

Edgar Filing: Nicholas-Applegate Equity & Convertible Income Fund - Form N-Q

Nicholas-Applegate Equity & Convertible Income Fund
Form N-Q
December 18, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

OMB
APPROVAL
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FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act File Number: 811-21989

Registrant Name: Nicholas-Applegate Equity & Convertible Income Fund

Address of Principal Executive Offices: 1345 Avenue of the Americas
New York, New York 10105

Name and Address of Agent for
Service: Lawrence G. Altadonna
1345 Avenue of the Americas
New York, New York 10105

Registrant's telephone number, including area code: 212-739-3371

Date of Fiscal Year End: January 31, 2010

Date of Reporting Period: October 31, 2009

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 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**Nicholas-Applegate Equity & Convertible Income Fund Schedule of Investments**

October 31, 2009 (unaudited)

| Shares (000) | | Value* |
|--|---|-------------|
| COMMON STOCK 71.8% | | |
| Aerospace & Defense 1.4% | | |
| 74 | L-3 Communications Holdings, Inc. | \$5,371,147 |
| Auto Components 1.4% | | |
| 226 | Johnson Controls, Inc. | 5,403,528 |
| Automobiles 0.9% | | |
| 497 | Ford Motor Co. (b) | 3,480,974 |
| Beverages 6.5% | | |
| 223 | Coca-Cola Co. | 11,898,366 |
| 127 | Molson Coors Brewing Co. Cl. B | 6,233,881 |
| 114 | PepsiCo, Inc. | 6,902,700 |
| | | 25,034,947 |
| Biotechnology 1.8% | | |
| 164 | Gilead Sciences, Inc. (b) | 6,978,200 |
| Communications Equipment 6.1% | | |
| 314 | Cisco Systems, Inc. (b) | 7,168,045 |
| 156 | Harris Corp. | 6,487,460 |
| 39 | Harris Stratex Networks, Inc. Cl. A (b) | 243,356 |
| 142 | Qualcomm, Inc. | 5,871,938 |
| 61 | Research In Motion Ltd. (b) | 3,570,784 |
| | | 23,341,583 |
| Computers & Peripherals 5.0% | | |
| 25 | Apple, Inc. (a) (b) | 4,781,491 |
| 379 | EMC Corp. (a) (b) | 6,235,542 |
| 67 | International Business Machines Corp. (a) | 8,056,748 |
| | | 19,073,781 |
| Diversified Financial Services 0.9% | | |
| 84 | JP Morgan Chase & Co. | 3,500,326 |
| Diversified Telecommunication Services 1.6% | | |
| 202 | Verizon Communications, Inc. | 5,977,180 |
| Electric Utilities 1.1% | | |
| 54 | Entergy Corp. | 4,158,377 |

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| | | |
|--|--|------------|
| Electronic Equipment, Instruments & Components 1.6% | | |
| 149 | Amphenol Corp. [Cl. A | 5,977,880 |
| Energy Equipment & Services 4.0% | | |
| 69 | Diamond Offshore Drilling, Inc. | 6,562,725 |
| 96 | National Oilwell Varco, Inc. (b) | 3,926,842 |
| 81 | Schlumberger Ltd. | 5,063,080 |
| | | 15,552,647 |
| Health Care Equipment & Supplies 3.4% | | |
| 111 | Baxter International, Inc. | 6,006,066 |
| 27 | Intuitive Surgical, Inc. (b) | 6,644,060 |
| | | 12,650,126 |
| Health Care Providers & Services 4.2% | | |
| 140 | McKesson Corp. (a) | 8,222,200 |
| 133 | Medco Health Solutions, Inc. (a) (b) | 7,441,512 |
| | | 15,663,712 |
| Hotels Restaurants & Leisure 1.8% | | |
| 119 | McDonald's Corp. | 6,957,007 |
| Household Products 1.9% | | |
| 121 | Procter & Gamble Co. | 7,041,200 |
| Independent Power Producers & Energy Traders 1.7% | | |
| 92 | Constellation Energy Group, Inc. | 2,844,640 |
| 154 | NRG Energy, Inc. (b) | 3,540,437 |
| | | 6,385,077 |
| Industrial Conglomerates 1.2% | | |
| 122 | General Electric Co. | 1,746,265 |
| 142 | Textron, Inc. | 2,531,872 |
| | | 4,278,137 |
| Insurance 1.5% | | |
| 53 | MetLife, Inc. | 1,809,852 |
| 87 | Prudential Financial, Inc. | 3,935,010 |
| | | 5,744,862 |
| Internet Software & Services 2.0% | | |
| 14 | Google, Inc. [Cl. A (b) | 7,505,680 |
| Machinery 4.6% | | |
| 137 | AGCO Corp. (b) | 3,853,881 |
| 101 | Deere & Co. | 4,595,995 |
| 181 | Joy Global, Inc. (a) | 9,124,210 |
| | | 17,574,086 |
| Metals & Mining 2.3% | | |
| 117 | Freeport-McMoRan Copper & Gold, Inc. (a) (b) | 8,575,784 |

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Nicholas-Applegate Equity & Convertible Income Fund Schedule of Investments

October 31, 2009 (unaudited)

| Shares (000) | | Credit Rating (Moody's/S&P) | Value* |
|-----------------|--|--------------------------------|-------------|
| | Multiline Retail 1.8% | | |
| 139 | Target Corp. | | \$6,712,398 |
| | Oil, Gas & Consumable Fuels 2.8% | | |
| 90 | Occidental Petroleum Corp. | | 6,814,024 |
| 97 | Peabody Energy Corp. | | 3,820,435 |
| | | | 10,634,459 |
| | Pharmaceuticals 2.8% | | |
| 137 | Abbott Laboratories | | 6,928,090 |
| 63 | Johnson & Johnson | | 3,737,156 |
| | | | 10,665,246 |
| | Semiconductors & Semiconductor Equipment 3.6% | | |
| 355 | Intel Corp. (a) | | 6,774,495 |
| 289 | Texas Instruments, Inc. | | 6,772,360 |
| | | | 13,546,855 |
| | Software 3.9% | | |
| 261 | Microsoft Corp. (a) | | 7,223,665 |
| 367 | Oracle Corp. | | 7,750,030 |
| | | | 14,973,695 |
| | Total Common Stock (cost- \$377,536,501) | | 272,758,894 |

CONVERTIBLE PREFERRED STOCK 12.7%

| | | | |
|------|--|----------|-----------|
| | Capital Markets 0.3% | | |
| 209 | Lehman Brothers Holdings, Inc. (c) (g) (i), 6.00%, 10/12/10, Ser. GIS (General Mills, Inc.) | NR/NR | 673,534 |
| 33 | 28.00%, 3/6/09, Ser. RIG (Transocean, Inc.) | NR/NR | 455,286 |
| | | | 1,128,820 |
| | Chemicals 0.5% | | |
| 49 | Celanese Corp., 4.25%, 12/31/49 | NR/NR | 1,704,775 |
| | Commercial Banks 0.8% | | |
| 14 | Fifth Third Bancorp, 8.50%, 12/31/49, Ser. G | Baa3/BB | 1,623,050 |
| 2 | Wells Fargo & Co., 7.50%, 12/31/49, Ser. L | Ba3/A- | 1,521,500 |
| | | | 3,144,550 |
| | Commercial Services & Supplies 0.8% | | |
| 102 | United Rentals, Inc., 6.50%, 8/1/28 | Caa1/CCC | 2,913,422 |
| | Diversified Financial Services 2.5% | | |
| 4 | Bank of America Corp., 7.25%, 12/31/49, Ser. L | B3/B | 3,537,761 |
| | Credit Suisse Securities USA LLC (b), | | |
| 70 | 10.00%, 9/1/10 | Aa2/A- | 1,520,412 |
| 51 | 10.00%, 9/9/10 | Aa2/A- | 1,589,046 |
| -(j) | Preferred Blocker, Inc., 7.00%, 12/31/49 (e) (f) | NR/C | 61,072 |
| 62 | Vale Capital Ltd., 5.50%, 6/15/10, Ser. RIO (Compania Vale do Rio Doce) (i) | NR/NR | 3,028,838 |

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| | | | |
|-----|--|-----------|------------|
| | | | 9,737,129 |
| | Electric 1.2% | | |
| 102 | AES Trust III, 6.75%, 10/15/29 | B3/B | 4,364,370 |
| | Food Products 0.8% | | |
| 39 | Bunge Ltd., 4.875%, 12/31/49 | Ba1/BB | 3,162,200 |
| | Insurance 0.8% | | |
| 21 | Assured Guaranty Ltd., 8.50%, 6/1/14 | NR/NR | 1,511,475 |
| 53 | XL Capital Ltd., 10.75%, 8/15/11 | Baa2/BBB- | 1,349,190 |
| | | | 2,860,665 |
| | Machinery 1.1% | | |
| 5 | Stanley Works, 5.125%, 5/17/12 (h) | A3/BBB+ | 4,245,800 |
| | Oil, Gas & Consumable Fuels 0.6% | | |
| 27 | Chesapeake Energy Corp., 5.00%, 12/31/49 | NR/B | 2,283,725 |
| | Pharmaceuticals 0.5% | | |
| 8 | Schering-Plough Corp., 6.00%, 8/13/10 | Baa3/BBB | 2,002,375 |
| | Real Estate Investment Trusts (REIT) 1.4% | | |
| 72 | Alexandria Real Estate Equities, Inc., 7.00%, 12/31/49 | NR/NR | 1,437,140 |
| 207 | FelCor Lodging Trust, Inc., 1.95%, 12/31/49, Ser. A | Caa3/C | 2,425,410 |
| 24 | Simon Property Group, Inc., 6.00%, 12/31/49, Ser. I | Baa1/BBB | 1,416,000 |
| | | | 5,278,550 |
| | Wireless Telecommunication Services 1.4% | | |
| 98 | Crown Castle International Corp., 6.25%, 8/15/12 | NR/NR | 5,335,488 |
| | Total Convertible Preferred Stock (cost-\$71,205,285) | | 48,161,869 |

Principal
Amount
(000)

CONVERTIBLE BONDS & NOTES 11.5%

| | | | |
|---------|--|---------|-----------|
| | Auto Components 0.5% | | |
| \$1,425 | BorgWarner, Inc., 3.50%, 4/15/12 | NR/BBB | 1,724,250 |
| | Commercial Services & Supplies 1.2% | | |
| 4,800 | Bowne & Co., Inc., 6.00%, 10/1/33 (d) | B3/CCC+ | 4,614,000 |
| | Communications Equipment 0.6% | | |
| 3,730 | Nortel Networks Corp., 2.125%, 4/15/14 (c) | NR/NR | 2,084,137 |
| | Computers 1.3% | | |
| 4,925 | Maxtor Corp., 6.80%, 4/30/10 | Ba3/NR | 5,048,125 |

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Nicholas-Applegate Equity & Convertible Income Fund Schedule of Investments

October 31, 2009 (unaudited)

| Principal Amount (000) | | Credit Rating (Moody's/S&P) | Value* |
|------------------------|--|-----------------------------|-------------|
| | Electrical Equipment 1.3% | | |
| \$1,830 | EnerSys, 3.375%, 6/1/38 (d) | B2/BB | \$1,656,150 |
| 4,605 | JA Solar Holdings Co., Ltd., 4.50%, 5/15/13 | NR/NR | 3,424,969 |
| | | | 5,081,119 |
| | Electronic Equipment, Instruments & Components 0.3% | | |
| 1,335 | Anixter International, Inc., 1.00%, 2/15/13 | NR/BB- | 1,229,869 |
| | Energy Equipment & Services 0.4% | | |
| 1,625 | Hornbeck Offshore Services, Inc., 1.625%, 11/15/26 (d) | NR/BB- | 1,427,562 |
| | Entertainment 0.3% | | |
| 1,100 | Macrovision Corp., 2.625%, 8/15/11 | NR/B | 1,259,500 |
| | Health Care Providers & Services 0.4% | | |
| 1,850 | Omnicare, Inc., 3.25%, 12/15/35, Ser. OCR | B3/B+ | 1,482,313 |
| | Internet Software & Services 0.5% | | |
| 2,300 | VeriSign, Inc., 3.25%, 8/15/37 | NR/NR | 1,963,625 |
| | IT Services 0.7% | | |
| 2,850 | Alliance Data Systems Corp., 1.75%, 8/1/13 | NR/NR | 2,707,500 |
| | Pharmaceuticals 0.7% | | |
| 1,050 | Biovail Corp., 5.375%, 8/1/14 (e) (f) | NR/NR | 1,206,187 |
| 1,600 | Mylan, Inc., 1.25%, 3/15/12 | NR/BB- | 1,584,000 |
| | | | 2,790,187 |
| | Real Estate Investment Trusts (REIT) 1.4% | | |
| 5,950 | Developers Diversified Realty Corp., 3.00%, 3/15/12 | NR/BB | 5,355,000 |
| | Semiconductors & Semiconductor Equipment 0.8% | | |
| 1,950 | Advanced Micro Devices, Inc., 5.75%, 8/15/12 | NR/CCC+ | 1,652,625 |
| 850 | Micron Technology, Inc., 4.25%, 10/15/13 | NR/NR | 1,298,375 |
| | | | 2,951,000 |
| | Wireless Telecommunication Services 1.1% | | |
| 4,700 | NII Holdings, Inc., 3.125%, 6/15/12 | NR/B+ | 4,188,875 |
| | Total Convertible Bonds & Notes (cost-\$47,151,436) | | 43,907,062 |
| | CORPORATE BONDS & NOTES 2.5% | | |
| | Banks 0.1% | | |
| 400 | GMAC LLC, 6.75%, 12/1/14 (e) (f) | Ca/CCC | 367,000 |
| | Paper & Forest Products 0.2% | | |
| 1,000 | Neenah Paper, Inc., 7.375%, 11/15/14 | B2/B+ | 855,000 |
| | Pipelines 1.0% | | |
| 4,340 | Dynegy Holdings, Inc., 7.75%, 6/1/19 | B3/B | 3,678,150 |
| | Wireless Telecommunication Services 1.2% | | |
| 4,600 | Millicom International Cellular S.A., 10.00%, 12/1/13 | B1/NR | 4,778,250 |
| | Total Corporate Bonds & Notes (cost-\$10,002,310) | | 9,678,400 |

Nicholas-Applegate Equity & Convertible Income Fund Schedule of Investments

October 31, 2009 (unaudited)

| Principal Amount (000) | | Value* |
|--|---|----------------------|
| SHORT-TERM INVESTMENTS 1.3% | | |
| | Time Deposit 1.3% | |
| \$4,862 | Wells Fargo-Grand Cayman, 0.03%, 11/2/09 (cost-\$4,862,346) | \$ 4,862,346 |
| | Total Investments, before call options written (cost-\$510,757,878) 99.8% | 379,368,571 |
| CALL OPTIONS WRITTEN (b) (0.1%) | | |
| Contracts | | |
| 175 | Apple, Inc., strike price \$210, expires 11/21/09 | (10,325) |
| 2,650 | EMC Corp., strike price \$19, expires 11/21/09 | (10,600) |
| 325 | Freeport-McMoRan Copper & Gold, Inc., strike price \$85, expires 11/21/09 | (18,200) |
| 2,480 | Intel Corp., strike price \$22, expires 11/21/09 | (4,960) |
| 470 | International Business Machines Corp., strike price \$130, expires 11/21/09 | (15,040) |
| 515 | Joy Global, Inc., strike price \$60, expires 11/21/09 | (18,025) |
| 980 | McKesson Corp., strike price \$65, expires 11/21/09 | (14,700) |
| 925 | Medco Health Solutions, Inc., strike price \$60, expires 11/21/09 | (50,875) |
| 275 | Microsoft Corp., strike price \$30, expires 11/21/09 | (2,750) |
| 1,812 | Standard & Poor's 500 Index, strike price \$1150, expires 11/21/09 | (196,294) |
| | Total Call Options Written (premiums received-\$1,374,437) | (341,769) |
| | Total Investments, net of call options written (cost-\$509,383,441) 99.7% | 379,026,802 |
| | Other assets less other liabilities 0.3% | 969,021 |
| | Net Assets 100.0% | \$379,995,823 |

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.

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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 for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. 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, and the volatility observed in the market on such common stocks. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days 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 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) All or partial amount segregated as collateral for call options written.
- (b) Non-income producing.
- (c) In default.
- (d) Step Bond: Coupon is a fixed rate for an initial period then resets at a specific date and rate.
- (e) Private Placement. Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$1,634,259, representing 0.43% of net assets.
- (f) 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.
- (g) Fair-valued Securities with an aggregate value of \$1,128,819 representing 0.30% of net assets.
- (h) Variable rate. Interest rate disclosed reflects the rate in effect on October 31, 2009.
- (i) 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. Such entity is identified in the parenthetical.
- (j) Amount less than \$500.

Glossary:

NR-Not Rated

REIT-Real Estate Investment Trust

Other Investments:

Transactions in call options written for the nine months ended October 31, 2009:

| | <u>Contracts</u> | <u>Premiums</u> |
|---|-------------------------|------------------------|
| Options outstanding, January 31, 2009 | 1,682 | \$1,451,482 |
| Options written | 33,539 | 11,587,222 |
| Options terminated in closing purchase transactions | (8,812) | (4,523,495) |
| Options expired | (15,802) | (7,140,772) |
| Options outstanding, October 31, 2009 | 10,607 | \$1,374,437 |

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 portfolio 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
- 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 month period ended October 31, 2009 maximized the use of observable inputs and minimized the use of unobservable inputs. When fair-valuing securities, the Fund utilized a multi-dimensional relational pricing models.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A summary of the inputs used at October 31, 2009 in valuing the Fund's assets and liabilities is listed below:

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| | Level 1- Quoted Prices | Level 2- Other Significant Observable Inputs | Level 3- Significant Observable Inputs | Value at 10/31/2009 |
|---|---------------------------|---|---|------------------------|
| Investments in Securities - Assets | | | | |
| Common Stock | \$ 272,758,894 | □ | □ | \$ 272,758,894 |
| Convertible Preferred Stock: | | | | |
| Capital Markets | □ | □ | \$ 1,128,820 | 1,128,820 |
| All Other | 42,412,115 | \$ 4,620,934 | □ | 47,033,049 |
| Convertible Bonds & Notes | □ | 43,907,062 | □ | 43,907,062 |
| Corporate Bonds & Notes | □ | 9,678,400 | □ | 9,678,400 |
| Short-Term Instrmnts | □ | 4,862,346 | □ | 4,862,346 |
| Total Investments in Securities - Assets | 315,171,009 | \$ 63,068,742 | \$ 1,128,820 | \$ 379,368,571 |
| Investments in Securities - Liabilities | | | | |
| Call Options Written | \$ (145,475) | \$ (196,294) | □ | \$ (341,769) |
| Total Investments in Securities | \$ 315,025,534 | \$ 62,872,448 | \$ 1,128,820 | \$ 379,026,802 |

A roll forward of fair value measurements using significant unobservable inputs (Level 3) for the nine months ended October 31, 2009, were as follows:

| | Beginning Balance 1/31/09 | Net Purchases (Sales) and Settlements | Accrued Discounts (Premiums) | Total Realized Gain (Loss) | Total Change in Unrealized Appreciation (Depreciation) | Transfers in and/or out of Level 3 | Ending Balance 10/31/09 |
|--|---------------------------------|---|------------------------------------|-------------------------------------|---|--|-------------------------------|
| Investments in Securities - Assets | | | | | | | |
| Convertible Preferred Stock: Capital Markets | \$ 7,854,048 | \$ (9,225,491) | □ | □ | \$ 2,500,263 | | □ \$ 1,128,820 |

There was no change in unrealized appreciation/depreciation of Level 3 securities for the nine month period ended October 31, 2009.

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 controls 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: Nicholas-Applegate Equity & Convertible Income Fund

By: /s/ Brian S.
Shlissel
President & Chief
Executive Officer

Date: December
18, 2009

By: By: /s/
Lawrence G.
Altadonna
Treasurer,
Principal
Financial &
Accounting
Officer

Date: December
18, 2009

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: December
18, 2009

By: /s/ Lawrence
G. Altadonna
Treasurer,
Principal
Financial &
Accounting
Officer

Date: December
18, 2009
