

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC  
Form N-CSRS  
August 30, 2018

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 811-05715

The Gabelli Convertible and Income Securities Fund Inc.

(Exact name of registrant as specified in charter)

One Corporate Center

Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Bruce N. Alpert

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: December 31

Date of reporting period: June 30, 2018

Form N-CSR 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-CSR 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-CSR 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, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Reports to Stockholders.**

The Report to Shareholders is attached herewith.

**The Gabelli Convertible and Income  
Securities Fund Inc.**

**Semiannual Report June 30, 2018**

**(Y)our Portfolio Management Team**

<b>Mario J. Gabelli,</b> CFA <i>Chief Investment Officer</i>	<b>Thomas H. Dinsmore, CFA</b> <i>Portfolio Manager</i>  <i>BS, Wharton School of Business MA, Fairleigh Dickinson University</i>	<b>Jane D. O'Keefe</b> <i>Portfolio Manager</i>  <i>BA, University of New Hampshire</i>	<b>James A. Dinsmore, CFA</b> <i>Portfolio Manager</i>  <i>BA, Cornell University MBA, Rutgers University</i>
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**To Our Shareholders,**

For the six months ended June 30, 2018, the net asset value (NAV) total return of The Gabelli Convertible and Income Securities Fund Inc. was 4.6%, compared with a total return of (1.9)% for the Bloomberg Barclays Government/Credit Bond Index. The total return for the Fund's publicly traded shares was 15.2%. The Fund's NAV per share was \$5.59, while the price of the publicly traded shares closed at \$6.52 on the New York Stock Exchange (NYSE). See below for additional performance information.

Enclosed are the financial statements, including the schedule of investments, as of June 30, 2018.

**Comparative Results**

	<b><u>Average Annual Returns through June 30, 2018 (a) (Unaudited)</u></b>					Since Inception (07/03/89)
	Year to Date	1 Year	5 Year	10 Year	15 Year	
<b>Gabelli Convertible and Income Securities Fund</b>						
<b>NAV Total Return (b)</b>	4.64%	10.84%	6.87%	6.39%	5.96%	6.88%
<b>Investment Total Return (c)</b>	15.18	37.44	10.03	7.96	5.85	6.90(d)
Standard & Poor's (S&P) 500 Index	2.65	14.37	13.42	10.17	9.30	10.02(e)
Bloomberg Barclays Government/Credit Bond Index	(1.93)	(0.70)	2.25	3.74	3.67	N/A(f)
Lipper Convertible Securities Fund Average	4.77	10.10	7.86	6.85	7.33	8.18(e)

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit [www.gabelli.com](http://www.gabelli.com) for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and

*expenses of the Fund before investing.* The S&P 500 Index is an unmanaged indicator of stock market performance. The Bloomberg Barclays Government/Credit Bond Index is a market value weighted index that tracks the performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end funds classified in this particular category. Dividends and interest income are considered reinvested. You cannot invest directly in an index.

- (b) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$10.00.
- (c) Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings. Since inception return is based on an initial offering price of \$11.25 on March 31, 1995.
- (d) Since inception return is from March 31, 1995 when the Fund converted to closed-end status; before this date, the Fund had no operating history on the NYSE.
- (e) From June 30, 1989, the date closest to the Fund's inception for which data are available.
- (f) The Bloomberg Barclays Government/Credit Bond Index inception date is January 29, 1999.

**Summary of Portfolio Holdings (Unaudited)**

The following table presents portfolio holdings as a percent of total investments as of June 30, 2018:

**The Gabelli Convertible and Income Securities Fund Inc.**

Financial Services	15.3%
Health Care	14.7%
Computer Software and Services	13.2%
U.S. Government Obligations	8.8%
Energy and Utilities	8.3%
Semiconductors	4.7%
Real Estate Investment Trusts	3.8%
Diversified Industrial	3.4%
Aerospace	3.0%
Telecommunications	3.0%
Electronics	2.7%
Building and Construction	1.9%
Transportation	1.9%
Communications Equipment	1.8%
Consumer Products	1.7%
Consumer Services	1.7%
Cable and Satellite	1.5%
Wireless Communications	1.4%
Business Services	1.1%
Entertainment	1.0%
Food and Beverage	1.0%
Metals and Mining	1.0%
Hotels and Gaming	0.7%
Broadcasting	0.7%
Retail	0.5%
Automotive: Parts and Accessories	0.4%
Computer Hardware	0.4%
Equipment and Supplies	0.2%
Real Estate	0.2%
	100.0%

The Fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (the SEC) for the first and third quarters of each fiscal year on Form N-Q. Shareholders may obtain this information at [www.gabelli.com](http://www.gabelli.com) or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at [www.sec.gov](http://www.sec.gov) and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

**Proxy Voting**

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30, no later than August 31 of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

### **Certifications**

The Fund's Chief Executive Officer has certified to the New York Stock Exchange ( NYSE ) that, as of May 23, 2018, he was not aware of any violation by the Fund of applicable NYSE corporate governance listing standards. The Fund reports to the SEC on Form N-CSR which contains certifications by the Fund's principal executive officer and principal financial officer that relate to the Fund's disclosure in such reports and that are required by Rule 30a-2(a) under the 1940 Act.

**The Gabelli Convertible and Income Securities Fund Inc.****Schedule of Investments June 30, 2018 (Unaudited)**

<b>Principal Amount</b>		<b>Cost</b>	<b>Market Value</b>
<b>Convertible Corporate Bonds 50.9%</b>			
<b>Aerospace 3.0%</b>			
\$ 1,500,000	Aerojet Rocketdyne Holdings Inc., 2.250%, 12/15/23	\$ 1,537,089	\$ 1,942,771
1,013,000	Kaman Corp., 3.250%, 05/01/24	1,020,282	1,226,743
		2,557,371	3,169,514
<b>Broadcasting 0.7%</b>			
588,000	Liberty Media Corp.-Liberty Formula One, 1.000%, 01/30/23	614,423	689,161
<b>Building and Construction 0.1%</b>			
200,000	Ascent Capital Group Inc., 4.000%, 07/15/20	193,004	117,500
<b>Business Services 1.1%</b>			
515,000	Bristow Group Inc., 4.500%, 06/01/23	551,134	590,105
500,000	Q2 Holdings Inc., 0.750%, 02/15/23(a)	555,649	569,429
		1,106,783	1,159,534
<b>Cable and Satellite 1.5%</b>			
1,600,000	DISH Network Corp., 3.375%, 08/15/26	1,642,327	1,553,754
<b>Communications Equipment 1.8%</b>			
1,500,000	InterDigital, Inc., 1.500%, 03/01/20	1,463,632	1,843,129
<b>Computer Software and Services 12.6%</b>			
515,000	Apprio Inc., 0.875%, 04/01/23(a)	519,450	574,976



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700,000	Coupa Software Inc., 0.375%, 01/15/23(a)	847,466	1,048,972
1,500,000	CSG Systems International Inc., 4.250%, 03/15/36	1,524,153	1,584,888
584,000	Ctrip.com International Ltd., 1.250%, 09/15/22	576,887	600,802
86,000	GDS Holdings Ltd., 2.000%, 06/01/25(a)	86,000	89,343
1,016,000	IAC FinanceCo. Inc., 0.875%, 10/01/22(a)	1,162,183	1,184,961
1,294,000	Lumentum Holdings Inc., 0.250%, 03/15/24	1,291,950	1,537,815
500,000	MercadoLibre Inc., 2.250%, 07/01/19	512,148	1,187,450
85,000	MINDBODY Inc., 0.375%, 06/01/23(a)	85,000	85,658
1,092,000	New Relic Inc., 0.500%, 05/01/23(a)	1,150,217	1,207,357
565,000	Nice Systems Inc., 1.250%, 01/15/24	587,419	751,464
			<b>Market</b>
<b>Principal Amount</b>		<b>Cost</b>	<b>Value</b>
\$ 352,000	Okta Inc., 0.250%, 02/15/23(a)	\$ 362,778	\$ 436,249
750,000	Proofpoint Inc., 0.750%, 06/15/20	744,038	1,103,782
1,000,000	PROS Holdings Inc., 2.000%, 06/01/47(a)	889,825	989,424
428,000	Pure Storage Inc., 0.125%, 04/15/23(a)	428,000	479,304
300,000	Sea Ltd., 2.250%, 07/01/23(a)	300,000	307,646
		11,067,514	13,170,091
	<b>Consumer Products 0.5%</b>		
600,000	GoPro Inc., 3.500%, 04/15/22	600,000	556,517
	<b>Consumer Services 1.7%</b>		
1,500,000	Extra Space Storage LP, 3.125%, 10/01/35(a)	1,579,764	1,745,293
	<b>Diversified Industrial 1.9%</b>		
600,000	Chart Industries Inc., 1.000%, 11/15/24(a)	602,274	732,066
356,000	Team Inc., 5.000%, 08/01/23(a)	348,472	455,556
500,000		507,036	771,900

TimkenSteel Corp.,  
6.000%, 06/01/21

		1,457,782	1,959,522
<b>Electronics 2.7%</b>			
500,000	Intel Corp., Sub. Deb., 3.250%, 08/01/39	725,349	1,198,299
1,500,000	Knowles Corp., 3.250%, 11/01/21	1,565,350	1,674,801
		2,290,699	2,873,100
<b>Energy and Utilities 3.7%</b>			
500,000	Cheniere Energy Inc., 4.250%, 03/15/45	369,582	398,349
1,016,000	Newpark Resources Inc., 4.000%, 12/01/21(a)	1,081,996	1,406,247
2,500,000	SunPower Corp., 4.000%, 01/15/23	2,219,754	2,122,723
		3,671,332	3,927,319
<b>Entertainment 1.0%</b>			
1,000,000	Gannett Co. Inc., 4.750%, 04/15/24(a)	1,110,783	1,088,000
<b>Financial Services 1.3%</b>			
988,000	Encore Capital Group Inc., 3.250%, 03/15/22	963,482	1,004,055

See accompanying notes to financial statements.

**The Gabelli Convertible and Income Securities Fund Inc.****Schedule of Investments (Continued) June 30, 2018 (Unaudited)**

Principal Amount		Cost	Market Value
<b>CONVERTIBLE CORPORATE BONDS (Continued)</b>			
<b>Financial Services (Continued)</b>			
\$ 344,000	LendingTree Inc., 0.625%, 06/01/22	\$ 349,679	\$ 416,175
		1,313,161	1,420,230
<b>Health Care 8.8%</b>			
685,000	Accelerate Diagnostics Inc., 2.500%, 03/15/23(a)	685,000	634,415
500,000	Bayer Capital Corp.BV, 5.625%, 11/22/19(a)	542,229	623,624
1,083,000	Intercept Pharmaceuticals Inc., 3.250%, 07/01/23	1,097,782	953,633
500,000	Invacare Corp., 4.500%, 06/01/22	503,860	665,677
608,000	Neurocrine Biosciences Inc., 2.250%, 05/15/24	630,002	879,006
750,000	NuVasive Inc., 2.250%, 03/15/21	762,185	814,567
1,000,000	Pacira Pharmaceuticals Inc., 2.375%, 04/01/22	1,035,261	931,867
500,000	Paratek Pharmaceuticals Inc., 4.750%, 05/01/24(a)	495,557	484,817
500,000	Supernus Pharmaceuticals Inc., 0.625%, 04/01/23(a)	550,397	611,839
600,000	Teladoc Inc., 3.000%, 12/15/22(a)	613,817	896,259
1,000,000	Teligent Inc., 3.750%, 12/15/19	966,638	949,890
1,000,000	Vitamin Shoppe Inc., 2.250%, 12/01/20	991,517	774,827
		8,874,245	9,220,421
<b>Metals and Mining 1.0%</b>			
1,000,000	Arconic Inc., 1.625%, 10/15/19	978,028	1,007,790
<b>Semiconductors 4.7%</b>			

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750,000	Cypress Semiconductor Corp., 4.500%, 01/15/22	792,118	996,118
1,000,000	Inphi Corp., 1.125%, 12/01/20	1,082,572	1,074,500
500,000	NXP Semiconductors NV, 1.000%, 12/01/19	574,563	602,790
947,000	Rambus Inc., 1.375%, 02/01/23(a)	954,957	899,942
1,000,000	Teradyne Inc., 1.250%, 12/15/23	1,059,824	1,333,603
		4,464,034	4,906,953