WESTERN ASSET/CLAYMORE INFLATION-LINKED SECURITIES & INCOME FUND
Form N-CSRS
August 26, 2011

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, 2011

ITEM 1. REPORT TO STOCKHOLDERS.

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

June 30, 2011

Semi-Annual Report

Western Asset/Claymore Inflation-Linked Securities & Income Fund

(WIA)

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

Investment objectives

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

What s inside

Letter to shareholders

Dear Shareholder,

We thank you for your investment in Western Asset/Claymore Inflation-Linked Securities & Income 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, 2011.

For the six months ended June 30, 2011, the Fund returned 4.74% based on its net asset value (NAV)i and 2.18% 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 5.38% and 5.84%, respectively, for the same period. The Barclays World Government Inflation-Linked All Maturities Indexiv and the Fund s Custom Benchmarkv returned 7.69% and 5.60%, respectively, over the same time frame. All Fund returns cited whether based on NAV or market price assume the reinvestment of all distributions. 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.

The largest contributor to absolute performance for the period was a large exposure to U.S. Treasury Inflation-Protected Securities (TIPS)vi. TIPS generated a positive excess return over the period with rising inflation expectations and elevated commodity prices. TIPS yields fell more than Treasury yields which resulted in a widening of breakeven inflation. Exposure to investment grade credit securities was additive to total return. Our Australian inflation-protected securities also contributed to total return over the period. Elsewhere, small exposure to non-agency mortgage securities slightly contributed to return, although strong demand in the first quarter was dampened by a price decline in the second quarter as Maiden Lane II holdings sold by the Federal Reserve Bank of New Yorkvii entered the market. During the first half of the reporting period, we used leverage to increase our TIPS exposure. The use of leverage during this period was a small contributor to performance. The leverage was taken off the Fund by the end of March.

During the period, the Fund employed both U.S. Treasury futures and options-on-futures for Treasuries to manage durationviii and yield curveix exposure. These Treasury derivatives had a negative impact on performance for the period. Credit default swaps and forward foreign currency contracts utilized had a negligible effect on results.

As of June 30, 2011, the Fund s market price of $12.90 per share represented a discount of 4.94% to its NAV of $13.57 per share. In January and February of 2011, the Fund provided its investors with monthly distributions of $0.035 per share. In each month from March through June of 2011, the Fund paid monthly distributions of $0.032 per share. The most recent dividend represents an annualized distribution rate of 2.98% based on the Fund s closing market price of $12.90 per share on June 30, 2011.

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 and at the time of purchase, the Fund will invest:

- At least 80% of its total managed assetsx in inflation-linked securities

- At least 60% of its total managed assets in 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)

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. The Fund will not invest in bonds that are below investment grade quality at the time of purchase. Up to 20% of the Fund s portfolio securities may represent corporate debt securities of investment grade quality at the time of their purchase that are not inflation-linked securities. 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 durationxi of its portfolio will range between zero and fifteen years, although this target duration may change from time to time. The Fund expects to continue its use of credit default swaps.

Shareholders have the opportunity to reinvest their dividends from the Fund through the Dividend Reinvestment Plan (DRIP), which is described in detail on page 27 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 common 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.

IV Western Asset/Claymore Inflation-Linked Securities & Income Fund

Letter to shareholders (cont d)

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.guggenheimfunds.com/wia.

Sincerely,

Western Asset Management Company

July 29, 2011

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

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

vi 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.

vii The Federal Reserve Bank of New York is responsible for executing the central bank s monetary policy by reviewing price inflation and economic growth, and by regulating the banks within its territory. It provides cash to banks within its district, as well as monitoring electronic deposits.

viii 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.

ix The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.

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

xi Effective duration measures the expected sensitivity of market price to changes in interest rates, taking into account the effects of structural complexities. (For example, some bonds can be prepaid by the issuer.)

Investment commentary

Economic review

Although the U.S. economy continued to grow over the six months ended June 30, 2011, the pace of the expansion was disappointing, which resulted in a significant shift in investor sentiment. During the first half of the period, there were expectations of a strengthening economy and generally robust investor risk appetite. However, as the reporting period progressed, weakening economic data triggered a flight to quality as investor risk aversion increased. Despite giving back a portion of their previous gains in late May and June, investors who took on additional risk in their portfolios during the reporting period were generally rewarded.

U.S. gross domestic product (GDP)i growth, as reported by the U.S. Department of Commerce, has been less robust than previously realized during most other periods exiting a severe recession. Revised GDP growth was 2.3% during the fourth quarter of 2010 and 3.0% for calendar 2010 as a whole. The Commerce Department then reported that first and second quarter 2011 GDP growth were 0.4% and 1.3%, respectively. This moderation in growth during the first half of the year was due to a variety of factors, including less robust export activity, a decline in government spending and a deceleration in consumer spending given higher oil and food prices.

Turning to the job market, while there was some improvement in the first half of the reporting period, unemployment again moved higher from April through June. After being 9.0% or higher since April 2009, the unemployment rate fell to 8.9% in February and 8.8% in March 2011. The job market then weakened, as unemployment rose to 9.0% in April, 9.1% in May and 9.2% in June. As of the end of the reporting period, approximately 14.1 million Americans looking for work had yet to find a job, and roughly 44% of these individuals have been out of work for more than six months. In June 2011, the Federal Reserve Board (Fed)ii projected that unemployment would moderate, but that it would remain elevated and between 7.8% and 8.2% at the end of 2012.

The long-ailing housing market continued to show signs of strain during the reporting period. Looking back, sales increased in the spring of 2010 largely due to the government s $8,000 tax credit for first-time home buyers. This proved to be only a temporary boost, as sales subsequently weakened after the tax credit expired at the end of April. Existing-home sales did rebound somewhat toward the end of 2010 and in January 2011, as mortgage rates remained relatively low. However, according to the National Association of Realtors (NAR), existing-home sales then declined a sharp 8.9% in February. After a 3.5% increase in March, existing-home sales fell 1.8%, 4.0% and 0.8% in April, May and June, respectively. At the end of June, the inventory of unsold homes was a 9.5 month supply at the current sales level, versus a 9.1 month supply in May. Existing-home prices were relatively stagnant versus a year ago, with the NAR reporting that the median existing-home price for all housing types was $184,300 in June 2011, up 0.8% from June 2010.

Even the manufacturing sector, one of the stalwarts of the economy in recent years, softened toward the end of the reporting period. Based on the Institute for Supply Management s PMIiii, the manufacturing sector grew twenty-three consecutive months since it began expanding in August 2009 (a reading below 50 indicates a contraction,

Investment commentary (cont d)

whereas a reading above 50 indicates an expansion). In January 2011, the manufacturing sector expanded at its fastest pace since May 2004, with a reading of 60.8 versus 58.5 for the previous month. Manufacturing activity remained strong during the next three months and was 60.4 in April. However, it then declined to 53.5 in May, the lowest reading in the past twelve months. This was attributed, in part, to supply disruptions triggered by the March earthquake and tsunami in Japan. Manufacturing activity then moved modestly higher in June to 55.3, although only twelve of the eighteen industries tracked by the Institute for Supply Management expanded during the month.

Financial market overview

While stocks and lower-quality bonds generated solid results during the reporting period, there were several periods of heightened volatility and periodic sell-offs. These were triggered by a variety of factors, including concerns regarding the global economy, geopolitical unrest, the natural disasters in Japan and the ongoing European sovereign debt crisis. During those periods, investors tended to favor the relative safety of U.S. Treasury securities. However, these setbacks proved to be only temporary and risk aversion was generally replaced with solid demand for riskier assets.

The Fed took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. In November 2010, prior to the beginning of the reporting period, the Fed announced a second round of quantitative easing (often referred to as QE2) to help stimulate the economy, entailing the purchase of $600 billion of long-term U.S. Treasury securities by the end of the second quarter of 2011. Also, as has been the case since December 2008, the Fed kept the federal funds rate[iv] at a historically low range between 0 and 1/4 percent.

Despite these efforts, at its meeting in June 2011, the Fed said, Information received since the Federal Open Market Committee met in April indicates that the economic recovery is continuing at a moderate pace, though somewhat more slowly than the Committee had expected. . . . To promote the ongoing economic recovery and to help ensure that inflation, over time, is at levels consistent with its mandate, the Committee decided today to keep the target range for the federal funds rate at 0 to 1/4 percent. The Committee continues to anticipate that economic conditions including low rates of resource utilization and a subdued outlook for inflation over the medium run are likely to warrant exceptionally low levels for the federal funds rate for an extended period.

In June, the Fed also announced that it would complete QE2 on schedule at the end of June. However, given ongoing strains in the economy, it made no overtures toward reversing any of its accommodative policies and the Fed said it would maintain its existing policy of reinvesting principal payments from its securities holdings rather than seeking to reduce the size of its balance sheet.

Fixed income market review

While volatility was elevated at times, the U.S. spread sectors (non-Treasuries) produced positive results during the reporting period. As was the case for much of 2010, the spread sectors generally outperformed equal-durationv Treasuries during the first four months of the reporting period. A combination of positive economic growth, benign core inflation, rising corporate profits and overall robust investor demand supported the spread sectors from January through April 2011. Investor sentiment then began to shift in May, as optimism about the economic expansion waned and investor risk appetite started to be replaced with increased risk aversion. While the U.S. spread sectors generally posted positive results in May, they underperformed equal-duration Treasuries. Risk aversion then increased in June given a host of disappointing economic data and a further escalation of the European sovereign debt crisis. Against this backdrop, the spread sectors generated relatively poor results during most of June as investors fled the spread sectors in favor of Treasury securities.

Both short- and long-term Treasury yields fluctuated during the six months ended June 30, 2011. When the period began, two- and ten-year Treasury yields were 0.61% and 3.30%, respectively. Yields initially moved higher given expectations for stronger growth in 2011 and the potential for rising inflation. On February 14, 2011, two-year Treasury yields peaked at 0.87%, while ten-year Treasuries peaked at 3.75% on February 8, 2011. Treasury yields then declined as investor risk aversion increased given the uprising in Libya and, later, due to the tragic events in Japan. Yields briefly moved higher toward the end of March, but then generally declined from April through June given disappointing economic data and periodic flights to quality. In late June, two- and ten-year Treasury yields bottomed at 0.35% and 2.88%, respectively, and ended the period at 0.45% and 3.18%, respectively. For the six months ended June 30, 2011, the Barclays Capital U.S. Aggregate Index[vi] returned 2.72%.

Inflation was fairly well-contained during the reporting period. For the six months ended June 30, 2011, the seasonally unadjusted rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U)[vii], was 3.0%. The CPI-U less food and energy was 1.4% over the same time frame. Inflation-protected securities generated positive results during the six months ended June 30, 2011, with the Barclays U.S. Government Inflation-Linked All Maturities Index[viii] returning 5.84%.

Performance review

For the six months ended June 30, 2011, Western Asset/Claymore Inflation-Linked Securities & Income Fund returned 4.74% based on its net asset value (NAV)[ix] and 2.18% 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[x] and the Barclays U.S. Government Inflation-Linked All Maturities Index, returned 5.38% and 5.84%, respectively, over the same time frame. The Barclays World Government Inflation-Linked All Maturities Index[xi] and the Fund s Custom Benchmark[xii] returned 7.69% and 5.60%, respectively, for the same period.

During this six-month period, the Fund made distributions to shareholders totaling $0.20 per share, which may have included a return of capital. The performance table on the following page shows the Fund s six-month total return based on its NAV and market price as of June 30, 2011. **Past performance is no guarantee of future results.**

Investment commentary (cont d)

Performance Snapshot as of June 30, 2011 (unaudited)

Price Per Share	**6-Month Total Return***
$13.57 (NAV)	4.74%
$12.90 (Market Price)	2.18%

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.**
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.

As always, thank you for your confidence in our stewardship of your assets.

Sincerely,

Western Asset Management Company

July 29, 2011

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 investments 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 (Fed) is responsible for the formulation of policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.

iii The Institute for Supply Management s PMI is based on a survey of purchasing executives who buy the raw materials for manufacturing at more than 350 companies. It offers an early reading on the health of the manufacturing sector.

iv The federal funds rate is the rate charged by one depository institution on an overnight sale of immediately available funds (balances at the Federal Reserve) to another depository institution; the rate may vary from depository institution to depository institution and from day to day.

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 Barclays Capital 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.

vii 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.

viii 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.

ix Net asset value (NAV) is calculated by subtracting total liabilities and outstanding preferred stock (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.

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

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 Capital U.S. Credit Index. The Barclays Capital U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher).

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, 2011 and December 31, 2010 and does not include derivatives such as forward foreign currency contracts, futures contracts and swaps. The Fund is actively managed. As a result, the composition of the Fund s investments is subject to change at any time.

Spread duration (unaudited)

Economic Exposure June 30, 2011

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.

BUSGIMI	Barclays U.S. Government Inflation-Linked All Maturities Index
HY	High Yield
IG Credit	Investment Grade Credit
MBS	Mortgage Backed Securities
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

Effective duration (unaudited)

Interest Rate Exposure June 30, 2011

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.

BUSGIMI	Barclays U.S. Government Inflation-Linked All Maturities Index
IG Credit	Investment Grade Credit
MBS	Mortgage Backed Securities
Non-$	Non U.S. dollar
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

Schedule of investments (unaudited)

June 30, 2011

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount	Value
U.S. Treasury Inflation Protected Securities 87.7%				
U.S. Treasury Bonds, Inflation Indexed	2.375%	1/15/25	4,783,529	$ 5,498,069
U.S. Treasury Bonds, Inflation Indexed	2.000%	1/15/26	62,831,189	68,652,875
U.S. Treasury Bonds, Inflation Indexed	1.750%	1/15/28	25,384,257	26,562,236
U.S. Treasury Bonds, Inflation Indexed	2.500%	1/15/29	3,571,327	4,147,761
U.S. Treasury Bonds, Inflation Indexed	3.875%	4/15/29	7,591,345	10,401,920
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/40	10,330,576	11,241,764(a)
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/41	6,417,437	6,972,443
U.S. Treasury Notes, Inflation Indexed	0.625%	4/15/13	10,276,598	10,579,274
U.S. Treasury Notes, Inflation Indexed	1.875%	7/15/13	40,585,214	43,121,789
U.S. Treasury Notes, Inflation Indexed	2.000%	1/15/14	32,297,322	34,795,326
U.S. Treasury Notes, Inflation Indexed	1.250%	4/15/14	4,154,336	4,407,165
U.S. Treasury Notes, Inflation Indexed	2.000%	7/15/14	4,938,606	5,385,782
U.S. Treasury Notes, Inflation Indexed	1.625%	1/15/15	11,893,861	12,901,128
U.S. Treasury Notes, Inflation Indexed	0.500%	4/15/15	12,036,044	12,553,221
U.S. Treasury Notes, Inflation Indexed	1.875%	7/15/15	1,508,606	1,663,474
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/16	8,343,153	8,531,525
U.S. Treasury Notes, Inflation Indexed	2.500%	7/15/16	2,516,352	2,879,650
U.S. Treasury Notes, Inflation Indexed	2.375%	1/15/17	14,985,734	17,095,441
U.S. Treasury Notes, Inflation Indexed	1.625%	1/15/18	15,831,617	17,409,840
U.S. Treasury Notes, Inflation Indexed	1.375%	7/15/18	10,709,043	11,627,675
U.S. Treasury Notes, Inflation Indexed	2.125%	1/15/19	2,932,468	3,332,017
U.S. Treasury Notes, Inflation Indexed	1.250%	7/15/20	17,703,300	18,726,763
U.S. Treasury Notes, Inflation Indexed	1.125%	1/15/21	8,161,605	8,475,321
Total U.S. Treasury Inflation Protected Securities (Cost	**$320,233,315)**			**346,962,459**
Asset-Backed Securities 0.6%				
Ameriquest Mortgage Securities Inc., 2005-R11 A2D	0.516%	1/25/36	50,000	40,431(b)
Amresco Residential Securities Mortgage Loan Trust, 1997-3 M1A	0.741%	9/25/27	2,314	1,898(b)
Asset-Backed Funding Certificates, 2004-OPT2 M1	1.011%	8/25/33	40,000	32,951(b)
Bayview Financial Asset Trust, 2007-SR1A A	0.636%	3/25/37	543,483	396,742(b)(c)
Countrywide Asset-Backed Certificates, 2002-4 A1	0.926%	2/25/33	1,572	1,506(b)
Countrywide Home Equity Loan Trust, 2007-GW A	0.737%	8/15/37	860,933	714,990(b)
EMC Mortgage Loan Trust, 2004-C A1	0.736%	3/25/31	32,708	25,930(b)(c)

Novastar Home Equity Loan, 2003-2 A1	0.796%	9/25/33	1,023,953	891,179(b)
SLC Student Loan Trust, 2008-1 A4A	1.847%	12/15/32	100,000	102,475(b)
Structured Asset Securities Corp., 2002-AL1 A3	3.450%	2/25/32	281,257	263,045
Total Asset-Backed Securities (Cost $1,498,519)				**2,471,147**
Collateralized Mortgage Obligations 2.1%				
Banc of America Mortgage Securities, 2003-D	2.872%	5/25/33	74,790	70,741(b)
Banc of America Mortgage Securities, 2005-F 2A2	2.947%	7/25/35	124,239	102,190(b)

See Notes to Financial Statements.

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount	Value
Collateralized Mortgage Obligations continued				
Bear Stearns Adjustable Rate Mortgage Trust, 2004-9 24A1	5.385%	11/25/34	178,587	$ 173,303(b)
Chase Mortgage Finance Corp., 2007-A1 2A3	2.851%	2/25/37	45,577	42,433(b)
Countrywide Alternative Loan Trust, 2004-J1	6.000%	2/25/34	9,971	10,233
Countrywide Home Loans, 2005-R2 1AF1	0.526%	6/25/35	580,272	524,489(b)(c)
Countrywide Home Loans, 2005-R3 AF	0.586%	9/25/35	1,066,474	951,615(b)(c)
Countrywide Home Loans Mortgage Pass-Through Trust, 2003-56 6A1	3.025%	12/25/33	565,954	498,364(b)
Countrywide Home Loans Mortgage Pass-Through Trust, 2005-09 1A1	0.486%	5/25/35	178,169	121,860(b)
CS First Boston Mortgage Securities Corp., 2004-AR6 2A1	2.778%	10/25/34	45,883	42,574(b)
GSR Mortgage Loan Trust, 2004-11 1A1	3.065%	9/25/34	293,266	244,251(b)
Indymac Inda Mortgage Loan Trust, 2007-AR7 1A1	5.851%	11/25/37	190,717	153,381(b)
JPMorgan Mortgage Trust, 2003-A1 1A1	2.127%	10/25/33	79,906	79,559(b)
JPMorgan Mortgage Trust, 2004-A1 1A1	4.714%	2/25/34	30,876	30,877(b)
JPMorgan Mortgage Trust, 2006-A2 5A1	2.969%	11/25/33	17,009	16,682(b)
MASTR Adjustable Rate Mortgages Trust, 2004-13 3A7	2.836%	11/21/34	350,000	333,917(b)
Merrill Lynch Mortgage Investors Inc., 2003-H A3	2.071%	1/25/29	11,911	11,259(b)
Merrill Lynch Mortgage Investors Trust, 2004-A1 2A1	2.544%	2/25/34	33,837	32,866(b)
Morgan Stanley Capital I, 2004-RR2 X	0.828%	10/28/33	829,151	7,255(b)(c)(d)(e)
Residential Asset Mortgage Products Inc., 2004-SL2 A4	8.500%	10/25/31	18,009	19,279
Residential Asset Mortgage Products Inc., 2004-SL4 A5	7.500%	7/25/32	136,480	137,397
Sequoia Mortgage Trust, 2003-8 A1	0.826%	1/20/34	35,892	30,877(b)
Structured Adjustable Rate Mortgage Loan Trust, 2005-3XS A3	0.556%	1/25/35	357,565	352,668(b)
Thornburg Mortgage Securities Trust, 2007-4 2A1	6.156%	9/25/37	254,893	247,629(b)
WaMu Mortgage Pass-Through Certificates, 2003-AR8 A	2.715%	8/25/33	32,627	31,960(b)
WaMu Mortgage Pass-Through Certificates, 2005-AR3 A2	2.576%	3/25/35	3,229,132	2,978,816(b)
WaMu Mortgage Pass-Through Certificates, 2007-HY1 1A1	5.413%	2/25/37	357,685	234,548(b)
Washington Mutual Inc., MSC Pass-Through Certificates, 2004-RA1 2A	7.000%	3/25/34	44,990	46,766
Washington Mutual Inc., Pass-Through Certificates, 2003-AR10 A7	2.624%	10/25/33	114,487	112,584(b)
Washington Mutual MSC Mortgage Pass-Through Certificates, 2002-MS12 B2	6.500%	5/25/32	472,580	440,483
Total Collateralized Mortgage Obligations (Cost $5,766,555)				**8,080,856**

See Notes to Financial Statements.

Schedule of investments (unaudited) (cont d)

June 30, 2011

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	**Rate**	**Maturity Date**	**Face Amount**	**Value**
Corporate Bonds & Notes 2.4%				
Consumer Staples 0.6%				
Beverages 0.2%				
Anheuser-Busch InBev Worldwide Inc., Senior Notes	3.625%	4/15/15	680,000	$ ***719,420***
Food Products 0.4%				
Kraft Foods Inc., Senior Notes	4.125%	2/9/16	1,650,000	***1,764,340***
Total Consumer Staples				**2,483,760**
Energy 0.1%				
Oil, Gas & Consumable Fuels 0.1%				
Gazprom, Loan Participation Notes, Senior Notes	6.510%	3/7/22	190,000	**201,400**(c)
Financials 1.5%				
Capital Markets 0.3%				
Goldman Sachs Group Inc., Senior Notes	4.750%	7/15/13	1,330,000	1,403,991
Kaupthing Bank HF, Subordinated Notes	7.125%	5/19/16	2,060,000	0(c)(d)(e)(f)(g)
Total Capital Markets				***1,403,991***
Commercial Banks 0.0%				
Glitnir Banki HF, Subordinated Notes	6.693%	6/15/16	1,240,000	***0***(c)(d)(e)(f)(g)
Diversified Financial Services 1.0%				
Bank of America Corp., Senior Notes	4.500%	4/1/15	940,000	982,770
Citigroup Inc., Senior Notes	6.010%	1/15/15	1,590,000	1,749,696
UFJ Finance Aruba AEC	6.750%	7/15/13	1,025,000	1,126,271
Total Diversified Financial Services				***3,858,737***
Insurance 0.2%				
Berkshire Hathaway Inc., Senior Notes	3.200%	2/11/15	630,000	***656,619***
Total Financials				**5,919,347**
Health Care 0.2%				
Health Care Providers & Services 0.2%				
HCA Inc., Senior Notes	5.750%	3/15/14	1,000,000	**1,013,750**
Total Corporate Bonds & Notes (Cost $12,406,613)				**9,618,257**
Non-U.S. Treasury Inflation Protected Securities 5.0%				
Australia 3.0%				
Australia Government, Bonds	4.000%	8/20/20	3,780,000AUD	6,785,016
Australia Government, Bonds	3.075%	9/20/25	4,270,000AUD	5,099,780
Total Australia				***11,884,796***
France 2.0%				

French Treasury Notes, Notes	0.450%	7/25/16	5,442,261EUR	*7,806,069*
Total Non-U.S. Treasury Inflation Protected Securities (Cost $17,442,194)				**19,690,865**

See Notes to Financial Statements.

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount		Value
Sovereign Bonds 0.5%					
Russia 0.5%					
Russian Foreign Bond-Eurobond, Senior Bonds (Cost $1,563,960)	7.500%	3/31/30	1,608,900	**$**	**1,896,491**(c)
Total Investments before Short-Term Investments (Cost	**$358,911,156)**				**388,720,075**
Short-Term Investments 1.1%					
Repurchase Agreements 1.1%					
Deutsche Bank Securities Inc. repurchase agreement dated 6/30/11; Proceeds at maturity $4,447,001 (Fully collateralized by U.S. government agency obligations, 3.500% due 8/17/20; Market value $4,535,942) (Cost $4,447,000)	0.010%	7/1/11	4,447,000		**4,447,000**
Total Investments 99.4% (Cost $363,358,156#)					**393,167,075**
Other Assets in Excess of Liabilities 0.6%					**2,384,056**
Total Net Assets 100.0%				**$**	**395,551,131**

Face amount denominated in U.S. dollars, unless otherwise noted.

(a) All or a portion of this security is held at the broker as collateral for open futures contracts.

(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 valued in good faith in accordance with procedures approved by the Board of Trustees (See Note 1).

(e) Illiquid security.

(f) The coupon payment on these securities is currently in default as of June 30, 2011.

(g) Value is less than $1.

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

<u>**Abbreviations used in this schedule:**</u>

AUD Australian Dollar

EUR	Euro

See Notes to Financial Statements.

Statement of assets and liabilities (unaudited)

June 30, 2011

Assets:	
Investments, at value (Cost $363,358,156)	$393,167,075
Foreign currency, at value (Cost $83,181)	85,256
Cash	174
Interest receivable	2,717,057
Swaps, at value (net premiums paid $0)	71,964
Receivable from broker variation margin on open futures contracts	28,645
Receivable for open swap contracts	2,903
Prepaid expenses	9,989
Total Assets	***396,083,063***
Liabilities:	
Unrealized depreciation on forward foreign currency contracts	148,005
Investment advisory fee payable	130,062
Trustees fees payable	51,357
Servicing agent fees payable	48,774
Administration fee payable	8,219
Accrued expenses	145,515
Total Liabilities	***531,932***
Total Net Assets	**$395,551,131**
Net Assets:	
Common shares, no par value, unlimited number of shares authorized, 29,152,821 shares issued and outstanding (Note 5)	$402,876,426
Undistributed net investment income	4,790,675
Accumulated net realized loss on investments, futures contracts, written options, swap contracts and foreign currency transactions	(41,903,162)
Net unrealized appreciation on investments, futures contracts, swap contracts and foreign currencies	29,787,192
Total Net Assets	**$395,551,131**
Shares Outstanding	29,152,821
Net Asset Value	$13.57

See Notes to Financial Statements.

Statement of operations (unaudited)

For the Six Months Ended June 30, 2011

Investment Income:	
Interest	***$12,688,213***
Expenses:	
Investment management fee (Note 2)	786,455
Servicing agent fees (Note 2)	294,921
Trustees fees	54,107
Administration fees (Note 2)	49,589
Legal fees	48,248
Shareholder reports	37,184
Transfer agent fees	28,812
Audit and tax	18,897
Fund accounting fees	17,132
Stock exchange listing fees	13,056
Custody fees	9,120
Interest expense (Note 3)	8,402
Insurance	5,012
Total Expenses	***1,370,935***
Net Investment Income	**11,317,278**
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	1,211,821
Futures contracts	(1,250,401)
Written options	232,911
Swap contracts	47,764
Foreign currency transactions	(897,297)
Net Realized Loss	***(655,202)***
Change in Net Unrealized Appreciation (Depreciation) From:	
Investments	7,049,356
Futures contracts	58,246
Swap contracts	6,608
Foreign currencies	303,240
Change in Net Unrealized Appreciation (Depreciation)	***7,417,450***
Net Gain on Investments, Futures Contracts, Written Options, Swap Contracts and Foreign Currency Transactions	**6,762,248**
Increase in Net Assets From Operations	**$18,079,526**

See Notes to Financial Statements.

Statements of changes in net assets

For the Six Months Ended June 30, 2011 (unaudited) and the Year Ended December 31, 2010	**2011**	**2010**
Operations:		
Net investment income	$ 11,317,278	$ 9,626,133
Net realized loss	(655,202)	(5,023,648)
Change in net unrealized appreciation (depreciation)	7,417,450	17,320,527
Increase in Net Assets From Operations	***18,079,526***	***21,923,012***
Distributions to Shareholders From (Note 1):		
Net investment income	(5,772,258)	(10,444,127)
Return of capital		(2,762,101)
Decrease in Net Assets From Distributions to Shareholders	***(5,772,258)***	***(13,206,228)***
Increase in Net Assets	***12,307,268***	***8,716,784***

Net Assets: