

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

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

**FORM N-Q**

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

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

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Investment Company Act File Number: 811-21284

Registrant Name: Nicholas-Applegate Convertible & Income Fund

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

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

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

Date of Fiscal Year End: 2/28/06

Date of Reporting Period: 11/30/05

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

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

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

November 30, 2005 (unaudited)

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

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

**Nicholas-Applegate Convertible & Income Fund Schedule of Investments**

November 30, 2005 (unaudited)

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

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

**Nicholas-Applegate Convertible & Income Fund Schedule of Investments**

November 30, 2005 (unaudited)

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

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

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November 30, 2005 (unaudited)

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



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

**Nicholas-Applegate Convertible & Income Fund Schedule of Investments**

November 30, 2005 (unaudited)

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

**U.S. GOVERNMENT SECURITIES 2.5%**

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

**COMMON STOCK 1.0%**

| Shares<br>(000)       |   |  |            |
|-----------------------|---|--|------------|
| <b>Insurance 1.0%</b> |   |  |            |
| 498                   | Platinum Underwriters Holdings Ltd. (cost-\$15,661,118) |  | 15,184,066 |

**SHORT-TERM INVESTMENTS 2.7%**

Principal  
Amount  
(000)

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

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**Notes to Schedule of Investments**

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

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

Interest rate cap agreements outstanding at November 30, 2005:

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

LIBOR  London Interbank Offered Rate

**Item 2. Controls and Procedures**

(a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls or in factors that could affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

**Item 3. Exhibits**

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

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: Nicholas-Applegate Convertible & Income Fund

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

Date: January 25, 2006

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

Date: January 25, 2006

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

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

Date: January 25, 2006

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

Date: January 25, 2006

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