automobiles 3.0%	
	1,479,700	Ford Motor Co. (a)	18,733,002
	715,000	General Motors Co. (a)	22,551,100
			41,284,102
		Banks 9.3%	
	489,300	Citigroup, Inc. (a)	21,436,233
	967,900	Fifth Third Bancorp (a)	18,370,742
	580,500	JPMorgan Chase & Co. (a)	37,134,585
	195,000	PNC Financial Services Group, Inc. (a)	16,116,750
	717,000	Wells Fargo & Co. (a)	34,394,490
			127,452,800
		Biotechnology 3.2%	
	335,000	AbbVie, Inc. (a)	22,187,050
	279,300	Gilead Sciences, Inc. (a)	22,195,971
			44,383,021
		Capital Markets 1.5%	
	215,400	Ameriprise Financial, Inc. (a)	20,643,936
		Chemicals 1.4%	
	290,900	Celanese Corp., Class A (a)	18,448,878
		Communications Equipment 1.2%	
	546,900	Cisco Systems, Inc. (a)	16,696,857
		Construction & Engineering 1.6%	
	416,000	Fluor Corp. (a)	22,264,320
		Consumer Finance 3.0%	
	310,000	American Express Co.	19,982,600
	311,200	Capital One Financial Corp. (a)	20,875,296
			40,857,896
		Containers/Packaging 1.4%	
	429,400	International Paper Co. (a)	19,670,814
		Diversified Telecommunications Services 4.5%	
	910,000	AT&T, Inc. (a)	39,393,900
	138,890	Intelsat SA (b)	319,447
	391,800	Verizon Communications, Inc. (a)	21,709,638
			61,422,985
		Electric Utilities 3.1%	
	309,400	American Electric Power Co., Inc. (a)	21,441,420
	255,700	Entergy Corp.	20,811,423
			42,252,843

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Electrical Equipment 1.7%	
362,900	Eaton Corp. PLC (a)	\$23,011,489
	Food & Staples Retailing 1.7%	
321,900	Wal-Mart Stores, Inc. (a)	23,489,043
	Health Care Providers & Services 1.7%	
262,000	Quest Diagnostics, Inc. (a)	22,626,320
	Household Products 1.1%	
175,000	Procter & Gamble Co. (a)	14,978,250
	Insurance 5.8%	
355,000	Hartford Financial Services Group, Inc.	14,146,750
633,200	MetLife, Inc. (a)	27,062,968
323,700	The Travelers Cos, Inc. (a)	37,620,414
		78,830,132
	IT Services 2.4%	
206,140	International Business Machines Corp. (a)	33,110,207
	Leisure Products 1.7%	
696,900	Mattel, Inc. (a)	23,262,522
	Metals & Mining 0.3%	
613,335	ArcelorMittal (b)	3,998,944
	Multi-Utilities 1.5%	
449,600	Public Service Enterprise Group, Inc. (a)	20,686,096
	Oil, Gas & Consumable Fuels 9.0%	
207,000	Chevron Corp. (a)	21,213,360
220,000	Exxon Mobil Corp. (a)	19,569,000
813,700	Royal Dutch Shell PLC, Class A, ADR (a)	42,141,523
760,400	Sasol Ltd., ADR (a)	20,295,076
424,600	Total SA, ADR (a)	20,423,260
		123,642,219
	Pharmaceuticals 3.0%	
170,000	Johnson & Johnson (a)	21,289,100
526,100	Pfizer, Inc. (a)	19,407,829
		40,696,929
	Road & Rail 1.5%	
318,700	Ryder System, Inc. (a)	21,002,330
	Semiconductors & Semiconductor Equipment 1.0%	
400,000	Intel Corp. (a)	13,944,000
	Software 1.2%	
487,700	CA, Inc. (a)	16,898,805
	Technology Hardware, Storage & Peripherals 1.2%	
152,200	Apple, Inc.	15,860,762
Total Common Stock (cost-\$933,578,557)		972,556,315

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
Convertible Bonds & Notes	17.7%	
	Air Freight & Logistics 0.3%	
\$4,400	Atlas Air Worldwide Holdings, Inc., 2.25%, 6/1/22	\$4,364,250
	Automobiles 0.8%	
65,000	Fiat Chrysler, 7.875%, 12/15/16	4,066,563
7,500	Tesla Motors, Inc., 0.25%, 3/1/19	6,942,187
		11,008,750
	Biotechnology 0.4%	
2,150	Cepheid, 1.25%, 2/1/21	1,980,688
2,000	Exelixis, Inc., 4.25%, 8/15/19	3,470,000
		5,450,688
	Capital Markets 0.2%	
6,615	Walter Investment Management Corp., 4.50%, 11/1/19	2,480,625
	Communications Equipment 0.3%	
2,500	Brocade Communications Systems, Inc., 1.375%, 1/1/20	2,473,437
	Ciena Corp.,	
1,000	0.875%, 6/15/17	996,250
500	3.75%, 10/15/18 (c)(d)	596,250
		4,065,937
	Consumer Finance 0.7%	
5,000	Encore Capital Group, Inc., 2.875%, 3/15/21	3,506,250
7,130	PRA Group, Inc., 3.00%, 8/1/20	5,966,919
		9,473,169
	Electronic Equipment, Instruments & Components 0.2%	
2,840	TTM Technologies, Inc., 1.75%, 12/15/20	3,329,900
	Electrical Equipment 0.3%	
5,175	SolarCity Corp., 1.625%, 11/1/19	3,835,969
	Energy Equipment & Services 0.1%	
2,000	Hornbeck Offshore Services, Inc., 1.50%, 9/1/19	1,181,250
	Health Care Equipment & Supplies 0.5%	
3,750	Hologic, Inc., zero coupon, 12/15/43 (e)	4,626,562
195	Wright Medical Group, Inc., 2.00%, 2/15/20	198,047
2,000	Wright Medical Group NV, 2.25%, 11/15/21 (c)(d)	2,435,000
		7,259,609
	Health Care Technology 0.3%	
4,250	Allscripts Healthcare Solutions, Inc., 1.25%, 7/1/20	4,505,000
	Household Durables 0.6%	
6,500	CalAtlantic Group, Inc., 0.25%, 6/1/19	6,130,313
2,000	KB Home, 1.375%, 2/1/19	1,940,000
		8,070,313
	Independent Power & Renewable Electricity Producers 0.5%	
	NRG Yield, Inc. (c)(d),	
4,300	3.25%, 6/1/20	4,171,000
2,500	3.50%, 2/1/19	2,515,625
		6,686,625

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Insurance 0.1%	
\$2,530	AmTrust Financial Services, Inc., 2.75%, 12/15/44	\$1,986,050
	Internet & Catalog Retail 0.7%	
4,000	Priceline Group, Inc., 0.35%, 6/15/20	4,870,000
5,000	0.90%, 9/15/21	5,184,375
		10,054,375
	Internet Software & Services 3.2%	
4,000	Akamai Technologies, Inc., zero coupon, 2/15/19	3,900,020
1,500	Cornerstone OnDemand, Inc., 1.50%, 7/1/18	1,601,250
5,000	Gogo, Inc., 3.75%, 3/1/20	3,265,650
3,950	LinkedIn Corp., 0.50%, 11/1/19	3,930,250
5,000	Pandora Media, Inc., 1.75%, 12/1/20 (c)(d)	5,350,000
3,500	Trulia LLC, 2.75%, 12/15/20	5,897,500
12,530	Twitter, Inc., 0.25%, 9/15/19	11,629,406
5,000	Web.com Group, Inc., 1.00%, 8/15/18	4,715,625
3,200	WebMD Health Corp., 2.625%, 6/15/23 (c)(d)	3,248,000
		43,537,701
	Iron/Steel 0.1%	
1,000	AK Steel Corp., 5.00%, 11/15/19	1,486,250
	Life Sciences Tools & Services 0.2%	
400	Fluidigm Corp., 2.75%, 2/1/34	257,750
2,500	Illumina, Inc., 0.50%, 6/15/21	2,650,000
		2,907,750
	Machinery 0.5%	
3,020	Meritor, Inc., 7.875%, 3/1/26 (e)	3,582,475
4,500	Navistar International Corp., 4.75%, 4/15/19	2,854,688
		6,437,163
	Media 0.3%	
1,500	Liberty Media Corp., 1.375%, 10/15/23	1,599,375
2,000	Live Nation Entertainment, Inc., 2.50%, 5/15/19	2,133,750
		3,733,125
	Metals & Mining 0.0%	
345	RTI International Metals, Inc., 1.625%, 10/15/19	382,519
	Oil, Gas & Consumable Fuels 0.4%	
5,315	Cheniere Energy, Inc., 4.25%, 3/15/45	3,212,253
5,500	Cobalt International Energy, Inc., 2.625%, 12/1/19	2,485,313
1,000	Energy XXI Ltd., 3.00%, 12/15/18 (f)	5,500
		5,703,066
	Personal Products 0.2%	
2,080	Herbalife Ltd., 2.00%, 8/15/19	2,161,910
	Pharmaceuticals 0.9%	
3,425	Impax Laboratories, Inc., 2.00%, 6/15/22	3,161,703
3,600	Jazz Investments I Ltd., 1.875%, 8/15/21	3,951,000

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Pharmaceuticals (continued)	
\$3,800	Teligent, Inc., 3.75%, 12/15/19	\$3,686,000
885	Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26	1,178,156
		11,976,859
	Semiconductors & Semiconductor Equipment 3.4%	
2,000	Cypress Semiconductor Corp., 4.50%, 1/15/22 (c)(d)	2,236,250
4,900	Inphi Corp., 1.125%, 12/1/20 (c)(d)	5,506,375
2,500	Integrated Device Technology, Inc., 0.875%, 11/15/22 (c)(d)	2,531,250
2,400	Lam Research Corp., 1.25%, 5/15/18	3,672,000
6,150	Microchip Technology, Inc., 1.625%, 2/15/25	7,360,781
	Micron Technology, Inc.,	
850	2.125%, 2/15/33	1,235,156
7,200	3.00%, 11/15/43	5,841,000
5,000	NXP Semiconductors NV, 1.00%, 12/1/19	5,581,250
	ON Semiconductor Corp.,	
4,690	1.00%, 12/1/20	4,426,188
2,000	2.625%, 12/15/26	2,146,250
	SunEdison, Inc. (c)(d)(f),	
2,915	2.625%, 6/1/23	131,175
3,820	3.375%, 6/1/25	171,900
	SunPower Corp.,	
5,000	0.875%, 6/1/21	4,062,500
2,365	4.00%, 1/15/23 (c)(d)	2,061,984
		46,964,059
	Software 1.5%	
	FireEye, Inc.,	
1,000	1.00%, 6/1/35	934,375
4,500	1.625%, 6/1/35	4,131,563
1,000	NetSuite, Inc., 0.25%, 6/1/18	1,098,750
1,450	Nuance Communications, Inc., 1.00%, 12/15/35 (c)(d)	1,309,531
4,000	Red Hat, Inc., 0.25%, 10/1/19	4,927,500
450	Salesforce.com, Inc, 0.25%, 4/1/18	592,594
2,500	ServiceNow, Inc., zero coupon, 11/1/18	2,960,937
4,500	Verint Systems, Inc., 1.50%, 6/1/21	4,246,875
		20,202,125
	Specialty Retail 0.4%	
5,950	Restoration Hardware Holdings, Inc., zero coupon, 7/15/20 (c)(d)	4,771,156
	Technology Hardware, Storage & Peripherals 0.2%	
2,845	Electronics For Imaging, Inc., 0.75%, 9/1/19	3,063,709
	Textiles, Apparel & Luxury Goods 0.4%	
5,720	Iconix Brand Group, Inc., 1.50%, 3/15/18	4,919,200
	Total Convertible Bonds & Notes (cost-\$268,852,319)	241,999,102

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
Convertible Preferred Stock	9.6%	
	Banks 0.6%	
3,525	Huntington Bancshares, Inc., 8.50% (g)	\$5,076,000
2,580	Wells Fargo & Co., Ser. L, 7.50% (g)	3,434,651
		8,510,651
	Commercial Services & Supplies 0.2%	
30,390	Stericycle, Inc., 5.25%, 9/15/18	2,266,790
	Diversified Financial Services 0.7%	
7,465	Bank of America Corp., Ser. L, 7.25% (g)	9,002,790
	Diversified Telecommunications Services 0.8%	
110,050	Frontier Communications Corp., Ser. A, 11.125%, 6/29/18	10,881,744
	Financial Services 0.5%	
60,000	Mandatory Exchangeable Trust, 5.75%, 6/1/19 (c)(d)	6,347,100
	Food Products 1.0%	
78,830	Bunge Ltd., 4.875% (g)	7,868,219
15,500	Post Holdings, Inc., 2.50% (g)	2,539,094
46,045	Tyson Foods, Inc., 4.75%, 7/15/17	3,707,083
		14,114,396
	Health Care Providers & Services 0.4%	
125,775	Anthem, Inc., 5.25%, 5/1/18	5,593,214
	Independent Power & Renewable Electricity Producers 0.2%	
57,635	Dynegy, Inc., 5.375%, 11/1/17	3,256,378
	Metals & Mining 0.2%	
86,935	Alcoa, Inc., 5.375%, 10/1/17	3,147,047
	Multi-Utilities 1.2%	
204,100	AES Trust III, 6.75%, 10/15/29	10,484,617
121,500	Dominion Resources, Inc., 6.375%, 7/1/17	6,335,010
		16,819,627
	Oil, Gas & Consumable Fuels 1.6%	
45,100	ATP Oil & Gas Corp., 8.00% (b)(c)(d)(f)(g)	5
99,950	Chesapeake Energy Corp., 5.00% (g)	2,973,512
16,265	Energy XXI Ltd., 5.625% (g)	10,572
56,750	Kinder Morgan, Inc., 9.75%, 10/26/18	2,769,400
224,530	Sanchez Energy Corp., 6.50% (g)	4,786,980
154,980	Southwestern Energy Co., Ser. B, 6.25%, 1/15/18	5,168,583
116,625	WPX Energy, Inc., 6.25%, 7/31/18	5,851,076
		21,560,128
	Pharmaceuticals 1.0%	
8,900	Allergan PLC, Ser. A, 5.50%, 3/1/18	7,977,426
6,225	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18	5,520,019
		13,497,445
	Real Estate Investment Trust 0.8%	
27,000	American Tower Corp., 5.25%, 5/15/17	3,041,010

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Real Estate Investment Trust (continued)	
10,000	5.50%, 2/15/18	\$1,106,500
85,385	Welltower, Inc., 6.50% (g)	5,998,296
		10,145,806
	Wireless Telecommunication Services 0.4%	
75,000	T-Mobile US, Inc., 5.50%, 12/15/17	5,855,250
Total Convertible Preferred Stock (cost-\$150,393,580)		130,998,366
	Warrant (b)(h) 0.0%	
97,838	Cenveo, Inc., expires 6/10/24 (cost-\$0)	41,957
	Short-Term Investments 2.9%	
\$7,451	Time Deposits 2.9%	
16,912	Citibank-London, 0.15%, 8/1/16	7,451,209
15,301	Citibank-Puerto Rico, 0.15%, 8/1/16	16,911,680
Total Short Term Investments (cost-\$39,663,430)		15,300,541
Total Investments, before call options written		39,663,430
(cost-\$1,392,487,886) 101.2%		1,385,259,170
	Call Options Written (b) (1.2)%	
3,000	Consumer Discretionary Select Sector SPDR Index, strike price \$80, expires 8/5/16, (ASE)	(544,500)
3,000	strike price \$80, expires 8/12/16, (CBOE)	(592,500)
4,000	strike price \$81.50, expires 8/12/16, (CBOE)	(334,000)
3,000	strike price \$82.50, expires 8/26/16, (CBOE)	(198,000)
4,500	KBW Bank Index, (CBOE), strike price \$67.50, expires 8/19/16	(1,125,000)
30	NASDAQ 100 Index, (CBOE), strike price \$4500, expires 8/5/16	(703,350)
35	strike price \$4500, expires 8/12/16	(830,375)
35	strike price \$4525, expires 8/19/16	(752,325)
35	strike price \$4675, expires 8/26/16	(333,900)
1,200	Philadelphia Oil Services Sector Index, (CBOE), strike price \$172, expires 9/2/16	(128,733)
800	strike price \$175, expires 9/2/16	(44,759)
900	strike price \$180, expires 8/19/16	(432,000)
1,000	strike price \$182, expires 8/5/16	(516)
3,000	Philadelphia Stock Exchange KBW Bank Flex Index, (CBOE), strike price \$66, expires 8/12/16	(842,642)

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Contracts		Value
3,000	strike price \$67, expires 8/5/16	\$(520,214)
1,500	strike price \$67, expires 8/12/16	(319,809)
1,500	strike price \$68, expires 8/5/16	(169,785)
3,000	strike price \$70, expires 8/26/16	(377,816)
5,000	strike price \$70.50, expires 9/2/16	(646,661)
	Standard & Poor's 500 Index, (CBOE),	
150	strike price \$2100, expires 8/5/16	(1,123,500)
75	strike price \$2110, expires 8/5/16	(494,625)
100	strike price \$2115, expires 8/19/16	(636,500)
100	strike price \$2120, expires 8/5/16	(562,500)
150	strike price \$2120, expires 8/12/16	(864,750)
100	strike price \$2120, expires 8/26/16	(625,500)
100	strike price \$2125, expires 8/5/16	(514,500)
100	strike price \$2125, expires 8/12/16	(530,500)
100	strike price \$2140, expires 8/19/16	(423,500)
100	strike price \$2140, expires 8/26/16	(461,500)
100	strike price \$2170, expires 8/19/16	(206,000)
100	strike price \$2175, expires 9/2/16	(248,500)
100	strike price \$2180, expires 8/26/16	(185,500)
100	strike price \$2180, expires 9/2/16	(220,000)
100	strike price \$2180, expires 9/9/16	(248,500)
100	strike price \$2185, expires 9/2/16	(191,000)
Total Call Options Written (premiums received-\$7,250,204)		(16,433,760)
Total Investments, net of call options written		
(cost-\$1,385,237,682) 100.0%		1,368,825,410
Other assets less other liabilities 0.0%		498,934
Net Assets 100.0%		\$1,369,324,344

Notes to Schedule of Investments:

- (a) All or partial amount segregated for the benefit of the counterparty as collateral for call options written.
- (b) Non-income producing.
- (c) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$43,382,601, representing 3.2% of net assets.
- (d) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (f) In default

- (g) Perpetual maturity. The date shown, if any, is the next call date.
- (h) Fair-Valued Security with a value of \$41,957, representing less than 0.05% of net assets. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

(i) Transactions in call options written for the six months ended July 31, 2016:

	Contracts	Premiums
Options outstanding, January 31, 2016	36,590	\$7,877,431
Options written	141,670	31,336,229
Options terminated in closing transactions	(38,660)	(15,042,511)
Options expired	(90,390)	(16,299,959)
Options exercised	(9,000)	(620,986)
Options outstanding, July 31, 2016	40,210	\$7,250,204

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

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 7/31/16
Investments in Securities Assets				
Common Stock	\$972,556,315	\$	\$	\$972,556,315
Convertible Bonds & Notes		241,999,102		241,999,102
Convertible Preferred Stock:				
Financial Services		6,347,100		6,347,100
Food Products	3,707,083	10,407,313		14,114,396
Oil, Gas & Consumable Fuels	13,789,059	7,771,069		21,560,128
Pharmaceuticals	7,977,426	5,520,019		13,497,445
All Other	75,479,297			75,479,297
Warrant			41,957	41,957
Short-Term Investments		39,663,430		39,663,430
	1,073,509,180	311,708,033	41,957	1,385,259,170
Investments in Securities Liabilities				
Call Options Written, at value:				
Market price	(13,382,825)	(3,050,935)		(16,433,760)
Totals	\$1,060,126,355	\$308,657,098	\$41,957	\$1,368,825,410

At July 31, 2016, the Fund had no transfers between levels.

Schedule of Investments

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended July 31, 2016, was as follows:

	Beginning Balance 1/31/16	Purchases	Sales	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 7/31/16
Investments in Securities	Assets								
Warrant	\$	\$ *	\$	\$	\$	\$41,957	\$	\$	\$41,957

* Less than \$1

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 July 31, 2016:

	Ending Balance at 7/31/16	Valuation Technique Used	Unobservable Inputs	Input Values
Investments in Securities				
Warrant	\$41,957	Fundamental Analytical Data Relating to the Investment	Price of Warrant	\$0.42884

The net change in unrealized appreciation/depreciation of Level 3 investments held at July 31, 2016, was \$41,957. Net change in unrealized appreciation/depreciation is reflected on the Statements of Operations.

(k) The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure:

The effect of derivatives on the Fund's Statements of Assets and Liabilities at July 31, 2016:

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Location	Market Price
Liability derivatives:	
Call options written, at value	\$(16,433,760)

The effect of derivatives on the Fund's Statements of Operations for the six months ended July 31, 2016:

Location	Market Price
Net realized gain on:	
Call options written	\$(2,812,378)
Net change in unrealized appreciation/depreciation of:	
Call options written	\$(7,115,732)

The average volume (based on the open positions at each fiscal quarter-end) of derivative activity during the six months ended July 31, 2016 was 39,537 call options written contracts.

Glossary:

- ADR - American Depositary Receipt
- ASE - American Stock Exchange
- CBOE - Chicago Board Options Exchange
- SPDR - Standard & Poor's Depository Receipt

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Statements of Assets & Liabilities

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

	Diversified Income & Convertible	Equity & Convertible Income	Dividend, Interest & Premium Strategy
Assets:			
Investments, at value (cost-\$355,713,689, \$680,487,533 and \$1,392,487,886, respectively)	\$323,645,620	\$596,720,183	\$1,385,259,170
Receivable for investments sold	18,947,011	11,814,953	3,746,856
Interest and dividends receivable	2,135,712	1,286,158	3,568,050
Prepaid expenses and other assets	27,036	14,714	47,327
Investments in Affiliated Funds- Trustees Deferred Compensation Plan (see Note 4)	6,426	17,905	43,738
Total Assets	344,761,805	609,853,913	1,392,665,141
Liabilities:			
Loan payable	75,000,000		
Payable for investments purchased	18,623,794	13,090,362	5,569,646
Dividends payable to common and mandatory redeemable preferred shareholders	1,822,642		
Loan interest payable	815,361		
Investment management fees payable	269,472	495,026	1,038,171
Accrued expenses	132,414	151,603	255,482
Call options written, at value (premiums received- \$82,843, \$426,975 and \$7,250,204, respectively)	90,745	575,058	16,433,760
Trustees Deferred Compensation Plan payable (see Note 4)	6,426	17,905	43,738
Mandatory redeemable preferred shares (see Note 7)	30,000,000		
Total Liabilities	126,760,854	14,329,954	23,340,797
Net Assets Applicable to Common Shareholders	\$218,000,951	\$595,523,959	\$1,369,324,344
Composition of Net Assets Applicable to Common Shareholders:			
Common Stock:			
Par value (\$0.00001 per share)	\$103	\$277	\$948
Paid-in-capital in excess of par	250,793,548	671,869,784	1,643,604,577
Undistributed (dividends in excess of) net investment income	(10,875,639)	6,148,812	(45,065,132)
Accumulated net realized gain (loss)	10,158,910	1,427,078	(212,803,777)
Net unrealized depreciation	(32,075,971)	(83,921,992)	(16,412,272)
Net Assets Applicable to Common Shareholders	\$218,000,951	\$595,523,959	\$1,369,324,344
Common Shares Issued and Outstanding	10,274,970	27,708,965	94,801,581
Net Asset Value Per Common Share	\$21.22	\$21.49	\$14.44

See accompanying Notes to Financial Statements | July 31, 2016 | Semi-Annual Report 47

Statements of Operations

AllianzGI Diversified Income & Convertible Fund
 AllianzGI Equity & Convertible Income Fund
 AllianzGI NFJ Dividend, Interest & Premium Strategy Fund
 Six Months ended July 31, 2016 (unaudited)

	Diversified Income & Convertible	Equity & Convertible Income	Dividend, Interest & Premium Strategy
Investment Income:			
Interest	\$3,774,238	\$1,391,787	\$3,084,541
Dividends (net of foreign withholding taxes of \$14,371,\$17,217 and \$542,271, respectively)	1,775,203	7,299,386	20,073,641
Total Investment Income	5,549,441	8,691,173	23,158,182
Expenses:			
Investment management	1,542,174	2,829,209	5,980,425
Loan Interest	1,186,706		
Dividend	652,839		288,942
Custodian and accounting agent	74,584	64,680	156,117
Legal	40,468	25,298	45,110
Audit and tax services	38,760	38,710	47,255
Shareholder communications	20,060	36,036	84,630
Transfer agent	12,786	12,376	12,376
New York Stock Exchange listing	12,103	13,750	47,045
Trustees	8,082	15,638	37,310
Insurance	4,481	6,136	12,852
Miscellaneous	22,250	6,191	42,330
Total Expenses	3,615,293	3,048,024	6,754,392
Net Investment Income	1,934,148	5,643,149	16,403,790
Realized and Change in Unrealized Gain (Loss):			
Net realized gain (loss) on:			
Investments	9,395,397	17,831,403	(4,055,017)
Call options written	(79,560)	11,136	(2,812,378)
Foreign currency transactions		(38)	
Net change in unrealized appreciation/depreciation of:			
Investments	22,051,574	42,025,469	135,465,884
Call options written	(35,202)	(306,344)	(7,115,732)
Foreign currency transactions		454	
Net realized and change in unrealized gain	31,332,209	59,562,080	121,482,757
Net Increase in Net Assets Resulting from Investment Operations	\$33,266,357	\$65,205,229	\$137,886,547

Statement of Changes in Net Assets Applicable to Common Shareholders

AllianzGI Diversified Income & Convertible Fund

	Six Months ended July 31, 2016 (unaudited)	Period from May 27, 2015* through January 31, 2016
Investment Operations:		
Net investment income	\$1,934,148	\$2,045,765
Net realized gain	9,315,837	8,921,255
Net change in unrealized appreciation/depreciation	22,016,372	(54,092,343)
Net increase (decrease) in net assets resulting from investment operations	33,266,357	(43,125,323)
Dividends and Distributions to Common Shareholders from:		
Net investment income	(10,400,314)	(6,840,347)
Net realized gains		(6,128,074)
Total dividends and distributions to common shareholders	(10,400,314)	(12,968,421)
Common Share Transactions:		
Net proceeds from the sale of common stock		269,548,750
Cost of shares repurchased	(6,509,184)	(11,346,426)
Offering costs charged to paid-in capital in excess of par (See Note 1)		(564,500)
Net increase (decrease) from common share transactions	(6,509,184)	257,637,824
Total increase in net assets	16,356,859	201,544,080
Net Assets:		
Beginning of period	201,644,092	100,012
End of period**	\$218,000,951	\$201,644,092
** Including dividends in excess of net investment income of:	\$(10,875,639)	\$(2,409,473)
Shares Activity:		
Shares outstanding, beginning of period	10,661,039	4,189
Shares issued		11,290,000
Shares repurchased	(386,069)	(633,150)
Shares outstanding, end of period	10,274,970	10,661,039

* Commencement of operations.

Statements of Changes in Net Assets

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

Equity & Convertible Income:

	Six Months ended July 31, 2016 (unaudited)	Year ended January 31, 2016
Investment Operations:		
Net investment income	\$5,643,149	\$13,055,078
Net realized gain	17,842,501	26,229,402
Net change in unrealized appreciation/depreciation	41,719,579	(58,922,770)
Net increase (decrease) in net assets resulting from investment operations	65,205,229	(19,638,290)
Dividends and Distributions to Shareholders from:		
Net investment income		(11,312,659)
Net realized gains	(21,058,813)	(30,804,968)
Total dividends and distributions to shareholders	(21,058,813)	(42,117,627)
Total increase (decrease) in net assets	44,146,416	(61,755,917)
Net Assets:		
Beginning of period	551,377,543	613,133,460
End of period*	\$595,523,959	\$551,377,543
* Including undistributed net investment income of:	\$6,148,812	\$505,663

Dividend, Interest & Premium Strategy:

	Six Months ended July 31, 2016 (unaudited)	Year ended January 31, 2016
Investment Operations:		
Net investment income	\$16,403,790	\$36,371,162
Net realized loss	(6,867,395)	(1,509,091)
Net change in unrealized appreciation/depreciation	128,350,152	(196,838,824)
Net increase (decrease) in net assets resulting from investment operations	137,886,547	(161,976,753)
Dividends and Distributions to Shareholders from:		
Net investment income	(56,880,949)	(37,129,377)
Return of capital		(119,293,232)
Total dividends and distributions to shareholders	(56,880,949)	(156,422,609)
Total increase (decrease) in net assets	81,005,598	(318,399,362)

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Net Assets:

Beginning of period	1,288,318,746	1,606,718,108
End of period*	\$1,369,324,344	\$1,288,318,746
* Including dividends in excess of net investment income of:	\$(45,065,132)	\$(4,587,973)

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Statement of Cash Flows*

AllianzGI Diversified Income & Convertible Fund

For the Six Months ended July 31, 2016

Increase in Cash from:

Cash Flows provided by Operating Activities:

Net increase in net assets resulting from investment operations \$33,266,357

Adjustments to Reconcile Net Increase in Net Assets Resulting from Investment Operations to Net Cash provided by Operating Activities:

Purchases of long-term investments	(343,404,145)
Proceeds from sales of long-term investments	360,508,290
(Purchases) sales of short-term investments, net	(2,212,356)
Net change in unrealized appreciation/depreciation	(22,016,372)
Net amortization/accretion on investments	(24,345)
Net realized gain	(9,315,837)
Proceeds from sale of written options	383,589
Payments to cover written options	(483,116)
Increase in payable for investments purchased	17,231,992
Increase in investments in Affiliated Funds Trustees Deferred Compensation Plan	(3,117)
Increase in Trustees Deferred Compensation Plan payable	3,117
Increase in receivable for investments sold	(16,757,124)
Decrease in interest and dividends receivable	53,264
Increase in prepaid expenses and other assets	(1,189)
Decrease in accrued expenses	(45,739)
Increase in investment management fees payable	3,993
Increase in loan interest payable	164,167
Net cash provided by operating activities	17,351,429

Cash Flows provided by Financing Activities:

Shares repurchased	(6,874,642)
Cash dividends paid	(10,476,787)
Net cash provided by financing activities	(17,351,429)
Net increase in cash	

Cash:

Beginning of period	
End of period	\$

Noncash Investing and Financing Activities:

Noncash investing transactions Conversions of convertible preferred stock	\$28,883,689
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Cash Paid for Interest	\$1,022,539
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* A Statement of Cash Flows is not required for Equity & Convertible Income and Dividend, Interest & Premium Strategy.

Notes to Financial Statements

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

1. Organization and Significant Accounting Policies

AllianzGI Diversified Income & Convertible Fund (Diversified Income & Convertible), AllianzGI Equity & Convertible Income Fund (Equity & Convertible Income) and AllianzGI NFJ Dividend, Interest & Premium Strategy Fund (Dividend, Interest & Premium Strategy) (each, a Fund and, collectively, the Funds) were organized as Massachusetts business trusts on March 10, 2015, December 12, 2006 and August 20, 2003, respectively. The Funds follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification topic 946 Financial Services Investment Companies. Prior to commencing operations on May 27, 2015, February 27, 2007, and February 28, 2005, respectively, the Funds had no operations other than matters relating to their organization and registration as diversified, closed-end management investment companies registered under the Investment Company Act of 1940, as amended (the 1940 Act), and the rules and regulations thereunder and the sale and issuance of 4,189 shares at an aggregate price of \$100,012 for Diversified Income & Convertible to Allianz Asset Management of America L.P. (AAM). Allianz Global Investors Fund Management LLC (the Investment Manager) serves as the Funds investment manager and Allianz Global Investors U.S. LLC (AllianzGI U.S.) and NFJ Investment Group LLC (NFJ), each an affiliate of the Investment Manager (each a Sub-Adviser and collectively the Sub-Advisers), serve as the Funds sub-advisers. The Investment Manager,

AllianzGI U.S. and NFJ are indirect, wholly-owned subsidiaries of AAM. AAM is an indirect, wholly-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company. Each Fund has authorized an unlimited amount of common shares with \$0.00001 par value.

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

Equity & Convertible Income s investment objective is to seek total return comprised of capital appreciation, current income and gains. Under normal market conditions the Fund pursues its objective by investing in a diversified portfolio of equity securities and income-producing convertible securities. The Fund will also employ a strategy of writing (selling) call options on the equity securities held by the Fund as well as on equity indexes.

Dividend, Interest & Premium Strategy s primary investment objective is to seek current income and gains, with a secondary objective of long-term capital appreciation. Under normal market conditions the Fund pursues its investment objectives by investing in a diversified portfolio of dividend-paying

Notes to Financial Statements

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

1. Organization and Significant Accounting Policies (continued)

common stocks and income-producing convertible securities. The Fund will also employ a strategy of writing (selling) call options on equity indexes in an attempt to generate gains from option premiums.

Diversified Income & Convertible issued 11,200,000 shares of common stock in its initial public offering. An additional 90,000 shares were issued in connection with the exercise of the underwriters' over-allotment option. These shares were all issued at \$25.00 per share. A sales load of \$1.125 per share was deducted from gross offering proceeds. Offering costs of \$564,500 (representing \$0.05 per share) were also deducted from gross proceeds of the offering and have been charged to paid-in capital in excess of par. The Investment Manager paid all offering costs associated with the initial public offering (other than the sales load) exceeding \$0.05 per share, which came to approximately \$890,000. In addition, the underwriters' commission and offering costs have been charged to paid-in-capital in excess of par.

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

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

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

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

(a) Valuation of Investments

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of official closing prices, last reported sales prices, or if no sales or closing prices are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services. The Funds' investments are valued daily using prices supplied by an independent pricing service or broker/dealer quotations, or by using the last sale or settlement price on the exchange that is the primary market for such securities, or the mean between the last bid and ask quotations. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics.

The Board of Trustees (the Board) has adopted procedures for valuing portfolio securities and other financial instruments in circumstances where market quotations are not readily available (including in cases where

Notes to Financial Statements

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

1. Organization and Significant Accounting Policies (continued)

available market quotations are deemed to be unreliable), and has delegated primary responsibility for applying the valuation methods to the Investment Manager and the Sub-Advisers. The Funds' Valuation Committee was established by the Board to oversee the implementation of the Funds' valuation methods and to make fair value determinations on behalf of the Board, as instructed by the Board. Each Sub-Adviser monitors the continued appropriateness of methods applied and identifies to the Investment Manager circumstances and events that may require fair valuation. The Investment Manager, in turn, determines if adjustments should be made in light of market changes, events affecting the issuer, or other factors. If the Investment Manager (in consultation with the Sub-Advisers) determines that a valuation method may no longer be appropriate, another valuation method may be selected or the Valuation Committee will be convened to consider the matter and take any appropriate action in accordance with procedures set forth by the Board. The Board shall review and ratify the appropriateness of the valuation methods and these methods may be amended or supplemented from time to time by the Valuation Committee.

Synthetic convertible securities are valued based on quotations obtained from unaffiliated brokers who are the principal market-makers in such securities. Such valuations are derived by the brokers from proprietary models which are generally based

on readily available market information including valuation of the common stock underlying the synthetic security.

Short-term debt instruments maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing premiums or discounts based on their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Funds to value investments may differ from the value that would be realized if the investments were sold, and these differences could be material to the Funds' financial statements. Each Fund's net asset value (NAV) is normally determined at the close of regular trading (normally, 4:00 p.m. Eastern Time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

(b) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.* the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

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

n Level 2 valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs

Notes to Financial Statements

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

1. Organization and Significant Accounting Policies (continued)

n Level 3 valuations based on significant unobservable inputs (including the Sub-Advisers or Valuation Committee's own assumptions and securities whose price was determined by using a single broker's quote)

The valuation techniques used by the Funds to measure fair value during the six months ended July 31, 2016 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

The Funds' policy is to recognize transfers between levels at the end of the reporting period. An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used. Assets categorized as Level 1 or 2 as of period end may have been transferred between Levels 1 and 2 since the prior period due to changes in the valuation method utilized in valuing the investments.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Funds generally use to evaluate how to classify each major category of assets and liabilities for Level 2 and Level 3, in accordance with U.S. GAAP.

Equity Securities (Common and Preferred Stock) Equity securities traded in inactive markets are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from independent pricing services that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Convertible Bonds & Notes Convertible bonds & notes are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of convertible bonds & notes are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Corporate Bonds & Notes Corporate bonds & notes are generally comprised of two main categories: investment grade bonds and

Notes to Financial Statements

AllianzGI Diversified Income & Convertible Fund

AllianzGI Equity & Convertible Income Fund

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

1. Organization and Significant Accounting Policies (continued)

high yield bonds. Investment grade bonds are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and option adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. High yield bonds are valued by independent pricing services based primarily on broker-dealer from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds & notes are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Senior Loans Senior Loans generally are valued by independent pricing services based on the average of quoted prices received from multiple dealers or valued relative to other benchmark securities when broker-dealer quotes are unavailable. These quoted prices are based on interest rates, yield curves, option adjusted spreads, credit spreads and/or other criteria. To the extent that these inputs are observable, the values of Senior Loans are

categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

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

(c) Investment Transactions and Investment Income

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on the identified cost basis. Interest income adjusted for the accretion of discount and amortization of premium is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized, respectively, to interest income. Conversion premium is not amortized. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, and then are recorded as soon after the ex-dividend date as the Fund, using reasonable diligence, becomes aware of such dividends. Payments received on synthetic convertible securities are generally included in dividends.

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1. Organization and Significant Accounting Policies (continued)

Facility fees and other fees (such as origination fees) received on settlement date are amortized as income over the expected term of the senior loan. Consent fees relating to corporate actions and facility fees and other fees received after settlement date relating to senior loans and commitment fees received relating to unfunded purchase commitments are recorded as miscellaneous income upon receipt. Payments received from certain investments may be comprised of dividends, realized gains and return of capital. These payments may initially be recorded as dividend income and may subsequently be reclassified as realized gains and/or return of capital upon receipt of information from the issuer. Payments considered return of capital reduce the cost basis of the respective security. Expenses are recorded on an accrual basis.

(d) Federal Income Taxes

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

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Funds, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity

is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. In accordance with provisions set forth under U.S. GAAP, the Investment Manager has reviewed the Funds' tax positions for all open tax years. As of July 31, 2016, the Funds have recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions they have taken. The Funds' federal tax returns for the prior three years, as applicable, remain subject to examination by the Internal Revenue Service.

(e) Dividends and Distributions to Shareholders

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

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1. Organization and Significant Accounting Policies (continued)

accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions to shareholders from return of capital. At July 31, 2016, it is anticipated that Dividend, Interest & Premium Strategy will have a return of capital at fiscal year-end.

(f) Convertible Securities

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

(g) Senior Loans

The Funds may purchase assignments of, and participations in, Senior Loans originated, negotiated and structured by a U.S. or foreign commercial bank, insurance company, finance company or other financial institution for a lending syndicate of financial institutions (the

Lender). When purchasing an assignment, the Funds succeed to all the rights and obligations under the loan agreement with the same rights and obligations as the assigning Lender. Assignments may, however, be arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assigning Lender. The Funds may also enter into lending arrangements involving unfunded loan commitments, which are contractual obligations for future funding. Unfunded loan commitments may include revolving credit facilities, which may obligate the Funds to supply additional cash to the borrower on demand. Unfunded loan commitments represent a future obligation in full, even though a percentage of the principal amounts will never be utilized by the borrower.

The Funds may purchase the securities of distressed companies, including companies engaged in restructurings or bankruptcy proceedings. Investments in distressed companies may include senior obligations of an issuer issued in connection with a restructuring under Chapter 11 of the U.S. Bankruptcy Code (commonly known as debtor-in-possession or DIP financings). Debtor-in-possession financings generally allow the issuer to continue its operations while reorganizing. Such financings constitute senior liens on unencumbered collateral (*i.e.*, collateral not subject to other creditors' claims). There is risk that the issuer under a debtor-in-possession financing will not

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1. Organization and Significant Accounting Policies (continued)

emerge from Chapter 11 and be forced to liquidate its assets under Chapter 7 of the U.S. Bankruptcy Code. In the event of liquidation, the Funds only recourse would be against the collateral securing the debtor-in possession financing.

(h) Payment In-Kind Securities

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

(i) Warrants

The Funds may receive warrants. Warrants are securities that are usually issued together with a debt security or preferred stock and that give the holder the right to buy a proportionate amount of common stock at a specified price. Warrants are freely transferable and are often traded on major exchanges. Warrants normally have a life that is measured in years and entitle the holder to buy common stock of a company at a price that is usually higher than the market price at the time the warrant is issued. Warrants may entail greater risks than certain other types of investments. Generally, warrants do not carry the right to receive dividends or exercise voting rights with respect to the underlying securities, and they do not represent any rights in the assets of the issuer. In addition, their value does not necessarily

change with the value of the underlying securities, and they cease to have value if they are not exercised on or before their expiration date. If the market price of the underlying stock does not exceed the exercise price during the life of the warrant, the warrant will expire worthless. Warrants may increase the potential profit or loss to be realized from the investment as compared with investing the same amount in the underlying securities. Similarly, the percentage increase or decrease in the value of an equity security warrant may be greater than the percentage increase or decrease in the value of the underlying common stock. Warrants may relate to the purchase of equity or debt securities. Debt obligations with warrants attached to purchase equity securities have many characteristics of convertible securities and their prices may, to some degree, reflect the performance of the underlying stock. Debt obligations also may be issued with warrants attached to purchase additional debt securities at the same coupon rate. A decline in interest rates would permit the Funds to sell such warrants at a profit. If interest rates rise, these warrants would generally expire with no value.

(j) Short Sales

Short sale transactions involve the Funds selling securities they do not own in anticipation of a decline in the market price of the securities. The Funds are obligated to deliver securities at the market price at the time the short position is closed. Possible losses from short sales may be unlimited, whereas losses from purchases cannot exceed the total amount invested. There were no open short sales at July 31, 2016.

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1. Organization and Significant Accounting Policies (continued)

(k) Statement of Cash Flows

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

(l) Loan Interest Expense

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

(m) Contingent Value Rights

A Fund may invest in contingent value rights (CVRs). A CVR gives the holder the right to receive an amount (which may be a fixed amount or determined by a formula) in the event that a specified corporate action, business milestone, or other trigger occurs (or does not occur) which is often subject to an expiration date. CVRs often are awarded to shareholders in the context of a corporate

acquisition or major restructuring. For example, shareholders of an acquired company may receive a CVR that enables them to receive additional shares of the acquiring company in the event that the acquiring company's share price falls below a certain level by a specified date. Risks associated with the use of CVRs are generally similar to risks associated with the use of options, such as the risk that the required trigger does not (or does) occur prior to a CVR's expiration, causing the CVR to expire with no value. CVRs also present illiquidity risk, as they may not be registered securities or may otherwise be non-transferable or difficult to transfer, as well as counterparty risk and credit risk. Further, because CVRs are valued based on the likelihood of the occurrence of a trigger, valuation often requires modeling and judgment, which increases the risk of mispricing or improper valuation.

2. Principal Risks

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

Interest rate risk is the risk that fixed income securities' valuations will change because of changes in interest rates. During periods of rising nominal interest rates, the values of fixed income instruments are generally expected to decline. Conversely, during periods of

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2. Principal Risks (continued)

declining nominal interest rates, the values of fixed income instruments are generally expected to rise. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. Duration is used primarily as a measure of the sensitivity of a fixed income security's market price to interest rate (*i.e.*, yield) movements. Interest rate changes can be sudden and unpredictable, and a Fund may lose money as a result of movements in interest rates. A Fund may not be able to hedge against changes in interest rates or may choose not to do so for cost or other reasons. In addition, any hedges may not work as intended.

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

The market values of securities may decline due to general market conditions (market risk) which are not specifically related to a particular company, such as real or perceived adverse economic conditions, adverse changes in the general outlook for corporate earnings,

changes in interest or currency rates, adverse changes to credit markets or adverse investor sentiment. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity-related investments generally have greater market price volatility than fixed income securities, although under certain market conditions fixed income securities may have comparable or greater price volatility. Credit ratings downgrades may also negatively affect securities held by a Fund. Even when markets perform well, there is no assurance that the investments held by a Fund will increase in value along with the broader market. In addition, market risk includes the risk that geopolitical events will disrupt the economy on a national or global level.

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

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2. Principal Risks (continued)

purchase once the securities have been delivered by the counterparty. The trade will fail if either party fails to meet its obligation.

The Funds are e