

TIMELY INFORMATION INSIDE

CALAMOS[®]
INVESTMENTS

Dynamic Convertible and Income Fund (CCD)

SEMIANNUAL REPORT APRIL 30, 2018



GO PAPERLESS
SIGN UP FOR E-DELIVERY

Visit www.calamos.com/FundInvestor/GoPaperless to enroll. You can view shareholder communications, including fund prospectuses, annual reports and other shareholder materials online long before the printed publications arrive by traditional mail.

CALAMOS[®]

INVESTMENTS

Experience and Foresight

About Calamos Investments

For over 40 years, we have helped investors like you manage and build wealth to meet their long-term individual objectives by working to capitalize on the opportunities of the evolving global marketplace. We launched our first mutual fund in 1985 and our first closed-end fund in 2002. Today, we manage six closed-end funds. Three are total-return oriented offerings, which seek current income, with increased emphasis on capital gains potential. Three are enhanced fixed income offerings, which pursue high current income from income and capital gains. Calamos Dynamic Convertible and Income Fund (CCD) falls into the former category. Please see page 5 for a more detailed overview of our closed-end offerings.

We are dedicated to helping our clients build and protect wealth. We understand when you entrust us with your assets, you also entrust us with your achievements, goals and aspirations. We believe we best honor this trust by making investment decisions guided by integrity, by discipline, and by our conscientious research.

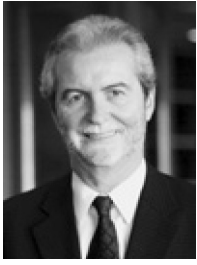
We believe an active, risk-conscious approach is essential for wealth creation. In the 1970s, we pioneered strategies that seek to participate in equity market upside and mitigate some of the potential risks of equity market volatility. Our investment process seeks to manage risk at multiple levels and draws upon our experience investing through multiple market cycles.

We have a global perspective. We believe globalization offers tremendous opportunities for countries and companies all over the world. In our view, this creates significant opportunities for investors. In our U.S., global and international portfolios, we are seeking to capitalize on the potential growth of the global economy.

We believe there are opportunities in all markets. Our history traces back to the 1970s, a period of significant volatility and economic concerns. We have invested through multiple market cycles, each with its own challenges. Out of this experience comes our belief that the flipside of volatility is opportunity.

TABLE OF CONTENTS

Letter to Shareholders	1
The Calamos Closed-End Funds: An Overview	5
Investment Team Discussion	6
Schedule of Investments	10
Statement of Assets and Liabilities	25
Statement of Operations	26
Statements of Changes In Net Assets	27
Statement of Cash Flows	28
Notes to Financial Statements	29
Financial Highlights	37
Report of Independent Registered Public Accounting Firm	38
About Closed-End Funds	39
Managed Distribution Policy	40
Automatic Dividend Reinvestment Plan	40



JOHN P. CALAMOS, SR.
Founder, Chairman
and Global Chief
Investment Officer

Dear Fellow Shareholder:

Welcome to your semiannual report for the six-month period ended April 30, 2018. In this report, you will find commentary from the Calamos portfolio management team, as well as a listing of portfolio holdings, financial statements and highlights, and detailed information about the performance and positioning of this Calamos Fund. I encourage you to review this information carefully.

Calamos Dynamic Convertible and Income Fund is a total-return fund in which the investment team utilizes dynamic asset allocation to pursue high current income with less rate sensitivity while also focusing on capital gains. We believe the flexibility to invest in high yield corporate bonds and convertible securities is an important differentiator, especially given political, fiscal and monetary policy unknowns, and their potential impact on interest rates and the fixed income market. To help generate income and attempt to achieve a more favorable risk/reward profile, we also have the flexibility to sell options on the underlying equities of the convertible holdings.

Distribution

During the period, the Fund provided a compelling monthly distribution of \$0.1670 per share. We believe the Fund's current annualized distribution rate, which was 9.80%* on a market price basis as of April 30, 2018, was very competitive, given the low interest rates in many segments of the bond market. In our view, the Fund's distributions illustrate the benefits of a multi-asset class approach and flexible allocation strategy.

We understand that many closed-end fund investors seek steady, predictable distributions instead of distributions that fluctuate. Therefore, this Fund has a managed distribution policy. As part of this policy, we aim to keep distributions consistent from month to month, and at a level that we believe can be sustained over the long term. In setting

* Current Annualized Distribution Rate is the Fund's most recent distribution, expressed as an annualized percentage of the Fund's current market price per share. The Fund's 4/30/18 distribution was \$0.1670 per share. Based on our current estimates, we anticipate that approximately \$0.1013 is paid from ordinary income or capital gains and that approximately \$0.0657 represents a return of capital. Estimates are calculated on a tax basis rather than on a generally accepted accounting principles (GAAP) basis, but should not be used for tax reporting purposes. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. This information is not legal or tax advice. Consult a professional regarding your specific legal or tax matters. Under the Fund's managed distribution policy, distributions paid to common shareholders may include net investment income, net realized short-term capital gains and return of capital. When the net investment income and net realized short-term capital gains are not sufficient, a portion of the distribution will be a return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. The distribution rate may vary.

the Fund's distribution rate, the investment management team and the Fund's Board of Trustees consider the interest rate, market and economic environment. We also factor in our assessments of individual securities and asset classes.

Market Review

The semiannual period was characterized by two distinct environments, and in particular, the return of volatility to the markets in January. Through the final months of 2017, U.S. and global stock markets advanced briskly as investors focused on positive global economic growth trends, low inflation, deregulation and anticipation of tax reform. However, the climate changed in 2018. Although economic fundamentals remained compelling around the world, market participants became distracted by the potential for more Federal Reserve hikes and rising inflation. After many years of subdued volatility and record-low interest rates, the stock market became increasingly turbulent as the period progressed.¹ Fixed income asset classes also encountered headwinds.^{2,3} Convertible securities, in contrast, demonstrated resilience in the choppy markets, illustrating the potential benefits of their unique structural characteristics.⁴

Outlook

We believe positive economic conditions and corporate fundamentals can support a continuation of the bull market in stocks, as well as opportunities across asset classes. Global economic data is positive on the whole. GDP growth has continued at a good pace in the U.S., and tax reform and deregulation can provide further catalysts from here. The U.S. consumer has benefitted from job growth, wage gains and rising housing values. Corporate fundamentals—including earnings, sales and revenue growth—are very strong. Inflation has increased but is coming off historically low levels and remains contained. As economic growth continues, we expect the Fed to maintain its course of raising short-term interest rates gradually. This slow pace, combined with conditions in the broader global bond markets, may help keep longer-term U.S. rates from rising unchecked.

Although economic conditions are favorable, managing volatility will be key to succeeding in this environment. Evolving trade policies, uncertainties around North Korea and Russia, and U.S. mid-term elections will likely contribute to short-term market disruptions over coming months. An extended trade war could be an economic headwind, but we do not see this as the probable outcome. We are hopeful that moves by the U.S. over recent months can set the stage for negotiations that lead to freer and fairer trade over the long term.

Thoughts for Investors

The stock market's gyrations, rising interest rates and signs of inflation have unsettled many investors. However, if we look back over longer periods, the environment we are seeing today is actually more normal than those of the past few years, when volatility, interest rates and inflation were exceptionally low.

In this more typical environment, we believe there are many opportunities for active and risk-aware approaches. Our investment professionals remain vigilant to avoiding unintended risks in the Fund. They are also working together to turn short-term volatility into opportunities for the shareholders in the Fund. Our ability to respond to changing market conditions will be especially important given the many crosscurrents we see.

In Closing

More than 40 years of experience supports my belief that investors are best served by maintaining a long-term approach. Fast moving markets can increase the temptation to make short-term moves. But as I've noted in the past, there's no way to predict with certainty the daily twists and turns. Far too often, trying to time the ups and downs leaves investors capturing the downside and missing the upside. Instead, *I encourage you to work with your financial advisor to create a well-diversified asset allocation that meets your financial goals.* By blending an array of funds—including stocks, convertibles, alternative and fixed income strategies—investors may be better positioned to achieve their long-term goals.

I am confident that the Fund is well equipped to navigate the course ahead. Since our earliest days as an asset manager, we have sought to provide innovative strategies for managing risk and enhancing returns. While others may be discouraged by these more choppy markets, we welcome the return of more normal levels of volatility and the opportunities it will bring for our active approach.

I hope that you find this report informative, and I invite you to visit our website www.calamos.com for additional resources. All of us at Calamos Investments thank you for your continued trust. It is truly an honor to help you achieve your financial goals.

Sincerely,



John P. Calamos, Sr.
Founder, Chairman and Global Chief Investment Officer

Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. Please see the prospectus containing this and other information or call 800.582.6959. Please read the prospectus carefully. Performance data represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. Opinions are as of the publication date, subject to change and may not come to pass. Information is for informational purposes only and shouldn't be considered investment advice.

- ¹ The MSCI All Country World Index is a measure of global stock market performance, which returned 3.83% for the six-month period ending April 30, 2018. The MSCI World Index is a market-capitalization weighted index composed of companies representative of the market structure of developed market countries in North America, Europe and the Asia/Pacific region. For the six-month period ended, the index returned 3.68%. The S&P 500 Index is an unmanaged index generally considered representative of the U.S. stock market. For the six-month period, the index returned 3.82%. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index considered broadly representative of emerging market equity performance. The index represents companies within the constituent emerging markets that are available to investors worldwide, and it returned 4.93% for the six-month period ended April 30, 2018.
- ² The Bloomberg Barclays U.S. Aggregate Bond Index is considered generally representative of the investment-grade bond market. For the six-month period ending April 30, 2018, the index returned -1.87%.
- ³ The Credit Suisse U.S. High Yield Index is an unmanaged index of high yield debt securities, which returned -0.16% for the six-month period ending April 30, 2018.
- ⁴ The ICE BofAML All U.S. Convertibles ex-Mandatory Index represents the U.S. convertible securities market excluding mandatory convertibles. The index returned 2.34% for the six-month period ending April 30, 2018. The ICE BofAML Global 300 Convertible Index is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region. The index returned 3.95% for the six-month period ended April 30, 2018.

Sources: Lipper, Inc.

Unmanaged index returns assume reinvestment of any and all distributions and, unlike fund returns, do not reflect fees, expenses or sales charges. Investors cannot invest directly in an index. Investments in overseas markets pose special risks, including currency fluctuation and political risks. These risks are generally intensified for investments in emerging markets. Countries, regions, and sectors mentioned are presented to illustrate countries, regions, and sectors in which a fund may invest. Fund holdings are subject to change daily. The Funds are actively managed.

The information contained herein is based on internal research derived from various sources and does not purport to be statements of all material facts relating to the securities mentioned. The information contained herein, while not guaranteed as to accuracy or completeness, has been obtained from sources we believe to be reliable. There are certain risks involved with investing in convertible securities in addition to market risk, such as call risk, dividend risk, liquidity risk and default risk, that should be carefully considered prior to investing. This information is being provided for informational purposes only and should not be considered investment advice or an offer to buy or sell any security in the portfolio. Investments in alternative strategies may not be suitable for all investors.

This report is intended for informational purposes only and should not be considered investment advice.

The Calamos Closed-End Funds: An Overview

In our closed-end funds, we draw upon decades of investment experience, including a long history of opportunistically blending asset classes in an attempt to capture upside potential while seeking to manage downside risk. We launched our first closed-end fund in 2002.

Closed-end funds are long-term investments. Most focus on providing monthly distributions, but there are important differences among individual closed-end funds. Calamos closed-end funds can be grouped into multiple categories that seek to produce income while offering exposure to various asset classes and sectors.

Portfolios Positioned to Pursue High Current Income from Income and Capital Gains

OBJECTIVE: U.S. ENHANCED FIXED INCOME

Calamos Convertible Opportunities and Income Fund
(Ticker: CHI)

Invests in high yield and convertible securities, primarily in U.S. markets

Calamos Convertible and High Income Fund
(Ticker: CHY)

Invests in high yield and convertible securities, primarily in U.S. markets

OBJECTIVE: GLOBAL ENHANCED FIXED INCOME

Calamos Global Dynamic Income Fund
(Ticker: CHW)

Invests in global fixed income securities, alternative investments and equities

Portfolios Positioned to Seek Current Income, with Increased Emphasis on Capital Gains Potential

OBJECTIVE: GLOBAL TOTAL RETURN

Calamos Global Total Return Fund
(Ticker: CGO)

Invests in equities and higher-yielding convertible securities and corporate bonds, in both U.S. and non-U.S. markets

OBJECTIVE: U.S. TOTAL RETURN

Calamos Strategic Total Return Fund
(Ticker: CSQ)

Invests in equities and higher-yielding convertible securities and corporate bonds, primarily in U.S. markets

Calamos Dynamic Convertible and Income Fund
(Ticker: CCD)

Invests in convertibles and other fixed income securities

Our Managed Distribution Policy

Closed-end fund investors often seek a steady stream of income. Recognizing this important need, Calamos closed-end funds adhere to a managed distribution policy in which we aim to provide consistent monthly distributions through the disbursement of the following:

- Net investment income
- Net realized short-term capital gains
- Net realized long-term capital gains
- And, if necessary, return of capital

We set distributions at levels that we believe are sustainable for the long term. Our team focuses on delivering an attractive monthly distribution, while maintaining a long-term emphasis on risk management. The level of the funds' distributions can be greatly influenced by market conditions, including the interest rate environment, the individual performance of securities held by the funds, our view of retaining leverage, fund tax considerations, and regulatory requirements.

You should not draw any conclusions about the Fund's investment performance from the amount of this distribution or from the terms of the Fund's plan. The Fund's Board of Trustees may amend or terminate the managed distribution policy at any time without prior notice to the Fund's shareholders.

For more information about any Calamos closed-end funds, we encourage you to contact your financial advisor or Calamos Investments at 800.582.6959 (Monday through Friday from 8:00 a.m. to 6:00 p.m., Central Time). You can also visit us at www.calamos.com.

TOTAL RETURN* AS OF 4/30/18

Common Shares – Inception 3/27/15

	6 Months	1 Year	Since Inception**
On Market Price	4.79%	15.35%	3.32%
On NAV	2.35%	10.70%	4.95%

* Total return measures net investment income and net realized gain or loss from Fund investments, and change in net unrealized appreciation and depreciation, assuming reinvestment of income and net realized gains distributions.
 ** Annualized since inception.

SECTOR WEIGHTINGS

Information Technology	28.9%
Health Care	17.2
Consumer Discretionary	13.5
Financials	12.5
Industrials	8.0
Energy	7.7
Real Estate	2.8
Telecommunication Services	2.7
Utilities	2.6
Materials	1.7
Consumer Staples	0.6
Other	0.5

Sector Weightings are based on managed assets and may vary over time. Sector Weightings exclude any government/sovereign bonds or options on broad market indexes the Fund may hold.

DYNAMIC CONVERTIBLE AND INCOME FUND (CCD)
INVESTMENT TEAM DISCUSSION

Please discuss the Fund’s strategy and role within an asset allocation framework.

Calamos Dynamic Convertible and Income Fund (CCD) is a total-return-oriented offering that seeks to provide a steady stream of income paid out on a monthly basis. We invest in a diversified portfolio of convertible and high yield securities. The allocation to each asset class is dynamic, and reflects our view of the economic landscape as well as the potential of individual securities. By combining these asset classes, we believe that we are well positioned long term to generate capital gains as well as income. The dynamic allocation of security types provides us with opportunities to manage the risk/reward characteristics of the portfolio over full market cycles.

Through this approach, we seek to offer investors an attractive monthly distribution. The product provides an alternative to funds investing exclusively in investment-grade fixed-income instruments. It seeks to be less sensitive to interest rates, while providing equity exposure through the use of convertibles. Like all six Calamos closed-end funds, the Fund seeks to provide a steady stream of distributions paid out on a monthly basis by investing in multiple asset classes.

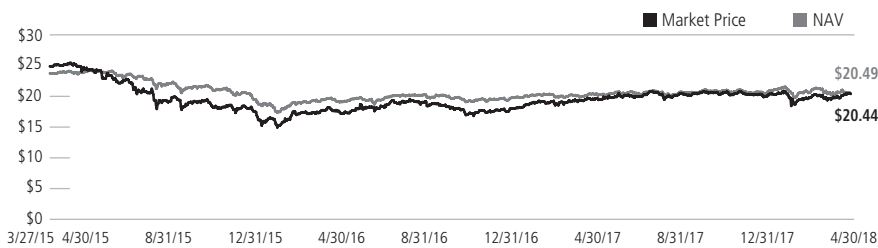
We seek companies with respectable balance sheets, reliable debt servicing and good prospects for sustainable growth. While we invest primarily in securities of U.S. issuers, we favor companies that are actively participating in globalization with geographically diversified revenue streams and global-scale business strategies.

How did the Fund perform over the reporting period?

The Fund increased 2.35% on a net asset value (NAV) basis and 4.79% on a market price basis for the six-month period ended April 30, 2018, versus a gain of 2.11% for the ICE BofAML All U.S. Convertibles Index over the same period.

At the end of the reporting period, the Fund’s shares traded at a -0.24% discount to net asset value.

SINCE INCEPTION MARKET PRICE AND NAV HISTORY THROUGH 4/30/18



Performance data quoted represents past performance, which is no guarantee of future results. Current performance may be lower or higher than the performance quoted. The principal value of an investment will fluctuate so that your shares, when sold, may be worth more or less than their original cost. Returns at NAV reflect the deduction of the Fund's management fee, debt leverage costs and all other applicable fees and expenses. You can obtain performance data current to the most recent month end by visiting www.calamos.com.

How do NAV and market price return differ?

Closed-end funds trade on exchanges, where the price of shares may be driven by factors other than the value of the underlying securities. The price of a share in the market is called market value. Market price may be influenced by factors unrelated to the performance of the fund's holdings, such as general market sentiment or future expectation. A fund's NAV return measures the actual return of the individual securities in the portfolio, less fund expenses. It also measures how a manager was able to capitalize on market opportunities. Because we believe closed-end funds are best utilized long term within asset allocations, we believe that NAV return is the better measure of a fund's performance. However, when managing the Fund, we strongly consider actions and policies that we believe will optimize its overall price performance and market value return.

Please discuss the Fund's distributions during the reporting period.

We employ a managed distribution policy* within this Fund with the goal of providing shareholders a consistent distribution stream. In each month of the period, the Fund distributed \$0.167 per share, resulting in a current annualized distribution rate of 9.80% of market price as of April 30, 2018.

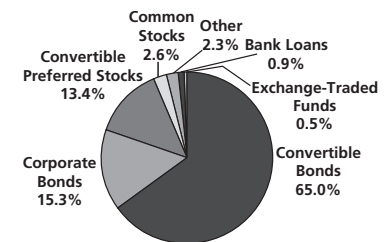
We believe that both the Fund's distribution rate and level remained attractive and competitive, as low interest rates limited yield opportunities in much of the marketplace. For example, as of April 30, 2018, the dividend yield of S&P 500 Index stocks averaged approximately 2.11%.† Yields also were still relatively low within the U.S. government bond market, with the 10-year U.S. Treasury and 30-year U.S. Treasury yielding 2.95% and 3.11%, respectively.‡

* Under the Fund's managed distribution policy, distributions paid to common shareholders may include net investment income, net realized short-term capital gains and return of capital. When the net investment income and net realized short-term capital gains are not sufficient, a portion of the distribution will be a return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. The distribution rate may vary.

† Source: Calamos Investments

‡ Source: U.S. Department of the Treasury

ASSET ALLOCATION AS OF 4/30/18



Fund asset allocations are based on total investments and may vary over time.

What factors influenced performance over the reporting period?

Improvements in the convertible bond markets contributed to the Fund's strong performance over the period. The convertible bond market, as measured by the ICE BofAML All U.S. Convertibles Index, returned 2.11% during the period. Issuance was strong during the six months, which presented us with a broad selection of investment opportunities.

The Fund's attractive share price relative to the NAV earlier in the period served as an enticement to many investors and enhanced price performance.

In terms of economic sectors, our selection in health care (biotechnology) was helpful to performance relative to the index. Our selection in information technology (application software) was also additive.

Our selection in financials (consumer finance) detracted from performance. In addition, our allocation in industrials (construction machinery & heavy trucks) was a hindrance.

How is the Fund positioned?

We continue to hold our highest allocation of rated securities in the BB-credit tier, as we believe this exposure will offer investors a better risk/reward dynamic while continuing to provide regular income. From an economic sector perspective, our heaviest exposures are in the information technology, health care and consumer discretionary sectors. We believe that these sectors should perform well given where we are in the economic recovery cycle and based on current demographic trends. We continue to maintain significant positions in convertible securities, which we believe can provide income, benefit from a rising equity market, and manage overall portfolio risk. As of April 30, 2018, 79% our portfolio was invested in convertible securities. We believe this representation will enable our shareholders to take advantage of opportunities in the general equity markets, in a risk managed way.

The average credit quality of the portfolio is higher than that of the ICE BofAML All U.S. Convertibles Index. This is typical for the Fund, as our credit assessment process tends to guide us away from the most speculative corporate securities. That said, we do selectively invest in lower-credit securities when we believe the risk/return dynamics are favorable for our investors.

Additionally, where the risk/reward is compelling, we are investing in global businesses with the ability to seek the best opportunities around the world and diversify their revenue streams. Overall, we believe our selection of companies are performing well fundamentally, earning attractive cash flow margins and improving their credit profiles, while utilizing reasonable debt levels to fund their operations.

We believe this environment is conducive to the prudent use of leverage as a means of enhancing total return and supporting the Fund's distribution rate. In spite of a cost increase due to rising interest rates, our use of leverage over the period enjoyed a favorable reinvestment dynamic. As of April 30, 2018, our amount of leveraged assets was approximately 33%.

What are your closing thoughts for Fund shareholders?

Given our outlook for a continued period of economic growth, we favor quality growth companies that are participating in the global economy. We emphasize investments in companies with solid cash-flow generation and stronger balance sheets. From a thematic and sector perspective, we see opportunities in the technology sector, consumer discretionary companies tied to global consumption, and companies positioned to benefit from improving economic fundamentals. We are also optimistic about financials, as we believe financial companies are favorably valued and positioned to grow revenues in a rising-interest-rate/reflationary environment. We are cautious about companies in the consumer staples sector, as we believe they may be fully valued because investors are attracted to those stocks for income rather than growth. We are selective regarding companies in the health care sector, favoring those that are more product-growth oriented versus price driven. We believe our active, risk-managed investment approach positions us to take advantage of the volatility and opportunities in global equities and convertible securities. We emphasize risk-managed returns, especially as we expect increased volatility in markets going forward into 2018.

We believe that investing in convertibles provides a means to participate in a portion of equity market upside while procuring a degree of downside protection. We also believe exposure to equity-sensitive convertibles will allow the Fund to optimize total return. We are encouraged by the issuance of new convertibles, which provide broad investment opportunities throughout the space. Our dynamic allocation mandate allows us to deploy assets over different asset classes to benefit our shareholders. Accordingly, we believe that active management in the convertible and high yield asset classes is essential to achieving desirable risk-managed results over time.

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
CORPORATE BONDS (22.3%)					
Consumer Discretionary (4.2%)					
263,000	AV Homes, Inc. 6.625%, 05/15/22	\$ 270,409	268,000	PetSmart, Inc.*^ 5.875%, 06/01/25	\$ 193,249
341,000	Beverages & More, Inc.* 11.500%, 06/15/22	311,868	63,000	8.875%, 06/01/25	36,810
653,000	CCO Holdings, LLC / CCO Holdings Capital Corp. 5.125%, 05/01/27*	612,687	701,000	Rite Aid Corp. 7.700%, 02/15/27	611,170
278,000	5.750%, 09/01/23	281,845	205,000	6.125%, 04/01/23*^	209,098
136,000	5.000%, 02/01/28*	125,342	594,000	Salem Media Group, Inc.* 6.750%, 06/01/24	564,351
560,000	Century Communities, Inc. 5.875%, 07/15/25	535,447	463,000	Sally Holdings, LLC / Sally Capital, Inc.^ 5.625%, 12/01/25	453,117
356,000	CRC Escrow Issuer, LLC*^ 5.250%, 10/15/25	340,425	341,000	Sotheby's*^ 4.875%, 12/15/25	328,640
2,435,000	Dana Financing Luxembourg Sarl* 6.500%, 06/01/26	2,537,307	268,000	VOC Escrow, Ltd.*μ 5.000%, 02/15/28	259,646
492,000	DISH DBS Corp.^ 6.750%, 06/01/21	490,770			20,748,311
482,000	5.875%, 11/15/24	412,112	Consumer Staples (0.8%)		
307,000	7.750%, 07/01/26	280,019	351,000	Albertsons Companies, LLC / Safeway, Inc. / New Albertson's, Inc. / Albertson's, LLC	306,772
614,000	Eldorado Resorts, Inc. 6.000%, 04/01/25	608,987	390,000	Fresh Market, Inc.*^ 9.750%, 05/01/23	221,144
974,000	ESH Hospitality, Inc.* 5.250%, 05/01/25	953,483	1,792,000	JBS USA LUX SA / JBS USA Finance, Inc.* 7.250%, 06/01/21	1,814,069
244,000	GameStop Corp.*^ 6.750%, 03/15/21	248,462	468,000	6.750%, 02/15/28	449,917
282,000	goeasy, Ltd.*μ 7.875%, 11/01/22	300,568	312,000	New Albertson's, Inc. 7.450%, 08/01/29	254,105
974,000	Goodyear Tire & Rubber Company 8.750%, 08/15/20	1,082,484	166,000	8.000%, 05/01/31	138,276
170,000	Guitar Center Escrow Issuer, Inc.* 9.500%, 10/15/21	166,014	88,000	7.750%, 06/15/26	77,270
331,000	Horizon Pharma, Inc. / Horizon Pharma USA, Inc.*^ 8.750%, 11/01/24	353,776	463,000	Pilgrim's Pride Corp.* 5.875%, 09/30/27	442,836
1,086,000	L Brands, Inc.^μ 6.875%, 11/01/35	1,027,747	136,000	5.750%, 03/15/25	133,662
341,000	M/I Homes, Inc. 5.625%, 08/01/25	328,663	317,000	Post Holdings, Inc.*^ 5.750%, 03/01/27	310,091
687,000	Mattel, Inc.*^ 6.750%, 12/31/25	670,684	68,000	5.625%, 01/15/28	65,102
317,000	Mclaren Finance, PLC* 5.750%, 08/01/22	319,005			4,213,244
390,000	Meritage Homes Corp.*μ 6.000%, 06/01/25	402,094	Energy (2.6%)		
3,897,000	MGM Resorts International^ 6.750%, 10/01/20	4,145,025	102,000	Berry Petroleum Company, LLC*^ 7.000%, 02/15/26	104,537
1,422,000	Neiman Marcus Group Ltd., LLC* 8.000%, 10/15/21	969,242	331,000	Buckeye Partners, LP^‡ 6.375%, 01/22/78	323,890
326,000	Penske Automotive Group, Inc.^ 5.500%, 05/15/26	317,765	536,000	3 mo. USD LIBOR + 4.02%	533,328
			414,000	Calfrac Holdings, LP* 7.500%, 12/01/20	533,328
			278,000	California Resources Corp.*^ 8.000%, 12/15/22	356,586
			167,000	Carrizo Oil & Gas, Inc. 8.250%, 07/15/25	298,540
				6.250%, 04/15/23^	171,572

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
346,000	Chesapeake Energy Corp.*^ 8.000%, 01/15/25	\$ 336,312	341,000	QEP Resources, Inc.^ 5.625%, 03/01/26	\$ 329,004
63,000	CONSOL Energy, Inc.* 11.000%, 11/15/25	66,516	633,000	SESI, LLC* 7.750%, 09/15/24	658,823
73,000	CrownRock, LP / CrownRock Finance, Inc.* 5.625%, 10/15/25	72,514	146,000	SM Energy Company 6.750%, 09/15/26	149,117
648,000	DCP Midstream Operating, LP*‡ 5.850%, 05/21/43 3 mo. USD LIBOR + 3.85%	618,111	282,000	Southwestern Energy Company^ 7.500%, 04/01/26	288,706
132,000	DCP Midstream, LP^‡ 7.375%, 12/15/22 3 mo. USD LIBOR + 5.15%	130,904	219,000	Sunoco, LP / Sunoco Finance Corp.* 5.500%, 02/15/26	213,034
219,000	Denbury Resources, Inc.*^ 9.250%, 03/31/22	228,628	68,000	Targa Resources Partners, LP / Targa Resources Partners Finance Corp.*μ 5.875%, 04/15/26	67,754
136,000	Diamond Offshore Drilling, Inc.^ 7.875%, 08/15/25	139,895	68,000	TransMontaigne Partners, LP / TLP Finance Corp. 6.125%, 02/15/26	68,183
619,000	Energy Transfer Equity, LPμ 5.500%, 06/01/27	618,192	326,000	Transocean, Inc.*^ 7.500%, 01/15/26	331,591
731,000	Energy Transfer Partners, LPμ‡ 5.376%, 11/01/66 3 mo. USD LIBOR + 3.02%	646,050	341,000	Vine Oil & Gas, LP / Vine Oil & Gas Finance Corp.* 8.750%, 04/15/23	321,461
511,000	Enterprise Products Operating, LLC‡ 4.875%, 08/16/77^ 3 mo. USD LIBOR + 2.99%	498,976	716,000	Weatherford International, Ltd.^ 8.250%, 06/15/23	676,172
132,000	5.375%, 02/15/78μ 3 mo. USD LIBOR + 2.57%	124,667	326,000	Whiting Petroleum Corp.*^ 6.625%, 01/15/26	335,302
341,000	Genesis Energy, LP / Genesis Energy Finance Corp. 6.500%, 10/01/25^	334,824	409,000	WildHorse Resource Development Corp. 6.875%, 02/01/25	418,252
341,000	6.250%, 05/15/26	325,773	136,000	6.875%, 02/01/25*	139,021
497,000	Gulfport Energy Corp.^ 6.375%, 05/15/25	478,360			12,818,410
638,000	Halcon Resources Corp.^ 6.750%, 02/15/25	638,482		Financials (2.9%)	
141,000	Lonestar Resources America, Inc.* 11.250%, 01/01/23	142,590	662,000	Acrisure, LLC / Acrisure Finance, Inc.* 7.000%, 11/15/25	626,451
136,000	McDermott Escrow 1, Inc. / McDermott Escrow 2, Inc.* 10.625%, 05/01/24	137,358	1,042,000	Ally Financial, Inc. 8.000%, 11/01/31	1,268,291
331,000	Moss Creek Resources Holdings, Inc.* 7.500%, 01/15/26	333,792	604,000	Ardonagh Midco 3, PLC*^ 8.625%, 07/15/23	632,763
34,000	Nabors Industries, Inc.*μ 5.750%, 02/01/25	32,386	560,000	AssuredPartners, Inc.* 7.000%, 08/15/25	551,922
136,000	Oasis Petroleum, Inc.* 6.250%, 05/01/26	136,000	341,000	Bank of America Corp.μ‡ 5.875%, 03/15/28 3 mo. USD LIBOR + 2.93%	340,886
326,000	Par Petroleum, LLC / Petroleum Finance Corp.* 7.750%, 12/15/25	332,007	341,000	Bank of Nova Scotia^‡ 4.650%, 10/12/22 3 mo. USD LIBOR + 2.65%	322,482
336,000	PDC Energy, Inc.* 5.750%, 05/15/26	338,947	653,000	Charles Schwab Corp.^‡ 5.000%, 12/01/27 3 mo. USD LIBOR + 2.58%	636,789
331,000	Plains All American Pipeline, LP^‡ 6.125%, 11/15/22 3 mo. USD LIBOR + 4.11%	322,253	414,000	CyrusOne, LP / CyrusOne Finance Corp.μ 5.375%, 03/15/27	414,983
			594,000	Dell International, LLC / EMC Corp.*μ 6.020%, 06/15/26	631,092

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
341,000	Beacon Roofing Supply, Inc.* 4.875%, 11/01/25	\$ 322,903	68,000	TriMas Corp.* 4.875%, 10/15/25	\$ 66,338
331,000	Bombardier, Inc.* 7.500%, 12/01/24	348,953	3,897,000	United Continental Holdings, Inc.^ 6.375%, 06/01/18	3,908,223
239,000	Covanta Holding Corp. 5.875%, 03/01/24	236,262	526,000	United Rentals North America, Inc.µ 4.875%, 01/15/28	498,969
360,000	Delphi Technologies, PLC* 5.000%, 10/01/25	347,314	170,000	Waste Pro USA, Inc.* 5.500%, 02/15/26	168,508
360,000	Fly Leasing, Ltd. 5.250%, 10/15/24	350,647			14,190,659
68,000	FXI Holdings, Inc.* 7.875%, 11/01/24	67,539		Information Technology (0.7%)	
1,028,000	Golden Nugget, Inc.* 6.750%, 10/15/24	1,044,777	653,000	Alliance Data Systems Corp.* 5.375%, 08/01/22	657,075
341,000	Gray Television, Inc.*^ 5.875%, 07/15/26	330,525	273,000	Cardtronics, Inc.* 5.500%, 05/01/25	253,554
319,000	Great Lakes Dredge & Dock Corp. 8.000%, 05/15/22	324,983	321,000	CBS Radio, Inc.*^ 7.250%, 11/01/24	326,179
492,000	H&E Equipment Services, Inc. 5.625%, 09/01/25	495,050	341,000	CDK Global, Inc.µ 4.875%, 06/01/27	329,118
341,000	Hertz Corp. 7.375%, 01/15/21	338,207	380,000	Clear Channel Worldwide Holdings, Inc. 7.625%, 03/15/20	381,539
68,000	7.625%, 06/01/22*	69,493	141,000	7.625%, 03/15/20^	141,568
341,000	Icahn Enterprises, LP 6.375%, 12/15/25^	342,620	307,000	CommScope Technologies, LLC* 6.000%, 06/15/25	316,589
339,000	6.750%, 02/01/24µ	347,860	336,000	Harland Clarke Holdings Corp.* 8.375%, 08/15/22	344,304
195,000	James Hardie International Finance, Ltd.*µ 4.750%, 01/15/25	190,183	292,000	Nuance Communications, Inc.µ 5.625%, 12/15/26	291,799
341,000	Jeld-Wen, Inc.* 4.625%, 12/15/25	327,764	360,000	TTM Technologies, Inc.*^ 5.625%, 10/01/25	353,237
185,000	JPW Industries Holding Corp.* 9.000%, 10/01/24	195,617	297,000	VFH Parent, LLC*^ 6.750%, 06/15/22	309,070
526,000	Meritor, Inc. 6.250%, 02/15/24	542,335			3,704,032
136,000	Multi-Color Corp.* 4.875%, 11/01/25	127,584		Materials (1.3%)	
468,000	Navistar International Corp.* 6.625%, 11/01/25	487,764	551,000	AK Steel Corp.^ 6.375%, 10/15/25	515,171
273,000	Park Aerospace Holdings, Ltd.* 5.500%, 02/15/24	265,318	487,000	Alcoa Nederland Holding, BV*µ 7.000%, 09/30/26	531,577
209,000	4.500%, 03/15/23^	200,496	1,086,000	ArcelorMittal, SA^ 7.250%, 10/15/39	1,289,478
619,000	Park-Ohio Industries, Inc. 6.625%, 04/15/27	646,477	1,047,000	Ardagh Packaging Finance, PLC / Ardagh Holdings USA, Inc.* 6.000%, 02/15/25	1,062,192
321,000	Scientific Games International, Inc.* 5.000%, 10/15/25	310,587	123,000	Cleveland-Cliffs, Inc. 5.900%, 03/15/20	124,100
205,000	Tennant Company 5.625%, 05/01/25	209,666	68,000	Commercial Metals Company* 5.750%, 04/15/26	68,250
63,000	Titan Acquisition, Ltd. / Titan Co-Borrower, LLC* 7.750%, 04/15/26	62,819	268,000	First Quantum Minerals, Ltd.* 7.250%, 04/01/23	267,715
34,000	Trident Merger Sub, Inc.*^ 6.625%, 11/01/25	33,379	248,000	INEOS Group Holdings, SA*^ 5.625%, 08/01/24	250,691

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
195,000	Kinross Gold Corp.*μ 4.500%, 07/15/27	\$ 183,745	565,000	Intelsat Jackson Holdings, SA 9.750%, 07/15/25*^	\$ 554,206
317,000	New Gold, Inc.*^ 6.375%, 05/15/25	323,359	404,000	7.500%, 04/01/21^	383,626
896,000	PBF Holding Company, LLC / PBF Finance Corp.^ 7.250%, 06/15/25	932,687	248,000	8.000%, 02/15/24*	262,012
648,000	United States Steel Corp. 6.875%, 08/15/25^	662,220	331,000	Qwest Corp.μ 6.875%, 09/15/33	314,228
136,000	6.250%, 03/15/26	135,356	151,000	SBA Communications Corp.* 4.000%, 10/01/22	144,039
		6,346,541	136,000	Sprint Capital Corp. 6.875%, 11/15/28	138,906
				Sprint Corp. 7.875%, 09/15/23^	1,804,194
	Real Estate (0.2%)		1,680,000	7.125%, 06/15/24	819,825
15,000	Crescent Communities, LLC/Crescent Ventures, Inc.* 8.875%, 10/15/21	15,780	794,000	T-Mobile USA, Inc.^ 4.750%, 02/01/28	329,075
614,000	MPT Operating Partnership, LP / MPT Finance Corp.μ 5.000%, 10/15/27	584,313	68,000	Telecom Italia Capital, SA 6.000%, 09/30/34	70,720
336,000	Starwood Property Trust, Inc.*μ 4.750%, 03/15/25	325,020	614,000	United States Cellular Corp.μ 6.700%, 12/15/33	647,884
		925,113	416,000	Windstream Services, LLC 8.625%, 10/31/25*	382,807
			226,000	7.750%, 10/01/21	170,259
			42,000	7.750%, 10/15/20	36,079
					12,654,566
	Telecommunication Services (2.5%)				
253,000	Altice Financing, SA*^ 7.500%, 05/15/26	248,968		Utilities (0.4%)	
614,000	Altice France, SA* 7.375%, 05/01/26	596,403	146,000	NGPL PipeCo, LLC*μ 4.875%, 08/15/27	142,365
195,000	Altice Luxembourg, SA*^ 7.750%, 05/15/22	187,014	376,000	NRG Energy, Inc.^ 5.750%, 01/15/28*	373,048
195,000	7.625%, 02/15/25	176,173	341,000	6.625%, 01/15/27	351,811
390,000	Altice US Finance I Corp.*μ 5.500%, 05/15/26	379,386	278,000	PPL Capital Funding, Inc.μ‡ 4.967%, 03/30/67	277,165
151,000	Block Communications, Inc.* 6.875%, 02/15/25	152,634	195,000	3 mo. USD LIBOR + 2.67%	
351,000	CB Escrow Corp.* 8.000%, 10/15/25	334,140	341,000	Talen Energy Supply, LLC*^ 10.500%, 01/15/26	168,736
356,000	Consolidated Communications, Inc.^ 6.500%, 10/01/22	328,257	555,000	TerraForm Power Operating, LLC* 5.000%, 01/31/28	320,223
1,271,000	CSC Holdings, LLC*μ 5.500%, 04/15/27	1,223,083		Vistra Energy Corp.*^ 8.125%, 01/30/26	609,898
1,322,000	Embarq Corp.μ 7.995%, 06/01/36	1,261,281			2,243,246
818,000	Frontier Communications Corp. 7.625%, 04/15/24	538,878		TOTAL CORPORATE BONDS (Cost \$115,302,371)	111,563,615
458,000	11.000%, 09/15/25^	352,394			
136,000	8.500%, 04/01/26*^	132,010		CONVERTIBLE BONDS (97.6%)	
307,000	Hughes Satellite Systems Corp. 6.625%, 08/01/26	308,822		Consumer Discretionary (15.6%)	
390,000	Inmarsat Finance, PLC*μ 4.875%, 05/15/22	377,263	7,000,000	Booking Holdings, Inc.~ 0.350%, 06/15/20	11,685,100
			3,250,000	Chegg, Inc.*μ 0.250%, 05/15/23	3,534,099
			2,000,000	Ctrip.com International, Ltd. 1.000%, 07/01/20	2,067,510

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
Industrials (8.1%)			5,900,000	Intel Corp.^~	
2,500,000	Air Lease Corp.μ	\$ 3,646,863	3,250%, 08/01/39		\$ 14,670,055
	3.875%, 12/01/18		2,500,000	Knowles Corp.	
3,500,000	Air Transport Services Group, Inc.*	3,328,080	3,250%, 11/01/21		2,648,713
	1.125%, 10/15/24		5,000,000	Lumentum Holdings, Inc.^	
3,300,000	Atlas Air Worldwide Holdings, Inc.^	3,862,105	0.250%, 03/15/24		5,585,625
	2.250%, 06/01/22		12,000,000	Microchip Technology, Inc.~	
4,500,000	Dycom Industries, Inc.~	5,581,350	1.625%, 02/15/27		13,549,200
	0.750%, 09/15/21		9,000,000	Micron Technology, Inc.~	
3,000,000	Echo Global Logistics, Inc.	3,087,645	3.000%, 11/15/43		14,352,120
	2.500%, 05/01/20		3,500,000	Nice Systems, Inc.^	
5,250,000	Greenbrier Companies, Inc.^	5,684,910	1.250%, 01/15/24		4,383,505
	2.875%, 02/01/24		1,639,000	Novellus Systems, Inc.~	
2,250,000	Kaman Corp.*	2,523,600	2.625%, 05/15/41		9,132,656
	3.250%, 05/01/24		2,600,000	NXP Semiconductors, NV^	
2,750,000	Meritor, Inc.*^	2,733,995	1.000%, 12/01/19		3,078,504
	3.250%, 10/15/37		3,000,000	Okta, Inc.*^	
1,711,000	Patrick Industries, Inc.*	1,654,289	0.250%, 02/15/23		3,449,475
	1.000%, 02/01/23		6,010,000	ON Semiconductor Corp.	
3,500,000	Trinity Industries, Inc.~	4,660,127	1.000%, 12/01/20~		7,954,205
	3.875%, 06/01/36		3,500,000	1.625%, 10/15/23	4,513,775
3,400,000	Tutor Perini Corp.	3,518,813	3,500,000	OSI Systems, Inc.	
	2.875%, 06/15/21	40,281,777	1.250%, 09/01/22		3,179,103
Information Technology (42.1%)			875,000	Palo Alto Networks, Inc.	
2,000,000	Advanced Micro Devices, Inc.μ	3,112,540	0.000%, 07/01/19		1,533,105
	2.125%, 09/01/26		3,900,000	Proofpoint, Inc.^	
5,250,000	Altaba, Inc.μ	6,951,682	0.750%, 06/15/20		5,900,096
	0.000%, 12/01/18		3,500,000	Pure Storage, Inc.*	
3,500,000	Apptio, Inc.*	3,576,405	0.125%, 04/15/23		3,637,900
	0.875%, 04/01/23		3,150,000	Quotient Technology, Inc.*	
3,450,000	Atlassian, Inc.*	3,446,481	1.750%, 12/01/22		3,319,722
	0.625%, 05/01/23		3,650,000	RealPage, Inc.*	
4,435,000	Citrix Systems, Inc.^	6,398,419	1.500%, 11/15/22		5,129,801
	0.500%, 04/15/19		2,625,000	Red Hat, Inc.~	
1,550,000	Cypress Semiconductor Corp.	2,004,468	0.250%, 10/01/19		5,832,225
914,000	2.000%, 02/01/23*	949,906	4,250,000	Servicenow, Inc.*	
3,000,000	Envestnet, Inc.	3,244,200	0.000%, 06/01/22		5,701,800
	1.750%, 12/15/19		3,500,000	Silicon Laboratories, Inc.	
3,450,000	Etsy, Inc.*	3,753,497	1.375%, 03/01/22		4,161,710
	0.000%, 03/01/23		2,482,000	Synaptics, Inc.*^	
1,167,000	Everbridge, Inc.	1,486,676	0.500%, 06/15/22		2,320,583
	1.500%, 11/01/22		3,500,000	Veeco Instruments, Inc.	
6,250,000	Guidewire Software, Inc.	6,356,062	2.700%, 01/15/23		3,129,473
	1.250%, 03/15/25		3,500,000	Viavi Solutions, Inc.	
5,550,000	II-VI, Inc.*^	5,959,201	1.000%, 03/01/24		3,516,730
	0.250%, 09/01/22		5,250,000	Weibo Corp.*^	
7,175,000	Inphi Corp.^	6,645,521	1.250%, 11/15/22		6,009,727
	0.750%, 09/01/21		12,250,000	Workday, Inc.*	
			0.250%, 10/01/22		13,279,612
			6,250,000	Zendesk, Inc.*	
			0.250%, 03/15/23		6,486,094
					210,340,572

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE
Materials (1.3%)		
3,200,000	Arconic, Inc. ^μ 1.625%, 10/15/19	\$ 3,217,376
3,000,000	Royal Gold, Inc. ^ 2.875%, 06/15/19	3,199,620
		<u>6,416,996</u>
Real Estate (1.9%)		
1,500,000	Empire State Realty OP, LP* 2.625%, 08/15/19	1,557,705
4,200,000	IH Merger Sub, LLC 3.500%, 01/15/22	4,744,698
3,400,000	Starwood Property Trust, Inc. 4.375%, 04/01/23	3,435,071
		<u>9,737,474</u>
Telecommunication Services (1.0%)		
4,855,000	Q2 Holdings, Inc.* 0.750%, 02/15/23	5,181,450
Utilities (0.7%)		
3,400,000	NRG Yield, Inc.* 3.250%, 06/01/20	3,384,989
	TOTAL CONVERTIBLE BONDS (Cost \$491,787,431)	<u>487,660,219</u>
U.S. GOVERNMENT AND AGENCY SECURITIES (1.1%)		
5,845,000	United States Treasury Note 1.875%, 05/31/22 (Cost \$5,794,728)	<u>5,652,459</u>
BANK LOANS (1.4%)‡		
Consumer Discretionary (0.2%)		
140,000	American Greetings Corp. 6.391%, 04/06/24	141,225
691,250	Weight Watchers International, Inc. 6.985%, 11/29/24	701,944
		<u>843,169</u>
Energy (0.1%)		
290,000	McDermott Tech Americas, Inc. ! 0.000%, 03/27/25	<u>288,596</u>
Financials (0.2%)		
70,000	AssuredPartners, Inc. 5.151%, 10/22/24	70,432
350,000	Genworth Financial, Inc. 6.395%, 02/22/23	356,562
335,000	GLP Financing, LLC 3.397%, 04/28/21	332,488
280,000	HUB International, Ltd. 5.360%, 04/18/25	282,041
		<u>1,041,523</u>

PRINCIPAL AMOUNT		VALUE
Health Care (0.3%)		
700,000	Amneal Pharmaceuticals, LLC ! 0.000%, 03/07/25	\$ 704,158
324,181	Mallinckrodt International Finance, SA 5.203%, 09/24/24	322,115
563,577	Team Health Holdings, Inc. 4.651%, 02/06/24	547,374
		<u>1,573,647</u>
Industrials (0.1%)		
330,000	Scientific Games International, Inc. 4.726%, 08/14/24	332,397
334,163	Transdigm, Inc. 4.712%, 08/22/24	336,228
		<u>668,625</u>
Information Technology (0.1%)		
675,000	First Data Corp. 4.147%, 04/26/24	<u>678,132</u>
Telecommunication Services (0.4%)		
350,000	Cincinnati Bell, Inc. 5.571%, 10/02/24	354,499
340,000	CSC Holdings, LLC 4.397%, 01/25/26	340,638
350,000	Cumulus Media Holdings, Inc.@ 5.160%, 12/23/20	297,063
340,000	Intelsat Jackson Holdings, SA 6.625%, 01/02/24	347,267
503,036	New Media Holdings II, LLC ! 0.000%, 06/04/20	508,066
		<u>1,847,533</u>
	TOTAL BANK LOANS (Cost \$6,919,030)	<u>6,941,225</u>
SYNTHETIC CONVERTIBLE SECURITIES (0.7%) ☐		
CORPORATE BONDS (0.6%)		
Consumer Discretionary (0.1%)		
7,000	AV Homes, Inc. 6.625%, 05/15/22	7,197
9,000	Beverages & More, Inc.* 11.500%, 06/15/22	8,231
17,000	CCO Holdings, LLC / CCO Holdings Capital Corp. 5.125%, 05/01/27*	15,951
7,000	7.750%, 09/01/23	7,097
4,000	5.000%, 02/01/28*	3,687
15,000	Century Communities, Inc. 5.875%, 07/15/25	14,342
9,000	CRC Escrow Issuer, LLC*^ 5.250%, 10/15/25	8,606
65,000	Dana Financing Luxembourg Sarl* 6.500%, 06/01/26	67,731

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
16,000	Energy Transfer Equity, LPμ 5.500%, 06/01/27	\$ 15,979	9,000	Transocean, Inc.*^ 7.500%, 01/15/26	\$ 9,154
19,000	Energy Transfer Partners, LPμ‡ 5.376%, 11/01/66 3 mo. USD LIBOR + 3.02%	16,792	9,000	Vine Oil & Gas, LP / Vine Oil & Gas Finance Corp.* 8.750%, 04/15/23	8,484
14,000	Enterprise Products Operating, LLC‡ 4.875%, 08/16/77^ 3 mo. USD LIBOR + 2.99%	13,671	19,000	Weatherford International, Ltd.^ 8.250%, 06/15/23	17,943
3,000	5.375%, 02/15/78μ 3 mo. USD LIBOR + 2.57%	2,833	9,000	Whiting Petroleum Corp.*^ 6.625%, 01/15/26	9,257
9,000	Genesis Energy, LP / Genesis Energy Finance Corp. 6.500%, 10/01/25^	8,837	11,000	WildHorse Resource Development Corp. 6.875%, 02/01/25	11,249
9,000	6.250%, 05/15/26	8,598	4,000	6.875%, 02/01/25*	4,089
13,000	Gulfport Energy Corp.^ 6.375%, 05/15/25	12,512		Financials (0.1%)	343,348
17,000	Halcon Resources Corp.^ 6.750%, 02/15/25	17,013	18,000	Acrisure, LLC / Acrisure Finance, Inc.* 7.000%, 11/15/25	17,033
4,000	Lonestar Resources America, Inc.* 11.250%, 01/01/23	4,045	28,000	Ally Financial, Inc. 8.000%, 11/01/31	34,081
4,000	McDermott Escrow 1, Inc. / McDermott Escrow 2, Inc.* 10.625%, 05/01/24	4,040	16,000	Ardonagh Midco 3, PLC*^ 8.625%, 07/15/23	16,762
9,000	Moss Creek Resources Holdings, Inc.* 7.500%, 01/15/26	9,076	15,000	AssuredPartners, Inc.* 7.000%, 08/15/25	14,784
1,000	Nabors Industries, Inc.*μ 5.750%, 02/01/25	953	9,000	Bank of America Corp.μ‡ 5.875%, 03/15/28 3 mo. USD LIBOR + 2.95%	8,997
4,000	Oasis Petroleum, Inc.* 6.250%, 05/01/26	4,000	9,000	Bank of Nova Scotia^‡ 4.650%, 10/12/22 3 mo. USD LIBOR + 2.65%	8,511
9,000	Par Petroleum, LLC / Petroleum Finance Corp.* 7.750%, 12/15/25	9,166	17,000	Charles Schwab Corp.^‡ 5.000%, 12/01/27 3 mo. USD LIBOR + 2.58%	16,578
9,000	PDC Energy, Inc.* 5.750%, 05/15/26	9,079	11,000	CyrusOne, LP / CyrusOne Finance Corp.μ 5.375%, 03/15/27	11,026
9,000	Plains All American Pipeline, LP^‡ 6.125%, 11/15/22 3 mo. USD LIBOR + 4.11%	8,762	16,000	Dell International, LLC / EMC Corp.*μ 6.020%, 06/15/26	16,999
9,000	QEP Resources, Inc.^ 5.625%, 03/01/26	8,683	9,000	Discover Financial Services^‡ 5.500%, 10/30/27 3 mo. USD LIBOR + 3.08%	8,826
17,000	SESI, LLC* 7.750%, 09/15/24	17,693	6,000	Equinix, Inc. 5.375%, 05/15/27	6,106
4,000	SM Energy Company 6.750%, 09/15/26	4,085	4,000	Greystar Real Estate Partners, LLC* 5.750%, 12/01/25	3,970
8,000	Southwestern Energy Company^ 7.500%, 04/01/26	8,190	9,000	HUB International, Ltd.* 7.000%, 05/01/26	9,027
6,000	Sunoco, LP / Sunoco Finance Corp.* 5.500%, 02/15/26	5,837	7,000	7.875%, 10/01/21	7,299
2,000	Targa Resources Partners, LP / Targa Resources Partners Finance Corp.*μ 5.875%, 04/15/26	1,993	14,000	ILFC E-Capital Trust II*‡ 4.890%, 12/21/65 3 mo. USD LIBOR + 1.80%	13,526
2,000	TransMontaigne Partners, LP / TLP Finance Corp. 6.125%, 02/15/26	2,005	10,000	Iron Mountain, Inc.*^μ 5.250%, 03/15/28	9,426
			30,000	Jefferies Finance, LLC*^ 7.250%, 08/15/24	29,770

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
8,000	Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp.*μ 5.250%, 10/01/25	\$ 7,641	15,000	Mallinckrodt International Finance, SA / Mallinckrodt CB, LLC*^ 5.625%, 10/15/23	\$ 11,828
7,000	Level 3 Financing, Inc. 5.375%, 05/01/25	6,896	4,000	Team Health Holdings, Inc.*^ 6.375%, 02/01/25	3,500
9,000	LPL Holdings, Inc.* 5.750%, 09/15/25	8,748	25,000	Tenet Healthcare Corp.^ 6.750%, 06/15/23	24,660
15,000	MetLife, Inc.^ 6.400%, 12/15/36	16,377	17,000	5.125%, 05/01/25*	16,564
1,000	5.875%, 03/15/28‡ 3 mo. USD LIBOR + 2.96%	1,020	17,000	Teva Pharmaceutical Finance Company, BV^μ 2.950%, 12/18/22	14,981
16,000	Navient Corp.^ 6.750%, 06/25/25	16,227	27,000	Teva Pharmaceutical Finance IV, BVμ 3.650%, 11/10/21	25,353
8,000	NexBank Capital, Inc.*‡& 6.375%, 09/30/27 3 mo. USD LIBOR + 4.59%	7,863	4,000	Teva Pharmaceutical Finance IV, LLCμ 2.250%, 03/18/20	3,830
10,000	Oil Insurance, Ltd.*‡ 5.290%, 05/31/18 3 mo. USD LIBOR + 2.98%	10,014	9,000	Teva Pharmaceutical Finance Netherlands III, BV*^ 6.000%, 04/15/24	8,761
25,000	Quicken Loans, Inc.*μ 5.750%, 05/01/25	24,658	68,000	Valeant Pharmaceuticals International, Inc.* 7.250%, 07/15/22	68,767
10,000	Simmons First National Corp.‡ 5.000%, 04/01/28 3 mo. USD LIBOR + 2.15%	10,115	18,000	9.000%, 12/15/25^	18,286
12,000	Springleaf Finance Corp. 6.875%, 03/15/25	12,135	11,000	West Street Merger Sub, Inc.*^ 6.375%, 09/01/25	10,824
8,000	8.250%, 10/01/23^	8,783			512,296
5,000	Towne Bank‡ 4.500%, 07/30/27 3 mo. USD LIBOR + 2.55%	4,985		Industrials (0.1%)	
18,000	Tronox Finance, PLC* 5.750%, 10/01/25	17,530	11,000	Allison Transmission, Inc.*μ 4.750%, 10/01/27	10,356
		385,713	5,000	Apergy Corp.* 6.375%, 05/01/26	5,083
	Health Care (0.1%)		10,000	ARD Securities Finance SARL* 8.750%, 01/31/23 8.750% PIK rate	10,503
16,000	Acadia Healthcare Company, Inc. 6.500%, 03/01/24	16,581	9,000	Beacon Roofing Supply, Inc.* 4.875%, 11/01/25	8,522
	Community Health Systems, Inc.^ 7.125%, 07/15/20	24,735	9,000	Bombardier, Inc.* 7.500%, 12/01/24	9,488
8,000	6.875%, 02/01/22	4,383	6,000	Covanta Holding Corp. 5.875%, 03/01/24	5,931
4,000	8.000%, 11/15/19	3,644	10,000	Delphi Technologies, PLC* 5.000%, 10/01/25	9,648
27,000	DaVita, Inc. 5.125%, 07/15/24	26,250	10,000	Fly Leasing, Ltd. 5.250%, 10/15/24	9,740
153,000	Endo International, PLC* 7.250%, 01/15/22	130,462	2,000	FXI Holdings, Inc.* 7.875%, 11/01/24	1,986
17,000	Greatbatch, Ltd.* 9.125%, 11/01/23	18,439	27,000	Golden Nugget, Inc.* 6.750%, 10/15/24	27,441
	HCA, Inc. 5.375%, 02/01/25^	62,895	9,000	Gray Television, Inc.*^ 5.875%, 07/15/26	8,723
63,000	7.500%, 11/06/33	8,726	8,000	Great Lakes Dredge & Dock Corp. 8.000%, 05/15/22	8,150
8,000	Magellan Health, Inc.μ 4.400%, 09/22/24	8,827			

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE
Telecommunication Services (0.1%)		
7,000	Altice Financing, SA*^ 7.500%, 05/15/26	\$ 6,889
16,000	Altice France, SA* 7.375%, 05/01/26	15,541
5,000	Altice Luxembourg, SA*^ 7.750%, 05/15/22	4,795
5,000	7.625%, 02/15/25	4,517
10,000	Altice US Finance I Corp.*μ 5.500%, 05/15/26	9,728
4,000	Block Communications, Inc.* 6.875%, 02/15/25	4,043
9,000	CB Escrow Corp.* 8.000%, 10/15/25	8,568
9,000	Consolidated Communications, Inc.^ 6.500%, 10/01/22	8,299
34,000	CSC Holdings, LLC*μ 5.500%, 04/15/27	32,718
35,000	Embarq Corp.μ 7.995%, 06/01/36	33,392
22,000	Frontier Communications Corp. 7.625%, 04/15/24	14,493
12,000	11.000%, 09/15/25^	9,233
4,000	8.500%, 04/01/26*^	3,883
8,000	Hughes Satellite Systems Corp. 6.625%, 08/01/26	8,048
10,000	Inmarsat Finance, PLC*μ 4.875%, 05/15/22	9,673
15,000	Intelsat Jackson Holdings, SA 9.750%, 07/15/25*^	14,713
11,000	7.500%, 04/01/21^	10,445
7,000	8.000%, 02/15/24*	7,396
9,000	Qwest Corp.μ 6.875%, 09/15/33	8,544
4,000	SBA Communications Corp.* 4.000%, 10/01/22	3,816
4,000	Sprint Capital Corp. 6.875%, 11/15/28	4,086
45,000	Sprint Corp. 7.875%, 09/15/23^	48,327
21,000	7.125%, 06/15/24	21,683
9,000	T-Mobile USA, Inc.^ 4.750%, 02/01/28	8,685
2,000	Telecom Italia Capital, SA 6.000%, 09/30/34	2,080
16,000	United States Cellular Corp.μ 6.700%, 12/15/33	16,883
11,000	Windstream Services, LLC 8.625%, 10/31/25*	10,122
6,000	7.750%, 10/01/21	4,520
1,000	7.750%, 10/15/20	859
		<u>335,979</u>

PRINCIPAL AMOUNT		VALUE
Utilities (0.0%)		
4,000	NGPL PipeCo, LLC*μ 4.875%, 08/15/27	\$ 3,900
10,000	NRG Energy, Inc.^ 5.750%, 01/15/28*	9,921
9,000	6.625%, 01/15/27	9,285
7,000	PPL Capital Funding, Inc.μ‡ 4.967%, 03/30/67	6,979
5,000	3 mo. USD LIBOR + 2.67%	5,000
5,000	Talen Energy Supply, LLC*^ 10.500%, 01/15/26	4,327
9,000	TerraForm Power Operating, LLC* 5.000%, 01/31/28	8,452
15,000	Vistra Energy Corp.*^ 8.125%, 01/30/26	16,484
		<u>59,348</u>
	TOTAL CORPORATE BONDS	<u>2,966,598</u>
U.S. GOVERNMENT AND AGENCY SECURITIES (0.0%)		
155,000	United States Treasury Note 1.875%, 05/31/22	149,894
		<u>149,894</u>
	NUMBER OF CONTRACTS/NOTIONAL AMOUNT	VALUE
PURCHASED OPTIONS (0.1%) #		
Financials (0.1%)		
2,000	Bank of America Corp. Call, 01/18/19, Strike \$30.00	493,000
200,000		<u>493,000</u>
Industrials (0.0%)		
425	Stanley Black & Decker, Inc. Call, 01/18/19, Strike \$170.00	56,313
42,500		<u>56,313</u>
	TOTAL PURCHASED OPTIONS	<u>549,313</u>
TOTAL SYNTHETIC CONVERTIBLE SECURITIES		
	(Cost \$4,435,648)	<u>3,665,805</u>
	NUMBER OF SHARES	VALUE
CONVERTIBLE PREFERRED STOCKS (20.2%)		
Energy (3.1%)		
61,000	CenterPoint Energy, Inc. (Time Warner, Inc., Charter Communications Time, Inc.)~**§ 3.399%, 09/15/29	3,948,286
86,450	Hess Corp. 8.000%, 02/01/19	5,620,979
55,800	NuStar Energy, LP‡ 8.500%, 12/15/21	1,239,876
	3 mo. USD LIBOR + 6.77%	

Schedule of Investments April 30, 2018 (Unaudited)

NUMBER OF SHARES		VALUE
66,000	WPX Energy, Inc. 6.250%, 07/31/18	\$ 4,736,160
		15,545,301
Financials (7.8%)		
104,000	AMG Capital Trust II~ 5.150%, 10/15/37	6,332,997
10,675	Bank of America Corp. 7.250%, 12/31/49	13,589,275
17,347	Virtus Investment Partners, Inc. 7.250%, 02/01/20	1,729,669
13,555	Wells Fargo & Company 7.500%, 12/31/49	17,358,669
		39,010,610
Health Care (3.7%)		
210,225	Anthem, Inc.µ 5.250%, 05/01/18	11,953,393
103,500	Becton Dickinson and Companyµ 6.125%, 05/01/20	6,246,225
		18,199,618
Industrials (0.8%)		
67,000	Rexnord Corp. 5.750%, 11/15/19	4,013,635
Real Estate (2.1%)		
5,900	Crown Castle International Corp. 6.875%, 08/01/20	5,932,892
76,025	Welltower, Inc. 6.500%, 12/31/49	4,255,880
		10,188,772
Utilities (2.7%)		
68,875	DTE Energy Company~ 6.500%, 10/01/19	3,601,935
173,300	NextEra Energy, Inc. 6.123%, 09/01/19	10,016,740
		13,618,675
TOTAL CONVERTIBLE PREFERRED STOCKS (Cost \$93,886,014)		
		100,576,611
COMMON STOCKS (3.9%)		
Consumer Discretionary (0.0%)		
9,695	GameStop Corp. - Class A^	132,337
Energy (0.7%)		
19,925	Enterprise Products Partners, LP	534,787
8,930	Magellan Midstream Partners, LP~	587,862
885	Schlumberger, Ltd.	60,676
328,423	Southwestern Energy Company#	1,346,534
15,195	Spectra Energy Partners, LP	541,702

NUMBER OF SHARES		VALUE
4,965	Targa Resources Corp.	\$ 233,206
		3,304,767
Health Care (3.2%)		
78,079	Allergan, PLC	11,996,838
50,240	Molina Healthcare, Inc.^#	4,182,480
		16,179,318
TOTAL COMMON STOCKS (Cost \$35,619,832)		
		19,616,422
EXCHANGE-TRADED FUND (0.8%)		
Other (0.8%)		
108,050	SPDR Barclays Capital High Yield Bond ETF^ (Cost \$4,027,380)	3,875,753
NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		
PURCHASED OPTION (0.0%) #		
Consumer Discretionary (0.0%)		
45	Booking Holdings, Inc.	
4,500	Put, 06/15/18, Strike \$1,900.00 (Cost \$579,885)	60,975
NUMBER OF SHARES		
SHORT TERM INVESTMENTS (2.1%)		
5,183,915	Fidelity Prime Money Market Fund - Institutional Class, 1.890%***	5,185,471
5,182,456	Morgan Stanley Institutional Liquidity Funds - Government Portfolio, 1.610%***	5,182,456
TOTAL SHORT TERM INVESTMENTS (Cost \$10,367,746)		
		10,367,927
TOTAL INVESTMENTS (150.1%) (Cost \$768,720,065)		
		749,981,011
MANDATORY REDEEMABLE PREFERRED SHARES, AT LIQUIDATION VALUE (-12.8%)		
		(64,000,000)
LIABILITIES, LESS OTHER ASSETS (-37.3%)		
		(186,426,069)
NET ASSETS (100.0%)		
		\$ 499,554,942

Schedule of Investments April 30, 2018 (Unaudited)

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
WRITTEN OPTIONS (-0.2%) #		
Consumer Discretionary (0.0%)		
45	Booking Holdings, Inc.	
4,500	Put, 06/15/18, Strike \$1,650.00	\$ (11,475)
Health Care (0.0%)		
665	Allergan, PLC	
66,500	Call, 06/15/18, Strike \$170.00	(75,810)
Information Technology (-0.2%)		
500	Lumentum Holdings, Inc.	
50,000	Call, 06/15/18, Strike \$60.00	(53,750)
175	Red Hat, Inc.	
17,500	Call, 06/15/18, Strike \$140.00	(432,250)
200	Servicenow, Inc.	
20,000	Call, 05/18/18, Strike \$155.00	(252,000)
		(738,000)
TOTAL WRITTEN OPTIONS (Premium \$871,190)		(825,285)

NOTES TO SCHEDULE OF INVESTMENTS

- * Securities issued and sold pursuant to a Rule 144A transaction are excepted from the registration requirement of the Securities Act of 1933, as amended. These securities may only be sold to qualified institutional buyers ("QIBs"), such as the Fund. Any resale of these securities must generally be effected through a sale that is registered under the Act or otherwise exempted from such registration requirements.
- ^ Security, or portion of security, is on loan.
- μ Security, or portion of security, is held in a segregated account as collateral for note payable aggregating a total value of \$66,992,974.
- ‡ Variable rate security. The rate shown is the rate in effect at April 30, 2018.
- & Illiquid security.
- ~ Security, or portion of security, is segregated as collateral (or potential collateral for future transactions) for written options. The aggregate value of such securities is \$23,068,212.
- @ In default status and considered non-income producing.
- ! This position represents an unsettled loan commitment at period end. Certain details associated with this purchase are not known prior to the settlement date, including coupon rate, which will be adjusted on settlement date.
- § Securities exchangeable or convertible into securities of one or more entities that are different than the issuer. Each entity is identified in the parenthetical.
- The synthetic convertible securities strategy combines separate securities that together possess the economic characteristics similar to a convertible security.
- ** Step coupon security. Coupon changes periodically based upon a predetermined schedule. The rate shown is the rate in effect at April 30, 2018.
- # Non-income producing security.
- *** The rate disclosed is the 7 day net yield as of April 30, 2018.

FOREIGN CURRENCY ABBREVIATION

CAD Canadian Dollar

Note: Value for securities denominated in foreign currencies is shown in U.S. dollars. The principal amount for such securities is shown in the respective foreign currency. The date on options represents the expiration date of the option contract. The option contract may be exercised at any date on or before the date shown.

Statement of Assets and Liabilities April 30, 2018 (Unaudited)

ASSETS

Investments in securities, at value (cost \$768,720,065)	\$749,981,011
Cash with custodian (interest bearing)	298,638
Restricted cash for short positions (interest bearing)	271,674
Receivables:	
Accrued interest and dividends	4,475,805
Investments sold	4,481,268
Prepaid expenses	73,847
Other assets	11,230
Total assets	759,593,473

LIABILITIES

Options written, at value (premium \$871,190)	825,285
Mandatory Redeemable Preferred Shares (\$25 liquidation value per share applicable to 2,560,000 shares authorized, issued, and outstanding) (net of deferred offering costs of \$639,338) (Note 7)	63,360,662
Payables:	
Notes payable	180,000,000
Distributions payable to Mandatory Redeemable Preferred Shareholders	205,474
Investments purchased	14,700,865
Affiliates:	
Investment advisory fees	613,799
Deferred compensation to trustees	11,230
Financial accounting fees	7,092
Trustees' fees and officer compensation	11,322
Other accounts payable and accrued liabilities	302,802
Total liabilities	260,038,531
NET ASSETS	\$499,554,942

COMPOSITION OF NET ASSETS

Common stock, no par value, unlimited shares authorized 24,384,692 shares issued and outstanding	\$530,783,691
Undistributed net investment income (loss)	(21,673,565)
Accumulated net realized gain (loss) on investments, foreign currency transactions and written options	9,138,111
Unrealized appreciation (depreciation) of investments, foreign currency translations and written options	(18,693,295)
NET ASSETS	\$499,554,942
Net asset value per common shares based upon 24,384,692 shares issued and outstanding	\$ 20.49

Statement of Operations Six Months Ended April 30, 2018 (Unaudited)

INVESTMENT INCOME

Interest	\$ 12,812,807
Dividends	3,922,462
Total investment income	16,735,269

EXPENSES

Investment advisory fees	3,703,582
Interest expense on Notes Payable (Note 6)	1,421,907
Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares (Notes 1 and 7)	1,318,961
Legal fees	58,272
Financial accounting fees	42,848
Printing and mailing fees	32,270
Trustees' fees and officer compensation	24,194
Accounting fees	21,272
Audit fees	17,540
Transfer agent fees	17,368
Custodian fees	12,282
Registration fees	3,499
Other	42,098
Total expenses	6,716,093
NET INVESTMENT INCOME (LOSS)	10,019,176

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) from:

Investments, excluding purchased options	12,040,491
Purchased options	2,012,306
Foreign currency transactions	(1,943)
Written options	(291,580)

Change in net unrealized appreciation/(depreciation) on:

Investments, excluding purchased options	(12,396,680)
Purchased options	(986,539)
Foreign currency translations	1,123
Written options	855,148

NET GAIN (LOSS)	1,232,326
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 11,251,502

Statements of Changes in Net Assets

	(UNAUDITED) SIX MONTHS ENDED APRIL 30, 2018	YEAR ENDED OCTOBER 31, 2017
OPERATIONS		
Net investment income (loss)	\$ 10,019,176	\$ 21,017,425
Net realized gain (loss)	13,759,274	22,564,021
Change in unrealized appreciation/(depreciation)	(12,526,948)	40,952,308
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	11,251,502	84,533,754
DISTRIBUTIONS TO COMMON SHAREHOLDERS FROM		
Net investment income	(24,433,461)	(22,387,946)
Return of capital	—	(26,478,976)
Net decrease in net assets from distributions to common shareholders	(24,433,461)	(48,866,922)
TOTAL INCREASE (DECREASE) IN NET ASSETS	(13,181,959)	35,666,832
NET ASSETS		
Beginning of period	\$ 512,736,901	\$ 477,070,069
End of period	\$ 499,554,942	\$ 512,736,901
Undistributed net investment income (loss)	\$ (21,673,565)	\$ (7,259,280)

Statement of Cash Flows Six Months Ended April 30, 2018 (Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net increase/(decrease) in net assets from operations	\$ 11,251,502
Adjustments to reconcile net increase/(decrease) in net assets from operations to net cash provided by operating activities:	
Purchase of investment securities, including purchased options	(247,902,453)
Net proceeds from disposition of short term investments	16,476,678
Proceeds paid on closing written options	(2,331,420)
Proceeds from disposition of investment securities, including purchased options	241,130,071
Premiums received from written options	2,074,734
Amortization and accretion of fixed-income securities	(5,246,266)
Amortization of offering costs on Mandatory Redeemable Preferred Shares	51,884
Net realized gains/losses from investments, excluding purchased options	(12,041,705)
Net realized gains/losses from purchased options	(2,012,306)
Net realized gains/losses from written options	291,580
Change in unrealized appreciation or depreciation on investments, excluding purchased options	12,396,680
Change in unrealized appreciation or depreciation on purchased options	986,539
Change in unrealized appreciation or depreciation on written options	(855,148)
Net change in assets and liabilities:	
(Increase)/decrease in assets:	
Accrued interest and dividends receivable	(137,253)
Restricted cash for short positions (interest bearing)	(163,304)
Prepaid expenses	(9,689)
Other assets	226
Increase/(decrease) in liabilities:	
Payables to affiliates	(14,469)
Other accounts payable and accrued liabilities	(192,286)
Net cash provided by/(used in) operating activities	<u>\$ 13,753,595</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions to shareholders	(24,433,461)
Proceeds from preferred shares sold	205,474
Offering costs on Mandatory Redeemable Preferred Shares	(14,649)
Net increase/(decrease) in due to custodian bank	(212,321)
Proceeds from note payable	11,000,000
Net cash provided by/(used in) financing activities	<u>\$ (13,454,957)</u>
Net increase/(decrease) in cash	<u>\$ 298,638</u>
Cash at beginning of period	\$ —
Cash at end of period	<u>\$ 298,638</u>
Supplemental disclosure	
Cash paid for interest on Notes Payable	<u>\$ 1,651,120</u>
Cash paid for interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares	<u>\$ 1,524,435</u>

Note 1 – Organization and Significant Accounting Policies

Organization. Calamos Dynamic Convertible and Income Fund (the “Fund”) was organized as a Delaware statutory trust on March 11, 2014 and is registered under the Investment Company Act of 1940 (the “1940 Act”) as a diversified, closed-end management investment company. The Fund commenced operations on March 27, 2015.

The Fund’s investment strategy is to provide total return through a combination of capital appreciation and current income. Under normal circumstances, at least 80% of the Fund’s managed assets will be invested in convertible securities and income-producing securities, with at least 50% of the Fund’s managed assets invested in convertible securities (including synthetic convertible securities, which are single instruments, or multiple instruments held in concert, that are composed of two or more securities with investment characteristics that, when taken together, resemble those of traditional convertible securities). The Fund may invest up to 50% of its managed assets in securities of foreign issuers, with up to 15% of its managed assets in securities issued by foreign issuers in emerging markets. The Fund may invest up to 20% of its managed assets in high-yield non-convertible bonds (excluding such securities held to create synthetic convertible securities). “Managed assets” means the Fund’s total assets (including any assets attributable to any leverage that may be outstanding) minus total liabilities (other than debt representing financial leverage).

Significant Accounting Policies. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), and the Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. Under U.S. GAAP, management is required to make certain estimates and assumptions at the date of the financial statements and actual results may differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued, have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Fund Valuation. The valuation of the Fund’s investments is in accordance with policies and procedures adopted by and under the ultimate supervision of the board of trustees.

Fund securities that are traded on U.S. securities exchanges, except option securities, are valued at the official closing price, which is the last current reported sales price on its principal exchange at the time each Fund determines its net asset value (“NAV”). Securities traded in the over-the-counter market and quoted on The NASDAQ Stock Market are valued at the NASDAQ Official Closing Price, as determined by NASDAQ, or lacking a NASDAQ Official Closing Price, the last current reported sale price on NASDAQ at the time a Fund determines its NAV. When a last sale or closing price is not available, equity securities, other than option securities, that are traded on a U.S. securities exchange and other equity securities traded in the over-the-counter market are valued at the mean between the most recent bid and asked quotations on its principal exchange in accordance with guidelines adopted by the board of trustees. Each option security traded on a U.S. securities exchange is valued at the mid-point of the consolidated bid/ask quote for the option security, also in accordance with guidelines adopted by the board of trustees. Each over-the-counter option that is not traded through the Options Clearing Corporation is valued based on a quotation provided by the counterparty to such option under the ultimate supervision of the board of trustees.

Fixed income securities, certain convertible preferred securities, and non-exchange traded derivatives are normally valued by independent pricing services or by dealers or brokers who make markets in such securities. Valuations of such fixed income securities, certain convertible preferred securities, and non-exchange traded derivatives consider yield or price of equivalent securities of comparable quality, coupon rate, maturity, type of issue, trading characteristics and other market data and do not rely exclusively upon exchange or over-the-counter prices.

Trading on European and Far Eastern exchanges and over-the-counter markets is typically completed at various times before the close of business on each day on which the New York Stock Exchange (“NYSE”) is open. Each security trading on these exchanges or in over-the-counter markets may be valued utilizing a systematic fair valuation model provided by an independent pricing service approved by the board of trustees. The valuation of each security that meets certain criteria in relation to the valuation model is systematically adjusted to reflect the impact of movement in the U.S. market after the foreign markets close. Securities that do not meet the criteria, or that are principally traded in other foreign markets, are valued as of the last reported sale price at the time the Fund determines its NAV, or when reliable market prices or quotations are not readily available, at the mean between the most recent bid and asked quotations as of the close of the appropriate exchange or other designated time. Trading of foreign securities may not take place on every NYSE business day. In addition, trading may take place in various foreign markets on Saturdays or on other days when the NYSE is not open and on which the Fund’s NAV is not calculated.

Notes to Financial Statements (Unaudited)

If the pricing committee determines that the valuation of a security in accordance with the methods described above is not reflective of a fair value for such security, the security is valued at a fair value by the pricing committee, under the ultimate supervision of the board of trustees, following the guidelines and/or procedures adopted by the board of trustees.

The Fund also may use fair value pricing, pursuant to guidelines adopted by the board of trustees and under the ultimate supervision of the board of trustees, if trading in the security is halted or if the value of a security it holds is materially affected by events occurring before the Fund's pricing time but after the close of the primary market or exchange on which the security is listed. Those procedures may utilize valuations furnished by pricing services approved by the board of trustees, which may be based on market transactions for comparable securities and various relationships between securities that are generally recognized by institutional traders, a computerized matrix system, or appraisals derived from information concerning the securities or similar securities received from recognized dealers in those securities.

When fair value pricing of securities is employed, the prices of securities used by a Fund to calculate its NAV may differ from market quotations or official closing prices. In light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security is accurate.

Investment Transactions. Investment transactions are recorded on a trade date basis as of April 30, 2018. Net realized gains and losses from investment transactions are reported on an identified cost basis. Interest income is recognized using the accrual method and includes accretion of original issue and market discount and amortization of premium. Dividend income is recognized on the ex-dividend date, except that certain dividends from foreign securities are recorded as soon as the information becomes available after the ex-dividend date.

Foreign Currency Translation. Values of investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using a rate quoted by a major bank or dealer in the particular currency market, as reported by a recognized quotation dissemination service.

The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments.

Reported net realized foreign currency gains or losses arise from disposition of foreign currency, the difference in the foreign exchange rates between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the ex-date or accrual date and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes (due to the changes in the exchange rate) in the value of foreign currency and other assets and liabilities denominated in foreign currencies held at period end.

Allocation of Expenses Among Funds. Expenses directly attributable to the Fund are charged to the Fund; certain other common expenses of *Calamos Advisors Trust*, *Calamos Investment Trust*, *Calamos Convertible Opportunities and Income Fund*, *Calamos Convertible and High Income Fund*, *Calamos Strategic Total Return Fund*, *Calamos Global Total Return Fund*, *Calamos Global Dynamic Income Fund* and *Calamos Dynamic Convertible and Income Fund* are allocated proportionately among each Fund to which the expenses relate in relation to the net assets of each Fund or on another reasonable basis.

Income Taxes. No provision has been made for U.S. income taxes because the Fund's policy is to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended, and distribute to shareholders substantially all of the Fund's taxable income and net realized gains.

Dividends and distributions paid to common shareholders are recorded on the ex-dividend date. The amount of dividends and distributions from net investment income and net realized capital gains is determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. To the extent these "book/tax" differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment. These differences are primarily due to differing treatments for foreign currency transactions, contingent payment debt instruments and methods of amortizing and accreting for fixed income securities. The financial statements are not adjusted for temporary differences.

Distributions to holders of mandatory redeemable preferred shares ("MRPS") as described in Note 7 are accrued on a daily basis and are treated as an operating expense due to the fixed term of the obligation. The distributions are shown on the Statement of Operations as Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares. For tax purposes, the distributions made to the holders of the MRPS are treated as dividends.

The Fund recognized no liability for uncertain tax positions. A reconciliation is not provided as the beginning and ending amounts of unrecognized benefits are zero, with no interim additions, reductions or settlements. Tax years 2015 - 2017 remain subject to examination by the U.S. and the State of Illinois tax jurisdictions.

Indemnifications. Under the Fund's organizational documents, the Fund is obligated to indemnify its officers and trustees against certain liabilities incurred by them by reason of having been an officer or trustee of the Fund. In addition, in the normal course of business, the Fund may enter into contracts that provide general indemnifications to other parties. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. Currently, the Fund's management expects the risk of material loss in connection to a potential claim to be remote.

Note 2 – Investment Adviser and Transactions With Affiliates Or Certain Other Parties

Pursuant to an investment advisory agreement with Calamos Advisors LLC ("Calamos Advisors"), the Fund pays an annual fee, payable monthly, equal to 1.00% based on the average weekly managed assets.

Pursuant to a financial accounting services agreement, during the period the Fund paid Calamos Advisors a fee for financial accounting services payable monthly at the annual rate of 0.0175% on the first \$1 billion of combined assets, 0.0150% on the next \$1 billion of combined assets and 0.0110% on combined assets above \$2 billion (for purposes of this calculation "combined assets" means the sum of the total average daily net assets of *Calamos Investment Trust and Calamos Advisors Trust* and the total average weekly managed assets of *Calamos Convertible and High Income Fund, Calamos Strategic Total Return Fund, Calamos Convertible Opportunities and Income Fund, Calamos Global Total Return Fund, Calamos Global Dynamic Income Fund and Calamos Dynamic Convertible and Income Fund*). Financial accounting services include, but are not limited to, the following: managing expenses and expense payment processing; monitoring the calculation of expense accrual amounts; calculating, tracking and reporting tax adjustments on all assets; and monitoring trustee deferred compensation plan accruals and valuations. The Fund pays its pro rata share of the financial accounting services fee payable to Calamos Advisors based on its relative portion of combined assets used in calculating the fee.

The Fund reimburses Calamos Advisors for a portion of compensation paid to the Fund's Chief Compliance Officer. This compensation is reported as part of the "Trustees' fees and officer compensation" expense on the Statement of Operations.

The Fund has adopted a deferred compensation plan (the "Plan"). Under the Plan, a trustee who is not an "interested person" (as defined in the 1940 Act) and has elected to participate in the Plan (a "participating trustee") may defer receipt of all or a portion of their compensation from the Fund. The deferred compensation payable to the participating trustee is credited to the trustee's deferral account as of the business day such compensation would have been paid to the participating trustee. The value of amounts deferred for a participating trustee is determined by reference to the change in value of Class I shares of one or more funds of Calamos Investment Trust designated by the participant. The value of the account increases with contributions to the account or with increases in the value of the measuring shares, and the value of the account decreases with withdrawals from the account or with declines in the value of the measuring shares. Deferred compensation of \$11,230 is included in "Other assets" on the Statement of Assets and Liabilities at April 30, 2018. The Fund's obligation to make payments under the Plan is a general obligation of the Fund and is included in "Payable for deferred compensation to trustees" on the Statement of Assets and Liabilities at April 30, 2018.

Note 3 – Investments

The cost of purchases and proceeds from sales of long-term investments for the period ended April 30, 2018 were as follows:

	U.S. GOVERNMENT SECURITIES	OTHER
Cost of purchases	\$5,943,750	\$241,014,007
Proceeds from sales	—	218,232,553

The cost basis of investments for federal income tax purposes at April 30, 2018 was as follows*:

Cost basis of investments	\$ 767,848,875
Gross unrealized appreciation	37,051,883
Gross unrealized depreciation	(55,745,032)
Net unrealized appreciation (depreciation)	\$ (18,693,149)

* Because tax adjustments are calculated annually, the above table does not reflect tax adjustments. For the previous fiscal year's federal income tax information, please refer to the Notes to Financial Statements section in the Fund's most recent semi-annual or annual report.

Note 4 – Income Taxes

The Fund intends to make monthly distributions from its income available for distribution, which consists of the Fund’s dividends and interest income after payment of Fund expenses, and net realized gains on stock investments. At least annually, the Fund intends to distribute all or substantially all of its net realized capital gains, if any. Distributions are recorded on the ex-dividend date. The Fund distinguishes between distributions on a tax basis and a financial reporting basis. Accounting principles generally accepted in the United States of America require that only distributions in excess of tax basis earnings and profits be reported in the financial statements as a return of capital. Permanent differences between book and tax accounting relating to distributions are reclassified to paid-in-capital. For tax purposes, distributions from short-term capital gains are considered to be from ordinary income. Distributions in any year may include a return of capital component.

The tax character of distributions for the period ended April 30, 2018 will be determined at the end of the Fund’s current fiscal year.

Distributions for the year ended October 31, 2017 were characterized for federal income tax purposes as follows:

	YEAR ENDED OCTOBER 31, 2017
Distributions paid from:	
Ordinary income	\$ 22,777,201
Long-term capital gains	—
Return of capital	26,478,976

As of October 31, 2017, the components of accumulated earnings/(loss) on a tax basis were as follows:

Undistributed ordinary income	\$ —
Undistributed capital gains	—
Total undistributed earnings	—
Accumulated capital and other losses	(11,930,727)
Net unrealized gains/(losses)	(6,099,494)
Total accumulated earnings/(losses)	(18,030,221)
Other	(16,569)
Paid-in-capital	530,783,691
Net assets applicable to common shareholders	\$ 512,736,901

Note 5 – Derivative Instruments

Foreign Currency Risk. The Fund may engage in portfolio hedging with respect to changes in currency exchange rates by entering into forward foreign currency contracts to purchase or sell currencies. A forward foreign currency contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. Risks associated with such contracts include, among other things, movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform.

To mitigate the counterparty risk, the Fund may enter into an International Swaps and Derivatives Association, Inc. Master Agreement (“ISDA Master Agreement”) or similar agreement with its derivative contract counterparties. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs over-the-counter derivatives and foreign exchange contracts and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, the Fund may, under certain circumstances, offset with the counterparty certain derivative financial instrument’s payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default (close-out netting), including the bankruptcy or insolvency of the counterparty. Generally, collateral is exchanged between the Fund and the counterparty and the amount of collateral due from the Fund or to a counterparty has to exceed a minimum transfer amount threshold before a transfer has to be made. To the extent amounts due to the Fund from its counterparties are not fully collateralized, contractually or otherwise, the Fund bears the risk of loss from counterparty nonperformance. When a Fund is required to post collateral under the terms of a derivatives transaction and master netting agreement, the Fund’s custodian holds the collateral in a segregated account, subject to the terms of a tri-party agreement among the Fund, the custodian and the counterparty. The master netting agreement and tri-party agreement provide, in relevant part, that the counterparty may have rights to the amounts in the segregated account in the event that the Fund

defaults in its obligation with respect to the derivative instrument that is subject to the collateral requirement. When a counterparty is required to post collateral under the terms of a derivatives transaction and master netting agreement, the counterparty delivers such amount to the Fund's custodian. The master netting agreement provides, in relevant part, that the Fund may have rights to such collateral in the event that the counterparty defaults in its obligation with respect to the derivative instrument that is subject to the collateral requirement.

For financial reporting purposes, the Fund does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Assets and Liabilities. The net unrealized gain, if any, represents the credit risk to the Fund on a forward foreign currency contract. The contracts are valued daily at forward foreign exchange rates. The Fund realizes a gain or loss when a position is closed or upon settlement of the contracts. There were no open forward foreign currency contracts at April 30, 2018.

Equity Risk. The Fund may engage in option transactions and in doing so achieves similar objectives to what it would achieve through the sale or purchase of individual securities. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller of the option the obligation to sell, the underlying security, index or other instrument at the exercise price. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the seller the obligation to buy, the underlying security, index, or other instrument at the exercise price.

To seek to offset some of the risk of a potential decline in value of certain long positions, the Fund may also purchase put options on individual securities, broad-based securities indexes or certain exchange-traded funds ("ETFs"). The Fund may also seek to generate income from option premiums by writing (selling) options on a portion of the equity securities (including securities that are convertible into equity securities) in the Fund's portfolio, on broad-based securities indexes, or certain ETFs.

When a Fund purchases an option, it pays a premium and an amount equal to that premium is recorded as an asset. When a Fund writes an option, it receives a premium and an amount equal to that premium is recorded as a liability. The asset or liability is adjusted daily to reflect the current market value of the option. If an option expires unexercised, the Fund realizes a gain or loss to the extent of the premium received or paid. If an option is exercised, the premium received or paid is recorded as an adjustment to the proceeds from the sale or the cost basis of the purchase. The difference between the premium and the amount received or paid on a closing purchase or sale transaction is also treated as a realized gain or loss. The cost of securities acquired through the exercise of call options is increased by premiums paid. The proceeds from securities sold through the exercise of put options are decreased by the premiums paid. Gain or loss on written options and purchased options is presented separately as net realized gain or loss on written options and net realized gain or loss on purchased options, respectively.

Options written by the Fund do not typically give rise to counterparty credit risk since options written obligate the Fund and not the counterparty to perform. Exchange traded purchased options have minimal counterparty credit risk to the Fund since the exchange's clearinghouse, as counterparty to such instruments, guarantees against a possible default.

As of April 30, 2018, the Fund had outstanding purchased options and/or written options as listed on the Schedule of Investments.

Interest Rate Risk. The Fund may engage in interest rate swaps primarily to hedge the interest rate risk on the Fund's borrowings (see Note 6 - Notes Payable). An interest rate swap is a contract that involves the exchange of one type of interest rate for another type of interest rate. If interest rates rise, resulting in a diminution in the value of the Fund's portfolio, the Fund would receive payments under the swap that would offset, in whole or in part, such diminution in value; if interest rates fall, the Fund would likely lose money on the swap transaction. Unrealized gains are reported as an asset, and unrealized losses are reported as a liability on the Statement of Assets and Liabilities. The change in value of swaps, including accruals of periodic amounts of interest to be paid or received on swaps, is reported as change in net unrealized appreciation/depreciation on interest rate swaps in the Statement of Operations. A realized gain or loss is recorded in net realized gain (loss) on interest rate swaps in the Statement of Operations upon payment or receipt of a periodic payment or termination of the swap agreements. Swap agreements are stated at fair value. Notional principal amounts are used to express the extent of involvement in these transactions, but the amounts potentially subject to credit risk are much smaller. In connection with these contracts, securities may be identified as collateral in accordance with the terms of the respective swap contracts in the event of default or bankruptcy of the Fund. Please see the disclosure regarding ISDA Master Agreements under Foreign Currency Risk within this note.

Premiums paid to or by a Fund are accrued daily and included in realized gain (loss) when paid on swaps in the accompanying Statement of Operations. The contracts are marked-to-market daily based upon third party vendor valuations and changes in value are recorded as unrealized appreciation (depreciation). Gains or losses are realized upon early termination of the contract. Risks may exceed amounts

Notes to Financial Statements (Unaudited)

recognized in the Statement of Assets and Liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms, counterparty's creditworthiness, and the possible lack of liquidity with respect to the contracts.

As of April 30, 2018, the Fund had no outstanding interest rate swap agreements.

As of April 30, 2018, the Portfolio had outstanding derivative contracts which are reflected on the Statement of Asset and Liabilities as follows:

	ASSET DERIVATIVES	LIABILITY DERIVATIVES
Gross amounts at fair value:		
Purchased Options ⁽¹⁾	\$ 610,288	\$ —
Written Options ⁽²⁾	—	825,285
	<u>\$ 610,288</u>	<u>\$ 825,285</u>

(1) Generally, the Statement of Assets and Liabilities location for "Options purchased" is "Investments in securities, at value."

(2) Generally, the Statement of Assets and Liabilities location for "Options written" is "Options written, at value."

For the period ended April 30, 2018, the volume of derivative activity for the Fund is reflected below*

	VOLUME
Purchased Options	6,280
Written Options	4,215

* Activity during the period is measured by opened number of contracts for options purchased or written.

Note 6 – Notes Payable

The Fund has entered into an Amended and Restated Liquidity Agreement (the "SSB Agreement") with State Street Bank and Trust Company ("SSB") that allows the Fund to borrow up to a limit of \$270.0 million, as well as engage in securities lending and securities repurchase transactions. Borrowings under the SSB Agreement are secured by assets of the Fund that are held with the Fund's custodian in a separate account (the "pledged collateral"). Interest on the SSB Agreement is charged on the drawn amount at the rate of Overnight LIBOR plus .80%. A commitment fee of .10% is payable on any undrawn balance. For the period ended April 30, 2018, the average borrowings under the Agreement were \$175.1 million. For the period ended April 30, 2018, the average interest rate was 1.73%. As of April 30, 2018, the amount of total outstanding borrowings was \$180.0 million, which approximates fair value. The interest rate applicable to the borrowings on April 30, 2018 was 1.96%.

Under the terms of the SSB Agreement, all securities lent through SSB must be secured continuously by collateral received in cash. Cash collateral held by SSB on behalf of the Fund may be credited against the amounts borrowed under the SSB Agreement. As of April 30, 2018, the Fund used approximately \$121 million of its cash collateral to offset borrowings under the SSB Agreement. Under the terms of the SSB Agreement, the Fund will receive a rebate payment related to the securities lending and/or securities repurchase transactions. The Fund has the right to call a loan and obtain the securities loaned at any time. As of April 30, 2018, approximately \$118.1 million of securities were on loan (\$109.9 million of fixed income securities and \$8.3 million of equity securities) under the SSB Agreement which are reflected in the Investment in securities, at value on the Statement of Assets and Liabilities. The borrowings are categorized as Level 2 within the fair value hierarchy.

Note 7 – Mandatory Redeemable Preferred Shares

On September 6, 2017, the Fund issued 2,560,000 mandatory redeemable preferred shares ("MRPS") with an aggregate liquidation preference of \$64.0 million. Offering costs incurred by the Fund in connection with the MRPS issuance are aggregated with the outstanding liability and are being amortized to Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares over the respective life of each series of MRPS and shown in the Statement of Operations.

The MRPS are divided into three series with different mandatory redemption dates and dividend rates. The table below summarizes the key terms of each series of the MRPS at April 30, 2018.

SERIES	TERM REDEMPTION DATE	DIVIDEND RATE	SHARES (000'S)	LIQUIDATION PREFERENCE PER SHARE	AGGREGATE LIQUIDATION PREFERENCE
Series A	9/06/22	3.70%	850	\$25	\$21,250,000
Series B	9/06/24	4.00%	850	\$25	\$21,250,000
Series C	9/06/27	4.24%	860	\$25	\$21,500,000
				Total	\$64,000,000

The MRPS are not listed on any exchange or automated quotation system. The MRPS are considered debt of the issuer; therefore, the liquidation preference, which approximates fair value of the MRPS, is recorded as a liability in the Statements of Assets and Liabilities net of deferred offering costs. The MRPS are categorized as Level 2 within the fair value hierarchy.

Holders of MRPS are entitled to receive monthly cumulative cash dividends payable on the first business day of each month. The MRPS currently are rated "AA" by Fitch Ratings, Inc. ("Fitch"). If on the first day of a monthly dividend period the MRPS of any class are rated lower than "A" by Fitch (or lower than the equivalent of such rating by any other rating agency providing a rating pursuant to the request of the Fund), the dividend rate for such period shall be increased by 0.5%, 2.0% or 4.0% according to an agreed upon schedule. The MRPS' dividend rate is also subject to increase during periods when the Fund has not made timely payments to MRPS holders and/or the MRPS do not have a current credit rating, subject to various terms and conditions. Dividends accrued and paid to the shareholders of MRPS are included in "Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares" with the Statement of Operations.

The MRPS rank junior to the Fund's borrowings under the SSB Agreement and senior to the Fund's outstanding common stock. The Fund may, at its option, subject to various terms and conditions, redeem the MRPS, in whole or in part, at the liquidation preference amount plus all accumulated but unpaid dividends, plus a make whole premium equal to the discounted value of the remaining scheduled payments. Each class of MRPS is subject to mandatory redemption on the term redemption date specified in the table above. Periodically, the Fund is subject to an overcollateralization test based on applicable rating agency criteria (the "OC Test") and an asset coverage test with respect to its outstanding senior securities (the "AC Test"). The Fund may be required to redeem MRPS before their term redemption date if it does not comply with one or both tests. So long as any MRPS are outstanding, the Fund may not declare, pay or set aside for payment cash dividends or other distributions on shares of its common stock unless (1) the Fund has satisfied the OC Test on at least one testing date in the preceding 65 days, (2) immediately after such transaction, the Fund would comply with the AC Test, (3) full cumulative dividends on the MRPS due on or prior to the date of such transaction have been declared and paid and (4) the Fund has redeemed all MRPS required to have been redeemed on such date or has deposited funds sufficient for such redemption, subject to certain grace periods and exceptions.

Except as otherwise required pursuant to the Fund's governing documents or applicable law, the holders of the MRPS have one vote per share and vote together with the holders of common stock of the Fund as a single class except on matters affecting only the holders of MRPS or the holders of common stock. Pursuant to the 1940 Act, holders of the MRPS have the right to elect at least two trustees of the Fund, voting separately as a class. Except during any time when the Fund has failed to make a dividend or redemption payment in respect of MRPS outstanding, the holders of MRPS have agreed to vote in accordance with the recommendation of the board of trustees on any matter submitted to them for their vote or to the vote of shareholders of the Fund generally.

Note 8 – Common Shares

There are unlimited common shares of beneficial interest authorized and 24,384,692 shares outstanding at April 30, 2018. Transactions in common shares were as follows:

	SIX MONTHS ENDED APRIL 30, 2018	YEAR ENDED OCTOBER 31, 2017
Beginning shares	24,384,692	24,384,692
Shares sold	—	—
Shares issued through reinvestment of distributions	—	—
Ending shares	24,384,692	24,384,692

Notes to Financial Statements (Unaudited)

Notice is hereby given in accordance with Section 23(c) of the 1940 Act that the Fund may from time to time purchase its shares of common stock in the open market.

The Fund also may offer and sell common shares from time to time at an offering price equal to or in excess of the net asset value per share of the Fund's common shares at the time such common shares are initially sold.

Note 9 – Fair Value Measurement

Various inputs are used to determine the value of the Fund's investments. These inputs are categorized into three broad levels as follows:

- Level 1 – Prices are determined using inputs from unadjusted quoted prices from active markets (including securities actively traded on a securities exchange) for identical assets.
- Level 2 – Prices are determined using significant observable market inputs other than unadjusted quoted prices, including quoted prices of similar securities, fair value adjustments to quoted foreign securities, interest rates, credit risk, prepayment speeds, and other relevant data.
- Level 3 – Prices reflect unobservable market inputs (including the Fund's own judgments about assumptions market participants would use in determining fair value) when observable inputs are unavailable.

Debt securities are valued based upon evaluated prices received from an independent pricing service or from a dealer or broker who makes markets in such securities. Pricing services utilize various observable market data and as such, debt securities are generally categorized as Level 2. The levels are not necessarily an indication of the risk or liquidity of the Fund's investments. Transfers between the levels for investment securities or other financial instruments are measured at the end of the reporting period.

The following is a summary of the inputs used in valuing the Fund's holdings at fair value:

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets:				
Corporate Bonds	\$ —	\$ 111,563,615	\$ —	\$ 111,563,615
Convertible Bonds	—	487,660,219	—	487,660,219
U.S. Government and Agency Security	—	5,652,459	—	5,652,459
Bank Loans	—	6,941,225	—	6,941,225
Synthetic Convertible Securities (Corporate Bonds)	—	2,966,598	—	2,966,598
Synthetic Convertible Securities (U.S. Government and Agency Security)	—	149,894	—	149,894
Synthetic Convertible Securities (Purchased Options)	549,313	—	—	549,313
Convertible Preferred Stocks	86,693,393	13,883,218	—	100,576,611
Common Stocks U.S.	19,616,422	—	—	19,616,422
Exchange-Traded Fund	3,875,753	—	—	3,875,753
Purchased Option	60,975	—	—	60,975
Short Term Investments	10,367,927	—	—	10,367,927
Total	\$ 121,163,783	\$ 628,817,228	\$ —	\$ 749,981,011
Liabilities:				
Written Options	\$ 825,285	\$ —	\$ —	\$ 825,285
Total	\$ 825,285	\$ —	\$ —	\$ 825,285

Selected data for a share outstanding throughout each period were as follows:

	(UNAUDITED) SIX MONTHS ENDED APRIL 30, 2018	2017	2016	YEAR ENDED OCTOBER 31, MARCH 27, 2015 • THROUGH OCTOBER 31, 2015
PER SHARE OPERATING PERFORMANCE				
Net asset value, beginning of period	\$21.03	\$19.56	\$21.63	\$23.88 ^(a)
Income from investment operations:				
Net investment income (loss)*	0.41	0.86	0.89	0.48
Net realized and unrealized gain (loss)	0.05	2.61	(0.96)	(1.84)
Total from investment operations	0.46	3.47	(0.07)	(1.36)
Less distributions to common shareholders from:				
Net investment income	(1.00)	(0.91)	(0.99)	(0.84)
Net realized gains	—	—	— ^(b)	—
Return of capital	—	(1.09)	(1.01)	—
Total distributions	(1.00)	(2.00)	(2.00)	(0.84)
Capital charge resulting from issuance of common and preferred shares and related offering costs	—	—	—	(0.05)
Net asset value, end of period	\$20.49	\$21.03	\$19.56	\$21.63
Market value, end of period	\$20.44	\$20.49	\$17.83	\$19.28
TOTAL RETURN APPLICABLE TO COMMON SHAREHOLDERS				
Total investment return based on: ^(c)				
Net asset value	2.35%	19.19%	1.03%	(5.78)%
Market value	4.79%	27.40%	3.32%	(19.79)%
RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS				
Net expenses ^(d)	2.67% ^(e)	2.17%	2.02%	1.91% ^(e)
Net investment income (loss)	3.98% ^(e)	4.26%	4.48%	3.65% ^(e)
SUPPLEMENTAL DATA				
Net assets applicable to common shareholders, end of period (000)	\$499,555	\$512,737	\$477,070	\$527,472
Portfolio turnover rate	31%	78%	40%	23%
Average commission rate paid	\$0.0242	\$0.0212	\$0.0233	\$0.0198
Mandatory Redeemable Preferred Shares, at redemption value (\$25 per share liquidation preference) (000's omitted)	\$64,000	\$64,000	\$—	\$—
Notes Payable (000's omitted)	\$180,000	\$169,000	\$195,000	\$220,000
Asset coverage per \$1,000 of loan outstanding ^(f)	\$4,131	\$4,413	\$3,447	\$3,398
Asset coverage per \$25 liquidation value per share of Mandatory Redeemable Preferred Shares ^(g)	\$290	\$291	\$—	\$—

• Commencement of operations.

* Net investment income calculated based on average shares method.

(a) Net of sales load of \$1.125 on initial shares issued and beginning net asset value of \$23.875.

(b) Amount is less than \$0.01.

(c) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of the period reported. Dividends and distributions are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total return is not annualized for periods less than one year. Brokerage commissions are not reflected. NAV per share is determined by dividing the value of the Fund's portfolio securities, cash and other assets, less all liabilities, by the total number of common shares outstanding. The common share market price is the price the market is willing to pay for shares of the Fund at a given time. Common share market price is influenced by a range of factors, including supply and demand and market conditions.

(d) Ratio of net expenses, excluding interest expense on Notes Payable and interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares, to average net assets was 1.58%, 1.51%, 1.52% and 1.56% for the period ended April 30, 2018, the year ended October 31, 2017, the year ended October 31, 2016, and the period ended October 31, 2015, respectively.

(e) Annualized.

(f) Calculated by subtracting the Fund's total liabilities (not including Notes payable and Mandatory Redeemable Preferred Shares) from the Fund's total assets and dividing this by the amount of notes payable outstanding, and by multiplying the result by 1,000.

(g) Calculated by subtracting the Fund's total liabilities (not including Notes payable and Mandatory Redeemable Preferred Shares) from the Fund's total assets and dividing this by the amount of Mandatory Redeemable Preferred Shares outstanding, and by multiplying the result by 25.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Trustees of
Calamos Dynamic Convertible and Income Fund

Results of Review of Interim Financial Information

We have reviewed the accompanying statement of assets and liabilities, including the schedule of investments, of Calamos Dynamic Convertible and Income Fund (the "Fund") as of April 30, 2018, and the related statements of operations, changes in net assets and cash flows, and the financial highlights for the six month period then ended. Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements and financial highlights for it to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the statement of changes in net assets of the Fund for the year ended October 31, 2017, and the financial highlights for each of the two years in the period then ended and for the period from March 27, 2015 (commencement of operations) through October 31, 2015; and in our report dated December 15, 2017, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

Basis for Review Results

This interim financial information is the responsibility of the Fund's management. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our review in accordance with standards of the PCAOB. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements and financial highlights taken as a whole. Accordingly, we do not express such an opinion.

Deloitte + Touche LLP

June 14, 2018

What is a Closed-End Fund?

A closed-end fund is a publicly traded investment company that raises its initial investment capital through the issuance of a fixed number of shares to investors in a public offering. Shares of a closed-end fund are listed on a stock exchange or traded in the over-the-counter market. Like all investment companies, a closed-end fund is professionally managed and offers investors a unique investment solution based on its investment objective approved by the fund's Board of Trustees.

Potential Advantages of Closed-End Fund Investing

- **Defined Asset Pool Allows Efficient Portfolio Management**—Although closed-end fund shares trade actively on a securities exchange, this doesn't affect the closed-end fund manager because there are no new investors buying into or selling out of the fund's portfolio.
- **More Flexibility in the Timing and Price of Trades**—Investors can purchase and sell shares of closed-end funds throughout the trading day, just like the shares of other publicly traded securities.
- **Lower Expense Ratios**—The expense ratios of closed-end funds are oftentimes less than those of mutual funds. Over time, a lower expense ratio could enhance investment performance.
- **Closed-End Structure Makes Sense for Less-Liquid Asset Classes**—A closed-end structure makes sense for investors considering less-liquid asset classes, such as high-yield bonds or micro-cap stocks.
- **Ability to Put Leverage to Work**—Closed-end funds may issue senior securities (such as preferred shares or debentures) or borrow money to "leverage" their investment positions.
- **No Minimum Investment Requirements**

OPEN-END MUTUAL FUNDS VERSUS CLOSED-END FUNDS

OPEN-END FUND	CLOSED-END FUND
Issues new shares on an ongoing basis	Generally issues a fixed number of shares
Issues common equity shares	Can issue common equity shares and senior securities such as preferred shares and bonds
Sold at NAV plus any sales charge	Price determined by the marketplace
Sold through the fund's distributor	Traded in the secondary market
Fund redeems shares at NAV calculated at the close of business day	Fund does not redeem shares

You can purchase or sell common shares of closed-end funds daily. Like any other stock, market price will fluctuate with the market. Upon sale, your shares may have a market price that is above or below net asset value and may be worth more or less than your original investment. Shares of closed-end funds frequently trade at a discount, which is a market price that is below their net asset value.

Leverage creates risks which may adversely affect return, including the likelihood of greater volatility of net asset value and market price of common shares and fluctuations in the variable rates of the leverage financing.

Each open-end or closed-end fund should be evaluated individually. **Before investing carefully consider the fund's investment objectives, risks, charges and expenses.**

Managed Distribution Policy

Using a Managed Distribution Policy to Promote Dependable Income and Total Return

The goal of the managed distribution policy is to provide investors a predictable, though not assured, level of cash flow, which can serve either as a stable income stream or, through reinvestment, may contribute significantly to long-term total return.

We understand the importance that investors place on the stability of dividends and their ability to contribute to long-term total return, which is why we have instituted a managed distribution policy for the Fund. Under the policy, monthly distributions paid may include net investment income, net realized short-term capital gains, net realized long-term capital gains and, if necessary, return of capital. There is no guarantee that the Fund will realize capital gains in any given year. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. All shareholders with taxable accounts will receive written notification regarding the components and tax treatment for distributions via Form 1099-DIV.

Distributions from the Fund are generally subject to Federal income taxes.

Automatic Dividend Reinvestment Plan

Maximizing Investment with an Automatic Dividend Reinvestment Plan

The Automatic Dividend Reinvestment Plan offers a simple, cost-efficient and convenient way to reinvest your dividends and capital gains distributions in additional shares of the Fund, allowing you to increase your investment in the Fund.

Potential Benefits

- **Compounded Growth:** By automatically reinvesting with the Plan, you gain the potential to allow your dividends and capital gains to compound over time.
- **Potential for Lower Commission Costs:** Additional shares are purchased in large blocks, with brokerage commissions shared among all plan participants. There is no cost to enroll in the Plan.
- **Convenience:** After enrollment, the Plan is automatic and includes detailed statements for participants. Participants can terminate their enrollment at any time.

Pursuant to the Plan, unless a shareholder is ineligible or elects otherwise, all dividend and capital gains on common shares distributions are automatically reinvested by Computershare, as agent for shareholders in administering the Plan ("Plan Agent"), in additional common shares of the Fund. Shareholders who elect not to participate in the Plan will receive all dividends and distributions payable in cash paid by check mailed directly to the shareholder of record (or, if the shares are held in street or other nominee name, then to such nominee) by Plan Agent, as dividend paying agent. Shareholders may elect not to participate in the Plan and to receive all dividends and distributions in cash by sending written instructions to the Plan Agent, as dividend paying agent, at: Dividend Reinvestment Department, P.O. Box 358016, Pittsburgh, PA 15252. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by giving notice in writing to the Plan Agent; such termination will be effective with respect to a particular dividend or distribution if notice is received prior to the record date for the applicable distribution.

The shares are acquired by the Plan Agent for the participant's account either (i) through receipt of additional common shares from the Fund ("newly issued shares") or (ii) by purchase of outstanding common shares on the open market ("open-market purchases") on the NASDAQ or elsewhere. If, on the payment date, the net asset value per share of the common shares is equal to or less than the market price per common share plus estimated brokerage commissions (a "market premium"), the Plan Agent will receive newly issued shares from the Fund for each participant's account. The number of newly issued common shares to be credited to the participant's account will be determined by dividing the dollar amount of the dividend or distribution by the greater of (i) the net asset value per common share on the payment date, or (ii) 95% of the market price per common share on the payment date.

If, on the payment date, the net asset value per common share exceeds the market price plus estimated brokerage commissions (a "market discount"), the Plan Agent has a limited period of time to invest the dividend or distribution amount in shares acquired in open-market purchases. The weighted average price (including brokerage commissions) of all common shares purchased by the Plan Agent as Plan Agent will be the price per common share allocable to each participant. If the Plan Agent is unable to invest the full dividend amount in open-market purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Agent will cease making open-market purchases and will invest the uninvested portion of the dividend or distribution amount in newly issued shares at the close of business on the last purchase date.

The automatic reinvestment of dividends and distributions will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends even though no cash is received by participants.

There are no brokerage charges with respect to shares issued directly by the Fund as a result of dividends or distributions payable either in shares or in cash. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open-market purchases in connection with the reinvestment of dividends or distributions. If a participant elects to have the Plan Agent sell part or all of his or her common shares and remit the proceeds, such participant will be charged his or her pro rata share of brokerage commissions on the shares sold, plus a \$15 transaction fee. There is no direct service charge to participants in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants.

A participant may request the sale of all of the common shares held by the Plan Agent in his or her Plan account in order to terminate participation in the Plan. If such participant elects in advance of such termination to have the Plan Agent sell part or all of his shares, the Plan Agent is authorized to deduct from the proceeds a \$15.00 fee plus the brokerage commissions incurred for the transaction. A participant may re-enroll in the Plan in limited circumstances.

The terms and conditions of the Plan may be amended by the Plan Agent or the Fund at any time upon notice as required by the Plan.

This discussion of the Plan is only summary, and is qualified in its entirety by the Terms and Conditions of the Dividend Reinvestment Plan filed as part of the Fund's registration statement.

For additional information about the Plan, please contact the Plan Agent, Computershare, at 866.226.8016. If you wish to participate in the Plan and your shares are held in your own name, simply call the Plan Agent. If your shares are not held in your name, please contact your brokerage firm, bank, or other nominee to request that they participate in the Plan on your behalf. If your brokerage firm, bank, or other nominee is unable to participate on your behalf, you may request that your shares be re-registered in your own name.

We're pleased to provide our shareholders with the additional benefit of the Fund's Dividend Reinvestment Plan and hope that it may serve your financial plan.

MANAGING YOUR CALAMOS FUNDS INVESTMENTS

Calamos Investments offers several convenient means to monitor, manage and feel confident about your Calamos investment choice.

PERSONAL ASSISTANCE: 800.582.6959

Dial this toll-free number to speak with a knowledgeable Client Services Representative who can help answer questions or address issues concerning your Calamos Fund.

YOUR FINANCIAL ADVISOR

We encourage you to talk to your financial advisor to determine how the Calamos Funds can benefit your investment portfolio based on your financial goals, risk tolerance, time horizon and income needs.



STAY CONNECTED
www.calamos.com/connect

Visit our Web site for timely fund performance, detailed fund profiles, fund news and insightful market commentary.

