

AllianzGI Equity & Convertible Income Fund
Form N-CSRS
October 03, 2016

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 811-21989

AllianzGI Equity & Convertible Income Fund
(Exact name of registrant as specified in charter)

1633 Broadway, New York, New York
(Address of principal executive offices)

10019
(Zip code)

Lawrence G. Altadonna 1633 Broadway, New York, New York 10019
(Name and address of agent for service)

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

Date of fiscal year January 31, 2017
end:

Date of reporting period: July 31, 2016

ITEM 1. REPORT TO SHAREHOLDERS

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Letter from the President

Dear Shareholder:

The US economy expanded at a moderate pace during the six-month reporting period ended July 31, 2016. Economic activity overseas was mixed and generally lackluster. Against this backdrop, US and international equities generated strong results. In addition, the US bond market posted a positive return during the reporting period.

For the six-month period ended July 31, 2016

• AllianzGI Diversified Income & Convertible Fund returned 18.13% on net asset value (NAV) and 22.41% on market price.

Thomas J. Fuccillo

• AllianzGI Equity & Convertible Income Fund returned 12.05% on NAV and 18.47% on market price.

*President & Chief
Executive Officer*

• AllianzGI NFJ Dividend, Interest & Premium Strategy Fund returned 10.75% on NAV and 16.23% on market price.

During the six-month period ended July 31, 2016, the Russell 3000 Index, a broad measure of US stock market performance, gained 14.18%; the Russell 1000 Value Index, a measure of large-cap value-style stocks, rose 15.34%; and the Russell 1000 Growth Index, a measure of growth-style stocks, gained 12.42%. Convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

US gross domestic product (GDP), which is an approximation of the value of goods and services produced in the country, the broadest measure of economic activity and a key indicator of economic performance, expanded at a revised 0.9% annualized pace during the fourth quarter of 2015. Economic growth then decelerated, as GDP grew at an annualized pace of 0.8% during the first quarter of 2016. In addition, the Commerce Department's second estimate showed that GDP released after the reporting period had ended grew at an annualized pace of 1.1% for the second quarter of 2016.

At its meeting in December 2015 the US Federal Reserve (the Fed) raised interest rates for the first time in nearly a decade. More specifically, the US central bank increased the federal funds rate from a range between 0% and 0.25% to a range between 0.25% and 0.50%. However, since that time the Fed has paused increases in interest rates and has downgraded its expectations for growth in the US for 2016. In its official statement following its meeting in July 2016 the Fed said, "The Committee expects that economic conditions will evolve in a manner that will warrant only

gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run.

Receive this report electronically and eliminate paper mailings.

Outlook

Nine years since the financial crisis started, monetary easing is continuing with few signs of an end in sight. This appears to be especially true in a post-Brexit world rife with economic uncertainty and generally weak growth around the world. Against this backdrop, investor sentiment is likely to be challenged at times. Other questions facing investors are the upcoming November elections in the US and a host of geopolitical issues.

To enroll, visit:

us.allianzgi.com/edelivery.

In such an environment, we expect investors to be in for a choppy ride. However, in our view it won't be without opportunity, especially for those with long term outlooks, a healthy risk appetite and the latitude to invest actively. As always, we will continue to conduct extensive research and focus on quality and sustainability to help our shareholders navigate the many uncertainties around the globe.

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 are available on our website, us.allianzgi.com/closedendfunds.

Together with Allianz Global Investors Fund Management LLC*, the Funds' investment manager, NFJ Investment Group LLC and Allianz Global Investors U.S. LLC, the Funds' sub-advisers, we thank you for investing with us.

We remain dedicated to serving your investment needs.

Thomas J. Fuccillo

President & Chief Executive Officer

* Effective October 1, 2016 the Funds' investment manager is Allianz Global Investors U.S. LLC. NFJ Investment Group LLC will continue as a sub-adviser to the AllianzGI NFJ Dividend, Interest & Premium Strategy Fund.

Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

AllianzGI Diversified Income & Convertible Fund

For the period of February 1, 2016 through July 31, 2016 as provided by Doug Forsyth, CFA, Portfolio Manager.

For the six-month period ended July 31, 2016, the AllianzGI Diversified Income & Convertible Fund (the Fund) returned 18.13% on NAV and 22.41% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, returned 12.42%; high-yield securities, as reflected by the BofA Merrill Lynch High Yield Master II Index, returned 13.88%; and convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

The path for convertible, high yield and large-cap equity markets was higher over the reporting period.

The market began 2016 by continuing last year's downward trend, trading sharply lower through mid-February 2016. The markets then turned dramatically higher, experiencing only a brief setback when the UK public voted to exit (Brexit) the European Union, and rallied into the end of July as investors gravitated toward riskier assets.

Strong US Treasury demand, driven by a weak global bond yield environment, had a positive impact on high-yield and convertible bonds, as investors sought yield-oriented assets.

Fed communications continued to influence sentiment throughout the reporting period as investors interpreted Fed Chair Janet Yellen's remarks. Outside of the US, aggressive quantitative-easing measures by global central banks remained in place, and on balance, this accommodative environment helped support the performance of risk assets.

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Evidence of the appetite for risky assets was apparent when examining the returns for bonds by their credit ratings within the high-yield asset class. The lowest-quality, most distressed issues substantially outperformed higher-quality bonds. This credit dynamic was also evident in the convertible market.

US economic data continued to be mixed, but overall, the trend in economic data reinforced the favorable conditions for high-yield bonds, convertibles and stocks.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive impact on many energy and materials companies.

The Chicago Board Options Exchange Volatility Index (VIX) started the reporting period just

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Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

above 20 and spiked to 28 in February 2016, coinciding with stock market weakness. It then moved lower with a recovery in equities. Finally, the VIX rose in front of and on the day of the Brexit decision before reversing to close the reporting period at 11.9.

Portfolio Review

The Fund provided attractive income over the reporting period.

In the equity sleeve, information technology, health care and industrials sectors helped relative performance. Conversely, the consumer staples, financials and energy sectors hindered relative performance.

In the convertible sleeve, sectors that contributed positively to relative performance were energy, consumer staples and health care. On the other hand, technology, industrials and consumer discretionary pressured relative performance.

In the high-yield sleeve, industries that aided relative performance were utilities, banking and technology. In contrast, energy, theatres & entertainment and the metals/mining ex-steel industries hampered relative performance.

Regarding the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums.

Outlook

The short-term forecasts for the high yield, convertible, and equity markets are challenging. The path for all three markets may be choppy and, at times, may require strong conviction. Investors would be wise to take advantage of lower prices when they present themselves.

AllianzGI Equity & Convertible Income Fund

For the period of February 1, 2016 through July 31, 2016 as provided by Doug Forsyth, CFA, Portfolio Manager.

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For the six-month period ended July 31, 2016, the AllianzGI Equity & Convertible Income Fund (the Fund) returned 12.05% on NAV and 18.47% on market price.

During the reporting period, the Russell 1000 Growth Index, a measure of growth style stocks, advanced 12.42%; and convertible securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

The path for convertible and large-cap equity markets was higher over the reporting period.

The market began 2016 by continuing last year's downward trend, trading sharply lower through mid-February 2016. The markets then turned dramatically higher, experiencing only

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Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

a brief setback when the UK public voted to exit the European Union, and rallied into the end of July as investors gravitated toward riskier assets.

Strong US Treasury demand, driven by a weak global bond yield environment, had a positive impact on convertibles, as investors sought yield-oriented assets.

Fed communications continued to influence sentiment throughout the reporting period as investors interpreted Fed Chair Janet Yellen's remarks. Outside of the US, aggressive quantitative-easing measures by global central banks remained in place, and on balance, this accommodative environment helped support the performance of risk assets.

Evidence of the appetite for risky assets was apparent when examining the returns for components of the convertible asset class. While yield-oriented or busted convertibles outperformed both total return and equity convertibles, the lowest quality and most distressed issuers substantially outperformed higher quality bonds. Although this trend reflected an improved fundamental backdrop, the outperformance of the lowest quality category was also technically driven, reflecting their oversold levels.

US economic data continued to be mixed, but overall, the trend in economic data reinforced the favorable conditions for convertibles and stocks.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive impact on many energy and materials companies.

The VIX started the reporting period just above 20 and spiked to 28 in February 2016, coinciding with stock market weakness. It then moved lower with a recovery in equities. Finally, the VIX rose in front of and on the day of the Brexit decision before reversing to close the period at 11.9.

Portfolio Review

The Fund provided attractive income over the reporting period.

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In the equity sleeve, information technology, health care and utilities sectors helped relative performance. Conversely, the consumer staples, energy and financials sectors hindered relative performance.

In the convertible sleeve, sectors that contributed positively to relative performance were materials, health care and energy. On the other hand, the consumer discretionary, technology and telecommunications sectors pressured relative performance.

Regarding the covered call strategy, many option positions expired below strike and the portfolio was able to retain the set premiums.

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Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

Outlook

The short-term forecasts for the convertible and equity markets are challenging. The path for these markets may be choppy and, at times, may require strong conviction. We believe that investors would be wise to take advantage of lower prices when they present themselves.

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

For the period of February 1, 2016 through July 31, 2016 as provided by the NFJ Investment Team.

For the six-month period ended July 31, 2016, the AllianzGI NFJ Dividend, Interest & Premium Strategy Fund (the Fund) returned 10.75% on NAV and 16.23% on market price.

During the reporting period, the Russell 1000 Value Index, a measure of large-cap value style stocks, returned 15.34%; and convertibles securities, as reflected by the BofA Merrill Lynch All Convertibles Index, returned 13.66%.

Market Overview

US equities rallied strongly over the reporting period against a backdrop of the UK's June 23, 2016 Brexit vote and the Fed's decision to pause increases in interest rates. Signs that commodity prices may have stabilized and additional central bank stimulus measures overseas boosted investor sentiment, helping the market recover. Merger and acquisition activity remained subdued compared to the elevated levels seen in 2015, but share buybacks continued to underpin valuations: US share buybacks rose to \$95 billion in February 2016, the third highest month on record. Equities in the S&P 500 Index touched a record closing high during the month of July as rising risk appetite and better than expected economic data helped to support valuations. Commodity prices largely trended upward as global uncertainty grew and the price of gold gained ground.

Within the Russell 1000 Value index, all ten GICS economic sectors delivered returns of 10% or more over the reporting period. Materials (39.8%) and telecom services (20.78%) led performance results, followed by 19%+ returns from the IT and industrials sectors. Consumer staples and financials posted the weakest results, gaining just 10%.

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Investors gravitated toward risk assets during the reporting period, and one of the greatest beneficiaries of this trend was convertibles, which rallied alongside equities. Evidence of the appetite for risky assets was apparent when examining the returns for components of the convertible asset class. While yield-oriented or busted convertibles outperformed both total return and equity convertibles, the lowest quality and most distressed issuers substantially outperformed higher quality bonds. Although this trend reflected an improved fundamental backdrop, the outperformance of the lowest quality category

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Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

was also technically driven, reflecting their oversold levels.

Strong US Treasury demand, driven by a weak global bond yield environment, also had a positive impact on convertibles as investors sought yield-oriented assets.

Finally, improving industry dynamics helped lift the price of crude oil and aided in the stabilization of other commodity prices. This had a positive credit impact for many energy and materials issuers in the convertible market.

New convertible issuance brought the year-to-date 2016 total to \$17.4 billion. This compares with roughly \$24.6 billion in maturities and redemptions.

Portfolio Review

The equity portion of the Fund delivered robust positive returns but failed to keep pace with the Russell 1000 Value Index. Negative stock selection offset positive sector allocation and drove relative underperformance during the reporting period. In terms of security selection, the Fund's holdings in IT and industrials were the most beneficial. However, these positive results were overwhelmed by negative selection in the financials, energy and materials sectors.

From a sector allocation perspective, overweight positions in materials and telecom services boosted the Fund's performance.

Conversely, the Fund's overweight in consumer discretionary and an underweight in health care somewhat detracted from results.

During the reporting period, within the equity portion of the Fund, the largest overweights relative to the Russell 1000 Value Index were in the telecom services, consumer discretionary and materials sectors. The Fund's largest relative underweights were in the consumer staples, materials and utilities sectors.

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In the convertible sleeve, sectors that helped relative performance during the reporting period included energy, materials and consumer staples. An underweight in health care was beneficial, as was stock picking in the energy sector. In contrast, technology, telecom and consumer discretionary sector exposure weighed on performance. An overweight and issue selection in all three of the above-mentioned sectors was a detractor.

In the equity option sleeve, calls written on financials, technology and the energy sector added to returns, as the Fund was able to retain the premium on many of the options that were written, despite positive performances in these indexes over the period. Strong equity performance in the broader market, led by utilities and the S&P 500 Index (used to cover exposure in multiple sectors such as healthcare, industrials, and materials) which returned 16.8% and 13.3%, respectively,

Fund Insights

AllianzGI Diversified Income & Convertible Fund/AllianzGI Equity & Convertible Income Fund/AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited) (continued)

during the reporting period. The strong performance in the S&P 500 Index and utilities resulted in many of those option positions expiring in-the-money, requiring cash assignments in excess of the premium collected.

Outlook

The short-term forecasts for the convertible and equity markets are challenging. The path for all these markets may be choppy and, at times, may require strong conviction. We believe that investors would be wise to take advantage of lower prices when they present themselves.

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Performance & Statistics

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	22.41%	18.13%
1 Year	1.32%	0.45%
Commencement of Operations (5/27/15) to 7/31/16	-12.39%	-1.06%

Market Price/NAV Performance

Commencement of Operations (5/27/15) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price \$18.98
 NAV(2) \$21.22
 Discount to NAV -10.56%
 Market Price Yield(3) 10.56%
 Leverage Ratio(4) 32.51%

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return. Total return for a period of less than one year is not annualized.

Performance at market price will differ from 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 the Fund's dividends.

An investment in the Fund involves risk, including the loss of principal. Total return, market price, market price yield and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets attributable to common shareholders less total liabilities divided by the number of common shares outstanding. Holdings are subject to change daily.

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(2) The NAV disclosed in the Fund's financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current (declared August 1, 2016) monthly dividend per common share (comprised of net investment income and net capital gains, if any) by the market price per common share at July 31, 2016.

(4) Represents Mandatory Redeemable Preferred Shares, Senior Secured Notes and amounts drawn under the short-term margin loan facility (Leverage) outstanding, as a percentage of total managed assets. Total managed assets refer to total assets (including assets attributable to Leverage) minus liabilities (other than liabilities representing Leverage).

Performance & Statistics

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	18.47%	12.05%
1 Year	8.07%	3.25%
5 Year	9.25%	8.28%
Commencement of Operations (2/27/07) to 7/31/16	5.22%	6.16%

Market Price/NAV Performance

Commencement of Operations (2/27/07) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price \$19.28
NAV(2) \$21.49
Discount to NAV -10.28%
Market Price Yield(3) 7.88%

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return. Total return for a period of less than one year is not annualized.

Performance at market price will differ from 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 the Fund's dividends.

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

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outstanding. Holdings are subject to change daily.

(2) The NAV disclosed in the Fund's financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current quarterly dividend per share (comprised of net investment income and net capital gains, if any) by the market price per share at July 31, 2016.

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Performance & Statistics

AllianzGI NFJ Dividend, Interest & Premium Strategy Fund

July 31, 2016 (unaudited)

Total Return(1)	Market Price	NAV
Six Months	16.23%	10.75%
1 Year	-2.16%	-3.04%
5 Year	3.84%	4.75%
10 Year	3.49%	3.48%
Commencement of Operations (2/28/05) to 7/31/16	3.19%	4.18%

Market Price/NAV Performance

Commencement of Operations (2/28/05) to 7/31/16

NAV
Market Price

Market Price/NAV

Market Price \$12.73
NAV(2) \$14.44
Discount to NAV -11.84%
Market Price Yield(3) 5.52%

(1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares and includes the effect of any expense reductions, if any. Total return for a period of more than one year represents the average annual total return. Total return for a period of less than one year is not annualized.

Performance at market price will differ from 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 the Fund's dividends.

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

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traded in the open market through a stock exchange. NAV is equal to total assets less total liabilities divided by the number of shares outstanding. Holdings are subject to change daily.

(2) The NAV disclosed in the Fund's financial statements may differ due to accounting principles generally accepted in the United States of America.

(3) Market Price Yield is determined by dividing the annualized current quarterly dividend per share (comprised of net investment income and net capital gains, if any) by the market price per share at July 31, 2016.

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited)

Principal Amount (000s)		Value
Convertible Bonds & Notes	61.1%	
	Air Freight & Logistics 1.1%	
\$1,610	Atlas Air Worldwide Holdings, Inc., 2.25%, 6/1/22 (a)	\$1,596,919
840	Echo Global Logistics, Inc., 2.50%, 5/1/20 (a)	831,075
		2,427,994
	Automobiles 2.2%	
25,440	Fiat Chrysler, 7.875%, 12/15/16 (a)	1,591,590
3,445	Tesla Motors, Inc., 0.25%, 3/1/19 (a)	3,188,778
		4,780,368
	Biotechnology 3.5%	
	BioMarin Pharmaceutical, Inc. (a),	
695	0.75%, 10/15/18	886,994
760	1.50%, 10/15/20	1,008,900
45	Exelixis, Inc., 4.25%, 8/15/19 (a)	78,075
715	Incyte Corp., 0.375%, 11/15/18 (a)	1,311,131
1,005	Ironwood Pharmaceuticals, Inc., 2.25%, 6/15/22 (a)	1,100,475
790	Ligand Pharmaceuticals, Inc., 0.75%, 8/15/19 (a)	1,460,513
365	Novavax, Inc., 3.75%, 2/1/23 (a)(b)(c)	473,131
195	Regeneron Pharmaceuticals, Inc., 1.875%, 10/1/16 (a)	986,700
185	Synergy Pharmaceuticals, Inc., 7.50%, 11/1/19 (a)(b)(c)	280,853
		7,586,772
	Building Materials 0.9%	
1,830	Cemex SAB de CV, 3.75%, 3/15/18 (a)	2,054,175
	Communications Equipment 1.5%	
1,490	Ciena Corp., 3.75%, 10/15/18 (a)(b)(c)	1,776,825
1,160	Palo Alto Networks, Inc., zero coupon, 7/1/19 (a)	1,547,875
		3,324,700
	Construction & Engineering 1.5%	
1,470	Dycom Industries, Inc., 0.75%, 9/15/21 (a)(b)(c)	1,737,356
1,320	Tutor Perini Corp., 2.875%, 6/15/21 (a)(b)(c)	1,452,000
		3,189,356
	Consumer Finance 0.3%	
675	PRA Group, Inc., 3.00%, 8/1/20 (a)	564,891
	Electrical Equipment 0.8%	
2,225	SolarCity Corp., 1.625%, 11/1/19 (a)	1,649,281
	Health Care Equipment & Supplies 4.0%	
1,610	Hologic, Inc., 2.00%, 3/1/42 (a)(d)	2,191,612
965	Integra LifeSciences Holdings Corp., 1.625%, 12/15/16 (a)	1,549,428
1,410	NuVasive, Inc., 2.25%, 3/15/21 (a)(b)(c)	1,729,013
1,075	Spectranetics Corp., 2.625%, 6/1/34 (a)	1,101,203
1,775	Wright Medical Group NV, 2.25%, 11/15/21 (a)(b)(c)	2,161,063
		8,732,319

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Health Care Providers & Services 1.5%	
\$1,175	HealthSouth Corp., 2.00%, 12/1/43 (a)	\$1,440,844
1,515	Molina Healthcare, Inc., 1.625%, 8/15/44 (a)	1,770,656
		3,211,500
	Health Care Technology 0.9%	
910	Allscripts Healthcare Solutions, Inc., 1.25%, 7/1/20 (a)	964,600
895	Medidata Solutions, Inc., 1.00%, 8/1/18 (a)	1,047,709
		2,012,309
	Household Durables 1.1%	
825	CalAtlantic Group, Inc., 1.625%, 5/15/18 (a)	1,047,234
695	Lennar Corp., 3.25%, 11/15/21 (a)	1,388,263
		2,435,497
	Independent Power & Renewable Electricity Producers 0.0%	
95	NRG Yield, Inc., 3.50%, 2/1/19 (a)(b)(c)	95,594
	Insurance 0.8%	
2,085	AmTrust Financial Services, Inc., 2.75%, 12/15/44 (a)	1,636,725
	Internet & Catalog Retail 2.1%	
1,390	Ctrip.com International Ltd., 1.00%, 7/1/20 (a)	1,513,363
2,585	Priceline Group, Inc., 0.35%, 6/15/20 (a)	3,147,237
		4,660,600
	Internet Software & Services 4.7%	
1,120	Cornerstone OnDemand, Inc., 1.50%, 7/1/18 (a)	1,195,600
1,495	Gogo, Inc., 3.75%, 3/1/20 (a)	976,429
1,230	j2 Global, Inc., 3.25%, 6/15/29 (a)	1,440,638
2,060	LinkedIn Corp., 0.50%, 11/1/19 (a)	2,049,700
940	Pandora Media, Inc., 1.75%, 12/1/20 (a)(b)(c)	1,005,800
905	VeriSign, Inc., 4.345%, 8/15/37 (a)	2,291,347
1,300	WebMD Health Corp., 2.625%, 6/15/23 (a)(b)(c)	1,319,500
		10,279,014
	Iron/Steel 0.2%	
295	AK Steel Corp., 5.00%, 11/15/19 (a)	438,444
	IT Services 3.0%	
1,425	Blackhawk Network Holdings, Inc., 1.50%, 1/15/22 (a)(b)(c)	1,460,625
1,595	Cardtronics, Inc., 1.00%, 12/1/20 (a)	1,706,650
1,185	CSG Systems International, Inc., 4.25%, 3/15/36 (a)(b)(c)	1,264,987
1,640	Euronet Worldwide, Inc., 1.50%, 10/1/44 (a)	2,014,125
		6,446,387
	Life Sciences Tools & Services 0.8%	
1,700	Illumina, Inc., 0.50%, 6/15/21 (a)	1,802,000
	Machinery 0.2%	
440	Trinity Industries, Inc., 3.88%, 6/1/36	528,825
	Media 1.2%	
445	Liberty Interactive LLC, 0.75%, 3/30/43 (a)	514,927
2,055	Live Nation Entertainment, Inc., 2.50%, 5/15/19 (a)	2,192,428
		2,707,355

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Metals & Mining 0.5%	
\$965	RTI International Metals, Inc., 1.625%, 10/15/19 (a)	\$1,069,944
	Oil & Gas 0.5%	
1,035	Weatherford International Ltd., 5.875%, 7/1/21 (a)	1,152,731
	Oil, Gas & Consumable Fuels 0.8%	
2,820	Cheniere Energy, Inc., 4.25%, 3/15/45 (a)	1,704,338
990	Energy XXI Ltd., 3.00%, 12/15/18 (a)(e)	5,445
		1,709,783
	Pharmaceuticals 4.9%	
775	ANI Pharmaceuticals, Inc., 3.00%, 12/1/19 (a)	899,000
1,035	Depomed, Inc., 2.50%, 9/1/21 (a)	1,229,062
1,660	Horizon Pharma Investment Ltd., 2.50%, 3/15/22 (a)	1,650,663
1,945	Impax Laboratories, Inc., 2.00%, 6/15/22 (a)	1,795,478
1,740	Jazz Investments I Ltd., 1.875%, 8/15/21 (a)	1,909,650
1,905	Medicines Co., 2.75%, 7/15/23 (a)(b)(c)	2,003,822
960	Teva Pharmaceutical Finance Co. LLC, 0.25%, 2/1/26 (a)	1,278,000
		10,765,675
	Real Estate Investment Trust 0.5%	
1,070	Extra Space Storage LP, 3.125%, 10/1/35 (a)(b)(c)	1,179,675
	Semiconductors & Semiconductor Equipment 10.0%	
1,610	Cypress Semiconductor Corp., 4.50%, 1/15/22 (a)(b)(c)	1,800,181
1,390	Inphi Corp., 1.125%, 12/1/20 (a)(b)(c)	1,562,013
2,395	Intel Corp., 3.25%, 8/1/39 (a)	4,095,462
1,505	Lam Research Corp., 1.25%, 5/15/18 (a)	2,302,650
1,775	Microchip Technology, Inc., 1.625%, 2/15/25 (a)	2,124,453
	Micron Technology, Inc. (a),	
90	2.125%, 2/15/33	130,781
3,030	3.00%, 11/15/43	2,458,088
395	Novellus Systems, Inc., 2.625%, 5/15/41 (a)	1,046,750
440	NVIDIA Corp., 1.00%, 12/1/18 (a)	1,246,575
1,815	NXP Semiconductors NV, 1.00%, 12/1/19 (a)	2,025,994
3,615	SunEdison, Inc., 3.375%, 6/1/25 (a)(b)(c)(e)	162,675
	SunPower Corp. (a),	
1,115	0.875%, 6/1/21	905,937
1,035	4.00%, 1/15/23 (b)(c)	902,391
525	Xilinx, Inc., 2.625%, 6/15/17 (a)	927,937
		21,691,887
	Software 8.3%	
1,120	BroadSoft, Inc., 1.00%, 9/1/22 (a)(b)(c)	1,461,600
1,230	Citrix Systems, Inc., 0.50%, 4/15/19 (a)	1,447,556
405	Interactive Intelligence Group, Inc., 1.25%, 6/1/20 (a)	438,666
	Nuance Communications, Inc. (a),	
1,420	1.00%, 12/15/35 (b)(c)	1,282,438
975	1.50%, 11/1/35	970,734
1,795	Proofpoint, Inc., 0.75%, 6/15/20 (a)	2,119,222

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Software (continued)	
\$1,715	Red Hat, Inc., 0.25%, 10/1/19 (a)	\$2,112,666
900	Rovi Corp., 0.50%, 3/1/20 (a)	913,500
1,715	Salesforce.com, Inc, 0.25%, 4/1/18 (a)	2,258,440
1,575	ServiceNow, Inc., zero coupon, 11/1/18 (a)	1,865,391
900	Take-Two Interactive Software, Inc., 1.00%, 7/1/18 (a)	1,701,000
1,515	Verint Systems, Inc., 1.50%, 6/1/21 (a)	1,429,781
		18,000,994
	Thrifs & Mortgage Finance 1.3%	
920	MGIC Investment Corp., 2.00%, 4/1/20 (a)	1,115,500
1,315	Radian Group, Inc., 2.25%, 3/1/19 (a)	1,668,406
		2,783,906
	Trading Companies & Distributors 1.0%	
1,265	Air Lease Corp., 3.875%, 12/1/18 (a)	1,586,784
360	WESCO International, Inc., 6.00%, 9/15/29 (a)	697,500
		2,284,284
	Transportation Infrastructure 1.0%	
1,820	Macquarie Infrastructure Corp., 2.875%, 7/15/19 (a)	2,114,612
	Total Convertible Bonds & Notes (cost-\$149,078,879)	133,317,597
	Shares	
Common Stock (a)	35.0%	
	Aerospace & Defense 0.9%	
14,000	Boeing Co.	1,871,240
	Auto Components 0.8%	
36,200	Johnson Controls, Inc.	1,662,304
	Automobiles 1.0%	
16,775	Ferrari NV	757,727
104,700	Ford Motor Co.	1,325,502
		2,083,229
	Banks 0.7%	
34,000	Wells Fargo & Co.	1,630,980
	Beverages 1.3%	
30,000	Coca-Cola Co.	1,308,900
14,200	PepsiCo, Inc.	1,546,664
		2,855,564
	Biotechnology 2.9%	
30,600	AbbVie, Inc.	2,026,638
9,300	Amgen, Inc.	1,599,879
4,200	Biogen, Inc. (f)	1,217,706
18,600	Gilead Sciences, Inc.	1,478,142
		6,322,365
	Chemicals 0.7%	
15,400	Monsanto Co.	1,644,258

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Communications Equipment 0.5%	
17,200	Qualcomm, Inc.	\$1,076,376
	Construction & Engineering 0.4%	
15,300	Fluor Corp.	818,856
	Diversified Telecommunications Services 0.6%	
25,100	Verizon Communications, Inc.	1,390,791
	Electronic Equipment, Instruments & Components 0.6%	
22,500	Amphenol Corp., Class A	1,339,200
	Energy Equipment & Services 0.5%	
15,000	Schlumberger Ltd.	1,207,800
	Food & Staples Retailing 2.0%	
8,400	Costco Wholesale Corp.	1,404,648
37,600	Kroger Co.	1,285,544
22,400	Walgreens Boots Alliance, Inc.	1,775,200
		4,465,392
	Health Care Equipment & Supplies 0.5%	
21,400	Baxter International, Inc.	1,027,628
	Health Care Providers & Services 1.6%	
9,300	McKesson Corp.	1,809,408
11,100	United Health Group, Inc.	1,589,520
		3,398,928
	Hotels Restaurants & Leisure 1.6%	
12,100	McDonald's Corp.	1,423,565
34,300	Starbucks Corp.	1,991,115
		3,414,680
	Household Products 0.4%	
11,100	Procter & Gamble Co.	950,049
	Industrial Conglomerates 1.3%	
9,200	3M Co.	1,640,912
35,500	General Electric Co.	1,105,470
		2,746,382
	Insurance 0.6%	
16,500	Prudential Financial, Inc.	1,242,285
	Internet & Catalog Retail 0.9%	
2,700	Amazon.com, Inc. (f)	2,048,787
	Internet Software & Services 2.4%	
9,500	Alibaba Group Holding Ltd., ADR (f)	783,560
2,950	Alphabet, Inc., Class A (f)	2,334,453
16,400	Facebook, Inc., Class A (f)	2,032,616
		5,150,629
	IT Services 1.4%	
7,400	International Business Machines Corp.	1,188,588
23,800	Visa, Inc., Class A	1,857,590
		3,046,178

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Machinery 0.9%	
16,000	AGCO Corp.	\$770,560
11,200	Deere & Co.	870,352
12,200	Joy Global, Inc.	337,086
		1,977,998
	Media 1.8%	
31,400	Comcast Corp., Class A	2,111,650
18,700	The Walt Disney Co.	1,794,265
		3,905,915
	Metals & Mining 0.4%	
146,286	ArcelorMittal	953,785
	Multiline Retail 0.9%	
25,100	Target Corp.	1,890,783
	Oil, Gas & Consumable Fuels 0.6%	
8,100	Occidental Petroleum Corp.	605,313
15,200	Valero Energy Corp.	794,656
		1,399,969
	Pharmaceuticals 0.7%	
20,300	Bristol-Myers Squibb Co.	1,518,643
	Road & Rail 0.7%	
17,300	Union Pacific Corp.	1,609,765
	Semiconductors & Semiconductor Equipment 1.6%	
48,300	Intel Corp.	1,683,738
24,600	Texas Instruments, Inc.	1,715,850
		3,399,588
	Software 1.9%	
40,500	Microsoft Corp.	2,295,540
47,000	Oracle Corp.	1,928,880
		4,224,420
	Specialty Retail 0.8%	
12,300	Home Depot, Inc.	1,700,352
	Technology Hardware, Storage & Peripherals 1.1%	
22,200	Apple, Inc.	2,313,462
	Total Common Stock (cost-\$83,239,319)	76,288,581
Principal Amount (000s)		
Corporate Bonds & Notes (a) 33.9%		
\$1,000	Aerospace & Defense 0.9%	
1,000	KLX, Inc., 5.875%, 12/1/22 (b)(c)	1,017,500
	TransDigm, Inc., 6.50%, 5/15/25	1,048,750
		2,066,250

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Air Freight & Logistics 0.6%	
\$200	XPO Logistics, Inc. (b)(c), 6.50%, 6/15/22	\$199,000
1,000	7.875%, 9/1/19	1,038,750
		1,237,750
	Banks 0.4%	
160	CIT Group, Inc., 5.00%, 8/15/22	168,800
680	Royal Bank of Scotland Group PLC, 5.125%, 5/28/24	683,635
		852,435
	Chemicals 1.8%	
1,000	A Schulman, Inc., 6.875%, 6/1/23 (b)(c)	1,020,000
1,000	Chemours Co., 7.00%, 5/15/25	855,000
750	OMNOVA Solutions, Inc., 7.875%, 11/1/18	756,562
1,000	Platform Specialty Products Corp., 6.50%, 2/1/22 (b)(c)	872,500
365	Univar USA, Inc., 6.75%, 7/15/23 (b)(c)	376,863
		3,880,925
	Commercial Services 0.9%	
	Cenveo Corp. (b)(c),	
205	6.00%, 8/1/19	179,375
350	6.00%, 5/15/24	315,875
500	Harland Clarke Holdings Corp., 9.25%, 3/1/21 (b)(c)	425,000
1,000	United Rentals North America, Inc., 5.50%, 7/15/25	1,031,760
		1,952,010
	Commercial Services & Supplies 0.8%	
915	RR Donnelley & Sons Co., 6.00%, 4/1/24	864,675
1,000	West Corp., 5.375%, 7/15/22 (b)(c)	938,750
		1,803,425
	Construction & Engineering 0.2%	
500	AECOM, 5.875%, 10/15/24	538,750
	Consumer Finance 1.0%	
1,000	Navient Corp., 8.45%, 6/15/18	1,090,000
1,000	Springleaf Finance Corp., 6.90%, 12/15/17	1,058,020
		2,148,020
	Diversified Financial Services 1.3%	
1,500	Community Choice Financial, Inc., 10.75%, 5/1/19	720,000
1,000	International Lease Finance Corp., 8.25%, 12/15/20	1,211,250
1,000	Nationstar Mortgage LLC / Nationstar Capital Corp., 7.875%, 10/1/20	945,620
		2,876,870
	Electric 0.4%	
1,000	Talen Energy Supply LLC, 6.50%, 6/1/25	885,000
	Electronic Equipment, Instruments & Components 0.4%	
500	Kemet Corp., 10.50%, 5/1/18	500,000
250	Zebra Technologies Corp., 7.25%, 10/15/22	268,125
		768,125

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Energy-Alternate Sources 0.5%	
\$1,000	TerraForm Power Operating LLC, 5.875%, 2/1/23 (b)(c)	\$1,008,750
	Entertainment 0.4%	
750	Cedar Fair LP / Canada's Wonderland Co. / Magnum Management Corp., 5.375%, 6/1/24	783,750
	Food & Staples Retailing 0.5%	
170	Albertsons Cos LLC / Safeway, Inc. / New Albertson's, Inc. / Albertson's LLC, 6.625%, 6/15/24 (b)(c)	181,050
1,000	SUPERVALU, Inc., 6.75%, 6/1/21	875,000
		1,056,050
	Forest Products & Paper 0.2%	
430	Mercer International, Inc., 7.75%, 12/1/22	440,750
	Health Care Equipment & Supplies 0.2%	
360	Hologic, Inc., 5.25%, 7/15/22 (b)(c)	382,950
	Health Care Products 0.5%	
1,000	Kinetic Concepts, Inc./KCI USA, Inc., 10.50%, 11/1/18	1,026,250
	Health Care Providers & Services 1.1%	
310	DaVita HealthCare Partners, Inc., 5.125%, 7/15/24	320,591
1,000	Kindred Healthcare, Inc., 8.75%, 1/15/23	1,011,250
1,000	Tenet Healthcare Corp., 8.125%, 4/1/22	1,037,500
		2,369,341
	Health Care Services 0.9%	
1,000	CHS/Community Health Systems, Inc., 6.875%, 2/1/22	865,000
1,000	HCA, Inc., 7.50%, 2/15/22	1,137,500
		2,002,500
	Hotels Restaurants & Leisure 1.0%	
1,000	International Game Technology PLC, 6.25%, 2/15/22 (b)(c)	1,052,500
1,000	MGM Resorts International, 6.625%, 12/15/21	1,111,880
		2,164,380
	Household Durables 1.0%	
1,000	Brookfield Residential Properties, Inc., 6.50%, 12/15/20 (b)(c)	1,025,000
1,000	KB Home, 8.00%, 3/15/20	1,110,000
		2,135,000
	Independent Power & Renewable Electricity Producers 0.4%	
1,000	NRG Energy, Inc., 6.25%, 5/1/24	992,500
	Internet & Catalog Retail 0.2%	
500	Netflix, Inc., 5.875%, 2/15/25	537,500
	Internet Software & Services 0.6%	
1,000	EarthLink, Inc., 7.375%, 6/1/20	1,050,000
335	Rackspace Hosting, Inc., 6.50%, 1/15/24 (b)(c)	347,562
		1,397,562
	Iron/Steel 0.1%	
265	AK Steel Corp., 7.50%, 7/15/23	280,238
	IT Services 0.5%	
1,000	Cardtronics, Inc., 5.125%, 8/1/22	1,011,250

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Lodging 0.5%	
\$1,000	Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., 5.50%, 3/1/25 (b)(c)	\$1,008,750
	Machinery 0.8%	
1,000	BlueLine Rental Finance Corp., 7.00%, 2/1/19 (b)(c)	925,000
940	Commercial Vehicle Group, Inc., 7.875%, 4/15/19	923,550
		1,848,550
	Media 2.8%	
1,000	Cablevision Systems Corp., 8.00%, 4/15/20	1,045,000
500	CCO Holdings LLC / CCO Holdings Capital Corp., 5.75%, 1/15/24	528,750
1,000	Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22	1,040,000
425	CSC Holdings LLC, 6.75%, 11/15/21	452,625
1,000	DISH DBS Corp., 5.875%, 7/15/22	1,001,880
1,000	LIN Television Corp., 5.875%, 11/15/22	1,042,500
1,000	Mediacom Broadband LLC / Mediacom Broadband Corp., 6.375%, 4/1/23	1,050,000
		6,160,755
	Metals & Mining 0.8%	
1,000	ArcelorMittal, 10.85%, 6/1/19	1,180,000
545	United States Steel Corp., 8.375%, 7/1/21 (b)(c)	596,094
		1,776,094
	Multiline Retail 0.2%	
500	Dollar Tree, Inc., 5.75%, 3/1/23 (b)(c)	542,500
	Oil & Gas 1.4%	
1,000	BreitBurn Energy Partners LP / BreitBurn Finance Corp., 8.625%, 10/15/20 (e)	225,000
1,000	Calumet Specialty Products Partners LP / Calumet Finance Corp., 6.50%, 4/15/21	737,500
1,000	CVR Refining LLC / Coffeyville Finance, Inc., 6.50%, 11/1/22	855,000
1,000	Sunoco LP / Sunoco Finance Corp., 6.375%, 4/1/23 (b)(c)	1,022,500
165	Weatherford International Ltd., 8.25%, 6/15/23	154,275
		2,994,275
	Oil, Gas & Consumable Fuels 2.0%	
1,000	Carrizo Oil & Gas, Inc., 6.25%, 4/15/23	950,000
1,000	Chesapeake Energy Corp., 6.625%, 8/15/20	765,000
1,000	Energy Transfer Equity LP, 5.875%, 1/15/24	1,008,090
1,000	Rice Energy, Inc., 6.25%, 5/1/22	980,000
1,000	Sanchez Energy Corp., 6.125%, 1/15/23	677,500
		4,380,590
	Pharmaceuticals 1.0%	
500	Endo Finance LLC & Endo Finco, Inc., 5.375%, 1/15/23 (b)(c)	436,250
1,000	Horizon Pharma, Inc., 6.625%, 5/1/23	975,000
1,000	Valeant Pharmaceuticals International, Inc., 6.125%, 4/15/25 (b)(c)	832,500
		2,243,750
	Pipelines 0.5%	
1,000	Sabine Pass Liquefaction LLC, 5.75%, 5/15/24	1,030,000
	Real Estate Investment Trust 0.7%	
500	Equinix, Inc., 5.375%, 1/1/22	528,750
1,000	Kennedy-Wilson, Inc., 5.875%, 4/1/24	1,013,750
		1,542,500

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Retail 0.4%	
\$1,000	Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (b)(c)	\$852,600
	Semiconductors 0.2%	
400	Sensata Technologies BV, 5.625%, 11/1/24 (b)(c)	425,500
	Semiconductors & Semiconductor Equipment 1.4%	
1,000	Advanced Micro Devices, Inc., 6.75%, 3/1/19	1,000,940
1,000	Amkor Technology, Inc., 6.375%, 10/1/22	1,017,330
1,000	Micron Technology, Inc., 5.875%, 2/15/22	970,000
		2,988,270
	Software 0.4%	
670	First Data Corp., 7.00%, 12/1/23 (b)(c)	692,612
290	SS&C Technologies Holdings, Inc., 5.875%, 7/15/23	302,325
		994,937
	Technology Hardware, Storage & Peripherals 0.4%	
	Diamond 1 Finance Corp. / Diamond 2 Finance Corp., 7.125%, 6/15/24 (b)(c)	334,028
310	Western Digital Corp., 10.50%, 4/1/24 (b)(c)	350,300
310		684,328
	Telecommunications 3.1%	
560	CommScope Technologies Finance LLC, 6.00%, 6/15/25 (b)(c)	593,600
1,000	Consolidated Communications, Inc., 6.50%, 10/1/22	925,000
1,000	Hughes Satellite Systems Corp., 7.625%, 6/15/21	1,073,750
1,000	Intelsat Jackson Holdings S.A., 7.25%, 4/1/19	752,500
500	Level 3 Financing, Inc., 5.375%, 5/1/25	526,875
1,000	Sprint Communications, Inc., 6.00%, 11/15/22	862,880
1,000	T-Mobile USA, Inc., 6.836%, 4/28/23	1,071,250
1,000	Windstream Services LLC, 7.50%, 6/1/22	925,000
		6,730,855
	Trading Companies & Distributors 0.5%	
1,000	H&E Equipment Services, Inc., 7.00%, 9/1/22	1,047,500
		73,850,085
	Total Corporate Bonds & Notes (cost-\$77,492,503)	
	Convertible Preferred Stock 15.8%	
	Commercial Services & Supplies 0.8%	
23,485	Stericycle, Inc., 5.25%, 9/15/18 (a)	1,751,746
	Diversified Telecommunications Services 1.1%	
24,375	Frontier Communications Corp., 11.125%, 6/29/18 (a)	2,410,200
	Electrical Components & Equipment 0.9%	
18,470	Belden, Inc., 6.75%, 7/15/19 (a)	1,959,852
	Financial Services 0.9%	
19,270	Mandatory Exchangeable Trust, 5.75%, 6/1/19 (a)(b)(c)	2,038,477
	Food Products 1.3%	
12,345	Post Holdings, Inc., 5.25%, 6/1/17 (a)	1,894,155
11,320	Tyson Foods, Inc., 4.75%, 7/15/17 (a)	911,373
		2,805,528

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Health Care Providers & Services 2.3%	
11,480	Amsurg Corp., 5.25%, 7/1/17 (a)	\$1,615,695
74,385	Anthem, Inc., 5.25%, 5/1/18 (a)	3,307,901
		4,923,596
	Independent Power & Renewable Electricity Producers 0.3%	
7,080	Dynegy, Inc., 7.00%, 7/1/19 (a)	690,654
	Media 0.0%	
1,250	SFX Entertainment, Inc., Ser. B, 9.00%, 9/17/19, (b)(e)(g)(h)	13
	Oil, Gas & Consumable Fuels 3.0%	
1,970	Chesapeake Energy Corp., 5.75% (a)(b)(c)(i)	655,025
25,765	Hess Corp., 8.00%, 2/1/19 (a)	1,698,429
41,570	Kinder Morgan, Inc., 9.75%, 10/26/18 (a)	2,028,616
30,000	Sanchez Energy Corp., 6.50% (a)(i)	639,600
46,165	Southwestern Energy Co., 6.25%, 1/15/18 (a)	1,539,603
		6,561,273
	Pharmaceuticals 3.0%	
5,070	Allergan PLC, 5.50%, 3/1/18 (a)	4,544,444
2,310	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18 (a)	2,048,392
		6,592,836
	Real Estate Investment Trust 1.2%	
22,950	American Tower Corp., 5.50%, 2/15/18 (a)	2,539,417
	Wireless Telecommunication Services 1.0%	
28,470	T-Mobile US, Inc., 5.50%, 12/15/17 (a)	2,222,653
	Total Convertible Preferred Stock (cost-\$40,215,629)	34,496,245
	Principal Amount (000s)	
	Senior Loans (b)(g)(h)(j) 0.4%	
	Media 0.4%	
\$229	SFX Entertainment, Inc., 10.00%, 1/31/17, Term B, DIP, PIK (k)	228,432
749	SFXE Netherlands Holding Coöperatief U.A., 20.00%, 1/14/17, Term B, DIP, PIK	749,434
	Total Senior Loans (cost-\$977,866)	977,866
	Units	
	Warrant (a)(f)(g) 0.0%	
37,000	Cenveo, Inc., expires 6/10/24 (cost-\$10,114)	15,867
	Principal Amount (000s)	
	Short-Term Investment 2.2%	
	Time Deposit 2.2%	
\$4,699	BNP Paribas Paris, 0.15%, 8/1/16 (cost-\$4,699,379)	4,699,379
	Total Investments, before call options written (cost-\$355,713,689) 148.4%	323,645,620

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Contracts Call Options Written (f) (0.0)%		Value
15	Alphabet, Inc., (CBOE), strike price \$775, expires 8/19/16	\$(33,750)
16	Amazon.com, Inc., (CBOE), strike price \$825, expires 8/19/16	(696)
55	Amgen, Inc., (CBOE), strike price \$180, expires 8/19/16	(1,265)
135	Amphenol Corp., (CBOE), strike price \$60, expires 8/19/16	(8,775)
150	Baxter International, Inc., (CBOE), strike price \$47.50, expires 8/19/16	(15,450)
105	Bristol-Myers Squibb Co., (CBOE), strike price \$80, expires 8/19/16	(1,365)
210	Coca-Cola Co., (CBOE), strike price \$47, expires 8/19/16	(315)
160	Comcast Corp., (CBOE), strike price \$70, expires 8/19/16	(1,920)
50	Costco Wholesale Corp., (CBOE), strike price \$175, expires 9/16/16	(3,550)
98	Facebook, Inc., (CBOE), strike price \$135, expires 8/19/16	(931)
165	General Electric Co., (CBOE), strike price \$34, expires 8/19/16	(248)
75	Home Depot, Inc., (CBOE), strike price \$140, expires 8/19/16	(12,525)
290	Intel Corp., (CBOE), strike price \$37, expires 8/19/16	(435)
11	International Business Machines Corp., (ASE), strike price \$170, expires 8/19/16	(88)
60	McDonald's Corp., (CBOE), strike price \$132, expires 8/19/16	(210)
240	Microsoft Corp., (ASE), strike price \$58.50, expires 8/19/16	(2,760)
55	Occidental Petroleum Corp., (ASE), strike price \$80, expires 8/19/16	(687)
175	Starbucks Corp., (ASE), strike price \$61, expires 8/19/16	(788)
150	Texas Instruments, Inc., (CBOE), strike price \$75, expires 9/16/16	(3,450)
125	Verizon Communications, Inc., (CBOE), strike price \$57.50, expires 8/19/16	(937)
120	Visa, Inc., (CBOE), strike price \$83, expires 8/19/16	(600)
	Total Call Options Written (premiums received-\$82,843)	(90,745)
	Total Investments, net of call options written (cost-\$355,630,846) 148.4%	323,554,875
	Other liabilities in excess of other assets (48.4)%	(105,553,924)
	Net Assets 100.0%	\$218,000,951

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

Notes to Schedule of Investments:

- (a) All or partial amount segregated for the benefit of the counterparty as collateral for call options written and long-term and short-term loan financing.
- (b) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$47,776,582, representing 21.9% of net assets.
- (c) 144A Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (d) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (e) In default.
- (f) Non-income producing.
- (g) Fair-Valued Securities with an aggregate value of \$993,746, representing 0.5% of net assets. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (h) Illiquid.
- (i) Perpetual maturity. The date shown, if any, is the next call date.
- (j) Debtor-in-possession financial obligations.
- (k) Includes approximately \$23,914 extended to two indirect, wholly-owned subsidiaries located in Brazil through an intercompany note secured by all or substantially all of the assets of the Brazilian subsidiaries.
- (l) Transactions in call options written for the six months ended July 31, 2016:

	Contracts	Premiums
Options outstanding, January 31, 2016	1,870	\$102,810
Options written	9,382	383,589
Options terminated in closing transactions	(3,148)	(106,685)
Options expired	(5,644)	(296,871)
Options outstanding, July 31, 2016	2,460	\$82,843

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(m) Fair Value Measurements See Note 1(b) in Notes to Financial Statements.

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 7/31/16
Investments in Securities Assets				
Convertible Bonds & Notes	\$	\$133,317,597	\$	\$133,317,597
Common Stock	76,288,581			76,288,581
Corporate Bonds & Notes		73,850,085		73,850,085
Convertible Preferred Stock:				
Electrical Components & Equipment		1,959,852		1,959,852
Financial Services		2,038,477		2,038,477
Food Products	911,373	1,894,155		2,805,528
Media			13	13
Oil, Gas & Consumable Fuels	5,266,648	1,294,625		6,561,273
Pharmaceuticals	4,544,444	2,048,392		6,592,836
All Other	14,538,266			14,538,266
Senior Loans			977,866	977,866
Warrant			15,867	15,867
Short-Term Investment		4,699,379		4,699,379
	101,549,312	221,102,562	993,746	323,645,620
Investments in Securities Liabilities				
Call Options Written, at value:				
Market price	(90,745)			(90,745)
Totals	\$101,458,567	\$221,102,562	\$993,746	\$323,554,875

At July 31, 2016, the Fund had no transfers between levels.

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Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended July 31, 2016, was as follows:

	Beginning Balance 1/31/16	Purchases	Sales	Accrued Discounts (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3	Transfers out of Level 3	Ending Balance 7/31/16
Investments in Securities									
Assets									
Convertible Preferred									
Stock	\$581,250	\$	\$	\$	\$	\$(581,237)	\$	\$	\$13
Senior Loans		977,866							977,866
Warrant		10,113				5,754			15,867
Totals	\$581,250	\$987,979	\$	\$	\$	\$(575,483)	\$	\$	\$993,746

The following table presents additional information about valuation techniques and inputs used for investments that are measured at fair value and categorized within Level 3 at July 31, 2016:

	Ending Balance at 7/31/16	Valuation Technique Used	Unobservable Inputs	Input Values
Investments in Securities				
Assets				
Convertible Preferred Stock	\$13	Fundamental Analytical Data Relating to the Investment	Liquidation Value	\$0.01*
Senior Loans	977,866	Model Price	Proprietary Data Used in Model	\$100.00
Warrant	15,867	Fundamental Analytical Data Relating to the Investment	Price of Warrant	\$0.42884

* Preferred stock trades are in lots of 1,000.

The net change in unrealized appreciation/depreciation of Level 3 investments held at July 31, 2016, was \$(575,483). Net change in unrealized appreciation/depreciation is reflected on the Statements of Operations.

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(n) The following is a summary of the fair valuation of the Fund's derivative instruments categorized by risk exposure:

The effect of derivatives on the Fund's Statements of Assets and Liabilities at July 31, 2016:

Location	Market Price
Liability derivatives:	
Call options written, at value	\$(90,745)

The effect of derivatives on the Fund's Statements of Operations for the six months ended July 31, 2016:

Location	Market Price
Net realized loss on:	
Call options written	\$(79,560)
Net change in unrealized appreciation/depreciation of:	
Call options written	\$(35,202)

Schedule of Investments

AllianzGI Diversified Income & Convertible Fund

July 31, 2016 (unaudited) (continued)

The average volume (based on the open positions at each fiscal quarter-end) of derivative activity during the six months ended July 31, 2016 was 2,166 call options written contracts.

Glossary:

- ADR - American Depositary Receipt
- ASE - American Stock Exchange
- CBOE - Chicago Board Options Exchange
- DIP - Debtor-in-Possession
- PIK - Payment-in-Kind

See accompanying Notes to Financial Statements | July 31, 2016 | Semi-Annual Report **27**

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited)

Common Stock	Shares		Value
	70.9%		
	46,700	Aerospace & Defense 1.8%	
	39,116	Boeing Co.	\$6,241,922
		United Technologies Corp.	4,210,837
			10,452,759
	159,800	Auto Components 1.2%	
		Johnson Controls, Inc.	7,338,016
	2,817	Automobiles 2.0%	
	547,300	Ferrari NV	127,244
	154,426	Ford Motor Co.	6,928,818
		General Motors Co.	4,870,596
			11,926,658
	101,000	Banks 0.8%	
		Wells Fargo & Co.	4,844,970
	164,300	Beverages 2.5%	
	72,000	Coca-Cola Co. (a)	7,168,409
		PepsiCo, Inc.	7,842,240
			15,010,649
	138,100	Biotechnology 4.7%	
	52,700	AbbVie, Inc. (a)	9,146,363
	9,700	Amgen, Inc. (a)	9,065,981
	91,000	Biogen, Inc. (b)	2,812,321
		Gilead Sciences, Inc.	7,231,770
			28,256,435
	56,400	Chemicals 1.0%	
		Monsanto Co.	6,021,828
	128,100	Communications Equipment 1.3%	
		Qualcomm, Inc.	8,016,498
	341,500	Computers & Peripherals 1.6%	
		EMC Corp.	9,657,620
	15,200	Construction & Engineering 0.1%	
		Fluor Corp.	813,504
	140,400	Diversified Telecommunications Services 1.3%	
		Verizon Communications, Inc. (a)	7,779,564
	97,185	Electric Utilities 0.6%	
		Exelon Corp.	3,623,057
	115,400	Electronic Equipment, Instruments & Components 1.9%	
	208,840	Amphenol Corp., Class A (a)	6,868,608
		Corning, Inc.	4,640,425
			11,509,033
	103,271	Energy Equipment & Services 2.1%	
	9,700	Baker Hughes, Inc.	4,939,452
	53,600	Diamond Offshore Drilling, Inc.	220,384
		National Oilwell Varco, Inc.	1,733,960

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Energy Equipment & Services (continued)	
72,000	Schlumberger Ltd.	\$5,797,440
		12,691,236
	Food & Staples Retailing 3.3%	
44,900	Costco Wholesale Corp. (a)	7,508,178
182,400	Kroger Co.	6,236,256
74,100	Walgreens Boots Alliance, Inc.	5,872,425
		19,616,859
	Health Care Equipment & Supplies 0.8%	
93,300	Baxter International, Inc. (a)	4,480,266
	Health Care Providers & Services 4.3%	
62,781	HCA Holdings, Inc. (b)	4,842,299
38,381	Laboratory Corp. of America Holdings (a)(b)	5,356,452
46,400	McKesson Corp.	9,027,584
44,400	United Health Group, Inc.	6,358,080
		25,584,415
	Hotels Restaurants & Leisure 2.7%	
58,900	McDonald's Corp. (a)	6,929,585
161,900	Starbucks Corp. (a)	9,398,295
		16,327,880
	Household Products 1.2%	
83,000	Procter & Gamble Co.	7,103,970
	Industrial Conglomerates 2.1%	
37,100	3M Co.	6,617,156
184,485	General Electric Co.	5,744,863
		12,362,019
	Insurance 1.0%	
79,500	Prudential Financial, Inc.	5,985,555
	Internet & Catalog Retail 1.8%	
14,000	Amazon.com, Inc. (b)	10,623,340
	Internet Software & Services 4.4%	
26,800	Alibaba Group Holding Ltd., ADR (b)	2,210,464
14,305	Alphabet, Inc., Class A (a)(b)	11,320,119
85,900	Facebook, Inc., Class A (a)(b)	10,646,446
132,029	Twitter, Inc. (b)	2,196,962
		26,373,991
	IT Services 2.7%	
42,400	International Business Machines Corp.	6,810,288
116,300	Visa, Inc., Class A (a)	9,077,215
		15,887,503
	Machinery 2.4%	
170,200	AGCO Corp.	8,196,832
52,900	Deere & Co.	4,110,859
64,300	Joy Global, Inc.	1,776,609
		14,084,300

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Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Shares		Value
	Media 2.8%	
121,800	Comcast Corp., Class A (a)	\$8,191,050
88,200	The Walt Disney Co.	8,462,790
		16,653,840
	Metals & Mining 0.8%	
636,481	ArcelorMittal (b)	4,149,856
23,400	Freeport-McMoRan Copper & Gold, Inc.	303,264
		4,453,120
	Multiline Retail 2.3%	
126,482	Macy's, Inc.	4,531,850
118,000	Target Corp.	8,888,940
		13,420,790
	Oil, Gas & Consumable Fuels 1.9%	
29,155	Apache Corp.	1,530,638
83,400	Occidental Petroleum Corp.	6,232,482
72,400	Valero Energy Corp.	3,785,072
		11,548,192
	Pharmaceuticals 1.4%	
108,500	Bristol-Myers Squibb Co. (a)	8,116,885
	Road & Rail 0.8%	
51,300	Union Pacific Corp.	4,773,465
	Semiconductors & Semiconductor Equipment 3.3%	
301,200	Intel Corp. (a)	10,499,832
130,800	Texas Instruments, Inc. (a)	9,123,300
		19,623,132
	Software 3.5%	
198,500	Microsoft Corp. (a)	11,250,980
230,000	Oracle Corp.	9,439,200
		20,690,180
	Specialty Retail 1.7%	
71,000	Home Depot, Inc. (a)	9,815,040
	Technology Hardware, Storage & Peripherals 2.8%	
160,978	Apple, Inc.	16,775,517
Total Common Stock (cost-\$492,390,333)		422,242,086
Principal Amount (000s)		
Convertible Bonds & Notes 16.1%		
	Automobiles 0.4%	
\$30,890	Fiat Chrysler, 7.875%, 12/15/16	1,932,556
580	Tesla Motors, Inc., 0.25%, 3/1/19	536,862
		2,469,418
	Biotechnology 0.5%	
725	BioMarin Pharmaceutical, Inc., 0.75%, 10/15/18	925,281

Schedule of Investments

AllianzGI Equity & Convertible Income Fund

July 31, 2016 (unaudited) (continued)

Principal Amount (000s)		Value
	Biotechnology (continued)	
\$2,600	Ionis Pharmaceuticals, Inc., 1.00%, 11/15/21	\$2,042,625
		2,967,906
	Building Materials 0.4%	
2,000	Cemex SAB de CV, 3.75%, 3/15/18	2,245,000
	Capital Markets 0.2%	
3,000	Walter Investment Management Corp., 4.50%, 11/1/19	1,125,000
	Construction & Engineering 0.5%	
2,315	Dycom Industries, Inc., 0.75%, 9/15/21 (c)(d)	2,736,041
	Consumer Finance 0.5%	
3,625	PRA Group, Inc., 3.00%, 8/1/20	3,033,672
	Electrical Equipment 0.3%	
2,700	SolarCity Corp., 1.625%, 11/1/19	2,001,375
	Energy Equipment & Services 0.6%	
3,730	Helix Energy Solutions Group, Inc., 3.25%, 3/15/32	3,459,575
	Health Care Equipment & Supplies 0.8%	
1,200	Hologic, Inc., 2.00%, 3/1/42 (e)	1,633,500
2,500	Wright Medical Group NV, 2.25%, 11/15/21 (c)(d)	3,043,750
		4,677,250
	Independent Power & Renewable Electricity Producers 0.4%	
2,265	NRG Yield, Inc., 3.25%, 6/1/20 (c)(d)	2,197,050
	Internet & Catalog Retail 0.3%	
1,500	Priceline Group, Inc., 0.35%, 6/15/20	1,826,250
	Internet Software & Services 2.1%	
1,300	Gogo, Inc., 3.75%, 3/1/20	849,069
1,500	LinkedIn Corp., 0.50%, 11/1/19	1,492,500
1,700		