

TIMELY INFORMATION INSIDE

**CALAMOS**<sup>®</sup>  
INVESTMENTS  
Convertible and High Income Fund (CHY)

SEMIANNUAL REPORT APRIL 30, 2018



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# CALAMOS<sup>®</sup>

## INVESTMENTS

### Experience and Foresight

#### About Calamos Investments

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

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

Dear Fellow Shareholder:

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

Calamos Convertible and High Income Fund (CHY) is an enhanced fixed income fund. We utilize dynamic asset allocation to pursue high current income with a less rate sensitive approach, while also maintaining a focus on capital gains. We believe the flexibility to invest in high yield corporate bonds and convertible securities is an important differentiator, especially given political as well as fiscal and monetary policy unknowns, and their potential impact on interest rates and the fixed income market.

## Distribution

During the period, the Fund provided a compelling monthly distribution of \$0.1000 per share. We believe the Fund's current annualized distribution rate, which was 9.90%\* on a market price basis as of April 30, 2018, was very competitive, given the low interest rates in many segments of the bond market. In our view, the Fund's distributions illustrate the benefits of a multi-asset class approach and flexible allocation strategy.

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

\* Current Annualized Distribution Rate is the Fund's most recent distribution, expressed as an annualized percentage of the Fund's current market price per share. The Fund's 4/30/18 distribution was \$0.1000 per share. Based on our current estimates, we anticipate that approximately \$0.1000 is paid from ordinary income or capital gains and that approximately \$0.0000 represents a return of capital. Estimates are calculated on a tax basis rather than on a generally accepted accounting principles (GAAP) basis, but should not be used for tax reporting purposes. Distributions are subject to re-characterization for tax purposes after the end of the fiscal year. This information is not legal or tax advice. Consult a professional regarding your specific legal or tax matters. Under the Fund's managed distribution policy, distributions paid to common shareholders may include net investment income, net realized short-term capital gains and return of capital. When the net investment income and net realized short-term capital gains are not sufficient, a portion of the distribution will be a return of capital. In addition, a limited number of distributions per calendar year may include net realized long-term capital gains. The distribution rate may vary.

In our October 2017 annual report, I discussed the favorable trends that were supporting continued global growth and investment potential across asset classes. However, I noted our investment teams would not be surprised if the market environment changed, with a pause in the equity markets or even a correction. I also discussed that short-term volatility can create opportunities for long-term managers, such as ourselves. During the semiannual reporting period, these views were borne out.

### **Market Review**

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

### **Outlook**

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

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

## Thoughts for Investors

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

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

## In Closing

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

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

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

Sincerely,



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

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

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

Sources: Lipper, Inc.

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

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

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

## The Calamos Closed-End Funds: An Overview

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

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

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

#### OBJECTIVE: U.S. ENHANCED FIXED INCOME

Calamos Convertible Opportunities and Income Fund  
(Ticker: CHI)

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

Calamos Convertible and High Income Fund  
(Ticker: CHY)

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

#### OBJECTIVE: GLOBAL ENHANCED FIXED INCOME

Calamos Global Dynamic Income Fund  
(Ticker: CHW)

Invests in global fixed income securities, alternative investments and equities

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

#### OBJECTIVE: GLOBAL TOTAL RETURN

Calamos Global Total Return Fund  
(Ticker: CGO)

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

#### OBJECTIVE: U.S. TOTAL RETURN

Calamos Strategic Total Return Fund  
(Ticker: CSQ)

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

Calamos Dynamic Convertible and Income Fund  
(Ticker: CCD)

Invests in convertibles and other fixed income securities

### Our Managed Distribution Policy

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

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

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

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

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



**TOTAL RETURN\* AS OF 4/30/18****Common Shares – Inception 5/28/03**

	6 Months	1 Year	Since Inception**
On Market Price	6.63%	15.18%	8.39%
On NAV	1.35%	8.36%	8.35%

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

\*\*Annualized since inception.

**SECTOR WEIGHTINGS**

Information Technology	22.3%
Health Care	16.3
Consumer Discretionary	14.3
Energy	10.7
Financials	9.5
Industrials	8.4
Telecommunication Services	5.2
Materials	3.0
Utilities	2.6
Real Estate	2.4
Consumer Staples	2.3

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.

## CONVERTIBLE AND HIGH INCOME FUND (CHY)

### INVESTMENT TEAM DISCUSSION

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

Calamos Convertible and High Income Fund (CHY) is an enhanced fixed income offering that seeks total return through a combination of capital appreciation and current income. It provides an alternative to funds investing exclusively in investment-grade fixed income instruments and seeks to be less sensitive to interest rates. Like all Calamos closed-end funds, the Fund seeks to provide a steady stream of distributions paid out monthly and invests in multiple asset classes, which can be reweighted in an effort to optimize returns.

We invest in a diversified portfolio of convertible securities 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 the Fund is well positioned to generate capital gains and income. We believe the broader range of security types also provides increased opportunities to manage the risk/reward characteristics of the portfolio over full market cycles. During the six-month period, ended April 30, 2018, the Fund maintained a high proportional exposure to convertible assets. We believe such exposure, which constituted over half the portfolio at the end of the period, positions us well to participate in the equity markets in a more risk-managed way in 2018.

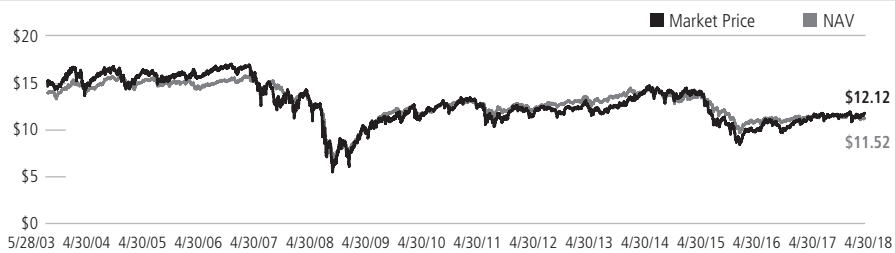
We seek companies with respectable balance sheets, reliable debt servicing and good prospects for sustainable growth. While we invest primarily in securities of U.S. issuers, we favor companies that are actively participating in globalization with geographically diversified revenue streams and global-scale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

#### How did the Fund perform over the reporting period?

The Fund returned 1.35% on a net asset value (NAV) basis and 6.63% on a market price basis for the six-month period ended April 30, 2018 versus the -0.16% Credit Suisse U.S. High Yield Index and 2.11% increase for the ICE BofAML All U.S. Convertibles Index.

At the end of the reporting period, the Fund's shares traded at a 5.21% premium to net asset value.



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

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

**How do NAV and market price return differ?**

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

**Please discuss the Fund's distributions during the six-month period.**

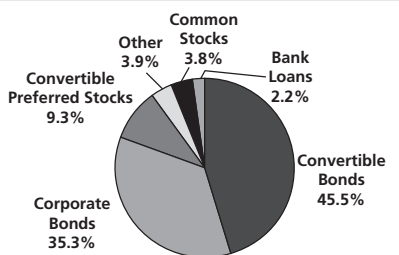
We employ a managed distribution policy\* within this Fund with the goal of providing shareholders a consistent distribution stream. In each month of the period, the Fund distributed \$0.1000 per share, resulting in a current annualized distribution rate of 9.90% of market price as of April, 30, 2018.

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

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

† Source: Calamos Investments

‡ Source: U.S. Department of the Treasury

**ASSET ALLOCATION AS OF 4/30/18**

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

### **What factors influenced performance over the reporting period?**

Improvements in the convertible bond markets contributed to the Fund's positive performance over the period. Convertible bond Issuance was also robust during the period, which presented us with a broad selection of investment opportunities.

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

From an economic sector perspective, selection in healthcare (biotechnology) contributed to performance. In addition, the Fund was helped by its underweight to real estate, notably in diversified REITs.

Our selection in materials (steel) hindered performance. In addition, our names in consumer discretionary (internet and direct marketing retail) lagged relative to the ICE BofAML All U.S. Convertibles Index.

### **How is the Fund positioned?**

We continue to hold our highest allocation of rated securities in the BB-credit tier, as we believe this exposure offers investors a better risk/reward dynamic while continuing to provide regular income. From an economic sector perspective, our heaviest exposures are found in the information technology, health care and consumer discretionary sectors. We believe that these sectors should outperform given where we are in the economic cycle and based on current demographic trends. We continue to maintain significant positions in convertible securities, which we believe can provide income, benefit from a rising equity market, and manage overall portfolio risk. As of April 30, 2018, approximately 55% our portfolio was invested in convertible securities. We believe this will enable our shareholders to take advantage of opportunities in the general equity markets. Long term, we believe patient investors will be rewarded for an allocation to convertibles and high yield at current levels, especially during periods of market volatility.

The average credit quality of the portfolio is slightly higher than that of the ICE BofAML 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/reward dynamics are favorable for our investors.

Moreover, we seek to invest where the risk/reward is compelling, investing in global businesses who have diversified their revenue streams by capitalizing on the best opportunities around the world. Overall, we believe that our portfolio companies are performing well fundamentally and are well positioned to participate in global synchronization, earn attractive cash flow margins, and improve their credit profiles while utilizing reasonable debt levels to fund their operations.

We believe that this is an environment that is conducive to the prudent use of leverage as a means of enhancing total return and supporting the fund's distribution rate. In spite of a cost increase due to rising interest rates, our use of leverage over the period enjoyed a favorable reinvestment dynamic.

**What are your closing thoughts for Fund shareholders?**

Given our outlook for a continued period of economic growth, we are favoring quality growth companies. Favorable factors within the U.S. include solid job creation, low interest rates, improved consumer spending and limited inflationary pressures. We emphasize investments in companies with solid cash flow generation and stronger balance sheets. From a thematic and sector perspective, we see opportunities in the technology sector, consumer discretionary companies tied to global consumption, and companies positioned to benefit from improving fundamentals. We are also optimistic about financials, as we believe financial companies are favorably valued and positioned to grow revenues in a rising-interest-rate, lower-regulatory environment. We are cautious about companies in the consumer staples sector. We believe they may be fully valued as investors are attracted to those stocks for income rather than growth. We are selective regarding companies in the healthcare sector, favoring those that are more product-growth oriented versus price driven.

We believe that fiscal policy is likely to remain an important factor regarding the impact of rate hikes on corporate refinancing of debt. In addition, geopolitical concerns will likely be an ongoing consideration. In our view, equities continue to offer compelling risk/reward potential.

Investing in convertibles provides a means to participate in a portion of the equity market upside and to achieve a degree of downside protection. We expect markets to have bouts of turbulence, which we see as a positive for convertibles. In this respect, we believe returns are best viewed over a full market cycle. We are focused on the more balanced convertibles,\*\* which we believe can be beneficial in a volatile market as they are more likely to limit losses in down markets and participate in up markets. We are also encouraged by the continued issuance of new convertibles, which should provide broad investment opportunities through the space. Our dynamic allocation mandate allows us to deploy assets across 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, especially during periods of market volatility.

\*\*Balanced convertibles display an asymmetric upside/downside risk profile versus the common stock that they convert into. This means they generally show less downside risk relative to their underlying stocks and participate in a greater portion of the underlying stock's upside than downside.

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT	VALUE	PRINCIPAL AMOUNT	VALUE
<b>CORPORATE BONDS (51.7%)</b>			
<b>Consumer Discretionary (8.4%)</b>			
467,000	American Greetings Corp.* 7.875%, 02/15/25	\$ 472,100	
1,011,000	AV Homes, Inc. 6.625%, 05/15/22	1,039,480	
1,410,000	Beverages & More, Inc.* 11.500%, 06/15/22	1,289,544	
	CCO Holdings, LLC / CCO Holdings Capital Corp. 5.125%, 05/01/27*^	2,508,921	
2,674,000		1,040,190	
1,026,000	5.750%, 09/01/23	519,802	
564,000	5.000%, 02/01/28*		
	Century Communities, Inc. 6.875%, 05/15/22	2,206,011	
2,141,000		743,889	
778,000	5.875%, 07/15/25		
1,313,000	CRC Escrow Issuer, LLC*^	1,255,556	
	5.250%, 10/15/25		
3,793,000	Dana Financing Luxembourg Sarl*^	3,952,363	
	6.500%, 06/01/26		
	DISH DBS Corp.^		
1,780,000	5.875%, 11/15/24	1,521,909	
1,264,000	7.750%, 07/01/26	1,152,913	
2,363,000	Eldorado Resorts, Inc. 6.000%, 04/01/25	2,343,706	
569,000	ESH Hospitality, Inc.* 5.250%, 05/01/25	557,620	
943,000	GameStop Corp.*^μ	960,243	
	6.750%, 03/15/21		
1,050,000	goeasy, Ltd.*μ	1,119,137	
	7.875%, 11/01/22		
632,000	Guitar Center Escrow Issuer, Inc.* 9.500%, 10/15/21	617,180	
5,349,000	Hasbro, Inc.~ 6.600%, 07/15/28	6,118,881	
1,211,000	Horizon Pharma, Inc. / Horizon Pharma USA, Inc.*^		
	8.750%, 11/01/24	1,294,329	
4,192,000	L Brands, Inc.^	3,967,141	
	6.875%, 11/01/35		
2,952,000	Lennar Corp.*μ	3,117,578	
	6.625%, 05/01/20		
1,376,000	M/I Homes, Inc. 5.625%, 08/01/25	1,326,216	
2,655,000	Mattel, Inc.*^	2,591,944	
	6.750%, 12/31/25		
1,221,000	Mclaren Finance, PLC* 5.750%, 08/01/22	1,228,723	
2,125,000	Meritage Homes Corp. 7.000%, 04/01/22	2,337,776	
2,723,000	Penske Automotive Group, Inc. 5.375%, 12/01/24	2,707,356	
943,000	PetSmart, Inc.*^	679,978	
	5.875%, 06/01/25	\$	
292,000	8.875%, 06/01/25	170,613	
	Rite Aid Corp. 7.700%, 02/15/27	2,055,834	
2,358,000		793,552	
778,000	6.125%, 04/01/23*^		
2,583,000	Royal Caribbean Cruises, Ltd. 7.500%, 10/15/27	3,157,382	
2,324,000	Salem Media Group, Inc.* 6.750%, 06/01/24	2,207,997	
1,757,000	Sally Holdings, LLC / Sally Capital, Inc.^	1,719,497	
	5.625%, 12/01/25		
4,133,000	Service Corp. International 7.500%, 04/01/27	4,732,967	
1,264,000	Sotheby's* 4.875%, 12/15/25	1,218,186	
3,134,000	Taylor Morrison Communities, Inc.*^	3,161,203	
	5.250%, 04/15/21		
1,016,000	VOC Escrow, Ltd.*^	984,331	
	5.000%, 02/15/28		
1,509,000	ZF North America Capital, Inc.* 4.750%, 04/29/25	1,538,705	
		70,410,753	
	<b>Consumer Staples (2.5%)</b>		
1,293,000	Albertsons Companies, LLC / Safeway, Inc. / New Albertson's, Inc. / Albertson's, LLC^	1,130,075	
	5.750%, 03/15/25		
3,987,000	Fidelity & Guaranty Life Holdings, Inc.*~	4,056,852	
	6.375%, 04/01/21		
2,334,000	Fresh Market, Inc.*^	1,323,460	
	9.750%, 05/01/23		
7,464,000	JBS USA LUX SA / JBS USA Finance, Inc.* 7.250%, 06/01/21^	7,555,919	
1,780,000		1,711,221	
	6.750%, 02/15/28		
	New Albertson's, Inc. 7.450%, 08/01/29^	871,451	
1,070,000		506,455	
608,000	8.000%, 05/01/31		
326,000	7.750%, 06/15/26	286,251	
	Pilgrim's Pride Corp.* 5.875%, 09/30/27	1,683,352	
1,760,000		497,302	
506,000	5.750%, 03/15/25^		
	Post Holdings, Inc.*^	1,284,383	
1,313,000	5.750%, 03/01/27	242,218	
253,000	5.625%, 01/15/28		
		21,148,939	
	<b>Energy (7.8%)</b>		
399,000	Berry Petroleum Company, LLC*^	408,925	
	7.000%, 02/15/26		
2,208,000	Blue Racer Midstream, LLC / Blue Racer Finance Corp.* 6.125%, 11/15/22	2,266,567	

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
1,313,000	Buckeye Partners, LP <sup>μ‡</sup> 6.375%, 01/22/78 3 mo. USD LIBOR + 4.02%	\$ 1,284,797	525,000	McDermott Escrow 1, Inc. / McDermott Escrow 2, Inc.* 10.625%, 05/01/24	\$ 530,242
2,407,000	Calfrac Holdings, LP* 7.500%, 12/01/20	2,395,001	1,313,000	Moss Creek Resources Holdings, Inc.* 7.500%, 01/15/26	1,324,075
1,585,000	California Resources Corp.* <sup>^</sup> 8.000%, 12/15/22	1,365,192	131,000	Nabors Industries, Inc.* <sup>^</sup> 5.750%, 02/01/25	124,782
1,993,000	Carrizo Oil & Gas, Inc. <sup>^</sup> 6.250%, 04/15/23	2,047,558	1,055,000	Oasis Petroleum, Inc. 6.500%, 11/01/21 <sup>^</sup>	1,082,325
1,313,000	Chesapeake Energy Corp.* <sup>^</sup> 8.000%, 01/15/25	1,276,236	525,000	6.250%, 05/01/26*	525,000
263,000	CONSOL Energy, Inc.* 11.000%, 11/15/25	277,679	1,313,000	Par Petroleum, LLC / Petroleum Finance Corp.* 7.750%, 12/15/25	1,337,192
263,000	CrownRock, LP / CrownRock Finance, Inc.* 5.625%, 10/15/25	261,248	1,264,000	PDC Energy, Inc.* <sup>^</sup> 5.750%, 05/15/26	1,275,085
2,723,000	DCP Midstream Operating, LP* <sup>^‡</sup> 5.850%, 05/21/43 3 mo. USD LIBOR + 3.85%	2,597,402	1,110,000	Petroleum Geo-Services Company* <sup>^</sup> 7.375%, 12/15/20	1,102,102
511,000	DCP Midstream, LP <sup>^‡</sup> 7.375%, 12/15/22 3 mo. USD LIBOR + 5.15%	506,759	1,293,000	Plains All American Pipeline, LP <sup>^‡</sup> 6.125%, 11/15/22 3 mo. USD LIBOR + 4.11%	1,258,833
744,000	Denbury Resources, Inc.* <sup>^</sup> 9.250%, 03/31/22	776,710	1,284,000	QEP Resources, Inc. <sup>^</sup> 5.625%, 03/01/26	1,238,829
564,000	Diamond Offshore Drilling, Inc. <sup>^</sup> 7.875%, 08/15/25	580,153	6,322,000	SEACOR Holdings, Inc. 7.375%, 10/01/19	6,416,514
2,042,000	Energy Transfer Equity, LP 5.875%, 01/15/24 <sup>μ</sup>	2,087,098	2,470,000	SESI, LLC* 7.750%, 09/15/24	2,570,764
282,000	5.500%, 06/01/27 <sup>^</sup>	281,632	506,000	SM Energy Company <sup>^</sup> 6.750%, 09/15/26	516,803
2,723,000	Energy Transfer Partners, LP <sup>μ‡</sup> 5.376%, 11/01/66 3 mo. USD LIBOR + 3.02%	2,406,560	1,089,000	Southwestern Energy Company <sup>^</sup> 7.500%, 04/01/26	1,114,896
1,994,000	Enterprise Products Operating, LLC <sup>μ‡</sup> 4.875%, 08/16/77 <sup>^</sup> 3 mo. USD LIBOR + 2.99%	1,947,081	832,000	Sunoco, LP / Sunoco Finance Corp.* <sup>^</sup> 5.500%, 02/15/26	809,336
511,000	5.375%, 02/15/78 3 mo. USD LIBOR + 2.57%	482,611	253,000	Targa Resources Partners, LP / Targa Resources Partners Finance Corp.* 5.875%, 04/15/26	252,083
1,167,000	EP Energy, LLC / Everest Acquisition Finance, Inc.* 8.000%, 02/15/25	828,751	263,000	TransMontaigne Partners, LP / TLP Finance Corp. 6.125%, 02/15/26	263,706
1,303,000	Genesis Energy, LP / Genesis Energy Finance Corp. <sup>^</sup> 6.500%, 10/01/25	1,279,403	1,221,000	Transocean, Inc.* <sup>^</sup> 7.500%, 01/15/26	1,241,940
1,264,000	6.250%, 05/15/26	1,207,556	1,264,000	Vine Oil & Gas, LP / Vine Oil & Gas Finance Corp.* 8.750%, 04/15/23	1,191,573
1,264,000	Gulfport Energy Corp. <sup>^</sup> 6.375%, 05/15/25	1,216,594	1,619,332	W&T Offshore, Inc.* 8.500%, 06/15/21	1,508,902
705,000	6.000%, 10/15/24	674,040	1,170,667	10.000% PIK rate 9.000%, 05/15/20	1,170,667
2,504,000	Halcon Resources Corp. <sup>^</sup> 6.750%, 02/15/25	2,505,891	2,718,000	10.750% PIK rate Weatherford International, Ltd. <sup>^</sup> 8.250%, 06/15/23	2,566,811
1,493,000	HighPoint Operating Corp. <sup>^</sup> 7.000%, 10/15/22	1,517,105	1,264,000	Whiting Petroleum Corp.* <sup>^</sup> 6.625%, 01/15/26	1,300,068
535,000	Lonestar Resources America, Inc.* 11.250%, 01/01/23	541,032			

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
1,600,000	WildHorse Resource Development Corp.		2,188,000	MetLife, Inc.^	
511,000	6.875%, 02/01/25	\$ 1,636,192	131,000	6.400%, 12/15/36	\$ 2,388,902
	6.875%, 02/01/25*	522,349		5.875%, 03/15/28‡	
		65,900,650		3 mo. USD LIBOR + 2.96%	133,657
			2,519,000	Nationstar Mortgage, LLC / Nationstar Capital Corp.	
	<b>Financials (7.5%)</b>			6.500%, 07/01/21	2,559,165
2,543,000	Acrisure, LLC / Acrisure Finance, Inc.*^			Navient Corp.^	
	7.000%, 11/15/25	2,406,441	1,653,000	6.750%, 06/25/25	1,676,398
3,734,000	Ally Financial, Inc.~		671,000	6.500%, 06/15/22	691,677
	8.000%, 11/01/31	4,544,913	1,128,000	NexBank Capital, Inc.*‡&	
2,310,000	Ardonagh Midco 3, PLC*^			6.375%, 09/30/27	
	8.625%, 07/15/23	2,420,002		3 mo. USD LIBOR + 4.59%	1,108,700
2,320,000	AssuredPartners, Inc.*^		1,483,000	Oil Insurance, Ltd.*‡	
	7.000%, 08/15/25	2,286,534		5.290%, 05/31/18	
1,313,000	Bank of America Corp.‡		3,628,000	3 mo. USD LIBOR + 2.98%	1,485,136
	5.875%, 03/15/28			Quicken Loans, Inc.*^μ	
	3 mo. USD LIBOR + 2.93%	1,312,560	1,337,000	5.750%, 05/01/25	3,578,296
1,313,000	Bank of Nova Scotia^‡			Simmons First National Corp.‡	
	4.650%, 10/12/22			5.000%, 04/01/28	
	3 mo. USD LIBOR + 2.65%	1,241,698		3 mo. USD LIBOR + 2.15%	1,352,382
2,245,000	Brookfield Residential Properties, Inc.*			Springleaf Finance Corp.^	
	6.375%, 05/15/25	2,283,300	1,715,000	6.875%, 03/15/25	1,734,225
2,514,000	Charles Schwab Corp.^μ‡		1,091,000	8.250%, 10/01/23	1,197,809
	5.000%, 12/01/27		710,000	Towne Bank‡	
	3 mo. USD LIBOR + 2.58%	2,451,590		4.500%, 07/30/27	
1,167,000	CyrusOne, LP / CyrusOne Finance Corp.			3 mo. USD LIBOR + 2.55%	707,835
	5.375%, 03/15/27	1,169,772	2,582,000	Tronox Finance, PLC*	
2,285,000	Dell International, LLC / EMC Corp.*^μ			5.750%, 10/01/25	2,514,507
	6.020%, 06/15/26	2,427,687			63,219,346
1,279,000	Discover Financial Services^‡			<b>Health Care (6.7%)</b>	
	5.500%, 10/30/27		2,417,000	Acadia Healthcare Company, Inc.	
	3 mo. USD LIBOR + 3.08%	1,254,251		5.625%, 02/15/23	2,446,475
2,237,000	Equinix, Inc.^			Community Health Systems, Inc.^	
	5.375%, 04/01/23	2,299,121	4,162,000	7.125%, 07/15/20	3,320,901
506,000	Greystar Real Estate Partners, LLC*		1,289,000	6.875%, 02/01/22	706,146
	5.750%, 12/01/25	502,180	549,000	8.000%, 11/15/19	500,109
	HUB International, Ltd.*		3,812,000	DaVita, Inc.^	
1,264,000	7.000%, 05/01/26^	1,267,843		5.125%, 07/15/24	3,706,045
1,099,000	7.875%, 10/01/21	1,145,927	786,000	Endo International, PLC*	
2,033,000	ILFC E-Capital Trust II*‡			7.250%, 01/15/22	670,214
	4.890%, 12/21/65		3,443,000	Endo, Ltd.*	
	3 mo. USD LIBOR + 1.80%	1,964,193		6.000%, 07/15/23	2,521,240
1,546,000	Iron Mountain, Inc.*^		2,290,000	Greatbatch, Ltd.*	
	5.250%, 03/15/28	1,457,198		9.125%, 11/01/23	2,483,906
	Jefferies Finance, LLC*^		4,255,000	HCA, Inc.	
3,355,000	7.375%, 04/01/20	3,390,177	3,929,000	5.875%, 05/01/23^	4,442,880
2,723,000	7.250%, 08/15/24	2,702,142	1,269,000	5.375%, 02/01/25^	3,922,458
1,216,000	Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp.*^		1,293,000	7.500%, 11/06/33	1,384,143
	5.250%, 10/01/25	1,161,505		Magellan Health, Inc.	
1,094,000	Level 3 Financing, Inc.^		2,125,000	4.400%, 09/22/24	1,268,161
	5.375%, 05/01/25	1,077,705		Mallinckrodt International Finance, SA / Mallinckrodt CB, LLC*^	
1,362,000	LPL Holdings, Inc.*			5.625%, 10/15/23	1,675,690
	5.750%, 09/15/25	1,323,918			

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
535,000	Team Health Holdings, Inc.*^ 6.375%, 02/01/25	\$ 468,184	1,211,000	Great Lakes Dredge & Dock Corp. 8.000%, 05/15/22	\$ 1,233,712
	Tenet Healthcare Corp.^		1,950,000	H&E Equipment Services, Inc. 5.625%, 09/01/25	1,962,090
3,696,000	6.750%, 06/15/23	3,645,808		Hertz Corp.^	
2,553,000	5.125%, 05/01/25*	2,487,490	1,289,000	7.375%, 01/15/21	1,278,443
2,383,000	Teva Pharmaceutical Finance Company, BV^μ		282,000	7.625%, 06/01/22*	288,193
	2.950%, 12/18/22	2,100,031		Icahn Enterprises, LP^μ	
3,973,000	Teva Pharmaceutical Finance IV, BVμ		1,399,000	6.750%, 02/01/24	1,435,563
	3.650%, 11/10/21	3,730,647	1,264,000	6.375%, 12/15/25	1,270,004
525,000	Teva Pharmaceutical Finance IV, LLC^		389,000	James Hardie International Finance, Ltd.*^μ	
	2.250%, 03/18/20	502,638		4.750%, 01/15/25	379,390
1,298,000	Teva Pharmaceutical Finance Netherlands III, BV*^		1,283,000	Jeld-Wen, Inc.*	
	6.000%, 04/15/24	1,263,480	681,000	4.625%, 12/15/25	1,233,200
	Valeant Pharmaceuticals International, Inc.*^		1,997,000	JPW Industries Holding Corp.*	
9,322,000	7.250%, 07/15/22	9,427,199	530,000	9.000%, 10/01/24	720,083
2,577,000	9.000%, 12/15/25	2,617,936		Meritor, Inc.	
1,055,000	West Street Merger Sub, Inc.*^		1,780,000	6.250%, 02/15/24	2,059,017
	6.375%, 09/01/25	1,038,078		Multi-Color Corp.*	
		56,329,859		4.875%, 11/01/25	497,204
				Navistar International Corp.*	
	<b>Industrials (5.4%)</b>			6.625%, 11/01/25	1,855,169
1,556,000	ACCO Brands Corp.*		1,133,000	Park Aerospace Holdings, Ltd.*	
	5.250%, 12/15/24	1,559,944	793,000	5.500%, 02/15/24	1,101,117
	Allison Transmission, Inc.*^		2,237,000	4.500%, 03/15/23^	760,733
900,000	4.750%, 10/01/27	847,309		Park-Ohio Industries, Inc.^	
564,000	5.000%, 10/01/24μ	554,821	1,245,000	6.625%, 04/15/27	2,336,300
788,000	Apergy Corp.*		827,000	Scientific Games International, Inc.*	
	6.375%, 05/01/26	801,030	263,000	5.000%, 10/15/25	1,204,612
1,362,000	ARD Securities Finance SARL*^			Tennant Company	
	8.750%, 01/31/23	1,430,461		5.625%, 05/01/25	845,823
	8.750% PIK rate			Titan Acquisition, Ltd./ Titan Co-Borrower, LLC*^	
1,289,000	Beacon Roofing Supply, Inc.*^		131,000	7.750%, 04/15/26	262,245
	4.875%, 11/01/25	1,220,593	272,000	Trident Merger Sub, Inc.*^	
1,264,000	Bombardier, Inc.*			6.625%, 11/01/25	128,609
	7.500%, 12/01/24	1,332,559		TriMas Corp.*	
	Covanta Holding Corp.		2,529,000	4.875%, 10/15/25	265,351
973,000	5.875%, 03/01/24	961,854		United Continental Holdings, Inc.^	
301,000	5.875%, 07/01/25	292,674	2,018,000	6.375%, 06/01/18	2,536,284
1,289,000	Delphi Technologies, PLC*		637,000	United Rentals North America, Inc.^	
	5.000%, 10/01/25	1,243,576		4.875%, 01/15/28	1,914,295
1,313,000	Fly Leasing, Ltd.^			Waste Pro USA, Inc.*	
	5.250%, 10/15/24	1,278,888		5.500%, 02/15/26	631,410
258,000	FXI Holdings, Inc.*				45,726,694
	7.875%, 11/01/24	256,252		<b>Information Technology (2.3%)</b>	
2,616,000	Garda World Security Corp.*		973,000	Alliance Data Systems Corp.*^	
	7.250%, 11/15/21	2,665,037		5.375%, 08/01/22	979,072
3,749,000	Golden Nugget, Inc.*^		1,323,000	Amkor Technology, Inc.	
	6.750%, 10/15/24	3,810,184		6.375%, 10/01/22	1,358,668
1,313,000	Gray Television, Inc.*^				
	5.875%, 07/15/26	1,272,665			



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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
1,036,000	Cardtronics, Inc. 5.500%, 05/01/25*	\$ 962,206	2,577,000	PH Glatfelter Company $\mu$ 5.375%, 10/15/20	\$ 2,606,185
1,017,000	5.125%, 08/01/22	990,339		United States Steel Corp.^	
1,453,000	CBS Radio, Inc.*^ 7.250%, 11/01/24	1,476,444	2,509,000	6.875%, 08/15/25	2,564,060
1,167,000	CDK Global, Inc. 4.875%, 06/01/27	1,126,336	535,000	6.250%, 03/15/26	532,467
960,000	CDW, LLC / CDW Finance Corp. 5.000%, 09/01/23	981,456			28,403,131
2,397,000	Clear Channel Worldwide Holdings, Inc. 7.625%, 03/15/20^	2,406,708		<b>Real Estate (0.6%)</b>	
895,000	7.625%, 03/15/20	898,602	1,270,000	Crescent Communities, LLC/ Crescent Ventures, Inc.*	1,336,072
1,191,000	CommScope Technologies, LLC*^ 6.000%, 06/15/25	1,228,201	2,417,000	MPT Operating Partnership, LP / MPT Finance Corp.	2,300,138
1,264,000	Harland Clarke Holdings Corp.* 8.375%, 08/15/22	1,295,240	1,264,000	Starwood Property Trust, Inc.*^ 4.750%, 03/15/25	1,222,692
1,507,000	Nuance Communications, Inc. 6.000%, 07/01/24 $\mu$	1,552,436			4,858,902
1,459,000	5.625%, 12/15/26^	1,457,993		<b>Telecommunication Services (6.0%)</b>	
1,289,000	TTM Technologies, Inc.*^ 5.625%, 10/01/25	1,264,786	1,070,000	Altice Financing, SA*^ 7.500%, 05/15/26	1,052,950
1,128,000	VFH Parent, LLC*^ 6.750%, 06/15/22	1,173,842	2,709,000	Altice France, SA* 7.375%, 05/01/26	2,631,360
		19,152,329	584,000	Altice Luxembourg, SA*^ 7.625%, 02/15/25	527,615
	<b>Materials (3.4%)</b>		506,000	7.750%, 05/15/22	485,277
2,288,000	AK Steel Corp.^ 6.375%, 10/15/25	2,139,223	1,787,000	Altice US Finance I Corp.*^ 5.500%, 05/15/26	1,738,367
2,023,000	Alcoa Nederland Holding, BV*^ 7.000%, 09/30/26	2,208,175	702,000	Block Communications, Inc.* 6.875%, 02/15/25	709,596
4,119,000	ArcelorMittal, SA^ 7.250%, 10/15/39	4,890,756	1,274,000	CB Escrow Corp.* 8.000%, 10/15/25	1,212,803
1,507,000	Arconic, Inc.^ 5.125%, 10/01/24	1,526,192	389,000	Cequel Communications Holdings I, LLC / Cequel Capital Corp.*	394,736
2,373,000	Ardagh Packaging Finance, PLC / Ardagh Holdings USA, Inc.*^ 6.000%, 02/15/25	2,407,432	1,264,000	Consolidated Communications, Inc.^ 6.500%, 10/01/22	1,165,496
455,000	Cleveland-Cliffs, Inc. 5.900%, 03/15/20	459,070	5,023,000	CSC Holdings, LLC*^ 5.500%, 04/15/27	4,833,633
253,000	Commercial Metals Company* 5.750%, 04/15/26	253,928	5,654,000	Embarq Corp. 7.995%, 06/01/36	5,394,312
796,000	First Quantum Minerals, Ltd.* 7.000%, 02/15/21	802,456	3,748,000	Frontier Communications Corp. 7.625%, 04/15/24	2,469,089
584,000	7.250%, 04/01/23	583,378	2,140,000	11.000%, 09/15/25^	1,646,559
1,945,000	INEOS Group Holdings, SA*^ 5.625%, 08/01/24	1,966,103	520,000	8.500%, 04/01/26*^	504,746
807,000	Kinross Gold Corp.* 4.500%, 07/15/27	760,420	1,264,000	Hughes Satellite Systems Corp. 6.625%, 08/01/26	1,271,502
1,182,000	New Gold, Inc.*^ 6.375%, 05/15/25	1,205,711	973,000	Inmarsat Finance, PLC* $\mu$ 4.875%, 05/15/22	941,222
3,360,000	PBF Holding Company, LLC / PBF Finance Corp.^ 7.250%, 06/15/25	3,497,575	501,000	6.500%, 10/01/24^	493,347
			2,169,000	Intelsat Jackson Holdings, SA^ 9.750%, 07/15/25*	2,127,561
			1,576,000	7.500%, 04/01/21	1,496,522
			1,031,000	8.000%, 02/15/24*	1,089,251

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
1,313,000	Qwest Corp. 6.875%, 09/15/33	\$ 1,246,470	5,982,000	Liberty Interactive, LLC 1.750%, 09/30/46*	\$ 6,267,102
535,000	SBA Communications Corp.*^ 4.000%, 10/01/22	510,337	2,429,977	4.000%, 11/15/29	1,636,371
525,000	Sprint Capital Corp.^ 6.875%, 11/15/28	536,217	1,850,000	3.750%, 02/15/30	1,265,308
7,469,000	Sprint Corp. 7.875%, 09/15/23	8,021,146	3,000,000	Liberty Media Corp-Liberty Formula One 1.000%, 01/30/23	3,122,340
1,644,000	7.125%, 06/15/24	1,697,471	9,499,000	Liberty Media Corp. 1.375%, 10/15/23	10,937,624
1,342,000	T-Mobile USA, Inc.^ 4.750%, 02/01/28	1,295,070	5,900,000	2.250%, 09/30/46	6,193,495
253,000	Telecom Italia Capital, SA 6.000%, 09/30/34	263,120	3,750,000	Marriott Vacations Worldwide Corp.* 1.500%, 09/15/22	3,974,737
2,368,000	United States Cellular Corp. 6.700%, 12/15/33	2,498,678	3,750,000	RH* 0.000%, 07/15/20	3,897,056
1,667,000	Windstream Services, LLC 8.625%, 10/31/25*^	1,533,990	26,825,000	Tesla, Inc. 1.250%, 03/01/21	27,634,042
940,000	7.750%, 10/01/21	708,158	2,125,000	Wayfair, Inc.* 0.375%, 09/01/22	1,973,700
174,000	7.750%, 10/15/20^	149,470			102,240,585
		50,646,071			
	<b>Utilities (1.1%)</b>			<b>Energy (3.4%)</b>	
340,000	NGPL PipeCo, LLC* 4.875%, 08/15/27	331,536	2,800,000	Helix Energy Solutions Group, Inc. 4.125%, 09/15/23	3,243,590
2,208,000	NRG Energy, Inc. 6.625%, 01/15/27	2,278,005	5,750,000	Nabors Industries, Inc.^ 0.750%, 01/15/24	4,522,317
778,000	5.750%, 01/15/28*^	771,893	5,741,000	Oil States International, Inc.* 1.500%, 02/15/23	6,370,070
1,152,000	PPL Capital Funding, Inc.^μ‡ 4.967%, 03/30/67	1,148,538	5,150,000	PDC Energy, Inc.^ 1.125%, 09/15/21	5,222,615
768,000	Talen Energy Supply, LLC*^ 10.500%, 01/15/26	664,558	6,062,000	SM Energy Company 1.500%, 07/01/21	6,228,614
1,264,000	TerraForm Power Operating, LLC*^ 5.000%, 01/31/28	1,186,984	10,545,000	SunEdison, Inc. 0.250%, 01/15/20	237,263
2,315,000	Vistra Energy Corp.*^ 8.125%, 01/30/26	2,543,988	1,027,000	2.000%, 10/01/18	23,108
		8,925,502	2,200,000	TOTAL, SA 0.500%, 12/02/22	2,455,398
	<b>TOTAL CORPORATE BONDS</b> (Cost \$441,321,583)	434,722,176			28,302,975
	<b>CONVERTIBLE BONDS (68.5%)</b>			<b>Financials (3.6%)</b>	
	<b>Consumer Discretionary (12.2%)</b>		5,750,000	Ares Capital Corp.^ 3.750%, 02/01/22	5,880,468
8,750,000	Booking Holdings, Inc. 0.350%, 06/15/20	14,606,375	2,000,000 CAD	Element Fleet Management Corp.* 4.250%, 06/30/20	1,464,418
4,000,000	Chegg, Inc.*^ 0.250%, 05/15/23	4,349,660	3,688,000	IAC FinanceCo, Inc.*^ 0.875%, 10/01/22	4,549,554
3,500,000	Ctrip.com International, Ltd. 1.000%, 07/01/20	3,618,142	7,695,000	JPMorgan Chase Financial Company (Voya Financial, Inc.)§ 0.250%, 05/01/23	7,636,864
10,250,000	DISH Network Corp.^ 2.375%, 03/15/24	8,879,729	7,695,000	JPMorgan Chase Financial Company, LLC 0.250%, 05/01/23	7,680,033
4,250,000	3.375%, 08/15/26	3,884,904	3,425,000	TCP Capital Corp. 4.625%, 03/01/22	3,457,007
					30,668,344

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
<b>Health Care (10.1%)</b>			2,078,000	Patrick Industries, Inc.*	
10,875,000	BioMarin Pharmaceutical, Inc.^		1.000%, 02/01/23	\$	2,009,125
	1.500%, 10/15/20	\$ 12,240,683	5,700,000	Tutor Perini Corp.	
2,950,000	Flexion Therapeutics, Inc.*		2.875%, 06/15/21		5,899,187
	3.375%, 05/01/24	3,597,658			48,532,449
7,000,000	llumina, Inc.^		<b>Information Technology (30.5%)</b>		
	0.000%, 06/15/19	7,785,785	2,500,000	Advanced Micro Devices, Inc.	
	Innoviva, Inc.		2.125%, 09/01/26		3,890,675
4,000,000	2.125%, 01/15/23^	4,032,500	6,500,000	Altaba, Inc.	
596,000	2.500%, 08/15/25*	640,834	0.000%, 12/01/18		8,606,845
2,000,000	Insmmed, Inc.		4,250,000	Apptio, Inc.*	
	1.750%, 01/15/25	1,874,930	0.875%, 04/01/23		4,342,777
7,500,000	Insulet Corp.*		4,250,000	Atlassian, Inc.*	
	1.375%, 11/15/24	8,540,250	0.625%, 05/01/23		4,245,665
3,200,000	Ionis Pharmaceuticals, Inc.		3,700,000	Citrix Systems, Inc.^	
	1.000%, 11/15/21	3,204,896	0.500%, 04/15/19		5,338,027
2,800,000	Ironwood Pharmaceuticals, Inc.		1,900,000	Cypress Semiconductor Corp.	
	2.250%, 06/15/22	3,692,052	4.500%, 01/15/22^		2,457,090
5,193,000	Medidata Solutions, Inc.		1,125,000	2.000%, 02/01/23*	1,169,196
	1.000%, 08/01/18	6,420,937	3,500,000	Envestnet, Inc.	
3,000,000	Neurocrine Biosciences, Inc.*^		1.750%, 12/15/19		3,784,900
	2.250%, 05/15/24	3,888,855	4,230,000	Etsy, Inc.*^	
3,500,000	Nevro Corp.		0.000%, 03/01/23		4,602,113
	1.750%, 06/01/21	4,092,165	1,416,000	Everbridge, Inc.	
4,475,000	NuVasive, Inc.		1.500%, 11/01/22		1,803,885
	2.250%, 03/15/21	4,948,835	7,750,000	Guidewire Software, Inc.	
7,750,000	Pacira Pharmaceuticals, Inc.		1.250%, 03/15/25		7,881,517
	2.375%, 04/01/22	7,282,326	6,800,000	II-VI, Inc.*	
3,750,000	Sarepta Therapeutics, Inc.*		0.250%, 09/01/22		7,301,364
	1.500%, 11/15/24	4,832,475	9,100,000	Inphi Corp.	
3,536,000	Supernus Pharmaceuticals, Inc.*^		0.750%, 09/01/21		8,428,465
	0.625%, 04/01/23	3,866,687	7,075,000	Intel Corp.~	
3,250,000	Teladoc, Inc.*		3.250%, 08/01/39		17,591,634
	3.000%, 12/15/22	4,033,185	4,300,000	Knowles Corp.	
		84,975,053	3.250%, 11/01/21		4,555,785
<b>Industrials (5.8%)</b>			4,750,000	Lumentum Holdings, Inc.^	
2,258,000	Air Lease Corp.		0.250%, 03/15/24		5,306,344
	3.875%, 12/01/18	3,293,846	18,000,000	Microchip Technology, Inc.	
4,250,000	Air Transport Services Group, Inc.*^		1.625%, 02/15/27		20,323,800
	1.125%, 10/15/24	4,041,240	11,000,000	Micron Technology, Inc.~	
4,150,000	Atlas Air Worldwide Holdings, Inc.^		3.000%, 11/15/43		17,541,480
	2.250%, 06/01/22	4,856,890	6,000,000	Nice Systems, Inc.^	
5,750,000	Dycom Industries, Inc.		1.250%, 01/15/24		7,514,580
	0.750%, 09/15/21	7,131,725	2,000,000	Novellus Systems, Inc.~	
3,750,000	Echo Global Logistics, Inc.		2.625%, 05/15/41		11,144,180
	2.500%, 05/01/20	3,859,556	3,200,000	NXP Semiconductors, NV^	
8,750,000	Greenbrier Companies, Inc.^		1.000%, 12/01/19		3,788,928
	2.875%, 02/01/24	9,474,850	3,750,000	Okta, Inc.*^	
4,000,000	Kaman Corp.*		0.250%, 02/15/23		4,311,844
	3.250%, 05/01/24	4,486,400	ON Semiconductor Corp.		
3,500,000	Meritor, Inc.*^		1.000%, 12/01/20		8,565,660
	3.250%, 10/15/37	3,479,630	5,750,000	1.625%, 10/15/23^	7,415,487

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
6,000,000	OSI Systems, Inc. 1.250%, 09/01/22	\$ 5,449,890	7,294,000	United States Treasury Note 1.875%, 05/31/22	\$ 7,053,728
4,750,000	Proofpoint, Inc.^ 0.750%, 06/15/20	7,186,014			10,917,717
4,250,000	Pure Storage, Inc.*^ 0.125%, 04/15/23	4,417,450		<b>TOTAL U.S. GOVERNMENT AND AGENCY SECURITIES</b> (Cost \$11,117,332)	10,917,717
3,825,000	Quotient Technology, Inc.* 1.750%, 12/01/22	4,031,091		<b>BANK LOANS (3.2%)‡</b>	
4,750,000	RealPage, Inc.* 1.500%, 11/15/22	6,675,769		<b>Consumer Discretionary (0.5%)</b>	
2,750,000	Servicenow, Inc.* 0.000%, 06/01/22	3,689,400	1,080,000	American Greetings Corp. 6.391%, 04/06/24	1,089,450
6,000,000	Silicon Laboratories, Inc.^ 1.375%, 03/01/22	7,134,360	2,765,000	Weight Watchers International, Inc. 6.985%, 11/29/24	2,807,775
3,033,000	Synaptics, Inc.*^ 0.500%, 06/15/22	2,835,749			3,897,225
5,750,000	Veeco Instruments, Inc. 2.700%, 01/15/23	5,141,276		<b>Energy (0.1%)</b>	
6,000,000	Viavi Solutions, Inc.^ 1.000%, 03/01/24	6,028,680	1,100,000	McDermott Tech Americas, Inc. ! 0.000%, 03/27/25	1,094,676
6,500,000	Weibo Corp.* 1.250%, 11/15/22	7,440,615		<b>Financials (0.5%)</b>	
15,000,000	Workday, Inc.* 0.250%, 10/01/22	16,260,750	260,000	AssuredPartners, Inc. 5.151%, 10/22/24	261,605
7,750,000	Zendesk, Inc.* 0.250%, 03/15/23	8,042,756	1,300,000	Genworth Financial, Inc. 6.395%, 02/22/23	1,324,375
		256,246,041	1,270,000	GLP Financing, LLC 3.397%, 04/28/21	1,260,475
			1,040,000	HUB International, Ltd. ! 5.360%, 04/18/25	1,047,582
					3,894,037
	<b>Materials (1.0%)</b>			<b>Health Care (0.7%)</b>	
3,200,000	Arconic, Inc. 1.625%, 10/15/19	3,217,376	2,625,000	Amneal Pharmaceuticals, LLC ! 0.000%, 03/07/25	2,640,592
5,100,000	Royal Gold, Inc.^ 2.875%, 06/15/19	5,439,354	1,206,952	Mallinckrodt International Finance, SA 5.203%, 09/24/24	1,199,258
		8,656,730	2,184,484	Team Health Holdings, Inc. 4.651%, 02/06/24	2,121,680
	<b>Real Estate (1.2%)</b>				5,961,530
2,500,000	Empire State Realty OP, LP* 2.625%, 08/15/19	2,596,175		<b>Industrials (0.3%)</b>	
4,000,000	IH Merger Sub, LLC 3.500%, 01/15/22	4,518,760	1,250,000	Scientific Games International, Inc. 4.726%, 08/14/24	1,259,081
3,000,000	Starwood Property Trust, Inc.^ 4.375%, 04/01/23	3,030,945	1,281,788	Transdigm, Inc. 4.712%, 08/22/24	1,289,709
		10,145,880			2,548,790
	<b>Telecommunication Services (0.7%)</b>			<b>Information Technology (0.3%)</b>	
5,827,000	Q2 Holdings, Inc.*^ 0.750%, 02/15/23	6,218,807	2,600,000	First Data Corp. 4.147%, 04/26/24	2,612,064
	<b>TOTAL CONVERTIBLE BONDS</b> (Cost \$580,012,129)	575,986,864		<b>Telecommunication Services (0.8%)</b>	
<b>U.S. GOVERNMENT AND AGENCY SECURITIES (1.3%)</b>			1,350,000	Cincinnati Bell, Inc. 5.571%, 10/02/24	1,367,354
3,890,000	United States Treasury Note 2.375%, 03/15/21	3,863,989	1,300,000	CSC Holdings, LLC 4.397%, 01/25/26	1,302,437

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
1,350,000	Cumulus Media Holdings, Inc. @ 5.160%, 12/23/20	\$ 1,145,813	39,000	M/I Homes, Inc. 5.625%, 08/01/25	\$ 37,589
1,400,000	Intelsat Jackson Holdings, SA 6.625%, 01/02/24	1,429,925	75,000	Mattel, Inc. * ^	73,219
1,877,340	New Media Holdings II, LLC ! 0.000%, 06/04/20	1,896,113	34,000	Mclaren Finance, PLC* 5.750%, 08/01/22	34,215
		7,141,642	60,000	Meritage Homes Corp. 7.000%, 04/01/22	66,008
	<b>TOTAL BANK LOANS</b> (Cost \$27,058,153)	27,149,964	77,000	Penske Automotive Group, Inc. 5.375%, 12/01/24	76,558
			27,000	PetSmart, Inc. * ^	19,469
	<b>SYNTHETIC CONVERTIBLE SECURITIES (1.7%) □</b>		8,000	8.875%, 06/01/25	4,674
	<b>CORPORATE BONDS (1.4%)</b>			Rite Aid Corp. 7.700%, 02/15/27	58,414
	<b>Consumer Discretionary (0.2%)</b>			6.125%, 04/01/23 * ^	22,440
13,000	American Greetings Corp. * 7.875%, 02/15/25	13,142	73,000	Royal Caribbean Cruises, Ltd. 7.500%, 10/15/27	89,233
29,000	AV Homes, Inc. 6.625%, 05/15/22	29,817	66,000	Salem Media Group, Inc. * 6.750%, 06/01/24	62,706
40,000	Beverages & More, Inc. * 11.500%, 06/15/22	36,583	50,000	Sally Holdings, LLC / Sally Capital, Inc. ^ 5.625%, 12/01/25	48,933
	CCO Holdings, LLC / CCO Holdings Capital Corp. 5.125%, 05/01/27 * ^	71,308	117,000	Service Corp. International 7.500%, 04/01/27	133,984
76,000	5.750%, 09/01/23	29,401	36,000	Sotheby's * 4.875%, 12/15/25	34,695
29,000	5.000%, 02/01/28 *	14,746	88,000	Taylor Morrison Communities, Inc. * ^ 5.250%, 04/15/21	88,764
16,000	Century Communities, Inc. 6.875%, 05/15/22	61,822	29,000	VOC Escrow, Ltd. * ^ 5.000%, 02/15/28	28,096
60,000	5.875%, 07/15/25	21,035	43,000	ZF North America Capital, Inc. * 4.750%, 04/29/25	43,846
37,000	CRC Escrow Issuer, LLC * ^ 5.250%, 10/15/25	35,381			1,990,739
107,000	Dana Financing Luxembourg Sarl * ^ 6.500%, 06/01/26	111,496		<b>Consumer Staples (0.1%)</b>	
	DISH DBS Corp. ^ 5.875%, 11/15/24	42,750	37,000	Albertsons Companies, LLC / Safeway, Inc. / New Albertson's, Inc. / Albertson's, LLC ^ 5.750%, 03/15/25	32,338
50,000	5.750%, 07/01/26	32,836	113,000	Fidelity & Guaranty Life Holdings, Inc. * ~ 6.375%, 04/01/21	114,980
36,000	Eldorado Resorts, Inc. 6.000%, 04/01/25	66,453	66,000	Fresh Market, Inc. * ^ 9.750%, 05/01/23	37,424
67,000	ESH Hospitality, Inc. * 5.250%, 05/01/25	15,680	211,000	JBS USA LUX SA / JBS USA Finance, Inc. * 7.250%, 06/01/21 ^	213,598
27,000	GameStop Corp. * ^ μ 6.750%, 03/15/21	27,494	50,000	6.750%, 02/15/28	48,068
30,000	goeasy, Ltd. * μ 7.875%, 11/01/22	31,975	30,000	New Albertson's, Inc. 7.450%, 08/01/29 ^	24,433
18,000	Guitar Center Escrow Issuer, Inc. * 9.500%, 10/15/21	17,578	17,000	8.000%, 05/01/31	14,161
151,000	Hasbro, Inc. ~ 6.600%, 07/15/28	172,733	9,000	7.750%, 06/15/26	7,903
34,000	Horizon Pharma, Inc. / Horizon Pharma USA, Inc. * ^ 8.750%, 11/01/24	36,340	50,000	Pilgrim's Pride Corp. * 5.875%, 09/30/27	47,822
118,000	L Brands, Inc. ^ 6.875%, 11/01/35	111,671	14,000	5.750%, 03/15/25 ^	13,759
83,000	Lennar Corp. * μ 6.625%, 05/01/20	87,655			

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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
37,000	Post Holdings, Inc.*^		36,000	Gulfport Energy Corp.^	
7,000	5.750%, 03/01/27	\$ 36,194	20,000	6.375%, 05/15/25	\$ 34,650
	5.625%, 01/15/28	6,702	71,000	6.000%, 10/15/24	19,122
		<u>597,382</u>	42,000	Halcon Resources Corp.^	71,054
			15,000	6.750%, 02/15/25	
	<b>Energy (0.2%)</b>		15,000	HighPoint Operating Corp.^	42,678
11,000	Berry Petroleum Company, LLC*^	11,274	37,000	7.000%, 10/15/22	
62,000	7.000%, 02/15/26		15,000	Lonestar Resources America, Inc.*	15,169
	Blue Racer Midstream, LLC /		15,000	11.250%, 01/01/23	
	Blue Racer Finance Corp.*	63,645	37,000	McDermott Escrow 1, Inc. / McDermott	
	6.125%, 11/15/22		4,000	Escrow 2, Inc.*	15,150
37,000	Buckeye Partners, LP^μ‡	36,205	37,000	10.625%, 05/01/24	
	6.375%, 01/22/78		4,000	Moss Creek Resources Holdings, Inc.*	37,312
	3 mo. USD LIBOR + 4.02%	67,661	30,000	7.500%, 01/15/26	
68,000	Calfrac Holdings, LP*	38,759	15,000	Nabors Industries, Inc.*^	3,810
	7.500%, 12/01/20		37,000	5.750%, 02/01/25	
45,000	California Resources Corp.*^	57,533	36,000	Oasis Petroleum, Inc.	30,777
	8.000%, 12/15/22		15,000	6.500%, 11/01/21^	15,000
56,000	Carrizo Oil & Gas, Inc.^	35,964	37,000	6.250%, 05/01/26*	
	6.250%, 04/15/23	7,391		Par Petroleum, LLC / Petroleum	
37,000	Chesapeake Energy Corp.*^	6,953		Finance Corp.*	37,682
	8.000%, 01/15/25			7.750%, 12/15/25	
7,000	CONSOL Energy, Inc.*	73,448	36,000	PDC Energy, Inc.*^	36,316
	11.000%, 11/15/25		31,000	5.750%, 05/15/26	
7,000	CrownRock, LP / CrownRock Finance, Inc.*	13,884	37,000	Petroleum Geo-Services Company*^	30,779
	5.625%, 10/15/25		37,000	7.375%, 12/15/20	
77,000	DCP Midstream Operating, LP*^‡	21,923	36,000	Plains All American Pipeline, LP^‡	36,022
	5.850%, 05/21/43			6.125%, 11/15/22	
	3 mo. USD LIBOR + 3.85%	16,458		3 mo. USD LIBOR + 4.11%	
14,000	DCP Midstream, LP^‡	13,884	36,000	QEP Resources, Inc.^	34,734
	7.375%, 12/15/22		178,000	5.625%, 03/01/26	
	3 mo. USD LIBOR + 5.15%	21,923	70,000	SEACOR Holdings, Inc.	180,661
21,000	Denbury Resources, Inc.*^	16,458		7.375%, 10/01/19	
	9.250%, 03/31/22		14,000	SESI, LLC*	72,856
16,000	Diamond Offshore Drilling, Inc.^	59,281	31,000	7.750%, 09/15/24	
	7.875%, 08/15/25	7,990		SM Energy Company^	14,299
	Energy Transfer Equity, LP			6.750%, 09/15/26	
58,000	5.875%, 01/15/24μ			Southwestern Energy Company^	31,737
8,000	5.500%, 06/01/27^	68,052	23,000	7.500%, 04/01/26	
77,000	Energy Transfer Partners, LPμ‡	54,682	7,000	Sunoco, LP / Sunoco Finance Corp.*^	22,373
	5.376%, 11/01/66			5.500%, 02/15/26	
	3 mo. USD LIBOR + 3.02%	13,222		Targa Resources Partners, LP / Targa	
	Enterprise Products Operating, LLCμ‡			Resources Partners Finance Corp.*	6,975
56,000	4.875%, 08/16/77^	23,435		5.875%, 04/15/26	
	3 mo. USD LIBOR + 2.99%			TransMontaigne Partners, LP / TLP	
14,000	5.375%, 02/15/78			Finance Corp.	7,019
	3 mo. USD LIBOR + 2.57%			6.125%, 02/15/26	
33,000	EP Energy, LLC /			Transocean, Inc.*^	34,583
	Everest Acquisition Finance, Inc.*			7.500%, 01/15/26	
	8.000%, 02/15/25			Vine Oil & Gas, LP / Vine Oil & Gas	
	Genesis Energy, LP /			Finance Corp.*	33,937
37,000	Genesis Energy Finance Corp.^	36,330		8.750%, 04/15/23	
36,000	6.500%, 10/01/25	34,392			
	6.250%, 05/15/26				



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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
46,000	W&T Offshore, Inc.* 8.500%, 06/15/21 10.000% PIK rate	\$ 42,863	95,000	Jefferies Finance, LLC*^ 7.375%, 04/01/20	\$ 95,996
33,000	10.750% PIK rate	33,000	77,000	7.250%, 08/15/24	76,410
77,000	Weatherford International, Ltd.^ 8.250%, 06/15/23	72,717	34,000	Ladder Capital Finance Holdings LLLP / Ladder Capital Finance Corp.*^	32,476
36,000	Whiting Petroleum Corp.*^ 6.625%, 01/15/26	37,027	31,000	5.250%, 10/01/25	30,538
45,000	WildHorse Resource Development Corp. 6.875%, 02/01/25	46,018	38,000	Level 3 Financing, Inc.^ 5.375%, 05/01/25	36,938
14,000	6.875%, 02/01/25*	14,311	62,000	LPL Holdings, Inc.* 5.750%, 09/15/25	67,693
		1,859,113	4,000	MetLife, Inc.^ 6.400%, 12/15/36	4,081
			71,000	5.875%, 03/15/28‡ 3 mo. USD LIBOR + 2.96%	71,132
	<b>Financials (0.2%)</b>			Nationstar Mortgage, LLC / Nationstar Capital Corp. 6.500%, 07/01/21	47,665
72,000	Acrisure, LLC / Acrisure Finance, Inc.*^ 7.000%, 11/15/25	68,134	47,000	Navient Corp.^ 6.750%, 06/25/25	19,586
105,000	Ally Financial, Inc.~ 8.000%, 11/01/31	127,803	19,000	6.500%, 06/15/22	31,452
65,000	Ardonagh Midco 3, PLC*^ 8.625%, 07/15/23	68,095	32,000	NexBank Capital, Inc.*‡& 6.375%, 09/30/27	42,061
65,000	AssuredPartners, Inc.*^ 7.000%, 08/15/25	64,062	42,000	3 mo. USD LIBOR + 4.59% Oil Insurance, Ltd.*‡ 5.290%, 05/31/18	42,061
37,000	Bank of America Corp.‡ 5.875%, 03/15/28 3 mo. USD LIBOR + 2.93%	36,988	102,000	3 mo. USD LIBOR + 2.98% Quicken Loans, Inc.*^μ	100,603
37,000	Bank of Nova Scotia^‡ 4.650%, 10/12/22 3 mo. USD LIBOR + 2.65%	34,991	38,000	5.750%, 05/01/25	38,437
63,000	Brookfield Residential Properties, Inc.* 6.375%, 05/15/25	64,075	48,000	Simmons First National Corp.‡ 5.000%, 04/01/28	48,538
71,000	Charles Schwab Corp.^μ‡ 5.000%, 12/01/27 3 mo. USD LIBOR + 2.58%	69,237	31,000	3 mo. USD LIBOR + 2.15% Springleaf Finance Corp.^	34,035
33,000	CyrusOne, LP / CyrusOne Finance Corp. 5.375%, 03/15/27	33,078	20,000	8.250%, 10/01/23	19,939
65,000	Dell International, LLC / EMC Corp.*^μ 6.020%, 06/15/26	69,059	73,000	Towne Bank‡ 4.500%, 07/30/27	71,092
36,000	Discover Financial Services^‡ 5.500%, 10/30/27 3 mo. USD LIBOR + 3.08%	35,303		3 mo. USD LIBOR + 2.55% Tronox Finance, PLC* 5.750%, 10/01/25	1,784,118
63,000	Equinix, Inc.^ 5.375%, 04/01/23	64,750		<b>Health Care (0.2%)</b>	
14,000	Greystar Real Estate Partners, LLC* 5.750%, 12/01/25	13,894	68,000	Acadia Healthcare Company, Inc. 5.625%, 02/15/23	68,829
36,000	HUB International, Ltd.* 7.000%, 05/01/26^	36,109	118,000	Community Health Systems, Inc.^ 7.125%, 07/15/20	94,153
31,000	7.875%, 10/01/21	32,324	36,000	6.875%, 02/01/22	19,722
57,000	ILFC E-Capital Trust II*‡ 4.890%, 12/21/65 3 mo. USD LIBOR + 1.80%	55,071	16,000	8.000%, 11/15/19	14,575
44,000	Iron Mountain, Inc.*^ 5.250%, 03/15/28	41,473	108,000	DaVita, Inc.^ 5.125%, 07/15/24	104,998
			22,000	Endo International, PLC* 7.250%, 01/15/22	18,759
			97,000	Endo, Ltd.* 6.000%, 07/15/23	71,031



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PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
65,000	Greatbatch, Ltd.* 9.125%, 11/01/23	\$ 70,504	37,000	Fly Leasing, Ltd.^ 5.250%, 10/15/24	\$ 36,039
	HCA, Inc.		7,000	FXI Holdings, Inc.* 7.875%, 11/01/24	6,953
120,000	5.875%, 05/01/23^	125,299	74,000	Garda World Security Corp.* 7.250%, 11/15/21	75,387
111,000	5.375%, 02/01/25^	110,815	106,000	Golden Nugget, Inc.*^ 6.750%, 10/15/24	107,730
36,000	7.500%, 11/06/33	39,266	37,000	Gray Television, Inc.*^ 5.875%, 07/15/26	35,863
37,000	Magellan Health, Inc. 4.400%, 09/22/24	36,289	34,000	Great Lakes Dredge & Dock Corp. 8.000%, 05/15/22	34,638
60,000	Mallinckrodt International Finance, SA / Mallinckrodt CB, LLC*^ 5.625%, 10/15/23	47,314	55,000	H&E Equipment Services, Inc. 5.625%, 09/01/25	55,341
15,000	Team Health Holdings, Inc.*^ 6.375%, 02/01/25	13,127	36,000	Hertz Corp.^ 7.375%, 01/15/21	35,705
104,000	Tenet Healthcare Corp.^ 6.750%, 06/15/23	102,588	8,000	7.625%, 06/01/22*	8,176
72,000	5.125%, 05/01/25*	70,152	40,000	Icahn Enterprises, LP^μ	41,045
67,000	Teva Pharmaceutical Finance Company, BV^μ 2.950%, 12/18/22	59,044	36,000	6.750%, 02/01/24	36,171
112,000	Teva Pharmaceutical Finance IV, BVμ 3.650%, 11/10/21	105,168	11,000	James Hardie International Finance, Ltd.*^μ	10,728
15,000	Teva Pharmaceutical Finance IV, LLC^ 2.250%, 03/18/20	14,361	36,000	Jeld-Wen, Inc.* 4.625%, 12/15/25	34,603
37,000	Teva Pharmaceutical Finance Netherlands III, BV*^ 6.000%, 04/15/24	36,016	19,000	JPW Industries Holding Corp.* 9.000%, 10/01/24	20,090
263,000	Valeant Pharmaceuticals International, Inc.*^ 7.250%, 07/15/22	265,968	56,000	Meritor, Inc. 6.250%, 02/15/24	57,739
73,000	9.000%, 12/15/25	74,160	15,000	Multi-Color Corp.* 4.875%, 11/01/25	14,072
30,000	West Street Merger Sub, Inc.*^ 6.375%, 09/01/25	29,519	50,000	Navistar International Corp.* 6.625%, 11/01/25	52,111
		<u>1,591,657</u>		Park Aerospace Holdings, Ltd.* 5.500%, 02/15/24	31,100
	<b>Industrials (0.1%)</b>		22,000	4.500%, 03/15/23^	21,105
44,000	ACCO Brands Corp.* 5.250%, 12/15/24	44,112	63,000	Park-Ohio Industries, Inc.^ 6.625%, 04/15/27	65,797
	Allison Transmission, Inc.*^ 4.750%, 10/01/27	23,536	35,000	Scientific Games International, Inc.* 5.000%, 10/15/25	33,865
25,000	5.000%, 10/01/24μ	15,740	23,000	Tennant Company 5.625%, 05/01/25	23,523
16,000	Apergy Corp.* 6.375%, 05/01/26	22,364	7,000	Titan Acquisition, Ltd. / Titan Co-Borrower, LLC*^ 7.750%, 04/15/26	6,980
38,000	ARD Securities Finance SARL*^ 8.750%, 01/31/23 8.750% PIK rate	39,910	4,000	Trident Merger Sub, Inc.*^ 6.625%, 11/01/25	3,927
36,000	Beacon Roofing Supply, Inc.*^ 4.875%, 11/01/25	34,089	8,000	TriMas Corp.* 4.875%, 10/15/25	7,804
36,000	Bombardier, Inc.* 7.500%, 12/01/24	37,953	71,000	United Continental Holdings, Inc.^ 6.375%, 06/01/18	71,204
27,000	Covanta Holding Corp. 5.875%, 03/01/24	26,691	57,000	United Rentals North America, Inc.^ 4.875%, 01/15/28	54,071
9,000	5.875%, 07/01/25	8,751			
36,000	Delphi Technologies, PLC* 5.000%, 10/01/25	34,731			

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE	PRINCIPAL AMOUNT		VALUE
18,000	Waste Pro USA, Inc.* 5.500%, 02/15/26	\$ 17,842	55,000	INEOS Group Holdings, SA*^ 5.625%, 08/01/24	\$ 55,597
		1,287,486	23,000	Kinross Gold Corp.* 4.500%, 07/15/27	21,672
	<b>Information Technology (0.1%)</b>		33,000	New Gold, Inc.*^ 6.375%, 05/15/25	33,662
27,000	Alliance Data Systems Corp.*^ 5.375%, 08/01/22	27,168	95,000	PBF Holding Company, LLC / PBF Finance Corp.^ 7.250%, 06/15/25	98,890
37,000	Amkor Technology, Inc. 6.375%, 10/01/22	37,998	73,000	PH Glatfelter Companyµ 5.375%, 10/15/20	73,827
29,000	Cardtronics, Inc. 5.500%, 05/01/25*	26,934		United States Steel Corp.^	
29,000	5.125%, 08/01/22	28,240	71,000	6.875%, 08/15/25	72,558
41,000	CBS Radio, Inc.*^ 7.250%, 11/01/24	41,662	15,000	6.250%, 03/15/26	14,929
33,000	CDK Global, Inc. 4.875%, 06/01/27	31,850			801,683
27,000	CDW, LLC / CDW Finance Corp. 5.000%, 09/01/23	27,603		<b>Real Estate (0.0%)</b>	
	Clear Channel Worldwide Holdings, Inc. 7.625%, 03/15/20^	68,275	36,000	Crescent Communities, LLC/ Crescent Ventures, Inc.* 8.875%, 10/15/21	37,873
68,000	7.625%, 03/15/20	25,101	68,000	MPT Operating Partnership, LP / MPT Finance Corp. 5.000%, 10/15/27	64,712
34,000	CommScope Technologies, LLC*^ 6.000%, 06/15/25	35,062	36,000	Starwood Property Trust, Inc.*^ 4.750%, 03/15/25	34,824
36,000	Harland Clarke Holdings Corp.* 8.375%, 08/15/22	36,890			137,409
	Nuance Communications, Inc. 6.000%, 07/01/24µ	44,296		<b>Telecommunication Services (0.2%)</b>	
43,000	5.625%, 12/15/26^	40,972	30,000	Altice Financing, SA*^ 7.500%, 05/15/26	29,522
41,000	TTM Technologies, Inc.*^ 5.625%, 10/01/25	35,324	76,000	Altice France, SA* 7.375%, 05/01/26	73,822
36,000	VFH Parent, LLC*^ 6.750%, 06/15/22	33,300		Altice Luxembourg, SA*^	
		540,675	16,000	7.625%, 02/15/25	14,455
	<b>Materials (0.1%)</b>		14,000	7.750%, 05/15/22	13,427
65,000	AK Steel Corp.^ 6.375%, 10/15/25	60,773	50,000	Altice US Finance I Corp.*^ 5.500%, 05/15/26	48,639
57,000	Alcoa Nederland Holding, BV*^ 7.000%, 09/30/26	62,218	20,000	Block Communications, Inc.* 6.875%, 02/15/25	20,216
116,000	ArcelorMittal, SA^ 7.250%, 10/15/39	137,734	36,000	CB Escrow Corp.* 8.000%, 10/15/25	34,271
43,000	Arconic, Inc.^ 5.125%, 10/01/24	43,548	11,000	Cequel Communications Holdings I, LLC / Cequel Capital Corp.* 7.500%, 04/01/28	11,162
67,000	Ardagh Packaging Finance, PLC / Ardagh Holdings USA, Inc.*^ 6.000%, 02/15/25	67,972	36,000	Consolidated Communications, Inc.^ 6.500%, 10/01/22	33,195
13,000	Cleveland-Cliffs, Inc. 5.900%, 03/15/20	13,116	142,000	CSC Holdings, LLC*^ 5.500%, 04/15/27	136,647
7,000	Commercial Metals Company* 5.750%, 04/15/26	7,026	160,000	Embarq Corp. 7.995%, 06/01/36	152,651
	First Quantum Minerals, Ltd.*			Frontier Communications Corp. 7.625%, 04/15/24	69,830
22,000	7.000%, 02/15/21	22,178	106,000	11.000%, 09/15/25^	46,165
16,000	7.250%, 04/01/23	15,983	60,000	8.500%, 04/01/26*^	14,560
			15,000		

Schedule of Investments April 30, 2018 (Unaudited)

PRINCIPAL AMOUNT		VALUE
36,000	Hughes Satellite Systems Corp. 6.625%, 08/01/26	\$ 36,214
	Inmarsat Finance, PLC* $\mu$	
27,000	4.875%, 05/15/22	26,118
14,000	6.500%, 10/01/24 $\wedge$	13,786
	Intelsat Jackson Holdings, SA $\wedge$	
61,000	9.750%, 07/15/25*	59,835
44,000	7.500%, 04/01/21	41,781
29,000	8.000%, 02/15/24*	30,639
37,000	Qwest Corp. 6.875%, 09/15/33	35,125
15,000	SBA Communications Corp.* $\wedge$ 4.000%, 10/01/22	14,309
15,000	Sprint Capital Corp. $\wedge$ 6.875%, 11/15/28	15,320
	Sprint Corp.	
211,000	7.875%, 09/15/23	226,598
46,000	7.125%, 06/15/24	47,496
38,000	T-Mobile USA, Inc. $\wedge$ 4.750%, 02/01/28	36,671
7,000	Telecom Italia Capital, SA 6.000%, 09/30/34	7,280
67,000	United States Cellular Corp. 6.700%, 12/15/33	70,697
	Windstream Services, LLC	
47,000	8.625%, 10/31/25* $\wedge$	43,250
27,000	7.750%, 10/01/21	20,341
5,000	7.750%, 10/15/20 $\wedge$	4,295
		1,428,317
	<b>Utilities (0.0%)</b>	
10,000	NGPL PipeCo, LLC* 4.875%, 08/15/27	9,751
	NRG Energy, Inc.	
62,000	6.625%, 01/15/27	63,966
22,000	5.750%, 01/15/28* $\wedge$	21,827
33,000	PPL Capital Funding, Inc. $\wedge$ $\mu$ $\ddagger$ 4.967%, 03/30/67 3 mo. USD LIBOR + 2.67%	32,901
22,000	Talen Energy Supply, LLC* $\wedge$ 10.500%, 01/15/26	19,037
36,000	TerraForm Power Operating, LLC* $\wedge$ 5.000%, 01/31/28	33,807
65,000	Vistra Energy Corp.* $\wedge$ 8.125%, 01/30/26	71,429
		252,718
	<b>TOTAL CORPORATE BONDS</b>	12,271,297
	<b>U.S. GOVERNMENT AND AGENCY SECURITIES (0.0%)</b>	
206,000	United States Treasury Note 1.875%, 05/31/22	199,214
110,000	United States Treasury Note 2.375%, 03/15/21	109,265
	<b>TOTAL U.S. GOVERNMENT AND AGENCY SECURITIES</b>	308,479

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
	<b>PURCHASED OPTIONS (0.3%) #</b>	
	<b>Financials (0.1%)</b>	
2,500	Bank of America Corp.	
250,000	Call, 01/18/19, Strike \$30.00	\$ 616,250
	<b>Industrials (0.0%)</b>	
525	Stanley Black & Decker, Inc.	
52,500	Call, 01/18/19, Strike \$170.00	69,562
	<b>Information Technology (0.2%)</b>	
670	Red Hat, Inc.	
67,000	Call, 01/18/19, Strike \$155.00	1,534,300
	<b>TOTAL PURCHASED OPTIONS</b>	2,220,112
	<b>TOTAL SYNTHETIC CONVERTIBLE SECURITIES</b> (Cost \$15,531,825)	14,799,888
	<b>NUMBER OF SHARES</b>	<b>VALUE</b>
	<b>CONVERTIBLE PREFERRED STOCKS (14.0%)</b>	
	<b>Consumer Staples (0.8%)</b>	
62,000	Bunge, Ltd. 4.875%, 12/31/49	6,707,482
	<b>Energy (3.0%)</b>	
104,300	CenterPoint Energy, Inc. (Time Warner, Inc., Charter Communications Time, Inc.) $\S$ ** 3.399%, 09/15/29	6,750,922
110,575	Hess Corp. 8.000%, 02/01/19	7,189,586
190,650	NuStar Energy, LP $\ddagger$ 7.625%, 06/15/22 $\wedge$ 3 mo. USD LIBOR + 5.64%	4,045,593
61,245	8.500%, 12/15/21 3 mo. USD LIBOR + 6.77%	1,360,864
80,500	WPX Energy, Inc. 6.250%, 07/31/18	5,776,680
		25,123,645
	<b>Financials (2.2%)</b>	
52,500	AMG Capital Trust II 5.150%, 10/15/37	3,196,945
5,000	Bank of America Corp. 7.250%, 12/31/49	6,365,000
29,835	Virtus Investment Partners, Inc. 7.250%, 02/01/20	2,974,848
4,800	Wells Fargo & Company 7.500%, 12/31/49	6,146,928
		18,683,721

# Schedule of Investments April 30, 2018 (Unaudited)

NUMBER OF SHARES		VALUE
<b>Health Care (2.6%)</b>		
258,165	Anthem, Inc. 5.250%, 05/01/18	\$ 14,679,262
118,000	Becton Dickinson and Company 6.125%, 05/01/20	7,121,300
		<u>21,800,562</u>
<b>Industrials (0.8%)</b>		
115,600	Rexnord Corp. 5.750%, 11/15/19	6,925,018
<b>Real Estate (1.8%)</b>		
7,300	Crown Castle International Corp. 6.875%, 08/01/20	7,340,698
143,750	Welltower, Inc.^ 6.500%, 06/28/18	8,047,125
		<u>15,387,823</u>
<b>Utilities (2.8%)</b>		
117,650	DTE Energy Company^ 6.500%, 10/01/19	6,152,707
296,800	NextEra Energy, Inc. 6.123%, 09/01/19	17,155,040
		<u>23,307,747</u>
<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b> (Cost \$109,134,737)		
		<u>117,935,998</u>
<b>COMMON STOCKS (5.7%)</b>		
<b>Consumer Discretionary (0.1%)</b>		
36,755	GameStop Corp. - Class A^	501,706
<b>Energy (1.4%)</b>		
69,790	Enterprise Products Partners, LP	1,873,164
26,450	Gulfmark Offshore, Inc.^#	899,300
22,139	Gulfmark Offshore, Inc.#	752,726
36,105	Magellan Midstream Partners, LP~	2,376,792
58,235	Ocean Rig UDW, Inc. - Class A#	1,412,781
3,425	Schlumberger, Ltd.	234,818
378,369	Southwestern Energy Company#	1,551,313
60,355	Spectra Energy Partners, LP~	2,151,656
19,385	Targa Resources Corp.^	910,513
		<u>12,163,063</u>
<b>Financials (0.1%)</b>		
17,300	American International Group, Inc.	968,800
<b>Health Care (4.1%)</b>		
97,157	Allergan, PLC	14,928,173
165,000	Gilead Sciences, Inc.~	11,917,950
87,234	Molina Healthcare, Inc.^#	7,262,230
		<u>34,108,353</u>
<b>TOTAL COMMON STOCKS</b> (Cost \$73,725,364)		
		<u>47,741,922</u>

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
<b>PURCHASED OPTION (0.0%) #</b>		
<b>Consumer Discretionary (0.0%)</b>		
56	Booking Holdings, Inc.	
5,600	Put, 06/15/18, Strike \$1,900.00 (Cost \$721,663)	\$ 75,880

NUMBER OF SHARES		VALUE
<b>SHORT TERM INVESTMENTS (4.2%)</b>		
17,712,890	Fidelity Prime Money Market Fund - Institutional Class, 1.890%***	17,718,204
17,654,941	Morgan Stanley Institutional Liquidity Funds - Government Portfolio, 1.610%***	17,654,941
	<b>TOTAL SHORT TERM INVESTMENTS</b> (Cost \$35,371,864)	<u>35,373,145</u>

<b>TOTAL INVESTMENTS (150.3%)</b> (Cost \$1,293,994,650)		<u>1,264,703,554</u>
MANDATORY REDEEMABLE PREFERRED SHARES, AT LIQUIDATION VALUE (-13.1%)		(110,000,000)
LIABILITIES, LESS OTHER ASSETS (-37.2%)		(313,484,624)
<b>NET ASSETS (100.0%)</b>		<u>\$ 841,218,930</u>

NUMBER OF CONTRACTS/ NOTIONAL AMOUNT		VALUE
<b>WRITTEN OPTIONS (0.0%) #</b>		
<b>Consumer Discretionary (0.0%)</b>		
56	Booking Holdings, Inc.	
5,600	Put, 06/15/18, Strike \$1,650.00	(14,280)
<b>Health Care (0.0%)</b>		
825	Allergan, PLC	
82,500	Call, 06/15/18, Strike \$170.00	(94,050)
	<b>TOTAL WRITTEN OPTIONS</b> (Premium \$549,329)	<u>(108,330)</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 \$29,434,592.
- ~ 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 \$4,712,242.
- ‡ Variable rate security. The rate shown is the rate in effect at April 30, 2018.
- & Illiquid security.
- # Non-income producing 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.
- ! This position represents an unsettled loan commitment at period end. Certain details associated with this purchase are not known prior to the settlement date, including coupon rate, which will be adjusted on settlement date.
- The synthetic convertible securities strategy combines separate securities that together possess the economic characteristics similar to a convertible security.
- \*\* Step coupon security. Coupon changes periodically based upon a predetermined schedule. The rate shown is the rate in effect at April 30, 2018.
- @ In default status and considered non-income producing.
- \*\*\* The rate disclosed is the 7 day net yield as of April 30, 2018.

**FOREIGN CURRENCY ABBREVIATION**

CAD Canadian Dollar

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

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

### ASSETS

Investments in securities, at value (cost \$1,293,994,650)	\$ 1,264,703,554
Cash with custodian (interest bearing)	77,306
Receivables:	
Accrued interest and dividends	10,973,974
Investments sold	8,608,143
Prepaid expenses	105,470
Other assets	171,282
Total assets	1,284,639,729

### LIABILITIES

Options written, at value (premium \$549,329)	108,330
Mandatory Redeemable Preferred Shares (\$25 liquidation value per share applicable to 4,400,000 shares authorized, issued, and outstanding) (net of deferred offering costs of \$1,098,861) (Note 7)	108,901,139
Payables:	
Notes payable	305,500,000
Distributions payable to Mandatory Redeemable Preferred Shareholders	353,170
Investments purchased	27,046,663
Affiliates:	
Investment advisory fees	829,640
Deferred compensation to trustees	171,282
Financial accounting fees	11,983
Trustees' fees and officer compensation	18,903
Other accounts payable and accrued liabilities	479,689
Total liabilities	443,420,799
NET ASSETS	\$ 841,218,930

### COMPOSITION OF NET ASSETS

Common stock, no par value, unlimited shares authorized 73,008,586 shares issued and outstanding	\$ 880,281,743
Undistributed net investment income (loss)	(34,063,757)
Accumulated net realized gain (loss) on investments, foreign currency transactions and written options	23,851,292
Unrealized appreciation (depreciation) of investments, foreign currency translations and written options	(28,850,348)
NET ASSETS	\$ 841,218,930
Net asset value per common shares based upon 73,008,586 shares issued and outstanding	\$ 11.52

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

### INVESTMENT INCOME

Interest	\$ 26,300,648
Dividends	5,122,697
Total investment income	31,423,345

### EXPENSES

Investment advisory fees	5,044,231
Interest expense on Notes Payable (Note 6)	2,422,260
Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares (Notes 1 and 7)	2,267,048
Legal fees	91,752
Financial accounting fees	72,947
Printing and mailing fees	67,841
Trustees' fees and officer compensation	36,194
Accounting fees	32,698
Audit fees	25,744
Custodian fees	16,511
Transfer agent fees	16,494
Registration fees	9,609
Other	69,475
Total expenses	10,172,804
NET INVESTMENT INCOME (LOSS)	21,250,541

### REALIZED AND UNREALIZED GAIN (LOSS)

#### Net realized gain (loss) from:

Investments, excluding purchased options	22,395,298
Purchased options	2,852,704
Foreign currency transactions	(3,323)
Written options	432,294

#### Change in net unrealized appreciation/(depreciation) on:

Investments, excluding purchased options	(34,011,357)
Purchased options	(1,255,770)
Foreign currency translations	1,920
Written options	451,046

NET GAIN (LOSS)	(9,137,188)
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ 12,113,353



## Statements of Changes in Net Assets

	(UNAUDITED) SIX MONTHS ENDED APRIL 30, 2018	YEAR ENDED OCTOBER 31, 2017
<b>OPERATIONS</b>		
Net investment income (loss)	\$ 21,250,541	\$ 44,254,369
Net realized gain (loss)	25,676,973	48,709,257
Change in unrealized appreciation/(depreciation)	(34,814,161)	39,414,435
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	12,113,353	132,378,061
<b>DISTRIBUTIONS TO COMMON SHAREHOLDERS FROM</b>		
Net investment income	(43,699,413)	(51,106,619)
Return of capital	—	(35,964,988)
Net decrease in net assets from distributions to common shareholders	(43,699,413)	(87,071,607)
<b>CAPITAL STOCK TRANSACTIONS</b>		
Proceeds from shares sold	1,895,796	—
Offering costs on shares	(127,890)	(111,012)
Reinvestment of distributions resulting in the issuance of stock	2,220,326	1,438,172
Net increase (decrease) in net assets from capital stock transactions	3,988,232	1,327,160
TOTAL INCREASE (DECREASE) IN NET ASSETS	(27,597,828)	46,633,614
<b>NET ASSETS</b>		
Beginning of period	\$ 868,816,758	\$ 822,183,144
End of period	\$ 841,218,930	\$ 868,816,758
Undistributed net investment income (loss)	\$ (34,063,757)	\$ (11,614,885)

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

### CASH FLOWS FROM OPERATING ACTIVITIES:

Net increase/(decrease) in net assets from operations	\$ 12,113,353
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	(392,730,432)
Net purchases of short term investments	(11,260,366)
Proceeds paid on closing written options	(770,556)
Proceeds from disposition of investment securities, including purchased options	424,889,813
Premiums received from written options	1,403,039
Amortization and accretion of fixed-income securities	(6,793,152)
Amortization of offering costs on Mandatory Redeemable Preferred Shares	89,171
Net realized gains/losses from investments, excluding purchased options	(22,396,624)
Net realized gains/losses from purchased options	(2,852,704)
Net realized gains/losses from written options	(432,294)
Change in unrealized appreciation or depreciation on investments, excluding purchased options	34,011,357
Change in unrealized appreciation or depreciation on purchased options	1,255,770
Change in unrealized appreciation or depreciation on written options	(451,046)
Net change in assets and liabilities:	
(Increase)/decrease in assets:	
Accrued interest and dividends receivable	247,213
Prepaid expenses	(13,545)
Other assets	1,126,759
Increase/(decrease) in liabilities:	
Payables to affiliates	(43,117)
Other accounts payable and accrued liabilities	(365,399)
Net cash provided by/(used in) operating activities	\$ 37,027,240

### CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from shares sold	1,895,796
Offering costs related to shares sold	(127,890)
Distributions to shareholders	(41,479,087)
Proceeds from preferred shares sold	353,170
Offering costs on Mandatory Redeemable Preferred Shares	(25,173)
Net increase/(decrease) in due to custodian bank	(566,750)
Proceeds from note payable	3,000,000
Net cash provided by/(used in) financing activities	\$ (36,949,934)
Net increase/(decrease) in cash	\$ 77,306
Cash at beginning of period	\$ —
Cash at end of period	\$ 77,306
Supplemental disclosure	
Cash paid for interest on Notes Payable	\$ 2,859,139
Cash paid for interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares	\$ 2,620,218
Non-cash financing activities not included herein consists of reinvestment of dividends and distributions:	\$ 2,220,326

### Note 1 – Organization and Significant Accounting Policies

**Organization.** Calamos Convertible and High Income Fund (the “Fund”) was organized as a Delaware statutory trust on March 12, 2003 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 May 28, 2003. The Fund’s investment strategy is to provide total return through a combination of capital appreciation and current income. Under normal circumstances, the Fund will invest at least 80% of its managed assets in a diversified portfolio of convertibles and non-convertible income securities and under normal circumstances, the Fund will invest at least 20% of its managed assets in convertible securities and at least 20% of its managed assets in below investment grade (high yield/high risk) non-convertible debt 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.

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

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

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

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

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

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

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

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

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

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

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

## Notes to Financial Statements (Unaudited)

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

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

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

Pursuant to an investment advisory agreement with Calamos Advisors LLC ("Calamos Advisors"), the Fund pays an annual fee, payable monthly, equal to 0.80% 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 \$171,282 is included in "Other assets" on the Statement of Assets and Liabilities at April 30, 2018. The Fund's obligation to make payments under the Plan is a general obligation of the Fund and is included in "Payable for deferred compensation to trustees" on the Statement of Assets and Liabilities at April 30, 2018.

### Note 3 – Investments

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

	U.S. GOVERNMENT SECURITIES	OTHER
Cost of purchases	\$11,425,469	\$ 393,422,360
Proceeds from sales	—	399,206,896

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

Cost basis of investments	\$1,293,445,321
Gross unrealized appreciation	53,263,112
Gross unrealized depreciation	(82,113,209)
Net unrealized appreciation (depreciation)	\$ (28,850,097)

\* 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, 2018 will be determined at the end of the Fund's current fiscal year.

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

	YEAR ENDED OCTOBER 31, 2017
<b>Distributions paid from:</b>	
Ordinary income	\$ 51,775,680
Long-term capital gains	0
Return of capital	35,964,988

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

Undistributed ordinary income	\$ —
Undistributed capital gains	—
Total undistributed earnings	—
Accumulated capital and other losses	—
Net unrealized gains/(losses)	(7,338,619)
Total accumulated earnings/(losses)	(7,338,619)
Other	(138,134)
Paid-in-capital	876,293,511
Net assets applicable to common shareholders	<u>\$ 868,816,758</u>

**Note 5 – Derivative Instruments**

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

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

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

For financial reporting purposes, the Fund does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Assets and Liabilities. The 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, 2018.

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

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

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

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

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

**Interest Rate Risk.** The Fund engages in interest rate swaps primarily to hedge the interest rate risk on the Fund's borrowings (see Note 7 - Notes Payable). An interest rate swap is a contract that involves the exchange of one type of interest rate for another type of interest rate. If interest rates rise, resulting in a diminution in the value of the Fund's portfolio, the Fund would receive payments under the swap that would offset, in whole or in part, such diminution in value; if interest rates fall, the Fund would likely lose money on the swap transaction. Unrealized gains are reported as an asset, and unrealized losses are reported as a liability on the Statement of Assets and Liabilities. The change in value of swaps, including accruals of periodic amounts of interest to be paid or received on swaps, is reported as change in net unrealized appreciation/depreciation on interest rate swaps in the Statement of Operations. A realized gain or loss is recorded in net realized gain (loss) on interest rate swaps in the Statement of Operations upon payment or receipt of a periodic payment or termination of the swap agreements. Swap agreements are stated at fair value. Notional principal amounts are used to express the extent of involvement in these transactions, but the amounts potentially subject to credit risk are much smaller. In connection with these contracts, securities may be identified as collateral in accordance with the terms of the respective swap contracts in the event of default or bankruptcy of the Fund. Please see the disclosure regarding ISDA Master Agreements under Foreign Currency Risk within this note.



Premiums paid to or by a Fund are accrued daily and included in realized gain (loss) when paid on swaps in the accompanying Statement of Operations. The contracts are marked-to-market daily based upon third party vendor valuations and changes in value are recorded as unrealized appreciation (depreciation). Gains or losses are realized upon early termination of the contract. Risks may exceed amounts recognized in the Statement of Assets and Liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms, counterparty's creditworthiness, and the possible lack of liquidity with respect to the contracts.

As of April 30, 2018, the Fund had outstanding interest rate swap agreements.

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

	ASSET DERIVATIVES	LIABILITY DERIVATIVES
<b>Gross amounts at fair value:</b>		
Purchased Options <sup>(1)</sup>	\$ 2,295,992	\$ —
Written Options <sup>(2)</sup>	—	108,330
	<u>\$ 2,295,992</u>	<u>\$ 108,330</u>

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

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

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

	VOLUME
Options Purchased	8,555
Written Options	2,475

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

## Note 6 – Notes Payable

The Fund has entered into an Amended and Restated Liquidity Agreement (the "SSB Agreement") with State Street Bank and Trust Company ("SSB") that allows the Fund to borrow up to a limit of \$480.0 million, as well as engage in securities lending and securities repurchase transactions. Borrowings under the SSB Agreement are secured by assets of the Fund that are held with the Fund's custodian in a separate account (the "pledged collateral"). Interest on the SSB Agreement is charged on the drawn amount at the rate of Overnight LIBOR plus .80%. A commitment fee of .10% is payable on any undrawn balance. For the period ended April 30, 2018, the average borrowings under the Agreement were \$303.9 million. For the period ended April 30, 2018, the average interest rate was 1.69%. As of April 30, 2018, the amount of total outstanding borrowings was \$305.5 million, which approximates fair value. The interest rate applicable to the borrowings on April 30, 2018 was 1.93%.

Under the terms of the SSB Agreement, all securities lent through SSB must be secured continuously by collateral received in cash. Cash collateral held by SSB on behalf of the Fund may be credited against the amounts borrowed under the SSB Agreement. As of April 30, 2018, the Fund used approximately \$282 million of its cash collateral to offset borrowings under the SSB Agreement. Under the terms of the SSB Agreement, the Fund will receive a rebate payment related to the securities lending and/or securities repurchase transactions. The Fund has the right to call a loan and obtain the securities loaned at any time. As of April 30, 2018, approximately \$273.1 million of securities were on loan (\$261.6 million of fixed income securities and \$11.5 million of equity securities) under the SSB Agreement which are reflected in the Investment in securities, at value on the Statement of Assets and Liabilities. The borrowings are categorized as Level 2 within the fair value hierarchy.

## Note 7 – Mandatory Redeemable Preferred Shares

On September 6, 2017, the Fund issued 4,400,000 mandatory redeemable preferred shares ("MRPS") with an aggregate liquidation preference of \$110.0 million. Offering costs incurred by the Fund in connection with the MRPS issuance are aggregated with the outstanding liability and are being amortized to Interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares over the respective life of each series of MRPS and shown in the Statement of Operations.

## Notes to Financial Statements (Unaudited)

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

SERIES	TERM REDEMPTION DATE	DIVIDEND RATE	SHARES (000'S)	LIQUIDATION PREFERENCE PER SHARE	AGGREGATE LIQUIDATION PREFERENCE
Series A	9/06/22	3.70%	1,460	\$25	\$ 36,500,000
Series B	9/06/24	4.00%	1,460	\$25	\$ 36,500,000
Series C	9/06/27	4.24%	1,480	\$25	\$ 37,000,000
				Total	\$110,000,000

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

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

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

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

### Note 8 – Common Shares

There are unlimited common shares of beneficial interest authorized and 73,008,586 shares outstanding at April 30, 2018. Calamos Advisors did not own any of the outstanding shares at April 30, 2018. Transactions in common shares were as follows:

	PERIOD ENDED APRIL 30, 2018	YEAR ENDED OCTOBER 31, 2017
Beginning shares	72,659,092	72,537,011
Shares sold	160,051	—
Shares issued through reinvestment of distributions	189,443	122,081
Ending shares	73,008,586	72,659,092

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. For the period ended April 30, 2018, the Fund sold shares that were \$10,252 in excess of net asset value at an average net asset value of \$11.84.

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

### Note 9 – Fair Value Measurement

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

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

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

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

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>Assets:</b>				
Corporate Bonds	\$ —	\$ 434,722,176	\$ —	\$ 434,722,176
Convertible Bonds	—	575,986,864	—	575,986,864
U.S. Government and Agency Security	—	10,917,717	—	10,917,717
Bank Loans	—	27,149,964	—	27,149,964
Synthetic Convertible Securities (Corporate Bonds)	—	12,271,297	—	12,271,297
Synthetic Convertible Securities (U.S. Government and Agency Security)	—	308,479	—	308,479
Synthetic Convertible Securities (Purchased Options)	2,220,112	—	—	2,220,112
Convertible Preferred Stocks	95,127,942	22,808,056	—	117,935,998
Common Stocks U.S.	46,989,196	752,726	—	47,741,922
Purchased Option	75,880	—	—	75,880
Short Term Investments	35,373,145	—	—	35,373,145
<b>Total</b>	<b>\$ 179,786,275</b>	<b>\$ 1,084,917,279</b>	<b>\$ —</b>	<b>\$ 1,264,703,554</b>
<b>Liabilities:</b>				
Written Options	\$ 108,330	\$ —	\$ —	\$ 108,330
<b>Total</b>	<b>\$ 108,330</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 108,330</b>

## Financial Highlights

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

	(UNAUDITED) SIX MONTHS ENDED APRIL 30,		YEAR ENDED OCTOBER 31,			
	2018	2017	2016	2015	2014	2013
<b>PER SHARE OPERATING PERFORMANCE</b>						
Net asset value, beginning of period	\$11.96	\$11.33	\$12.39	\$14.24	\$13.89	\$13.08
Income from investment operations:						
Net investment income (loss)*	0.29	0.61	0.65	0.73	0.79	0.83
Net realized and unrealized gain (loss)	(0.13)	1.22	(0.51)	(1.38)	0.69	1.00
Total from investment operations	0.16	1.83	0.14	(0.65)	1.48	1.83
Less distributions to common shareholders from:						
Net investment income	(0.60)	(0.70)	(0.69)	(0.98)	(1.13)	(1.02)
Return of capital	—	(0.50)	(0.51)	(0.22)	—	—
Total distributions	(0.60)	(1.20)	(1.20)	(1.20)	(1.13)	(1.02)
Capital charge resulting from issuance of common and preferred shares and related offering costs	0.00 <sup>(a)</sup>	—	0.00 <sup>(a)</sup>	—	—	0.00 <sup>(a)</sup>
Premiums from shares sold in at the market offerings	0.00 <sup>(a)</sup>	—	—	—	—	—
Net asset value, end of period	\$11.52	\$11.96	\$11.33	\$12.39	\$14.24	\$13.89
Market value, end of period	\$12.12	\$11.96	\$10.47	\$11.61	\$14.47	\$12.85
<b>TOTAL RETURN APPLICABLE TO COMMON SHAREHOLDERS</b>						
Total investment return based on: <sup>(b)</sup>						
Net asset value	1.35%	17.28%	2.55%	(4.65)%	11.22%	15.13%
Market value	6.63%	26.91%	1.13%	(12.08)%	22.16%	12.08%
<b>RATIOS TO AVERAGE NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS</b>						
Net expenses <sup>(c)</sup>	2.39% <sup>(d)</sup>	1.89%	1.78%	1.57%	1.47%	1.50%
Net investment income (loss)	5.00% <sup>(d)</sup>	5.25%	5.73%	5.38%	5.57%	6.18%
<b>SUPPLEMENTAL DATA</b>						
Net assets applicable to common shareholders, end of period (000)	\$841,219	\$868,817	\$822,183	\$898,695	\$1,029,902	\$1,002,318
Portfolio turnover rate	33%	89%	34%	37%	35%	62%
Average commission rate paid	\$0.0255	\$0.0282	\$0.0221	\$0.0286	\$0.0292	\$0.0288
Mandatory Redeemable Preferred Shares, at redemption value (\$25 per share liquidation preference) (000's omitted)	\$110,000	\$110,000	\$—	\$—	\$—	\$—
Notes Payable (000's omitted)	\$305,500	\$302,500	\$337,000	\$398,000	\$400,000	\$395,000
Asset coverage per \$1,000 of loan outstanding <sup>(e)</sup>	\$4,114	\$4,236	\$3,440	\$3,258	\$3,575	\$3,538
Asset coverage per \$25 liquidation value per share of Mandatory Redeemable Preferred Shares <sup>(f)</sup>	\$286	\$291	\$—	\$—	\$—	\$—

\* Net investment income calculated based on average shares method.

(a) Amount equated to less than \$0.005 per common share.

(b) 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.

(c) Ratio of net expenses, excluding interest expense on Notes Payable and interest expense and amortization of offering costs on Mandatory Redeemable Preferred Shares, to average net assets was 1.29%, 1.24%, 1.25%, 1.21%, 1.18% and 1.17%, respectively.

(d) Annualized.

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

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

# Report of Independent Registered Public Accounting Firm

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

## Results of Review of Interim Financial Information

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

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

## Basis for Review Results

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

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

*Deloitte + Touche LLP*

June 14, 2018

### What is a Closed-End Fund?

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

### Potential Advantages of Closed-End Fund Investing

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

### OPEN-END MUTUAL FUNDS VERSUS CLOSED-END FUNDS

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

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

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

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

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

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

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

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

## Automatic Dividend Reinvestment Plan

### Maximizing Investment with an Automatic Dividend Reinvestment Plan

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

#### Potential Benefits

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

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

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



## Automatic Dividend Reinvestment Plan

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.

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### 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.

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### 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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