

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC

Form N-Q

May 30, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**

**MANAGEMENT INVESTMENT COMPANY**

**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: **March 31, 2012**

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q 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 the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

**Item 1. Schedule of Investments.**

The Schedule(s) of Investments is attached herewith.

# The Gabelli Convertible and Income Securities Fund Inc.

## First Quarter Report March 31, 2012

Mario J. Gabelli, CFA

To Our Shareholders,

For the quarter ended March 31, 2012, the net asset value (NAV) total return of The Gabelli Convertible and Income Securities Fund Inc. was 7.7%, compared with a total return of (0.1)% for the Barclays Capital Government/Credit Bond Index. The total return for the Fund's publicly traded shares was 17.9%. On March 31, 2012, the Fund's NAV per share was \$5.78, while the price of the publicly traded shares closed at \$5.90 on the New York Stock Exchange ( NYSE ).

Enclosed is the schedule of investments as of March 31, 2012.

### Comparative Results

#### Average Annual Returns through March 31, 2012 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	Since Inception (07/03/89)
<b>Gabelli Convertible and Income Securities Fund</b>					
<b>NAV Total Return (b)</b>	7.68%	2.11%	1.85%	4.11%	6.57%
<b>Investment Total Return (c)</b>	17.85	(1.52)	0.45	2.89	5.57(d)
Standard & Poor's 500 Index	12.59	8.54	2.01	4.12	9.09(e)
Barclays Capital Government/Credit Bond Index	(0.07)	8.40	6.19	5.86	N/A(f)
Lipper Convertible Securities Fund Average	8.97	(1.88)	3.74	5.96	8.20(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. Performance returns for periods of less than one year are not annualized. 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. **Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.** The Standard & Poor's 500 Index is an unmanaged indicator of stock market performance. The Barclays Capital Government/Credit Bond Index is an unmanaged market value weighted index that tracks the total return performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end mutual 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.
- (d) The Fund converted to closed-end status on March 31, 1995 and had no operating history on the NYSE prior to that date.
- (e) From June 30, 1989, the date closest to the Fund's inception for which data is available.
- (f) The Barclays Capital Government/Credit Bond Index inception date is January 29, 1999.

**The Gabelli Convertible and Income Securities Fund Inc.****Schedule of Investments March 31, 2012 (Unaudited)**

<b>Principal</b>		<b>Market</b>
<b><u>Amount</u></b>		<b><u>Value</u></b>
	<b>CONVERTIBLE CORPORATE BONDS 20.9%</b>	
	<b>Aerospace 1.9%</b>	
\$ 1,850,000	GenCorp Inc., Sub. Deb. Cv., 4.063%, 12/31/39	\$ 1,979,500
	<b>Automotive 0.7%</b>	
600,000	Navistar International Corp., Sub. Deb. Cv., 3.000%, 10/15/14	664,500
	<b>Broadcasting 0.3%</b>	
200,000	Sirius XM Radio Inc., Sub. Deb. Cv., 7.000%, 12/01/14(a)	296,250
	<b>Building and Construction 0.7%</b>	
	Lennar Corp., Cv.,	
400,000	2.000%, 12/01/20(a)	470,000
200,000	2.750%, 12/15/20(a)	280,500
		750,500
	<b>Cable and Satellite 0.0%</b>	
400,000	Adelphia Communications Corp., Sub. Deb. Cv., 3.250%, 05/01/21 (b)	0
	<b>Computer Hardware 3.9%</b>	
4,000,000	SanDisk Corp., Cv., 1.000%, 05/15/13	4,010,000
	<b>Consumer Products 0.1%</b>	
250,000	Eastman Kodak Co., Cv., 7.000%, 04/01/17	75,625
	<b>Diversified Industrial 5.4%</b>	
3,500,000	Griffon Corp., Sub. Deb. Cv., 4.000%, 01/15/17(a)	3,570,000
1,400,000	Roper Industries Inc., Sub. Deb. Cv.(STEP), 0.000%, 01/15/34	1,737,750
50,000	Textron Inc., Ser. TXT, Cv., 4.500%, 05/01/13	107,313
100,000	Trinity Industries Inc., Sub. Deb. Cv., 3.875%, 06/01/36	109,500
		5,524,563
	<b>Electronics 0.1%</b>	
100,000	Intel Corp., Sub. Deb. Cv., 3.250%, 08/01/39	141,125

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<b>Energy and Utilities 0.3%</b>		
248,000	UniSource Energy Corp., Cv., 4.500%, 03/01/35(a)	265,670
<b>Entertainment 0.1%</b>		
50,000	Take-Two Interactive Software Inc., Cv., 4.375%, 06/01/14	77,500
100,000	THQ Inc., Cv., 5.000%, 08/15/14	49,375
		126,875
<b>Principal</b>		<b>Market</b>
<b>Amount</b>		<b>Value</b>
<b>Environmental Services 0.4%</b>		
\$350,000	Covanta Holding Corp., Cv., 3.250%, 06/01/14	\$ 403,813
<b>Financial Services 1.6%</b>		
1,500,000	Janus Capital Group Inc., Cv., 3.250%, 07/15/14	1,601,250
<b>Health Care 0.3%</b>		
100,000	Chemed Corp., Cv., 1.875%, 05/15/14	102,625
250,000	Wright Medical Group Inc., Cv., 2.625%, 12/01/14	225,938
		328,563
<b>Hotels and Gaming 1.3%</b>		
900,000	Gaylord Entertainment Co., Cv., 3.750%, 10/01/14(a)	1,158,750
100,000	MGM Resorts International, Cv., 4.250%, 04/15/15	106,125
100,000	Morgans Hotel Group Co., Sub. Deb. Cv., 2.375%, 10/15/14	86,750
		1,351,625
<b>Metals and Mining 0.2%</b>		
100,000	Alcoa Inc., Cv., 5.250%, 03/15/14	167,125
<b>Retail 0.7%</b>		
60,000	Costco Wholesale Corp., Sub. Deb. Cv., Zero Coupon, 08/19/17	124,050
630,000	Spartan Stores Inc., Cv., 3.375%, 05/15/27	611,100
		735,150
<b>Wireless Communications 2.9%</b>		
3,000,000	NII Holdings Inc., Cv., 3.125%, 06/15/12	3,018,750

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<b>TOTAL CONVERTIBLE CORPORATE BONDS</b>	21,440,884
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Shares

<b>CONVERTIBLE PREFERRED STOCKS 1.7%</b>		
<b>Business Services 0.0%</b>		
20,000	Key3Media Group Inc. (STEP), 5.500% Cv. Pfd., Ser. B (b)	117
<b>Communications Equipment 0.3%</b>		
400	Lucent Technologies Capital Trust I, 7.750% Cv. Pfd.	325,000
<b>Energy and Utilities 0.3%</b>		
6,000	AES Trust III, 6.750% Cv. Pfd.	299,340

See accompanying notes to schedule of investments.

## The Gabelli Convertible and Income Securities Fund Inc.

## Schedule of Investments (Continued) March 31, 2012 (Unaudited)

<u>Shares</u>		<u>Market Value</u>
<b>CONVERTIBLE PREFERRED STOCKS (Continued)</b>		
<b>Energy and Utilities (Continued)</b>		
300	El Paso Energy Capital Trust I, 4.750% Cv. Pfd.	\$ 13,830
5	Whiting Petroleum Corp., 6.250% Cv. Pfd.	1,347
		314,517
<b>Health Care 0.0%</b>		
100	Elite Pharmaceuticals Inc., \$2.32 Cv. Pfd., Ser. C (b)(c)	61,333
<b>Telecommunications 0.6%</b>		
14,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	581,280
<b>Transportation 0.5%</b>		
2,500	GATX Corp., \$2.50 Cv. Pfd., Ser. A (b)	503,750
<b>TOTAL CONVERTIBLE PREFERRED STOCKS</b>		<b>1,785,997</b>
<b>COMMON STOCKS 59.3%</b>		
<b>Aerospace 8.3%</b>		
30,000	Goodrich Corp.	3,763,200
800	Rockwell Automation Inc.	63,760
365,000	Rolls-Royce Holdings plc	4,740,563
		8,567,523
<b>Automotive: Parts and Accessories 1.7%</b>		
27,000	Genuine Parts Co.	1,694,250
<b>Cable and Satellite 0.1%</b>		
493,409	Adelphia Recovery Trust (b)	0
2,000	Rogers Communications Inc., Cl. B	79,400
		79,400
<b>Communications Equipment 0.3%</b>		
22,000	Corning Inc.	309,760
<b>Computer Hardware 1.4%</b>		
7,000	International Business Machines Corp.	1,460,550



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**Computer Software and Services 0.9%**

11,000	Diebold Inc.	423,720
17,000	Microsoft Corp.	548,250
		971,970

**Consumer Products 1.8%**

40,000	Swedish Match AB	1,592,551
3,500	The Procter & Gamble Co.	