

GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC

Form N-Q

November 26, 2004

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, 2004

Date of reporting period: September 30, 2004

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule of Investments is attached herewith.

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
 SCHEDULE OF INVESTMENTS
 SEPTEMBER 30, 2004 (UNAUDITED)

PRINCIPAL AMOUNT -----		MARKET VALUE* -----
	CONVERTIBLE CORPORATE BONDS -- 29.2%	
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 6.2%	
\$2,200,000	Pep Boys - Manny, Moe & Jack, Cv., 4.250%, 06/01/07	\$ 2,189,000
6,900,000	Standard Motor Products Inc., Sub. Deb. Cv., 6.750%, 07/15/09	6,831,000
		----- 9,020,000 -----
	AVIATION: PARTS AND SERVICES -- 3.8%	
1,600,000	GenCorp Inc., Sub. Deb. Cv., 5.750%, 04/15/07	1,644,000
4,028,000	Kaman Corp., Sub. Deb. Cv., 6.000%, 03/15/12	3,917,230
		----- 5,561,230 -----
	BROADCASTING -- 0.6%	
950,000	Sinclair Broadcast Group Inc., Sub. Deb. Cv., 4.875%, 07/15/18	865,687

	BUSINESS SERVICES -- 4.4%	
900,000	BBN Corp., Sub. Deb. Cv., 6.000%, 04/01/12+ (a) (c)	0
3,000,000	Franklin Resources Inc., Cv., Zero Coupon, 05/11/31+	1,923,750
500,000	Navistar Financial Corp., Sub. Deb. Cv., 4.750%, 04/01/09	495,000
2,600,000	Trans-Lux Corp., Sub. Deb. Cv., 8.250%, 03/01/12	2,518,750
1,500,000	7.500%, 12/01/06	1,503,750
		----- 6,441,250 -----
	CABLE -- 1.5%	
400,000	Adelphia Communications Corp., Sub. Deb. Cv., 3.250%, 05/01/21+ (c)	110,000
2,500,000	Charter Communications Inc., Cv., 4.750%, 06/01/06	2,150,000
		----- 2,260,000 -----
	COMMUNICATIONS EQUIPMENT -- 3.8%	
1,900,000	Agere Systems Inc., Sub. Deb. Cv., 6.500%, 12/15/09	1,911,875
200,000	Corning Inc., Deb. Cv., Zero Coupon, 11/08/15+	157,000
1,000,000	Lucent Technologies Inc., Sub. Deb. Cv., 8.000%, 08/01/31	1,087,500
2,500,000	Nortel Networks Corp., Cv.,	

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

	4.250%, 09/01/08	2,425,000	

		5,581,375	

	PRINCIPAL	MARKET	
	AMOUNT	VALUE*	
	-----	-----	
	CONSUMER PRODUCTS -- 0.1%		
\$ 100,000	Church & Dwight Co. Inc., Cv.,		
	5.250%, 08/15/33 (b)	\$ 117,750	

	ELECTRONICS -- 3.1%		
10,000	Artesyn Technologies, Sub. Deb. Cv.,		
	5.500%, 08/15/10 (b)	15,775	
1,995,000	Cypress Semiconductor Inc.,		
	Sub. Deb. Cv.,		
	3.750%, 07/01/05	1,980,037	
1,000,000	Oak Industries Inc., Sub. Deb. Cv.,		
	4.875%, 03/01/08	1,033,750	
1,500,000	TriQuint Semiconductor Inc.,		
	Sub. Deb. Cv.,		
	4.000%, 03/01/07	1,451,250	

		4,480,812	

	ENERGY AND UTILITIES -- 1.2%		
500,000	Devon Energy Corp., Deb. Cv.,		
	4.950%, 08/15/08	544,375	
1,500,000	Mirant Corp., Deb. Cv.,		
	2.500%, 06/15/21+ (c)	952,500	
257,000	Moran Energy Inc., Sub. Deb. Cv.,		
	8.750%, 01/15/08	253,145	

		1,750,020	

	EQUIPMENT AND SUPPLIES -- 0.9%		
1,272,000	Robbins & Myers Inc., Sub. Deb. Cv.,		
	8.000%, 01/31/08	1,335,600	

	FOOD AND BEVERAGE -- 0.4%		
1,000,000	Parmalat Capital, Cv.,		
	Zero Coupon, 12/31/05+ (c) ...	220,692	
1,000,000	Parmalat Netherlands BV, Cv.,		
	Zero Coupon, 06/30/21+ (c) ...	366,391	

		587,083	

	HEALTH CARE -- 0.3%		
100,000	Apogent Technologies Inc., Cv.,		
	2.250%, 10/15/21	108,000	
400,000	IVAX Corp., Sub. Deb. Cv.,		
	4.500%, 05/15/08 (b)	398,000	
150,000	Sabratek Corp., Sub. Deb. Cv.,		
	6.000%, 04/15/05+ (a) (c)	0	

		506,000	

	HOTELS AND GAMING -- 0.0%		
10,000	Wynn Resorts, Sub. Deb. Cv.,		
	6.000%, 07/15/15 (b)	24,125	

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

	MANUFACTURED HOUSING AND RECREATIONAL VEHICLES -- 0.1%	
100,000	Fleetwood Enterprises Inc., Cv., 5.000%, 12/15/23 (b)	156,375

2

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2004 (UNAUDITED)

PRINCIPAL AMOUNT		MARKET VALUE*
-----		-----
	CONVERTIBLE CORPORATE BONDS (CONTINUED)	
	REAL ESTATE -- 1.0%	
\$1,550,000	Palm Harbor Homes Inc., Cv., 3.250%, 05/15/24 (b)	\$ 1,486,063

	RETAIL -- 0.0%	
60,000	Costco Companies Inc., Sub. Deb. Cv., Zero Coupon, 08/19/17+	57,000

	TELECOMMUNICATIONS -- 0.4%	
50,000	Commonwealth Telephone Enterprises Inc., Cv., 3.250%, 07/15/23 (b)	50,563
500,000	Rogers Communications Inc., Deb. Cv., 2.000%, 11/26/05	483,125

		533,688

	TRANSPORTATION -- 0.4%	
500,000	GATX Corp., Cv., 7.500%, 02/01/07 (b)	570,000

	WIRELESS COMMUNICATIONS -- 1.0%	
1,500,000	Nextel Communications Inc., Cv., 5.250%, 01/15/10	1,501,875

	TOTAL CONVERTIBLE CORPORATE BONDS	42,835,933

SHARES

	CONVERTIBLE PREFERRED STOCKS -- 14.6%	
	AEROSPACE -- 0.7%	
8,000	Northrop Grumman Corp., 7.000% Cv. Pfd., Ser. B	1,048,000

	AUTOMOTIVE -- 0.5%	
3,000	Ford Motor Co. Capital Trust II, 6.500% Cv. Pfd.	156,840
12,000	General Motors Corp., 5.250% Cv. Pfd., Ser. B	286,920
9,000	4.500% Cv. Pfd., Ser. A	228,690

		672,450

	AVIATION: PARTS AND SERVICES -- 3.7%	

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

49,000	Coltec Capital Trust, 5.250% Cv. Pfd.	2,192,750
33,500	Sequa Corp., \$5.00 Cv. Pfd.	3,232,750

		5,425,500

		MARKET
SHARES		VALUE*
-----		-----
	BROADCASTING -- 3.4%	
100	Gray Television Inc., 8.000% Cv. Pfd., Ser. C (a) ..	\$ 1,020,000
100,000	Sinclair Broadcast Group Inc., 6.000% Cv. Pfd., Ser. D	4,023,000

		5,043,000

	BUSINESS SERVICES -- 0.8%	
15,133	Interop National Radio Sales Inc., 4.000% Cv. Pfd., Ser. A (a) ..	1,222,722
20,000	Key3Media Group, 5.500% Cv. Pfd. (a)	117

		1,222,839

	CABLE AND SATELLITE -- 0.9%	
65,000	CVC Equity Securities Trust I, 6.500% Cv. Pfd.	1,356,550

	COMMUNICATIONS EQUIPMENT -- 0.7%	
800	Lucent Technologies Capital Trust I, 7.750% Cv. Pfd.	960,000

	DIVERSIFIED INDUSTRIAL -- 0.3%	
	WHX Corp.,	
52,100	\$3.75 Cv. Pfd., Ser. B+	260,500
28,000	6.500% Cv. Pfd., Ser. A+	137,200

		397,700

	ENERGY AND UTILITIES -- 0.4%	
6,000	AES Trust III, 6.750% Cv. Pfd.	265,740
500	Cinergy Corp., 9.500% Cv. Pfd.	30,530
4,000	FPL Group Inc., 8.500% Cv. Pfd.	227,600

		523,870

	ENTERTAINMENT -- 1.8%	
2,000	Metromedia International Group Inc., 7.250% Cv. Pfd.+	29,400
76,900	Rainbow Equity Securities Trust II, 6.250% Cv. Pfd.	1,724,867
45,000	Six Flags Inc., 7.250% Cv. Pfd.	927,000

		2,681,267

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

	TELECOMMUNICATIONS -- 1.0%	
4,000	ALLTEL Corp., 7.750% Cv. Pfd.	207,040
15,000	Cincinnati Bell Inc., 6.750% Cv. Pfd., Ser. B	630,000
12,000	Philippine Long Distance Telephone Co., \$3.50 Cv. Pfd., Ser. III	599,700

		1,436,740

3

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
SCHEDULE OF INVESTMENTS (CONTINUED)
SEPTEMBER 30, 2004 (UNAUDITED)

SHARES		MARKET VALUE*
-----		-----
	CONVERTIBLE PREFERRED STOCKS (CONTINUED)	
	TRANSPORTATION -- 0.2%	
2,700	GATX Corp., \$2.50 Cv. Pfd.	\$ 337,500

	WIRELESS COMMUNICATIONS -- 0.2%	
2,000	Andrew Corp., 7.750% Cv. Pfd., Ser. A	342,000

	TOTAL CONVERTIBLE PREFERRED STOCKS	21,447,416

	COMMON STOCKS -- 24.2%	
	AEROSPACE -- 0.5%	
55,000	Titan Corp.+	768,350

	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.8%	
30,000	Genuine Parts Co.	1,151,400

	AVIATION: PARTS AND SERVICES -- 0.0%	
5,000	Kaman Corp., Cl. A	59,700

	CABLE AND SATELLITE -- 0.9%	
30,000	Cox Communications Inc., Cl. A+	993,900
5,000	DIRECTV Group Inc.+	87,950
5,000	EchoStar Communications Corp., Cl. A+	155,600
19,500	Loral Space & Communications Ltd.+	975

		1,238,425

	ENERGY AND UTILITIES -- 6.3%	
8,000	BP plc, ADR	460,240
3,000	CH Energy Group Inc.	137,400
8,000	ConocoPhillips	662,800
50,000	Duke Energy Corp.	1,144,500
25,000	Exxon Mobil Corp.	1,208,250
10,000	FPL Group Inc.	683,200
20,000	Great Plains Energy Inc.	583,000
10,000	KeySpan Corp.	392,000

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

10,000	NiSource Inc. (SAILS)+	25,500
40,000	Northeast Utilities	775,600
10,000	Progress Energy Inc., CVO+	1,600
20,000	Royal Dutch Petroleum Co.	1,032,000
10,000	SEMCO Energy Inc.	54,900
8,000	SJW Corp.	264,160
40,000	Unisource Energy Corp.	974,000
50,000	Xcel Energy Inc.	866,000

		9,265,150

	FINANCIAL SERVICES -- 1.5%	
32,000	Alliance Capital Management Holding LP	1,136,000
12,000	Argonaut Group Inc.+	224,040
20,000	Citigroup Inc.	882,400

		2,242,440

		MARKET
SHARES		VALUE*
-----		-----
	FOOD AND BEVERAGE -- 4.0%	
3,000	Allied Domecq plc, ADR	\$ 102,840
5,000	Cadbury Schweppes plc, ADR	154,550
8,000	Coca-Cola Co.	320,400
65,000	Dreyer's Grand Ice Cream Holdings Inc., Cl. A	5,198,115

		5,775,905

	HEALTH CARE -- 2.1%	
12,000	Bristol-Myers Squibb Co.	284,040
6,000	Eli Lilly & Co.	360,300
20,000	Merck & Co. Inc.	660,000
45,000	Pfizer Inc.	1,377,000
18,000	Schering-Plough Corp.	343,080

		3,024,420

	HOTELS AND GAMING -- 0.8%	
100,000	Hilton Group plc	500,796
60,000	Prime Hospitality Corp.+	730,200

		1,230,996

	REAL ESTATE -- 0.1%	
3,000	LNR Property Corp.	185,730

	REAL ESTATE INVESTMENT TRUSTS -- 1.9%	
42,500	Rouse Co.	2,842,400

	RETAIL -- 0.7%	
25,000	Albertson's Inc.	598,250
20,000	Safeway Inc.+	386,200

		984,450

	TELECOMMUNICATIONS -- 1.1%	
20,000	AT&T Corp.	286,400
3,000	BellSouth Corp.	81,360

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

15,000	Manitoba Telecom Services Inc. . .	503,022
10,000	MCI Inc.	167,500
5,000	SBC Communications Inc.	129,750
10,000	Verizon Communications Inc.	393,800

		1,561,832

	WIRELESS COMMUNICATIONS -- 3.5%	
350,000	AT&T Wireless Services Inc.+ ...	5,173,000
49	Winstar Communications Inc.+ ...	0

		5,173,000

	TOTAL COMMON STOCKS	35,504,198

4

THE GABELLI CONVERTIBLE AND INCOME SECURITIES FUND INC.
 SCHEDULE OF INVESTMENTS (CONTINUED)
 SEPTEMBER 30, 2004 (UNAUDITED)

SHARES		MARKET
-----		VALUE*

	PREFERRED STOCKS -- 1.3%	
	BROADCASTING -- 0.6%	
2,127	Granite Broadcasting Corp., 12.750% Pfd.+	\$ 872,070

	EQUIPMENT AND SUPPLIES -- 0.5%	
30,000	Fedders Corp., 8.600% Pfd., Ser. A	709,500

	PUBLISHING -- 0.2%	
9,777	News Corp. Ltd., Pfd., ADR	306,313

	TELECOMMUNICATIONS -- 0.0%	
3,773	PTV Inc., 10.000% Pfd., Ser. A .	19,714

	TOTAL PREFERRED STOCKS	1,907,597

	PRINCIPAL	
	AMOUNT	

	CORPORATE BONDS -- 1.0%	
	DIVERSIFIED INDUSTRIAL -- 1.0%	
\$ 2,000,000	GP Strategies Corp., Sub. Deb., 6.000%, 08/14/08 (a)	1,377,950

	TELECOMMUNICATIONS -- 0.0%	
80,000	Amnex Inc., Sub. Deb., Zero Coupon, 09/25/49+ (b) (c)	0

	TOTAL CORPORATE BONDS	1,377,950

	SHARES	

	WARRANTS -- 0.4%	
	BUSINESS SERVICES -- 0.0%	

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

87,500	Interep National Radio Sales Inc.+	0

	CONSUMER PRODUCTS -- 0.0%	
4,331	Pillowtex Corp., expires 11/24/09+	1

	DIVERSIFIED INDUSTRIAL -- 0.4%	
250,000	GP Strategies Corp., expires 08/14/08+ (a)	637,065

	TOTAL WARRANTS	637,066

	PRINCIPAL AMOUNT -----	
	U.S. GOVERNMENT OBLIGATIONS -- 29.3%	
\$42,899,000	U.S. Treasury Bills, 1.116% to 1.705%+, 10/07/04 to 12/30/04	42,846,442

	TOTAL INVESTMENTS -- 100.0%	
	(Cost \$144,809,837)	146,556,602
	LIABILITIES IN EXCESS OF OTHER ASSETS	(1,624,465)

	PREFERRED STOCK	
	(991,800 preferred shares outstanding) ...	(49,770,000)

	NET ASSETS -- COMMON STOCK	
	(11,640,691 common shares outstanding) ...	\$ 95,162,137
	=====	
	NET ASSET VALUE PER COMMON SHARE	
	(\$95,162,137 / 11,641,449 shares outstanding)	\$8.17
	=====	

	For Federal tax purposes:
	Aggregate cost
	\$145,345,396
	=====
	Gross unrealized appreciation
	\$ 6,987,167
	Gross unrealized depreciation
	(5,775,961)

	Net unrealized appreciation
	(depreciation)
	\$ 1,211,206
	=====

-
- (a) Security fair valued under procedures established by the Board of Directors. The procedures may include reviewing available financial information about the company and reviewing valuation of comparable securities and other factors on a regular basis. At September 30, 2004, the market value of fair valued securities amounted to \$4,257,854 or 2.9% of total investments.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2004, the market value of Rule 144A securities amounted to \$2,818,651 or 1.9% of total investments. At September 30, 2004, the Fund held investments in restricted and illiquid securities that were valued

Edgar Filing: GABELLI CONVERTIBLE & INCOME SECURITIES FUND INC - Form N-Q

under approved methods by the Board, as follows:

SHARES	ISSUER	ACQUISITION DATE	COST	VALUE
-----	-----	-----	-----	-----
10,000	Artesyn Technologies, Sub. Deb. Cv., 5.500%, 08/15/10	08/15/03	\$ 10,715	\$ 15,775
400,000	IVAX Corp., Sub. Deb. Cv., 4.500%, 05/15/08	09/21/01	348,353	398,000
10,000	Wynn Resorts, Sub. Deb. Cv., 6.000%, 07/15/15	07/14/03	10,263	24,125
100,000	Fleetwood Enterprises Inc., Cv., 5.000%, 12/15/23	12/17/03	100,000	156,375
50,000	Commonwealth Telephone Enterprises Inc., Cv., 3.250%, 07/15/23	07/29/03	49,642	50,563

TOTAL RESTRICTED SECURITIES (0.44% OF TOTAL INVESTMENTS)				\$644,838 =====

- (c) Bond in default.
- + Non-income producing security.
- ++ Represents annualized yield at date of purchase.
- ADR - American Depository Receipt.
- CVO - Contingent Value Obligation.
- SAILS - Stock Appreciation Income Linked Securities.
- * Portfolio securities are valued at the last quoted sale price or closing values. If this is unavailable, then the average of the closing bid and asked prices is used. If there is no asked price, the security is valued at the closing bid price on that day. Debt instruments are valued at the average of the closing bid and asked prices. If the security matures in 60 days or less and is not credit-impaired, it is valued at amortized cost. All securities and assets for which market quotations are not readily available or any security that the Board determines does not reflect its fair market value are valued in good faith under procedures established by the Board.

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely

