WESTERN ASSET/CLAYMORE INFLATION-LINKED SECURITIES & INCOME FUND
Form N-CSR
March 01, 2013

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: December 31, 2012

ITEM 1. REPORT TO STOCKHOLDERS.

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

December 31, 2012

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 annual shareholder report for the twelve-month reporting period ended December 31, 2012.

For the twelve-month period ended December 31, 2012, the Fund returned 6.72% based on its net asset value (NAV)[i] and 6.54% 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[ii] and the Barclays U.S. Government Inflation-Linked All Maturities Index[iii], returned 5.08% and 7.26%, respectively, for the same period. 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 the Fund s absolute performance during the reporting period was its exposure to U.S. Treasury Inflation-Protected Securities (TIPS)[iv]. They posted strong performance given declining Treasury yields and rising inflation expectations.

Allocations to investment grade corporate bonds and emerging market debt were rewarded as spreads narrowed given generally robust investor demand. In particular, the Fund s investment grade holdings in the Financials sector, such as overweights in Wells Fargo & Co., General Electric Capital Corp., Bank of America Corp. and Citigroup Inc. were beneficial for results.

Elsewhere, the Fund s allocation to Canadian inflation-linked securities (linkers) was rewarded. They generated strong results given Canada s relative strength versus other developed countries

The largest detractor from the Fund s absolute performance for the period was its allocation to U.K. inflation-linked bonds. This was not beneficial as they underperformed U.S. TIPS.

As of December 31, 2012, the Fund s market price of $13.11 per share represented a discount of 11.00% to its NAV of $14.73 per share. In each month of 2012, the Fund provided its investors with a distribution of $0.032 per share. The most recent distribution represents an annualized distribution rate of 2.93% based on the Fund s last closing market price of $13.11 as of December 31, 2012.

In December 2011, the Fund declared its January 2012 distribution. This distribution was payable January 31, 2012 to shareholders of record as of December 30, 2011, and was made to allow the Fund to meet its 2011 distribution requirement.

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 assetsv 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)

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 durationvi 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 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 45 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.

Recent regulations adopted by the Commodity Futures Trading Commission (the CFTC) require operators of registered investment companies, including closed-end funds, to register as commodity pool operators

Letter to shareholders (cont d)

unless the fund limits its investments in commodity interests. Effective December 31, 2012, your Fund s manager has claimed the exclusion from the definition of commodity pool operator. More information about the CFTC rules and their effect on the Fund is included later in this report on page 34.

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

January 31, 2013

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

vi 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

The U.S. economy continued to grow over the twelve months ended December 31, 2012, but it did so at an uneven pace. U.S. gross domestic product (GDP)i growth, as reported by the U.S. Department of Commerce, was 2.0% in the first quarter of 2012. The economy then slowed in the second quarter, as GDP growth was a tepid 1.3%. Economic growth accelerated to 3.1% in the third quarter, partially due to increased private inventory investment, higher federal government spending and moderating imports. However, this was a temporary uptick, as the Commerce Department s initial estimate showed that fourth quarter GDP contracted 0.1%. This was the first negative reading since the second quarter of 2009, and was driven by a reversal of the above factors, as private inventory investment and federal government spending weakened.

While there was some improvement in the U.S. job market, unemployment remained elevated throughout the reporting period. When the period began, unemployment, as reported by the U.S. Department of Labor, was 8.3%. Unemployment then generally declined and was 7.8% in September 2012, the lowest rate since January 2009, but still high by historical standards. The unemployment rate then rose to 7.9% in October, before falling to 7.8% in November, where it remained in December. The number of longer-term unemployed continued to be a headwind for the economy, as roughly 39% of the 12.2 million people without a job have been out of work for more than six months.

Meanwhile, the housing market brightened, as sales generally improved and home prices continued to rebound. According to the National Association of Realtors (NAR), while existing-home sales dipped 1.0% on a seasonally adjusted basis in December 2012 versus the previous month, they were still 12.8% higher than in December 2011. In addition, the NAR reported that the median existing-home price for all housing types was $180,800 in December 2012, up 11.5% from December 2011. This marked the tenth consecutive month that home prices rose compared to the same period a year earlier. Furthermore, the inventory of homes available for sale fell 8.5% in December, which represents a 4.4 month supply at the current sales pace. This represents the lowest inventory since May 2005.

The manufacturing sector expanded during much of the reporting period, although it experienced several soft patches. Based on the Institute for Supply Management s PMI (PMI)ii, after expanding 34 consecutive months, the PMI fell to 49.7 in June 2012, which represented the first contraction in the manufacturing sector since July 2009 (a reading below 50 indicates a contraction, whereas a reading above 50 indicates an expansion). Manufacturing continued to contract in July and August before ticking up to 51.5 in September and 51.7 in October. The PMI fell back to contraction territory with a reading of 49.5 in November, its lowest level since July 2009. However, manufacturing again expanded in December, with the PMI increasing to 50.7.

The Federal Reserve Board (Fed)iii took a number of actions as it sought to meet its dual mandate of fostering maximum employment and price stability. As has been the case since December 2008, the Fed kept the federal funds rateiv at a historically low range between zero and 0.25%. In January 2012, the Fed extended the period it expects to keep

Investment commentary (cont d)

rates on hold until at least through late 2014. At its June 2012 meeting, the Fed announced that it would continue its program of purchasing longer-term Treasury securities and selling an equal amount of shorter-term Treasury securities (often referred to as Operation Twist) until the end of 2012. In September, the Fed announced a third round of quantitative easing (QE3), which involves purchasing $40 billion each month of agency mortgage-backed securities on an open-end basis. In addition, the Fed further extended the duration that it expects to keep the federal funds rate on hold, until at least mid-2015. Finally, at its meeting in December, the Fed announced that it would continue purchasing $40 billion per month of agency mortgage-backed securities, as well as initially purchasing $45 billion a month of longer-term Treasuries. The Fed also said that it would keep the federal funds rate on hold ...as long as the unemployment rate remains above 6.5%, inflation between one and two years ahead is projected to be no more than a half percentage point above the Committee s 2.0% longer-run goal, and longer-term inflation expectations continue to be well anchored.

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

Sincerely,

Western Asset Management Company

January 31, 2013

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results.

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 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.

iii 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.

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.

Fund overview

Q. What is the Fund s investment strategy?

A. The Fund s investment objective is to provide current income. Capital appreciation, when consistent with current income, is a secondary investment objective. Under normal market conditions and at the time of purchase, the Fund will invest at least 80% of its total managed assetsi in inflation-linked securities and at least 60% of its total managed assets in U.S. Treasury Inflation-Protected Securities (TIPS)ii. The Fund may also invest up to 40% of its total managed assets in non-U.S. dollar investments, which gives the Fund 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). The Fund will not invest in bonds that are below investment grade quality at the time of purchase. 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. There can be no assurance that the Fund will achieve its investment objectives.

At Western Asset Management Company (Western Asset), the Fund s investment adviser, we utilize a fixed-income team approach, with decisions derived from interaction among various investment management sector specialists. The sector teams are comprised of Western Asset s senior portfolio management personnel, research analysts and an in-house economist. Under this team approach, management of client fixed-income portfolios will reflect a consensus of interdisciplinary views within the Western Asset organization.

Q. What were the overall market conditions during the Fund s reporting period?

A. The spread sectors (non-Treasuries) overcame several periods of heightened risk aversion and outperformed equal-durationiv Treasuries over the twelve months ended December 31, 2012. To a great extent, demand for the spread sectors was robust during the first two months of the reporting period. This was due to several factors, including signs that the U.S. economy was gathering momentum and some progress in the European sovereign debt crisis. However, fears that the economy may be experiencing a soft patch and contagion fears from Europe led to flights to quality during portions of March, April and May 2012. The spread sectors then generally rallied over the last seven months of the period as investor sentiment was largely positive.

Short-term U.S. Treasury yields fluctuated in 2012, but ended the year where they began. In contrast, 10-year Treasury yields fell from 1.89% to 1.78% during the twelve months ended December 31, 2012. When the period began, two-year Treasury yields were 0.25%. They moved as low as 0.21% on January 17, 2012 and as high as 0.41% on March 20, 2012. Ten-year Treasury yields were 1.89% at the beginning of the period and peaked at 2.39% on March 19, 2012. On July 25, 2012, ten-year Treasuries closed at an all-time low of 1.43%. Yields then moved higher due to some positive developments in Europe and additional Federal Reserve Board (Fed)v actions to stimulate the economy. When the reporting period ended on December 31, 2012, two-year Treasury yields were 0.25% and ten-year Treasury yields were 1.78%. All told, the Barclays

Fund overview (cont d)

U.S. Aggregate Indexvi returned 4.22% for the twelve months ended December 31, 2012.

Inflation was relatively benign during the reporting period. For the twelve months ended December 31, 2012, the seasonally unadjusted rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U)vii, was 1.74%. The CPI-U less food and energy was 1.89% over the same time frame. However, inflation-protected securities generated solid results during the reporting period due to expectations for higher inflation given continued Fed policy accommodation. During the twelve months ended December 31, 2012, the Barclays U.S. TIPS Indexviii gained 6.98%.

Q. How did we respond to these changing market conditions?

A. A number of adjustments were made to the Fund during the reporting period. We increased our allocations to investment grade corporate Financials and Industrials and the Fund s cash position. In contrast, we reduced the Fund s allocations to TIPS and non-agency mortgage-backed securities (MBS).

The Fund employed U.S. Treasury futures and options on U.S. Treasury futures as well as Euro-Bund futures and options on Euro-Bund futures during the reporting period to manage its yield curveix positioning and duration. The use of these instruments contributed to performance. Credit default swaps were used to manage our credit exposure. The use of these instruments helped performance. Currency forwards, which were used to manage our currency exposures, were a drag on results.

Performance review

For the twelve months ended December 31, 2012, Western Asset/Claymore Inflation-Linked Securities & Income Fund returned 6.72% based on its net asset value (NAV)x and 6.54% 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 Indexxi and the Barclays U.S. Government Inflation-Linked All Maturities Indexxii, returned 5.08% and 7.26%, respectively, for the same period. The Barclays World Government Inflation-Linked All Maturities Indexxiii and the Fund s Custom Benchmarkxiv returned 6.95% and 7.48%, respectively, over the same time frame.

During the twelve-month period, the Fund made distributions to shareholders totaling $0.35 per share. The performance table shows the Fund s twelve-month total return based on its NAV and market price as of December 31, 2012. **Past performance is no guarantee of future results.**

Performance Snapshot as of December 31, 2012

Price Per Share	12-Month Total Return*
$14.73 (NAV)	6.72%
$13.11 (Market Price)	6.54%

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 at NAV.

Total return assumes the reinvestment of all distributions in additional shares in accordance with the Fund s Dividend Reinvestment Plan.

Q. What were the leading contributors to performance?

A. The largest contributor to the Fund s absolute performance during the reporting period was its exposure to U.S. TIPS. They posted strong performance given declining Treasury yields and rising inflation expectations.

Allocations to investment grade corporate bonds and emerging market debt were rewarded as spreads narrowed given generally robust investor demand. In particular, the Fund s investment grade holdings in the Financials sector, such as overweights in Wells Fargo & Co., General Electric Capital Corp., Bank of America Corp. and Citigroup Inc. were beneficial for results.

Elsewhere, our allocation to Canadian inflation-linked securities (linkers) was rewarded. They contributed positively to performance, given Canada s relative strength versus other developed countries

Q. What were the leading detractors from performance?

A. The largest detractor from the Fund s absolute performance for the period was its allocation to U.K. inflation-linked bonds. This was not beneficial as they underperformed U.S. TIPS.

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

January 22, 2013

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.*

Portfolio holdings and breakdowns are as of December 31, 2012 and are subject to change and may not be representative of the portfolio managers current or future investments. Please refer to pages 8 through 12 for a list and percentage breakdown of the Fund s holdings.

The mention of sector breakdowns is for informational purposes only and should not be construed as a recommendation to purchase or sell any securities. The information provided regarding such sectors is not a sufficient basis upon which to make an investment decision. Investors seeking financial advice regarding the appropriateness of investing in any securities or investment strategies discussed should consult their financial professional. The Fund s top five sector holdings (as a percentage of net assets) as of December 31, 2012: U.S. Treasury Inflation Protected Securities (76.7%), Corporate Bonds & Notes (7.7%), Non-U.S. Treasury Inflation Protected Securities (5.0%), Collateralized Mortgage Obligations (0.8%) and Sovereign Bonds (0.5%). The Fund s portfolio composition is subject to change at any time.

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. All index

Fund overview (cont d)

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

ii 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.

iii 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.)

iv 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.

v 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.

vi 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.

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. TIPS Index represents an unmanaged market index made up of U.S. Treasury Inflation-Linked Index securities.

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 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 investments) 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.

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

xii 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.

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

xiv 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 December 31, 2012 and December 31, 2011 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.

Spread duration (unaudited)

Economic Exposure December 31, 2012

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
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

Effective duration (unaudited)

Interest Rate Exposure December 31, 2012

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
IG Credit	Investment Grade Credit
MBS	Mortgage-Backed Securities
WIA	Western Asset/Claymore Inflation-Linked Securities & Income Fund

Schedule of investments

December 31, 2012

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount		Value
U.S. Treasury Inflation Protected Securities 76.7%					
U.S. Treasury Bonds, Inflation Indexed	2.375%	1/15/25	4,920,992	$	6,638,339
U.S. Treasury Bonds, Inflation Indexed	2.000%	1/15/26	47,096,643		61,762,820
U.S. Treasury Bonds, Inflation Indexed	1.750%	1/15/28	1,236,670		1,600,812
U.S. Treasury Bonds, Inflation Indexed	2.500%	1/15/29	3,673,968		5,239,997
U.S. Treasury Bonds, Inflation Indexed	3.875%	4/15/29	3,053,429		5,061,058
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/40	8,101,641		11,887,894(a)
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/41	5,672,331		8,375,997
U.S. Treasury Bonds, Inflation Indexed	0.750%	2/15/42	5,763,544		6,312,429
U.S. Treasury Notes, Inflation Indexed	0.625%	4/15/13	32,832,000		32,790,960
U.S. Treasury Notes, Inflation Indexed	2.000%	1/15/14	26,715,759		27,569,408
U.S. Treasury Notes, Inflation Indexed	1.625%	1/15/15	12,114,500		12,870,711
U.S. Treasury Notes, Inflation Indexed	0.500%	4/15/15	21,390,896		22,320,074
U.S. Treasury Notes, Inflation Indexed	1.875%	7/15/15	2,776,899		3,027,469
U.S. Treasury Notes, Inflation Indexed	2.000%	1/15/16	30,465,386		33,778,496
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/16	2,871,465		3,023,564
U.S. Treasury Notes, Inflation Indexed	2.500%	7/15/16	652,889		750,313
U.S. Treasury Notes, Inflation Indexed	2.375%	1/15/17	15,496,646		18,011,224
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/17	5,092,200		5,453,028
U.S. Treasury Notes, Inflation Indexed	2.625%	7/15/17	16,038,501		19,218,631
U.S. Treasury Notes, Inflation Indexed	1.625%	1/15/18	16,286,508		18,888,538
U.S. Treasury Notes, Inflation Indexed	1.375%	7/15/18	8,785,495		10,226,861
U.S. Treasury Notes, Inflation Indexed	2.125%	1/15/19	3,016,748		3,662,757
U.S. Treasury Notes, Inflation Indexed	1.125%	1/15/21	2,347,539		2,757,257
U.S. Treasury Notes, Inflation Indexed	0.625%	7/15/21	1,139,237		1,294,993
U.S. Treasury Notes, Inflation Indexed	0.125%	1/15/22	4,333,407		4,705,812
U.S. Treasury Notes, Inflation Indexed	0.125%	7/15/22	1,961,505		2,129,306
Total U.S. Treasury Inflation Protected Securities (Cost $296,246,849)					**329,358,748**
Asset-Backed Securities 0.2%					
Amresco Residential Securities Mortgage Loan Trust, 1997-3 M1A	0.765%	9/25/27	1,523		1,396(b)
Asset-Backed Funding Certificates, 2004-OPT2 M1	1.035%	8/25/33	33,672		31,102(b)
EMC Mortgage Loan Trust, 2004-C A1	0.760%	3/25/31	26,173		24,437(b)(c)
Novastar Home Equity Loan, 2003-2 A1	0.820%	9/25/33	763,837		722,199(b)
Structured Asset Securities Corp., 2002-AL1 A3	3.450%	2/25/32	220,125		218,163
Total Asset-Backed Securities (Cost $640,331)					**997,297**

See Notes to Financial Statements.

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	**Rate**	**Maturity Date**	**Face Amount**		**Value**
Collateralized Mortgage Obligations 0.8%					
Banc of America Mortgage Securities, 2003-D	3.100%	5/25/33	51,578	$	52,288(b)
Bear Stearns Adjustable Rate Mortgage Trust, 2004-9 24A1	5.243%	11/25/34	144,644		144,840(b)
Chase Mortgage Finance Corp., 2007-A1 2A3	2.991%	2/25/37	33,635		33,896(b)
Countrywide Alternative Loan Trust, 2004-J1	6.000%	2/25/34	6,042		6,167
Countrywide Home Loans, 2005-R2 1AF1	0.550%	6/25/35	483,910		413,549(b)(c)
CS First Boston Mortgage Securities Corp., 2004-AR6 2A1	2.951%	10/25/34	33,325		33,335(b)
Federal Home Loan Mortgage Corp. (FHLMC), 4013 AI, IO	4.000%	2/15/39	6,343,404		1,034,946
Federal Home Loan Mortgage Corp. (FHLMC), 4057 UI, IO	3.000%	5/15/27	3,402,873		332,109
Federal Home Loan Mortgage Corp. (FHLMC), 4085, IO	3.000%	6/15/27	2,825,180		369,515
GSR Mortgage Loan Trust, 2004-11 1A1	2.944%	9/25/34	231,629		211,848(b)
JPMorgan Mortgage Trust, 2003-A1 1A1	2.365%	10/25/33	60,655		61,551(b)
JPMorgan Mortgage Trust, 2004-A1 1A1	4.725%	2/25/34	18,309		18,526(b)
JPMorgan Mortgage Trust, 2006-A2 5A1	2.908%	11/25/33	13,047		13,329(b)
Merrill Lynch Mortgage Investors Inc., 2003-H A3	2.250%	1/25/29	11,466		11,602(b)
Merrill Lynch Mortgage Investors Trust, 2004-A1 2A1	2.731%	2/25/34	27,133		27,235(b)
Morgan Stanley Capital I, 2004-RR2 X, IO	0.629%	10/28/33	611,458		2,935(b)(c)(d)
Residential Asset Mortgage Products Inc., 2004-SL2 A4	8.500%	10/25/31	15,364		16,486
Residential Asset Mortgage Products Inc., 2004-SL4 A5	7.500%	7/25/32	117,041		115,717
Sequoia Mortgage Trust, 2003-8 A1	0.851%	1/20/34	30,145		29,264(b)
Structured Adjustable Rate Mortgage Loan Trust, 2005-3XS A3	0.950%	1/25/35	72,181		71,782(b)
WaMu Mortgage Pass-Through Certificates, 2003-AR8 A	2.460%	8/25/33	25,409		26,108(b)
WaMu Mortgage Pass-Through Certificates, 2007-HY1 1A1	2.496%	2/25/37	269,149		197,013(b)
Washington Mutual Inc. Pass-Through Certificates, 2003-AR10 A7	2.511%	10/25/33	87,435		89,856(b)
Washington Mutual Inc., MSC Pass-Through Certificates, 2004-RA1 2A	7.000%	3/25/34	33,196		35,034
Total Collateralized Mortgage Obligations (Cost $3,045,136)					**3,348,931**

See Notes to Financial Statements.

Schedule of investments (cont d)

December 31, 2012

Western Asset/Claymore Inflation-Linked Securities & Income Fund

Security	Rate	Maturity Date	Face Amount		Value
Corporate Bonds & Notes 7.7%					
Consumer Staples 0.9%					
Beverages 0.2%					
Anheuser-Busch InBev Worldwide Inc., Senior Notes	3.625%	4/15/15	680,000	$	***725,596***
Food Products 0.4%					
Mondelez International Inc., Senior Notes	4.125%	2/9/16	1,650,000		***1,797,683***
Tobacco 0.3%					
Reynolds American Inc., Senior Notes	3.250%	11/1/22	1,300,000		***1,305,844***
Total Consumer Staples					**3,829,123**
Energy 0.7%					
Oil, Gas & Consumable Fuels 0.7%					
Petrobras International Finance Co., Senior Notes	6.750%	1/27/41	1,123,000		1,422,939
Petroleos Mexicanos, Senior Notes	5.500%	6/27/44	1,277,000		1,404,700
Total Energy					**2,827,639**
Financials 4.7%					
Capital Markets 0.3%					
Goldman Sachs Group Inc., Senior Notes	6.250%	9/1/17	1,000,000		***1,179,617***
Commercial Banks 2.2%					
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	1,430,000		1,428,212
HSBC USA Inc., Senior Notes	2.375%	2/13/15	800,000		822,901
Rabobank Nederland NV, Junior Subordinated Notes	11.000%	6/30/19	830,000		1,122,575(b)(c)(e)
Wachovia Capital Trust III, Junior Subordinated Bonds	5.570%	2/11/13	3,527,000		3,509,365(b)(e)
Wells Fargo & Co., Senior Notes	1.500%	1/16/18	2,500,000		2,504,100
Total Commercial Banks					***9,387,153***
Consumer Finance 0.2%					
American Express Credit Corp., Senior Notes	2.750%	9/15/15	1,030,000		***1,079,834***
Diversified Financial Services 1.7%					
Bank of America Corp., Senior Notes	4.500%	4/1/15	940,000		1,001,971
Bank of America Corp., Senior Notes	6.500%	8/1/16	970,000		1,120,116
Citigroup Inc., Senior Notes					