

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC
Form N-Q
November 20, 2013

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: September 30, 2013

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

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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.

Third Quarter Report September 30, 2013

Mario J. Gabelli, CFA

Portfolio Manager

To Our Shareholders,

For the quarter ended September 30, 2013, the net asset value (NAV) total return of The Gabelli Convertible and Income Securities Fund Inc. was 2.5%, compared with a total return of 0.4% for the Barclays Government/Credit Bond Index. The total return for the Fund's publicly traded shares was 1.8%. The Fund's NAV per share was \$6.08, while the price of the publicly traded shares closed at \$6.17 on the New York Stock Exchange (NYSE). See below for additional performance information.

Enclosed is the schedule of investments as of September 30, 2013.

Comparative Results

Average Annual Returns through September 30, 2013 (a) (Unaudited)

	Quarter	1 Year	5 Year	10 Year	Since Inception (07/03/89)
Gabelli Convertible and Income Securities Fund					
NAV Total Return (b)	2.48%	15.35%	7.87%	5.62%	6.91%
Investment Total Return (c)	1.79	15.99	10.20	4.26	6.07(d)
Standard & Poor's 500 Index	5.24	19.34	10.02	7.57	9.45(e)
Barclays Government/Credit Bond Index	0.36	(1.85)	5.72	4.48	N/A(f)
Lipper Convertible Securities Fund Average	6.67	18.64	11.03	7.49	8.45(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 redeemed, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The Standard & Poor's 500 Index is an unmanaged indicator of stock market performance. The Barclays Government/Credit Bond Index is a market value weighted index that tracks the performance of fixed rate, publicly placed, dollar denominated obligations. The Lipper Convertible Securities Fund Average reflects the average performance of open-end 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 Government/Credit Bond Index inception date is January 29, 1999.

The Gabelli Convertible and Income Securities Fund Inc.

Schedule of Investments September 30, 2013 (Unaudited)

<u>Principal Amount</u>		<u>Market Value</u>
	CONVERTIBLE CORPORATE BONDS 12.4%	
	Aerospace 1.5%	
\$ 860,000	GenCorp Inc., Sub. Deb. Cv., 4.063% 12/31/39	\$ 1,554,987
	Automotive 0.7%	
700,000	Navistar International Corp., Sub. Deb. Cv., 3.000%, 10/15/14	712,688
	Broadcasting 0.4%	
200,000	Sirius XM Radio Inc., Cv., 7.000%, 12/01/14(a)	432,375
	Building and Construction 1.0%	
150,000	Ascent Capital Group Inc. 4.000%, 07/15/20	158,250
400,000	Lennar Corp., Cv., 2.000%, 12/01/20(a)	517,000
200,000	2.750%, 12/15/20(a)	339,500
		1,014,750
	Diversified Industrial 6.0%	
3,500,000	Griffon Corp., Sub. Deb. Cv., 4.000%, 01/15/17(a)	3,909,062
1,400,000	Roper Industries Inc., Sub. Deb. Cv. STEP, 0.000%, 01/15/34	2,341,500
100,000	Trinity Industries Inc., Sub. Deb. Cv., 3.875%, 06/01/36	121,813
		6,372,375
	Electronics 0.1%	
100,000	Intel Corp., Sub. Deb. Cv., 3.250%, 08/01/39	124,000
	Entertainment 0.0%	
100,000	THQ Inc., Cv., 5.000%, 08/15/14	50,750
	Environmental Services 0.5%	
350,000	Covanta Holding Corp., Cv., 3.250%, 06/01/14	482,781
	Financial Services 1.4%	
1,500,000	Janus Capital Group Inc., Cv., 3.250%, 07/15/14	1,530,000

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Health Care 0.4%		
100,000	Chemed Corp., Cv., 1.875%, 05/15/14	105,062
100,000	NuVasive Inc., Cv., 2.750%, 07/01/17	98,000
250,000	Wright Medical Group Inc., Cv., 2.625%, 12/01/14	247,500
		450,562

Principal Amount		Market Value
Hotels and Gaming 0.2%		
\$ 100,000	MGM Resorts International, Cv., 4.250%, 04/15/15	\$ 127,562
100,000	Morgans Hotel Group Co., Sub. Deb. Cv., 2.375%, 10/15/14	98,625
		226,187

Metals and Mining 0.1%		
100,000	Alcoa Inc., Cv., 5.250%, 03/15/14	129,000

Retail 0.1%		
60,000	Costco Wholesale Corp., Sub. Deb. Cv., Zero Coupon, 08/19/17	157,162

TOTAL CONVERTIBLE CORPORATE BONDS		13,237,617
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Shares

Convertible Preferred Stocks 2.0%		
Communications Equipment 0.4%		
400	Lucent Technologies Capital Trust I, 7.750% Cv. Pfd.	405,200

Energy and Utilities 0.3%		
6,000	AES Trust III, 6.750% Cv. Pfd.	302,400
300	El Paso Energy Capital Trust I, 4.750% Cv. Pfd.	16,839
		319,239

Food and Beverage 0.8%		
8,000	Post Holdings Inc., 3.750% Cv. Pfd. (a)	827,240

Health Care 0.0%		
24	Elite Pharmaceuticals Inc., \$2.32 Cv. Pfd., Ser. C (b)	20,304

Telecommunications 0.5%		
12,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	505,800

TOTAL CONVERTIBLE PREFERRED STOCKS		2,077,783
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COMMON STOCKS 68.9%		
Aerospace 6.2%		

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400	Rockwell Automation Inc.	42,776
365,000	Rolls-Royce Holdings plc	6,570,828
		6,613,604
	Automotive: Parts and Accessories 2.0%	
25,500	Genuine Parts Co.	2,062,695
	Cable and Satellite 0.9%	
7,000	Kabel Deutschland Holding AG	822,939

See accompanying notes to schedule of investments.

The Gabelli Convertible and Income Securities Fund Inc.**Schedule of Investments (Continued) September 30, 2013 (Unaudited)**

<u>Shares</u>		<u>Market Value</u>
	COMMON STOCKS (Continued)	
	Cable and Satellite (Continued)	
3,000	Rogers Communications Inc., Cl. B	\$ 129,030
		951,969
	Communications Equipment 0.3%	
22,000	Corning Inc.	320,980
	Computer Hardware 1.2%	
7,000	International Business Machines Corp.	1,296,260
	Computer Software and Services 0.2%	
6,500	Diebold Inc.	190,840
	Consumer Products 1.4%	
35,000	Swedish Match AB	1,235,160
3,500	The Procter & Gamble Co.	264,565
		1,499,725
	Diversified Industrial 2.2%	
95,000	General Electric Co.	2,269,550
2,075	Textron Inc.	57,291
		2,326,841
	Energy and Utilities 13.2%	
5,000	Anadarko Petroleum Corp.	464,950
10,000	BP plc, ADR	420,300
6,000	Chevron Corp.	729,000
4,000	ConocoPhillips	278,040
7,000	CONSOL Energy Inc.	235,550
5,500	Devon Energy Corp.	317,680
5,000	Duke Energy Corp.	333,900
15,000	Exxon Mobil Corp.	1,290,600
1,200,000	GenOn Energy Inc., Escrow	0
34,000	Great Plains Energy Inc.	754,800
5,000	Halliburton Co.	240,750
17,000	Hess Corp.	1,314,780
100,000	Invensys plc	806,217
20,000	National Fuel Gas Co.	1,375,200
20,000	NextEra Energy Inc.	1,603,200
5,000	Northeast Utilities	206,250
50,000	NV Energy Inc.	1,180,500
1,000	Peabody Energy Corp.	17,250
16,000	Royal Dutch Shell plc, Cl. A, ADR	1,050,880
30,000	Severn Trent plc	856,241
8,000	SJW Corp.	224,160
3,000	UNS Energy Corp.	139,860

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10,000	Weatherford International Ltd.	153,300
		13,993,408
	Equipment and Supplies 0.4%	
1,500	Graco Inc.	111,090
6,000	Mueller Industries Inc.	