

WESTERN ASSET/CLAYMORE INFLATION-LINKED SECURITIES & INCOME FUND
Form N-CSRS
August 24, 2016
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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 811-21403

Western Asset/Claymore Inflation-Linked Securities & Income Fund
(Exact name of registrant as specified in charter)

385 East Colorado Boulevard, Pasadena, CA 91101
(Address of principal executive offices) (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: (888) 777-0102

Date of fiscal year end: December 31

Date of reporting period: June 30, 2016

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ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

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Semi-Annual Report

June 30, 2016

WESTERN

ASSET/CLAYMORE

INFLATION-LINKED

SECURITIES & INCOME

FUND (WIA)

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

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The Fund's primary investment objective is to provide current income. Capital appreciation, when consistent with current income, is a secondary investment objective.

Letter to shareholders

Dear Shareholder,

We thank you for your investment in Western Asset/Claymore Inflation-Linked Securities & Income Fund (the Fund). As investment adviser for the Fund, we are pleased to submit the Fund's semi-annual shareholder report for the six-month reporting period ended June 30, 2016.

For the six-month period ended June 30, 2016, the Fund returned 6.01% based on its net asset value (NAV) and 10.49% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmarks, the Barclays U.S. Government Inflation-Linked 1-10 Year Indexⁱⁱ and the Barclays U.S. Government Inflation-Linked All Maturities Indexⁱⁱⁱ, returned 4.98% and 6.55%, respectively, for the same period. All Fund returns cited—whether based on NAV or market price—assume the reinvestment of all distributions, including returns of capital, if any. Past performance does not guarantee future results. The market price of the Fund's shares fluctuates from time to time, and it may be higher or lower than the Fund's NAV. Details of Fund fees and expenses appear elsewhere in this report.

A number of adjustments were made to the Fund during the reporting period. We significantly increased the Fund's allocation to U.S. Treasury Inflation-Protected Securities (TIPS^v). We increased the Fund's exposure to high-yield corporate bonds, namely in the Energy and Consumer Cyclical¹ sectors. We added commodity exposure to the Fund during the reporting period. In contrast, we closed the Fund's allocation to investment-grade corporate bonds. From a currency perspective, we increased the Fund's long position in the Japanese yen and increased its short position to the euro. Elsewhere, we added a short position in the Taiwan new dollar. Finally, we tactically adjusted the Fund's duration and yield curve^{vi} positioning throughout the reporting period.

The Fund employed U.S. Treasury futures and options, including options on futures, Eurodollar futures and options, and Euro-bund futures during the reporting period to manage its yield curve positioning and duration. The use of these instruments detracted from performance. Interest rate swaps and CPI index swaps, used to manage inflation-related exposure, were also

¹ Consumer Cyclical consists of the following industries: Automotive, Entertainment, Gaming, Home Construction, Lodging, Retailers, Restaurants, Textiles and other consumer services.

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negative for performance. Finally, currency forwards, which were used to manage the Fund's currency exposures, modestly detracted from performance.

Leverage was used during the reporting period. The Fund ended the period with leverage as a percentage of gross assets of roughly 31% versus 30% when the period began. The use of leverage contributed to performance over the six months ended June 30, 2016.

The largest contributor to the Fund's absolute performance during the reporting period was its allocation to TIPS. The Fund's allocation to structure product was also beneficial for results as yield spreads over Treasuries tightened, especially over the second quarter of 2016. Allocations to commodities, investment-grade corporate bonds and high-yield corporate bonds were positive for the Fund's performance. Investment-grade corporate bond holdings that performed well included Rio Tinto Financial, BHP Billiton Financial and Devon Energy Corp. High-yield corporate bonds that enhanced the Fund's performance included Whiting Petroleum Corp., Williams Companies, Inc. and Oasis Petroleum, Inc.

The largest detractor from the Fund's absolute performance for the period was its use of interest rate futures and options. These instruments were used to reduce the duration of the Fund and interest rates fell over the period. An investment-grade corporate bond holding that negatively impacted performance was Barclays Bank PLC. It performed poorly due to concerns how low or even negative interest rates would affect banking earnings, and uncertainty stemming from the U.K. referendum to leave the European Union (Brexit). Digicel Limited, a mobile phone network provider operating in 33 markets, was a Fund high-yield corporate bond holding that was a headwind for results. Digicel's full-year sales and earnings dipped amid currency weakness in several of its markets.

As of June 30, 2016, the Fund's market price of \$11.48 per share represented a discount of 11.83% to its NAV of \$13.02 per share. In each month of the period, the Fund provided its investors with a distribution of \$0.032 per share. The most recent distribution represents an annualized distribution rate of 3.34% based on the Fund's last closing market price of \$11.48 as of June 30, 2016. There is no guarantee of any future distributions or that the current returns and distribution rate will be maintained. Please see Note 1(r) on page 23 for more information on distributions for the period.

The Fund's investment objective is to provide current income. Capital appreciation, when consistent with current income, is a secondary objective. Under normal market conditions, the Fund will invest:

At least 80% of its total managed assets^{viii} in inflation-linked securities

At least 60% of its total managed assets in U.S. TIPS

No more than 40% of its total managed assets in non-U.S. dollar investments, which gives the Fund the flexibility to invest up to 40% of its total managed assets in non-U.S. dollar inflation-linked securities (no more than 20% of its non-U.S. dollar exposure may be unhedged) On March 2, 2016, the Fund announced changes, effective immediately, to its non-fundamental investment guidelines and an authorization to enter into share repurchases, as approved by the Fund's Board of Trustees. The investment guideline

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Letter to shareholders (cont d)

changes broaden the range of securities in which the Fund can invest, while maintaining the overall strategy of investing at least 80% of total managed assets in inflation-linked securities.

Under the changes, the Fund has the flexibility to:

Engage in currency strategies, using instruments such as currency forwards, futures and options, to take long and short foreign currency positions subject to a limit of exposure from such strategies to 40% of total managed assets. This capacity is in addition to the existing capacity to have 20% unhedged exposure to non-U.S. dollar currencies through the purchase of fixed income securities.

Utilize commodity-related strategies for up to 10% of its total managed assets. Exposure to commodities is expected to be achieved through the use of a variety of instruments, such as futures contracts, options and other derivatives, or through investments in exchange-traded products that offer exposure to commodities. The Fund does not expect to hold physical commodities.

Invest in assets rated below investment grade at the time of purchase (or if unrated, assets of comparable quality as determined by management), with a limit of 10% of total managed assets.

Additionally, the Board of Trustees authorized management to repurchase in the open market up to approximately 10% of the Fund's outstanding common shares when the shares are trading at a discount to net asset value and when such purchases could enhance shareholder value. The Fund is under no obligation to purchase shares at any specific discount levels or in any specific amounts. The Fund's repurchase activity will be disclosed in the shareholder report for the relevant fiscal period.

Each of the foregoing policies is a non-fundamental policy that may be changed without shareholder approval. The Fund has also adopted the following non-fundamental policy, which, to the extent required by applicable law, may only be changed after notice to shareholders: under normal market conditions, the Fund will invest at least 80% of its total managed assets in inflation-protected securities and non-inflation-protected securities and instruments with the potential to enhance the Fund's income. To the extent permitted by the foregoing policies, the Fund may invest in emerging market debt securities. Reverse repurchase agreements and other forms of leverage will not exceed 38% of the Fund's total managed assets. The Fund currently expects that the average effective durationⁱⁱⁱ of its portfolio will range between zero and fifteen years, although this target duration may change from time to time. The Fund may enter into credit default swap contracts, interest rate swap contracts and total return swap contracts, for investment purposes, to manage its credit risk or to add leverage.

Shareholders have the opportunity to reinvest their dividends from the Fund through the Dividend Reinvestment Plan (DRIP), which is described in detail on page 33 of this report. In general, if shares are trading at a discount to NAV, the DRIP takes advantage of the discount by reinvesting the monthly dividend distribution in common shares of the Fund purchased in the market at a price less than NAV. Conversely, when the market price of the Fund's com-

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mon shares is at a premium above NAV, the DRIP reinvests participants' dividends in newly-issued common shares at NAV, subject to an IRS limitation that the purchase price cannot be more than 5% below the market price per share. The DRIP provides a cost-effective means to accumulate additional shares.

We appreciate your investment and look forward to serving your investment needs in the future. For the most up-to-date information on your investment, please visit the Fund's website at www.guggenheiminvestments.com/wia.

Sincerely,

Western Asset Management Company

July 29, 2016

ⁱ Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.

ⁱⁱ The Barclays U.S. Government Inflation-Linked 1-10 Year Index measures the performance of the intermediate U.S. TIPS market.

ⁱⁱⁱ The Barclays U.S. Government Inflation-Linked All Maturities Index measures the performance of the U.S. TIPS market. The Index includes TIPS with one or more years remaining maturity with total outstanding issue size of \$500 million or more.

^{iv} U.S. Treasury Inflation-Protected Securities (TIPS) are inflation-indexed securities issued by the U.S. Treasury in five-year, ten-year and twenty-year maturities. The principal is adjusted to the Consumer Price Index, the commonly used measure of inflation. The coupon rate is constant, but generates a different amount of interest when multiplied by the inflation-adjusted principal.

^v Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points. Calculation is based on the weighted average of the present values for all cash flows.

^{vi} The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.

^{vii} Total managed assets equals the total assets of the Fund (including any assets attributable to leverage) minus accrued liabilities (other than liabilities representing leverage).

^{viii} Effective duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. Please note, duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. Funds that employ leverage calculate effective duration based off of net assets.

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Investment commentary

Economic review

The pace of U.S. economic activity fluctuated during the six months ended June 30, 2016 (the reporting period). Looking back, the U.S. Department of Commerce's revised figures showed that fourth quarter 2015 U.S. gross domestic product (GDP) growth was 0.9%. First quarter 2016 GDP growth then decelerated to 0.8%. The U.S. Department of Commerce's initial reading for second quarter 2016 GDP growth released after the reporting period ended was 1.2%. The improvement in GDP growth in the second quarter reflected an acceleration in personal consumption expenditures (PCE), an upturn in exports and smaller decreases in nonresidential fixed investment and in federal government spending.

While there was a pocket of weakness in May 2016, job growth in the U.S. was solid overall and a tailwind for the economy during the reporting period. When the period ended in June 2016, unemployment was 4.9%, as reported by the U.S. Department of Labor. The percentage of longer-term unemployed also declined over the period. In June 2016, 25.8% of Americans looking for a job had been out of work for more than six months, versus 26.9% when the period began.

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Market review

Q. How did the Federal Reserve Board (the Fed) respond to the economic environment?

A. Looking back, after an extended period of maintaining the federal funds rateⁱⁱⁱ at a historically low range between zero and 0.25%, the Fed increased the rate at its meeting on December 16, 2015. This marked the first rate hike since 2006. In particular, the U.S. central bank raised the federal funds rate to a range between 0.25% and 0.50%. In its official statement after the December 2015 meeting, the Fed said, "The stance of monetary policy remains accommodative after this increase, thereby supporting further improvement in labor market conditions and a return to 2 percent inflation." The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. At its meetings that concluded on January 27, 2016, March 16, 2016, April 27, 2016, June 15, 2016 and July 27, 2016 (after the reporting period ended), the Fed kept rates on hold.

Q. Did Treasury yields trend higher or lower during the six months ended June 30, 2016?

A. Both short- and long-term Treasury yields moved sharply lower during the six months ended June 30, 2016. Two-year Treasury yields fell from a peak of 1.06% at the beginning of the period to a low of 0.58% at the end of the period. Ten-year Treasury yields began the reporting period at a peak of 2.27% and ended the period at 1.49%. Their low of 1.46% occurred on June 27 and June 28, 2016.

Q. What factors impacted the spread sectors (non-Treasuries) during the reporting period?

A. The spread sectors generally posted positive results during the reporting period. Performance fluctuated with investor sentiment given signs of moderating global growth, shifting expectations for future Fed monetary policy, the U.K. referendum to leave the European Union (Brexit) and several geopolitical issues. The broad U.S. bond market, as measured by the Barclays U.S. Aggregate Index^{iv}, gained 5.31% during the six months ended June 30, 2016. Higher risk segments of the market generated the best returns during the reporting period.

Q. What was the inflationary environment during the reporting period?

A. Inflation remained relatively modest during the reporting period. For the six months ended June 30, 2016, the seasonally unadjusted rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), was 1.91%. The CPI-U less food and energy was 1.66% over the same period. Inflation-protected securities generated strong results during the reporting. During the six months ended June 30, 2016, the Barclays U.S. TIPS Index^{vi} gained 6.24%.

Q. How did the emerging markets debt asset class perform over the reporting period?

A. The JPMorgan Emerging Markets Bond Index Global (EMBI Globalⁱⁱ) gained 10.90% during the six months ended June 30, 2016. The asset class declined during the first month of the reporting period given concerns over economic growth in China, falling commodity prices and

Table of Contents**Investment commentary (cont d)**

expectations for future Fed rate hikes. While there were periods of weakness, the asset class rallied sharply over the last five months of the reporting period as a whole. This turnaround was driven by rising oil prices, accommodative global monetary policy and solid investor demand.

Performance review

For the six months ended June 30, 2016, Western Asset/Claymore Inflation-Linked Securities & Income Fund returned 6.01% based on its net asset value (NAVⁱⁱⁱ) and 10.49% based on its New York Stock Exchange (NYSE) market price per share. The Fund's unmanaged benchmarks, the Barclays U.S. Government Inflation-Linked 1-10 Year Index^{ix} and the Barclays U.S. Government Inflation-Linked All Maturities Index^x, returned 4.98% and 6.55%, respectively, for the same period. The Barclays World Government Inflation-Linked All Maturities Index^{xi} and the Fund's Custom Benchmarkⁱⁱ returned 6.57% and 6.65%, respectively, over the same time frame.

During this six-month period, the Fund made distributions to shareholders totaling \$0.19 per share. As of June 30, 2016, the Fund estimates that 33.4% of the distributions were sourced from net investment income and 66.6% constituted a return of capital.* The performance table shows the Fund's six-month total return based on its NAV and market price as of June 30, 2016. **Past performance is no guarantee of future results.**

Performance Snapshot as of June 30, 2016
 (unaudited)

	6-Month Total Return**
Price Per Share	
\$13.02 (NAV)	6.01%
\$11.48 (Market Price)	10.49%

All figures represent past performance and are not a guarantee of future results.

**** Total returns are based on changes in NAV or market price, respectively. Returns reflect the deduction of all Fund expenses, including management fees, operating expenses, and other Fund expenses. Returns do not reflect the deduction of brokerage commissions or taxes that investors may pay on distributions or the sale of shares.**

Total return assumes the reinvestment of all distributions, including returns of capital, if any, at NAV.

Total return assumes the reinvestment of all distributions, including returns of capital, if any, in additional shares in accordance with the Fund's Dividend Reinvestment Plan.

Thank you for your investment in Western Asset/Claymore Inflation-Linked Securities & Income Fund. As always, we appreciate that you have chosen us to manage your assets and we remain focused on achieving the Fund's investment goals.

Sincerely,

Western Asset Management Company

July 29, 2016

*These estimates are not for tax purposes. The Fund will issue a Form 1099 with final composition of the distributions for tax purposes after year end. A return of capital is not taxable and results in a reduction in the tax basis of a shareholder's investment. For more information about a distribution's composition, please refer to the Fund's distribution press release or, if applicable, the Section 19 notice located in the press release section of our website, www.guggenheiminvestments.com/wia.

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***RISKS:** Bonds are subject to a variety of risks, including interest rate, credit and inflation risks. As interest rates rise, bond prices fall, reducing the value of a fixed-income investment's price. The Fund is subject to the additional risks associated with inflation protected securities, including liquidity risk, prepayment risk, extension risk and deflation risk. Investments in foreign companies, including emerging markets, involve risks beyond those inherent solely in domestic investments. Leverage may cause a fund to be more volatile than if the fund had not been leveraged, which may increase the risk of investment loss. To the extent that the Fund invests in asset-backed, mortgage-backed or mortgage-related securities, its exposure to prepayment and extension risks may be greater than if it invested in other fixed-income securities. International investments are subject to currency fluctuations, as well as social, economic and political risks. These risks are magnified in emerging markets.*

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

- i Gross domestic product (GDP) is the market value of all final goods and services produced within a country in a given period of time.
- ii The Federal Reserve Board (the Fed) is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- iii The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Fed) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.
- iv The Barclays U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage- and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- v The Consumer Price Index for All Urban Consumers (CPI-U) is a measure of the average change in prices over time of goods and services purchased by households, which covers approximately 87% of the total population and includes, in addition to wage earners and clerical worker households, groups such as professional, managerial and technical workers, the self-employed, short-term workers, the unemployed and retirees and others not in the labor force.
- vi The Barclays U.S. TIPS Index represents an unmanaged market index made up of U.S. Treasury Inflation-Linked Index securities.
- vii The JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments.
- viii Net asset value (NAV) is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.
- ix The Barclays U.S. Government Inflation-Linked 1-10 Year Index measures the performance of the intermediate U.S. TIPS market.

^x The Barclays U.S. Government Inflation-Linked All Maturities Index measures the performance of the U.S. TIPS market. The Index includes TIPS with one or more years remaining maturity with total outstanding issue size of \$500 million or more.

^{xi} The Barclays World Government Inflation-Linked All Maturities Index measures the performance of the major government inflation-linked bond markets.

^{xii} The Custom Benchmark is comprised of 90% Barclays U.S. Government Inflation-Linked All Maturities Index and 10% Barclays U.S. Credit Index. The Barclays U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).

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Fund at a glance (unaudited)

Investment breakdown (%) as a percent of total investments

The bar graph above represents the composition of the Fund's investments as of June 30, 2016 and December 31, 2015 and does not include derivatives such as forward foreign currency contracts, futures contracts, written options and swap contracts. The Fund is actively managed. As a result, the composition of the Fund's investments is subject to change at any time.
Represents less than 0.1%.

Table of Contents**Spread duration** (unaudited)**Economic exposure** June 30, 2016

Spread duration measures the sensitivity to changes in spreads. The spread over Treasuries is the annual risk-premium demanded by investors to hold non-Treasury securities. Spread duration is quantified as the % change in price resulting from a 100 basis points change in spreads. For a security with positive spread duration, an increase in spreads would result in a price decline and a decline in spreads would result in a price increase. This chart highlights the market sector exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	Barclays U.S. Government Inflation-Linked All Maturities Index
EM	Emerging Markets
HY	High Yield
MBS	Mortgage-Backed Securities
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

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Table of Contents**Effective duration** (unaudited)**Interest rate exposure** June 30, 2016

Effective duration measures the sensitivity to changes in relevant interest rates. Effective duration is quantified as the % change in price resulting from a 100 basis points change in interest rates. For a security with positive effective duration, an increase in interest rates would result in a price decline and a decline in interest rates would result in a price increase. This chart highlights the interest rate exposure of the Fund's sectors relative to the selected benchmark sectors as of the end of the reporting period.

Benchmark	Barclays U.S. Government Inflation-Linked All Maturities Index
EM	Emerging Markets
HY	High Yield
MBS	Mortgage-Backed Securities
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

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June 30, 2016

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount	Value
U.S. Treasury Inflation Protected Securities 118.9%				
U.S. Treasury Bonds, Inflation Indexed	2.000%	1/15/26	\$ 494,169	\$ 581,350
U.S. Treasury Bonds, Inflation Indexed	1.750%	1/15/28	28,684,528	33,534,393
U.S. Treasury Bonds, Inflation Indexed	3.625%	4/15/28	147,906	204,634
U.S. Treasury Bonds, Inflation Indexed	2.500%	1/15/29	1,013,940	1,284,694
U.S. Treasury Bonds, Inflation Indexed	3.875%	4/15/29	3,885,357	5,596,127
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/41	3,375,485	4,452,785
U.S. Treasury Bonds, Inflation Indexed	0.750%	2/15/42	266,790	267,314
U.S. Treasury Bonds, Inflation Indexed	0.625%	2/15/43	1,560,750	1,519,109
U.S. Treasury Bonds, Inflation Indexed	1.375%	2/15/44	215,555	249,182
U.S. Treasury Bonds, Inflation Indexed	0.750%	2/15/45	9,092,216	9,130,930
U.S. Treasury Bonds, Inflation Indexed	1.000%	2/15/46	11,560,149	12,480,140
U.S. Treasury Notes, Inflation Indexed	2.375%	1/15/17	83,036,800	84,580,786 (a)
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/18	13,908,787	14,115,249
U.S. Treasury Notes, Inflation Indexed	1.375%	7/15/18	1,109,360	1,163,485
U.S. Treasury Notes, Inflation Indexed	2.125%	1/15/19	412,261	442,268
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/19	7,146,510	7,297,537
U.S. Treasury Notes, Inflation Indexed	1.375%	1/15/20	8,850,080	9,449,186
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/20	25,722,125	26,312,268 (a)
U.S. Treasury Notes, Inflation Indexed	1.250%	7/15/20	23,838,483	25,615,808 (a)
U.S. Treasury Notes, Inflation Indexed	1.125%	1/15/21	36,088,140	38,598,323 (a)
U.S. Treasury Notes, Inflation Indexed	0.625%	7/15/21	13,914,954	14,644,585 (a)
U.S. Treasury Notes, Inflation Indexed	0.125%	1/15/22	18,052,535	18,398,548
U.S. Treasury Notes, Inflation Indexed	0.125%	7/15/22	10,350,687	10,583,846 (a)
U.S. Treasury Notes, Inflation Indexed	0.125%	1/15/23	25,080,880	25,413,327 (a)
U.S. Treasury Notes, Inflation Indexed	0.375%	7/15/23	4,481,862	4,633,999
U.S. Treasury Notes, Inflation Indexed	0.625%	1/15/24	14,164,992	14,829,529
U.S. Treasury Notes, Inflation Indexed	0.125%	7/15/24	1,148,539	1,160,084
U.S. Treasury Notes, Inflation Indexed	0.250%	1/15/25	3,928,900	3,988,753
U.S. Treasury Notes, Inflation Indexed	0.375%	7/15/25	6,052,620	6,232,310
U.S. Treasury Notes, Inflation Indexed	0.625%	1/15/26	70,847,109	74,604,414
Total U.S. Treasury Inflation Protected Securities (Cost \$439,779,674)				451,364,963
Asset-Backed Securities 4.8%				
Ameriquest Mortgage Securities Inc., 2005-R10 M5	1.083%	1/25/36	9,650,000	5,767,137 (b)
Conseco Financial Corp., 1997-8 A	6.780%	10/15/27	1,260,498	1,307,703
Countrywide Home Equity Loan Trust, 2005-C 2A	0.622%	7/15/35	1,327,988	1,181,148 (b)
EMC Mortgage Loan Trust, 2004-C A1	0.996%	3/25/31	3,901	3,877 (b)(c)
Option One Mortgage Loan Trust, 2005-4 M3	0.943%	11/25/35	8,150,000	4,161,773 (b)

See Notes to Financial Statements.

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Security	Rate	Maturity Date	Face Amount	Value
Asset-Backed Securities continued				
Residential Asset Mortgage Products Inc., 2006-RS4 M1	0.803%	7/25/36	\$ 6,280,000	\$ 3,954,067 ^(b)
Saxon Asset Securities Trust, 2004-2 MV1	1.323%	8/25/35	2,432,266	2,013,019 ^(b)
Total Asset-Backed Securities (Cost \$18,015,910)				18,388,724
Collateralized Mortgage Obligations 6.0%				
Bear Stearns Adjustable Rate Mortgage Trust, 2004-9 24A1	3.211%	11/25/34	44,701	43,477 ^(b)
Bellemeade Re Ltd., 2016-1A M2B	6.933%	4/25/26	4,140,000	4,180,841 ^{(b)(c)}
Chase Mortgage Finance Corp., 2007-A1 2A3	2.783%	2/25/37	14,434	14,401 ^(b)
Federal Home Loan Mortgage Corp. (FHLMC), 4013 AI, IO	4.000%	2/15/39	3,658,182	284,387
Federal Home Loan Mortgage Corp. (FHLMC), 4057 UI, IO	3.000%	5/15/27	1,789,918	171,779
Federal Home Loan Mortgage Corp. (FHLMC), 4085, IO	3.000%	6/15/27	5,312,751	511,392
Federal Home Loan Mortgage Corp. (FHLMC), Multi-Family Structured Pass-Through Certificates, K721 X1, IO	0.458%	8/25/22	132,201,743	2,414,387 ^(b)
Federal National Mortgage Association (FNMA), 2014-M8 SA, IO	4.475%	5/25/18	33,998,417	973,231 ^(b)
Government National Mortgage Association (GNMA), 2011-142 IO, IO	0.826%	9/16/46	9,075,670	304,753 ^(b)
Government National Mortgage Association (GNMA), 2012-044 IO, IO	0.687%	3/16/49	1,838,123	67,751 ^(b)
Government National Mortgage Association (GNMA), 2012-112 IO, IO	0.364%	2/16/53	2,448,261	75,555 ^(b)
Government National Mortgage Association (GNMA), 2012-152 IO, IO	0.740%	1/16/54	7,500,382	423,313 ^(b)
Government National Mortgage Association (GNMA), 2013-145 IO, IO	1.069%	9/16/44	3,422,125	211,433 ^(b)
Government National Mortgage Association (GNMA), 2014-047 IA, IO	1.115%	2/16/48	1,412,871	78,875 ^(b)
Government National Mortgage Association (GNMA), 2014-050 IO, IO	0.949%	9/16/55	3,155,146	196,902 ^(b)
Government National Mortgage Association (GNMA), 2014-169 IO, IO	1.060%	10/16/56	20,534,408	1,427,145 ^(b)
Government National Mortgage Association (GNMA), 2015-073 IO, IO	0.891%	11/16/55	4,215,289	280,140 ^(b)
Government National Mortgage Association (GNMA), 2015-101 IO, IO	1.011%	3/16/52	31,986,589	2,417,355 ^(b)
Government National Mortgage Association (GNMA), 2015-183 IO	1.013%	9/16/57	29,303,581	2,514,874 ^(b)
GSR Mortgage Loan Trust, 2004-11 1A1	2.858%	9/25/34	153,169	145,321 ^(b)
JPMorgan Mortgage Trust, 2006-A2 5A1	2.705%	11/25/33	5,344	5,366 ^(b)
Merrill Lynch Mortgage Investors Trust, 2004-A1 2A1	2.766%	2/25/34	15,647	15,690 ^(b)
Morgan Stanley Bank of America Merrill Lynch Trust, 2015-C20 D	3.071%	2/15/48	2,970,000	1,931,896 ^(c)

See Notes to Financial Statements.

Table of Contents**Schedule of investments (unaudited) (cont'd)**

June 30, 2016

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount	Value
Collateralized Mortgage Obligations continued				
Morgan Stanley Bank of America Merrill Lynch Trust, 2015-C22 D	4.384%	4/15/48	\$ 2,600,000	\$ 2,068,256 ^{(b)(c)}
Mortgage IT Trust, 2005-1 2M1	1.707%	2/25/35	1,239,356	1,134,189 ^(b)
Residential Asset Mortgage Products Inc., 2004-SL4 A5	7.500%	7/25/32	71,735	64,488
Sequoia Mortgage Trust, 2003-8 A1	1.088%	1/20/34	14,138	13,395 ^(b)
Washington Mutual Inc., Mortgage Pass-Through Certificates, 2003-AR8 A	2.479%	8/25/33	563,221	567,928 ^(b)
Washington Mutual Inc., Mortgage Pass-Through Certificates, 2007-HY1 1A1	2.439%	2/25/37	156,762	136,184 ^(b)
Washington Mutual Inc., MSC Pass-Through Certificates, 2004-RA1 2A	7.000%	3/25/34	13,534	14,117
Total Collateralized Mortgage Obligations (Cost \$23,490,864)				22,688,821
Corporate Bonds & Notes 4.0%				
Consumer Staples 0.4%				
<i>Tobacco 0.4%</i>				
Alliance One International Inc., Secured Notes	9.875%	7/15/21	2,000,000	1,687,500
Energy 2.2%				
<i>Oil, Gas & Consumable Fuels 2.2%</i>				
Oasis Petroleum Inc., Senior Notes	6.500%	11/1/21	2,930,000	2,673,625
Whiting Petroleum Corp., Senior Notes	6.250%	4/1/23	5,000,000	4,475,000
Williams Cos. Inc., Senior Notes	5.750%	6/24/44	1,340,000	1,142,350
Total Energy				8,290,975
Health Care 0.5%				
<i>Health Care Equipment & Supplies 0.4%</i>				
DJO Finco Inc./DJO Finance LLC/DJO Finance Corp., Secured Notes	8.125%	6/15/21	1,520,000	1,314,800 ^(c)
<i>Health Care Providers & Services 0.1%</i>				
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	440,000	422,675
Total Health Care				1,737,475
Information Technology 0.4%				
<i>Electronic Equipment, Instruments & Components 0.4%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	1,750,000	1,680,700
Telecommunication Services 0.5%				
<i>Wireless Telecommunication Services 0.5%</i>				
Digicel Group Ltd., Senior Notes	8.250%	9/30/20	2,060,000	1,720,100 ^(d)
Total Corporate Bonds & Notes (Cost \$14,412,312)				15,116,750
Sovereign Bonds 0.5%				
<i>Ecuador 0.5%</i>				
Republic of Ecuador, Senior Bonds (Cost \$1,850,615)	10.500%	3/24/20	1,970,000	1,950,300 ^(c)

See Notes to Financial Statements.

Table of Contents**Western Asset/Claymore Inflation-Linked Securities & Income Fund**

Security	Shares	Value
Investments in Underlying Funds 3.1%		
PowerShares DB Commodity Index Tracking Fund (Cost \$10,296,160)	771,300	\$ 11,839,455 *
	Expiration Date	Contracts
Purchased Options 0.1%		
U.S. Treasury 5-Year Notes Futures, Call @ \$123.00	7/22/16	393
U.S. Treasury 10-Year Notes Futures, Call @ \$133.50	7/22/16	263
U.S. Treasury 10-Year Notes Futures, Call @ \$134.50	7/22/16	130
Total Purchased Options (Cost \$193,086)		181,383
Total Investments before Short-Term Investments (Cost \$508,038,621)		521,530,396
	Rate	Maturity Date
Short-Term Investments 9.2%		Face Amount
<i>Repurchase Agreements 1.8%</i>		
Bank of America repurchase agreement dated 6/30/16, Proceeds at maturity \$7,000,080; (Fully collateralized by U.S. government obligations, 1.750% due 5/15/23; Market Value \$7,140,000) (Cost \$7,000,000)	0.410%	7/1/16
		\$ 7,000,000
		7,000,000
		Shares
<i>Money Market Funds 7.4%</i>		
State Street Institutional U.S. Government Money Market Fund, Premier Class (Cost \$28,018,571)	0.238%	28,018,571
Total Short-Term Investments (Cost \$35,018,571)		28,018,571
Total Investments 146.6% (Cost \$543,057,192#)		556,548,967
Liabilities in Excess of Other Assets (46.6)%		(176,972,291)
Total Net Assets 100.0%		\$ 379,576,676

* Non-income producing security.

(a) All or a portion of this security is held by the counterparty as collateral for open reverse repurchase agreements.

(b) Variable rate security. Interest rate disclosed is as of the most recent information available.

(c) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. This security has been deemed liquid pursuant to guidelines approved by the Board of Trustees, unless otherwise noted.

(d) Security is exempt from registration under Regulation S of the Securities Act of 1933. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States. This security has been deemed liquid pursuant to guidelines approved by the Board of Trustees, unless otherwise noted.

Aggregate cost for federal income tax purposes is substantially the same.

Abbreviation used in this schedule:

IO Interest Only

[See Notes to Financial Statements.](#)

Table of Contents**Statement of assets and liabilities (unaudited)**

June 30, 2016

Assets:	
Investments, at value (Cost \$543,057,192)	\$ 556,548,967
Interest receivable	2,760,330
Unrealized appreciation on forward foreign currency contracts	1,922,293
Deposits with brokers for OTC swap contracts	1,200,000
Foreign currency collateral for open futures contracts, at value (Cost \$718,410)	711,711
Deposits with brokers for purchased options	336,103
Foreign currency collateral for purchased options, at value (Cost \$235,655)	233,502
Deposits with brokers for centrally cleared swap contracts	4,857
Prepaid expenses	20,276
Total Assets	563,738,039
Liabilities:	
Payable for open reverse repurchase agreements (Note 3)	177,193,500
Deposits from brokers for reverse repurchase agreements	3,900,000
Unrealized depreciation on forward foreign currency contracts	1,070,842
OTC swaps, at value (premiums received \$0)	927,630
Interest payable	509,961
Payable to broker variation margin on open futures contracts	202,151
Investment management fee payable	181,208
Service agent fees payable	67,953
Trustees fees payable	25,701
Payable for organization costs	22,500
Administration fee payable	18,443
Foreign currency overdraft, at value (Cost \$1,714)	1,671
Due to custodian	12
Accrued expenses	39,791
Total Liabilities	184,161,363
Total Net Assets	\$ 379,576,676
Net Assets:	
Common shares, no par value, unlimited number of shares authorized, 29,152,820 shares issued and outstanding	384,793,822
Overdistributed net investment income	(4,206,078)
Accumulated net realized loss on investments, futures contracts, written options, swap contracts and foreign currency transactions	(14,105,118)
Net unrealized appreciation on investments, futures contracts, swap contracts and foreign currencies	13,094,050
Total Net Assets	\$ 379,576,676
Shares Outstanding	29,152,820
Net Asset Value	\$13.02

See Notes to Financial Statements.

Table of Contents**Statement of operations** (unaudited)

For the Six Months Ended June 30, 2016

Investment Income:	
<i>Interest</i>	\$ 5,277,436
Expenses:	
Investment management fee (Note 2)	1,080,514
Interest expense (Note 3)	613,482
Servicing agent fees (Note 2)	405,193
Administration fees (Note 2)	111,956
Legal fees	71,913
Trustees fees	50,163
Transfer agent fees	45,922
Organization costs (Note 1)	22,500
Fund accounting fees	22,491
Audit and tax fees	20,351
Stock exchange listing fees	14,029
Shareholder reports	13,599
Custody fees	7,566
Insurance	4,046
Miscellaneous expenses	3,504
<i>Total Expenses</i>	<i>2,487,229</i>
Net Investment Income	2,790,207
Realized and Unrealized Gain (Loss) on Investments, Futures Contracts, Written Options, Swap Contracts and Foreign Currency Transactions (Notes 1, 3 and 4):	
Net Realized Gain (Loss) From:	
Investment transactions	2,232,025
Futures contracts	(7,700,296)
Written options	1,843,221
Foreign currency transactions	(695,319)
<i>Net Realized Loss</i>	<i>(4,320,369)</i>
Change in Net Unrealized Appreciation (Depreciation) From:	
Investments	23,401,772
Futures contracts	(375,056)
Written options	2,023
Swap contracts	(465,920)
Foreign currencies	736,102
<i>Change in Net Unrealized Appreciation (Depreciation)</i>	<i>23,298,921</i>
Net Gain on Investments, Futures Contracts, Written Options, Swap Contracts and Foreign Currency Transactions	18,978,552
Increase in Net Assets From Operations	\$ 21,768,759

See Notes to Financial Statements.

Table of Contents**Statements of changes in net assets**For the Six Months Ended June 30, 2016 (unaudited)
and the Year Ended December 31, 2015

	2016	2015
Operations:		
Net investment income	\$ 2,790,207	\$ 1,907,960
Net realized loss	(4,320,369)	(10,209,901)
Change in net unrealized appreciation (depreciation)	23,298,921	(3,159,944)
<i>Increase (Decrease) in Net Assets From Operations</i>	<i>21,768,759</i>	<i>(11,461,885)</i>
Distributions to Shareholders From (Note 1):		
Net investment income	(5,597,342)	(2,525,627)
Net realized gains		(47,745)
Return of capital		(7,688,421)
<i>Decrease in Net Assets From Distributions to Shareholders</i>	<i>(5,597,342)</i>	<i>(10,261,793)</i>
<i>Increase (Decrease) in Net Assets</i>	<i>16,171,417</i>	<i>(21,723,678)</i>
Net Assets:		
Beginning of period	363,405,259	385,128,937
End of period*	\$ 379,576,676	\$ 363,405,259
*Includes overdistributed net investment income of:	\$(4,206,078)	\$(1,398,943)

See Notes to Financial Statements.

Table of Contents**Statement of cash flows (unaudited)**

For the Six Months Ended June 30, 2016

Increase (Decrease) in Cash:**Cash Provided (Used) by Operating Activities:**

Net increase in net assets resulting from operations	\$ 21,768,759
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(359,185,453)
Sales of portfolio securities	380,349,198
Net purchases, sales and maturities of short-term investments	(38,509,037)
Realized loss on purchased options	(1,207,279)
Cash paid for purchased options	(193,086)
Net inflation adjustment	(2,057,851)
Net amortization of premium (accretion of discount)	2,324,880
Decrease in interest receivable	7,224
Decrease in receivable from broker variation margin on open futures contracts	301,345
Increase in prepaid expenses	(10,313)
Decrease in deposits with brokers for open futures contracts	1,420,351
Decrease in deposits with brokers for written options	241,727
Increase in deposits with brokers for purchased options	(336,103)
Increase in foreign currency collateral for purchased options	(233,502)
Increase in foreign currency collateral for open futures contracts	(232,979)
Increase in deposits with brokers for OTC swap contracts	(600,000)
Decrease in deposits with brokers for reverse repurchase agreements	1,464,000
Increase in investment management fee payable	4,485
Increase in Trustees fees payable	451
Increase in organization costs payable	22,500
Increase in service agent fees payable	1,682
Decrease in administration fee payable	(667)
Increase in interest payable	391,559
Increase in deposits from brokers for reverse repurchase agreements	3,900,000
Decrease in accrued expenses	(57,837)
Decrease in premiums received from written options	(207,977)
Increase in payable to broker variation margin on open futures contracts	202,151
Net realized gain on investments	(2,232,025)
Change in net unrealized appreciation (depreciation) of investments, written options, OTC swap contracts and forward foreign currency transactions	(23,688,432)
Net Cash Used in Operating Activities*	(16,352,229)
Cash Flows From Financing Activities:	
Distributions paid on common stock	(5,597,342)
Foreign currency overdraft	1,671
Increase in payable for reverse repurchase agreements	21,560,375
Decrease in due to custodian	(124)
Net Cash Provided by Financing Activities	15,964,580
Net Decrease in Cash	(387,649)
Cash at Beginning of Period	387,649
Cash at End of Period	

* Included in operating expenses is cash of \$221,923 paid for interest on borrowings.

See Notes to Financial Statements.

Table of Contents**Financial highlights**

For a share of common stock outstanding throughout each year ended December 31, unless otherwise noted:

	2016 ^{1,2}	2015 ¹	2014 ¹	2013 ¹	2012 ¹	2011 ¹
Net asset value, beginning of period	\$12.47	\$13.21	\$13.14	\$14.73	\$14.14	\$13.15
Income (loss) from operations:						
Net investment income	0.10	0.07	0.29	0.10	0.26	0.52
Net realized and unrealized gain (loss)	0.64	(0.46)	0.20	(1.31)	0.68	0.97
<i>Total income (loss) from operations</i>	<i>0.74</i>	<i>(0.39)</i>	<i>0.49</i>	<i>(1.21)</i>	<i>0.94</i>	<i>1.49</i>
Less distributions from:						
Net investment income	(0.19) ³	(0.09)	(0.35)	(0.11)	(0.35)	(0.50)
Net realized gains		(0.00) ⁴	(0.07)	(0.27)		
Return of capital		(0.26)				
<i>Total distributions</i>	<i>(0.19)</i>	<i>(0.35)</i>	<i>(0.42)</i>	<i>(0.38)</i>	<i>(0.35)</i>	<i>(0.50)</i>
Net asset value, end of period	\$13.02	\$12.47	\$13.21	\$13.14	\$14.73	\$14.14
Market price, end of period	\$11.48	\$10.57	\$11.60	\$11.42	\$13.11	\$12.64
<i>Total return, based on NAV^{5,6}</i>	<i>6.01%</i>	<i>(3.00)%</i>	<i>3.68%</i>	<i>(8.29)%</i>	<i>6.72%</i>	<i>11.53%</i>
<i>Total return, based on Market Price⁷</i>	<i>10.49%</i>	<i>(5.95)%</i>	<i>5.20%</i>	<i>(10.15)%</i>	<i>6.54%</i>	<i>2.54%</i>
Net assets, end of period (000s)	\$379,577	\$363,405	\$385,129	\$383,099	\$429,552	\$412,174
Ratios to average net assets:						
Gross expenses	1.36% ⁸	1.10%	0.89%	0.74%	0.70%	0.68%
Net expenses	1.36 ⁸	1.10	0.89	0.74	0.70	0.68
Net investment income	1.52 ⁸	0.50	2.17	0.72	1.79	3.79
Portfolio turnover rate	71%	59%	30%	65%	73%	58%

¹ Per share amounts have been calculated using the average shares method.

² For the six months ended June 30, 2016 (unaudited).

³ The actual source of the Fund's current fiscal year distributions may be from net investment income, return of capital or a combination of both. Shareholders will be informed of the tax characteristics of the distributions after the close of the fiscal year.

⁴ Amount represents less than \$0.005 per share.

⁵ Performance figures may reflect compensating balance arrangements, fee waivers and/or expense reimbursements. In the absence of compensating balance arrangements, fee waivers and/or expense reimbursements, the total return would have been lower. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁶ The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁷ The total return calculation assumes that distributions are reinvested in accordance with the Fund's dividend reinvestment plan. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁸ Annualized.

[See Notes to Financial Statements.](#)

12 Western Asset/Claymore Inflation-Linked Securities & Income Fund 2016 Semi-Annual Report

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Notes to financial statements (unaudited)

1. Organization and significant accounting policies

Western Asset/Claymore Inflation-Linked Securities & Income Fund (the Fund) is registered under the Investment Company Act of 1940, as amended (1940 Act), as a diversified, closed-end management investment company. The Fund commenced operations on September 26, 2003.

The Fund's primary investment objective is to provide current income for its shareholders. Capital appreciation, when consistent with current income, is a secondary investment objective.

On March 2, 2016, the Fund announced that the Board of Trustees had approved changes to the Fund's investment guidelines. The changes broaden the range of securities in which the Fund can invest, while maintaining the overall strategy of investing at least 80 percent of total managed assets in inflation-linked securities. Under the announced changes, the Fund will have the flexibility to:

Engage in currency strategies, using instruments such as currency forwards, futures and options, to take long and short foreign currency positions subject to a limit of exposure from such strategies to 40 percent of total managed assets. This capacity is in addition to the existing capacity to have unhedged exposure to non-U.S. dollar currencies through the purchase of fixed income securities of up to 20 percent.

Utilize commodity-related strategies for up to 10 percent of its total managed assets. Exposure to commodities is expected to be achieved through the use of a variety of instruments, such as futures contracts, options and other derivatives, or through investments in exchange-traded products that offer exposure to commodities. The Fund does not expect to hold physical commodities.

Invest in assets rated below investment grade at the time of purchase (or if unrated, assets of comparable quality as determined by management), with a limit of 10 percent of total managed assets.

In May 2016, the Board of Trustees approved the organization of a wholly-owned subsidiary (the Subsidiary), which will be organized under the laws of the Cayman Islands through which the Fund will gain exposure to the commodities markets by investing a portion of its assets in the Subsidiary.

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles (GAAP). Estimates and assumptions are required to be made regarding as