

CALAMOS CONVERTIBLE & HIGH INCOME FUND
Form N-CSRS
June 24, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

INVESTMENT COMPANY ACT FILE NUMBER: 811-21319

EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER: Calamos Convertible and High Income Fund

ADDRESS OF PRINCIPAL EXECUTIVE OFFICES: 2020 Calamos Court, Naperville, Illinois 60563-2787

NAME AND ADDRESS OF AGENT FOR SERVICE: John P. Calamos, Sr., President
Calamos Advisors LLC
2020 Calamos Court
Naperville, Illinois
60563-2787

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (630) 245-7200

DATE OF FISCAL YEAR END: October 31, 2010

DATE OF REPORTING PERIOD: November 1, 2009 through April 30, 2010

ITEM 1. REPORTS TO SHAREHOLDERS

Include a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270. 30e-1).

Calamos Investments: Expertise and Foresight

Since our founding in 1977, Calamos Investments has been committed to addressing the investment needs of individual and institutional investors. For more than 30 years, clients have admired our adherence to a single investment approach: to seek a proper balance between risks and opportunities. Much of our success is due to our consistent application of our core belief when it comes to investment management: one-team, one-process. A single team of investment professionals analyzes the entire capital structure of a company prior to selecting individual securities for the portfolios. The versatility of our approach, our disciplined focus on risk management, and our goal of consistently achieving superior returns for our clients are three pillars that support our ongoing prosperity. Leveraging founder John P. Calamos, Sr.'s expertise in the complex convertible market, the company has evolved from a small boutique manager into a global, growth-focused investment firm that offers multiple investment vehicles across equity, fixed-income and alternative strategies.

We invite you to review our semiannual report.

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Letter to Shareholders

About the Fund

The Fund's dynamic asset allocation approach and broad investment universe provides enhanced opportunities to pursue income and total returns.

Invests primarily in securities of U.S. issuers.

Dear current and prospective shareholders:

Since 1977, our experience and the evolution of our one-team, one-process approach to investing have continued to meet the investment needs of our individual and institutional investors through many uncertain times and volatile markets. Our goal is to find the optimal balance between opportunity and risk, allowing our investors to take advantage of market gains while minimizing the impact of downward markets. At Calamos Investments, a single team of experts manages all of our strategies including equity, fixed-income and alternative strategies. Our unique process allows us to dynamically invest in a combination of asset classes where we see opportunity.

In 1985, we created our first mutual Fund and one of the first convertible securities mutual Funds by utilizing our experience managing institutional portfolios. Over the years, we have built upon that experience to create many investment strategies in open-end and closed-end Fund formats. Beginning in 1996, we began offering global investment strategies to capitalize on investment opportunities around the world.

In 2002, we launched our first closed-end Fund to great success. Closed-end Funds are long-term investments, the majority of which focus on providing monthly distributions, but there are important differences among individual closed-end Funds.

Today, we manage a total of five closed-end Funds. While each closed-end Fund has a different risk profile, the overall objectives are consistent. Calamos closed-end Funds can be grouped into two broad categories: enhanced fixed-income Funds and total return Funds. Each of our closed-end Funds invests in a combination of asset classes, maintaining the potential for capital appreciation and providing sources of income.

Enhanced Fixed-Income Funds

Portfolios positioned to pursue high current income from investment income and capital gains.

Convertible Opportunities and Income Fund (CHI) invests in high yield and convertible securities, primarily in U.S. markets.

Convertible and High Income Fund (CHY) invests in high yield and convertible securities, primarily in U.S. markets.

Global Dynamic Income Fund (CHW) invests in equities and higher yielding convertible securities and corporate bonds in both U.S. and non-U.S. markets.

Letter to Shareholders

Total Return Funds

Portfolios positioned to seek current income with increased emphasis on capital gains potential.

Global Total Return Fund (CGO) invests in equities and higher yielding convertible securities and corporate bonds, in both U.S. and non-U.S. markets.

Strategic Total Return Fund (CSQ) invests in equities and higher yielding convertible securities and corporate bonds, primarily in U.S. markets.

Broadly speaking, we continue to favor companies and issuers with stronger balance sheets and the ability to grow without over-relying on the capital markets. We continue to emphasize companies with global leadership positions, well-recognized brands and capable management teams. Our investment process also reflects long-term thematic influences, such as productivity improvements, globalization and infrastructure building.

We believe that the volatility in the markets will continue to be unpredictable; accordingly, our aim is to think globally and be flexible. We have positioned the portfolios in higher quality names relative to the investment universe in which each respective Fund may participate. In regards to equities, while focusing on income and total return objectives, we have favored larger companies that have stronger balance sheets and global revenue streams, which we believe are better positioned to take advantage of opportunities that globalization offers and have the strength to withstand potential market turbulence.

While there are many positive signs in the economic picture, we continue to favor more conservative positioning in convertibles and high yield bonds. Notably, we have maintained an underweight position in the lowest quality credit tier. Over the years, we have relied heavily on our credit process to serve shareholders. We continue to believe that avoiding these speculative credits is prudent risk management, and historically has served our shareholders well. We have conviction that this positioning provides the portfolio with an attractive risk/reward profile in the current market environment.

In this semiannual report you will find a variety of information about the six months ended April 30, 2010 for your review. Enclosed are commentaries from our investment team, a list of portfolio holdings, financial data and highlights, as well as details about the performance and asset allocation.

During the reporting period, the Fund continued to operate in a very low interest rate environment. The environment has been conducive to the prudent use of leverage in the Fund, as we were able to borrow at inexpensive rates and achieve a return greater than the cost of leverage on the invested proceeds. The use of leverage has also been supportive of the Fund's distribution rate. We plan to continue the judicious use of leverage so long as we believe it will create value for shareholders. Further, we believe that the Fund's current distribution rate remains very attractive, especially when viewed against other income producing strategies. We and the Fund's Board of Trustees remain committed to providing a distribution that we believe is generally

Convertible and High Income Fund

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Letter to Shareholders

sustainable over the long-term and we will continue to keep a watchful eye on the investment climate to determine an appropriate rate for our shareholders.

We encourage you to call your financial advisor or Calamos Investments at 800.582.6959 to talk further about your individual investments. You may also visit our website at www.calamos/ce.com for more information about our Funds, their objectives and performances, as well as up-to-date market commentary.

Thank you for your confidence and for letting us serve your investment needs both now and in years to come.

Sincerely,

John P. Calamos, Sr.
Chairman, CEO and Co-CIO
Calamos Advisors LLC

This report is for informational purposes only and should not be considered investment advice.

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Letter to Shareholders **SEMIANNUAL REPORT** 3

Investment Team Commentary

The Calamos Investment Management Team, led by Co-Chief Investment Officers John P. Calamos, Sr. and Nick Calamos, CFA, discusses the Fund's performance, strategy and positioning during the six-month period ended April 30, 2010.

TOTAL RETURN*

Common Shares Inception 5/28/03

| | 6 Months | 1 Year | Since Inception** |
|-----------------|---------------------|---------------|------------------------------|
| On Market Price | 23.03% | 59.63% | 8.14% |
| On NAV | 12.32% | 47.67% | 8.68% |

*Total return measures net investment income and net realized gain or loss from portfolio investments, and change in net unrealized appreciation and depreciation, assuming reinvestment of income and net realized gains distributions.

**Annualized since inception.

The objective of the Calamos Convertible and High Income Fund (CHY) is to seek total return through a combination of capital appreciation and current income by investing in a diversified portfolio of convertible securities and below-investment-grade (high yield) fixed-income securities. This Fund's enhanced fixed-income strategy spans the credit quality range and uses a variety of debt instruments to achieve its objective. The strategy provides an alternative to investment-grade fixed-income instruments. The Fund also has an emphasis on information technology and convertible markets on a net asset value (NAV) basis.

About the Fund

The Fund's dynamic asset allocation approach and broad investment universe provide enhanced opportunities to pursue income and total returns.

The Fund utilizes a blend of high yield and convertible securities in seeking to achieve high income.

The Fund invests primarily in securities of U.S. issuers.

SINCE INCEPTION MARKET PRICE AND NAV HISTORY

SECTOR WEIGHTINGS

| | |
|------------------------|-------|
| Energy | 16.9% |
| Information Technology | 15.5 |
| Materials | 12.7 |
| Consumer Discretionary | 12.7 |
| Financials | 10.3 |
| Industrials | 10.2 |
| Health Care | 7.3 |

| | |
|----------------------------|-----|
| Consumer Staples | 5.5 |
| Telecommunication Services | 3.4 |
| Utilities | 0.5 |

Sector Weightings are based on managed assets and may vary over time. Sector Weightings exclude any government/sovereign bonds or options on broad market indexes the portfolio may hold.

How did the Fund perform over the reporting period on a NAV Basis basis?

CHY s NAV total return was a gain of 12.32% for the reporting period, outperforming the Credit Suisse High Yield Bond Index performance of 11.53% but lagging BofA ML Convertible Excluding Mandatories Index performance of 15.88%.

How did the Fund perform over the reporting period on a market price basis?

The return on market price was 23.03% for the six month period ended April 30, 2010. This significantly outperformed both the high yield and convertible indexes

Convertible and High Income Fund

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Investment Team Commentary

mentioned above. The Fund realized a significant improvement to the discount (percentage that the Fund's publicly traded price is relative to NAV), moving from -7.63% discount at the beginning of the period to a premium of 1.17% at the end of the period.

What affected the Fund's performance over the reporting period?

The Fund's NAV benefited as high yield bonds and convertible securities, the Fund's principle investment areas, performed well as investors sought income-producing securities during the reporting period. High yield credit spreads narrowed, indicating a preference for high yield bonds, and ended the period with the average spread trading at 588 basis points according to JP Morgan market data (at the beginning of the period, the spread was 749 basis points). In the convertible market, the reporting period was characterized by significant outperformance of the CCC credit tier of the convertible market. In this uncertain market environment, we have been significantly underweight the CCC rated issuers and this hampered the Fund's performance.

From a sector perspective, value was added versus the Credit Suisse High Yield Index from an underweight position and issue selection within the health care sector. Value was also added through issue selection in the financials sector. The Fund was held back by an underweight allocation and lagging selection within consumer discretionary as it was the best performing sector in the index for the period. Security selection within the energy and consumer staples sectors also hampered performance.

The Fund is focused on investing in securities that offer a yield or distribution, and that will also potentially offer total return longer term. To help manage risks in this area, and certainly in light of current economic and market conditions, the Fund tends to have a higher quality bias than the broad high yield or convertible markets. While this did somewhat reduce returns as the lowest quality tiers of these markets showed the strongest performance, we continue to protect against volatility and default potential of the lowest grade securities.

What are your current thoughts regarding the Fund's distribution rate?

The Fund has been operating in a very low interest rate environment as witnessed by the lower relative yields found in the marketplace. The S&P 500 Dividend Yield has been roughly 2%, 10 Year Treasury Bonds were yielding 3.3% and 30 Year Treasuries were yielding 4.2%. As such, we have been pleased with the market price yield of 7.86% at the end of the reporting period. The goal of the level rate distribution policy is to provide investors a predictable, though not assured, level of cash flow, which can either serve as a stable income stream or, through reinvestment, contribute significantly to long-term total return.

Schedule of Investments

APRIL 30, 2010 (UNAUDITED)

| PRINCIPAL AMOUNT | | VALUE |
|--------------------------------|---|--------------|
| CORPORATE BONDS (72.0%) | | |
| | <i>Consumer Discretionary (13.1%)</i> | |
| 4,528,000 | Asbury Automotive Group, Inc.μ 7.625%, 03/15/17 | \$ 4,369,520 |
| 979,000 | Boyd Gaming Corp. 7.125%, 02/01/16 | 881,100 |
| 3,916,000 | Cooper Tire & Rubber Company 8.000%, 12/15/19 | 4,013,900 |
| 6,168,000 | DISH Network Corp. 7.125%, 02/01/16μ | 6,291,360 |
| 2,448,000 | 7.875%, 09/01/19 | 2,582,640 |
| 6,633,000 | GameStop Corp.μ 8.000%, 10/01/12 | 6,914,903 |
| 6,364,000 | General Motors Corp. 7.200%, 01/15/11 | 2,402,410 |
| 4,699,000 | 7.125%, 07/15/13 | 1,762,125 |
| 4,895,000 | Goodyear Tire & Rubber Companyμ 7.000%, 03/15/28 | 4,381,025 |
| 7,098,000 | Hanesbrands, Inc.μ 3.831%, 12/15/14 | 6,885,060 |
| 9,105,000 | Hasbro, Inc.μ 6.600%, 07/15/28 | 9,594,976 |
| 1,831,000 | Interpublic Group of Companies, Inc. 10.000%, 07/15/17 | 2,103,361 |
| 1,469,000 | J.C. Penney Company, Inc. 7.650%, 08/15/16 | 1,652,625 |
| 7,421,000 | Jarden Corp. 7.500%, 05/01/17 | 7,625,077 |
| 3,143,000 | Kellwood Company 7.625%, 10/15/17 | 1,477,210 |
| 3,427,000 | Liberty Media Corp.μ 8.250%, 02/01/30 | 3,217,096 |
| 959,000 | | 982,975 |

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| | | |
|---------------|-------------------------------------|-------------|
| | Limited Brands, Inc. | |
| | 7.000%, 05/01/20 | |
| 127,000 | Live Nation Entertainment, Inc. * | |
| | 8.125%, 05/15/18 | 131,128 |
| 3,843,000 | Mandalay Resort Group | |
| | 7.625%, 07/15/13 | 3,434,681 |
| 5,708,000 | NetFlix, Inc. | |
| | 8.500%, 11/15/17 | 6,107,560 |
| | Phillips-Van Heusen Corp. | |
| 930,000 | 8.125%, 05/01/13 | 948,600 |
| 264,000 | 7.375%, 05/15/20 | 271,920 |
| | Royal Caribbean Cruises, Ltd.µ | |
| 11,650,000 | 7.500%, 10/15/27 | 10,834,500 |
| 979,000 | 7.000%, 06/15/13 | 1,020,608 |
| | Service Corp. International | |
| 8,322,000 | 7.500%, 04/01/27µ | 7,885,095 |
| 1,958,000 | 7.625%, 10/01/18µ | 2,011,845 |
| 979,000 | 8.000%, 11/15/21 | 1,023,055 |
| 3,916,000 | Sotheby s Holdings, Inc.µ | |
| | 7.750%, 06/15/15 | 4,004,110 |
| 979,000 | Speedway Motorsports, Inc. | |
| | 8.750%, 06/01/16 | 1,052,425 |
| 8,420,000 | Vail Resorts, Inc.µ | |
| | 6.750%, 02/15/14 | 8,567,350 |
| 1,958,000 GBP | Warner Music Group Corp. | |
| | 8.125%, 04/15/14 | 2,846,048 |
| | | 117,276,288 |
| | Consumer Staples (4.0%) | |
| 4,161,000 | Chiquita Brands International, Inc. | |
| | 8.875%, 12/01/15 | 4,285,830 |
| | Constellation Brands, Inc. | |
| 4,738,000 | 7.250%, 09/01/16µ | 4,886,063 |
| 979,000 | 7.250%, 05/15/17 | 1,003,475 |
| 1,336,000 | Del Monte Foods Company* | |
| | 7.500%, 10/15/19 | 1,417,830 |
| 3,427,000 | NBTY, Inc.µ | |
| | 7.125%, 10/01/15 | 3,465,554 |
| | Reynolds American, Inc. | |
| 3,916,000 | 7.625%, 06/01/16µ | 4,408,817 |
| 3,916,000 | 7.250%, 06/15/37~ | 4,080,178 |
| | Smithfield Foods, Inc. | |
| 9,790,000 | 7.750%, 07/01/17 | 9,728,812 |
| 1,958,000 | 7.750%, 05/15/13 | 1,997,160 |
| 259,000 | TreeHouse Foods, Inc. | |
| | 7.750%, 03/01/18 | 270,655 |
| | | 35,544,374 |

Energy (16.3%)

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| | | |
|-----------|-------------------------------------|-----------|
| 6,364,000 | Arch Coal, Inc.μ* | |
| | 8.750%, 08/01/16 | 6,809,480 |
| 2,448,000 | Arch Western Finance, LLCμ | |
| | 6.750%, 07/01/13 | 2,478,600 |
| 2,545,000 | ATP Oil & Gas Corp.* | |
| | 11.875%, 05/01/15 | 2,506,825 |
| | Berry Petroleum Company | |
| 2,753,000 | 8.250%, 11/01/16 | 2,814,943 |
| 1,958,000 | 10.250%, 06/01/14 | 2,178,275 |
| 1,469,000 | Bill Barrett Corp. | |
| | 9.875%, 07/15/16 | 1,586,520 |
| 6,731,000 | Bristow Group, Inc.μ | |
| | 7.500%, 09/15/17 | 6,840,379 |
| | Chesapeake Energy Corp. | |
| 3,916,000 | 9.500%, 02/15/15μ | 4,312,495 |
| 3,162,000 | 6.875%, 11/15/20 | 3,098,760 |
| 4,895,000 | Complete Production Services, Inc.~ | |
| | 8.000%, 12/15/16 | 5,029,612 |
| 8,028,000 | Comstock Resources, Inc. | |
| | 8.375%, 10/15/17 | 8,329,050 |
| 5,306,000 | Concho Resources, Inc. | |
| | 8.625%, 10/01/17 | 5,690,685 |
| | Continental Resources, Inc. | |
| 1,958,000 | 8.250%, 10/01/19 | 2,114,640 |
| 685,000 | 7.375%, 10/01/20* | 712,400 |

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See accompanying Notes to Schedule of Investments

Schedule of Investments

APRIL 30, 2010 (UNAUDITED)

| PRINCIPAL AMOUNT | | VALUE |
|---------------------|---|--------------|
| 7,390,000 | Dresser-Rand Group, Inc. 7.375%, 11/01/14 | \$ 7,500,850 |
| 2,937,000 | Frontier Oil Corp.μ 8.500%, 09/15/16 | 3,047,137 |
| 4,581,000 | GulfMark Offshore, Inc.μ 7.750%, 07/15/14 | 4,581,000 |
| 9,790,000 | Helix Energy Solutions Group, Inc.μ* | |
| | 9.500%, 01/15/16 | 10,230,550 |
| 3,862,000 | Hornbeck Offshore Services, Inc.μ 8.000%, 09/01/17 | 3,939,240 |
| 5,801,000 | Mariner Energy, Inc.μ 8.000%, 05/15/17 | 6,424,607 |
| 3,427,000 | 11.750%, 06/30/16 | 4,403,695 |
| 6,755,000 | Petrohawk Energy Corp.μ 7.125%, 04/01/12 | 6,788,775 |
| 5,874,000 | Petroplus Holdings, AG* 9.375%, 09/15/19 | 5,639,040 |
| 1,958,000 | 6.750%, 05/01/14 | 1,869,890 |
| 490,000 | 7.000%, 05/01/17 | 448,350 |
| 4,406,000 | Pride International, Inc.μ 8.500%, 06/15/19 | 5,083,422 |
| 2,281,000 | Range Resources Corp. 8.000%, 05/15/19μ | 2,474,885 |
| 979,000 | 7.500%, 10/01/17 | 1,027,950 |
| 5,385,000 | SEACOR Holdings, Inc. 7.375%, 10/01/19 | 5,691,606 |
| 7,441,000 | Superior Energy Services, Inc.μ 6.875%, 06/01/14 | 7,441,000 |
| 5,776,000 | Swift Energy Company 8.875%, 01/15/20 | 6,072,020 |
| 3,495,000 | Whiting Petroleum Corp.μ 7.250%, 05/01/12 | 3,516,844 |
| 5,039,000 | Williams Companies, Inc. 7.750%, 06/15/31 | 5,817,677 |

| | | |
|------------|--|-------------|
| | | 146,501,202 |
| | Financials (6.5%) | |
| 6,119,000 | Ford Motor Credit Company, LLC 9.875%, 08/10/11 | 6,477,292 |
| 10,769,000 | Host Hotels & Resorts, Inc.µ 7.125%, 11/01/13 | 11,011,302 |
| 6,657,000 | Janus Capital Group, Inc. 6.950%, 06/15/17 | 6,791,272 |
| 10,642,000 | Leucadia National Corp.µ 8.125%, 09/15/15 | 11,200,705 |
| 2,340,000 | 7.000%, 08/15/13 | 2,462,850 |
| 6,853,000 | Nuveen Investments, Inc. 10.500%, 11/15/15 | 6,887,265 |
| 3,769,000 | OMEGA Healthcare Investors, Inc. 7.500%, 02/15/20* | 3,891,493 |
| 930,000 | 7.000%, 04/01/14 | 940,463 |
| 4,895,000 | Senior Housing Properties Trustµ 8.625%, 01/15/12 | 5,151,987 |
| 3,459,000 | 7.875%, 04/15/15 | 3,528,180 |
| | | 58,342,809 |
| | Health Care (1.7%) | |
| 1,958,000 | Bio-Rad Laboratories, Inc. 8.000%, 09/15/16 | 2,099,955 |
| 1,958,000 | 7.500%, 08/15/13µ | 1,997,160 |
| 6,168,000 | Talecris Biotherapeutics Holdings Corp.* 7.750%, 11/15/16 | 6,260,520 |
| 4,876,000 | Valeant Pharmaceuticals International* 7.625%, 03/15/20 | 4,985,710 |
| | | 15,343,345 |
| | Industrials (9.1%) | |
| 3,916,000 | BE Aerospace, Inc.µ 8.500%, 07/01/18 | 4,199,910 |
| | Belden, Inc. | |