

AGIC Convertible & Income Fund II
Form N-Q
January 27, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act File Number: 811-21338

AGIC Convertible & Income Fund II

(Registrant Name)

1633 Broadway, New York, NY 10019

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(Address of Principal Executive Offices) (Zip code)

Lawrence G. Altadonna 1633 Broadway, New York, NY 10019

(Name and Address of Agent for Service)

212-739-3371

Registrant's telephone number, including area code:

Date of Fiscal Year End: **February 29, 2012**

Date of Reporting Period: **November 30, 2011**

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-2001. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments**AGIC Convertible & Income Fund II Schedule of Investments**

November 30, 2011 (unaudited)

| Principal Amount (000s) | | Value* |
|--|---|--------------|
| CORPORATE BONDS & NOTES 46.7% | | |
| Advertising 0.8% | | |
| \$6,335 | Affinion Group, Inc., 11.50%, 10/15/15 | \$ 5,543,125 |
| Aerospace & Defense 0.1% | | |
| 620 | BE Aerospace, Inc., 8.50%, 7/1/18 | 672,700 |
| Airlines 0.7% | | |
| 4,750 | United Airlines, Inc., 12.00%, 11/1/13 (a)(b) | 4,928,125 |
| Apparel 0.1% | | |
| 750 | Quiksilver, Inc., 6.875%, 4/15/15 | 701,250 |
| Auto Manufacturers 0.7% | | |
| 5,590 | Chrysler Group LLC, 8.25%, 6/15/21 (a)(b)(c) | 4,844,853 |
| Chemicals 0.6% | | |
| 6,330 | Momentive Performance Materials, Inc., 11.50%, 12/1/16 | 4,557,600 |
| Commercial Services 2.8% | | |
| 8,255 | Cenveo Corp., 10.50%, 8/15/16 (a)(b) | 7,016,750 |
| 4,295 | DynCorp International, Inc., 10.375%, 7/1/17 | 3,758,125 |
| 8,250 | National Money Mart Co., 10.375%, 12/15/16 | 8,806,875 |
| | | 19,581,750 |
| Construction & Engineering 1.2% | | |
| 8,380 | MasTec, Inc., 7.625%, 2/1/17 | 8,767,575 |
| Consumer Finance 0.4% | | |
| 4,110 | Springleaf Finance Corp., 6.90%, 12/15/17 | 2,784,525 |
| Diversified Consumer Services 0.4% | | |
| 3,100 | Cambium Learning Group, Inc., 9.75%, 2/15/17 | 3,115,500 |
| Diversified Financial Services 1.5% | | |
| 7,465 | Community Choice Financial, Inc., 10.75%, 5/1/19 (a)(b) | 7,371,687 |
| 3,005 | International Lease Finance Corp., 6.375%, 3/25/13 | 2,989,975 |
| | | 10,361,662 |
| Diversified Telecommunications 1.0% | | |
| 7,705 | Cincinnati Bell, Inc., 8.75%, 3/15/18 | 6,895,975 |
| Electric 1.3% | | |
| 6,780 | Edison Mission Energy, 7.00%, 5/15/17 | 4,288,350 |
| 8,200 | Texas Competitive Electric Holdings Co. LLC, 15.00%, 4/1/21 | 4,879,000 |
| | | 9,167,350 |

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| | | |
|--|---|------------|
| Electronic Equipment, Instruments & Components 1.0% | | |
| 6,815 | Kemet Corp., 10.50%, 5/1/18 | 7,206,863 |
| Energy Equipment & Services 1.2% | | |
| 8,005 | Pioneer Drilling Co., 9.875%, 3/15/18 | 8,295,181 |
| Food & Staples Retailing 0.9% | | |
| 7,090 | Rite Aid Corp., 8.625%, 3/1/15 | 6,629,150 |
| Health Care Providers & Services 1.5% | | |
| 5,335 | ExamWorks Group, Inc., 9.00%, 7/15/19 (a)(b) | 4,788,163 |
| 7,590 | Rotech Healthcare, Inc., 10.50%, 3/15/18 | 5,882,250 |
| | | 10,670,413 |
| Healthcare-Services 0.4% | | |
| 4,435 | Alliance HealthCare Services, Inc., 8.00%, 12/1/16 | 3,037,975 |
| Home Builders 0.8% | | |
| | K Hovnanian Enterprises, Inc., | |
| 5,575 | 2.00%, 11/1/21 (a)(b) | 2,369,375 |
| 4,340 | 10.625%, 10/15/16 | 3,461,150 |
| | | 5,830,525 |
| Hotels, Restaurants & Leisure 1.7% | | |
| 4,730 | DineEquity, Inc., 9.50%, 10/30/18 | 4,919,200 |
| 6,395 | MGM Resorts International, 11.375%, 3/1/18 | 6,922,587 |
| | | 11,841,787 |
| Household Durables 0.6% | | |
| 3,920 | Beazer Homes USA, Inc., 9.125%, 5/15/19 | 2,577,400 |
| 1,390 | Jarden Corp., 7.50%, 5/1/17 | 1,480,350 |
| | | 4,057,750 |
| Household Products/Wares 0.7% | | |
| 5,725 | Reynolds Group Issuer, Inc., 9.875%, 8/15/19 (a)(b) | 5,267,000 |
| Internet Software & Services 0.9% | | |
| 6,840 | Earthlink, Inc., 8.875%, 5/15/19 | 6,498,000 |

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AGIC Convertible & Income Fund II Schedule of Investments

November 30, 2011 (unaudited)

| Principal Amount (000s) | | Value* |
|---|--|--------------|
| IT Services 1.0% | | |
| \$1,985 | Stream Global Services, Inc., 11.25%, 10/1/14 | \$ 2,034,625 |
| 2,705 | Unisys Corp., (a)(b) 12.75%, 10/15/14 | 3,073,556 |
| 1,931 | 14.25%, 9/15/15 | 2,194,099 |
| | | 7,302,280 |
| Leisure Time 1.7% | | |
| 810 | NCL Corp. Ltd., 9.50%, 11/15/18 | 858,600 |
| 7,320 | 11.75%, 11/15/16 | 8,491,200 |
| 8,145 | Travelport LLC, 11.875%, 9/1/16 | 2,687,850 |
| | | 12,037,650 |
| Lodging 1.0% | | |
| 9,455 | Caesars Entertainment Operating Co., Inc., 12.75%, 4/15/18 | 7,067,612 |
| Media 1.6% | | |
| 4,525 | McClatchy Co., 11.50%, 2/15/17 | 4,219,563 |
| 5,100 | Media General, Inc., 11.75%, 2/15/17 | 4,768,500 |
| 1,945 | Sirius XM Radio, Inc., 8.75%, 4/1/15 (a)(b) | 2,120,050 |
| | | 11,108,113 |
| Metals & Mining 0.5% | | |
| 3,975 | Thompson Creek Metals Co., Inc., 7.375%, 6/1/18 (a)(b) | 3,358,875 |
| Miscellaneous Manufacturing 0.8% | | |
| 7,715 | Harland Clarke Holdings Corp., 9.50%, 5/15/15 | 5,747,675 |
| Oil & Gas 2.4% | | |
| 7,000 | Energy XXI Gulf Coast, Inc., 9.25%, 12/15/17 | 7,210,000 |
| 5,220 | Milagro Oil & Gas, 10.50%, 5/15/16 (a)(b) | 3,732,300 |
| 5,990 | United Refining Co., 10.50%, 2/28/18 | 5,675,525 |
| | | 16,617,825 |
| Oil & Gas Services 0.0% | | |
| 219 | Allis-Chalmers Energy, Inc., 9.00%, 1/15/14 | 217,905 |
| Oil, Gas & Consumable Fuels 1.7% | | |
| 6,250 | SandRidge Energy, Inc., 9.875%, 5/15/16 (a)(b) | 6,468,750 |
| 4,740 | Western Refining, Inc., 11.25%, 6/15/17 (a)(b) | 5,296,950 |
| | | 11,765,700 |
| Paper & Forest Products 0.2% | | |
| 1,509 | Louisiana-Pacific Corp., 13.00%, 3/15/17 | 1,493,910 |
| Personal Products 0.1% | | |

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| | | |
|--|---|------------|
| 500 | Revlon Consumer Products Corp., 9.75%, 11/15/15 | 535,000 |
| Retail 1.5% | | |
| 9,165 | Neiman Marcus Group, Inc., 10.375%, 10/15/15 | 9,527,751 |
| 885 | Sally Holdings LLC, 10.50%, 11/15/16 | 933,684 |
| | | 10,461,435 |
| Semiconductors & Semiconductor Equipment 1.5% | | |
| 2,705 | Advanced Micro Devices, Inc., 8.125%, 12/15/17 | 2,765,863 |
| Freescale Semiconductor, Inc., | | |
| 3,806 | 10.125%, 3/15/18 (a)(b) | 4,053,390 |
| 3,360 | 10.75%, 8/1/20 | 3,460,800 |
| | | 10,280,053 |
| Software 1.1% | | |
| First Data Corp., | | |
| 6,905 | 9.875%, 9/24/15 | 6,300,813 |
| 2,150 | 12.625%, 1/15/21 (a)(b) | 1,784,500 |
| | | 8,085,313 |
| Specialty Retail 0.4% | | |
| 3,140 | Brown Shoe Co., Inc., 7.125%, 5/15/19 | 2,967,300 |
| Telecommunications 5.8% | | |
| 4,505 | Intelsat Jackson Holdings S.A., 9.50%, 6/15/16 | 4,707,725 |
| 6,835 | ITC Deltacom, Inc., 10.50%, 4/1/16 | 7,082,769 |
| 6,130 | Nextel Communications, Inc., 7.375%, 8/1/15 | 5,425,050 |
| 3,860 | NII Capital Corp., 8.875%, 12/15/19 | 4,110,900 |
| 8,370 | West Corp., 11.00%, 10/15/16 | 8,861,737 |
| 10,275 | WireCo WorldGroup, 9.75%, 5/15/17 (a)(b) | 10,531,875 |
| | | 40,720,056 |
| Textiles, Apparel & Luxury Goods 0.8% | | |
| 750 | Liz Claiborne, Inc., 10.50%, 4/15/19 (a)(b) | 798,750 |
| 4,535 | Oxford Industries, Inc., 11.375%, 7/15/15 | 4,988,500 |
| | | 5,787,250 |
| Trading Companies & Distributors 0.3% | | |
| 2,145 | Aircastle Ltd., 9.75%, 8/1/18 | 2,252,250 |

AGIC Convertible & Income Fund II Schedule of Investments

November 30, 2011 (unaudited)

| Principal Amount (000s) | | Value* |
|---|--|--------------|
| Transportation 2.3% | | |
| \$7,175 | Quality Distribution LLC, 9.875%, 11/1/18 | \$ 7,228,812 |
| 6,590 | Swift Services Holdings, Inc., 10.00%, 11/15/18 | 6,886,550 |
| 6,430 | Western Express, Inc., 12.50%, 4/15/15 (a)(b) | 2,411,250 |
| | | 16,526,612 |
| Wireless Telecommunication Services 0.7% | | |
| 4,820 | Crown Castle International Corp., 9.00%, 1/15/15 | 5,265,850 |
| | Total Corporate Bonds & Notes (cost-\$355,777,736) | 330,855,298 |
| Shares | | |
| CONVERTIBLE PREFERRED STOCK 28.5% | | |
| Airlines 0.9% | | |
| 239,795 | Continental Airlines Finance Trust II, 6.00%, 11/15/30 | 6,624,337 |
| Auto Components 1.2% | | |
| 173,075 | Goodyear Tire & Rubber Co., 5.875%, 4/1/14 | 8,375,099 |
| Automobiles 0.9% | | |
| 181,510 | General Motors Co., 4.75%, 12/1/13, Ser. B | 6,196,751 |
| Capital Markets 2.0% | | |
| 134,390 | AMG Capital Trust I, 5.10%, 4/15/36 | 6,058,839 |
| 127,350 | The Goldman Sachs Group, Inc., 6.00%, 3/2/12 (Wellpoint, Inc.) (d) | 8,319,266 |
| | | 14,378,105 |
| Commercial Banks 2.4% | | |
| 61,835 | Fifth Third Bancorp, 8.50%, 6/30/13, Ser. G (e) | 8,784,898 |
| 7,740 | Wells Fargo & Co., 7.50%, 3/15/13, Ser. L (e) | 8,157,960 |
| | | 16,942,858 |
| Commercial Services & Supplies 0.6% | | |
| 95,317 | United Rentals, Inc., 6.50%, 8/1/28 | 4,426,283 |
| Diversified Financial Services 2.9% | | |
| 11,515 | Bank of America Corp., 7.25%, 1/30/13, Ser. L (e) | 8,924,010 |
| 49,715 | Citigroup, Inc., 7.50%, 12/15/12 | 4,188,489 |
| 144,625 | Credit Suisse Securities USA LLC, 7.00%, 8/9/12 (Baxter International, Inc.) (d) | 7,451,080 |
| | | 20,563,579 |
| Electric Utilities 2.4% | | |
| NextEra Energy, Inc., | | |
| 25,000 | 7.00%, 9/1/13 | 1,315,000 |
| 136,925 | 8.375%, 6/1/12 | 6,914,713 |
| 158,835 | PPL Corp., 9.50%, 7/1/13 | 9,059,948 |
| | | 17,289,661 |

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| | | |
|--|---|------------|
| Food Products 1.1% | | |
| 77,130 | Bunge Ltd., 4.875%, 12/1/11 (e) | 7,510,534 |
| Health Care Providers & Services 1.1% | | |
| 8,660 | HealthSouth Corp., 6.50%, 12/31/49, Ser. A (e) | 7,579,665 |
| Household Durables 2.2% | | |
| 200,850 | Newell Financial Trust I, 5.25%, 12/1/27 | 8,611,444 |
| 63,635 | Stanley Black & Decker, Inc., 4.75%, 11/17/15 | 7,263,299 |
| | | 15,874,743 |
| Insurance 1.4% | | |
| 59,885 | Assured Guaranty Ltd., 8.50%, 6/1/12 | 2,459,477 |
| 123,390 | MetLife, Inc., 5.00%, 9/11/13 | 7,500,878 |
| | | 9,960,355 |
| IT Services 0.5% | | |
| 49,485 | Unisys Corp., 6.25%, 3/1/14 | 3,435,249 |
| Multi-Utilities 1.3% | | |
| 186,560 | AES Trust III, 6.75%, 10/15/29 | 9,158,230 |
| Oil, Gas & Consumable Fuels 2.2% | | |
| 111,500 | Apache Corp., 6.00%, 8/1/13 | 6,342,120 |
| 27,600 | ATP Oil & Gas Corp., 8.00%, 10/1/14 (a)(b)(e) | 1,072,950 |
| 93,350 | Chesapeake Energy Corp., 5.00%, 12/31/49 (e) | 7,969,756 |
| | | 15,384,826 |
| Professional Services 1.1% | | |
| 130,210 | Nielsen Holdings NV, 6.25%, 2/1/13 | 7,471,450 |
| Real Estate Investment Trust 3.2% | | |
| 335,200 | Alexandria Real Estate Equities, Inc., 7.00%, 4/20/13 (e) | 7,873,848 |
| 330,475 | FelCor Lodging Trust, Inc., 1.95%, 12/31/49, Ser. A (e) | 7,055,641 |
| 159,235 | Health Care REIT, Inc., 6.50%, 4/20/18, Ser. I (e) | 7,786,592 |
| | | 22,716,081 |

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AGIC Convertible & Income Fund II Schedule of Investments

November 30, 2011 (unaudited)

| Shares | | Value* |
|---------|--|--------------------|
| | Road & Rail 1.1% | |
| 836,265 | 2010 Swift Mandatory Common Exchange Security Trust, 6.00%, 12/31/13 (b) | \$ 7,947,695 |
| | Total Convertible Preferred Stock (cost-\$208,046,241) | 201,835,501 |
| | Principal Amount (000s) | |
| | CONVERTIBLE BONDS & NOTES 23.2% | |
| | Aerospace & Defense 1.0% | |
| \$7,975 | GenCorp, Inc., 4.063%, 12/31/39 | 7,337,000 |
| | Capital Markets 1.5% | |
| 8,165 | Ares Capital Corp., 5.75%, 2/1/16 (a)(b) | 7,756,750 |
| 3,100 | BGC Partners, Inc., 4.50%, 7/15/16 (a)(b) | 2,813,250 |
| | | 10,570,000 |
| | Diversified Telecommunication Services 1.0% | |
| 5,650 | Level 3 Communications, Inc., 15.00%, 1/15/13 | 6,956,562 |
| | Electrical Equipment 1.6% | |
| 7,675 | EnerSys, 3.375%, 6/1/38 (f) | 7,607,844 |
| 5,760 | JA Solar Holdings Co., Ltd., 4.50%, 5/15/13 | 3,945,600 |
| | | 11,553,444 |
| | Electronic Equipment, Instruments & Components 0.9% | |
| 5,620 | Anixter International, Inc., 1.00%, 2/15/13 | 6,491,100 |
| | Health Care Equipment & Supplies 0.7% | |
| 2,125 | Alere, Inc., 3.00%, 5/15/16 | 2,002,813 |
| 3,720 | NuVasive, Inc., 2.75%, 7/1/17 | 2,720,250 |
| | | 4,723,063 |
| | Hotels, Restaurants & Leisure 1.7% | |
| 6,935 | MGM Resorts International, 4.25%, 4/15/15 | 6,449,550 |
| 6,570 | Morgans Hotel Group Co., 2.375%, 10/15/14 | 5,370,975 |
| | | 11,820,525 |
| | Internet Software & Services 1.1% | |
| 2,000 | Digital River, Inc., 2.00%, 11/1/30 (a)(b) | 1,645,000 |
| 6,130 | Equinix, Inc., 2.50%, 4/15/12 | 6,336,887 |
| | | 7,981,887 |
| | IT Services 1.0% | |
| 5,130 | Alliance Data Systems Corp., 1.75%, 8/1/13 | 7,002,450 |
| | Machinery 2.7% | |
| 2,495 | AGCO Corp., 1.25%, 12/15/36 | 3,218,550 |
| 9,450 | Greenbrier Cos, Inc., 3.50%, 4/1/18 (a)(b)(c) | 8,841,656 |

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| | | |
|--------|---|--------------------|
| 9,545 | Meritor, Inc., 4.625%, 3/1/26 (f) | 7,146,819 |
| | | 19,207,025 |
| | Media 2.2% | |
| 5,920 | Interpublic Group of Cos, Inc., 4.25%, 3/15/23 | 6,068,000 |
| | Liberty Media LLC, | |
| 6,420 | 3.125%, 3/30/23 | 7,045,950 |
| 4,925 | 3.50%, 1/15/31 | 2,721,062 |
| | | 15,835,012 |
| | Metals & Mining 0.6% | |
| 3,785 | Steel Dynamics, Inc., 5.125%, 6/15/14 | 4,116,188 |
| | Oil, Gas & Consumable Fuels 1.1% | |
| 4,825 | Peabody Energy Corp., 4.75%, 12/15/41 | 5,072,281 |
| 2,815 | Petroleum Development Corp., 3.25%, 5/15/16 (a)(b) | 2,941,675 |
| | | 8,013,956 |
| | Pharmaceuticals 0.8% | |
| 5,595 | Mylan, Inc., 1.25%, 3/15/12 | 5,622,975 |
| | Real Estate Investment Trust 1.6% | |
| 4,550 | Boston Properties LP, 3.75%, 5/15/36 | 5,169,937 |
| 5,480 | Health Care REIT, Inc., 4.75%, 12/1/26 | 5,918,400 |
| | | 11,088,337 |
| | Semiconductors & Semiconductor Equipment 2.5% | |
| 11,635 | Advanced Micro Devices, Inc., 5.75%, 8/15/12 | 11,765,894 |
| 7,550 | SunPower Corp., 4.75%, 4/15/14 | 5,643,625 |
| | | 17,409,519 |
| | Software 1.0% | |
| 4,835 | Nuance Communications, Inc., 2.75%, 8/15/27 | 6,847,569 |
| | Thriffs & Mortgage Finance 0.2% | |
| 3,040 | MGIC Investment Corp., 5.00%, 5/1/17 | 1,626,400 |
| | Total Convertible Bonds & Notes (cost-\$152,117,542) | 164,203,012 |

AGIC Convertible & Income Fund II Schedule of Investments

November 30, 2011 (unaudited)

| Principal Amount (000s) | | Value* |
|---|--|-----------------------|
| YANKEE BOND 0.4% | | |
| | Marine 0.4% | |
| \$3,655 | DryShips, Inc., 5.00%, 12/1/14 (cost-\$3,793,050) | \$ 2,471,694 |
| SHORT-TERM INVESTMENT 1.2% | | |
| | Time Deposit 1.2% | |
| 8,774 | Citibank-London, 0.03%, 12/1/11 (cost-\$8,773,676) | 8,773,676 |
| Total Investments (cost-\$728,508,245)(g) 100.0% | | \$ 708,139,181 |

Notes to Schedule of Investments:

*Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, on the basis of quotes obtained from a quotation reporting system, established market makers, or independent pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available, or for which a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees. The Fund's investments are valued daily using prices supplied by an independent pricing service or dealer quotations, or by using the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Synthetic convertible securities are valued based on quotations obtained from unaffiliated brokers who are the principal market-makers in such securities. Such valuations are derived by the brokers from proprietary models which are generally based on readily available market information including valuations of the common stock underlying the synthetic security. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days.

The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold and these differences could be material. The Fund's net asset value ("NAV") is normally determined as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (NYSE) on each day the NYSE is open for business.

- (a) Private Placement Restricted as to resale may not have a readily available market. Securities with an aggregate market value of \$107,481,579, representing 15.2% 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. Unless otherwise indicated, these securities are not considered to be illiquid.
- (c) Fair-Valued Securities with an aggregate value of \$13,686,509, representing 1.9% of total investments.
- (d) Securities exchangeable or convertible into securities of an entity different than the issuer or structured by the issuer to provide exposure to securities of an entity different than the issuer (synthetic convertible securities). Such entity is identified in the parenthetical.
- (e) Perpetual maturity. The date shown is the next call date.
- (f) Step Bond Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (g) At November 30, 2011, the cost basis of portfolio securities for federal income tax purposes was \$729,774,702. Gross unrealized appreciation was \$44,031,378, gross unrealized depreciation was \$65,666,899 and net unrealized depreciation was \$21,635,521. The difference between book and tax cost basis was attributable to the differing treatment of bond premium amortization and wash sale loss deferrals.

Glossary:

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REIT Real Estate Investment Trust

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the exit price) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

Level 1 quoted prices in active markets for identical investments that the Fund has the ability to access

Level 2 valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges

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Level 3 valuations based on significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

An investment asset's or liability's level within the fair value hierarchy is based on the lowest level input, individually or in the aggregate, that is significant to fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation technique used.

The valuation techniques used by the Fund to measure fair value during the nine months ended November 30, 2011 maximized the use of observable inputs and minimized the use of unobservable inputs.

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The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities, for Level 2 and Level 3, in accordance with Generally Accepted Accounting Principles.

Equity Securities (Common and Preferred Stock) Equity securities traded in inactive markets and certain foreign equity securities are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from independent pricing services that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Convertible Bonds & Notes Convertible bonds and notes are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of convertible bonds and notes are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

Corporate Bonds & Notes Corporate bonds and notes are generally comprised of two main categories: investment grade bonds and high yield bonds. Investment grade bonds are valued by independent pricing services using various inputs and techniques, which include broker-dealer quotations, live trading levels, recently executed transactions in securities of the issuer or comparable issuers, and option adjusted spread models that include base curve and spread curve inputs. Adjustments to individual bonds can be applied to recognize trading differences compared to other bonds issued by the same issuer. High yield bonds are valued by independent pricing services based primarily on broker-dealer quotations from relevant market makers and recently executed transactions in securities of the issuer or comparable issuers. The broker-dealer quotations received are supported by credit analysis of the issuer that takes into consideration credit quality assessments, daily trading activity, and the activity of the underlying equities, listed bonds and sector-specific trends. To the extent that these inputs are observable, the values of corporate bonds and notes are categorized as Level 2. To the extent that these inputs are unobservable the values are categorized as Level 3.

The Fund's policy is to recognize transfers between levels at the end of the reporting period.

A summary of the inputs used at November 30, 2011 in valuing the Fund's assets and liabilities is listed below (Refer to Schedule of Investments for detailed information on Investments in Securities):

| | Level 1 Quoted Prices | Level 2 Other Significant Observable Inputs | Level 3 Significant Unobservable Inputs | Value at 11/30/11 |
|---|-----------------------------|---|--|----------------------|
| Investments in Securities Assets | | | | |
| Corporate Bonds & Notes: | | | | |
| Auto Manufacturers | | | \$ 4,844,853 | \$ 4,844,853 |
| All Other | | \$ 326,010,445 | | 326,010,445 |
| Convertible Preferred Stock: | | | | |
| Airlines | | 6,624,337 | | 6,624,337 |
| Capital Markets | | 14,378,105 | | 14,378,105 |
| Commercial Banks | \$ 8,157,960 | 8,784,898 | | 16,942,858 |
| Commercial Services & Supplies | | 4,426,283 | | 4,426,283 |
| Diversified Financial Services | 13,112,499 | 7,451,080 | | 20,563,579 |
| Health Care Providers & Services | | 7,579,665 | | 7,579,665 |
| Household Durables | 7,263,299 | 8,611,444 | | 15,874,743 |
| Insurance | 7,500,878 | 2,459,477 | | 9,960,355 |
| Oil, Gas & Consumable Fuels | 6,342,120 | 9,042,706 | | 15,384,826 |
| Professional Services | | 7,471,450 | | 7,471,450 |
| Road & Rail | | 7,947,695 | | 7,947,695 |
| All Other | 74,681,605 | | | 74,681,605 |
| Convertible Bonds & Notes: | | | | |
| Machinery | | 10,365,369 | 8,841,656 | 19,207,025 |
| All Other | | 144,995,987 | | 144,995,987 |
| Yankee Bond | | 2,471,694 | | 2,471,694 |
| Short-Term Investment | | 8,773,676 | | 8,773,676 |

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| | | | | | |
|--|---------------|----------------|----------------|---------------|----------------|
| Total Investments in Securities | Assets | \$ 117,058,361 | \$ 577,394,311 | \$ 13,686,509 | \$ 708,139,181 |
|--|---------------|----------------|----------------|---------------|----------------|

There were no significant transfers between Levels 1 and 2 during the nine months ended November 30, 2011.

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A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the nine months ended November 30, 2011, was as follows:

| | Beginning Balance 2/28/11 | Purchases | Sales | Accrued Discounts (Premiums) | Net Realized Gain (Loss) | Net Change in Unrealized Appreciation/ Depreciation | Transfers into Level 3* | Transfers out of Level 3* | Ending Balance 11/30/11 |
|---|---------------------------------|---------------|----------------|------------------------------------|-----------------------------|---|----------------------------------|---------------------------------------|-------------------------------|
| Investments in Securities Assets | | | | | | | | | |
| Corporate Bonds & Notes: | | | | | | | | | |
| Auto Manufacturers | | \$ 4,785,900 | | \$ 13,412 | | \$ 45,541 | | | \$ 4,844,853 |
| Hotels, Restaurants & Leisure | \$ 2,314,523 | | \$ (1,859,119) | | \$ (1,167,161) | 711,757 | | | |
| Convertible Preferred Stock: | | | | | | | | | |
| Capital Markets | 4,252,590 | | (7,521,464) | | (30,250,744) | 33,519,618 | | | |
| Convertible Bonds & Notes: | | | | | | | | | |
| Machinery | | 8,188,539 | | 51,438 | | 601,679 | | | 8,841,656 |
| Total Investments | \$ 6,567,113 | \$ 12,974,439 | \$ (9,380,583) | \$ 64,850 | \$ (31,417,905) | \$ 34,878,595 | | | \$ 13,686,509 |

The net change in unrealized appreciation/depreciation of Level 3 investments which the Fund held at November 30, 2011 was \$647,220.

* There were no transfers into and out of Level 3 during the nine months ended November 30, 2011.

Item 2. Controls and Procedures

(a) The registrant's President & Chief Executive Officer and Treasurer, Principal Financial & Accounting Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Act (17 CFR 270.30a -3(c)), as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.30a -3(d))) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

(a) Exhibit 99.302 Cert. Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: AGIC Convertible & Income Fund II

By /s/ Brian S. Shlissel
President & Chief Executive Officer
Date: January 27, 2012

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer
Date: January 27, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By /s/ Brian S. Shlissel
President & Chief Executive Officer
Date: January 27, 2012

By /s/ Lawrence G. Altadonna
Treasurer, Principal Financial & Accounting Officer
Date: January 27, 2012