

AllianzGI Convertible & Income Fund II
Form N-CSRS
October 30, 2018
Table of Contents

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

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

1633 Broadway, New York, NY 10019
(Address of principal executive offices) (Zip code)

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Scott Whisten 1633 Broadway, New York, New York 10019

(Name and address of agent for service)

Registrant's telephone number, including area code: 212-739-3367

Date of fiscal year end: February 28

Date of reporting period: August 31, 2018

Table of Contents

Item 1. Report to Shareholders

AllianzGI Convertible & Income 2024 Target Term Fund

AllianzGI Convertible & Income Fund

AllianzGI Convertible & Income Fund II

Semi-Annual Report

August 31, 2018

Table of Contents

Table of Contents

2	<u>3 Letter from the President</u>
4	<u>6 Fund Insights</u>
7	<u>10 Performance & Statistics</u>
11	<u>36 Schedules of Investments</u>
	<u>37 Statements of Assets and Liabilities</u>
	<u>38 Statements of Operations</u>
39	<u>41 Statements of Changes in Net Assets</u>
	<u>42 Statement of Cash Flows</u>
43	<u>47 Financial Highlights</u>
48	<u>64 Notes to Financial Statements</u>
65	<u>66 Annual Shareholder Meeting</u> <u>Results/Changes to Fund</u> <u>Officers/Proxy Voting Policies & Procedures</u>
67	<u>72 Matters Relating to the Trustees</u> <u>Consideration of the Investment</u> <u>Management Agreements</u>
73	<u>75 Privacy Policy</u>

Table of Contents

Letter from the President

Thomas J. Fuccillo

President & Chief Executive Officer

Dear Shareholder:

U.S. economic expansion accelerated during the six-month fiscal reporting period ended August 31, 2018. In contrast, economic growth overseas moderated. Against this backdrop, the overall U.S. equity market posted a solid return, whereas international equities were weak. Elsewhere, the overall U.S. bond market posted a small gain during the reporting period.

For the six month reporting period ended August 31, 2018:

AllianzGI Convertible & Income 2024 Target Term Fund returned 4.52% on net asset value (NAV) and 4.01% on market price.

AllianzGI Convertible & Income Fund returned 3.90% on NAV and 9.13% on market price.

AllianzGI Convertible & Income Fund II returned 3.89% on NAV and 7.89% on market price.

During the six-month period ended August 31, 2018, the Standard & Poor's (S&P) 500 Index, an unmanaged index generally representative of the U.S. stock market, rose 7.96% and the ICE BofA Merrill Lynch High Yield Master II Index, an unmanaged index generally representative of the high yield bond market, gained 2.23%. Convertible securities, which share characteristics of both stocks and bonds, generated even stronger results. The ICE BofA Merrill Lynch All Convertibles All Qualities Index, an unmanaged index generally representative of the convertible securities market, returned 8.61%.

Turning to the U.S. economy, gross domestic product (GDP), the value of goods and services produced in the country, which is the broadest measure of economic activity and the principal indicator of economic performance, expanded at a 2.3% annualized pace during the fourth quarter of 2017. GDP growth then moderated to 2.2% during the first quarter of 2018. Finally, the Commerce Department's final reading released after the reporting period had ended showed that GDP grew at an annual pace of 4.2% for the second quarter of 2018.

After raising interest rates three times in 2017, the U.S. Federal Reserve (the Fed) again raised rates at its meetings in March and June 2018. The last hike pushed the federal funds rate to a range between 1.75% and 2.00%. At its meeting in June 2018, the Fed announced that it anticipated raising rates an additional two times before the end of the year. In

September 2018 after the reporting period ended the Fed raised the federal funds rate to a range between 2.00% and 2.25%.

2 Semi-Annual Report | August 31, 2018

Table of Contents

Outlook

Economic growth in the U.S. accelerated during the second quarter of 2018, but the end of the economic cycle may be closer than anticipated by the consensus forecast. In our view, a pro-growth mix of economic policies has set conditions conducive to more rapid increases in consumer spending, business investment and labor compensation. Consumer spending is brisk and measures of business optimism seem to break records every month.

Looking ahead to the last few months of the year,

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however, these outcomes cannot be assured. Households and businesses may well rethink their spending plans over the months ahead as they evaluate the meaning of tax changes, government spending, economic policy adjustments and new risks to their well-being. If capital expenditures by businesses go to unproductive investment, productivity fails to accelerate and inflation-adjusted workers' compensation does not increase, real economic growth could languish.

While Fed monetary policymakers will continue to base their interest-rate decisions on the flow of inflation, wage and labor market data, how the Fed implements monetary policy over the next several years may be at least as important as the timing and magnitude of its policy decisions.

Meanwhile, the interconnectedness of the U.S. economy to other countries remains intricate and deep. Even as trade relations deteriorate, we believe the forces of globalization and technological revolution promise to defeat the forces of nationalism, populism and withdrawal from multilateral arrangements. Even if U.S.-China and U.S.-European Union trade relations play out acrimoniously over the years ahead, for example, a complicated and extensive flow of goods, services, resources and intellectual property between the nations will continue based, for the time being, on a co-dependency built up over the last three decades.

For specific information on the Funds and their performance, please refer to 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.

On behalf of Allianz Global Investors U.S. LLC, the Funds' investment manager, thank you for investing with us.

We remain dedicated to serving your investment needs.

Sincerely,

Thomas J. Fuccillo
President & Chief Executive Officer

August 31, 2018 | Semi-Annual Report **3**

Table of Contents

Fund Insights

AllianzGI Convertible & Income 2024 Target Term Fund / AllianzGI Convertible & Income Fund /AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited)

AllianzGI Convertible & Income 2024 Target Term Fund

For the period of March 1, 2018 through August 31, 2018, as provided by Douglas G. Forsyth, CFA, Managing Director, Portfolio Manager.

For the six-month period ended August 31, 2018, the AllianzGI Convertible & Income 2024 Target Term Fund (the Fund) returned 4.52% on net asset value (NAV) and 4.01% on market price.

Market Environment

A number of factors influenced the convertible, high yield, and senior secured loan markets during the reporting period, including improving corporate fundamentals, healthy U.S. economic trends, rising interest rates, U.S. Federal Reserve (Fed) actions and commentary, and the impact of growing geopolitical concerns on international markets.

Corporate fundamentals continued to improve with most issuers reporting better-than-expected financial results and positive outlooks, citing increasing demand, a more favorable regulatory environment and recent tax-reform benefits. In fact, first and second quarter earnings growth for U.S. companies were the strongest recorded in years.

U.S. economic reports revealed a strengthening labor market, higher consumer confidence and small business optimism, plus healthy retail sales growth. Yet, inflation readings rose and home sales slowed.

Against this favorable economic and corporate backdrop, the Fed raised its key interest rate 25 basis points twice during the reporting period,

to a range of 1.75% to 2.00%. Additionally, the U.S. central bank continued to reduce its balance sheet and signaled two more hikes before year-end.

While the U.S. economy remained healthy, the global environment was mixed. Rising global trade tensions, a surging U.S. dollar, Brexit and Italian debt concerns, emerging market stress, and continued conflicts in the Middle East weighed on global markets during the reporting period. While these issues impacted investor sentiment, the U.S. markets remained resilient and reflected a relative safe-haven for investors.

Portfolio Specifics

The convertible bond, high-yield bond, and senior secured loan asset classes all finished the reporting period higher. In addition to providing a strong total return, the Fund also provided a high level of income over the reporting period.

In the convertible bond sleeve, sectors that helped relative performance were financials, consumer discretionary, and media. On the other hand, technology, energy, and transportation sectors pressured relative performance.

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In the high-yield bond sleeve, industry exposure that helped relative performance included automotive, banking, and retail. Conversely, the financial services, metals/mining ex-steel, and building materials industries hindered relative performance.

In the senior secured loan sleeve, the top-contributing industries included technology & electronics, retail, and gaming. The top-detracting industries included healthcare, building materials, and energy.

4 Semi-Annual Report | August 31, 2018

Table of Contents

Outlook

In our view, the U.S. economy remains healthy. We believe growth is supported by elevated consumer and business confidence, low unemployment, favorable lending conditions, government spending growth and tax cuts. In addition, corporate profits are estimated to grow significantly in 2018.

We also believe the Tax Cuts and Jobs Act implemented in December 2017 should provide upside benefits to earnings estimates with tax obligations of U.S. corporations likely moving notably lower. Based on bottom-up estimates, the current earnings trajectory could result in double-digit year-over-year earnings growth for the S&P 500 Index in 2018. Potential risks to the economy include geopolitical issues, including rising global trade tensions, higher energy prices, a stronger U.S. dollar, monetary policy surprises by the Fed or higher than expected inflation.

The Fed is expected to take a gradual approach toward monetary policy adjustments. Interest-rate hikes and balance-sheet reduction efforts signal confidence in the U.S. economy's ability to grow. The purpose of these adjustments would be to achieve a normalized environment after an extended period of extreme accommodation. Until the Fed either moves aggressively or is well into the tightening cycle, monetary policy should not be expected to drive an extended sell-off of risk-assets. Overseas, monetary policies continue to be constructive. Over the past 30 years, the U.S. has not fallen into a recession without being preceded by an inverted yield curve. The difference between the three-month Treasury bill and the 10-year Treasury note has narrowed, but the curve remains positive sloping and, in our view, accommodative for growth.

AllianzGI Convertible & Income Fund / AllianzGI Convertible & Income Fund II

For the period of March 1, 2018 through August 31, 2018, as provided by Douglas G. Forsyth, CFA, Managing Director, Portfolio Manager.

For the six-month period ended August 31, 2018, the AllianzGI Convertible & Income Fund returned 3.90% on net asset value (NAV) and 9.13% on market price.

For the six-month period ended August 31, 2018, the AllianzGI Convertible & Income Fund II returned 3.89% on net asset value (NAV) and 7.89% on market price.

Market Environment

A number of factors influenced the convertible and high yield bond markets during the reporting period, including improving corporate fundamentals, healthy U.S. economic trends, rising interest rates, U.S. Federal Reserve (Fed) actions and commentary, and the impact of growing geopolitical concerns on international markets.

Corporate fundamentals continued to improve with most issuers reporting better-than-expected financial results and positive outlooks, citing increasing demand, a more favorable regulatory environment and recent tax-reform benefits. In fact, first-quarter and second-quarter earnings growth for U.S. companies were the strongest recorded in years.

U.S. economic reports revealed a strengthening labor market, higher consumer confidence and small business optimism, plus healthy retail sales growth. Yet, inflation readings rose and home sales slowed.

Against this favorable economic and corporate backdrop, the Fed raised its key interest rate 25 basis points twice during the reporting period to a range of 1.75% to 2.00%. Additionally, the U.S. central bank continued to reduce its balance sheet and signaled two more hikes before year-end.

While the U.S. economy remained healthy, the global environment was mixed. Rising global trade tensions, a surging U.S. dollar, Brexit and Italian debt concerns, emerging market stress, and continued conflicts in the Middle East weighed on global markets during the reporting period. While these issues impacted investor sentiment, the U.S. markets remained resilient and reflected a relative safe-haven for investors.

Table of Contents

Portfolio Specifics

The convertible bond and high-yield bond asset classes finished the reporting period higher. In addition to providing a strong total return, the Fund also provided a high level of income over the reporting period.

In the convertible bond sleeve, sectors that helped relative performance were financials and media. On the other hand, consumer discretionary, healthcare, and energy sectors hindered relative performance.

In the high-yield bond sleeve, industry exposure that helped relative performance included automotive, theatres & entertainment, and banking. Conversely, the financial services, support-services, and printing & publishing industries hindered relative performance.

Outlook

In our view, the U.S. economy remains healthy. We believe growth is supported by elevated consumer and business confidence, low unemployment, favorable lending conditions, government spending growth and tax cuts. In addition, corporate profits are estimated to grow significantly in 2018.

We also believe the Tax Cuts and Jobs Act implemented in December 2017 should provide

upside benefits to earnings estimates with tax obligations of U.S. corporations likely moving notably lower. Based on bottom-up estimates, the current earnings trajectory could result in double-digit year-over-year earnings growth for the S&P 500 Index in 2018. Potential risks to the economy include geopolitical issues, including rising global trade tensions, higher energy prices, a stronger U.S. dollar, monetary policy surprises by the Federal Reserve or higher than expected inflation.

The Fed is expected to take a gradual approach toward monetary policy adjustments. Interest-rate hikes and balance-sheet reduction efforts signal confidence in the U.S. economy's ability to grow. The purpose of these adjustments would be to achieve a normalized environment after an extended period of extreme accommodation. Until the Fed either moves aggressively or is well into the tightening cycle, monetary policy should not be expected to drive an extended sell-off of risk-assets. Overseas, monetary policies continue to be constructive. Over the past 30 years, the U.S. has not fallen into a recession without being preceded by an inverted yield curve. The difference between the three-month Treasury bill and the 10-year Treasury note has narrowed, but the curve remains positive sloping and, in our view, accommodative for growth.

Table of Contents

Performance & Statistics

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	4.01%	4.52%
1 Year	-0.23%	7.18%
Commencement of Operations (6/30/17) to 8/31/18	-0.65%	6.38%

Market Price/NAV Performance:

Commencement of Operations (6/30/17) to 8/31/18

Market Price/NAV:

Market Price	\$9.31
NAV ⁽²⁾	\$9.95
Discount to NAV	-6.43%
Market Price Yield ⁽³⁾	5.93%
Leverage ⁽⁴⁾	27.73%

S&P Global Ratings*

(as a % of total investments)

See Notes to Performance & Statistics on page 10.

August 31, 2018 | Semi-Annual Report 7

Table of Contents

Performance & Statistics

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	9.13%	3.90%
1 Year	14.32%	9.05%
5 Year	7.20%	5.50%
10 Year	8.38%	7.81%
Commencement of Operations (3/31/03) to 8/31/18	8.07%	7.78%

Market Price/NAV Performance:

Commencement of Operations (3/31/03) to 8/31/18

Market Price/NAV:

Market Price	\$7.13
NAV ⁽²⁾	\$6.39
Premium to NAV	11.58%
Market Price Yield ⁽³⁾	7.66%
Leverage ⁽⁵⁾	37.98%

S&P Global Ratings*

(as a % of total investments)

See Notes to Performance & Statistics on page 10.

8 Semi-Annual Report | August 31, 2018

Table of Contents

Performance & Statistics

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited)

Total Return⁽¹⁾:	Market Price	NAV
Six Month	7.89%	3.89%
1 Year	11.71%	9.01%
5 Year	5.80%	5.52%
10 Year	7.86%	7.22%
Commencement of Operations (7/31/03) to 8/31/18	6.83%	6.80%

Market Price/NAV Performance:

Commencement of Operations (7/31/03) to 8/31/18

Market Price/NAV:

Market Price	\$6.20
NAV ⁽²⁾	\$5.74
Premium to NAV	8.01%
Market Price Yield ⁽³⁾	7.83%
Leverage ⁽⁵⁾	38.22%

S&P Global Ratings*

(as a % of total investments)

See Notes to Performance & Statistics on page 10.

Table of Contents

Performance and Statistics

AllianzGI Convertible & Income Funds

August 31, 2018 (unaudited)

Notes to Performance & Statistics:

* Credit ratings apply to the underlying holdings of the Funds and not the Funds themselves and are divided into categories ranging from highest to lowest credit quality, determined for purposes of presentations in this report by using ratings provided by S&P Global Ratings (S&P). Presentations of credit ratings information in this report use ratings provided by S&P for this purpose, among other reasons, because of the access to background information and other materials provided by S&P, as well as the Funds' considerations of industry practice. Bonds not rated by S&P, or bonds that do not have a rating available from S&P, or bonds that had a rating withdrawn by S&P are designated as NR or NA, respectively. Credit quality ratings assigned by a rating agency are subjective opinions, not statements of fact, and are subject to change periodically, even as frequently as daily. Ratings assigned by S&P or another rating agency are not absolute standards of credit quality and do not evaluate market risk. Rating agencies may fail to make timely changes in credit ratings, and an issuer's current financial condition may be better or worse than a rating indicates. In formulating investment decisions for the Funds, Allianz Global Investors U.S. LLC develops its own analysis of the credit quality and risks associated with individual debt instruments, rather than relying exclusively on rating agencies or third-party research.

(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. 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 tend to reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Funds, market conditions, supply and demand for each Fund's shares, or changes in each Fund's dividends.

An investment in each 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.

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

(3) Market Price Yield is determined by dividing the annualized current monthly dividend per common share (comprised of net investment income) by the market price per common share at August 31, 2018.

(4) Represents amounts drawn under the liquidity 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).

(5) Represents Preferred Shares and amounts drawn under the liquidity 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).

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited)

Principal Amount (000s)		Value
Convertible Bonds & Notes 58.3%		
Auto Manufacturers 0.6%		
\$1,000	Navistar International Corp., 4.75%, 4/15/19	\$1,042,189
Biotechnology 3.3%		
2,000	Acorda Therapeutics, Inc., 1.75%, 6/15/21	1,955,000
1,500	Innoviva, Inc., 2.125%, 1/15/23	1,484,377
1,000	Intercept Pharmaceuticals, Inc., 3.25%, 7/1/23	967,399
1,500	PTC Therapeutics, Inc., 3.00%, 8/15/22	1,617,267
		6,024,043
Building Materials 0.8%		
1,500	Patrick Industries, Inc., 1.00%, 2/1/23 (a)(c)	1,471,616
Commercial Services 1.2%		
2,500	Macquarie Infrastructure Corp., 2.00%, 10/1/23 (f)	2,243,940
Computers 0.8%		
1,500	Western Digital Corp., 1.50%, 2/1/24 (a)(c)(f)	1,443,803
Distribution/Wholesale 1.1%		
2,000	Titan Machinery, Inc., 3.75%, 5/1/19	1,987,644
Diversified Financial Services 4.1%		
2,000	Encore Capital Europe Finance Ltd., 4.50%, 9/1/23	2,156,240
2,550	Encore Capital Group, Inc., 2.875%, 3/15/21 (e)	2,437,519
3,000	PRA Group, Inc., 3.00%, 8/1/20	2,910,564
		7,504,323
Electrical Equipment 1.4%		
3,215	SunPower Corp., 4.00%, 1/15/23 (f)	2,618,814
Electronics 1.6%		
3,000	OSI Systems, Inc., 1.25%, 9/1/22	2,938,845
Energy-Alternate Sources 3.2%		
500	NextEra Energy Partners L.P., 1.50%, 9/15/20 (a)(c)	512,305
3,000	Pattern Energy Group, Inc., 4.00%, 7/15/20	2,991,000
2,500	Tesla Energy Operations, Inc., 1.625%, 11/1/19 (f)	2,289,735
		5,793,040
Engineering & Construction 1.8%		
1,000	Dycom Industries, Inc., 0.75%, 9/15/21 (f)	1,110,956
2,000	Tutor Perini Corp., 2.875%, 6/15/21 (f)	2,074,694
		3,185,650
Entertainment 0.9%		
1,500	Live Nation Entertainment, Inc., 2.50%, 3/15/23 (a)(c)	1,557,179

Equity Real Estate Investment Trusts (REITs) 5.6%		
3,000	PennyMac Corp., 5.375%, 5/1/20	3,003,765
2,850	Starwood Property Trust, Inc., 4.375%, 4/1/23 (f)	2,848,390
2,750	Two Harbors Investment Corp., 6.25%, 1/15/22	2,853,625
1,500	Western Asset Mortgage Capital Corp., 6.75%, 10/1/22	1,553,853
		10,259,633
Healthcare-Products 1.4%		
2,500	Nevro Corp., 1.75%, 6/1/21	2,564,460
Insurance 1.6%		
3,000	HCI Group, Inc., 4.25%, 3/1/37 (a)	2,878,605

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **11**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Internet 2.7%	
\$3,000	FireEye, Inc., 1.625%, 6/1/35, Ser. B	\$2,749,533
1,500	Twitter, Inc., 1.00%, 9/15/21 (f)	1,410,256
750	Zillow Group, Inc., 1.50%, 7/1/23	708,363
		4,868,152
	Investment Companies 4.9%	
2,900	Goldman Sachs BDC, Inc., 4.50%, 4/1/22	2,944,576
3,000	Prospect Capital Corp., 4.95%, 7/15/22 (f)	2,921,382
3,000	TPG Specialty Lending, Inc., 4.50%, 8/1/22	3,021,876
		8,887,834
	Media 1.5%	
3,000	DISH Network Corp., 2.375%, 3/15/24 (f)	2,644,509
	Oil, Gas & Consumable Fuels 7.1%	
2,000	Ensco Jersey Finance Ltd., 3.00%, 1/31/24 (f)	1,837,500
3,000	Green Plains, Inc., 4.125%, 9/1/22 (e)	2,907,816
3,000	Helix Energy Solutions Group, Inc., 4.25%, 5/1/22	3,221,226
3,425	Nabors Industries, Inc., 0.75%, 1/15/24 (f)	2,711,357
2,150	PDC Energy, Inc., 1.125%, 9/15/21	2,130,220
		12,808,119
	Pharmaceuticals 4.2%	
2,000	Dermira, Inc., 3.00%, 5/15/22 (e)	1,651,500
3,250	Horizon Pharma Investment Ltd., 2.50%, 3/15/22	3,349,531
1,000	Jazz Investments I Ltd., 1.50%, 8/15/24 (f)	1,034,706
1,500	Pacira Pharmaceuticals, Inc., 2.375%, 4/1/22 (f)	1,577,304
		7,613,041
	Semiconductors 2.6%	
2,000	Inphi Corp., 0.75%, 9/1/21	1,962,092
1,750	Synaptics, Inc., 0.50%, 6/15/22 (f)	1,723,633
1,300	Veeco Instruments, Inc., 2.70%, 1/15/23	1,115,241
		4,800,966
	Software 2.3%	
3,000	Avaya Holdings Corp., 2.25%, 6/15/23 (a)(c)	3,161,811
1,000	Envestnet, Inc., 1.75%, 6/1/23 (a)(c)(f)	1,107,275
		4,269,086
	Telecommunications 0.4%	
750	GDS Holdings Ltd., 2.00%, 6/1/25 (a)(c)	733,303
	Transportation 3.2%	

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2,000	Air Transport Services Group, Inc., 1.125%, 10/15/24 (a)(c)(f)	1,872,774
3,000	Echo Global Logistics, Inc., 2.50%, 5/1/20 (f)	3,260,625
750	Teekay Corp., 5.00%, 1/15/23 (a)(c)	681,603
		5,815,002
	Total Convertible Bonds & Notes (cost-\$104,265,090)	105,953,796
	Corporate Bonds & Notes 52.9%	
	Aerospace & Defense 2.0%	
1,500	KLX, Inc., 5.875%, 12/1/22 (a)(c)(e)(f)	1,556,250
2,000	TransDigm, Inc., 6.50%, 7/15/24 (f)	2,037,500
		3,593,750

12 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Auto Components 0.7%	
\$1,227	American Axle & Manufacturing, Inc., 6.625%, 10/15/22	\$1,259,209
	Building Materials 0.8%	
1,500	Builders FirstSource, Inc., 5.625%, 9/1/24 (a)(c)	1,462,500
	Chemicals 1.7%	
1,500	Chemours Co., 6.625%, 5/15/23 (f)	1,573,125
1,500	Platform Specialty Products Corp., 6.50%, 2/1/22 (a)(c)	1,539,375
		3,112,500
	Computers 0.9%	
1,500	Dell International LLC, 7.125%, 6/15/24 (a)(c)(f)	1,603,878
	Distribution/Wholesale 0.8%	
1,500	Univar USA, Inc., 6.75%, 7/15/23 (a)(c)	1,548,750
	Diversified Financial Services 3.3%	
2,000	Community Choice Financial, Inc., 10.75%, 5/1/19	1,650,000
2,000	Navient Corp., 7.25%, 9/25/23	2,120,000
2,000	Springleaf Finance Corp., 8.25%, 10/1/23 (f)	2,215,000
		5,985,000
	Electric Utilities 0.9%	
1,500	NRG Energy, Inc., 6.25%, 5/1/24 (f)	1,560,000
	Engineering & Construction 0.9%	
1,500	AECOM, 5.875%, 10/15/24 (f)	1,608,585
	Entertainment 0.8%	
1,500	Cedar Fair L.P., 5.375%, 6/1/24	1,509,375
	Healthcare-Services 5.4%	
1,500	Community Health Systems, Inc., 6.25%, 3/31/23 (f)	1,432,500
1,500	DaVita, Inc., 5.125%, 7/15/24	1,453,680
1,500	Encompass Health Corp., 5.75%, 11/1/24 (f)	1,524,375
1,500	Envision Healthcare Corp., 6.25%, 12/1/24 (a)(c)(e)	1,608,750
1,500	HCA, Inc., 7.50%, 2/15/22	1,650,000
2,000	Tenet Healthcare Corp., 8.125%, 4/1/22 (f)	2,120,000
		9,789,305
	Home Builders 0.9%	
1,500	Lennar Corp., 5.875%, 11/15/24 (f)	1,563,900
	Internet 0.9%	
1,500	Netflix, Inc., 5.875%, 2/15/25 (f)	1,552,500
	Iron/Steel 0.9%	
1,500	AK Steel Corp., 7.50%, 7/15/23	1,575,000

	Lodging 0.8%	
1,500	Wynn Las Vegas LLC, 5.50%, 3/1/25 (a)(c)(f)	1,487,850
	Machinery-Construction & Mining 1.1%	
2,000	Terex Corp., 5.625%, 2/1/25 (a)(c)	1,987,500
	Media 4.4%	
1,500	CCO Holdings LLC, 5.75%, 1/15/24 (f)	1,529,745
1,500	Clear Channel Worldwide Holdings, Inc., 6.50%, 11/15/22, Ser. B (f)	1,541,250
1,500	CSC Holdings LLC, 6.75%, 11/15/21 (f)	1,593,750
2,000	DISH DBS Corp., 5.875%, 7/15/22 (f)	1,927,500
1,500	Nexstar Broadcasting, Inc., 5.625%, 8/1/24 (a)(c)	1,477,800
		8,070,045

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **13**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Mining 4.0%	
\$1,500	Alcoa Nederland Holding BV, 6.75%, 9/30/24 (a)(c)(f)	\$1,597,500
2,000	Constellium NV, 6.625%, 3/1/25 (a)(c)(f)	2,040,000
2,000	Hudbay Minerals, Inc., 7.625%, 1/15/25 (a)(c)(f)	2,042,500
1,500	Joseph T. Ryerson & Son, Inc., 11.00%, 5/15/22 (a)(c)	1,657,500
		7,337,500
	Miscellaneous Manufacturing 1.1%	
2,000	Koppers, Inc., 6.00%, 2/15/25 (a)(c)(f)	2,015,000
	Oil, Gas & Consumable Fuels 5.1%	
2,000	Callon Petroleum Co., 6.125%, 10/1/24 (f)	2,055,000
1,500	Calumet Specialty Products Partners L.P., 6.50%, 4/15/21	1,485,000
1,500	Carrizo Oil & Gas, Inc., 6.25%, 4/15/23 (f)	1,541,250
1,500	Continental Resources, Inc., 5.00%, 9/15/22 (f)	1,526,646
825	CVR Refining LLC, 6.50%, 11/1/22	845,625
280	Noble Holding International Ltd., 7.75%, 1/15/24 (f)	275,100
1,500	Oasis Petroleum, Inc., 6.875%, 3/15/22 (f)	1,530,000
		9,258,621
	Pharmaceuticals 2.0%	
1,500	Bausch Health Cos, Inc., 7.50%, 7/15/21 (a)(c)(f)	1,526,632
2,000	Horizon Pharma, Inc., 6.625%, 5/1/23 (f)	2,045,000
		3,571,632
	Real Estate 2.1%	
2,000	Kennedy-Wilson, Inc., 5.875%, 4/1/24	1,992,500
1,950	Uniti Group L.P., 8.25%, 10/15/23 (f)	1,847,020
		3,839,520
	Retail 1.2%	
2,000	Conn s, Inc., 7.25%, 7/15/22 (f)	2,019,600
85	Men s Wearhouse, Inc., 7.00%, 7/1/22 (f)	87,763
		2,107,363
	Semiconductors 0.9%	
1,515	Advanced Micro Devices, Inc., 7.00%, 7/1/24 (e)	1,613,475
	Software 2.2%	
1,500	Camelot Finance S.A., 7.875%, 10/15/24 (a)(c)	1,498,125
1,500	First Data Corp., 7.00%, 12/1/23 (a)(c)(f)	1,564,500
1,000	Rackspace Hosting, Inc., 8.625%, 11/15/24 (a)(c)(f)	986,875
		4,049,500
	Telecommunications 6.5%	

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2,000	CenturyLink, Inc., 7.50%, 4/1/24, Ser. Y (f)	2,145,000
1,500	Cincinnati Bell, Inc., 7.00%, 7/15/24 (a)(c)(f)	1,327,500
2,000	Consolidated Communications, Inc., 6.50%, 10/1/22 (f)	1,897,500
2,000	GTT Communications, Inc., 7.875%, 12/31/24 (a)(c)(f)	1,900,000
1,500	Hughes Satellite Systems Corp., 7.625%, 6/15/21 (f)	1,620,000
2,000	Sprint Corp., 7.125%, 6/15/24 (f)	2,080,000
1,620	Windstream Services LLC, 6.375%, 8/1/23 (a)(c)(f)	877,489
		11,847,489
	Transportation 0.6%	
1,125	XPO Logistics, Inc., 6.50%, 6/15/22 (a)(c)(f)	1,166,310
	Total Corporate Bonds & Notes (cost-\$98,739,357)	96,076,057

14 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
Senior Loans (a)(b) 24.4%		
Aerospace & Defense 0.5%		
\$867	Engility Corporation, 1 mo. LIBOR + 2.750%, 4.826%, 8/12/23, Term Loan B2	\$870,521
Automobiles 0.5%		
Winnebago Industries, Inc., 11/8/23, 2017 Term Loan B		
317	1 mo. LIBOR + 3.500%, 5.583%	318,486
599	3 mo. LIBOR + 3.500%, 5.821%	601,584
920,070		
Chemicals 1.2%		
Kraton Polymers, LLC, 1 mo. LIBOR + 2.500%, 4.576%, 3/5/25, 2018 USD		
321	Term Loan	322,976
872	Omnova Solutions Inc., 1 mo. LIBOR + 3.250%, 5.326%, 8/28/23, 2016 Term Loan B2	877,708
1,000	PQ Corporation, 3 mo. LIBOR + 2.500%, 2/8/25, 2018 Term Loan B (d)	1,002,235
2,202,919		
Commercial Services & Supplies 0.5%		
974	Advanced Disposal Services, Inc., 1 Week LIBOR + 2.250%, 4.207%, 11/10/23, Term Loan B3	977,613
Communications Equipment 0.6%		
1,000	Plantronics, Inc., 1 mo. LIBOR + 2.500%, 4.576%, 7/2/25, 2018 Term Loan B	999,165
Diversified Consumer Services 0.6%		
776	Laureate Education, Inc., 1 mo. LIBOR + 3.500%, 5.576%, 4/26/24, 2017 Term Loan B	778,656
396	ServiceMaster Company, 1 mo. LIBOR + 2.500%, 4.576%, 11/8/23, 2016 Term Loan B	396,846
1,175,502		
Electrical Equipment 0.6%		
1,000	Gates Global LLC, 3 mo. LIBOR + 2.750%, 4/1/24, 2017 Term Loan B (d)	1,006,015
Electronics 0.5%		
950	Kemet Electronic Corporation, 1 mo. LIBOR + 6.000%, 8.076%, 4/26/24, Term Loan B	969,000
Entertainment 0.6%		
1,000	Stars Group Holdings B.V., 3 mo. LIBOR + 3.500%, 5.831%, 7/10/25, 2018 USD Incremental Term Loan	1,009,130
Food & Staples Retailing 0.5%		
990	US Foods, Inc., 1 mo. LIBOR + 2.000%, 4.076%, 6/27/23, 2016 Term Loan B	989,850
Healthcare Providers & Services 0.5%		

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Select Medical Corporation, 3/1/21, 2017 Term Loan B		
989	1 mo. LIBOR + 2.750%, 4.82%	996,435
1	3 mo. PRIME + 1.750%, 6.75%	549
996,984		
Healthcare-Products 1.0%		
748	Greatbatch Ltd., 1 mo. LIBOR + 3.250%, 5.07%, 10/27/22, 2017 1st Lien Term Loan B	753,638
1,000	Ortho-Clinical Diagnostics SA, 1 mo. LIBOR + 3.250%, 5.316%, 6/30/25, 2018 Term Loan B	1,001,160
1,754,798		
Hotels, Restaurants & Leisure 3.8%		
992	1011778 B.C. Unlimited Liability Company, 1 mo. LIBOR + 2.250%, 4.326%, 2/16/24, Term Loan B3	993,226
1,000	AP Gaming I, LLC, 3 mo. LIBOR + 4.250%, 2/15/24, 2018 1st Lien Term Loan (d)	1,010,625
917	Boyd Gaming Corporation, 1 Week LIBOR + 2.250%, 4.207%, 9/15/23, Term Loan B3	923,225

See accompanying Notes to Financial Statements | August 31, 2018 | Semiannual Report **15**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Hotels, Restaurants & Leisure (continued)	
\$995	Golden Entertainment, Inc., 1 mo. LIBOR + 3.000%, 5.08%, 10/20/24, 2017 1st Lien Term Loan	\$997,074
990	Playa Resorts Holding B.V., 1 mo. LIBOR + 2.750%, 4.83%, 4/5/24, 2017 Term Loan B	983,572
995	Scientific Games International, Inc., 1 mo. LIBOR + 2.750%, 4.826%, 8/14/24, 2018 Term Loan B5	993,494
1,000	Travelport Finance (Luxembourg) S.a.r.l., 3 mo. LIBOR + 2.500%, 3/17/25, 2018 Term Loan B (d)	1,000,340
		6,901,556
	Internet 1.1%	
990	Everi Payments, Inc., 1 mo. LIBOR + 3.000%, 5.076%, 5/9/24, Term Loan B	995,673
1,000	Go Daddy Operating Company, LLC, 1 mo. LIBOR + 2.250%, 4.326%, 2/15/24, 2017 Repriced Term Loan	1,003,875
		1,999,548
	Internet Software & Services 1.6%	
747	Blucora, Inc., 3 mo. LIBOR + 3.000%, 5.334%, 5/22/24, 2017 Term Loan B	752,227
	EIG Investors Corp., 2/9/23, 2018 1st Lien Term Loan	
6	1 mo. LIBOR + 3.750%, 5.815%	6,076
1,183	3 mo. LIBOR + 3.750%, 6.061%	1,190,010
	Match Group Inc., 1 mo. LIBOR + 2.500%, 4.577%, 11/16/22, 2017 Term Loan	
1,000	B	1,007,500
		2,955,813
	IT Services 1.1%	
923	First Data Corporation, 1 mo. LIBOR + 2.000%, 4.066%, 4/26/24, 2024 USD Term Loan	922,640
990	Xerox Business Services LLC, 1 mo. LIBOR + 2.500%, 4.576%, 12/7/23, USD Term Loan B	993,870
		1,916,510
	Leisure Time 0.6%	
1,000	Sabre GLOBL, Inc., 3 mo. LIBOR + 2.000%, 2/22/24, 2018 Term Loan B (d)	1,002,425
	Machinery 1.1%	
915	Gardner Denver, Inc., 1 mo. LIBOR + 2.750%, 4.826%, 7/30/24, 2017 USD Term Loan B	918,753
	Harsco Corporation, 1 mo. LIBOR + 2.250%, 4.375%, 12/6/24, 2017 Term Loan	
995	B1	1,001,212
		1,919,965

Media 1.1%

932	Gray Television, Inc., 1 mo. LIBOR + 2.250%, 4.331%, 2/7/24, 2017 Term Loan B	934,424
998	Lions Gate Capital Holdings LLC, 1 mo. LIBOR + 2.250%, 4.315%, 3/24/25, 2018 Term Loan B	998,124
		1,932,548

Pharmaceuticals 1.5%

1,000	Endo International PLC, 3 mo. LIBOR + 4.250%, 6.375%, 4/27/24, 2017 Term Loan B	1,007,500
1,000	Herbalife Nutrition Ltd., 3 mo. LIBOR + 3.250%, 8/16/25, 2018 Term Loan B (d)	1,005,000
920	Lannett Company, Inc., 1 mo. LIBOR + 5.375%, 7.451%, 11/25/22, Term Loan B	778,968
		2,791,468

Road & Rail 0.5%

924	YRC Worldwide, Inc., 1 mo. LIBOR + 8.500%, 10.576%, 7/24/22, 2017 Term Loan	939,822
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16 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Semiconductors & Semiconductor Equipment 0.5%	
\$969	Cypress Semiconductor Corporation, 3 mo. LIBOR + 2.250%, 4.32%, 7/5/21, 2016 Term Loan B	\$973,176
	Specialty Retail 2.7%	
997	At Home Holding III Inc., 3 mo. LIBOR + 4.000%, 5.842%, 6/3/22, Term Loan	1,001,786
861	Burlington Coat Factory Warehouse Corporation, 1 mo. LIBOR + 2.500%, 4.57%, 11/17/24, 2017 Term Loan B5	866,634
995	Men's Warehouse, Inc., 1 mo. LIBOR + 3.500%, 5.582%, 4/9/25, 2018 Term Loan B	1,003,084
993	National Vision, Inc., 1 mo. LIBOR + 2.75%, 4.826%, 11/20/24, 2017 Repriced Term Loan	997,150
1,000	Party City Holdings Inc., 3 mo. LIBOR + 2.750%, 8/19/22, 2018 Term Loan B (d)	1,005,355
		4,874,009
	Telecommunications 0.6%	
1,000	SBA Senior Finance II LLC, 1 mo. LIBOR + 2.000%, 4.08%, 4/11/25, 2018 Term Loan B	998,125
	Textiles, Apparel & Luxury Goods 0.6%	
	G-III Apparel Group, Ltd., 1 mo. LIBOR + 5.250%, 12/1/22, Term Loan B	
282	7.314%	286,022
847	7.375%	858,067
		1,144,089
	Total Senior Loans (cost-\$44,354,369)	44,220,621
	Repurchase Agreements 3.6%	
6,568	State Street Bank and Trust Co., dated 8/31/18, 0.35%, due 9/4/18, proceeds \$6,568,255; collateralized by U.S. Treasury Notes, 3.625%, due 2/15/44, valued at \$6,699,981 including accrued interest (cost-\$6,568,000)	6,568,000
	Total Investments (cost-\$253,926,816) 139.2%	252,818,474
	Liabilities in excess of other assets (39.2%)	(71,163,553)
	Net Assets 100.0%	\$181,654,921

Notes to Schedule of Investments:

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$94,113,479, representing 51.8% of net assets.

- (b) These securities generally pay interest at rates which are periodically pre-determined by reference to a base lending rate plus a premium. These base lending rates are generally either the lending rate offered by one or more major European banks, such as the LIBOR or the prime rate offered by one or more major United States banks, or the certificate of deposit rate. These securities are generally considered to be restricted as the Fund is ordinarily contractually obligated to receive approval from the Agent bank and/or borrower prior to disposition. Remaining maturities of senior loans may be less than the stated maturities shown as a result of contractual or optional payments by the borrower. Such prepayments cannot be predicted with certainty. The interest rate disclosed reflects the rate in effect on August 31, 2018.
- (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. Securities with an aggregate value of \$47,014,253, representing 25.9% of net assets.
- (d) When-issued or delayed-delivery. To be settled/delivered after August 31, 2018.
- (e) All or partial amount segregated for the benefit of the counterparty as collateral for liquidity facility.
- (f) Security, or portion of security, is on loan. The aggregate value of securities on loan is \$61,863,998; cash collateral (included in liabilities) of \$63,344,814 was received through a liquidity facility See Note 8 in the Notes to Financial Statements.
- (g) Fair Value Measurements See Note 1(b) in the Notes to Financial Statements.

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **17**

Table of Contents

Schedule of Investments

AllianzGI Convertible & Income 2024 Target Term Fund

August 31, 2018 (unaudited) (continued)

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 8/31/18
Investments in Securities Assets				
Convertible Bonds & Notes		\$ 105,953,796		\$ 105,953,796
Corporate Bonds & Notes		96,076,057		96,076,057
Senior Loans		44,220,621		44,220,621
Repurchase Agreements		6,568,000		6,568,000
Totals		\$ 252,818,474		\$ 252,818,474

Remaining Contractual Maturity of the Agreements
As of August 31, 2018

	Overnight and Continuous	Up to 30 days	30 days	90 days	Greater than 90 days	Total
Securities Lending Transactions						
Convertible Bonds and Notes	\$22,017,208	\$	\$	\$		\$22,017,208
Corporate Bonds and Notes	41,047,606					41,047,606
Gross amount of recognized liabilities for securities lending transactions						\$63,344,814

Glossary:

LIBOR - London Inter-Bank Offered Rate

REIT - Real Estate Investment Trust

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited)

Principal Amount (000s)		Value
Corporate Bonds & Notes 37.0%		
Aerospace & Defense 1.0%		
\$7,540	TransDigm, Inc., 6.50%, 5/15/25	\$7,690,800
1,420	Triumph Group, Inc., 7.75%, 8/15/25	1,382,725
		9,073,525
Auto Manufacturers 0.7%		
6,135	Navistar International Corp., 6.625%, 11/1/25 (a)(b)(l)	6,411,075
Building Materials 0.6%		
5,665	U.S. Concrete, Inc., 6.375%, 6/1/24	5,742,894
Chemicals 3.1%		
7,500	Chemours Co., 6.625%, 5/15/23 (g)	7,865,625
4,790	Kraton Polymers LLC, 7.00%, 4/15/25 (a)(b)	4,963,638
3,785	Olin Corp., 5.00%, 2/1/30 (g)(l)	3,628,869
5,670	Platform Specialty Products Corp., 6.50%, 2/1/22 (a)(b)(l)	5,818,837
1,065	Tronox Finance PLC, 5.75%, 10/1/25 (a)(b)	1,027,725
5,470	Tronox, Inc., 6.50%, 4/15/26 (a)(b)	5,374,275
		28,678,969
Commercial Services 0.4%		
8,050	Cenveo Corp., 6.00%, 5/15/24, (cost-\$10,370,870; purchased 3/22/12) (a)(b)(c)(i)	442,750
3,500	United Rentals North America, Inc., 5.50%, 7/15/25 (g)(l)	3,583,125
		4,025,875
Computers 1.3%		
5,281	DynCorp International, Inc., PIK 1.50%, 11.875%, 11/30/20 (g)	5,525,306
7,350	Harland Clarke Holdings Corp., 9.25%, 3/1/21 (a)(b)	6,725,250
		12,250,556
Distribution/Wholesale 0.6%		
5,380	H&E Equipment Services, Inc., 5.625%, 9/1/25 (l)	5,354,714
Diversified Financial Services 2.6%		
Community Choice Financial, Inc.,		
10,085	10.75%, 5/1/19	8,320,125
7,130	12.75%, 5/1/20 (a)(b)	4,670,150
1,575	Navient Corp., 7.25%, 9/25/23	1,669,500
4,935	Springleaf Finance Corp., 8.25%, 10/1/23 (l)	5,465,512
3,570	Travelport Corporate Finance PLC, 6.00%, 3/15/26 (a)(b)	3,641,400
		23,766,687
Electric Utilities 0.6%		
5,585	NRG Energy, Inc., 6.25%, 5/1/24 (g)	5,808,400

	Electronic Equipment, Instruments & Components	0.2%	
1,600	Energizer Holdings, Inc., 5.50%, 6/15/25 (a)(b)(1)		1,600,000
	Engineering & Construction	0.9%	
2,835	AECOM, 5.125%, 3/15/27 (1)		2,792,475
5,100	Tutor Perini Corp., 6.875%, 5/1/25 (a)(b)(1)		5,202,000
			7,994,475
	Entertainment	1.0%	
4,990	AMC Entertainment Holdings, Inc., 6.125%, 5/15/27		4,915,150
4,000	Cedar Fair L.P., 5.375%, 6/1/24 (g)		4,025,000
			8,940,150

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **19**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Healthcare-Services 2.6%	
\$2,460	Centene Corp., 5.375%, 6/1/26 (a)(b)(g)(l)	\$2,545,682
2,835	Community Health Systems, Inc., 6.25%, 3/31/23 (l)	2,707,425
5,430	DaVita, Inc., 5.125%, 7/15/24	5,262,322
1,730	Encompass Health Corp., 5.75%, 11/1/24	1,758,112
3,860	Envision Healthcare Corp., 6.25%, 12/1/24 (a)(b)(g)(l)	4,139,850
3,800	HCA, Inc., 7.50%, 2/15/22	4,180,000
3,500	Tenet Healthcare Corp., 7.00%, 8/1/25 (l)	3,506,562
		24,099,953
	Home Builders 0.3%	
2,285	Beazer Homes USA, Inc., 8.75%, 3/15/22	2,421,392
	Internet 0.3%	
2,800	Netflix, Inc., 5.875%, 2/15/25 (l)	2,898,000
	Iron/Steel 0.7%	
	AK Steel Corp.,	
2,025	7.00%, 3/15/27	1,928,812
1,315	7.50%, 7/15/23	1,380,750
2,835	United States Steel Corp., 6.875%, 8/15/25 (l)	2,891,700
		6,201,262
	Lodging 0.5%	
1,300	Wyndham Hotels & Resorts, Inc., 5.375%, 4/15/26 (a)(b)	1,296,750
2,835	Wynn Las Vegas LLC, 5.50%, 3/1/25 (a)(b)	2,812,036
		4,108,786
	Machinery-Construction & Mining 0.5%	
4,695	Terex Corp., 5.625%, 2/1/25 (a)(b)	4,665,656
	Media 1.5%	
7,370	Cablevision Systems Corp., 8.00%, 4/15/20 (g)	7,775,350
3,740	Gray Television, Inc., 5.875%, 7/15/26 (a)(b)	3,749,350
4,671	LiveStyle, Inc., 9.625%, 2/1/19, (cost-\$4,689,999; purchased 5/7/14-2/26/15) (a)(b)(c)(f)(i)(k)	93
1,745	Meredith Corp., 6.875%, 2/1/26 (a)(b)(l)	1,771,175
		13,295,968
	Metal Fabricate/Hardware 0.4%	
3,830	Park-Ohio Industries, Inc., 6.625%, 4/15/27	3,935,325
	Mining 1.9%	
5,100	Alcoa Nederland Holding BV, 7.00%, 9/30/26 (a)(b)(g)	5,527,125
4,405	Constellium NV, 6.625%, 3/1/25 (a)(b)	4,493,100

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2,775	Hudbay Minerals, Inc., 7.625%, 1/15/25 (a)(b)(l)	2,833,969
3,950	Joseph T. Ryerson & Son, Inc., 11.00%, 5/15/22 (a)(b)	4,364,750
		17,218,944
	Miscellaneous Manufacturing 0.3%	
2,945	Koppers, Inc., 6.00%, 2/15/25 (a)(b)	2,967,088
	Oil, Gas & Consumable Fuels 3.7%	
2,700	Calumet Specialty Products Partners L.P., 6.50%, 4/15/21 (l)	2,673,000
1,900	Carrizo Oil & Gas, Inc., 6.25%, 4/15/23 (l)	1,952,250
	EnSCO PLC (l),	
590	5.20%, 3/15/25	495,600
4,660	7.75%, 2/1/26	4,467,775

20 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Oil, Gas & Consumable Fuels (continued)	
\$7,225	EP Energy LLC, 9.375%, 5/1/20	\$7,116,625
2,835	NGL Energy Partners L.P., 7.50%, 11/1/23	2,909,419
2,740	Noble Holding International Ltd., 7.75%, 1/15/24	2,692,050
4,895	Oasis Petroleum, Inc., 6.875%, 3/15/22 (l)	4,992,900
4,530	Sanchez Energy Corp., 6.125%, 1/15/23 (l)	2,580,515
3,370	Transocean, Inc., 7.50%, 1/15/26 (a)(b)(l)	3,441,612
820	Weatherford International Ltd., 8.25%, 6/15/23 (l)	766,700
		34,088,446
	Pharmaceuticals 1.3%	
4,000	Bausch Health Cos, Inc., 7.50%, 7/15/21 (a)(b)	4,071,020
2,290	Endo Finance LLC, 5.375%, 1/15/23 (a)(b)	1,969,400
5,865	Horizon Pharma, Inc., 6.625%, 5/1/23	5,996,962
		12,037,382
	Pipelines 0.4%	
3,550	Energy Transfer Equity L.P., 5.50%, 6/1/27 (g)(l)	3,731,938
	Real Estate 1.2%	
5,505	Kennedy-Wilson, Inc., 5.875%, 4/1/24	5,484,356
5,365	Uniti Group L.P., 8.25%, 10/15/23 (l)	5,081,675
		10,566,031
	Retail 1.5%	
5,980	Conn's, Inc., 7.25%, 7/15/22 (l)	6,038,604
1,530	L Brands, Inc., 6.875%, 11/1/35	1,281,834
9,465	Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (a)(b)	6,459,862
		13,780,300
	Semiconductors 1.2%	
5,355	Advanced Micro Devices, Inc., 7.00%, 7/1/24 (g)	5,703,075
4,645	Amkor Technology, Inc., 6.375%, 10/1/22 (g)	4,737,900
		10,440,975
	Software 0.7%	
5,035	Camelot Finance S.A., 7.875%, 10/15/24 (a)(b)	5,028,706
1,480	Rackspace Hosting, Inc., 8.625%, 11/15/24 (a)(b)(l)	1,460,575
		6,489,281
	Telecommunications 4.6%	
1,135	CenturyLink, Inc., 7.50%, 4/1/24, Ser. Y	1,217,288
4,080	Cincinnati Bell, Inc., 7.00%, 7/15/24 (a)(b)(l)	3,610,800
9,370	Consolidated Communications, Inc., 6.50%, 10/1/22 (l)	8,889,787

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5,290	Frontier Communications Corp., 10.50%, 9/15/22 (l)	4,681,650
2,685	GTT Communications, Inc., 7.875%, 12/31/24 (a)(b)(l)	2,550,750
	Hughes Satellite Systems Corp.,	
1,460	6.625%, 8/1/26	1,401,600
4,250	7.625%, 6/15/21 (g)(l)	4,590,000
7,205	Sprint Communications, Inc., 11.50%, 11/15/21	8,519,913
1,865	Sprint Corp., 7.625%, 3/1/26 (l)	1,963,211
8,229	Windstream Services LLC, 6.375%, 8/1/23 (a)(b)	4,457,320
		41,882,319

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **21**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Transportation 0.4%	
\$3,623	XPO Logistics, Inc., 6.50%, 6/15/22 (a)(b)(g)(l)	\$3,756,037
	Total Corporate Bonds & Notes (cost-\$363,396,777)	338,232,403
	Convertible Bonds & Notes 30.2%	
	Apparel & Textiles 0.9%	
14,580	Iconix Brand Group, Inc., 5.75%, 8/15/23	8,283,263
	Auto Components 0.3%	
4,165	Horizon Global Corp., 2.75%, 7/1/22	3,037,164
	Auto Manufacturers 1.3%	
6,225	Navistar International Corp., 4.75%, 4/15/19	6,487,627
	Tesla, Inc.,	
2,365	0.25%, 3/1/19	2,433,774
2,850	1.25%, 3/1/21 (l)	2,963,042
		11,884,443
	Biotechnology 1.2%	
1,130	Exact Sciences Corp., 1.00%, 1/15/25	1,347,406
9,625	Intercept Pharmaceuticals, Inc., 3.25%, 7/1/23	9,311,216
		10,658,622
	Building Materials 0.5%	
4,275	Cemex S.A.B de C.V., 3.72%, 3/15/20	4,342,831
	Commercial Services 1.1%	
10,530	Huron Consulting Group, Inc., 1.25%, 10/1/19 (g)	10,277,280
	Distribution/Wholesale 0.7%	
6,600	Titan Machinery, Inc., 3.75%, 5/1/19	6,559,225
	Diversified Financial Services 2.3%	
9,320	Encore Capital Group, Inc., 3.00%, 7/1/20 (g)	9,638,679
12,165	PRA Group, Inc., 3.00%, 8/1/20 (g)	11,802,337
		21,441,016
	Electric Utilities 1.0%	
9,230	NRG Yield, Inc., 3.25%, 6/1/20 (a)(b)(g)	9,241,519
	Electrical Equipment 1.1%	
	SunPower Corp. (g),	
3,135	0.875%, 6/1/21	2,461,427
9,405	4.00%, 1/15/23	7,660,946
		10,122,373
	Electronics 0.9%	
7,890	OSI Systems, Inc., 1.25%, 9/1/22 (g)	7,729,162

Energy-Alternate Sources 2.4%		
6,840	Pattern Energy Group, Inc., 4.00%, 7/15/20 (g)	6,819,480
16,800	Tesla Energy Operations, Inc., 1.625%, 11/1/19 (l)	15,387,019
		22,206,499
Equity Real Estate Investment Trusts (REITs) 1.3%		
3,975	Two Harbors Investment Corp., 6.25%, 1/15/22	4,124,786
7,690	Western Asset Mortgage Capital Corp., 6.75%, 10/1/22	7,966,086
		12,090,872
Healthcare/Healthcare Distributors 1.0%		
11,415	Aceto Corp., 2.00%, 11/1/20	9,270,395

22 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Insurance 2.6%	
\$11,070	AmTrust Financial Services, Inc., 2.75%, 12/15/44 (g)	\$10,741,221
11,390	AXA S.A., 7.25%, 5/15/21 (a)(b)	12,846,884
		23,588,105
	Iron/Steel 0.1%	
910	AK Steel Corp., 5.00%, 11/15/19 (g)	1,033,825
	Oil, Gas & Consumable Fuels 1.5%	
2,850	Green Plains, Inc., 4.125%, 9/1/22 (g)	2,762,425
2,280	Nabors Industries, Inc., 0.75%, 1/15/24 (g)(l)	1,804,933
9,980	Whiting Petroleum Corp., 1.25%, 4/1/20 (l)	9,558,804
		14,126,162
	Pharmaceuticals 1.9%	
12,190	Dermira, Inc., 3.00%, 5/15/22 (g)	10,065,892
3,260	Horizon Pharma Investment Ltd., 2.50%, 3/15/22 (l)	3,359,838
3,415	Jazz Investments I Ltd., 1.50%, 8/15/24 (l)	3,533,521
		16,959,251
	Pipelines 2.2%	
24,750	Cheniere Energy, Inc., 4.25%, 3/15/45	19,717,830
	Semiconductors 0.4%	
3,935	Veeco Instruments, Inc., 2.70%, 1/15/23 (g)	3,375,750
	Software 2.0%	
15,785	Avid Technology, Inc., 2.00%, 6/15/20	14,285,883
3,985	Synchronoss Technologies, Inc., 0.75%, 8/15/19 (g)	3,709,951
		17,995,834
	Telecommunications 0.8%	
7,715	GDS Holdings Ltd., 2.00%, 6/1/25 (a)(b)	7,543,241
	Tobacco 1.4%	
	Vector Group Ltd. (h),	
5,665	3 mo. Cash Dividends on Common Stock + 1.75%, 1.75%, 4/15/20 (g)	5,873,410
6,215	3 mo. Cash Dividends on Common Stock + 2.50%, 2.50%, 1/15/19	6,891,726
		12,765,136
	Transportation 1.3%	
3,990	Aegean Marine Petroleum Network, Inc., 4.25%, 12/15/21	2,633,268
4,560	Echo Global Logistics, Inc., 2.50%, 5/1/20	4,956,150
4,725	Teekay Corp., 5.00%, 1/15/23 (a)(b)	4,294,099
		11,883,517
	Total Convertible Bonds & Notes (cost-\$269,659,944)	276,133,315

Shares

Convertible Preferred Stock		29.0%
Banks		4.1%
12,080	Bank of America Corp., 7.25%, Ser. L (e)	15,811,995
16,980	Wells Fargo & Co., 7.50%, Ser. L (e)	22,005,910
		37,817,905
Chemicals		1.1%
68,495	Rayonier Advanced Materials, Inc., 8.00%, 8/15/19, Ser. A	9,848,211

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **23**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Shares		Value
	Commercial Services & Supplies 0.7%	
145,890	Stericycle, Inc., 5.25%, 9/15/18	\$6,614,653
	Diversified Financial Services 0.2%	
28,470	AMG Capital Trust II, 5.15%, 10/15/37	1,673,598
	Electric Utilities 2.5%	
302,350	Dominion Energy, Inc., 6.75%, 8/15/19, Ser. A	14,222,544
147,670	NextEra Energy, Inc., 6.123%, 9/1/19	8,431,957
		22,654,501
	Electronic Equipment, Instruments & Components 1.1%	
101,585	Belden, Inc., 6.75%, 7/15/19 (g)	9,884,220
	Electronics 1.2%	
10,110	Fortive Corp., 5.00%, 7/1/21, Ser. A	10,877,325
	Equity Real Estate Investment Trusts (REITs) 6.3%	
10,320	Crown Castle International Corp., 6.875%, 8/1/20, Ser. A	11,383,476
56,955	QTS Realty Trust, Inc., 6.50%, Ser. B (e)	6,290,680
631,070	RLJ Lodging Trust, 1.95%, Ser. A (e)	16,786,462
410,065	Sutherland Asset Management Corp., 7.00%, 8/15/23	10,794,961
198,090	Welltower, Inc., 6.50%, Ser. I (e)	12,327,141
		57,582,720
	Gas Utilities 1.5%	
244,375	South Jersey Industries, Inc., 7.25%, 4/15/21	13,688,666
	Hand/Machine Tools 1.7%	
139,055	Stanley Black & Decker, Inc., 5.375%, 5/15/20	15,099,982
	Healthcare-Products 2.3%	
326,685	Becton Dickinson and Co., 6.125%, 5/1/20, Ser. A	21,474,802
	Insurance 1.9%	
158,570	Assurant, Inc., 6.50%, 3/15/21, Ser. D	17,487,892
	Multi-Utilities 1.8%	
160,380	Sempra Energy, 6.00%, 1/15/21, Ser. A	16,483,856
	Oil, Gas & Consumable Fuels 1.2%	
173,410	Kinder Morgan, Inc., 9.75%, 10/26/18, Ser. A	5,793,628
67,960	Nabors Industries Ltd., 6.00%, 5/1/21 (g)	2,968,493
230,425	Sanchez Energy Corp., 6.50%, Ser. B (e)	2,534,675
		11,296,796
	Pharmaceuticals 1.4%	
30,895	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18	13,135,009
	Total Convertible Preferred Stock (cost-\$259,626,295)	265,620,136
	Preferred Stock (a)(d)(f)(j)(k) 0.9%	
	Media 0.9%	

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3,554	LiveStyle, Inc., Ser. A	483,522
76,572	LiveStyle, Inc., Ser. B	7,657,200
6,750	LiveStyle, Inc., Ser. B	67
Total Preferred Stock (cost-\$14,596,967)		8,140,789
Common Stock (j) 0.3%		
Advertising 0.2%		
173,720	Affinion Group Holdings, Inc., Class A, (cost-\$3,080,312; purchased 11/9/15-11/12/15) (a)(d)(f)(i)	2,056,845
Aerospace & Defense 0.1%		
8,295	Erickson, Inc. (a)(d)(f)	263,781

24 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

Shares		Value
	Media 0.0%	
90,407	LiveStyle, Inc. (a)(d)(f)(k)	\$9
	Textiles, Apparel & Luxury Goods 0.0%	
741,085	Iconix Brand Group, Inc.	259,380
	Total Common Stock (cost-\$10,550,826)	2,580,015
	Units	
	Warrants (d)(f)(j) 0.0%	
	Commercial Services 0.0%	
2,062,338	Cenveo, Inc., strike price \$12.00, expires 6/10/24 (b)	21
	Media 0.0%	
19,500	LiveStyle, Inc., expires 11/30/21, Ser. C (a)(k)	2
	Total Warrants (cost-\$246,984)	23
	Principal Amount (000s)	
	Repurchase Agreements 2.6%	
\$23,932	State Street Bank and Trust Co., dated 8/31/18, 0.35%, due 9/4/18, proceeds \$23,932,931; collateralized by U.S. Treasury Notes, 3.625%, due 2/15/44, valued at \$24,414,619 including accrued interest (cost-\$23,932,000)	23,932,000
	Total Investments (cost-\$942,009,793) 100.0%	914,638,681
	Liabilities in excess of other assets	(121,521,410)
	Preferred Shares	(223,275,000)
	Net Assets Applicable to Common Shareholders	\$569,842,271

Notes to Schedule of Investments:

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$168,236,975, representing 18.4% of total investments.
- (b) 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. Securities with an aggregate value of \$157,775,570, representing 17.3% of total investments.
- (c) In default.

- (d) Fair-Valued Securities with an aggregate value of \$10,461,447, representing 1.1% of total investments. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (e) Perpetual maturity. The date shown, if any, is the next call date.
- (f) Level 3 security. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (g) All or partial amount segregated for the benefit of the counterparty as collateral for liquidity facility.
- (h) In addition to the coupon rate shown, the issuer is expected to pay additional interest based on the actual dividends paid on its common stock.
- (i) Restricted. The aggregate cost of such securities is \$18,141,181. The aggregate value is \$2,499,688, representing 0.3% of total investments.
- (j) Non-income producing.
- (k) A member of the Fund's portfolio management team is a member of the board of directors of LiveStyle, Inc. The Fund's aggregate value of investments in LiveStyle, Inc. represents 0.9% of total investments.
- (l) Security, or portion of security, is on loan. The aggregate value of securities on loan is \$52,832,323; cash collateral (included in liabilities) of \$53,889,750 was received through a liquidity facility. See Note 8 in the Notes to Financial Statements.

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **25**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

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

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 8/31/18
Investments in Securities Assets				
Corporate Bonds & Notes:				
Media		\$13,295,875	\$93	\$13,295,968
All Other		324,936,435		324,936,435
Convertible Bonds & Notes		276,133,315		276,133,315
Convertible Preferred Stock:				
Chemicals		9,848,211		9,848,211
Diversified Financial Services		1,673,598		1,673,598
Electronics		10,877,325		10,877,325
Equity Real Estate Investment Trusts (REITs)	\$35,404,283	22,178,437		57,582,720
Hand/Machine Tools		15,099,982		15,099,982
Healthcare-Products		21,474,802		21,474,802
Oil, Gas & Consumable Fuels	8,762,121	2,534,675		11,296,796
Pharmaceuticals		13,135,009		13,135,009
All Other	124,631,693			124,631,693
Preferred Stock			8,140,789	8,140,789
Common Stock:				
Advertising			2,056,845	2,056,845
Aerospace & Defense			263,781	263,781
Media			9	9
Textiles, Apparel & Luxury Goods	259,380			259,380
Warrants			23	23
Repurchase Agreements		23,932,000		23,932,000
Totals	\$ 169,057,477	\$ 735,119,664	\$ 10,461,540	\$ 914,638,681

At August 31, 2018, securities valued at \$37,278,419 were transferred from Level 1 to Level 2. The transfer was a result of the securities having used an exchange-traded closing price on February 28, 2018, and then using an evaluated price from a third-party independent pricing vendor on August 31, 2018.

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended August 31, 2018, was as follows:

	Beginning Balance 2/28/18	Purchases	Sales	Accrued Discount (Premiums)	Net Realized Gain (Loss)
Investments in Securities Assets					
Corporate Bonds & Notes:					
Media	\$	\$	\$	\$	\$
Preferred Stock:					
Media	8,491,167		(650,957)		173,359
Common Stock:					
Advertising	2,630,121				
Aerospace & Defense	260,380				
Media	9				
Warrants:					
Commercial Services	361				
Media	2				
Totals	\$11,382,040	\$	\$(650,957)	\$	\$173,359

26 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund

August 31, 2018 (unaudited) (continued)

	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3*	Transfers out of Level 3	Ending Balance 8/31/18
Investments in Securities Assets (continued)				
Corporate Bonds & Notes:				
Media	\$	\$93	\$	\$ 93
Preferred Stock:				
Media	127,220			8,140,789
Common Stock:				
Advertising	(573,276)			2,056,845
Aerospace & Defense	3,401			263,781
Media				9
Warrants:				
Commercial Services	(340)			21
Media				2
Totals	\$(442,995)	\$93	\$	\$10,461,540

* At August 31, 2018, a security valued at \$93 was transferred from Level 2 to Level 3. The transfer was due to uncertainty regarding the receipt of updated financial statements and data related to a current evaluated price. 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 August 31, 2018:

	Ending Balance at 8/31/18	Valuation Technique Used	Unobservable Inputs	Input Values (Range)
Investments in Securities Assets				
Preferred Stock	\$483,522	Market and Company Comparables	EV Multiples Applicable Liquidity Multiple Illiquidity Discount	0.65x (0.29x 1.12x) 1.60 30%
	\$7,567,200	Market and Company Comparables	EV Multiples Illiquidity Discount	0.65x (0.29x 1.12x) 30%
Common Stock	\$2,056,845	Market and Company Comparables	EV Multiples Illiquidity Discount	5.20x (2.15x 9.72x) 20%
	\$263,781	Market and Company Comparables	EV Multiples	0.72x (0.51x 1.11x) 0.87x(0.32x 2.12x) 40%

M&A Transaction Multiples
Illiquidity Discount

The net change in unrealized appreciation/depreciation of Level 3 investments held at August 31, 2018 was \$(442,094).

Remaining Contractual Maturity of the Agreements
As of August 31, 2018

	Overnight and Continuous	Up to 30 days	30 90 days	Greater than 90 days	Total
Securities Lending Transactions					
Convertible Bonds and Notes	\$6,697,878	\$	\$	\$	\$6,697,878
Corporate Bonds and Notes	47,191,872				47,191,872
Gross amount of recognized liabilities for securities lending transactions					\$53,889,750

Glossary:

PIK Payment-in-Kind

REIT Real Estate Investment Trust

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report 27

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited)

Principal Amount (000s)		Value
Corporate Bonds & Notes 37.0%		
Aerospace & Defense 1.0%		
\$5,750	TransDigm, Inc., 6.50%, 5/15/25	\$5,865,000
1,080	Triumph Group, Inc., 7.75%, 8/15/25	1,051,650
		6,916,650
Auto Manufacturers 0.7%		
4,685	Navistar International Corp., 6.625%, 11/1/25 (a)(b)	4,895,825
Building Materials 0.6%		
4,335	U.S. Concrete, Inc., 6.375%, 6/1/24	4,394,606
Chemicals 3.1%		
5,500	Chemours Co., 6.625%, 5/15/23 (g)	5,768,125
3,640	Kraton Polymers LLC, 7.00%, 4/15/25 (a)(b)	3,771,950
2,890	Olin Corp., 5.00%, 2/1/30 (g)	2,770,788
4,330	Platform Specialty Products Corp., 6.50%, 2/1/22 (a)(b)	4,443,662
810	Tronox Finance PLC, 5.75%, 10/1/25 (a)(b)	781,650
4,180	Tronox, Inc., 6.50%, 4/15/26 (a)(b)	4,106,850
		21,643,025
Commercial Services 0.4%		
5,974	Cenveo Corp., 6.00%, 5/15/24, (cost-\$6,469,777; purchased 03/22/12) (a)(b)(c)(i)	328,570
2,500	United Rentals North America, Inc., 5.50%, 7/15/25 (g)	2,559,375
		2,887,945
Computers 1.3%		
3,976	DynCorp International, Inc., PIK 1.50%, 11.875%, 11/30/20 (g)	4,159,716
5,650	Harland Clarke Holdings Corp., 9.25%, 3/1/21 (a)(b)	5,169,750
		9,329,466
Distribution/Wholesale 0.6%		
4,110	H&E Equipment Services, Inc., 5.625%, 9/1/25	4,090,683
Diversified Financial Services 2.6%		
Community Choice Financial, Inc.,		
7,465	10.75%, 5/1/19	6,158,625
5,370	12.75%, 5/1/20 (a)(b)	3,517,350
1,200	Navient Corp., 7.25%, 9/25/23	1,272,000
3,865	Springleaf Finance Corp., 8.25%, 10/1/23	4,280,487
2,730	Travelport Corporate Finance PLC, 6.00%, 3/15/26 (a)(b)	2,784,600
		18,013,062
Electric Utilities 0.6%		
4,265	NRG Energy, Inc., 6.25%, 5/1/24 (g)	4,435,600

	Electronic Equipment, Instruments & Components 0.2%	
1,225	Energizer Holdings, Inc., 5.50%, 6/15/25 (a)(b)	1,225,000
	Engineering & Construction 0.9%	
2,165	AECOM, 5.125%, 3/15/27	2,132,525
3,900	Tutor Perini Corp., 6.875%, 5/1/25 (a)(b)	3,978,000
		6,110,525
	Entertainment 1.0%	
3,810	AMC Entertainment Holdings, Inc., 6.125%, 5/15/27	3,752,850
3,045	Cedar Fair L.P., 5.375%, 6/1/24 (g)	3,064,031
		6,816,881

28 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Healthcare-Services 2.7%	
\$1,880	Centene Corp., 5.375%, 6/1/26 (a)(b)(g)	\$1,945,481
2,165	Community Health Systems, Inc., 6.25%, 3/31/23	2,067,575
4,125	DaVita, Inc., 5.125%, 7/15/24	3,997,620
1,325	Encompass Health Corp., 5.75%, 11/1/24	1,346,531
2,950	Envision Healthcare Corp., 6.25%, 12/1/24 (a)(b)(g)	3,163,875
2,950	HCA, Inc., 7.50%, 2/15/22	3,245,000
2,750	Tenet Healthcare Corp., 7.00%, 8/1/25	2,755,156
		18,521,238
	Home Builders 0.3%	
1,745	Beazer Homes USA, Inc., 8.75%, 3/15/22	1,849,159
	Internet 0.3%	
2,200	Netflix, Inc., 5.875%, 2/15/25	2,277,000
	Iron/Steel 0.7%	
	AK Steel Corp.,	
1,550	7.00%, 3/15/27	1,476,375
1,005	7.50%, 7/15/23 (g)	1,055,250
2,165	United States Steel Corp., 6.875%, 8/15/25	2,208,300
		4,739,925
	Lodging 0.5%	
1,000	Wyndham Hotels & Resorts, Inc., 5.375%, 4/15/26 (a)(b)	997,500
2,165	Wynn Las Vegas LLC, 5.50%, 3/1/25 (a)(b)	2,147,464
		3,144,964
	Machinery-Construction & Mining 0.5%	
3,585	Terex Corp., 5.625%, 2/1/25 (a)(b)	3,562,594
	Media 1.5%	
5,630	Cablevision Systems Corp., 8.00%, 4/15/20 (g)	5,939,650
2,850	Gray Television, Inc., 5.875%, 7/15/26 (a)(b)	2,857,125
3,589	LiveStyle, Inc., 9.625%, 2/1/19, (cost-\$3,603,642; purchased 5/7/14-2/26/15) (a)(b)(c)(f)(i)(k)	72
1,330	Meredith Corp., 6.875%, 2/1/26 (a)(b)	1,349,950
		10,146,797
	Metal Fabricate/Hardware 0.4%	
2,920	Park-Ohio Industries, Inc., 6.625%, 4/15/27	3,000,300
	Mining 1.9%	
3,900	Alcoa Nederland Holding BV, 7.00%, 9/30/26 (a)(b)(g)	4,226,625
3,365	Constellium NV, 6.625%, 3/1/25 (a)(b)	3,432,300

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2,135	Hudbay Minerals, Inc., 7.625%, 1/15/25 (a)(b)	2,180,369
3,050	Joseph T. Ryerson & Son, Inc., 11.00%, 5/15/22 (a)(b)(g)	3,370,250
		13,209,544
	Miscellaneous Manufacturing 0.3%	
2,255	Koppers, Inc., 6.00%, 2/15/25 (a)(b)	2,271,913
	Oil, Gas & Consumable Fuels 3.9%	
2,300	Calumet Specialty Products Partners L.P., 6.50%, 4/15/21	2,277,000
1,420	Carrizo Oil & Gas, Inc., 6.25%, 4/15/23	1,459,050
	Ensco PLC,	
450	5.20%, 3/15/25	378,000
3,565	7.75%, 2/1/26	3,417,944

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report 29

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Oil, Gas & Consumable Fuels (continued)	
\$6,180	EP Energy LLC, 9.375%, 5/1/20	\$6,087,300
2,165	NGL Energy Partners L.P., 7.50%, 11/1/23	2,221,831
2,095	Noble Holding International Ltd., 7.75%, 1/15/24	2,058,337
3,745	Oasis Petroleum, Inc., 6.875%, 3/15/22	3,819,900
3,470	Sanchez Energy Corp., 6.125%, 1/15/23	1,976,686
2,580	Transocean, Inc., 7.50%, 1/15/26 (a)(b)	2,634,825
630	Weatherford International Ltd., 8.25%, 6/15/23	589,050
		26,919,923
	Pharmaceuticals 1.3%	
3,000	Bausch Health Cos, Inc., 7.50%, 7/15/21 (a)(b)	3,053,265
1,755	Endo Finance LLC, 5.375%, 1/15/23 (a)(b)	1,509,300
4,425	Horizon Pharma, Inc., 6.625%, 5/1/23	4,524,562
		9,087,127
	Pipelines 0.4%	
2,715	Energy Transfer Equity L.P., 5.50%, 6/1/27 (g)	2,854,144
	Real Estate 1.2%	
4,205	Kennedy-Wilson, Inc., 5.875%, 4/1/24	4,189,231
4,090	Uniti Group L.P., 8.25%, 10/15/23	3,874,007
		8,063,238
	Retail 1.3%	
4,370	Conn's, Inc., 7.25%, 7/15/22	4,412,826
1,170	L Brands, Inc., 6.875%, 11/1/35	980,226
5,785	Neiman Marcus Group Ltd. LLC, 8.00%, 10/15/21 (a)(b)	3,948,262
		9,341,314
	Semiconductors 1.1%	
4,090	Advanced Micro Devices, Inc., 7.00%, 7/1/24 (g)	4,355,850
2,875	Amkor Technology, Inc., 6.375%, 10/1/22 (g)	2,932,500
		7,288,350
	Software 0.7%	
3,850	Camelot Finance S.A., 7.875%, 10/15/24 (a)(b)	3,845,188
1,135	Rackspace Hosting, Inc., 8.625%, 11/15/24 (a)(b)	1,120,103
		4,965,291
	Telecommunications 4.6%	
865	CenturyLink, Inc., 7.50%, 4/1/24, Ser. Y	927,713
3,125	Cincinnati Bell, Inc., 7.00%, 7/15/24 (a)(b)	2,765,625
7,130	Consolidated Communications, Inc., 6.50%, 10/1/22	6,764,587

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4,045	Frontier Communications Corp., 10.50%, 9/15/22	3,579,825
2,050	GTT Communications, Inc., 7.875%, 12/31/24 (a)(b)	1,947,500
	Hughes Satellite Systems Corp.,	
1,130	6.625%, 8/1/26	1,084,800
3,500	7.625%, 6/15/21 (g)	3,780,000
5,545	Sprint Communications, Inc., 11.50%, 11/15/21	6,556,962
1,425	Sprint Corp., 7.625%, 3/1/26	1,500,041
6,283	Windstream Services LLC, 6.375%, 8/1/23 (a)(b)	3,403,250
		32,310,303
	Transportation 0.4%	
2,940	XPO Logistics, Inc., 6.50%, 6/15/22 (a)(b)(g)	3,047,957
	Total Corporate Bonds & Notes (cost-\$275,588,973)	257,360,349

30 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
Convertible Bonds & Notes 29.9%		
Apparel & Textiles 0.9%		
\$11,020	Iconix Brand Group, Inc., 5.75%, 8/15/23	\$6,260,738
Auto Components 0.3%		
3,135	Horizon Global Corp., 2.75%, 7/1/22	2,286,076
Auto Manufacturers 1.3%		
4,675	Navistar International Corp., 4.75%, 4/15/19	4,872,233
1,785	Tesla, Inc., 0.25%, 3/1/19	1,836,908
2,150	1.25%, 3/1/21	2,235,278
		8,944,419
Biotechnology 1.2%		
850	Exact Sciences Corp., 1.00%, 1/15/25	1,013,536
7,260	Intercept Pharmaceuticals, Inc., 3.25%, 7/1/23	7,023,317
		8,036,853
Building Materials 0.5%		
3,225	Cemex S.A.B de C.V., 3.72%, 3/15/20	3,276,171
Commercial Services 1.1%		
7,960	Huron Consulting Group, Inc., 1.25%, 10/1/19 (g)	7,768,960
Distribution/Wholesale 0.7%		
4,975	Titan Machinery, Inc., 3.75%, 5/1/19	4,944,264
Diversified Financial Services 2.3%		
7,030	Encore Capital Group, Inc., 3.00%, 7/1/20 (g)	7,270,377
9,160	PRA Group, Inc., 3.00%, 8/1/20 (g)	8,886,922
		16,157,299
Electric Utilities 1.0%		
6,905	NRG Yield, Inc., 3.25%, 6/1/20 (a)(b)(g)	6,913,617
Electrical Equipment 1.1%		
2,365	SunPower Corp. (g), 0.875%, 6/1/21	1,856,866
7,095	4.00%, 1/15/23	5,779,310
		7,636,176
Electronics 0.8%		
5,955	OSI Systems, Inc., 1.25%, 9/1/22 (g)	5,833,607
Energy-Alternate Sources 2.4%		
5,160	Pattern Energy Group, Inc., 4.00%, 7/15/20 (g)	5,144,520
12,690	Tesla Energy Operations, Inc., 1.625%, 11/1/19 (g)	11,622,695

		16,767,215
	Equity Real Estate Investment Trusts (REITs) 1.3%	
3,025	Two Harbors Investment Corp., 6.25%, 1/15/22	3,138,988
5,810	Western Asset Mortgage Capital Corp., 6.75%, 10/1/22	6,018,591
		9,157,579
	Healthcare/Healthcare Distributors 1.0%	
8,615	Aceto Corp., 2.00%, 11/1/20	6,996,448
	Insurance 2.6%	
8,400	AmTrust Financial Services, Inc., 2.75%, 12/15/44 (g)	8,150,520
8,605	AXA S.A., 7.25%, 5/15/21 (a)(b)	9,705,657
		17,856,177

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **31**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Principal Amount (000s)		Value
	Iron/Steel 0.1%	
\$690	AK Steel Corp., 5.00%, 11/15/19 (g)	\$783,889
	Oil, Gas & Consumable Fuels 1.5%	
2,150	Green Plains, Inc., 4.125%, 9/1/22 (g)	2,083,935
1,720	Nabors Industries, Inc., 0.75%, 1/15/24 (g)	1,361,615
7,525	Whiting Petroleum Corp., 1.25%, 4/1/20	7,207,415
		10,652,965
	Pharmaceuticals 1.8%	
9,210	Dermira, Inc., 3.00%, 5/15/22 (g)	7,605,157
2,460	Horizon Pharma Investment Ltd., 2.50%, 3/15/22	2,535,338
2,585	Jazz Investments I Ltd., 1.50%, 8/15/24	2,674,715
		12,815,210
	Pipelines 2.1%	
18,700	Cheniere Energy, Inc., 4.25%, 3/15/45 (g)	14,897,916
	Semiconductors 0.4%	
2,970	Veeco Instruments, Inc., 2.70%, 1/15/23 (g)	2,547,898
	Software 2.0%	
11,915	Avid Technology, Inc., 2.00%, 6/15/20	10,783,420
3,015	Synchronoss Technologies, Inc., 0.75%, 8/15/19 (g)	2,806,902
		13,590,322
	Telecommunications 0.8%	
5,735	GDS Holdings Ltd., 2.00%, 6/1/25 (a)(b)	5,607,322
	Tobacco 1.4%	
	Vector Group Ltd. (h),	
4,335	3 mo. Cash Dividends on Common Stock + 1.75%, 1.75%, 4/15/20 (g)	4,494,480
4,685	3 mo. Cash Dividends on Common Stock + 2.50%, 2.50%, 1/15/19	5,195,131
		9,689,611
	Transportation 1.3%	
3,010	Aegean Marine Petroleum Network, Inc., 4.25%, 12/15/21	1,986,501
3,440	Echo Global Logistics, Inc., 2.50%, 5/1/20	3,738,850
3,555	Teekay Corp., 5.00%, 1/15/23 (a)(b)	3,230,798
		8,956,149
	Total Convertible Bonds & Notes (cost-\$203,558,195)	208,376,881
	Shares	
	Convertible Preferred Stock 28.8%	
	Banks 4.1%	

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9,140	Bank of America Corp., 7.25%, Ser. L (e)	11,963,711
12,835	Wells Fargo & Co., 7.50%, Ser. L (e)	16,634,032
		28,597,743
	Chemicals 1.1%	
51,505	Rayonier Advanced Materials, Inc., 8.00%, 8/15/19, Ser. A	7,405,389
	Commercial Services & Supplies 0.7%	
110,120	Stericycle, Inc., 5.25%, 9/15/18	4,992,841
	Diversified Financial Services 0.2%	
21,530	AMG Capital Trust II, 5.15%, 10/15/37	1,265,632

32 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Shares		Value
	Electric Utilities 2.5%	
228,650	Dominion Energy, Inc., 6.75%, 8/15/19, Ser. A	\$10,755,696
111,635	NextEra Energy, Inc., 6.123%, 9/1/19	6,374,359
		17,130,055
	Electronic Equipment, Instruments & Components 1.1%	
76,780	Belden, Inc., 6.75%, 7/15/19 (g)	7,470,694
	Electronics 1.2%	
7,625	Fortive Corp., 5.00%, 7/1/21, Ser. A	8,203,719
	Equity Real Estate Investment Trusts (REITs) 6.2%	
7,795	Crown Castle International Corp., 6.875%, 8/1/20, Ser. A	8,598,275
43,045	QTS Realty Trust, Inc., 6.50%, Ser. B (e)	4,754,320
476,235	RLJ Lodging Trust, 1.95%, Ser. A (e)	12,667,851
309,935	Sutherland Asset Management Corp., 7.00%, 8/15/23	8,159,039
149,485	Welltower, Inc., 6.50%, Ser. I (e)	9,302,451
		43,481,936
	Gas Utilities 1.5%	
184,475	South Jersey Industries, Inc., 7.25%, 4/15/21	10,333,367
	Hand/Machine Tools 1.6%	
104,940	Stanley Black & Decker, Inc., 5.375%, 5/15/20	11,395,435
	Healthcare-Products 2.3%	
246,820	Becton Dickinson and Co., 6.125%, 5/1/20, Ser. A	16,224,836
	Insurance 1.9%	
120,100	Assurant, Inc., 6.50%, 3/15/21, Ser. D	13,245,229
	Multi-Utilities 1.8%	
121,195	Sempra Energy, 6.00%, 1/15/21, Ser. A	12,456,422
	Oil, Gas & Consumable Fuels 1.2%	
130,590	Kinder Morgan, Inc., 9.75%, 10/26/18, Ser. A	4,363,012
51,395	Nabors Industries Ltd., 6.00%, 5/1/21 (g)	2,244,934
173,845	Sanchez Energy Corp., 6.50%, Ser. B (e)	1,912,295
		8,520,241
	Pharmaceuticals 1.4%	
23,315	Teva Pharmaceutical Industries Ltd., 7.00%, 12/15/18	9,912,372
	Total Convertible Preferred Stock (cost-\$195,216,615)	200,635,911
	Preferred Stock (a)(d)(f)(j)(k) 1.2%	
	Media 1.2%	
3,554	LiveStyle, Inc., Ser. A	483,522
76,572	LiveStyle, Inc., Ser. B	7,657,200
6,750	LiveStyle, Inc., Ser. B	50
	Total Preferred Stock (cost-\$12,855,448)	8,140,772

Common Stock (j) 0.3%

Advertising 0.2%		
133,715	Affinion Group Holdings, Inc., Class A, (cost-\$2,371,020; purchased 11/9/15-11/12/15) (a)(d)(f)(i)	1,583,186
Aerospace & Defense 0.1%		
6,354	Erickson, Inc. (a)(d)(f)	202,057
Media 0.0%		
90,407	LiveStyle, Inc. (a)(d)(f)(k)	9
Textiles, Apparel & Luxury Goods 0.0%		
560,133	Iconix Brand Group, Inc.	196,046
Total Common Stock (cost-\$8,116,959)		1,981,298

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **33**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

Units	Value
Warrants (d)(f)(j) 0.0%	
Commercial Services 0.0%	
1,562,241 Cenveo, Inc., strike price \$12.00, expires 6/10/24 (b)	\$16
Media 0.0%	
19,500 LiveStyle, Inc., expires 11/30/21, Ser. C (a)(k)	2
Total Warrants (cost-\$183,305)	18
Principal Amount (000s)	
Repurchase Agreements 2.8%	
\$19,722 State Street Bank and Trust Co., dated 8/31/18, 0.35%, due 9/4/18, proceeds \$19,722,767; collateralized by U.S. Treasury Notes, 3.625%, due 2/15/44, valued at \$20,116,623 including accrued interest (cost-\$19,722,000)	19,722,000
Total Investments (cost-\$715,241,495) 100.0%	696,217,229
Liabilities in excess of other assets	(101,630,172)
Preferred Shares	(162,525,000)
Net Assets Applicable to Common Shareholders	\$432,062,057

Notes to Schedule of Investments:

- (a) Private Placement Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$129,167,420, representing 18.6% of total investments.
- (b) 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. Securities with an aggregate value of \$119,241,410, representing 17.1% of total investments.
- (c) In default.
- (d) Fair-Valued Securities with an aggregate value of \$9,926,042, representing 1.4% of total investments. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (e) Perpetual maturity. The date shown, if any, is the next call date.

- (f) Level 3 security. See Note 1(a) and Note 1(b) in the Notes to Financial Statements.
- (g) All or partial amount segregated for the benefit of the counterparty as collateral for liquidity facility.
- (h) In addition to the coupon rate shown, the issuer is expected to pay additional interest based on the actual dividends paid on its common stock.
- (i) Restricted. The aggregate cost of such securities is \$12,444,439. The aggregate value is \$1,911,828, representing 0.3% of total investments.
- (j) Non-income producing.
- (k) A member of the Fund's portfolio management team is a member of the board of directors of LiveStyle, Inc. The Fund's aggregate value of investments in LiveStyle, Inc. represents 1.2% of total investments.
- (l) Fair Value Measurements See Note 1(b) in the Notes to Financial Statements.

34 Semi-Annual Report | August 31, 2018 | See accompanying Notes to Financial Statements

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Value at 8/31/18
Investments in Securities Assets				
Corporate Bonds & Notes:				
Media		\$10,146,725	\$72	\$10,146,797
All Other		247,213,552		247,213,552
Convertible Bonds & Notes		208,376,881		208,376,881
Convertible Preferred Stock:				
Chemicals		7,405,389		7,405,389
Diversified Financial Services		1,265,632		1,265,632
Electronics		8,203,719		8,203,719
Equity Real Estate Investment Trusts (REITs)	\$26,724,622	16,757,314		43,481,936
Hand/Machine Tools		11,395,435		11,395,435
Healthcare-Products		16,224,836		16,224,836
Oil, Gas & Consumable Fuels	6,607,946	1,912,295		8,520,241
Pharmaceuticals		9,912,372		9,912,372
All Other	94,226,351			94,226,351
Preferred Stock			8,140,772	8,140,772
Common Stock:				
Advertising			1,583,186	1,583,186
Aerospace & Defense			202,057	202,057
Media			9	9
Textiles, Apparel & Luxury Goods	196,046			196,046
Warrants			18	18
Repurchase Agreements		19,722,000		19,722,000
Totals	\$ 127,754,965	\$ 558,536,150	\$ 9,926,114	\$ 696,217,229

At August 31, 2018, securities valued at \$28,152,749 were transferred from Level 1 to Level 2. The transfer was a result of the securities having used an exchange-traded closing price on February 28, 2018, and then using an evaluated price from a third-party independent pricing vendor on August 31, 2018.

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **35**

Table of Contents**Schedule of Investments**

AllianzGI Convertible & Income Fund II

August 31, 2018 (unaudited) (continued)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the six months ended August 31, 2018, was as follows:

	Beginning Balance 2/28/18	Purchases	Sales	Accrued Discount (Premiums)	Net Realized Gain (Loss)	Net Change in Unrealized Appreciation/ Depreciation	Transfers into Level 3*	Transfers out of Level 3	Ending Balance 8/31/18	
Investments in Securities Assets										
Corporate Bonds & Notes:										
Media		\$	\$	\$	\$	\$	\$	\$72	\$	\$72
Preferred Stock:										
Media	8,491,150		(650,957)		181,840	118,739				8,140,772
Common Stock:										
Advertising	2,024,445					(441,259)				1,583,186
Aerospace & Defense										
Media	199,452					2,605				202,057
Warrants:										
Commercial										
Services	273					(257)				16
Media	2									2
Totals	\$10,715,331	\$	\$(650,957)	\$	\$181,840	\$(320,172)	\$72	\$		\$9,926,114

* At August 31, 2018, a security valued at \$72 was transferred from Level 2 to Level 3. The transfer was due to uncertainty regarding the receipt of updated financial statements and data related to a current evaluated price. 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 August 31, 2018:

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	Ending Balance at 8/31/18	Valuation Technique Used	Unobservable Inputs	Input Values (Range)
Investments in Securities	Assets			
Preferred Stock	\$483,522	Market and Company Comparables	EV Multiples Applicable Liquidity Multiple Illiquidity Discount	0.65x (0.29x 1.12x) 1.60 30%
	\$7,567,200	Market and Company Comparables	EV Multiples Illiquidity Discount	0.65x (0.29x 1.12x) 30%
Common Stock	\$1,583,186	Market and Company Comparables	EV Multiples Illiquidity Discount	5.20x (2.15x 9.72x) 20%
	\$202,057	Market and Company Comparables	EV Multiples M&A Transaction Multiples Illiquidity Discount	0.72x (0.51x 1.11x) 0.87x (0.32x 2.12x) 40%

The net change in unrealized appreciation/depreciation of Level 3 investments held at August 31, 2018 was \$(310,790).

Glossary:

PIK - Payment-in-Kind

REIT - Real Estate Investment Trust

Table of Contents**Statements of Assets and Liabilities**

AllianzGI Convertible & Income Funds

August 31, 2018 (unaudited)

	Convertible & Income 2024 Target Term	Convertible & Income	Convertible & Income II
Assets:			
Investments, at value, including securities on loan of \$61,863,998, \$52,832,323, and \$0, respectively (cost-\$253,926,816, \$942,009,793 and \$715,241,495, respectively)	\$252,818,474	\$914,638,681	\$696,217,229
Receivable for investments sold	4,515,864	164,439	123,939
Interest and dividends receivable	2,847,437	10,768,211	8,153,487
Investments in Affiliated Funds			
Trustees Deferred Compensation Plan (see Note 3)	17,731	135,191	102,571
Prepaid expenses	14,450	76,214	33,807
Receivable for security litigation		93,780	81,992
Deferred offering costs		69,851	55,255
Total Assets	260,213,956	925,946,367	704,768,280
Liabilities:			
Loan payable (See Note 8)	69,700,000	125,701,500	104,786,500
Payable for investments purchased	7,040,000		
Dividends payable to common and preferred shareholders	839,823	5,849,308	4,364,182
Payable to custodian for cash overdraft	566,262	4,409	4,798
Investment management fees payable	159,633	545,254	415,073
Loan interest payable	101,596	310,741	258,021
Trustees Deferred Compensation Plan payable (see Note 3)	17,731	135,191	102,571
Accrued expenses	133,990	282,693	250,078
Total Liabilities	78,559,035	132,829,096	110,181,223
Preferred Shares (\$0.00001 par value and \$25,000 liquidation preference per share applicable to an aggregate of 0, 8,931 and 6,501 shares issued and outstanding, respectively)		223,275,000	162,525,000
Net Assets Applicable to Common Shareholders	\$181,654,921	\$569,842,271	\$432,062,057
Composition of Net Assets Applicable to Common Shareholders:			
Common Shares:			
Par value (\$0.00001 per share)	\$183	\$892	\$752
Paid-in-capital in excess of par	179,156,440	801,519,223	614,427,099
Undistributed (dividends in excess of) net investment income	1,023,795	(19,948,054)	(14,879,449)

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Accumulated net realized gain (loss)	2,582,845	(184,358,678)	(148,462,079)
Net unrealized depreciation	(1,108,342)	(27,371,112)	(19,024,266)
Net Assets Applicable to Common Shareholders	\$181,654,921	\$569,842,271	\$432,062,057
Common Shares Issued and Outstanding	18,257,012	89,185,330	75,220,257
Net Asset Value Per Common Share	\$9.95	\$6.39	\$5.74

See accompanying Notes to Financial Statements | August 31, 2018 | Semi-Annual Report **37**

Table of Contents**Statements of Operations**

AllianzGI Convertible & Income Funds

Six Months ended August 31, 2018 (unaudited)

	Convertible & Income 2024 Target Term	Convertible & Income	Convertible & Income II
Investment Income:			
Interest	\$6,257,617	\$22,763,888	\$17,144,392
Dividends	1,313,299	9,032,715	6,870,752
Miscellaneous	39,133	63,329	47,964
Total Investment Income	7,610,049	31,859,932	24,063,108
Expenses:			
Investment management	943,915	3,245,405	2,470,388
Loan Interest	1,027,439	310,741	258,021
Audit and tax services	44,785	53,924	57,278
Custodian and accounting agent	30,966	56,681	47,536
Shareholder communications	22,366	45,521	40,136
Legal	18,892	76,471	73,836
Transfer agent	12,700	37,053	36,920
New York Stock Exchange listing	6,914	28,340	23,859