

TIMELY INFORMATION INSIDE

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INVESTMENTS

Dynamic Convertible and Income Fund (CCD)

SEMIANNUAL REPORT APRIL 30, 2017



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INVESTMENTS

Experience and Foresight

About Calamos Investments

For 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.

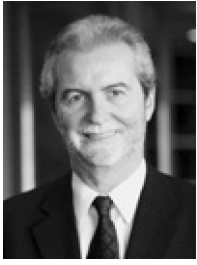
We believe an active, risk-conscious approach is essential for wealth creation. In the 1970s, we pioneered strategies that seek to participate in equity market upside and mitigate some of the potential risks of equity market volatility. Our investment process seeks to manage risk at multiple levels and 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	15
Statement of Operations	16
Statements of Changes In Net Assets	17
Statement of Cash Flows	18
Notes to Financial Statements	19
Financial Highlights	27
Report of Independent Registered Public Accounting Firm	28
About Closed-End Funds	29
Level Rate Distribution Policy	30
Automatic Dividend Reinvestment Plan	30



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, 2017. 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 the Calamos Funds. 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 10.25%* on a market price basis as of April 30, 2017, 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 level rate 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 4/17/17 distribution was \$0.1670 per share. Based on our current estimates, we anticipate that approximately \$0.0479 is paid from ordinary income or capital gains and that approximately \$0.1191 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 level rate 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 level rate 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. 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. (For additional information on our level rate distribution policy, please see "The Calamos Closed-End Funds: An Overview" on page 5 and "Level Rate Distribution Policy" on page 30.)

Market Review

During the semiannual period, investors were encouraged by the prospect of increased fiscal policy, generally improving economic data, globally accommodative monetary policy and a weakening dollar. Against this backdrop, equity markets around the world advanced. The MSCI World Index, a measure of developed market equity performance, returned 12.44%, while the S&P 500 Index, a measure of the U.S. market advanced even further, gaining 13.32%. Emerging market equities also rallied, gaining 9.03%, based on the MSCI Emerging Markets Index. Convertible securities, which combine attributes of stocks and bonds, participated in the upside performance of the equity markets. The U.S.-focused BofA Merrill Lynch All U.S. Convertibles ex-Mandatory Index returned 11.28%, while the BofA Merrill Lynch Global 300 Convertible Index advanced 7.44%.

As the Federal Reserve continued tightening short-term rates, investor enthusiasm for fixed income securities waned. Still, there were opportunities within the fixed income markets. Although the government and investment-grade corporate bond markets inched into negative territory for the period, as measured by a -0.67% return for the Bloomberg Barclays U.S. Aggregate Bond Index, high-yield securities benefited from their equity sensitivity and market participants' continued quest for income, as demonstrated by the Credit Suisse U.S. High Yield Index's gain of 5.64%.

Our Use of Leverage**

We have the flexibility to utilize leverage in this Fund. Over the long term, we believe that the judicious use of leverage provides us with opportunities to enhance total return and support the Fund's distribution rate. Leverage strategies typically entail borrowing at short-term interest rates and investing the proceeds at higher rates of return. During the reporting period, we believed the prudent use of leverage would be advantageous given the economic environment, specifically the low borrowing costs we were able to secure. Overall, we believe the use of leverage will contribute favorably to the returns of the Fund, as we anticipate that the performance of the Fund's holdings will exceed the cost of borrowing.

**Leverage creates risks that 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. The Fund has a non-fundamental policy that it will not issue preferred shares, borrow money, or issue debt securities with an aggregate liquidation preference and aggregate principal amount exceeding 38% of the Fund's managed assets as measured immediately after the issuance of any preferred shares or debt. Prior to May 22, 2015, this leverage limitation was measured according to the Fund's total assets.

Outlook

We expect sustained and balanced global economic growth to continue, supported by favorable economic trends in the United States, Europe, and many emerging markets. A stabilizing dollar, contained inflation, and an increased emphasis on fiscal policy – most notably but not exclusively in the United States – can provide tailwinds to sustain economic growth. These conditions also set the stage for additional stock market upside, particularly in growth areas of the market.

We expect the Federal Reserve to continue gradually tightening short-term rates. Many investors have been conditioned to think of any rate increase in negative terms, but we believe controlled rate increases made in response to improving economic conditions should be viewed more positively. For example, a more normal rate environment can provide incentives for banks to lend capital to smaller businesses, a key engine of job growth.

While we have a constructive outlook on the global economy and equity markets, we are vigilant to the crosscurrents of a highly politically charged environment, both in the U.S. and globally. Further, although pro-growth policies offer tremendous potential, fiscal policy takes time to implement and work through the economy. We expect volatility in the markets due to these factors, as well as longer-standing geopolitical concerns and conflicts.

Drawing on our collective experience navigating upside opportunity and downside risk, our investment organization believes the Calamos Funds are well positioned. As you will read in the investment manager commentaries, we continue to identify opportunities across the global markets. We see considerable potential for growth equities, as economic conditions continue to improve around the world. We also believe convertible securities remain an attractive diversification tool, as they have tended to demonstrate greater resilience to rising interest rates than traditional bonds, as well as resilience during equity market volatility. Finally, although rising interest rates are likely to create headwinds for some areas of the bond market, longer-term rates have remained well behaved and are unlikely to soar. In this environment, we believe there are opportunities for active managers in select segments, including in high yield.

Conclusion

As the saying goes, every bull market climbs a wall of worry. In other words, opportunity and volatility always go hand in hand. Even upward-moving markets see their share of shorter-term downturns and at times, corrections. When retracements occur, I encourage investors to maintain a long-term focus and rely on their financial advisors. A financial advisor can help align your asset allocation with the opportunities in the global markets as well as your risk tolerance and goals.

Letter to Shareholders

In closing, thank you for the trust you have placed in Calamos Investments to help you achieve your financial goals. We are honored to serve you. I invite you to visit our website, www.calamos.com, on an ongoing basis. You'll find many resources, including blogs and videos from our investment team and thought leadership pieces.

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.

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. The S&P 500 Index is an unmanaged index generally considered representative of the U.S. stock market. 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. The BofA Merrill Lynch All U.S. Convertibles ex-Mandatory Index represents the U.S. convertible securities market excluding mandatory convertibles. The BofA Merrill Lynch 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 Credit Suisse U.S. High Yield Index is an unmanaged index of high yield debt securities. The Bloomberg Barclays U.S. Aggregate Bond Index is considered generally representative of the investment-grade bond market. Sources: Lipper, Inc. and Morningstar, 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 Level Rate Distribution Policy

Closed-end fund investors often look for a steady stream of income. Recognizing this, Calamos closed-end funds have a level rate distribution policy in which we aim to keep monthly income consistent through the disbursement of net investment income, net realized capital gains and, if necessary, return of capital. We set distributions at levels that we believe are sustainable for the long term. Our team is focused on delivering an attractive monthly distribution, while maintaining a long-term focus on risk management. The level of the funds' distributions can be greatly influenced by market conditions, including the interest rate environment. The funds' distributions will depend on the individual performance of positions the funds hold, our view of the benefits of retaining leverage, fund tax considerations, and maintaining regulatory requirements.

For more information about any of these 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.

For more information on our level rate distribution policy, please see page 30.

TOTAL RETURN* AS OF 4/30/17**Common Shares – Inception 3/27/15**

	6 Months	1 Year	Since Inception**
On Market Price	15.73%	23.40%	-1.97%
On NAV	10.19%	16.67%	2.31%

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

** Annualized since inception.

SECTOR WEIGHTINGS

Information Technology	27.2%
Health Care	17.4
Consumer Discretionary	17.3
Financials	10.6
Industrials	7.7
Energy	5.8
Telecommunication Services	3.5
Materials	3.1
Utilities	3.0
Real Estate	2.6

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.

Calamos Dynamic Convertible and Income Fund (CCD), brought to market in March 2015, is a total-return 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 over the long term to generate capital gains as well as income. The dynamic allocation of security types also 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 those companies that are actively participating in globalization with geographically diversified revenue streams and global-scale business strategies.

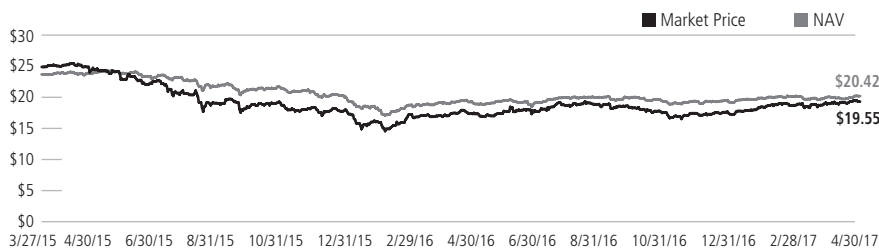
How did the Fund perform over the reporting period?

The Fund increased 10.19% on a net asset value (NAV) basis and 15.73% on a market price basis for the six-month period ended April 30, 2017, versus a gain of 10.52% for the BofA Merrill Lynch All U.S. Convertibles Index over the same period.

At the end of the reporting period, the Fund's shares traded at a -4.26% discount to net asset value.

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.

SINCE INCEPTION MARKET PRICE AND NAV HISTORY THROUGH 4/30/17

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.

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

We employ a level rate distribution policy within this Fund with the goal of providing shareholders with 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 10.25% of market price as of April 30, 2017.

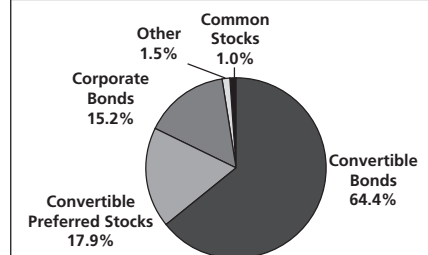
We believe that both the Fund's distribution rate and level remained attractive and competitive, as low interest rates limited yield opportunities in much of the marketplace. For example, as of April 30, 2017, the dividend yield of S&P 500 Index stocks averaged approximately 2.13%. Yields also were low within the U.S. government bond market, with the 10-year U.S. Treasury and 30-year U.S. Treasury yielding 2.29% and 2.96%, respectively.

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 BofA Merrill Lynch All U.S. Convertibles Index, returned 10.49% during the period. Issuance was strong during the period, which presented us with a broad selection of investment opportunities. Price performance was enhanced by good valuations in the stock relative to the NAV earlier in the period, which served as an enticement to many investors.

In terms of economic sectors, our selection in telecom services (integrated telecommunication services) was helpful to performance relative to the BofA Merrill Lynch All U.S. Convertibles Index. In addition, our selection in utilities (independent power producers and energy traders) was also additive.

Our selection in information technology (semiconductors) detracted from performance. In addition, our selection in consumer discretionary (holdings in casinos and gaming) was a hindrance.

ASSET ALLOCATION AS OF 4/30/17

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

How is the Fund positioned?

We continue to hold our highest allocation 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, 2017, over 82% 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.

The average credit quality of the portfolio is higher than that of the BofA Merrill Lynch All U.S. Convertibles Index. This is typical for the Fund, as our credit 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 portfolio 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 have the flexibility to utilize leverage in this Fund. Over the long term, we believe that the judicious use of leverage provides us with opportunities to enhance total return and support the Fund's distribution rate. Leverage strategies typically entail borrowing at short-term interest rates and investing the proceeds at higher rates of return. During the reporting period, the prudent use of leverage was advantageous given the economic environment and the low borrowing costs we were able to secure. Although our borrowing costs increased over the period due to rising short-term interest rates, the overall use of leverage contributed favorably to the return of the Fund, as the performance of the Fund's holdings exceeded the cost of borrowing. The portfolio currently employs leverage at approximately 28%.

What are your closing thoughts for Fund shareholders?

Given our outlook for a continued period of economic growth, we are favoring quality growth companies. We are emphasizing 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 fundamentals in Europe. We are also optimistic about financials as we believe those 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 seek 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. 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 believe that investing in convertibles provides a means to participate in a portion of equity market upside and to procure a measured degree of downside protection. We believe exposure to equity-sensitive convertibles will allow the Fund to optimize total return. We are also encouraged by continued issuance of convertibles, which we believe will 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, 2017 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
CORPORATE BONDS (19.4%)			Materials (2.2%)		
	Consumer Discretionary (6.7%)		2,757,000	Constellium, NV*^	
2,297,000	Dana Financing Luxembourg Sarl*			8.000%, 01/15/23	\$ 2,863,999
	6.500%, 06/01/26	\$ 2,412,574	3,216,000	Huntsman International, LLC	
6,708,000	DISH DBS Corp.			5.125%, 11/15/22	3,393,877
	6.750%, 06/01/21	7,309,372	4,595,000	Trinseo Materials Operating, SCA*	
919,000	ESH Hospitality, Inc.*			6.750%, 05/01/22	4,869,299
	5.250%, 05/01/25	932,923			<u>11,127,175</u>
2,012,000	GameStop Corp.*^		Telecommunication Services (2.8%)		
	6.750%, 03/15/21	2,073,668	4,411,000	Frontier Communications Corp.^	
4,135,000	Golden Nugget, Inc.*			8.500%, 04/15/20	4,676,101
	8.500%, 12/01/21	4,416,283	1,268,000	Intelsat Jackson Holdings, SA*^	
5,549,000	Goodyear Tire & Rubber Companyμ~			8.000%, 02/15/24	1,370,632
	8.750%, 08/15/20	6,586,691	7,260,000	Sprint Corp.^	
4,595,000	MGM Resorts International^			7.625%, 02/15/25	8,113,014
	6.750%, 10/01/20	5,119,542			<u>14,159,747</u>
1,838,000	Neiman Marcus Group Ltd., LLC*^		Utilities (0.3%)		
	8.000%, 10/15/21	1,083,942	1,279,000	NRG Energy, Inc.	
3,018,000	Netflix, Inc.			7.875%, 05/15/21	1,318,726
	5.500%, 02/15/22	3,246,055	TOTAL CORPORATE BONDS		
		<u>33,181,050</u>	(Cost \$95,844,987)		
			<u>96,683,517</u>		
	Energy (1.4%)		Convertible Bonds (89.3%)		
6,892,000	SESI, LLCμ		Consumer Discretionary (16.0%)		
	6.375%, 05/01/19	6,880,042	4,500,000	CalAtlantic Group, Inc.μ~	
				1.250%, 08/01/32	4,581,068
	Financials (0.7%)			Ctrip.com International, Ltd.	
3,609,000	Ally Financial, Inc.μ~		2,000,000	1.000%, 07/01/20	2,231,330
	6.250%, 12/01/17	3,701,986	1,920,000	1.250%, 09/15/22*	2,011,814
			6,000,000	DISH Network Corp.*	
	Health Care (2.8%)			2.375%, 03/15/24	6,238,320
5,422,000	Endo International, PLC*μ		3,450,000	Liberty Interactive, LLC*^~	
	7.250%, 01/15/22	5,348,451		1.750%, 09/30/46	4,059,201
6,892,000	Tenet Healthcare Corp.		5,825,000	Liberty Media Corp.	
	6.750%, 02/01/20	6,992,485		1.375%, 10/15/23	6,598,123
1,654,000	VPII Escrow Corp.*^		3,400,000	2.250%, 09/30/46*	3,704,776
	7.500%, 07/15/21	1,374,060	3,500,000	Liberty Media Corp./Liberty Formula One*	
		<u>13,714,996</u>		1.000%, 01/30/23	3,938,708
			3,400,000	Macquarie Infrastructure Corp.^	
	Industrials (1.8%)			2.000%, 10/01/23	3,363,960
1,915,000	Michael Baker International, LLC*		9,125,000	Priceline Group, Inc.^~	
	8.250%, 10/15/18	1,998,427		0.900%, 09/15/21	10,441,053
4,595,000	United Continental Holdings, Inc.μ		19,969,000	Tesla, Inc.	
	6.375%, 06/01/18	4,804,601		1.250%, 03/01/21μ~	20,677,300
2,174,000	United Rentals North America, Inc.^		3,500,000	2.375%, 03/15/22	3,915,030
	7.625%, 04/15/22	2,276,656	3,750,000	Toll Brothers Finance Corp.μ	
		<u>9,079,684</u>		0.500%, 09/15/32	3,730,875
			2,750,000	Weatherford International, Ltd.	
	Information Technology (0.7%)			5.875%, 07/01/21	3,287,639
2,001,000	Alliance Data Systems Corp.*		875,000	World Wrestling Entertainment, Inc.*	
	6.375%, 04/01/20	2,040,580		3.375%, 12/15/23	951,466
1,378,000	First Data Corp.*				<u>79,730,663</u>
	7.000%, 12/01/23	1,479,531			
		<u>3,520,111</u>			

Schedule of Investments April 30, 2017 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
	Energy (3.4%)				
6,750,000	Nabors Industries, Inc.*^ 0.750%, 01/15/24	\$ 5,819,850	3,275,000	Ironwood Pharmaceuticals, Inc. 2.250%, 06/15/22	\$ 3,983,333
1,700,000	Newpark Resources, Inc.* 4.000%, 12/01/21	1,877,846	4,500,000	Jazz Investments I, Ltd.^μ	5,000,243
4,850,000	PDC Energy, Inc. 1.125%, 09/15/21	4,722,857	1,500,000	Medicines Company* 2.750%, 07/15/23	1,822,095
4,700,000	SM Energy Company 1.500%, 07/01/21	4,643,059	6,100,000	Medidata Solutions, Inc.μ	7,529,596
		<u>17,063,612</u>	2,750,000	Molina Healthcare, Inc.^μ 1.625%, 08/15/44	3,016,228
			927,000	Neurocrine Biosciences, Inc.* 2.250%, 05/15/24	969,294
	Financials (5.7%)		4,550,000	NuVasive, Inc. 2.250%, 03/15/21	<u>6,082,303</u>
7,500,000	Ares Capital Corp.^μ~	7,755,450			<u>72,875,670</u>
1,500,000	Blackstone Mortgage Trust, Inc.μ	1,709,895		Industrials (8.1%)	
2,000,000	Colony Capital, Inc. 3.875%, 01/15/21	2,012,190	3,350,000	Aerojet Rocketdyne Holdings, Inc.* 2.250%, 12/15/23	3,711,817
4,150,000 CAD	Element Fleet Management Corp.* 4.250%, 06/30/20	3,085,207	2,500,000	Air Lease Corp. 3.875%, 12/01/18	3,575,900
2,200,000	Jefferies Group, Inc.μ	2,213,156	3,300,000	Atlas Air Worldwide Holdings, Inc.^ 2.250%, 06/01/22	3,640,114
2,900,000	MGIC Investment Corp.*μ	3,790,242	5,800,000	Dycom Industries, Inc.~ 0.750%, 09/15/21	7,349,470
	Prospect Capital Corp.^μ~			Greenbrier Companies, Inc. 2.875%, 02/01/24*^	3,713,010
2,300,000	5.750%, 03/15/18	2,373,646	3,500,000	3.500%, 04/01/18	2,279,979
2,000,000	4.750%, 04/15/20	2,000,270	1,750,000	Pacira Pharmaceuticals, Inc.*^	7,215,311
3,450,000	TCP Capital Corp.*μ~	3,505,321	6,750,000	2.375%, 04/01/22	4,321,800
		<u>28,445,377</u>	3,500,000	Trinity Industries, Inc.μ~ 3.875%, 06/01/36	4,207,653
			3,400,000	Tutor Perini Corp.*^μ	<u>40,015,054</u>
				2.875%, 06/15/21	
	Health Care (14.6%)				
1,600,000	Acorda Therapeutics, Inc. 1.750%, 06/15/21	1,259,888		Information Technology (36.8%)	
	BioMarin Pharmaceutical, Inc. 1.500%, 10/15/20^	4,243,336	1,725,000	Advanced Micro Devices, Inc.μ~ 2.125%, 09/01/26	3,171,551
3,400,000	0.750%, 10/15/18	3,403,527	5,935,000	Citrix Systems, Inc.^μ	7,265,330
2,900,000	Depomed, Inc. 2.500%, 09/01/21	1,401,315	3,400,000	Cypress Semiconductor Corp.*^μ~ 4.500%, 01/15/22	4,214,130
1,500,000	Emergent Biosolutions, Inc. 2.875%, 01/15/21	5,054,706	6,700,000	Finisar Corp.*^ 0.500%, 12/15/36	6,241,485
4,165,000	Evolent Health, Inc.* 2.000%, 12/01/21	4,129,997	3,425,000	Inphi Corp.* 0.750%, 09/01/21	3,515,506
3,350,000	Flexion Therapeutics, Inc.* 3.375%, 05/01/24	2,337,188	5,900,000	Intel Corp.μ	10,317,182
2,250,000	HealthSouth Corp.μ 2.000%, 12/01/43	7,830,090	5,200,000	3.250%, 08/01/39	7,078,214
6,000,000	Hologic, Inc.^μ** 2.000%, 03/01/42	6,601,095	2,500,000	3.479%, 12/15/35~	
4,500,000	Insulet Corp.* 1.250%, 09/15/21	3,504,976		Knowles Corp.* 3.250%, 11/01/21	3,030,738
3,450,000	Ionis Pharmaceuticals, Inc. 1.000%, 11/15/21	4,706,460			

Schedule of Investments April 30, 2017 (Unaudited)

PRINCIPAL AMOUNT		VALUE
7,000,000	Lumentum Holdings, Inc.*^ 0.250%, 03/15/24	\$ 7,005,495
12,000,000	Microchip Technology, Inc.* 1.625%, 02/15/27	12,348,780
3,850,000	Micron Technology, Inc. 3.125%, 05/01/32	10,973,751
3,500,000	Nice Systems, Inc.* 1.250%, 01/15/24	3,633,210
3,000,000	Novellus Systems, Inc.μ~ 2.625%, 05/15/41	12,859,275
5,025,000	NXP Semiconductors, NV^μ~ 1.000%, 12/01/19	5,863,095
6,500,000	ON Semiconductor Corp.^ 1.000%, 12/01/20μ~	6,873,815
3,500,000	1.625%, 10/15/23*	3,501,313
3,500,000	OSI Systems, Inc.* 1.250%, 09/01/22	3,477,110
3,375,000	Palo Alto Networks, Inc.^ 0.000%, 07/01/19	3,932,786
3,250,000	Pandora Media, Inc. 1.750%, 12/01/20	3,156,806
4,750,000	Proofpoint, Inc.^ 0.750%, 06/15/20	5,447,252
4,125,000	Red Hat, Inc.^μ~ 0.250%, 10/01/19	5,430,088
3,275,000	Rovi Corp.^ 0.500%, 03/01/20	3,239,532
8,545,000	Salesforce.com, Inc.^μ 0.250%, 04/01/18	11,339,471
2,550,000	ServiceNow, Inc.μ 0.000%, 11/01/18	3,441,812
3,500,000	Silicon Laboratories, Inc.*^ 1.375%, 03/01/22	3,675,928
3,500,000	Square, Inc.* 0.375%, 03/01/22	3,707,830
9,600,000	SunEdison, Inc.*@ 0.250%, 01/15/20	86,688
4,500,000	Synchronoss Technologies, Inc.^ 0.750%, 08/15/19	3,862,305
3,325,000	Teradyne, Inc.*^ 1.250%, 12/15/23	4,184,878
3,500,000	Veeco Instruments, Inc. 2.700%, 01/15/23	3,848,722
3,500,000	Viavi Solutions, Inc.*^ 1.000%, 03/01/24	3,558,328
2,475,000	WebMD Health Corp.* 2.625%, 06/15/23	2,397,891
7,300,000	Workday, Inc. 1.500%, 07/15/20	9,166,245
1,300,000	0.750%, 07/15/18μ~	1,514,097
		<u>183,360,639</u>

PRINCIPAL AMOUNT		VALUE
Materials (1.4%)		
3,000,000	Royal Gold, Inc. 2.875%, 06/15/19	\$ 3,192,540
3,200,000	RTI International Metals, Inc. 1.625%, 10/15/19	3,808,480
		<u>7,001,020</u>
Real Estate (2.6%)		
4,200,000	Colony Starwood Homes* 3.500%, 01/15/22	4,524,345
1,500,000	Empire State Realty OP, LP* 2.625%, 08/15/19	1,719,998
3,300,000	Spirit Realty Capital, Inc.^μ 3.750%, 05/15/21	3,390,783
3,400,000	Starwood Property Trust, Inc. 4.375%, 04/01/23	3,399,473
		<u>13,034,599</u>
Utilities (0.7%)		
3,400,000	NRG Yield, Inc.* 3.250%, 06/01/20	3,355,239
	TOTAL CONVERTIBLE BONDS (Cost \$457,711,989)	<u>444,881,873</u>
SYNTHETIC CONVERTIBLE SECURITIES (2.0%)^α		
CORPORATE BONDS (1.7%)		
Consumer Discretionary (0.6%)		
203,000	Dana Financing Luxembourg Sarl* 6.500%, 06/01/26	213,214
592,000	DISH DBS Corp. 6.750%, 06/01/21	645,073
81,000	ESH Hospitality, Inc.* 5.250%, 05/01/25	82,227
178,000	GameStop Corp.*^ 6.750%, 03/15/21	183,456
365,000	Golden Nugget, Inc.* 8.500%, 12/01/21	389,829
489,000	Goodyear Tire & Rubber Companyμ~ 8.750%, 08/15/20	580,445
405,000	MGM Resorts International^ 6.750%, 10/01/20	451,233
162,000	Neiman Marcus Group Ltd., LLC*^ 8.000%, 10/15/21	95,538
266,000	Netflix, Inc. 5.500%, 02/15/22	286,100
		<u>2,927,115</u>
Energy (0.1%)		
608,000	SESI, LLCμ 6.375%, 05/01/19	606,945
Financials (0.1%)		
318,000	Ally Financial, Inc.μ~ 6.250%, 12/01/17	326,193

Schedule of Investments April 30, 2017 (Unaudited)

PRINCIPAL AMOUNT		VALUE
Health Care (0.2%)		
478,000	Endo International, PLC* ^μ 7.250%, 01/15/22	\$ 471,516
608,000	Tenet Healthcare Corp. 6.750%, 02/01/20	616,865
146,000	VPII Escrow Corp.* [^] 7.500%, 07/15/21	121,289
		<u>1,209,670</u>
Industrials (0.2%)		
169,000	Michael Baker International, LLC* 8.250%, 10/15/18	176,363
405,000	United Continental Holdings, Inc. ^μ 6.375%, 06/01/18	423,474
192,000	United Rentals North America, Inc. [^] 7.625%, 04/15/22	201,066
		<u>800,903</u>
Information Technology (0.1%)		
177,000	Alliance Data Systems Corp.* 6.375%, 04/01/20	180,501
122,000	First Data Corp.* 7.000%, 12/01/23	130,989
		<u>311,490</u>
Materials (0.2%)		
243,000	Constellium, NV* [^] 8.000%, 01/15/23	252,431
284,000	Huntsman International, LLC 5.125%, 11/15/22	299,708
405,000	Trinseo Materials Operating, SCA* 6.750%, 05/01/22	429,176
		<u>981,315</u>
Telecommunication Services (0.2%)		
389,000	Frontier Communications Corp. [^] 8.500%, 04/15/20	412,379
112,000	Intelsat Jackson Holdings, SA* [^] 8.000%, 02/15/24	121,065
640,000	Sprint Corp. [^] 7.625%, 02/15/25	715,197
		<u>1,248,641</u>
Utilities (0.0%)		
113,000	NRG Energy, Inc. 7.875%, 05/15/21	116,510
	TOTAL CORPORATE BONDS	<u>8,528,782</u>

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
PURCHASED OPTION (0.3%) #		
Information Technology (0.3%)		
1,000	Take-Two Interactive Software, Inc.	
100,000	Call, 01/19/18, Strike \$50.00	\$ 1,505,000
	TOTAL SYNTHETIC CONVERTIBLE SECURITIES (Cost \$9,157,822)	<u>10,033,782</u>

NUMBER OF SHARES		VALUE
CONVERTIBLE PREFERRED STOCKS (24.8%)		
Energy (3.2%)		
61,000	CenterPoint Energy, Inc. (Time Warner, Inc., Charter Communications, Time, Inc.) ^{μ~**§} 4.184%, 09/15/29	4,392,641
86,450	Hess Corp. 8.000%, 02/01/19	5,156,742
151,075	Southwestern Energy Company 6.250%, 01/15/18	2,791,866
66,000	WPX Energy, Inc. 6.250%, 07/31/18	3,616,140
		<u>15,957,389</u>

Financials (8.3%)		
164,000	Affiliated Managers Group, Inc. 5.150%, 10/15/37	9,409,500
10,675	Bank of America Corp.~ 7.250%, 12/31/49	12,953,258
17,347	Virtus Investment Partners, Inc.~ 7.250%, 02/01/20	1,699,139
13,555	Wells Fargo & Company ^{μ~} 7.500%, 12/31/49	17,214,850
		<u>41,276,747</u>

Health Care (6.0%)		
22,100	Allergan, PLC 5.500%, 03/01/18	19,133,738
210,225	Anthem, Inc. ^μ 5.250%, 05/01/18	10,801,361
		<u>29,935,099</u>

Industrials (0.8%)		
67,000	Rexnord Corp. 5.750%, 11/15/19	3,775,450

Materials (0.5%)		
58,400	Arconic, Inc. 5.375%, 10/01/17	2,479,664

Real Estate (1.0%)		
76,025	Welltower, Inc. ^{μ~} 6.500%, 03/03/39	4,805,540

Schedule of Investments April 30, 2017 (Unaudited)

NUMBER OF SHARES		VALUE
Telecommunication Services (1.7%)		
28,000	Alibaba Exchangeable (Softbank)* § 5.750%, 06/03/19	\$ 3,849,065
44,325	T-Mobile USA, Inc. μ 5.500%, 12/15/17	4,863,339
		<u>8,712,404</u>
Utilities (3.3%)		
68,875	DTE Energy Company ^ μ 6.500%, 10/01/19	3,726,578
68,000	Great Plains Energy, Inc. ^ 7.000%, 09/15/19	3,678,800
105,100	NextEra Energy, Inc. ^ 6.123%, 09/01/19	5,507,240
55,000	6.371%, 09/01/18 μ	3,391,850
		<u>16,304,468</u>
	TOTAL CONVERTIBLE PREFERRED STOCKS (Cost \$126,495,001)	<u>123,246,761</u>
COMMON STOCKS (1.4%)		
Consumer Discretionary (0.8%)		
75,432	Lennar Corp. - Class A ^ ~	3,809,316
Health Care (0.6%)		
17,157	Illumina, Inc. ^ μ ~ #	3,171,643
	TOTAL COMMON STOCKS (Cost \$7,966,746)	<u>6,980,959</u>
SHORT TERM INVESTMENTS (1.8%)		
4,535,374	Fidelity Prime Money Market Fund - Institutional Class	4,537,188
4,517,474	Morgan Stanley Institutional Liquidity Funds - Government Portfolio	4,517,474
	TOTAL SHORT TERM INVESTMENTS (Cost \$9,054,864)	<u>9,054,662</u>
	TOTAL INVESTMENTS (138.7%) (Cost \$706,231,409)	<u>690,881,554</u>
LIABILITIES, LESS OTHER ASSETS (-38.7%)		<u>(192,834,907)</u>
NET ASSETS (100.0%)		<u>\$ 498,046,647</u>

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
WRITTEN OPTIONS (-0.3%) #		
Consumer Discretionary (-0.2%)		
750	Lennar Corp.	
75,000	Call, 05/19/17, Strike \$44.00	(487,500)
100	Tesla, Inc.	
10,000	Call, 06/16/17, Strike \$280.00	(388,000)
		<u>(875,500)</u>

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
Health Care (-0.1%)		
200	Allergan, PLC	
20,000	Call, 06/16/17, Strike \$260.00	\$ (34,900)
125	Illumina, Inc.	
12,500	Call, 06/16/17, Strike \$175.00	(174,375)
375	Nuvasive, Inc.	
37,500	Call, 06/16/17, Strike \$75.00	(70,313)
		<u>(279,588)</u>
Industrials (0.0%)		
300	Dycom Industries, Inc.	
30,000	Call, 06/16/17, Strike \$115.00	(87,000)
Information Technology (0.0%)		
280	Red Hat, Inc.	
28,000	Call, 06/16/17, Strike \$85.00	(130,200)
	TOTAL WRITTEN OPTIONS (Premium \$849,769)	<u>\$ (1,372,288)</u>

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 \$166,126,152. \$45,224,797 of the collateral has been re-registered by one of the counterparties, BNP (see Note 7 – Borrowings).

~ 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 \$35,148,372.

** Step Coupon security. Coupon changes periodically based upon a predetermined schedule. The rate shown is the rate in effect at April 30, 2017.

@ In default status and considered non-income producing.

□ The synthetic convertible securities strategy combines separate securities that together possess the economic characteristics similar to a convertible security.

§ Securities exchangeable or convertible into securities of one or more entities that are different than the issuer. Each entity is identified in the parenthetical.

Non-income producing security.

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, 2017 (Unaudited)

ASSETS

Investments in securities, at value (cost \$706,231,409)	\$ 690,881,554
Cash with custodian (interest bearing)	217
Restricted cash for short positions (interest bearing)	108,585
Receivables:	
Accrued interest and dividends	4,467,959
Investments sold	10,767,021
Prepaid expenses	47,605
Other assets	12,354
Total assets	706,285,295

LIABILITIES

Options written, at value (premium \$849,769)	1,372,288
Payables:	
Notes payable	195,000,000
Investments purchased	11,054,542
Affiliates:	
Investment advisory fees	563,792
Deferred compensation to trustees	12,354
Financial accounting fees	6,574
Trustees' fees and officer compensation	9,630
Other accounts payable and accrued liabilities	219,468
Total liabilities	208,238,648
NET ASSETS	\$ 498,046,647

COMPOSITION OF NET ASSETS

Common stock, no par value, unlimited shares authorized 24,384,692 shares issued and outstanding	\$ 556,518,751
Undistributed net investment income (loss)	(19,095,634)
Accumulated net realized gain (loss) on investments, foreign currency transactions, written options and short positions	(23,502,905)
Unrealized appreciation (depreciation) of investments, foreign currency translations and written options	(15,873,565)
NET ASSETS	\$ 498,046,647
Net asset value per common shares based upon 24,384,692 shares issued and outstanding	\$ 20.42

Statement of Operations Six Months Ended April 30, 2017 (Unaudited)

INVESTMENT INCOME

Interest	\$ 11,821,593
Dividends	4,026,011
Securities lending income	43,428
Total investment income	15,891,032

EXPENSES

Investment advisory fees	3,368,686
Interest expense and related fees	1,352,885
Financial accounting fees	39,238
Legal fees	38,145
Trustees' fees and officer compensation	27,608
Printing and mailing fees	25,367
Accounting fees	24,847
Audit fees	19,498
Transfer agent fees	12,390
Custodian fees	10,783
Dividend or interest expense on short positions	10,082
Registration fees	1,892
Other	34,350
Total expenses	4,965,771
NET INVESTMENT INCOME (LOSS)	10,925,261

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) from:

Investments, excluding purchased options	3,158,551
Purchased options	1,149,636
Foreign currency transactions	(3,465)
Written options	(416,798)
Short positions	(648,236)

Change in net unrealized appreciation/(depreciation) on:

Investments, excluding purchased options	31,715,569
Purchased options	150,450
Foreign currency translations	(42)
Written options	(620,887)
NET GAIN (LOSS)	34,484,778
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 45,410,039

Statements of Changes in Net Assets

	(UNAUDITED) SIX MONTHS ENDED APRIL 30, 2017	YEAR ENDED OCTOBER 31, 2016
OPERATIONS		
Net investment income (loss)	\$ 10,925,261	\$ 21,580,879
Net realized gain (loss)	3,239,688	(30,090,960)
Change in unrealized appreciation/(depreciation)	31,245,090	6,975,295
Net increase (decrease) in net assets applicable to shareholders resulting from operations	45,410,039	(1,534,786)
DISTRIBUTIONS FROM		
Net investment income	(24,433,461)	(24,035,500)
Net realized gains	—	(286,544)
Return of capital	—	(24,544,878)
Net decrease in net assets from distributions	(24,433,461)	(48,866,922)
TOTAL INCREASE (DECREASE) IN NET ASSETS	20,976,578	(50,401,708)
NET ASSETS		
Beginning of period	\$ 477,070,069	\$ 527,471,777
End of period	498,046,647	477,070,069
Undistributed net investment income (loss)	\$ (19,095,634)	\$ (5,587,434)

Statement of Cash Flows Six Months Ended April 30, 2017 (Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net increase/(decrease) in net assets from operations	\$ 45,410,039
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	(205,713,033)
Net proceeds from disposition of short term investments	2,613,805
Purchases of securities to cover securities sold short	(3,814,127)
Proceeds paid on closing written options	(2,074,330)
Proceeds from disposition of investment securities, including purchased options	221,187,594
Proceeds from securities sold short	3,165,891
Premiums received from written options	1,765,933
Amortization and accretion of fixed-income securities	(3,503,992)
Net realized gains/losses from investments, excluding purchased options	(3,158,612)
Net realized gains/losses from purchased options	(1,149,636)
Net realized gains/losses from short positions	648,236
Net realized gains/losses from written options	416,798
Change in unrealized appreciation or depreciation on investments, excluding purchased options	(31,715,569)
Change in unrealized appreciation or depreciation on purchased options	(150,450)
Change in unrealized appreciation or depreciation on written options	620,887
Net change in assets and liabilities:	
(Increase)/decrease in assets:	
Accrued interest and dividends receivable	(11,728)
Restricted cash for short positions (interest bearing)	(108,585)
Prepaid expenses	(35,907)
Other assets	(81)
Increase/(decrease) in liabilities:	
Payables to affiliates	(11,624)
Other accounts payable and accrued liabilities	52,169
Net cash provided by/(used in) operating activities	\$ 24,433,678

CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions to shareholders	(24,433,461)
Net cash provided by/(used in) financing activities	\$ (24,433,461)
Net increase/(decrease) in cash	\$ 217
Cash at beginning of period	\$ —
Cash at end of period	\$ 217
Supplemental disclosure	
Cash paid for interest and related fees	\$ 1,311,817

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, 2017. 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 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.

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 - 2016 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 \$12,354 is included in "Other assets" on the Statement of Assets and Liabilities at April 30, 2017. 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, 2017.

Note 3 – Investments

The cost of purchases and proceeds from sales of long-term investments for the period ended April 30, 2017 were as follows:

Cost of purchases	\$216,125,577
Proceeds from sales	229,882,847

The cost basis of investments for federal income tax purposes at April 30, 2017 was as follows*:

Cost basis of investments	\$705,381,640
Gross unrealized appreciation	30,472,078
Gross unrealized depreciation	(46,344,452)
Net unrealized appreciation (depreciation)	\$ (15,872,374)

* 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 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, 2017 will be determined at the end of the Fund's current fiscal year.

Distributions for the year ended October 31, 2016 were characterized for federal income tax purposes as follows:

	YEAR ENDED OCTOBER 31, 2016
Distributions paid from:	
Ordinary income	\$ 24,035,500
Long-term capital gains	286,544
Return of capital	24,544,878

As of October 31, 2016, 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	(31,286,756)
Net unrealized gains/(losses)	(48,145,001)
Total accumulated earnings/(losses)	(79,431,757)
Other	(16,925)
Paid-in-capital	556,518,751
Net assets applicable to common shareholders	\$ 477,070,069

The Fund had capital loss carryforwards for the year ended October 31, 2016, with no expiration date, available to offset future realized capital gains, as follows:

Short-Term	\$ (29,520,190)
Long-Term	(1,766,566)

Note 5 – Common Shares

There are unlimited common shares of beneficial interest authorized and 24,384,692 shares outstanding at April 30, 2017. Calamos Advisors owned 1,113,377 of the outstanding shares at April 30, 2017. Transactions in common shares were as follows:

	PERIOD ENDED APRIL 30, 2017	YEAR ENDED OCTOBER 31, 2016
Beginning shares	24,384,692	24,384,692
Shares sold	—	—
Shares issued through reinvestment of distributions	—	—
Ending shares	24,384,692	24,384,692

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 6 – 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 Fund’s net counterparty exposure is reflected in the counterparty table below. 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, 2017.

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.

Notes to Financial Statements (Unaudited)

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, 2017, the Fund had outstanding purchased options and/or written options as listed on the Schedule of Investments. For the period ended April 30, 2017, the Fund had the following transactions in options written:

	NUMBER OF CONTRACTS	PREMIUMS RECEIVED
Options outstanding at October 31, 2016	2,160	\$ 741,368
Options written	6,295	1,765,933
Options closed	(5,487)	(1,436,488)
Options exercised	(838)	(221,044)
Options expired	—	—
Options outstanding at April 30, 2017	2,130	\$ 849,769

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 7 – Borrowings). 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 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, 2017, the Fund did not hold any outstanding interest rate swap agreements.

As of April 30, 2017, 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⁾	\$ 1,505,000	\$ —
Written Options ⁽²⁾	—	1,372,288
	\$ 1,505,000	\$ 1,372,288

(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, 2017, the volume of derivative activity for the Fund is reflected below*

	VOLUME
Options purchased	1,000
Options written	6,295

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

Note 7 – Borrowings

The Fund, with the approval of its board of trustees, including its independent trustees, has entered into a financing package that includes a Committed Facility Agreement (the “BNP Agreement”) with BNP Paribas Prime Brokerage International Ltd. (“BNP”) that allows the Fund to borrow up to \$67.5 million and a lending agreement, “Lending Agreement” as defined below. In addition, the financing package also includes a Credit Agreement (the “SSB Agreement”, together with the BNP Agreement, “Agreements”) with State Street Bank and Trust Company (“SSB”) that allows the Fund to borrow up to a limit of \$202.5 million, and a related securities lending authorization agreement (“Authorized Agreement”). Borrowings under the BNP Agreement and 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”). BNP and SSB share a claim on the pledged collateral, subject to any adjustment that may be agreed upon between the lenders. Interest on the BNP Agreement is charged at the three month LIBOR (London Inter-bank Offered Rate) plus .65% on the amount borrowed and .20% on the undrawn balance. Interest on the SSB Agreement is charged on the drawn amount at the rate of Overnight LIBOR plus .80% and .10% on the undrawn balance. For the period ended April 30, 2017, the average borrowings under the Agreements were \$195.0 million. For the period ended April 30, 2017, the average interest rate was 1.74%. As of April 30, 2017, the amount of total outstanding borrowings was \$195.0 million (\$48.8 million under the BNP Agreement and \$146.2 million under the SSB Agreement), which approximates fair value. The interest rate applicable to the borrowings on April 30, 2017 was 1.26%.

The Lending Agreement with BNP is a separate side-agreement between the Fund and BNP pursuant to which BNP may borrow a portion of the pledged collateral (the “Lent Securities”) in an amount not to exceed the outstanding borrowings owed by the Fund to BNP under the BNP Agreement. The Lending Agreement is intended to permit the Fund to significantly reduce the cost of its borrowings under the BNP Agreement. BNP may re-register the Lent Securities in its own name or in another name other than the Fund, and may pledge, re-pledge, sell, lend or otherwise transfer or use the Lent Securities with all attendant rights of ownership. (It is the Fund’s understanding that BNP will perform due diligence to determine the creditworthiness of any party that borrows Lent Securities from BNP.) The Fund may designate any security within the pledged collateral as ineligible to be a Lent Security, provided there are eligible securities within the pledged collateral in an amount equal to the outstanding borrowing owed by the Fund. During the period in which the Lent Securities are outstanding, BNP must remit payment to the Fund equal to the amount of all dividends, interest or other distributions earned or made by the Lent Securities. The dividend and interest payments are recorded as Dividend or Interest payments in the Statement of Operations. Earnings made by the lent securities are disclosed on a net basis as Securities Lending Income in the Statement of Operations.

Under the terms of the Lending Agreement with BNP, the Lent Securities are marked to market daily, and if the value of the Lent Securities exceeds the value of the then-outstanding borrowings owed by the Fund to BNP under the Agreement (the “Current Borrowings”), BNP must, on that day, either (1) return Lent Securities to the Fund’s custodian in an amount sufficient to cause the value of the outstanding Lent Securities to equal the Current Borrowings; or (2) post cash collateral with the Fund’s custodian equal to the difference between the value of the Lent Securities and the value of the Current Borrowings. If BNP fails to perform either of these actions as required, the Fund will recall securities, as discussed below, in an amount sufficient to cause the value of the outstanding Lent Securities to equal the Current Borrowings. The Fund can recall any of the Lent Securities and BNP shall, to the extent commercially possible, return such security or equivalent security to the Fund’s custodian no later than three business days after such request. If the Fund recalls a Lent Security pursuant to the Lending Agreement, and BNP fails to return the Lent Securities or equivalent securities in a timely fashion, BNP shall remain liable for the ultimate delivery of such Lent Securities, or equivalent securities, to be made to the Fund’s custodian, and for any buy-in costs that the executing broker for the sales transaction may impose with respect to the failure to deliver. The Fund shall also have the right to apply and set-off an amount equal to one hundred percent (100%) of the then-current fair market value of such Lent Securities against the Current Borrowings.

Notes to Financial Statements (Unaudited)

Under the terms of the Authorized Agreement with SSB, all securities lent through SSB must be secured continuously by collateral received in cash, cash equivalents, or U.S. Treasury bills and maintained on a current basis at an amount at least equal to the market value of the securities loaned. Cash collateral held by SSB on behalf of the Fund may be credited against the amounts borrowed under the SSB Agreement. Any amounts credited against the SSB Agreement would count against the Fund's leverage limitations under the 1940 Act, unless otherwise covered in accordance with SEC Release IC-10666. Under the terms of the Authorized Agreement with SSB, SSB will return the value of the collateral to the borrower upon the return of the lent securities, which will eliminate the credit against the SSB Agreement and will cause the amount drawn under the SSB Agreement to increase in an amount equal to the returned collateral. Under the terms of the Authorized Agreement with SSB, the Fund will make a variable "net income" payment related to any collateral credited against the SSB Agreement which will be paid to the securities borrower, less any payments due to the Fund or SSB under the terms of the Authorized Agreement. The Fund has the right to call a loan and obtain the securities loaned at any time. As of April 30, 2017, the Fund used approximately \$110.0 million of its cash collateral to offset the SSB Agreement, representing 15.9% of managed assets, and was required to pay a "net income" payment equal to an annualized interest rate of 0.86%, which can fluctuate depending on interest rates. As of April 30, 2017, approximately \$107.4 million of securities were on loan (\$101.1 million of fixed income securities and \$6.3 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.

Note 8 – Fair Value Measurements

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	\$ —	\$ 96,683,517	\$ —	\$ 96,683,517
Convertible Bonds	—	444,881,873	—	444,881,873
Synthetic Convertible Securities (Corporate Bonds)	—	8,528,782	—	8,528,782
Synthetic Convertible Securities (Purchased Options)	1,505,000	—	—	1,505,000
Convertible Preferred Stocks	101,868,977	21,377,784	—	123,246,761
Common Stocks U.S.	6,980,959	—	—	6,980,959
Short Term Investments	9,054,662	—	—	9,054,662
Total	\$ 119,409,598	\$ 571,471,956	\$ —	\$ 690,881,554
Liabilities:				
Written Options	\$ 1,372,288	\$ —	\$ —	\$ 1,372,288
Total	\$ 1,372,288	\$ —	\$ —	\$ 1,372,288

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

	(UNAUDITED) SIX MONTHS ENDED APRIL 30, 2017	YEAR ENDED OCTOBER 31, 2016	MARCH 27, 2015* THROUGH OCTOBER 31, 2015
Net asset value, beginning of period	\$19.56	\$21.63	\$23.88 ^(a)
Income from investment operations:			
Net investment income (loss)*	0.45	0.89	0.48
Net realized and unrealized gain (loss)	1.41	(0.96)	(1.84)
Total from investment operations	1.86	(0.07)	(1.36)
Less distributions to common shareholders from:			
Net investment income	(1.00)	(0.99)	(0.84)
Net realized gains	—	— ^(b)	—
Return of capital	—	(1.01)	—
Total distributions	(1.00)	(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	\$20.42	\$19.56	\$21.63
Market value, end of period	\$19.55	\$17.83	\$19.28
Total investment return based on: ^(c)			
Net asset value	10.19%	1.03%	(5.78)%
Market value	15.73%	3.32%	(19.79)%
Net assets, end of period (000)	\$498,047	\$477,070	\$527,472
Ratios to average net assets applicable to common shareholders:			
Net expenses ^(d)	2.07% ^(e)	2.02%	1.91% ^(e)
Gross expenses prior to expense reductions and earnings credits	2.07% ^(e)	2.02%	1.91% ^(e)
Net investment income (loss)	4.55% ^(e)	4.48%	3.65% ^(e)
Portfolio turnover rate	32%	40%	23%
Average commission rate paid	\$0.0170	\$0.0233	\$0.0198
Asset coverage per \$1,000 of loan outstanding ^(f)	\$3,554	\$3,447	\$3,398

• 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, to average net assets was 1.50%, 1.52% and 1.56% for the period ended April 30, 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) from the Fund's total assets and dividing this by the amount of notes payable outstanding, and by multiplying the result by 1,000.

Report of Independent Registered Public Accounting Firm

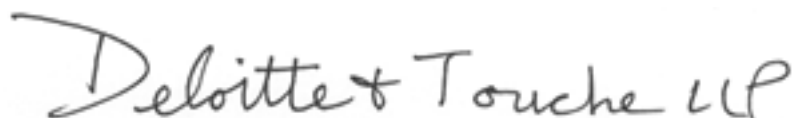
To the Board of Trustees and Shareholders of
Calamos Dynamic Convertible and Income Fund

We have reviewed the accompanying statement of assets and liabilities, including the schedule of investments, for Calamos Dynamic Convertible and Income Fund (the "Fund") as of April 30, 2017, and the related statements of operations, changes in net assets, and cash flows and the financial highlights for the six month period then ended. These financial statements and financial highlights are the responsibility of the Fund's management.

We conducted our review in accordance with standards of the Public Company Accounting Oversight Board (United States). A review of 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 standards of the Public Company Accounting Oversight Board (United States), 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.

Based on our review, we are not aware of any material modifications that should be made to such financial statements and financial highlights for them 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), the statement of changes in net assets of the Fund for the year ended October 31, 2016 and the financial highlights for the year then ended and for the period from March 27, 2015 (commencement of operations) through October 31, 2015; and in our report dated December 15, 2016, we expressed an unqualified opinion on such statement of changes in net assets and financial highlights.

The image shows the handwritten signature of Deloitte & Touche LLP in a cursive script.

Chicago, Illinois
June 14, 2017

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 Directors.

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-capstocks.
- **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.**

Level Rate Distribution Policy

Using a Level Rate Distribution Policy to Promote Dependable Income and Total Return

The goal of the level rate distribution policy is to provide investors a predictable, though not assured, level of cash flow, which can either serve 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 level rate distribution policy for the Fund. Under the policy, monthly distributions paid may include net investment income, net realized short-term capital gains and, if necessary, return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. 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. For purposes of maintaining the level rate distribution policy, the Fund may realize short-term capital gains on securities that, if sold at a later date, would have resulted in long-term capital gains. Maintenance of a level rate distribution policy may increase transaction and tax costs associated with the Fund.

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.



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

