

TCW CONVERTIBLE SECURITIES FUND INC
Form N-Q
November 15, 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 | 811-4980 | |
| | TCW Convertible Securities Fund, Inc. | |
| | (Exact name of registrant as specified in charter) | |
| | 865 South Figueroa Street, Suite 1800, Los Angeles, CA | 90017 |
| | (Address of principal executive offices) | (Zip code) |
| | Philip K. Holl, Esq. | |
| | Secretary | |
| | 865 South Figueroa Street, Suite 1800 | |
| | Los Angeles, CA 90017 | |
| | (Name and address of agent for service) | |
| Registrant's telephone number, including area code: | (213) 244-0000 | |
| Date of fiscal year end: | December 31 | |
| Date of reporting period: | September 30, 2004 | |

Item 1. Schedule of Investments. The schedule of investments for the period ending September 30, 2004 is filed herewith.

TCW Convertible Securities Fund, Inc.

Schedule of Investments

September 30, 2004 (Unaudited)

| Principal Amount | Fixed Income Securities | Market Value |
|------------------|---|------------------|
| | Automotive (1.0% of Net Assets) | |
| \$ 2,635,000 | Navistar Financial Corp., 4.75%, due 04/01/09 | \$ 2,608,650 |
| | Commercial Services (0.5%) | |
| 995,000 | Celgene Corp., 1.75%, due 06/01/08 | 1,388,025 |
| | Computer Services (3.5%) | |
| 195,000 | Computer Associates International, Inc., 1.625%, due 12/15/09 | 285,431+ |
| 1,775,000 | Computer Associates International, Inc., (144A), 1.625%, due 12/15/09 | 2,598,156* |
| 1,110,000 | CSG Systems International, Inc., (144A), 2.5%, due 06/15/24 | 1,051,725* + |
| 5,415,000 | Morgan Stanley, Exchangeable Cisco Systems, Inc., 0.25%, due 05/15/10 | 5,428,537 |
| | Total Computer Services | 9,363,849 |
| | Computer Software (1.1%) | |
| 2,390,000 | DST Systems, Inc., (144A), 4.125%, due 08/15/23 | 2,882,937* |
| | Computers & Information (1.9%) | |
| 5,060,000 | Maxtor Corp., 6.8%, due 04/30/10 | 5,129,575 |
| | Electric Utilities (1.6%) | |
| 1,700,000 | Calpine Corp., 6%, due 09/30/14 | 1,426,300 |
| 4,345,000 | Calpine Corp., (144A), 4.75%, due 11/15/23 | 2,960,031* + |
| | Total Electric Utilities | 4,386,331 |
| | Electronics (9.2%) | |
| 5,275,000 | Agere Systems, Inc., 6.5%, due 12/15/09 | 5,307,969+ |
| 6,500,000 | Amkor Technology, Inc., 5.75%, due 06/01/06 | 5,720,000+ |
| 4,660,000 | ASM Lithography Holding N.V., (144A), 5.75%, due 10/15/06 | 5,131,592* |

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| | | |
|-----------|---|--------------|
| 2,475,000 | Eastman Kodak Co., (144A), 3.375%, due 10/15/33 | 3,130,875* + |
| 5,575,000 | Lehman Brothers Holdings, Inc., 0.25%, due 08/27/10 | 5,246,075++ |
| | Total Electronics | 24,536,511 |
| | Healthcare (1.2%) | |
| 2,510,000 | Matria Healthcare, Inc. (144A), 4.875%, due 05/01/24 | 3,122,942* |
| | Industrial - Diversified (5.0%) | |
| 3,565,000 | Tyco International Group SA, (144A), 2.75%, due 01/15/18 | 5,013,281* |
| 5,495,000 | Tyco International Group SA, (144A), 3.125%, due 01/15/23 | 8,256,238* |
| | Total Industrial - Diversified | 13,269,519 |
| | Insurance (1.0%) | |
| 2,830,000 | Swiss RE America Holding, (144A), 3.25%, due 11/21/21 | 2,700,103* |
| | Lodging (1.0%) | |
| 2,405,000 | Hilton Hotels Corp., 3.375%, due 04/15/23 | 2,654,519 |
| | Media - Broadcasting & Publishing (5.1%) | |
| 6,130,000 | Liberty Media Corp., 3.75%, due 02/15/30 | 4,091,775 |
| 1,665,000 | Liberty Media Corp., Exchangeable Time Warner Inc., 0.75%, due 03/30/23 | 1,796,119 |
| 4,695,000 | Liberty Media Corp., Exchangeable Time Warner Inc., (144A), 0.75%, due 03/30/23 | 5,064,731* |
| 2,950,000 | Liberty Media Corp., Exchangeable Viacom Inc., Class B, 3.25%, due 03/15/31 | 2,688,188+ |
| | Total Media - Broadcasting & Publishing | 13,640,813 |
| | Medical Supplies (5.5%) | |
| 990,000 | Cooper Companies, Inc., 2.625%, due 07/01/23 | 1,643,400+ |
| 2,625,000 | Cooper Companies, Inc., (144A), 2.625%, due 07/01/23 | 4,357,500* |
| 2,325,000 | Cytoc Corp., 2.25%, due 03/15/24 | 2,624,344 |
| 5,615,000 | Fisher Scientific International, Inc., 3.25%, due 03/01/24 | 6,057,181+ |
| | Total Medical Supplies | 14,682,425 |
| | Oil & Gas (3.5%) | |
| 2,580,000 | McMoRan Exploration Co., (144A), 6%, due 07/02/08 | 3,195,975* |
| 2,685,000 | Pride International, Inc., (144A), 3.25%, due 05/01/33 | 2,936,719* + |
| 2,465,000 | Schlumberger, Ltd., Series B, 2.125%, due 06/01/23 | 2,662,200 |
| 500,000 | Willbros Group, Inc., (144A), 2.75%, due 03/15/24 | 501,250+ |
| | Total Oil & Gas | 9,296,144 |

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| Pharmaceuticals (3.0%) | | |
| 2,650,000 | Axcan Pharma, Inc., (144A), 4.25%, due 04/15/08 | 3,541,063* |
| 1,735,000 | DeCode Genetics, Inc., (144A), 3.5%, due 04/15/11 | 1,563,669* |
| 1,715,000 | MGI Pharma, Inc., (144A), 2.25%, due 03/02/24 | 1,406,300* + |
| 840,000 | Teva Pharmaceutical Finance II LLC, Series A, 0.5%, due 02/01/24 | 811,650 |
| 840,000 | Teva Pharmaceutical Finance II LLC, Series B, 0.25%, due 02/01/24 | 803,250+ |
| Total Pharmaceuticals | | 8,125,932 |
| Real Estate (1.1%) | | |
| 2,605,000 | Capital Automotive REIT, 6%, due 05/15/24 | 2,854,116 |
| Retail (0.9%) | | |
| 1,975,000 | The Gap, Inc., 5.75%, due 03/15/09 | 2,419,375 |
| Transportation (0.4%) | | |
| 1,210,000 | Northwest Airlines Corp., (144A), 6.625%, due 05/15/23 | 955,900* + |
| Total Fixed Income Securities (Cost: \$121,115,044) (46.5%) | | 124,017,666 |

**Number of
Shares**

**Equity Securities
Common Stock**

| | | |
|---|---|-------------------|
| Banking & Financial Services (2.0%) | | |
| 471,395 | E*TRADE Group, Inc. | 5,373,903** |
| Entertainment & Leisure (2.0%) | | |
| 235,846 | The Walt Disney Co. | 5,314,790 |
| Total Common Stock (Cost: \$10,071,400) (4.0%) | | 10,688,693 |
| Convertible Preferred Stock | | |
| Aerospace/Defense (2.0%) | | |
| 52,470 | Northrop Grumman Corp., \$7.25 | 5,424,086 |
| Automotive (5.9%) | | |
| 171,085 | Ford Motor Co. Capital Trust II, \$3.25 | 9,046,119 |
| 273,650 | General Motors Corp., \$1.3125 | 6,636,012 |
| Total Automotive | | 15,682,131 |

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|---|---|-------------------|
| Banking & Financial Services (4.9%) | | |
| 76,700 | Household International, Inc., Exchangeable HSBC Holdings PLC, \$2.219 | 3,474,510 |
| 33,300 | Sovereign Capital Trust IV, \$2.1875 | 1,619,212 |
| 39,755 | State Street Corp., \$13.50 | 7,929,135 |
| Total Banking & Financial Services | | 13,022,857 |
| Commercial Services (3.9%) | | |
| 263,950 | Solectron Corp., \$1.8125 | 3,563,325 |
| 87,085 | United Rentals, Inc., \$3.25 | 3,472,514+ |
| 25,805 | Xerox Corp., \$6.25 | 3,283,686 |
| Total Commercial Services | | 10,319,525 |
| Communications (1.2%) | | |
| 2,770 | Lucent Technologies Capital Trust I, \$77.50 | 3,097,220 |
| Electric Utilities (4.3%) | | |
| 23,200 | Aquila, Inc., \$1.688 | 716,300** |
| 74,205 | Dominion Resources, Inc., \$4.375 | 4,014,490 |
| 72,670 | FPL Group, Inc., \$4.00 | 4,096,771+ |
| 110,000 | Great Plains Energy, Inc., \$2.00 | 2,762,100+ |
| Total Electric Utilities | | 11,589,661 |
| Food Retailers (1.0%) | | |
| 106,665 | Albertson's, Inc., \$1.8125 | 2,762,623 |
| Healthcare (2.5%) | | |
| 89,250 | Baxter International, Inc., \$3.50 | 4,797,188+ |
| 41,200 | Omnicare, Inc., \$2.00 | 1,957,000 |
| Total Healthcare | | 6,754,188 |
| Insurance (6.6%) | | |
| 145,700 | Chubb Corp., \$1.75 | 4,149,536+ |
| 49,100 | Hartford Financial Services Group, Inc., \$3.50 | 3,013,513 |
| 78,450 | Phoenix Companies, Inc., Exchangeable Hilb, Rogal and Hamilton Co., \$2.667 | 2,789,917** |
| 70,105 | Reinsurance Group of America, Inc., \$2.875 | 4,153,721 |
| 59,150 | The St. Paul Companies, Inc., \$4.50 | 3,630,036 |
| Total Insurance | | 17,736,723 |
| Media - Broadcasting & Publishing (5.0%) | | |
| 100,750 | Equity Securities Trust, Exchangeable Cablevision Systems Corp., \$1.406 | 2,279,469 |
| 103,100 | Equity Securities Trust, Exchangeable Cablevision Systems Corp., \$2.343 | 2,177,988 |
| 2,050 | Radio One, Inc., \$65.00 | 2,080,750 |
| 1,825 | Radio One, Inc., (144A), \$65.00 | 1,852,375* |
| 119,230 | Sinclair Broadcast Group, Inc., \$3.00 | 4,858,623 |
| Total Media - Broadcasting & Publishing | | 13,249,205 |

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| Oil & Gas (2.5%) | | |
| 2,880 | Chesapeake Energy Corp., (144A), \$41.25 | 3,444,768* |
| 59,300 | Unocal Corp., \$3.125 | 3,113,250 |
| Total Oil & Gas | | 6,558,018 |
| Paper & Forest Products (1.2%) | | |
| 64,150 | Boise Cascade Corp., \$3.75 | 3,215,519 |
| Telecommunications (4.1%) | | |
| 135,760 | Alltel Corp., \$3.875 | 7,042,550 |
| 74,500 | Motorola, Inc., \$3.50 | 3,771,563+ |
| Total Telecommunications | | 10,814,113 |
| Telephone Systems (1.1%) | | |
| 110,600 | CenturyTel, Inc., \$1.71875 | 2,944,725+ |
| Total Convertible Preferred Stock (Cost: \$118,613,560) (46.2%) | | 123,170,594 |
| Total Equity Securities (Cost: \$128,684,960) (50.2%) | | 133,859,287 |

| Principal Amount | Short-Term Investments | |
|-------------------------|--|--------------|
| \$ 933,324 | Bank of America, 1.88%, due 12/23/04 | 933,324*** |
| 339,602 | Bank of Montreal, 1.76%, due 10/25/04 | 339,602*** |
| 2,799,971 | Bank of Nova Scotia, 1.75%, due 10/21/04 | 2,799,971*** |
| 933,324 | Bank of Nova Scotia, 1.76%, due 11/12/04 | 933,324*** |
| 933,324 | Bear Stearns Companies, Inc., 2.01%, due 12/15/04 | 933,324*** |
| 3,266,633 | BGI Prime Money Market Fund, 1.728%, due 10/01/04 | 3,266,633*** |
| 1,866,647 | BNP Paribas, 1.75%, due 10/04/04 | 1,866,647*** |
| 1,399,986 | Calyon, 1.7%, due 11/24/04 | 1,399,986*** |
| 1,866,647 | Citigroup, Inc., 1.865%, due 12/20/04 | 1,866,647*** |
| 1,866,647 | Clipper Receivables Corp., 1.794%, due 11/12/04 | 1,866,647*** |
| 466,662 | Credit Suisse First Boston Corp., 1.708%, due 09/09/05 | 466,662*** |
| 933,324 | Delaware Funding Corp., 1.753%, due 10/18/04 | 933,324*** |
| 2,333,309 | Deutsche Bank, 1.7%, due 10/12/04 | 2,333,309*** |
| 933,324 | Dexia Group, 1.505%, due 10/01/04 | 933,324*** |
| 933,324 | Dreyfus Cash Management Plus Fund, 1.528%, due 10/01/04 | 933,324*** |
| 2,327,558 | Falcon Asset Securitization Corp., 1.755%, due 11/10/04 | 2,327,558*** |
| 2,333,309 | Federal Home Loan Mortgage Corp., 1.682%, due 10/12/04 | 2,333,309*** |
| 2,333,309 | Fortis Bank, 1.52%, due 10/01/04 | 2,333,309*** |
| 466,662 | Fortis Bank, 1.62%, due 10/05/04 | 466,662*** |
| 933,324 | Fortis Bank, 1.69%, due 10/14/04 | 933,324*** |
| 2,327,004 | General Electric Capital Corp., 1.753%, due 10/20/04 | 2,327,004*** |
| 1,757,574 | Investors Bank & Trust Depository Reserve, 0.75%, due 10/01/04 | 1,757,574 |

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|-----------|--|----------------|
| 3,167,091 | Merrill Lynch Premier Institutional Fund, 1.642%, due 10/01/04 | 3,167,091*** |
| 466,662 | Merrimac Cash Fund (Premium Class), 1.472%, due 10/01/04 | 466,662*** |
| 1,866,648 | Park Avenue Receivables Corp., 1.783%, due 11/01/04 | 1,866,648*** |
| 1,399,986 | Royal Bank of Canada, 1.78%, due 11/10/04 | 1,399,986*** |
| 2,333,309 | Royal Bank of Scotland, 1.65%, due 10/29/04 | 2,333,309*** |
| 5,413,278 | Royal Bank of Scotland, 1.67%, due 11/02/04 | 5,413,278*** |
| 4,666,619 | Toronto Dominion Bank, 1.71%, due 10/15/04 | 4,666,619*** |
| | Total Short-Term Investments (Cost: \$53,598,381) (20.1%) | 53,598,381 |
| | TOTAL INVESTMENTS (Cost: \$303,398,385) (116.8%) | 311,475,334 |
| | LIABILITIES IN EXCESS OF OTHER ASSETS (-16.8%) | (44,805,634) |
| | NET ASSETS (100.0%) | \$ 266,669,700 |

Notes to the Schedule of Investments:

- * *Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2004, the value of these securities amounted to \$65,668,130 or 24.6% of net assets.*
- ++ *Security convertible into a basket of four technology companies: Applied Materials, Inc., Xilinx, Inc., Texas Instruments, Inc., and Maxim Integrated Products, Inc.*
- ** *Non-income producing.*
- *** *Represents investments of security lending collateral.*
- + *Security partially or fully lent.*

Investments by Industry (Unaudited)

| Industry | Percentage of Net Assets |
|------------------------------|-----------------------------|
| Aerospace/Defense | 2.0% |
| Automotive | 6.9 |
| Banking & Financial Services | 6.9 |
| Commercial Services | 4.4 |
| Communications | 1.2 |
| Computer Services | 3.5 |
| Computer Software | 1.1 |
| Computers & Information | 1.9 |
| Electric Utilities | 5.9 |
| Electronics | 9.2 |
| Entertainment & Leisure | 2.0 |
| Food Retailers | 1.0 |

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| | |
|-----------------------------------|---------------|
| Healthcare | 3.7 |
| Industrial - Diversified | 5.0 |
| Insurance | 7.6 |
| Lodging | 1.0 |
| Media - Broadcasting & Publishing | 10.1 |
| Medical Supplies | 5.5 |
| Oil & Gas | 6.0 |
| Paper & Forest Products | 1.2 |
| Pharmaceuticals | 3.0 |
| Real Estate | 1.1 |
| Retail | 0.9 |
| Telecommunications | 4.1 |
| Telephone Systems | 1.1 |
| Transportation | 0.4 |
| Short-Term Investments | 20.1 |
| Total | 116.8% |

Security Valuation:

Securities traded on national exchanges are valued at the last reported sales price or the mean of the current bid and asked prices if there are no sales in the trading period. Other securities which are traded on the over-the-counter market are valued at the mean of the current bid and asked prices. Short-term debt securities with maturities of 60 days or less at the time of purchase are valued at amortized cost. Other short-term debt securities are valued on a mark-to-market basis until such time as they reach a remaining maturity of 60 days, where upon they will be valued at amortized value using their value on the 61st day prior to maturity.

Federal Income Taxes:

It is the policy of the Fund to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and distribute all of its net taxable income, including any net realized gains on investments, to its shareholders. Therefore, no federal income tax provision is required.

At September 30, 2004, net unrealized appreciation for federal income tax purposes is comprised of the following components:

| | | |
|--|----|--------------|
| Appreciated securities | \$ | 18,765,892 |
| Depreciated securities | | (10,917,795) |
| Net unrealized appreciation | \$ | 7,848,097 |
| Cost of securities for federal income tax purposes | \$ | 303,627,237 |

Item 2. Controls and Procedures.

(a) The Registrant's Chief Executive Officer and Chief Financial Officer concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) were effective as of a date within 90 days prior to the filing date of this report (the Evaluation Date), based on their evaluation of the effectiveness of the Registrant's disclosure controls and procedures as of the Evaluation Date.

(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 to materially affect, the Registrant's internal control over financial reporting.

Item 3. Exhibits.

(a) Certification of Principal Executive Officer and Principal Financial Officer of the Registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is attached hereto as Exhibit 99CERT.

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) TCW Convertible Securities Fund, Inc.
By (Signature and Title) /s/ Alvin R. Albe, Jr.
Alvin R. Albe, Jr.
Chief Executive Officer
Date November 11, 2004

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 (Signature and Title) /s/ Alvin R. Albe, Jr.
Alvin R. Albe, Jr.
Chief Executive Officer
Date November 11, 2004
By (Signature and Title) /s/ David S. DeVito
David S. DeVito
Chief Financial Officer
Date November 11, 2004
