

CLAYMORE DIVIDEND & INCOME FUND
Form N-Q
March 17, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21455

Claymore Dividend & Income Fund
(Exact name of registrant as specified in charter)

2455 Corporate West Drive, Lisle, IL 60532
(Address of principal executive offices)

(Zip code)

Kevin M. Robinson
2455 Corporate West Drive, Lisle, IL 60532
(Name and address of agent for service)

Registrant's telephone number, including area code: (630) 505-3700

Date of fiscal year end: October 31

Date of reporting period: November 1, 2010 - January 31, 2011

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

DCS\Claymore Dividend & Income Fund
 Portfolio of Investments
 January 31, 2011 (unaudited)

| Number of Shares | | Value |
|------------------|--|------------|
| | Total Long-Term Investments - 133.7% | |
| | Common Stocks - 108.6% | |
| | Consumer Discretionary - 8.2% | |
| 2,186 | Darden Restaurants, Inc. | \$ 102,982 |
| 3,115 | Garmin Ltd. (Switzerland) | 96,035 |
| 4,273 | Genuine Parts Co. | 221,128 |
| 2,107 | Hasbro, Inc. | 92,898 |
| 46,330 | Home Depot, Inc. (a) | 1,703,554 |
| 3,999 | Leggett & Platt, Inc. | 90,097 |
| 8,885 | Limited Brands, Inc. | 259,797 |
| 9,849 | Mattel, Inc. | 233,224 |
| 28,907 | McDonald's Corp. (a) | 2,129,579 |
| 8,507 | McGraw-Hill Cos., Inc. (The) | 331,603 |
| 4,906 | Omnicom Group, Inc. | 220,181 |
| 15,488 | Pearson PLC, ADR (United Kingdom) (a) | 258,030 |
| 19,371 | Thomson Reuters Corp. (Canada) (a) | 775,034 |
| 960 | Tupperware Brands Corp. | 43,920 |
| 2,933 | VF Corp. | 242,618 |
| 1,528 | Whirlpool Corp. | 130,644 |
| 7,086 | Yum! Brands, Inc. | 331,341 |
| | | 7,262,665 |
| | Consumer Staples - 28.0% | |
| 55,627 | Altria Group, Inc. (a) | 1,307,791 |
| 9,716 | Archer-Daniels-Midland Co. | 317,422 |
| 8,198 | Avon Products, Inc. | 232,085 |
| 2,180 | Brown-Forman Corp. - Class B | 144,643 |
| 9,012 | Campbell Soup Co. | 307,670 |
| 65,586 | Coca-Cola Co. (The) (a) | 4,122,080 |
| 7,460 | Colgate-Palmolive Co. (a) | 572,704 |
| 1,519 | Delhaize Group SA, ADR (Belgium) | 120,609 |
| 16,348 | Diageo PLC, ADR (United Kingdom) (a) | 1,255,526 |
| 1,925 | Emotelladora Andina SA, ADR - Class B (Chile) | 59,001 |
| 16,472 | General Mills, Inc. | 572,896 |
| 6,107 | Hershey Co. (The) | 285,136 |
| 8,666 | HJ Heinz Co. | 411,635 |
| 2,047 | Hormel Foods Corp. | 101,122 |
| 2,537 | JM Smucker Co. (The) | 157,700 |
| 10,037 | Kellogg Co. (a) | 504,861 |
| 11,390 | Kimberly-Clark Corp. (a) | 737,275 |
| 34,419 | Kraft Foods, Inc. - Class A (a) | 1,052,189 |
| 3,271 | Lorillard, Inc. | 246,110 |

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| | | |
|---------|--|------------|
| 3,229 | McCormick & Co., Inc. | 142,722 |
| 2,864 | Molson Coors Brewing Co. - Class B | 134,236 |
| 48,583 | PepsiCo, Inc. (a) | 3,124,373 |
| 38,749 | Philip Morris International, Inc. (a) | 2,217,993 |
| 44,535 | Procter & Gamble Co. (The) (a) | 2,811,494 |
| 8,844 | Reynolds American, Inc. | 281,328 |
| 18,360 | Sara Lee Corp. (a) | 311,569 |
| 15,669 | Sysco Corp. (a) | 456,595 |
| 47,909 | Wal-Mart Stores, Inc. (a) | 2,686,258 |
| | | 24,675,023 |
| | Energy - 19.3% | |
| 45,049 | Chevron Corp. (a) | 4,276,502 |
| 39,836 | ConocoPhillips (a) | 2,846,681 |
| 39,146 | Exxon Mobil Corp. (a) | 3,158,299 |
| 29,443 | Repsol YPF SA, ADR (Spain) (a) | 934,521 |
| 12,222 | Sasol Ltd., ADR (South Africa) (a) | 596,800 |
| 46,509 | Statoil ASA, ADR (Norway) (a) | 1,135,750 |
| 11,495 | Tenaris SA, ADR (Luxembourg) (a) | 542,219 |
| 60,123 | Total SA, ADR (France) (a) | 3,533,429 |
| | | 17,024,201 |
| | Financials - 0.9% | |
| 1,803 | Eaton Vance Corp. | 54,631 |
| 2,757 | Federated Investors, Inc. - Class B | 74,660 |
| 14,387 | Marsh & McLennan Cos., Inc. (a) | 401,110 |
| 3,811 | Plum Creek Timber Co., Inc. - REIT | 159,567 |
| 1,809 | Waddell & Reed Financial, Inc. - Class A | 65,341 |
| | | 755,309 |
| | Health Care - 21.9% | |
| 39,030 | Abbott Laboratories (a) | 1,762,595 |
| 38,880 | AstraZeneca PLC, ADR (United Kingdom) (a) | 1,901,232 |
| 9,387 | Baxter International, Inc. | 455,176 |
| 3,654 | Becton Dickinson and Co. | 303,099 |
| 46,136 | Bristol-Myers Squibb Co. (a) | 1,161,704 |
| 31,013 | Eli Lilly & Co. (a) | 1,078,322 |
| 4,535 | Fresenius Medical Care AG & Co. KGaA, ADR (Germany) | 265,570 |
| 78,996 | GlaxoSmithKline PLC, ADR (United Kingdom) (a) | 2,869,925 |
| 56,783 | Johnson & Johnson (a) | 3,393,920 |
| 75,114 | Merck & Co., Inc. (a) | 2,491,531 |
| 192,181 | Pfizer, Inc. (a) | 3,501,538 |
| 1,739 | Pharmaceutical Product Development, Inc. | 50,674 |
| 610 | Teleflex, Inc. | 34,965 |
| | | 19,270,251 |
| | Industrials - 12.5% | |
| 18,564 | 3M Co. (a) | 1,632,147 |
| 34,769 | ABB Ltd., ADR (Switzerland) (a) | 822,982 |
| 2,912 | Avery Dennison Corp. | 122,566 |
| 4,283 | Cooper Industries PLC (Ireland) | 262,377 |
| 3,741 | Dover Corp. | 239,798 |
| 785 | Dun & Bradstreet Corp. | 66,686 |

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| | | |
|---------|--|------------|
| 660 | Elbit Systems Ltd. (Israel) | 33,541 |
| 19,819 | Emerson Electric Co. (a) | 1,166,943 |
| 5,830 | General Dynamics Corp. | 439,582 |
| 15,282 | Honeywell International, Inc. (a) | 855,945 |
| 1,467 | Hubbell, Inc. - Class B | 89,839 |
| 13,410 | Illinois Tool Works, Inc. (a) | 717,301 |
| 2,759 | ITT Corp. | 162,560 |
| 19,256 | Koninklijke Philips Electronics NV (Netherlands) (a) | 601,365 |
| 5,765 | Lockheed Martin Corp. | 458,894 |
| 9,283 | Masco Corp. | 123,649 |
| 6,314 | Northrop Grumman Corp. | 437,560 |
| 2,157 | Pentair, Inc. | 78,019 |
| 5,595 | Pitney Bowes, Inc. | 135,847 |
| 5,904 | Raytheon Co. | 295,141 |
| 5,474 | RR Donnelley & Sons Co. | 96,999 |
| 1,389 | Snap-On, Inc. | 78,659 |
| 8,937 | Tyco International Ltd. (Switzerland) | 400,646 |
| 14,313 | United Technologies Corp. (a) | 1,163,647 |
| 12,999 | Waste Management, Inc. (a) | 492,272 |
| | | 10,974,965 |
| | Information Technology - 9.6% | |
| 13,553 | Automatic Data Processing, Inc. (a) | 649,189 |
| 2,099 | Broadridge Financial Solutions, Inc. | 48,046 |
| 1,953 | Harris Corp. | 90,893 |
| 159,794 | Intel Corp. (a) | 3,429,179 |
| 2,094 | Konami Corp., ADR (Japan) | 42,110 |
| 5,916 | Linear Technology Corp. | 205,818 |
| 3,718 | National Semiconductor Corp. | 56,365 |
| 56,034 | Nokia OYJ, ADR (Finland) (a) | 599,564 |
| 9,883 | Paychex, Inc. | 316,256 |
| 136,782 | Taiwan Semiconductor Manufacturing Co. Ltd., ADR (Taiwan) (a) | 1,787,741 |
| 46,944 | Telefonaktiebolaget LM Ericsson, ADR (Sweden) (a) | 580,697 |
| 19,309 | Texas Instruments, Inc. (a) | 654,768 |
| | | 8,460,626 |
| | Materials - 3.1% | |
| 2,915 | Bemis Co., Inc. | 94,883 |
| 500 | Compass Minerals International, Inc. | 45,935 |
| 12,823 | CRH PLC, ADR (Ireland) (a) | 279,670 |
| 24,448 | EI Du Pont de Nemours & Co. (a) | 1,239,025 |
| 889 | Greif, Inc. - Class A | 56,051 |
| 1,905 | International Flavors & Fragrances, Inc. | 108,680 |
| 2,551 | MeadWestvaco Corp. | 73,035 |
| 1,572 | Packaging Corp. of America | 44,409 |
| 4,380 | PPG Industries, Inc. | 369,146 |
| 2,473 | RPM International, Inc. | 57,942 |
| 2,456 | Sealed Air Corp. | 65,551 |
| 1,653 | Sherwin-Williams Co. (The) | 140,059 |
| 2,634 | Sonoco Products Co. | 93,639 |

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| | | | |
|------------------|---|------------|------------|
| 1,499 | Valspar Corp. | | 56,018 |
| | | | 2,724,043 |
| | Telecommunication Services - 3.2% | | |
| 1,969 | Cellcom Israel Ltd. (Israel) | | 60,133 |
| 15,238 | Chunghwa Telecom Co. Ltd., ADR (Taiwan) | | 455,171 |
| | (a) | | |
| 5,207 | Magyar Telekom Telecommunications PLC, ADR (Hungary) | | 71,076 |
| 67,523 | NTT DoCoMo, Inc., ADR (Japan) (a) | | 1,212,038 |
| 4,011 | Partner Communications Co. Ltd., ADR (Israel) | | 76,209 |
| 3,937 | Philippine Long Distance Telephone Co., ADR (Philippines) | | 219,291 |
| 9,117 | Rogers Communications, Inc. - Class B (Canada) | | 318,366 |
| 9,903 | Telecom Corp. of New Zealand Ltd., ADR (New Zealand) | | 87,741 |
| 18,467 | Telefonos de Mexico SAB de CV, ADR (Mexico) (a) | | 319,664 |
| | | | 2,819,689 |
| | Utilities - 1.9% | | |
| 2,761 | Cia de Saneamento Basico do Estado de Sao Paulo, ADR (Brazil) | | 136,863 |
| 7,639 | Cia Energetica de Minas Gerais, ADR (Brazil) | | 126,196 |
| 2,402 | DPL, Inc. | | 62,884 |
| 4,136 | Empresa Nacional de Electricidad SA, ADR (Chile) | | 215,899 |
| 9,872 | Enersis SA, ADR (Chile) | | 204,943 |
| 9,977 | Exelon Corp. (a) | | 424,122 |
| 13,388 | Public Service Enterprise Group, Inc. (a) | | 434,173 |
| 1,637 | UGI Corp. | | 51,320 |
| | | | 1,656,400 |
| | Total Common Stocks - 108.6% | | |
| | (Cost \$78,511,294) | | 95,623,172 |
| | Convertible Preferred Stocks - 1.3% | | |
| | Financials - 1.3% | | |
| 342 | Fannie Mae, 5.375% | | |
| | (Cost \$33,154,000) | | 1,162,807 |
| | | | |
| | | Optional | |
| Principal Amount | | Call | Value |
| | | Provisions | |
| | Corporate Bonds - 23.5% | | |
| | Consumer Discretionary - 4.3% | | |
| \$ 400,000 | British Sky Broadcasting Group PLC, BBB+, 9.500%, 11/15/18 (United Kingdom) (b) | N/A | 535,522 |
| 394,000 | Comcast Corp., BBB+, 6.550%, 7/1/39 | N/A | 417,213 |
| 410,000 | Fortune Brands, Inc., BBB-, 6.625%, 7/15/28 | N/A | 393,234 |
| 394,000 | Home Depot, Inc., BBB+, 5.875%, 12/16/36 | N/A | 399,226 |
| 404,000 | | N/A | 463,255 |

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| | International Game Technology, BBB, 7.500%, 6/15/19 | | |
| 399,000 | Kohl's Corp., BBB+, 6.875%, 12/15/37 | N/A | 456,699 |
| 265,000 | Time Warner, Inc., BBB, 7.700%, 5/1/32 | N/A | 317,939 |
| 325,000 | Unitymedia Hessen GmbH & Co. KG / Unitymedia NRW GmbH, BB-, 8.125%, 12/01/17 (Germany) (b) | 12/1/12 @ 108.125 | 352,625 |
| 397,000 | Walt Disney Co. (The), A, 7.000%, 3/1/32 (a) | N/A | 480,512 |
| | | | 3,816,225 |
| | Energy - 1.2% | | |
| 405,000 | Anadarko Petroleum Corp., BBB-, 8.700%, 3/15/19 | N/A | 496,795 |
| 411,000 | Weatherford International Ltd., BBB, 9.625%, 3/1/19 (Bermuda) (a) | N/A | 536,509 |
| | | | 1,033,304 |
| | Financials - 10.4% | | |
| 137,000 | American Express Co., BB, 6.800%, 9/1/66 (c) | 9/1/16 @ 100.00 | 138,199 |
| 399,000 | American Express Co., BBB+, 8.125%, 5/20/19 (a) | N/A | 495,688 |
| 398,000 | American International Group, Inc., A-, 5.375%, 10/18/11 | N/A | 411,432 |
| 301,000 | AvalonBay Communities, Inc., BBB+, 6.100%, 3/15/20 | N/A | 339,260 |
| 198,000 | Bank of America Corp., BB+, 8.000% (c) (d) | 1/30/18 @ 100.00 | 205,534 |
| 301,000 | Boston Properties LP, A-, 5.875%, 10/15/19 | N/A | 329,698 |
| 301,000 | Camden Property Trust, BBB, 5.700%, 5/15/17 | N/A | 332,412 |
| 260,000 | Caterpillar Financial Services Corp., A, 7.150%, 2/15/19 | N/A | 319,728 |
| 401,000 | Citigroup, Inc., A, 8.500%, 5/22/19 | N/A | 491,609 |
| 360,000 | Coffeyville Resources LLC/Coffeyville Finance, Inc., BB-, 9.000%, 4/1/15 (b) | 4/1/12 @ 106.75 | 394,200 |
| 300,000 | Credit Acceptance Corp., BB, 9.125%, 2/1/17 (b) | 2/1/14 @ 104.563 | 324,000 |
| 300,000 | Fidelity National Financial, Inc., BBB-, 6.600%, 5/15/17 | N/A | 300,535 |
| 199,000 | GE Capital Trust I, A+, 6.375%, 11/15/67 (c) | 11/15/17 @ 100.00 | 201,736 |
| 397,000 | General Electric Capital Corp., AA+, 6.750%, 3/15/32 | N/A | 435,626 |
| 200,000 | Goldman Sachs Capital II, BBB-, 5.793% (c) (d) | 6/1/12 @ 100.00 | 169,750 |
| 404,000 | Goldman Sachs Group, Inc. (The), A-, 6.750%, 10/1/2037 | N/A | 406,696 |
| 301,000 | HCP, Inc., BBB, 6.700%, 1/30/18 | N/A | 336,252 |
| 269,000 | Hughes Network Systems LLC/HNS Finance Corp., B, 9.500%, 4/15/14 | 3/17/11 @ 104.75 | 279,087 |
| 202,000 | JPMorgan Chase & Co., BBB+, 7.900% (c) (d) | 4/30/18 @ 100.00 | 218,465 |

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| | | | |
|---------|--|--------------------|-----------|
| 396,000 | JPMorgan Chase & Co., A+, 6.300%, 4/23/19 | N/A | 447,262 |
| 405,000 | Manufacturers & Traders Trust Co., A-, 6.625%, 12/4/17 | N/A | 460,174 |
| 400,000 | Merrill Lynch & Co., Inc., A-, 6.110%, 1/29/37 | N/A | 364,048 |
| 400,000 | Morgan Stanley, A, 5.550%, 4/27/17 | N/A | 416,748 |
| 405,000 | PNC Bank NA, A, 5.250%, 1/15/17 | N/A | 434,179 |
| 300,000 | Reynolds Group Issuer, Inc./Reynolds Group Issuer LLC, B-, 8.500%, 5/15/18 (b) | 5/15/14 @ 104.25 | 314,250 |
| 298,000 | Simon Property Group LP, A-, 10.350%, 4/1/19 | N/A | 407,707 |
| 202,000 | Wells Fargo & Co., A-, 7.980% (c) (d) | 3/15/18 @ 100.00 | 217,150 |
| | | | 9,191,425 |
| | Health Care - 2.0% | | |
| 399,000 | Aetna, Inc., A-, 6.750%, 12/15/37 | N/A | 449,591 |
| 404,000 | Alere, Inc., B-, 9.000%, 5/15/16 | 5/15/13 @ 104.50 | 427,735 |
| 399,000 | UnitedHealth Group, Inc., A-, 6.500%, 6/15/37 | N/A | 437,890 |
| 397,000 | WellPoint, Inc., A-, 5.950%, 12/15/34 | N/A | 406,426 |
| | | | 1,721,642 |
| | Industrials - 2.8% | | |
| 399,000 | CSX Corp., BBB-, 6.000%, 10/1/36 | N/A | 411,444 |
| 408,000 | FedEx Corp., BBB, 8.000%, 1/15/19 (a) | N/A | 501,673 |
| 300,000 | MagnaChip Semiconductor SA/MagnaChip Semiconductor Finance Co., B+, 10.500%, 4/15/18 (South Korea) | 4/15/14 @ 105.25 | 327,750 |
| 407,000 | Southwest Airlines Co., BBB, 5.125%, 3/1/17 | N/A | 422,673 |
| 274,000 | Textron, Inc., BBB-, 7.250%, 10/1/19 | N/A | 316,709 |
| 405,000 | Waste Management, Inc., BBB, 7.375%, 3/11/19 (a) | N/A | 487,755 |
| | | | 2,468,004 |
| | Information Technology- 1.0% | | |
| 262,000 | Corning, Inc., BBB+, 6.625%, 5/15/19 | N/A | 302,177 |
| 264,000 | Oracle Corp., A, 6.125%, 7/8/39 | N/A | 285,371 |
| 300,000 | Wind Acquisition Finance SA, BB-, 7.250%, 2/15/18 (Luxembourg) (b) | 11/15/13 @ 105.438 | 311,250 |
| | | | 898,798 |
| | Materials - 0.9% | | |
| 275,000 | Alcoa, Inc., BBB-, 6.750%, 7/15/18 | N/A | 307,317 |
| 411,000 | International Paper Co., BBB, 7.500%, 8/15/21 | N/A | 486,733 |
| | | | 794,050 |
| | Utilities - 0.9% | | |
| 401,000 | Exelon Generation Co. LLC, BBB, 6.200%, 10/1/17 | N/A | 450,122 |
| 264,000 | Southwestern Electric Power Co., BBB, 6.450%, 1/15/19 | N/A | 294,253 |

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| | | |
|------------------|--|---------------|
| | | 744,375 |
| | Total Corporate Bonds - 23.5% | |
| | (Cost \$18,777,126) | 20,667,823 |
| Number of Shares | | Value |
| | Limited Partnership - 0.3% | |
| | Real Estate - 0.3% | |
| 400,000 | Kodiak Funding, LP (e) | |
| | (Cost \$3,502,000) | 280,000 |
| | Total Long-Term Investments - 133.7% | |
| | (Cost \$133,944,420) | 117,733,802 |
| | Short-Term Investments - 3.1% | |
| 2,744,104 | Dreyfus Money Market Bond Fund | |
| | (Cost \$2,744,104) | 2,744,104 |
| | Total Investments - 136.8% | |
| | (Cost \$136,688,524) | 120,477,906 |
| | Other Assets in excess of Liabilities - 0.7% | 610,023 |
| | Borrowings - (37.5%) | (33,000,000) |
| | Net Assets Applicable to Common Shares - | \$ 88,087,929 |
| | 100.0% | |

ADR - American Depositary Receipt

AG - Stock Corporation

ASA - Stock Company

GmbH - Limited Liability

GmbH & Co. KG - Limited Partnership

KGaA - Limited Partnership

LLC - Limited Liability Company

LP - Limited Partnership

OYJ - Public Traded Company

NV - Publicly Limited Liability Corporation

PLC - Public Limited Company

REIT - Real Estate Investment Trust

SA - Corporation

SAB de CV - Variable Capital Company

- (a) All or a portion of these securities were segregated as collateral for the borrowings. As of January 31, 2011, the total amount segregated was \$79,818,760.
- (b) Securities are 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 January 31, 2011, these securities amounted to 2.9% of net assets applicable to Common Shares.
- (c) Floating or variable rate security.
- (d) Perpetual maturity.
- (e) Security is valued in accordance with Fair Valuation procedures established in good faith by the Board of

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Trustees. The total market value of such securities is \$280,000 which represents 0.3% of Net Assets Applicable to Common Shares.

Ratings (unaudited) shown are per Standard & Poor's; securities classified NR are not rated by Standard & Poor's.

All percentages shown in the Portfolio of Investments are based on Net Assets Applicable to Common Shares unless otherwise noted.

| Country Breakdown* | % of Total Investments |
|--------------------|------------------------|
| United States | 79.0% |
| United Kingdom | 5.7% |
| France | 2.9% |
| Taiwan | 1.9% |
| Switzerland | 1.1% |
| Japan | 1.0% |
| Norway | 0.9% |
| Canada | 0.9% |
| Spain | 0.8% |
| Luxembourg | 0.7% |
| Germany | 0.5% |
| Netherlands | 0.5% |
| Finland | 0.5% |
| South Africa | 0.5% |
| Sweden | 0.5% |
| Ireland | 0.4% |
| Bermuda | 0.4% |
| Chile | 0.4% |
| South Korea | 0.3% |
| Mexico | 0.3% |
| Brazil | 0.2% |
| Philippines | 0.2% |
| Israel | 0.1% |
| Belgium | 0.1% |
| New Zealand | 0.1% |
| Hungary | 0.1% |

* Subject to change daily.

See previously submitted notes to financial statements at October 31, 2010.

At January 31, 2011, the cost and related gross unrealized appreciation and depreciation on investments for tax purposes are as follows:

| Cost of Investments for Tax Purposes | Gross Tax Unrealized Appreciation | Gross Tax Unrealized Depreciation | Net Tax Unrealized Depreciation on Investments |
|--------------------------------------|-----------------------------------|-----------------------------------|--|
| \$ 136,710,459 | 19,847,526 | (36,080,079) | \$ (16,232,553) |

The Fund adopted the Accounting Standards Update, Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements which provides guidance on how investment assets and liabilities are to be valued and disclosed. Specifically, the amendment requires reporting entities to disclose i) the input and valuation techniques used to measure fair value for both recurring and nonrecurring fair value measurements, for Level 2 or Level 3 positions, ii) transfers between all levels (including Level 1 and Level 2) will be required to be disclosed on a gross basis (i.e. transfers out must be disclosed separately from transfers in) as well as the reason(s) for the transfer, and iii) purchases, sales, issuances and settlements must be shown on a gross basis in the Level 3 rollforward rather than as one net number. The effective date of the amendment is for interim and annual periods beginning after December 15, 2009, however, the requirement to provide the Level 3 activity for purchases, sales, issuances and settlements on a gross basis will be effective for interim and annual periods beginning after December 15, 2010. The Fund adopted the disclosures required by this amendment, which did not have a material impact on the financial statements.

The Fund values Level 1 securities using readily available market quotations in active markets. The Fund values Level 2 fixed income securities using independent pricing providers who employ matrix pricing models utilizing market prices, broker quotes and prices of securities with comparable maturities and qualities. The Funds value Level 2 equity securities using various observable market inputs in accordance with procedures approved by the Board of Trustees as described above. The fair value estimate for the Level 3 security in the Fund was determined in good faith by the Pricing Committee pursuant to the Valuation Procedures adopted by Board of Trustees. There were various factors considered in reaching fair value determination, including, but not limited, to the following: the type of security, the extent of public trading of the security, analysis of the company's performance and the present value of potential future earnings of the investment.

The following table represents the Fund's investments carried on the Statement of Assets and Liabilities by caption and by level within the fair value hierarchy as of January 31, 2011.

| Description (value in \$000s) | Level 1 | Level 2 | Level 3 | Total |
|----------------------------------|---------|---------|---------|-------|
| Assets: | | | | |

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| | | | | |
|------------------------------|----------|----------|-------|-----------|
| Common Stocks | \$95,623 | \$- | \$- | \$95,623 |
| Convertible Preferred Stocks | - | 1,163 | - | 1,163 |
| Corporate Bonds | - | 20,668 | - | 20,668 |
| Limited Partnerships | - | - | 280 | 280 |
| Money Market Fund | 2,744 | - | - | 2,744 |
| Total | \$98,367 | \$21,831 | \$280 | \$120,478 |

| | |
|--------------------------------|------------|
| Level 3 holdings | Securities |
| Beginning Balance at 10/31/10 | \$248 |
| Total Realized Gain/Loss | - |
| Change in Unrealized Gain/Loss | 32 |
| Net Purchases and Sales | - |
| Net Transfers In/Out | - |
| Ending Balance at 1/31/2011 | \$280 |

There were no transfers between Level 1 and Level 2. There were no Level 3 transfers.

Item 2. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) as of a date within 90 days of the filing date of this report and have concluded, based on such evaluation, that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant on this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940, as amended) 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 separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended (17 CFR 270.30a-2(a)) is attached hereto.

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.

Claymore Dividend & Income Fund

By: /s/ Kevin M. Robinson
Kevin M. Robinson
Chief Executive Officer and Chief Legal Officer

Date: March 17, 2011

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/ Kevin M. Robinson
Kevin M. Robinson
Chief Executive Officer and Chief Legal Officer

Date: March 17, 2011

By: /s/ John Sullivan
John Sullivan
Chief Financial Officer, Chief Accounting Officer and Treasurer

Date: March 17, 2011