

NICHOLAS APPLGATE CONVERTIBLE & INCOME FUND II
Form N-CSRS
October 28, 2009

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21338

Nicholas-Applegate Convertible & Income Fund II

(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, NY 10105
(Address of principal executive offices) (Zip code)

Lawrence G. Altadonna □ 1345 Avenue of the Americas, New York, NY 10105
(Name and address of agent for service)

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

Date of fiscal year: February 28, 2010

Date of reporting
period: August 31, 2009

Form N-CSRS is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e -1). The Commission may use the information provided on Form N-CSRS in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSRS unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Nicholas-Applegate Convertible & Income Fund Nicholas-Applegate Convertible & Income Fund II

Semi-Annual Report
August 31, 2009

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Nicholas-Applegate Convertible & Income Funds Letter to Shareholders

October 15, 2009

Dear Shareholder:

Please find enclosed, the semi-annual reports for Nicholas-Applegate Convertible & Income Fund and Nicholas-Applegate Convertible & Income Fund II (collectively, the Funds) for the fiscal six-month period ended August 31, 2009.

Corporate securities, including convertible bonds and U.S. stocks, staged a solid rally during the fiscal six-month reporting period, recovering significant ground lost during the course of the 16-month bear market that ended in March of 2009. Signs of improving economic and liquidity conditions and stabilization among financial institutions contributed to renewed investor enthusiasm for risk assets. In this environment, the Merrill Lynch All-Convertible Index, an unmanaged index generally representative of the convertible securities market, posted a 37.74% return and the Standard & Poor's 500 Index, an unmanaged index that is generally representative of the U.S. stock market returned 40.52%. The Barclays Capital U.S. Treasury Bond Index returned 0.39% for the fiscal six-month period ended August 31, 2009.

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

Together with Allianz Global Investors Fund Management LLC, the Funds' investment manager, and Nicholas-Applegate Capital Management LLC, the Funds' sub-adviser, we thank you for investing with us.

We remain dedicated to serving your financial needs.

Sincerely,

Hans W. Kertess

Chairman

Brian S. Shlissel

President & Chief Executive Officer

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Nicholas-Applegate Convertible & Income Funds Fund Insights

August 31, 2009 (unaudited)

For the fiscal six-month period ended August 31, 2009, Nicholas-Applegate Convertible & Income Fund returned 75.52% on net asset value (NAV) and 110.62% on market price.

For the fiscal six-month period ended August 31, 2009, Nicholas-Applegate Convertible & Income Fund II returned 77.75% on NAV and 113.62% on market price.

High-yield investors were treated to one of the fastest investment whipsaws in recent memory during the fiscal six-month reporting period. The mantra of sell everything was exchanged for buy everything and ask questions later . During the six months ended August 31, 2009, the Merrill Lynch High Yield Master II Index, an unmanaged index of the broad high yield market, posted its highest quarterly return on record. Contributors to the high-yield market included financials and gaming, while detractors included health care and utilities. Credit downgrades continued to exceed the rate of upgrades, and the ratio on a trailing six month basis remained at record lows. New issuance returned to the forefront of the high-yield market.

The convertible securities market produced a positive return during the fiscal six-month reporting period. Significant improvement in the prices of corporate bonds was the primary driver of convertible returns, given the low delta and high average premium of the market. Convertibles typically offer downside protection versus equities. In 2008, the convertible universe participated in most of the downside of the equity markets. Rapidly widening corporate bond spreads caused the bond floors to decline. In the first half of 2009, the reverse was true. As capital markets opened up and access to capital improved, credit spreads tightened dramatically.

The Funds positions in the financial, industrial and technology industries contributed positively to performance during the reporting period. Financial companies benefited from capital raises and better trading and investment banking revenue. Industrial companies were positive during the reporting period as earnings and margins exceeded expectations, despite a weaker top line. Technology issuers rose as end markets stabilized and potential inventory replenishment was expected to drive upside to second quarter estimates.

The Funds positions in the health care and telecommunication industries detracted from performance during the reporting period. Health care issuers were down on the uncertainty of potential health care reform as well as a rotation into high beta industries. Telecommunication companies experienced similar sector rotation.

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Nicholas-Applegate Convertible & Income Fund Performance & Statistics

August 31, 2009 (unaudited)

Total Return⁽¹⁾:	Market Price	Net Asset Value (NAV)
Six Month	110.62%	75.52%
1 Year	(17.88)%	(16.67)%
5 Year	(0.17)%	(0.10)%
Commencement of Operations (3/31/03) to 8/31/09	3.09%	3.49%

Market Price/NAV Performance:

Commencement of Operations (3/31/03) to 8/31/09

Market Price/NAV:

Market Price	\$8.01
NAV	\$7.89
Premium to NAV	1.52%
Market Price Yield ⁽²⁾	13.48%

Moody's Ratings
(as a % of Total Investments)

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) in the specified period. The calculation assumes that all income dividends and capital gain distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market yield and NAV will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a onetime public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. NAV is equal to total assets attributable to common

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shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

(2) Market Price Yield is determined by dividing the annualized current monthly per share dividend (comprised of net investment income) payable to common shareholders by the market price per common share at August 31, 2009.

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Nicholas-Applegate Convertible & Income Fund II Performance & Statistics

August 31, 2009 (unaudited)

Total Return⁽¹⁾:	Market Price	Net Asset Value (NAV)
Six Month	113.62%	77.75%
1 Year	(17.88)%	(21.71)%
5 Year	(1.00)%	(1.32)%
Commencement of Operations (7/31/03) to 8/31/09	0.71%	0.82%

Market Price/NAV Performance:

Commencement of Operations (7/31/03) to 8/31/09

Market Price/NAV:

Market Price	\$7.47
NAV	\$7.28
Premium to NAV	2.61%
Market Price Yield ⁽²⁾	13.65%

Moody's Ratings
(as a % of Total Investments)

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in net asset value (NAV) or market price (as applicable) in the specified period. The calculation assumes that all income dividends and capital gain distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges. Total return for a period of less than one year is not annualized. Total return for a period of more than one year represents the average annual total return.

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

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market yield and NAV will fluctuate with changes in market conditions. This data is provided for information only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a onetime public offering and once issued, shares of closed-end funds are sold in the open market through a stock exchange. NAV is equal to total assets attributable to common

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Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
CORPORATE BONDS & NOTES 46.4%			
	Advertising 1.0%		
\$ 9,410	Affinion Group, Inc., 11.50%, 10/15/15	Caa1/B-	\$ 9,080,650
	Aerospace & Defense 0.9%		
1,730	BE Aerospace, Inc., 8.50%, 7/1/18	Ba3/BB+	1,708,375
6,305	DigitalGlobe, Inc., 10.50%, 5/1/14 (a) (b)	Ba3/BB	6,628,131
			8,336,506
	Apparel 1.2%		
10,695	Levi Strauss & Co., 9.75%, 1/15/15	B2/B+	10,989,113
	Auto Components 2.7%		
11,050	Exide Technologies, 10.50%, 3/15/13, Ser. B	B3/B-	10,663,250
11,305	Stoneridge, Inc., 11.50%, 5/1/12	B3/B+	10,117,975
6,553	Tenneco, Inc., 8.625%, 11/15/14	Caa2/CCC	5,799,405
			26,580,630
	Banks 0.6%		
6,456	GMAC LLC, 6.75%, 12/1/14 (a) (b)	Ca/CCC	5,358,480
	Beverages 0.4%		
3,400	Cott Beverages USA, Inc., 8.00%, 12/15/11	Caa2/CCC	3,370,250
	Commercial Services & Supplies 2.6%		
10,400	Cenveo Corp., 7.875%, 12/1/13	Caa1/B-	7,800,000
11,810	Hertz Corp., 10.50%, 1/1/16	B3/CCC+	11,691,900
4,835	Interface, Inc., 9.50%, 2/1/14	B3/B-	4,635,556
			24,127,456
	Construction & Engineering 1.1%		
11,735	MasTec, Inc., 7.625%, 2/1/17	B1/B+	10,737,525
	Distribution/Wholesale 0.6%		
5,420	KAR Holdings, Inc., 8.75%, 5/1/14	B3/CCC	5,135,450
	Diversified Financial Services 1.9%		
	Ford Motor Credit Co. LLC,		
10,795	7.00%, 10/1/13	Caa1/CCC+	9,634,797
8,080	9.875%, 8/10/11	Caa1/CCC+	7,997,964
			17,632,761
	Diversified Telecommunication 1.0%		
9,150	Cincinnati Bell, Inc., 8.375%, 1/15/14	B2/B-	8,921,250
	Electric 0.6%		
7,475	Energy Future Holdings Corp., 10.875%, 11/1/17 (c)	Caa2/B-	5,382,000
	Electrical Components & Equipment 0.8%		
7,500	Anixter, Inc., 10.00%, 3/15/14	Ba2/BB+	7,781,250
	Electrical Equipment 0.4%		
3,430	Baldor Electric Co., 8.625%, 2/15/17	B3/B	3,430,000
	Entertainment 1.4%		
12,440	AMC Entertainment, Inc., 11.00%, 2/1/16	Caa1/CCC+	12,937,600
	Food & Staples Retailing 0.8%		
570	Great Atlantic & Pacific Tea Co., 11.375%, 8/1/15 (a) (b)	B3/B-	564,300
9,655	Rite Aid Corp., 8.625%, 3/1/15	Caa3/CCC	7,048,150
			7,612,450

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Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
	Health Care Providers & Services 4.6%		
\$ 7,275	Alliance Imaging, Inc., 7.25%, 12/15/12	B3/B	\$ 6,838,500
12,725	AMR Holdings Co., Inc., 10.00%, 2/15/15	Ba3/B	13,361,250
3,500	Apria Healthcare Group, Inc., 11.25%, 11/1/14 (a) (b)	Ba2/BB+	3,622,500
7,515	Hanger Orthopedic Group, Inc., 10.25%, 6/1/14	B3/B-	7,937,719
8,065	HCA, Inc., 9.25%, 11/15/16	B2/BB-	8,185,975
3,585	Health Net, Inc., 6.375%, 6/1/17	Ba3/BB-	3,118,950
			43,064,894
	Holding Companies Diversified 0.2%		
2,000	Kansas City Southern Railway, 13.00%, 12/15/13	B2/B+	2,265,000
	Hotels Restaurants & Leisure 0.4%		
3,260	MTR Gaming Group, Inc., 12.625%, 7/15/14 (a) (b)	B2/B	3,194,800
700	Royal Caribbean Cruises Ltd., 11.875%, 7/15/15	Ba3/BB-	735,000
			3,929,800
	Household Durables 1.3%		
2,250	DR Horton, Inc., 6.50%, 4/15/16	Ba3/BB-	2,092,500
10,090	Jarden Corp., 7.50%, 5/1/17	B3/B-	9,762,075
			11,854,575
	Independent Power Producers & Energy Traders 0.4%		
4,000	NRG Energy, Inc., 8.50%, 6/15/19	B1/BB-	3,910,000
	Internet Software & Services 0.8%		
7,200	Terremark Worldwide, Inc., 12.00%, 6/15/17 (a) (b)	B2/B-	7,605,000
	IT Services 1.0%		
4,704	Unisys Corp. (a) (b), 12.75%, 10/15/14	Ba3/BB-	4,851,000
4,136	14.25%, 9/15/15	Ba3/BB-	4,073,960
			8,924,960
	Leisure Time 1.0%		
11,700	Travelport LLC, 11.875%, 9/1/16	Caa1/CC	9,067,500
	Lodging 0.3%		
2,385	Mandalay Resort Group, 1.359%, 3/21/33, FRN (e) (g)	Caa2/CCC+	2,575,929
	Machinery 0.1%		
3,160	Accuride Corp., 8.50%, 2/1/15	Ca/D	647,800
	Metals & Mining 0.6%		
6,000	Steel Dynamics, Inc., 7.375%, 11/1/12	Ba2/BB+	5,925,000
	Miscellaneous Manufacturing 2.1%		
11,500	Harland Clarke Holdings Corp., 9.50%, 5/15/15	Caa1/B-	9,832,500
1,355	Park-Ohio Industries, Inc., 8.375%, 11/15/14	Caa2/CCC+	862,119
9,710	Polypore, Inc., 8.75%, 5/15/12	B3/B-	9,370,150
			20,064,769
	Oil, Gas & Consumable Fuels 2.3%		
6,510	Chesapeake Energy Corp., 6.875%, 1/15/16	Ba3/BB	6,005,475
10,180	OPTI Canada, Inc., 8.25%, 12/15/14	Caa1/B	6,667,900
8,750	SandRidge Energy, Inc., 9.875%, 5/15/16 (a) (b)	B3/B-	8,793,750
			21,467,125

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
	Paper & Forest Products 1.3%		
\$11,705	Neenah Paper, Inc., 7.375%, 11/15/14	B2/B+	\$ 8,310,550
12,945	NewPage Corp., 12.00%, 5/1/13	Caa3/C	4,174,763
			12,485,313
	Pipelines 0.7%		
9,100	Dynegy Holdings, Inc., 7.75%, 6/1/19	B3/B	6,506,500
	Real Estate 0.3%		
2,250	CB Richard Ellis Services, Inc., 11.625%, 6/15/17 (a) (b)	Ba3/B+	2,351,250
	Retail 2.7%		
2,880	Burlington Coat Factory Warehouse Corp., 11.125%, 4/15/14	Caa1/CCC	2,714,400
8,405	El Pollo Loco, Inc., 11.75%, 11/15/13	Caa2/CCC	7,228,300
1,000	Inergy L.P., 8.25%, 3/1/16	B1/B+	995,000
4,455	Michaels Stores, Inc., 10.00%, 11/1/14	Caa2/CCC	4,276,800
6,630	Neiman Marcus Group, Inc., 10.375%, 10/15/15	Caa3/CCC+	4,972,500
5,115	Sally Holdings LLC, 10.50%, 11/15/16	Caa1/B-	5,332,388
			25,519,388
	Semiconductors & Semiconductor Equipment 1.3%		
11,565	Amkor Technology, Inc., 9.25%, 6/1/16	B2/B+	11,911,950
	Software 0.9%		
9,890	First Data Corp., 9.875%, 9/24/15	Caa1/B-	8,505,400
	Telecommunications 3.2%		
7,680	Centennial Cellular Operating Co., 10.125%, 6/15/13	B2/B	7,872,000
13,540	Hawaiian Telcom Communications, Inc., 12.50%, 5/1/15, Ser. B (f)	WR/NR	16,925
6,895	Intelsat Jackson Holdings Ltd., 9.50%, 6/15/16	B3/BB-	7,119,088
8,220	Nextel Communications, Inc., 7.375%, 8/1/15	Ba2/BB	7,058,925
5,385	Sprint Capital Corp., 8.75%, 3/15/32	Ba2/BB	4,496,475
3,980	West Corp., 11.00%, 10/15/16	Caa1/B-	3,691,450
			30,254,863
	Textiles Apparel & Luxury Goods 0.7%		
6,020	Oxford Industries, Inc., 11.375%, 7/15/15	B1/BB-	6,290,900
	Wireless Telecommunication Services 2.2%		
5,750	Crown Castle International Corp., 9.00%, 1/15/15	B2/B+	6,008,750
14,200	Millicom International Cellular S.A., 10.00%, 12/1/13	B1/NR	14,785,750
			20,794,500
	Total Corporate Bonds & Notes (cost-\$468,323,796)		433,335,787
	CONVERTIBLE BONDS & NOTES 33.9%		
	Aerospace & Defense 0.7%		
7,535	Orbital Sciences Corp., 2.438%, 1/15/27	NR/BB-	6,800,337
	Banks 0.8%		
7,805	National City Corp., 4.00%, 2/1/11	A3/A	7,844,025
	Commercial Services & Supplies 0.9%		
510	Bowne & Co., Inc., 5.00%, 10/1/33 (c)	B3/CCC+	492,150
8,630	Covanta Holding Corp., 1.00%, 2/1/27	Ba3/B	7,767,000
			8,259,150

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Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Value
	Computers 1.0%		
\$ 8,805	Maxtor Corp., 2.375%, 8/15/12	NR/B	\$ 8,838,019
	Diversified Telecommunication Services 1.3%		
6,855	QWest Communications International, 3.50%, 11/15/25	B1/B+	6,820,725
5,640	TW Telecom, Inc., 2.375%, 4/1/26	B3/B-	5,083,050
			11,903,775
	Electrical Equipment 2.9%		
9,690	EnerSys, 3.375%, 6/1/38 (c)	B2/BB	8,139,600
8,880	General Cable Corp., 0.875%, 11/15/13	B1/B+	8,402,700
13,875	JA Solar Holdings Co., Ltd., 4.50%, 5/15/13	NR/NR	10,440,938
			26,983,238
	Electronic Equipment, Instruments & Components 0.8%		
8,185	Anixter International, Inc., 1.00%, 2/15/13	NR/BB-	7,049,331
	Energy Equipment & Services 0.5%		
6,185	Hornbeck Offshore Services, Inc., 1.625%, 11/15/26 (c)	NR/BB-	5,087,162
	Entertainment 0.8%		
6,450	Macrovision Corp., 2.625%, 8/15/11	NR/B	7,909,313
	Health Care Equipment & Supplies 0.5%		
4,625	Inverness Medical Innovations, Inc., 3.00%, 5/15/16	NR/B-	4,619,219
	Health Care Providers & Services 0.8%		
9,880	Omnicare, Inc., 3.25%, 12/15/35, Ser. OCR	B3/B+	7,508,800
	Internet Software & Services 1.2%		
7,670	Equinix, Inc., 2.50%, 4/15/12	NR/B-	7,593,300
4,840	VeriSign, Inc., 3.25%, 8/15/37	NR/NR	3,993,000
			11,586,300
	IT Services 0.9%		
9,135	Alliance Data Systems Corp., 1.75%, 8/1/13	NR/NR	8,175,825
	Life Sciences Tools & Services 0.8%		
6,900	Life Technologies Corp., 3.25%, 6/15/25	NR/BB+	7,590,000
	Machinery 0.9%		
8,565	AGCO Corp., 1.25%, 12/15/36	NR/BB	8,639,944
	Media 2.6%		
7,480	Interpublic Group of Cos, Inc., 4.25%, 3/15/23	Ba3/B+	6,900,300
8,080	Liberty Media LLC, 3.125%, 3/30/23	Ba2/BB+	7,797,200
9,220	Regal Entertainment Group, 6.25%, 3/15/11 (a) (b)	NR/NR	9,196,950
			23,894,450
	Metals & Mining 0.2%		
1,120	Steel Dynamics, Inc., 5.125%, 6/15/14	NR/BB+	1,363,600
	Oil, Gas & Consumable Fuels 2.5%		
10,155	Nabors Industries, Inc., 0.94%, 5/15/11	NR/BBB+	9,672,637
7,600	Peabody Energy Corp., 4.75%, 12/15/41	Ba3/B+	6,118,000
7,690	Transocean, Inc., 1.625%, 12/15/37	Baa2/BBB+	7,516,975
			23,307,612

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
Pharmaceuticals 1.2%			
\$ 6,920	Mylan, Inc., 1.25%, 3/15/12	NR/B+	\$ 6,409,650
4,985	Watson Pharmaceuticals, Inc., 1.75%, 3/15/23	Ba1/BB+	5,003,694
			11,413,344
Real Estate Investment Trusts (REITs) 5.5%			
8,150	Boston Properties LP, 3.75%, 5/15/36	NR/A-	8,027,750
9,390	Developers Diversified Realty Corp., 3.00%, 3/15/12	NR/BB	8,051,925
8,365	Digital Realty Trust LP, 5.50%, 4/15/29 (a) (b)	NR/NR	9,807,962
6,900	Health Care REIT, Inc., 4.75%, 12/1/26	Baa2/BBB-	7,417,500
7,685	ProLogis, 2.25%, 4/1/37	NR/BBB-	6,657,131
12,325	Vornado Realty Trust, 3.625%, 11/15/26	Baa2/BBB	11,724,156
			51,686,424
Semiconductors & Semiconductor Equipment 2.7%			
16,715	Advanced Micro Devices, Inc., 5.75%, 8/15/12	NR/CCC+	13,518,256
3,385	Micron Technology, Inc., 4.25%, 10/15/13	NR/NR	5,509,087
6,010	ON Semiconductor Corp., zero coupon, 4/15/24	NR/B+	6,017,512
			25,044,855
Software 0.7%			
6,715	Nuance Communications, Inc., 2.75%, 8/15/27	NR/B-	6,135,831
Specialty Retail 2.1%			
19,932	Sonic Automotive, Inc., 6.00%, 5/15/12, Ser. AI (b) (e)	Caa2/NR	19,932,000
Telecommunications 1.0%			
9,455	Nextel Communications, Inc., 5.25%, 1/15/10	Ba2/BB	9,502,275
Textiles, Apparel & Luxury Goods 0.6%			
6,225	Iconix Brand Group, Inc., 1.875%, 6/30/12	B2/B	5,695,875
	Total Convertible Bonds & Notes (cost-\$279,065,399)		316,770,704

CONVERTIBLE PREFERRED STOCK 13.9%

Shares (000)			
Capital Markets 0.5%			
892	Lehman Brothers Holdings, Inc. (d) (e) (f), 6.00%, 10/12/10, Ser. GIS (General Mills, Inc.)	WR/NR	2,869,882
139	28.00%, 3/6/09, Ser. RIG (Transocean, Inc.)	WR/NR	1,889,980
			4,759,862
Chemicals 0.4%			
123	Celanese Corp., 4.25%, 12/31/49	NR/NR	4,057,803
Commercial Banks 1.7%			
40	Fifth Third Bancorp, 8.50%, 12/31/49, Ser. G	Baa3/BB	4,931,496
13	Wells Fargo & Co., 7.50%, 12/31/49, Ser. L	Ba3/A-	11,125,125
			16,056,621
Commercial Services & Supplies 0.2%			
82	United Rentals, Inc., 6.50%, 8/1/28	Caa1/CCC	1,941,848

Nicholas-Applegate Convertible & Income Fund Schedule of Investments

August 31, 2009 (unaudited)

Shares (000)		Credit Rating (Moody s/S&P)	Value
	Diversified Financial Services 2.2%		
14	Bank of America Corp., 7.25%, 12/31/49, Ser. L	B3/B	\$ 12,012,960
370	Credit Suisse Securities USA LLC, 10.00%, 9/1/10 (g)	Aa2/NR	8,291,017
			20,303,977
	Electric 1.1%		
240	AES Trust III, 6.75%, 10/15/29	B3/B	10,089,054
	Food Products 0.8%		
88	Bunge Ltd., 4.875%, 12/31/49	Ba1/BB	7,904,283
	Household Durables 1.0%		
12	Stanley Works, 5.125%, 5/17/12, FRN	A3/BBB+	9,085,162
	Housewares 0.4%		
101	Newell Financial Trust I, 5.25%, 12/1/27	WR/BB	3,270,150
	Insurance 1.4%		
48	Assured Guaranty Ltd., 8.50%, 6/1/14 (g)	NR/NR	4,065,061
339	XL Capital Ltd., 10.75%, 8/15/11	Baa2/BBB-	9,257,975
			13,323,036
	Metals & Mining 1.0%		
102	Freeport-McMoRan Copper & Gold, Inc., 6.75%, 5/1/10	NR/BB	9,757,712
	Oil, Gas & Consumable Fuels 1.1%		
119	Chesapeake Energy Corp., 5.00%, 12/31/49	NR/B	9,077,906
8	Whiting Petroleum Corp., 6.25%, 12/31/49 (g)	NR/B-	970,240
			10,048,146
	Pharmaceuticals 0.7%		
26	Schering-Plough Corp., 6.00%, 8/13/10	Baa3/BBB	6,372,753
	Real Estate Investment Trusts (REITs) 1.4%		
377	FelCor Lodging Trust, Inc., 1.95%, 12/31/49, Ser. A	Caa2/C	4,146,450
151	Simon Property Group, Inc., 6.00%, 12/31/49, Ser. I	Baa1/BBB	8,472,150
			12,618,600
	Total Convertible Preferred Stock (cost-\$165,881,776)		129,589,007
COMMON STOCK 0.3%			
	Specialty Retail 0.3%		
235	Sonic Automotive, Inc. Cl. A (cost-\$1,075,565)		3,006,700
SHORT-TERM INVESTMENTS 5.5%			
Principal Amount (000)	Time Deposit 5.5%		
\$50,910	Citibank- London, 0.030%, 9/1/09 (cost-\$50,910,285)		50,910,285
	Total Investments (cost-\$965,256,821) 100.0%		\$ 933,612,483

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Nicholas-Applegate Convertible & Income Fund II Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
CORPORATE BONDS & NOTES 45.1%			
	Advertising 0.9%		
\$ 6,940	Affinion Group, Inc., 11.50%, 10/15/15	Caa1/B-	\$ 6,697,100
	Aerospace & Defense 0.8%		
1,270	BE Aerospace, Inc., 8.50%, 7/1/18	Ba3/BB+	1,254,125
4,060	DigitalGlobe, Inc., 10.50%, 5/1/14 (a) (b)	Ba3/BB	4,268,075
			5,522,200
	Apparel 1.1%		
7,865	Levi Strauss & Co., 9.75%, 1/15/15	B2/B+	8,081,287
	Auto Components 2.9%		
8,265	Exide Technologies, 10.50%, 3/15/13, Ser. B	B3/B-	7,975,725
9,700	Stoneridge, Inc., 11.50%, 5/1/12	B3/B+	8,681,500
4,540	Tenneco, Inc., 8.625%, 11/15/14	Caa2/CCC	4,017,900
			20,675,125
	Banks 0.6%		
5,544	GMAC LLC, 6.75%, 12/1/14 (a) (b)	Ca/CCC	4,601,520
	Beverages 0.3%		
2,450	Cott Beverages USA, Inc., 8.00%, 12/15/11	Caa2/CCC	2,428,562
	Commercial Services & Supplies 2.8%		
8,445	Cenveo Corp., 7.875%, 12/1/13	Caa1/B-	6,333,750
10,040	Hertz Corp., 10.50%, 1/1/16	B3/CCC+	9,939,600
4,165	Interface, Inc., 9.50%, 2/1/14	B3/B-	3,993,194
			20,266,544
	Construction & Engineering 1.3%		
10,240	MasTec, Inc., 7.625%, 2/1/17	B1/B+	9,369,600
	Distribution/Wholesale 0.5%		
3,980	KAR Holdings, Inc., 8.75%, 5/1/14	B3/CCC	3,771,050
	Diversified Financial Services 2.0%		
	Ford Motor Credit Co. LLC,		
9,205	7.00%, 10/1/13	Caa1/CCC+	8,215,683
6,220	9.875%, 8/10/11	Caa1/CCC+	6,156,848
			14,372,531
	Diversified Telecommunication 1.1%		
7,850	Cincinnati Bell, Inc., 8.375%, 1/15/14	B2/B-	7,653,750
	Electric 0.6%		
6,385	Energy Future Holdings Corp., 10.875%, 11/1/17 (c)	Caa2/B-	4,597,200
	Electrical Components & Equipment 0.8%		
5,500	Anixter, Inc., 10.00%, 3/15/14	Ba2/BB+	5,706,250
	Electrical Equipment 0.4%		
2,570	Baldor Electric Co., 8.625%, 2/15/17	B3/B	2,570,000
	Entertainment 1.4%		
9,560	AMC Entertainment, Inc., 11.00%, 2/1/16	Caa1/CCC+	9,942,400
	Food & Staples Retailing 0.8%		
430	Great Atlantic & Pacific Tea Co., 11.375%, 8/1/15 (a) (b)	B3/B-	425,700
7,090	Rite Aid Corp., 8.625%, 3/1/15	Caa3/CCC	5,175,700
			5,601,400

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Nicholas-Applegate Convertible & Income Fund II Schedule of Investments

August 31, 2009 (unaudited)

Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
	Health Care Providers & Services 4.8%		
\$ 6,325	Alliance Imaging, Inc., 7.25%, 12/15/12	B3/B	\$ 5,945,500
10,755	AMR Holdings Co., Inc., 10.00%, 2/15/15	Ba3/B	11,292,750
2,200	Apria Healthcare Group, Inc., 11.25%, 11/1/14 (a) (b)	Ba2/BB+	2,277,000
5,985	Hanger Orthopedic Group, Inc., 10.25%, 6/1/14	B3/B-	6,321,656
5,935	HCA, Inc., 9.25%, 11/15/16	B2/BB-	6,024,025
3,075	Health Net, Inc., 6.375%, 6/1/17	Ba3/BB-	2,675,250
			34,536,181
	Hotels Restaurants & Leisure 0.5%		
2,440	MTR Gaming Group, Inc., 12.625%, 7/15/14 (a) (b)	B2/B	2,391,200
1,000	Royal Caribbean Cruises Ltd., 11.875%, 7/15/15	Ba3/BB-	1,050,000
			3,441,200
	Household Durables 0.8%		
1,575	DR Horton, Inc., 6.50%, 4/15/16	Ba3/BB-	1,464,750
4,400	Jarden Corp., 7.50%, 5/1/17	B3/B-	4,257,000
			5,721,750
	Independent Power Producers & Energy Traders 0.4%		
3,000	NRG Energy, Inc., 8.50%, 6/15/19	B1/BB-	2,932,500
	Internet Software & Services 0.8%		
5,500	Terremark Worldwide, Inc., 12.00%, 6/15/17 (a) (b)	B2/B-	5,809,375
	IT Services 1.1%		
4,057	Unisys Corp. (a) (b), 12.75%, 10/15/14	Ba3/BB-	4,183,781
3,575	14.25%, 9/15/15	Ba3/BB-	3,521,375
			7,705,156
	Leisure Time 1.1%		
10,300	Travelport LLC, 11.875%, 9/1/16	Caa1/CC	7,982,500
	Lodging 0.3%		
2,143	Mandalay Resort Group, 1.359%, 3/21/33, FRN (e) (g)	Caa2/CCC+	2,314,523
	Machinery 0.1%		
1,935	Accuride Corp., 8.50%, 2/1/15	Ca/D	396,675
	Metals & Mining 0.6%		
4,500	Steel Dynamics, Inc., 7.375%, 11/1/12	Ba2/BB+	4,443,750
	Miscellaneous Manufacturing 2.3%		
8,635	Harland Clarke Holdings Corp., 9.50%, 5/15/15	Caa1/B-	7,382,925
1,390	Park-Ohio Industries, Inc., 8.375%, 11/15/14	Caa2/CCC+	884,388
8,290	Polypore, Inc., 8.75%, 5/15/12	B3/B-	7,999,850
			16,267,163
	Oil, Gas & Consumable Fuels 2.2%		
4,740	Chesapeake Energy Corp., 6.875%, 1/15/16	Ba3/BB	4,372,650
7,470	OPTI Canada, Inc., 8.25%, 12/15/14	Caa1/B	4,892,850
6,250	SandRidge Energy, Inc., 9.875%, 5/15/16 (a) (b)	B3/B-	6,281,250
			15,546,750

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Principal Amount (000)		Credit Rating (Moody s/S&P)	Value
	Paper & Forest Products 1.5%		
\$10,030	Neenah Paper, Inc., 7.375%, 11/15/14	B2/B+	\$ 7,121,300
11,055	NewPage Corp., 12.00%, 5/1/13	Caa3/C	3,565,238
			10,686,538
	Pipelines 0.9%		
8,900	Dynegy Holdings, Inc., 7.75%, 6/1/19	B3/B	6,363,500
	Real Estate 0.3%		
1,750	CB Richard Ellis Services, Inc., 11.625%, 6/15/17 (a) (b)	Ba3/B+	1,828,750
	Retail 1.5%		
2,120	Burlington Coat Factory Warehouse Corp., 11.125%, 4/15/14	Caa1/CCC	1,998,100
2,125	El Pollo Loco, Inc., 11.75%, 11/15/13	Caa2/CCC	1,827,500
1,345	Michaels Stores, Inc., 10.00%, 11/1/14	Caa2/CCC	1,291,200
6,665	Neiman Marcus Group, Inc., 10.375%, 10/15/15		