



WESTERN ASSET

A LEGG MASON COMPANY

GUGGENHEIM

Annual Report

November 30, 2016

WESTERN ASSET/CLAYMORE INFLATION-LINKED OPPORTUNITIES & INCOME FUND (WIW)

Fund objectives

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

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Letter to shareholders

Dear Shareholder,

We thank you for your investment in Western Asset/Claymore Inflation-Linked Opportunities & Income Fund. As investment adviser for the Fund, we are pleased to submit the Fund's annual shareholder report for the eleven-month reporting period ended November 30, 2016. In May 2016, the Board of Trustees approved changing the Fund's fiscal year end from December 31st to November 30th.

For the eleven-month period ended November 30, 2016, the Fund returned 4.69% based on its net asset value ("NAV")ⁱ and 9.85% based on its New York Stock Exchange ("NYSE") market price per share. The Fund's unmanaged benchmarks, the Bloomberg Barclays U.S. Government Inflation-Linked 1-10 Year Indexⁱⁱ and the Bloomberg Barclays U.S. Government Inflation-Linked All Maturities Indexⁱⁱⁱ, returned 3.90% and 5.01%, 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 allocation to U.S. high-yield corporate bonds. These securities generated weak results overall early in the period as commodity prices fell and there were concerns over increased defaults from commodity-related high-yield issuers. However, they subsequently rallied sharply as commodity prices improved and investor demand was robust. In particular, increasing the Fund's exposure to high-yield energy companies in the spring of 2016 during the downturn in oil prices was beneficial as their prices later rallied.

Commodity funds, which were added toward the middle of the reporting period, performed well as oil bottomed in the spring of 2016. Increasing the Fund's U.S. Treasury Inflation-Protected Securities ("TIPS")^{iv} exposure in March 2016 was beneficial as inflation-linked assets performed well as the reporting period progressed given expectations for improving growth and an uptick in inflation. Finally, the Fund benefited from its security selection of commercial mortgage-backed securities, as its holdings in the sector were additive for results.

The largest detractor from the Fund's absolute performance for the period was its interest rate risk exposure, or duration^v positioning. The Fund used its overall duration exposure as a diversifier to its credit and commodity exposures, as well as part of its inflation breakeven strategy^{vi}. The Fund's duration exposure detracted from results as yields moved higher during the reporting period. However, this negative was largely offset by positive contributions from the Fund's TIPS exposure, particularly securities with 30-year maturities.

Elsewhere, the Fund's exposure to emerging market sovereign and corporate bonds detracted from performance overall. Finally, the Fund's active foreign exchange exposure was negative for results, most notably its allocation to the Mexican peso.

Investment policy changes that broadened the range of securities in which the Fund can invest also affected performance during the reporting period. The additional latitudes were employed progressively throughout the period. The inclusion of the commodity exposure in the Fund was a strong positive contributor to performance, while the enhanced foreign exchange latitude was a negative for the Fund. See below for more information on the changes.

As of November 30, 2016, the Fund's market price of \$10.93 per share represented a discount of 11.64% to its NAV of \$12.37 per share. In each month of the reporting period, the Fund provided its investors with a distribution of \$0.0335 per share. The most recent distribution represents an annualized distribution rate of 3.68% based on the Fund's last closing market price of \$10.93 as of November 30, 2016. There is no guarantee of any future distributions or that

the current returns and distribution rate will be maintained. Please see Note 1(s) on page 32 for more information on distributions for the period.

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

- At least 80% of its total managed assets^{vii} in inflation-linked securities
- No more than 40% of its total managed assets in below investment grade securities
- Up to 100% of its total managed assets in non-U.S. dollar investments, which gives the Fund the flexibility to invest up to 100% of its total assets in non-U.S. dollar inflation-linked securities (up to 100% of its non-U.S. dollar exposure may be unhedged)

On March 2, 2016, the Fund announced changes, effective immediately, to its non-fundamental investment guidelines and an authorization to enter into share repurchases, as approved by the Fund's Board of Trustees. The investment guideline changes broaden the range of securities in which the Fund can invest, while maintaining the overall strategy of investing at least 80% of total managed assets in inflation-linked securities.

Under the changes, the Fund has the flexibility to:

- Engage in currency strategies, using instruments such as currency forwards, futures and options, to take long and

Letter to shareholders (cont'd)

short foreign currency positions subject to a limit of exposure from such strategies to 40% of total managed assets. This capacity is in addition to the existing capacity to have 100% unhedged exposure to non-U.S. dollar currencies through the purchase of fixed income securities.

- Utilize commodity-related strategies for up to 10% of its total managed assets. Exposure to commodities is expected to be achieved through the use of a variety of instruments, such as futures contracts, options and other derivatives, or through investments in exchange-traded products that offer exposure to commodities. The Fund does not expect to hold physical commodities.
- Additionally, the Board of Trustees authorized management to repurchase in the open market up to approximately 10% of the Fund's outstanding common shares when the shares are trading at a discount to NAV and when such purchases could enhance shareholder value. The Fund is under no obligation to purchase shares at any specific discount levels or in any specific amounts. The Fund's repurchase activity will be disclosed in the shareholder report for the relevant fiscal period.

Each of the foregoing policies is a non-fundamental policy that may be changed without shareholder approval. The Fund has also adopted the following non-fundamental policy, which, to the extent required by applicable law, may only be changed after notice to shareholders: under normal market conditions, the Fund will invest at least 80% of its total managed assets in inflation-protected securities and

non-inflation-protected securities and instruments with the potential to enhance the Fund's income. The Fund may invest up to 20% of the portfolio in debt instruments of emerging markets issuers that are not inflation-linked 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 duration^{viii} 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. The Fund may enter into total return swap contracts for investment purposes. The Fund may enter into interest rate swaps and consumer price index swaps to manage its interest rate and inflated-linked risk exposure, hedging, or for investment purposes.

On May 3, 2016, the Fund entered into an Amended and Restated Investment Advisory Agreement with Security Investors, LLC ("Investment Adviser"), an affiliate of Guggenheim Funds Investment Advisors, LLC (the Fund's previous investment adviser). Apart from the name of the entity providing advisory services, the terms of the Amended and Restated Investment Advisory Agreement are substantially identical to those of the prior agreement, and this change did not result in a change in the personnel primarily responsible for providing investment advisory services to the Fund. The Investment Adviser, in turn, entered into an Amended and Restated Investment Management Agreement with Western Asset Management Company and separate Amended and Restated Investment Management

Agreements among the Investment Adviser, Western Asset Management Company and each of Western Asset Management Company Ltd., Western Asset Management Company Limited and Western Asset Management Company Pte. Ltd., pursuant to which each Western Asset entity provides investment management services to the Fund. Each Amended and Restated Investment Management Agreement solely reflects the change in investment adviser for the Fund.

Shareholders have the opportunity to reinvest their dividends from the Fund through the Dividend Reinvestment Plan ("DRIP"), which is described in detail on page 52 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.

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/wiw.

Sincerely,

Security Investors, LLC

December 30, 2016

ⁱ Net asset value ("NAV") is calculated by subtracting total liabilities, including liabilities associated with financial leverage (if any), from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested.

However, the price at which an investor may buy or sell shares of the Fund is the Fund's market price as determined by supply of and demand for the Fund's shares.

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

ⁱⁱⁱ The Bloomberg 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 thirty-year maturities. The principal is adjusted to the Consumer Price Index, the commonly used

measure of inflation. The coupon rate is constant, but generates a different amount of interest when multiplied by the inflation-adjusted principal.

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

^{vi} The breakeven rate refers to the difference between the yield on a nominal fixed-rate bond and the real yield on an inflation-linked bond, such as TIPS, of similar maturity and credit quality.

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

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

Investment commentary

Economic review

The pace of U.S. economic activity fluctuated during the period from January 1, 2016 through November 30, 2016 (the "reporting period"). Looking back, the U.S. Department of Commerce reported that fourth quarter 2015 U.S. gross domestic product ("GDP")ⁱ growth was 0.9%. First and second quarter 2016 GDP growth was 0.8% and 1.4%, respectively. The U.S. Department of Commerce's final reading for third quarter 2016 GDP growth — released after the reporting period ended — was 3.5%. The improvement in GDP growth in the third quarter 2016 reflected an increase in private inventory investment, an acceleration in exports, smaller decreases in state and local government spending and an upturn in federal government spending.

While there was a pocket of weakness in May 2016, job growth in the U.S. was solid overall and a tailwind for the economy during the reporting period. When the reporting period ended on November 30, 2016, the unemployment rate was 4.6%, as reported by the U.S. Department of Labor. This represented the lowest level since August 2007. The percentage of longer-term unemployed also declined over the period. In November 2016, 24.8% of Americans looking for a job had been out of work for more than six months, versus 26.9% when the period began.

After an extended period of maintaining the federal funds rateⁱⁱ at a historically low range between zero and 0.25%, the Federal Reserve Board (the "Fed")ⁱⁱⁱ increased the rate at its meeting on December 16, 2015. This marked the first rate hike since 2006. In particular, the U.S. central bank raised the

federal funds rate to a range between 0.25% and 0.50%. The Fed then kept rates on hold at every meeting prior to its meeting in mid-December 2016. On December 14, 2016, after the reporting period ended, the Fed raised rates to a range between 0.50% and 0.75%. In the Fed's statement after the December meeting it said, "The Committee expects that economic conditions will evolve in a manner that will warrant only gradual increases in the federal funds rate; the federal funds rate is likely to remain, for some time, below levels that are expected to prevail in the longer run. However, the actual path of the federal funds rate will depend on the economic outlook as informed by incoming data."

Inflation remained well contained during the reporting period. For the eleven months ended November 30, 2016 the seasonally unadjusted rate of inflation, as measured by the Consumer Price Index for All Urban Consumers ("CPI-U")^{iv}, was 1.9%. The CPI-U less food and energy was 2.3% over the same time frame. U.S. Treasury Inflation-Protected Securities ("TIPS")^v generated solid results during the reporting period, as the Bloomberg Barclays U.S. TIPS Index^{vi} returned 4.79%.

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

Sincerely,

Western Asset Management Company
December 30, 2016

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 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.
- ⁱⁱⁱ The Federal Reserve Board (the "Fed") is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices and a sustainable pattern of international trade and payments.
- ^{iv} 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.
- ^v U.S. Treasury Inflation-Protected Securities ("TIPS") are inflation-indexed securities issued by the U.S. Treasury in five-year, ten-year and thirty-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.
- ^{vi} The Bloomberg Barclays U.S. TIPS Index represents an unmanaged market index made up of U.S. Treasury Inflation-Linked Index securities.

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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. The Fund may also invest up to 40% of its total managed assets in below investment grade securities. The Fund may invest up to 100% of its total managed assets in non-U.S. dollar investments which gives the Fund flexibility to invest up to 100% of its total managed assets in non-U.S. dollar inflation-linked securities (up to 100% of its non-U.S. dollar exposure may be unhedged). The Fund currently expects that the average effective durationⁱⁱ 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.

The Fund seeks to offer an inflation hedge through investments in global inflation-linked securities, and primarily in U.S. Treasury Inflation-Protected Securities ("TIPS")ⁱⁱⁱ. The Fund also seeks to offer shareholders certain additional advantages through the ability to invest in other fixed-income asset classes, which may result in higher total returns and higher distribution rates. These asset classes include select investments in high-yield and investment-grade credit, emerging markets and structured products. On March 2, 2016, the Fund announced that it received authorization to include commodities and currency exposures to further enhance the Fund's ability to meet its primary objective of providing shareholders with income.

At Western Asset Management Company ("Western Asset"), the Fund's investment manager, 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. After a weak start, partially driven by concerns over moderating growth in China, the spread sectors (non-Treasuries) generally rallied and posted positive returns over the eleven months ended November 30, 2016. The fixed income market was volatile at times given signs of generally modest economic growth, questions regarding future Federal Reserve Board (the "Fed")^{iv} monetary policy, implications of the U.K.'s referendum to leave the European Union ("Brexit") and a number of geopolitical issues. The November elections in the U.S. also caused volatility to increase given uncertainties regarding President-elect Trump's policies.

Both short- and long-term Treasury yields moved higher during the reporting period as a whole. Two-year Treasury yields began the reporting period at 0.94% and ended the period at 1.11%. Their peak of 1.12% occurred on both November 23 and November 25, 2016, and they were as low as 0.56% on July 5, 2016. Ten-year Treasury yields were 2.21% at the beginning of the period and ended the period at their peak of

Fund overview (cont'd)

2.37%. Their low of 1.37% occurred on both July 5 and July 8, 2016.

Inflation was well contained during the reporting period. For the eleven months ended November 30, 2016, the seasonally unadjusted rate of inflation, as measured by the Consumer Price Index for All Urban Consumers ("CPI-U")^v, was 1.9%. The CPI-U less food and energy was 2.3% over the same time frame. TIPS generated positive results for the reporting period, as the Bloomberg Barclays U.S. TIPS Index^{vi} gained 4.79%. This was driven, in part, by expectations for improved growth and an increase in inflation under the new administration.

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 decreased the Fund's exposures to foreign inflation-protected securities ("linkers") early in the reporting period as we found them to offer less relative value than TIPS. We pared the Fund's exposure to lower yielding mortgage securities and increased its allocations to emerging market debt and U.S. high-yield corporate bonds in order to generate incremental yield. Finally, we utilized the full extent of the new latitudes available for the Fund by adding exposure to commodity funds progressively throughout the second half of the reporting period.

The Fund employed U.S. Treasury futures and options, including options on futures, Eurodollar futures and options, and Euro-bund futures and options on Euro-bund futures, during the reporting period to manage its yield curve^{vii} positioning and interest rate risk, or duration^{viii}. The use of these instruments detracted from performance. Interest rate swaps and CPI

index swaps, used to manage inflation-related exposure, were positive for performance. Finally, currency forwards and currency futures and options, which were used to manage the Fund's currency exposures, detracted from performance, largely due to the Fund's exposure to the Mexican peso. The peso performed poorly as interest rates in the U.S. moved higher, the U.S. dollar rallied and political risks increased.

Leverage was used to increase the Fund's credit exposure, which served to add yield to the portfolio. We ended the reporting period with leverage as a percentage of gross assets of roughly 32% versus 31% when the period began. The use of leverage to purchase TIPS and high-yield corporate bonds, amongst others, generally contributed to performance, despite rising borrowing costs.

Performance review

For the eleven months ended November 30, 2016, Western Asset/Claymore Inflation-Linked Opportunities & Income Fund returned 4.69% based on its net asset value ("NAV")^{ix} and 9.85% based on its New York Stock Exchange ("NYSE") market price per share. The Fund's unmanaged benchmarks, the Bloomberg Barclays U.S. Government Inflation-Linked 1-10 Year Index^x and the Bloomberg Barclays U.S. Government Inflation-Linked All Maturities Index^{xi}, returned 3.90% and 5.01%, respectively, for the same period. The Bloomberg Barclays World Government Inflation-Linked All Maturities Index^{xii} and the Fund's Custom Benchmark^{xiii} returned 3.17% and 5.17%, respectively, over the same time frame.

During the eleven-month period, the Fund made distributions to shareholders totaling \$0.37 per share*. The performance table

shows the Fund’s eleven-month total return based on its NAV and market price as of November 30, 2016. **Past performance is no guarantee of future results.**

Performance Snapshot as of November 30, 2016	
Price Per Share	11-Month Total Return**
\$12.37 (NAV)	4.69%†
\$10.93 (Market Price)	9.85%‡

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

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

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

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

One of the distinguishing features of closed-end funds compared to other investment vehicles is the ability to trade at a premium or discount to NAV. Since the Fund is listed on the New York Stock Exchange, the share price may trade above (premium) or below (discount) its NAV. Whereas the NAV is reflective of the Fund’s underlying investments, the share price is reflective of the overall supply and demand in the marketplace. Historically, the majority of closed-end funds have traded at a discount to NAV. In fact, during the fourth quarter of

2014, closed-end funds traded at some of the largest discounts since the financial crisis, with nearly 90% of all such funds trading below NAV. This Fund was no exception to the phenomenon. We believe the Fund’s discount may be driven by a number of factors, including the overall closed-end fund market, current distribution rate and muted demand for inflation-linked investment products. While there are actions that may temporarily reduce the discount to NAV, which the Board of Trustees regularly evaluates, we believe that if investor demand for inflation-linked investments increased, that development, among other factors, may help reduce the Fund’s share price discount to NAV over time. Western Asset continues to believe the Fund offers investors the opportunity for long-term inflation protection while providing a source of diversification for investors’ fixed-income portfolios.

Q. What were the leading contributors to performance?

A. The largest contributor to the Fund’s absolute performance during the reporting period was its allocation to U.S. high-yield corporate bonds. These securities generated weak results overall early in the period as commodity prices fell and there were concerns over increased defaults from commodity-related high-yield issuers. However, they subsequently rallied sharply as commodity prices improved and investor demand was robust. In particular, increasing the Fund’s exposure to high-yield energy companies in the spring of 2016 during the downdraft in oil prices was beneficial as their prices later rallied.

* For the tax character of distributions paid during the fiscal year ended November 30, 2016, please refer to page 40 of this report.

Fund overview (cont'd)

Commodity funds, which were added toward the middle of the reporting period, performed well as oil bottomed in the spring of 2016. Increasing the Fund's TIPS exposure in March 2016 was beneficial as inflation-linked assets performed well as the reporting period progressed given expectations for improving growth and an uptick in inflation. Finally, the Fund benefited from its security selection of commercial mortgage-backed securities, as its holdings in the sector were additive for results.

Q. What were the leading detractors from performance?

A. The largest detractor from the Fund's absolute performance for the period was its interest rate risk exposure, or duration positioning. The Fund used its overall duration exposure as a diversifier to its credit and commodity exposures, as well as part of its inflation breakeven strategy^{xiv}. The Fund's duration exposure detracted from results as yields moved higher during the reporting period. However, this negative was largely offset by positive contributions from the Fund's TIPS exposure, particularly securities with 30-year maturities.

Elsewhere, the Fund's exposure to emerging market sovereign and corporate bonds detracted from performance overall. Finally, the Fund's active foreign exchange exposure was negative for results, most notably its allocation to the Mexican peso.

Thank you for your investment in Western Asset/Claymore Inflation-Linked Opportunities & 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

December 20, 2016

***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. Derivatives, such as options, futures, forwards and swaps, can be illiquid, create counterparty risk, may disproportionately increase losses, and may have a potentially large impact on fund performance. To the extent that the Fund invests in asset-backed, mortgage-backed or mortgage-related securities, its exposure to prepayment and extension risks may be greater than if it invested in other fixed-income securities. International investments are subject to currency fluctuations as well as social, economic and political risks. These risks are magnified in emerging markets.*

Due to the investment policy changes described in this report, an investment in the Fund is now subject to the following additional risks. If changes in the currency exchange rates do not occur as anticipated, the Fund may lose money on currency transactions. The Fund's ability to use currency transactions successfully depends on a number of factors, including the currency transactions being available at prices that are not too costly, the availability of liquid markets and the ability of the Fund to accurately predict the direction of changes in currency exchange rates. Currency exchange rates may be volatile. Currency transactions are subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. The Fund may gain exposure to the

commodities markets by investing a portion of its assets in a wholly-owned subsidiary, Western Asset/Claymore Inflation-Linked Opportunities & Income Fund CFC (the "Subsidiary"), organized under the laws of the Cayman Islands. The Fund and the Subsidiary are deemed "commodity pools" and the investment adviser is considered a "commodity pool operator" with respect to the Fund under the Commodity Exchange Act. The investment adviser, directly or through its affiliates, is therefore subject to dual regulation by the Securities and Exchange Commission (the "SEC") and the Commodity Futures Trading Commission (the "CFTC"). Due to recent regulatory changes, additional regulatory requirements may be imposed and additional expenses may be incurred by the Fund. The regulatory requirements governing the use of commodity futures (which include futures on broad-based securities indexes, interest rate futures and currency futures), options on commodity futures, certain swaps or certain other investments could change at any time. Investments by the Fund in commodity-linked derivatives may subject the Fund to greater volatility than investments in traditional securities. The value of commodity-linked derivatives may be affected by changes in overall market movements, commodity index volatility, prolonged or intense speculation by investors, changes in interest rates or factors affecting a particular industry or commodity, such as drought, floods, other weather phenomena, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. By investing in the Subsidiary, the Fund is indirectly exposed to the risks associated with the Subsidiary's investments. The investments held by the Subsidiary are generally similar to those that are permitted to be held by the Fund and are subject to the same risks that apply to similar investments if held directly by the Fund. The Subsidiary is not registered as an investment company and is not subject to all of the

investor protections of the Investment Company Act of 1940 (the "1940 Act"). Changes in the laws of the United States and/or the Cayman Islands could adversely affect the Fund. For example, the Cayman Islands does not currently impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax on the Subsidiary. If Cayman Islands law changes such that the Subsidiary must pay Cayman Islands taxes, shareholders would likely suffer decreased investment returns. The Fund's exposure to commodities markets, including through the Subsidiary, may be limited by its intention to qualify as a regulated investment company for U.S. federal income tax purposes, and may interfere with its ability to qualify as such.

Portfolio holdings and breakdowns are as of November 30, 2016 and are subject to change and may not be representative of the portfolio managers' current or future investments. Please refer to pages 10 through 15 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 November 30, 2016 were: U.S. Treasury Inflation Protected Securities (119.6%), Corporate Bonds & Notes (11.1%), Collateralized Mortgage Obligations (7.8%), Sovereign Bonds (2.2%) and U.S. Government & Agency Obligations (0.8%). 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)

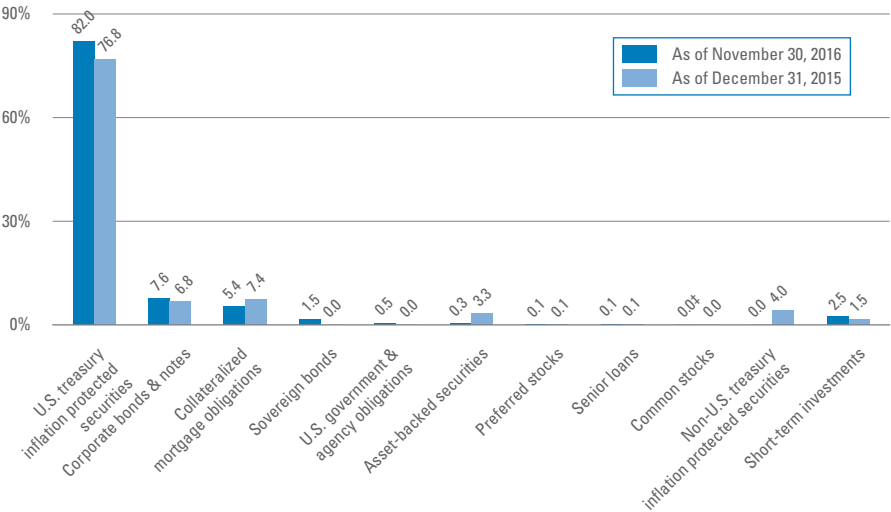
performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

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 Effective duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. Please note, duration measures the sensitivity of price (the value of principal) of a fixed-income investment to a change in interest rates. Funds that employ leverage calculate effective duration based off of net assets.
- iii U.S. Treasury Inflation-Protected Securities ("TIPS") are inflation-indexed securities issued by the U.S. Treasury in five-year, ten-year and thirty-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.
- iv The Federal Reserve Board (the "Fed") is responsible for the formulation of U.S. policies designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.
- v The Consumer Price Index for All Urban Consumers ("CPI-U") is a measure of the average change in prices over time of goods and services purchased by households, which covers approximately 87% of the total population and includes, in addition to wage earners and clerical worker households, groups such as professional, managerial and technical workers, the self-employed, short-term workers, the unemployed and retirees and others not in the labor force.
- vi The Bloomberg Barclays U.S. TIPS Index represents an unmanaged market index made up of U.S. Treasury Inflation-Linked Index securities.
- vii The yield curve is the graphical depiction of the relationship between the yield on bonds of the same credit quality but different maturities.
- 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 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.
- x The Bloomberg Barclays U.S. Government Inflation-Linked 1-10 Year Index measures the performance of the intermediate U.S. TIPS market.
- xi The Bloomberg 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.
- xii The Bloomberg Barclays World Government Inflation-Linked All Maturities Index measures the performance of the major government inflation-linked bond markets.
- xiii The Custom Benchmark is comprised of 90% Bloomberg Barclays U.S. Government Inflation-Linked All Maturities Index, 5% Bloomberg Barclays U.S. Credit Index and 5% JPMorgan Emerging Markets Bond Index Plus ("EMBI+"). The Bloomberg Barclays U.S. Credit Index is an index composed of corporate and non-corporate debt issues that are investment grade (rated Baa3/BBB- or higher). The EMBI+ is a total return index that tracks the traded market for U.S. dollar-denominated Brady and other similar sovereign restructured bonds traded in the emerging markets.
- xiv The breakeven rate refers to the difference between the yield on a nominal fixed-rate bond and the real yield on an inflation-linked bond, such as TIPS, of similar maturity and credit quality.

Fund at a glance[†] (unaudited)

Investment breakdown (%) as a percent of total investments

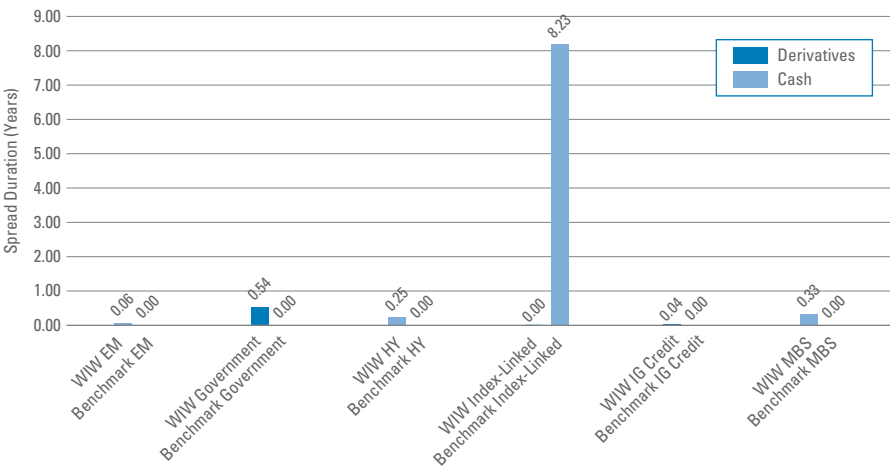


[†] The bar graph above represents the composition of the Fund's investments as of November 30, 2016 and December 31, 2015 and does not include derivatives such as written options, forward foreign currency contracts, futures contracts and swap contracts. The Fund is actively managed. As a result, the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

[‡] Represents less than 0.1%.

Spread duration (unaudited)

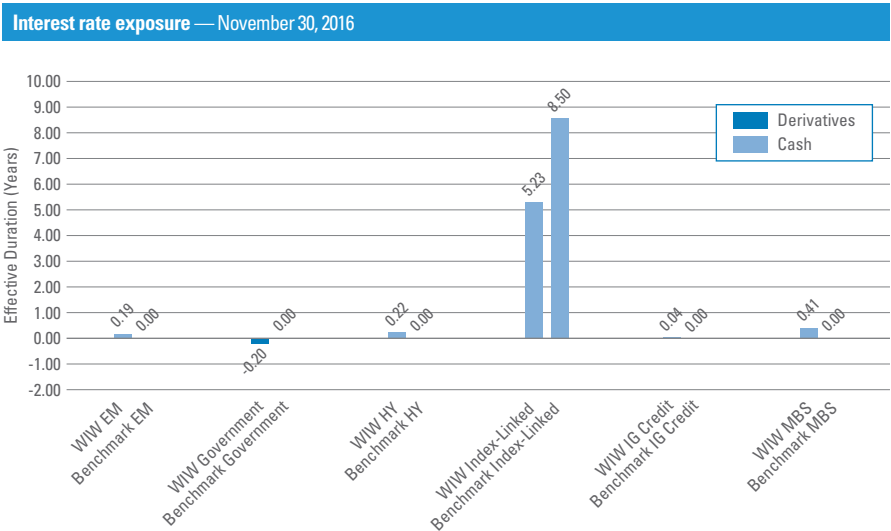
Economic exposure — November 30, 2016



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

- Benchmark — Bloomberg Barclays U.S. Government Inflation-Linked All Maturities Index
EM — Emerging Markets
HY — High Yield
IG Credit — Investment Grade Credit
MBS — Mortgage-Backed Securities
WW — Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Effective duration (unaudited)



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 — Bloomberg Barclays U.S. Government Inflation-Linked All Maturities Index
- EM — Emerging Markets
- HY — High Yield
- IG Credit — Investment Grade Credit
- MBS — Mortgage-Backed Securities
- WIW — Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Consolidated schedule of investments

November 30, 2016

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Security	Rate	Maturity Date	Face Amount†	Value
U.S. Treasury Inflation Protected Securities — 119.6%				
U.S. Treasury Bonds, Inflation Indexed	2.000%	1/15/26	38,520,221	\$ 43,628,734
U.S. Treasury Bonds, Inflation Indexed	1.750%	1/15/28	7,743,658	8,704,607
U.S. Treasury Bonds, Inflation Indexed	3.625%	4/15/28	20,567,615	27,244,397
U.S. Treasury Bonds, Inflation Indexed	2.500%	1/15/29	2,383,728	2,896,654
U.S. Treasury Bonds, Inflation Indexed	3.875%	4/15/29	19,090,240	26,314,121
U.S. Treasury Bonds, Inflation Indexed	2.125%	2/15/41	7,055,168	8,910,035
U.S. Treasury Bonds, Inflation Indexed	0.750%	2/15/42	267,093	256,706
U.S. Treasury Bonds, Inflation Indexed	0.625%	2/15/43	6,384,061	5,944,301
U.S. Treasury Bonds, Inflation Indexed	1.375%	2/15/44	802,768	888,844
U.S. Treasury Bonds, Inflation Indexed	0.750%	2/15/45	14,506,156	13,863,083
U.S. Treasury Bonds, Inflation Indexed	1.000%	2/15/46	23,952,928	24,507,008
U.S. Treasury Notes, Inflation Indexed	2.375%	1/15/17	174,582,147	175,068,533 ^(a)
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/18	35,183,815	35,424,542 ^(a)
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/19	7,211,750	7,286,687
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/20	19,586,530	19,762,946 ^(a)
U.S. Treasury Notes, Inflation Indexed	1.125%	1/15/21	68,763,447	72,052,884 ^(a)
U.S. Treasury Notes, Inflation Indexed	0.125%	4/15/21	42,097,498	42,309,627
U.S. Treasury Notes, Inflation Indexed	0.625%	7/15/21	14,299,185	14,764,094 ^(a)
U.S. Treasury Notes, Inflation Indexed	0.125%	7/15/22	61,023,130	61,235,308 ^(a)
U.S. Treasury Notes, Inflation Indexed	0.125%	1/15/23	68,546,320	68,116,329 ^{(a)(h)}
U.S. Treasury Notes, Inflation Indexed	0.375%	7/15/23	29,460,740	29,780,477
U.S. Treasury Notes, Inflation Indexed	0.625%	1/15/24	30,272,981	30,867,876
U.S. Treasury Notes, Inflation Indexed	0.125%	7/15/24	13,623,646	13,408,869
U.S. Treasury Notes, Inflation Indexed	0.250%	1/15/25	8,214,994	8,098,653
U.S. Treasury Notes, Inflation Indexed	0.375%	7/15/25	12,531,457	12,503,286
U.S. Treasury Notes, Inflation Indexed	0.625%	1/15/26	149,095,065	151,190,149 ^(a)
Total U.S. Treasury Inflation Protected Securities (Cost — \$892,504,174)				905,028,750
Asset-Backed Securities — 0.4%				
Bear Stearns Asset-Backed Securities Trust, 2001-3 A1	1.492%	10/27/32	8,331	7,796 ^(b)
Bear Stearns Asset-Backed Securities Trust, 2007-SD2 2A1	0.934%	9/25/46	88,994	76,618 ^(b)
CSAB Mortgage-Backed Trust, 2007-1 3A30, IO	6.116%	5/25/37	12,006,643	3,050,036 ^(b)
Security National Mortgage Loan Trust, 2006-3A A2	5.830%	1/25/37	243,546	240,361 ^{(b)(c)}
Total Asset-Backed Securities (Cost — \$3,518,286)				3,374,811
Collateralized Mortgage Obligations — 7.8%				
Banc of America Funding Corp., 2015-R2 04A2	0.801%	9/29/36	13,470,883	7,008,847 ^{(b)(c)}
Banc of America Funding Corp., 2015-R2 5A2	0.819%	9/29/36	8,558,372	3,894,076 ^{(b)(c)}
Banc of America Funding Corp., 2015-R4 6A3	0.732%	8/27/36	4,550,000	2,980,250 ^{(b)(c)}

See Notes to Consolidated Financial Statements.

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Security	Rate	Maturity Date	Face Amount ^f	Value
Collateralized Mortgage Obligations — continued				
CD Commercial Mortgage Trust, 2007-CD4 AJ	5.398%	12/11/49	2,305,754	\$ 1,954,127 ^(b)
Citigroup Mortgage Loan Trust Inc., 2007-6 2A5, IO	6.116%	5/25/37	8,504,933	3,056,605 ^(b)
Countrywide Alternative Loan Trust, 2004-33 1A1	3.076%	12/25/34	2,843	2,795 ^(b)
Countrywide Alternative Loan Trust, 2004-33 2A1	2.994%	12/25/34	4,309	4,239 ^(b)
Countrywide Alternative Loan Trust, 2005-22T1 A2, IO	4.536%	6/25/35	4,139,864	628,590 ^(b)
Credit Suisse Mortgage Trust, 2006-C5 AJ	5.373%	12/15/39	3,025,574	2,889,302
Credit Suisse Mortgage Trust, 2007-C5 AM	5.869%	9/15/40	3,310,000	3,095,762 ^(b)
Credit Suisse Mortgage Trust, 2015-12R 2A2	1.025%	11/30/37	4,810,000	2,942,758 ^{(b)(c)}
Credit Suisse Mortgage Trust, 2015-Town MZ	9.189%	3/15/17	7,740,000	7,478,775 ^{(b)(c)}
First Horizon Alternative Mortgage Securities Trust, 2006-FA8 1A8	0.904%	2/25/37	134,935	65,004 ^(b)
GSR Mortgage Loan Trust, 2007-2F 4A1	0.834%	3/25/37	14,330,694	7,265,877 ^(b)
JPMorgan Chase Commercial Mortgage Securities Trust, 2007-CB19 AJ	5.903%	2/12/49	2,750,000	2,117,500 ^(b)
JPMorgan Chase Commercial Mortgage Securities Trust, 2007-LD12 AJ	6.240%	2/15/51	550,000	500,503 ^(b)
Lehman Mortgage Trust, 2006-5 2A2, IO	6.616%	9/25/36	7,356,451	2,398,736 ^(b)
Lehman Mortgage Trust, 2006-8 4A2, IO	7.216%	12/25/36	1,669,634	456,970 ^(b)
Lehman Mortgage Trust, 2006-9 3A2, IO	6.638%	1/25/37	4,992,289	1,477,917 ^(b)
Lehman Mortgage Trust, 2007-2 2A12, IO	6.156%	2/25/37	8,691,941	2,430,156 ^(b)
Lehman Mortgage Trust, 2007-4 2A2, IO	6.136%	5/25/37	7,552,411	2,271,344 ^(b)
Morgan Stanley Mortgage Loan Trust, 2007-11AR 2A3	2.772%	6/25/37	136,540	91,781 ^(b)
Residential Accredited Loans Inc., 2006-QS7 A5, IO	5.066%	6/25/36	2,601,763	421,412 ^(b)
Wells Fargo Commercial Mortgage Trust, 2015-C31 E	4.765%	11/15/48	5,912,000	3,719,724 ^{(b)(c)}
Total Collateralized Mortgage Obligations (Cost — \$62,027,509)				59,153,050
Corporate Bonds & Notes — 11.1%				
Consumer Discretionary — 0.4%				
<i>Hotels, Restaurants & Leisure — 0.4%</i>				
Greektown Holdings LLC/Greektown Mothership Corp., Senior Secured Notes	8.875%	3/15/19	2,735,000	2,861,494 ^(c)
Consumer Staples — 0.2%				
<i>Tobacco — 0.2%</i>				
Alliance One International Inc., Secured Notes	9.875%	7/15/21	1,450,000	1,207,125
Energy — 3.1%				
<i>Oil, Gas & Consumable Fuels — 3.1%</i>				
Chesapeake Energy Corp., Senior Notes	5.750%	3/15/23	3,000,000	2,580,000
Continental Resources Inc., Senior Notes	4.900%	6/1/44	2,250,000	1,912,500
Freeport-McMoRan Oil & Gas LLC/FCX Oil & Gas Inc., Senior Notes	6.875%	2/15/23	3,000,000	3,210,000

See Notes to Consolidated Financial Statements.

Consolidated schedule of investments (cont'd)

November 30, 2016

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Security	Rate	Maturity Date	Face Amount	Value
Energy — continued				
<i>Oil, Gas & Consumable Fuels — continued</i>				
Oasis Petroleum Inc., Senior Notes	6.500%	11/1/21	4,968,000	\$ 5,017,680
Oasis Petroleum Inc., Senior Notes	6.875%	1/15/23	890,000	912,250
Occidental Petroleum Corp., Senior Notes	3.000%	2/15/27	1,280,000	1,236,747
Rice Energy Inc., Senior Notes	6.250%	5/1/22	1,410,000	1,441,725
Rice Energy Inc., Senior Notes	7.250%	5/1/23	890,000	934,500
Whiting Petroleum Corp., Senior Notes	5.750%	3/15/21	2,000,000	1,970,000
Whiting Petroleum Corp., Senior Notes	6.250%	4/1/23	2,000,000	1,952,500
Williams Cos. Inc., Senior Notes	5.750%	6/24/44	2,350,000	2,220,750
<i>Total Energy</i>				<i>23,388,652</i>
Financials — 1.0%				
<i>Banks — 0.7%</i>				
Barclays Bank PLC, Subordinated Notes	7.625%	11/21/22	5,060,000	5,554,615
<i>Diversified Financial Services — 0.3%</i>				
ILFC E-Capital Trust II, Bonds	4.250%	12/21/65	2,814,000	2,307,480 ^{(b)(c)}
Total Financials				7,862,095
Health Care — 3.8%				
<i>Health Care Equipment & Supplies — 0.9%</i>				
DJO Finco Inc./DJO Finance LLC/DJO Finance Corp., Secured Notes	8.125%	6/15/21	6,702,000	5,847,495 ^(c)
Immucor Inc., Senior Notes	11.125%	8/15/19	1,180,000	1,079,700
<i>Total Health Care Equipment & Supplies</i>				<i>6,927,195</i>
<i>Health Care Providers & Services — 2.5%</i>				
BioScrip Inc., Senior Notes	8.875%	2/15/21	2,840,000	2,179,700
IASIS Healthcare LLC/IASIS Capital Corp., Senior Notes	8.375%	5/15/19	5,602,000	4,901,750
Universal Hospital Services Inc., Secured Notes	7.625%	8/15/20	12,480,000	11,880,960
<i>Total Health Care Providers & Services</i>				<i>18,962,410</i>
<i>Pharmaceuticals — 0.4%</i>				
Valeant Pharmaceuticals International Inc., Senior Notes	6.125%	4/15/25	4,440,000	3,285,600 ^(c)
Total Health Care				29,175,205
Industrials — 0.9%				
<i>Aerospace & Defense — 0.2%</i>				
Heligear Acquisition Co., Senior Secured Bonds	10.250%	10/15/19	1,464,000	1,526,220 ^(c)
<i>Construction & Engineering — 0.3%</i>				
Brundage-Bone Concrete Pumping Inc., Senior Secured Notes	10.375%	9/1/21	1,500,000	1,620,000 ^(c)
Michael Baker International LLC/CDL Acquisition Co. Inc., Senior Secured Notes	8.250%	10/15/18	1,050,000	1,047,375 ^(c)
<i>Total Construction & Engineering</i>				<i>2,667,375</i>

See Notes to Consolidated Financial Statements.

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Security	Rate	Maturity Date	Face Amount†	Value
Industrials — continued				
<i>Electrical Equipment — 0.4%</i>				
Interface Master Holdings Inc., Senior Notes	12.500%	8/1/18	3,000,000	\$ 2,816,250 ^{(c)(d)}
Total Industrials				7,009,845
Information Technology — 0.5%				
<i>Electronic Equipment, Instruments & Components — 0.5%</i>				
Interface Security Systems Holdings Inc./Interface Security Systems LLC, Senior Secured Notes	9.250%	1/15/18	3,670,000	3,642,475
Materials — 0.7%				
<i>Construction Materials — 0.1%</i>				
NWH Escrow Corp., Senior Secured Notes	7.500%	8/1/21	370,000	287,675 ^(c)
<i>Containers & Packaging — 0.2%</i>				
Coveris Holdings SA, Senior Notes	7.875%	11/1/19	850,000	835,125 ^(c)
PaperWorks Industries Inc., Senior Secured Notes	9.500%	8/15/19	970,000	795,400 ^(c)
<i>Total Containers & Packaging</i>				<i>1,630,525</i>
<i>Metals & Mining — 0.4%</i>				
Southern Copper Corp., Senior Notes	5.250%	11/8/42	3,440,000	3,124,218
Total Materials				5,042,418
Telecommunication Services — 0.5%				
<i>Wireless Telecommunication Services — 0.5%</i>				
Digicel Group Ltd., Senior Notes	8.250%	9/30/20	4,220,000	3,534,250 ^(e)
Total Corporate Bonds & Notes (Cost — \$81,597,687)				83,723,559
Senior Loans — 0.1%				
Consumer Discretionary — 0.1%				
<i>Textiles, Apparel & Luxury Goods — 0.1%</i>				
TOMS Shoes LLC, Term Loan B (Cost — \$1,207,597)	6.500%	10/28/20	1,300,200	942,645 ^{(f)(g)}
Sovereign Bonds — 2.2%				
<i>Ecuador — 0.6%</i>				
Republic of Ecuador, Senior Bonds	10.500%	3/24/20	3,120,000	3,260,400 ^(c)
Republic of Ecuador, Senior Bonds	7.950%	6/20/24	1,070,000	984,400 ^(e)
<i>Total Ecuador</i>				<i>4,244,800</i>
<i>Mexico — 1.6%</i>				
United Mexican States, Senior Bonds	7.750%	11/13/42	251,000,000 ^{(h)(i)}	12,321,580
Total Sovereign Bonds (Cost — \$19,484,392)				16,566,380

See Notes to Consolidated Financial Statements.

Consolidated schedule of investments (cont'd)

November 30, 2016

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Security	Rate	Maturity Date	Face Amount†	Value
U.S. Government & Agency Obligations — 0.8%				
<i>U.S. Government Obligations — 0.8%</i>				
U.S. Treasury Bonds	2.500%	5/15/46	1,350,000	\$ 1,208,144
U.S. Treasury Notes	1.625%	5/15/26	5,240,001	4,906,360
Total U.S. Government & Agency Obligations (Cost — \$6,736,005)				6,114,504
Shares				
Common Stocks — 0.0%				
Energy — 0.0%				
<i>Oil, Gas & Consumable Fuels — 0.0%</i>				
Pacific Exploration and Production Corp. (Cost — \$925,974)			5,179	202,404
Preferred Stocks — 0.2%				
Industrials — 0.2%				
<i>Trading Companies & Distributors — 0.2%</i>				
General Finance Corp. (Cost — \$1,360,000)	8.125%		54,400	1,311,040
Total Investments before Short-Term Investments (Cost — \$1,069,361,624)				1,076,417,143
Face Amount				
Short-Term Investments — 3.6%				
<i>Repurchase Agreements — 0.7%</i>				
Deutsche Bank Securities Inc. repurchase agreement dated 11/30/16; Proceeds at maturity — \$5,000,035; (Fully collateralized by U.S. government obligations, 0.125% due 4/15/19; Market value — \$5,100,000) (Cost — \$5,000,000)	0.250%	12/1/16	5,000,000	5,000,000
Shares				
<i>Money Market Funds — 2.9%</i>				
State Street Institutional U.S. Government Money Market Fund, Premier Class (Cost — \$22,287,933)	0.284%		22,287,933	22,287,933
Total Short-Term Investments (Cost — \$27,287,933)				27,287,933
Total Investments — 145.8% (Cost — \$1,096,649,557#)				1,103,705,076
Liabilities in Excess of Other Assets — (45.8)%				(346,756,707)
Total Net Assets — 100.0%				\$ 756,948,369

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

* Non-income producing security.

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

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

See Notes to Consolidated Financial Statements.

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

- (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) Payment-in-kind security for which the issuer has the option at each interest payment date of making interest payments in cash or additional debt securities.
 - (e) Security is exempt from registration under Regulation S of the Securities Act of 1933. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States. This security has been deemed liquid pursuant to guidelines approved by the Board of Trustees, unless otherwise noted.
 - (f) Senior loans may be considered restricted in that the Fund ordinarily is contractually obligated to receive approval from the agent bank and/or borrower prior to the disposition of a senior loan.
 - (g) Interest rates disclosed represent the effective rates on senior loans. Ranges in interest rates are attributable to multiple contracts under the same loan.
 - (h) All or a portion of this security is held at the broker as collateral for open futures contracts.
- # Aggregate cost for federal income tax purposes is \$1,100,969,893.

Abbreviations used in this schedule:

IO — Interest Only
MXN — Mexican Peso

[See Notes to Consolidated Financial Statements.](#)

Consolidated statement of assets and liabilities

November 30, 2016

Assets:

Investments, at value (Cost — \$1,096,649,557)	\$1,103,705,076
Foreign currency, at value (Cost — \$1,020,662)	1,008,088
Cash	8,683,626
Interest receivable	5,512,869
Deposits with brokers for open futures contracts	3,487,018
Receivable from broker — variation margin on open futures contracts	2,074,387
Unrealized appreciation on forward foreign currency contracts	1,257,140
Receivable for securities sold	1,073,437
Deposits with brokers for open reverse repurchase agreements	340,017
OTC swaps, at value	160,501
Deposits with brokers for centrally cleared swap contracts	10,818
Principal paydown receivable	1,739
Prepaid expenses	25,928
Total Assets	1,127,340,644

Liabilities:

Payable for open reverse repurchase agreements (Note 3)	365,700,950
Unrealized depreciation on forward foreign currency contracts	2,906,036
Payable for securities purchased	911,060
Investment advisory fee payable	556,667
Interest payable	59,700
Administration fee payable	37,111
Trustees' fees payable	16,833
Foreign currency collateral from brokers for open futures contracts, at value (Cost \$7,897)	7,572
Accrued expenses	196,346
Total Liabilities	370,392,275

Total Net Assets **\$ 756,948,369**

Net Assets:

Common shares, no par value, unlimited number of shares authorized, 61,184,134 shares issued and outstanding	819,718,608
Undistributed net investment income	1,683,104
Accumulated net realized loss on investments, futures contracts, written options and foreign currency transactions	(72,732,303)
Net unrealized appreciation on investments, futures contracts, swap contracts and foreign currencies	8,278,960
Total Net Assets	\$ 756,948,369

Shares Outstanding 61,184,134

Net Asset Value \$12.37

[See Notes to Consolidated Financial Statements.](#)

Consolidated statements of operations

For the Period Ended November 30, 2016 and the Year Ended December 31, 2015

	2016 ¹	2015
Investment Income:		
Interest	\$ 30,697,096	\$ 24,186,418
Dividends	110,500	135,243
Total Investment Income	30,807,596	24,321,661
Expenses:		
Investment management fee (Note 2)	6,220,146	6,673,652
Interest expense (Note 3)	2,354,426	1,031,535
Administration fees (Note 2)	414,676	444,910
Legal fees	265,483	113,864
Transfer agent fees	137,137	155,834
Trustees' fees	96,469	128,497
Organization costs (Note 1)	73,233	—
Fund accounting fees	67,201	77,738
Stock exchange listing fees	54,417	57,334
Audit and tax fees	48,484	42,492
Shareholder reports	29,591	37,188
Custody fees	14,892	75,693
Insurance	14,130	16,950
Miscellaneous expenses	6,498	5,929
Total Expenses	9,796,783	8,861,616
Net Investment Income	21,010,813	15,460,045
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	(5,106,802)	(61,114,479)
Futures contracts	(17,019,805)	(8,128,178)
Written options	6,002,383	15,191,483
Swap contracts	—	(3,368,776)
Foreign currency transactions	(1,829,586)	14,924,653
Net Realized Loss	(17,953,810)	(42,495,297)
Change in Net Unrealized Appreciation (Depreciation) From:		
Investments	30,103,795	6,623,446
Futures contracts	2,714,707	(1,019,378)
Written options	2,541	(2,541)
Swap contracts	1,138,935	(37,521)
Foreign currencies	(1,623,810)	(4,536,415)
Change in Net Unrealized Appreciation (Depreciation)	32,336,168	1,027,591
Net Gain (Loss) on Investments, Futures Contracts, Written Options, Swap Contracts and Foreign Currency Transactions	14,382,358	(41,467,706)
Increase (Decrease) in Net Assets from Operations	\$ 35,393,171	\$(26,007,661)

¹ For the period January 1, 2016 through November 30, 2016.

See Notes to Consolidated Financial Statements.

Consolidated statements of changes in net assets

For the Period Ended November 30, 2016
and the Years Ended December 31,

2016¹

2015

2014

Operations:

Net investment income	\$ 21,010,813	\$ 15,460,045	\$ 23,540,107
Net realized loss	(17,953,810)	(42,495,297)	(8,219,547)
Change in net unrealized appreciation (depreciation)	32,336,168	1,027,591	(6,248,415)
<i>Increase (Decrease) in Net Assets From Operations</i>	<i>35,393,171</i>	<i>(26,007,661)</i>	<i>9,072,145</i>

Distributions to Shareholders From (Note 1):

Net investment income	(18,036,758)	(6,905,213)	(22,013,976)
Net realized gains	—	(1,186,112)	(4,631,714)
Return of capital	(4,509,595)	(14,455,028)	—
<i>Decrease in Net Assets From Distributions to Shareholders</i>	<i>(22,546,353)</i>	<i>(22,546,353)</i>	<i>(26,645,690)</i>
<i>Increase (Decrease) in Net Assets</i>	<i>12,846,818</i>	<i>(48,554,014)</i>	<i>(17,573,545)</i>

Net Assets:

Beginning of period	744,101,551	792,655,565	810,229,110
<i>End of period*</i>	<i>\$756,948,369</i>	<i>\$744,101,551</i>	<i>\$792,655,565</i>
*Includes undistributed (overdistributed) and undistributed net investment income, respectively, of:	\$1,683,104	\$(996,438)	\$1,713,485

¹ For the period January 1, 2016 through November 30, 2016.

See Notes to Consolidated Financial Statements.

Consolidated statements of cash flows

For the Period Ended November 30, 2016†

Increase (Decrease) in Cash:

Cash Provided (Used) by Operating Activities:

Net increase in net assets resulting from operations	\$ 35,393,171
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(762,699,178)
Sales of portfolio securities	799,619,095
Net purchases, sales and maturities of short-term investments	(36,620,868)
Realized loss on purchased options	(3,574,243)
Net amortization of premium (accretion of discount)	5,252,328
Net inflation adjustment	(13,142,108)
Increase in receivable for securities sold	(1,070,137)
Decrease in interest receivable	889,845
Increase in receivable from broker — variation margin on open futures contracts	(1,363,842)
Increase in prepaid expenses	(6,002)
Increase in principal paydown receivable	(1,739)
Increase in deposits with brokers for open futures contracts	(3,487,018)
Decrease in foreign currency collateral for open futures contracts	716,303
Decrease in deposits with brokers for OTC swap contracts	1,100,000
Increase in deposits with brokers for open reverse repurchase agreements	(340,017)
Increase in payable for securities purchased	911,060
Increase in foreign currency collateral for open futures contracts	7,572
Increase in investment management fee payable	6,492
Decrease in Trustees' fees payable	(8,417)
Increase in administration fee payable	433
Decrease in interest payable	(190,913)
Increase in accrued expenses	60,541
Decrease in premiums received from written options	(479,490)
Net realized loss on investments	5,106,802
Change in net unrealized appreciation (depreciation) of investments, written options, OTC swap contracts and forward foreign currency transactions	(29,670,997)
Net Cash Used in Operating Activities*	(3,591,327)

Cash Flows from Financing Activities:

Distributions paid on Common Stock	(22,546,353)
Increase in payable for reverse repurchase agreements	35,606,450
Net Cash Provided by Financing Activities	13,060,097
Net Increase in Cash	9,468,770
Cash at Beginning of Period	222,944
Cash at End of Period	\$ 9,691,714

* Included in operating expenses is cash of \$2,545,339 paid for interest on borrowings.

† For the period January 1, 2016 through November 30, 2016.

[See Notes to Consolidated Financial Statements.](#)

Consolidated statements of cash flows (cont'd)

For the Year Ended December 31, 2015

Increase (Decrease) in Cash:

Cash Provided (Used) by Operating Activities:

Net decrease in net assets resulting from operations	\$ (26,007,661)
Adjustments to reconcile net decrease in net assets resulting from operations to net cash provided (used) by operating activities:	
Purchases of portfolio securities	(737,177,710)
Sales of portfolio securities	624,777,204
Net purchases, sales and maturities of short-term investments	54,012,707
Realized loss on purchased options	(7,107,802)
Decrease in premiums paid for purchased options	886,251
Net amortization of premium (accretion of discount)	3,929,858
Increase in receivable for securities sold	(3,300)
Decrease in interest receivable	2,731,940
Increase in receivable from broker — variation margin on open futures contracts	(621,931)
Decrease in prepaid expenses	563
Decrease in receivable from principal paydown	1,515
Decrease in deposits with brokers for open futures contracts	1,289,223
Decrease in deposits with brokers for purchased options	104,019
Increase in foreign currency collateral for open futures contracts	(716,303)
Increase in deposits with brokers for OTC swap contracts	(1,100,000)
Decrease in deposits with brokers for reverse repurchase agreements	2,524,991
Decrease in deposits with brokers for centrally cleared swap contracts	2,308,474
Decrease in investment management fee payable	(6,668)
Increase in Trustees' fees payable	25,250
Decrease in administration fee payable	(445)
Increase in interest payable	111,536
Increase in accrued expenses	2,463
Increase in premiums received from written options	479,490
Decrease in payable to broker — variation margin on open centrally cleared swap contracts	(38,618)
Net realized loss on investments	61,114,479
Change in net unrealized appreciation/depreciation of investments, written options, OTC swap contracts and forward foreign currency transactions	1,852,481
Net Cash Used in Operating Activities*	(16,627,994)

Cash Flows from Financing Activities:

Distributions paid on common stock	(24,596,021)
Increase in payable for reverse repurchase agreements	39,623,999
Net Cash Provided by Financing Activities	15,027,978
Net Decrease in Cash	(1,600,016)
Cash at Beginning of Year	1,822,960
Cash at End of Year	\$ 222,944

* Included in operating expenses is cash of \$919,999 paid for interest on borrowings.

[See Notes to Consolidated Financial Statements.](#)

Consolidated financial highlights

For a share of common stock outstanding throughout each year ended November 30, unless otherwise noted:						
	2016 ^{1,2}	2015 ^{1,3}	2014 ^{1,3}	2013 ^{1,3}	2012 ^{1,3}	2011 ^{1,3}
Net asset value, beginning of period	\$12.16	\$12.96	\$13.24	\$14.93	\$14.26	\$13.27
Income (loss) from operations:						
Net investment income	0.34	0.25	0.38	0.16	0.28	0.51
Net realized and unrealized gain (loss)	0.24	(0.68)	(0.22)	(1.45)	0.76	1.01
Total income (loss) from operations	0.58	(0.43)	0.16	(1.29)	1.04	1.52
Less distributions from:						
Net investment income	(0.29)	(0.11)	(0.36)	(0.16)	(0.32)	(0.53)
Net realized gains	—	(0.02)	(0.08)	(0.24)	(0.05)	—
Return of capital	(0.08)	(0.24)	—	—	—	—
Total distributions	(0.37)	(0.37)	(0.44)	(0.40)	(0.37)	(0.53)
Net asset value, end of period	\$12.37	\$12.16	\$12.96	\$13.24	\$14.93	\$14.26
Market price, end of period	\$10.93	\$10.29	\$11.30	\$11.27	\$13.20	\$12.61
Total return, based on NAV^{4,5}	4.69%	(3.42)%	1.09 %	(8.74)%	7.35%	11.61%
Total return, based on Market Price⁶	9.85%	(5.83)%	4.03 %	(11.77)%	7.64%	4.90%
Net assets, end of period (000s)	\$756,948	\$744,102	\$792,656	\$810,229	\$913,241	\$872,639
Ratios to average net assets:						
Gross expenses	1.40% ⁷	1.13%	0.95 %	0.75%	0.69%	0.68%
Net expenses	1.40 ⁷	1.13	0.95	0.75	0.69	0.68
Net investment income	3.00 ⁷	1.98	2.84	1.11	1.92	3.70
Portfolio turnover rate	70%	59%	49 %	112%	91%	61%

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

² For the period January 1, 2016 through November 30, 2016.

³ For the year ended December 31.

⁴ Performance figures may reflect compensating balance arrangements, fee waivers and/or expense reimbursements. In the absence of compensating balance arrangements, fee waivers and/or expense reimbursements, the total return would have been lower. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁵ The total return calculation assumes that distributions are reinvested at NAV. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁶ The total return calculation assumes that distributions are reinvested in accordance with the Fund's dividend reinvestment plan. Past performance is no guarantee of future results. Total returns for periods of less than one year are not annualized.

⁷ Annualized.

See Notes to Consolidated Financial Statements.

Notes to consolidated financial statements

1. Organization and significant accounting policies

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (the “Fund”) is registered under the Investment Company Act of 1940, as amended (“1940 Act”), as a diversified, closed-end management investment company. The Fund commenced operations on February 25, 2004. At a meeting held in May 2016, the Fund’s Board of Trustees approved changing the Fund’s fiscal year-end from December 31st to November 30th. This change resulted in a short-period annual report for the eleven-month period from January 1, 2016 through November 30, 2016.

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

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

- Engage in currency strategies, using instruments such as currency forwards, futures and options, to take long and short foreign currency positions subject to a limit of exposure from such strategies to 40 percent of total managed assets. This capacity is in addition to the existing capacity to have unhedged exposure to non-U.S. dollar currencies through the purchase of fixed income securities of up to 100 percent.
- Utilize commodity-related strategies for up to 10 percent of its total managed assets. Exposure to commodities is expected to be achieved through the use of a variety of instruments, such as futures contracts, options and other derivatives, or through investments in exchange-traded products that offer exposure to commodities. The Fund does not expect to hold physical commodities.

The Fund may gain exposure to the commodities markets by investing a portion of its assets in a wholly-owned subsidiary, Western Asset/Claymore Inflation-Linked Opportunities & Income Fund CFC (the “Subsidiary”), organized under the laws of the Cayman Islands. Among other investments, the Subsidiary may invest in commodity-linked instruments. These financial statements are consolidated financial statements of the Fund and the Subsidiary.

Holdings specific to the Subsidiary are footnoted within the Consolidated Schedule of Investments and Note 3, as applicable. The Fund’s Consolidated Statement of Assets and Liabilities, Consolidated Statements of Operations and Consolidated Statements of Changes in Net Assets include the account balances of both the Fund and the Subsidiary. The Fund may invest up to 25% of its total assets in the Subsidiary. The net assets of the Subsidiary were \$13,155,533 as of November 30, 2016, which represented 2% of the Fund’s consolidated net assets. The results from operations of the Subsidiary for the period ended November 30, 2016 were as follows:

Net investment income	—
Net realized loss	\$(2,421,234)
Net increase in unrealized appreciation	2,676,768
Net increase in net assets resulting from operations	\$ 255,534

The following are significant accounting policies consistently followed by the Fund and are in conformity with U.S. generally accepted accounting principles ("GAAP"). Estimates and assumptions are required to be made regarding assets, liabilities and changes in net assets resulting from operations when financial statements are prepared. Changes in the economic environment, financial markets and any other parameters used in determining these estimates could cause actual results to differ. Subsequent events have been evaluated through the date the financial statements were issued.

(a) Investment valuation. The valuations for fixed income securities (which may include, but are not limited to, corporate, government, municipal, mortgage-backed, collateralized mortgage obligations and asset-backed securities) and certain derivative instruments are typically the prices supplied by independent third party pricing services, which may use market prices or broker/dealer quotations or a variety of valuation techniques and methodologies. The independent third party pricing services use inputs that are observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar securities. Short-term fixed income securities that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. Investments in open-end funds are valued at the closing net asset value per share of each fund on the day of valuation. Futures contracts are valued daily at the settlement price established by the board of trade or exchange on which they are traded. Equity securities for which market quotations are available are valued at the last reported sales price or official closing price on the primary market or exchange on which they trade. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. (Eastern Time). If independent third party pricing services are unable to supply prices for a portfolio investment, or if the prices supplied are deemed by the manager to be unreliable, the market price may be determined by the manager using quotations from one or more broker/dealers or at the transaction price if the security has recently been purchased and no value has yet been obtained from a pricing service or pricing broker. When reliable prices are not readily available, such as when the value of a security has been significantly affected by events after the close of the exchange or market on which the security is principally traded, but before the Fund calculates its net asset value, the Fund values these securities as determined in accordance with procedures approved by the Fund's Board of Trustees.

The Board of Trustees is responsible for the valuation process and has delegated the supervision of the daily valuation process to the Legg Mason North Atlantic Fund Valuation Committee (the "Valuation Committee"). The Valuation Committee, pursuant to the policies adopted by the Board of Trustees, is responsible for making fair value determinations,

Notes to consolidated financial statements (cont'd)

evaluating the effectiveness of the Fund's pricing policies, and reporting to the Board of Trustees. When determining the reliability of third party pricing information for investments owned by the Fund, the Valuation Committee, among other things, conducts due diligence reviews of pricing vendors, monitors the daily change in prices and reviews transactions among market participants.

The Valuation Committee will consider pricing methodologies it deems relevant and appropriate when making fair value determinations. Examples of possible methodologies include, but are not limited to, multiple of earnings; discount from market of a similar freely traded security; discounted cash-flow analysis; book value or a multiple thereof; risk premium/yield analysis; yield to maturity; and/or fundamental investment analysis. The Valuation Committee will also consider factors it deems relevant and appropriate in light of the facts and circumstances. Examples of possible factors include, but are not limited to, the type of security; the issuer's financial statements; the purchase price of the security; the discount from market value of unrestricted securities of the same class at the time of purchase; analysts' research and observations from financial institutions; information regarding any transactions or offers with respect to the security; the existence of merger proposals or tender offers affecting the security; the price and extent of public trading in similar securities of the issuer or comparable companies; and the existence of a shelf registration for restricted securities.

For each portfolio security that has been fair valued pursuant to the policies adopted by the Board of Trustees, the fair value price is compared against the last available and next available market quotations. The Valuation Committee reviews the results of such back testing monthly and fair valuation occurrences are reported to the Board of Trustees quarterly.

The Fund uses valuation techniques to measure fair value that are consistent with the market approach and/or income approach, depending on the type of security and the particular circumstance. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable securities. The income approach uses valuation techniques to discount estimated future cash flows to present value.

GAAP establishes a disclosure hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. These inputs are summarized in the three broad levels listed below:

- Level 1 — quoted prices in active markets for identical investments
- Level 2 — other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 — significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used in valuing the Fund's assets and liabilities carried at fair value:

ASSETS				
Description	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Long-term investments†:				
U.S. Treasury inflation protected securities	—	\$ 905,028,750	—	\$ 905,028,750
Asset-backed securities	—	3,374,811	—	3,374,811
Collateralized mortgage obligations	—	51,674,275	\$7,478,775	59,153,050
Corporate bonds & notes	—	83,723,559	—	83,723,559
Senior loans	—	942,645	—	942,645
Sovereign bonds	—	16,566,380	—	16,566,380
U.S. Government & agency obligations	—	6,114,504	—	6,114,504
Common stocks	\$ 202,404	—	—	202,404
Preferred stocks	1,311,040	—	—	1,311,040
Total long-term investments	\$ 1,513,444	\$1,067,424,924	\$7,478,775	\$1,076,417,143
Short-term investments†:				
Repurchase agreements	—	\$ 5,000,000	—	\$ 5,000,000
Money market funds	\$22,287,933	—	—	22,287,933
Total short-term investments	22,287,933	5,000,000	—	27,287,933
Total investments	\$23,801,377	\$1,072,424,924	\$7,478,775	\$1,103,705,076
Other financial instruments:				
Futures contracts	\$ 7,579,733	—	—	\$ 7,579,733
Forward foreign currency contracts	—	\$ 1,257,140	—	1,257,140
OTC total return swaps	—	160,501	—	160,501
Total other financial instruments	7,579,733	1,417,641	—	8,997,374
Total	\$31,381,110	\$1,073,842,565	\$7,478,775	\$1,112,702,450

LIABILITIES				
Description	Quoted Prices (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Other financial instruments:				
Futures contracts	\$ 4,819,481	—	—	\$ 4,819,481
Forward foreign currency contracts	—	\$ 2,906,036	—	2,906,036
Total	\$ 4,819,481	\$ 2,906,036	—	\$ 7,725,517

† See Consolidated Schedule of Investments for additional detailed categorizations.

(b) Repurchase agreements. The Fund may enter into repurchase agreements with institutions that its investment manager has determined are creditworthy. Each repurchase agreement is recorded at cost. Under the terms of a typical repurchase agreement, the Fund acquires a debt security subject to an obligation of the seller to repurchase, and of the Fund

Notes to consolidated financial statements (cont'd)

to resell, the security at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. When entering into repurchase agreements, it is the Fund's policy that its custodian or a third party custodian, acting on the Fund's behalf, take possession of the underlying collateral securities, the market value of which, at all times, at least equals the principal amount of the repurchase transaction, including accrued interest. To the extent that any repurchase transaction maturity exceeds one business day, the value of the collateral is marked-to-market and measured against the value of the agreement in an effort to ensure the adequacy of the collateral. If the counterparty defaults, the Fund generally has the right to use the collateral to satisfy the terms of the repurchase transaction. However, if the market value of the collateral declines during the period in which the Fund seeks to assert its rights or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited.

(c) Reverse repurchase agreements. The Fund may enter into reverse repurchase agreements. Under the terms of a typical reverse repurchase agreement, a fund sells a security subject to an obligation to repurchase the security from the buyer at an agreed-upon time and price. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, the Fund's use of the proceeds of the agreement may be restricted pending a determination by the counterparty, or its trustee or receiver, whether to enforce the Fund's obligation to repurchase the securities. In entering into reverse repurchase agreements, the Fund will maintain cash, U.S. government securities or other liquid debt obligations at least equal in value to its obligations with respect to reverse repurchase agreements or will take other actions permitted by law to cover its obligations. If the market value of the collateral declines during the period, the Fund may be required to post additional collateral to cover its obligation. Cash collateral that has been pledged to cover obligations of the Fund under reverse repurchase agreements, if any, will be reported separately in the Consolidated Statement of Assets and Liabilities. Securities pledged as collateral are noted in the Consolidated Schedule of Investments. Interest payments made on reverse repurchase agreements are recognized as a component of "Interest expense" on the Consolidated Statements of Operations. In periods of increased demand for the security, the Fund may receive a fee for use of the security by the counterparty, which may result in interest income to the Fund.

(d) Options on futures contracts. An option on a futures contract gives the purchaser the right, in return for the premium paid, to assume a position in the underlying futures contract at the specified option exercise price at any time prior to the expiration date of the option. Upon exercise of an option, the delivery of the futures position by the writer of the option to the holder of the option will be accompanied by delivery of the accumulated balance in the writer's futures margin account that represents the amount by which the market price of the futures contract exceeds (in the case of a call) or is less than (in the case of a put) the exercise price of the option on the futures contract. The potential for loss related to the purchase of an option on a futures contract is limited to the premium paid for the option plus transaction costs. Because the value of the option is fixed at the point of purchase,

there are no daily cash payments by the purchaser to reflect changes in the value of the underlying contract; however, the value of the option changes daily and that change would be reflected in the net asset value of the Fund. The potential for loss related to writing call options is unlimited. The potential for loss related to writing put options is limited only by the aggregate strike price of the put option less the premium received.

(e) Futures contracts. The Fund uses futures contracts generally to gain exposure to, or hedge against, changes in interest rates or gain exposure to, or hedge against, changes in certain asset classes. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date.

Upon entering into a futures contract, the Fund is required to deposit cash or cash equivalents with a broker in an amount equal to a certain percentage of the contract amount. This is known as the “initial margin” and subsequent payments (“variation margin”) are made or received by the Fund each day, depending on the daily fluctuation in the value of the contract. For certain futures, including foreign denominated futures, variation margin is not settled daily, but is recorded as a net variation margin payable or receivable. The daily changes in contract value are recorded as unrealized gains or losses in the Consolidated Statements of Operations and the Fund recognizes a realized gain or loss when the contract is closed.

Futures contracts involve, to varying degrees, risk of loss in excess of the amounts reflected in the financial statements. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

(f) Purchased options. When the Fund purchases an option, an amount equal to the premium paid by the Fund is recorded as an investment on the Consolidated Statement of Assets and Liabilities, the value of which is marked-to-market to reflect the current market value of the option purchased. If the purchased option expires, the Fund realizes a loss equal to the amount of premium paid. When an instrument is purchased or sold through the exercise of an option, the related premium paid is added to the basis of the instrument acquired or deducted from the proceeds of the instrument sold. The risk associated with purchasing put and call options is limited to the premium paid.

(g) Written options. When the Fund writes an option, an amount equal to the premium received by the Fund is recorded as a liability, the value of which is marked-to-market daily to reflect the current market value of the option written. If the option expires, the premium received is recorded as a realized gain. When a written call option is exercised, the difference between the premium received plus the option exercise price and the Fund’s basis in the underlying security (in the case of a covered written call option), or the cost to purchase the underlying security (in the case of an uncovered written call option), including brokerage commission, is recognized as a realized gain or loss. When a written put option is exercised, the amount of the premium received is subtracted from the cost of the security purchased by the Fund from the exercise of the written put option to form the Fund’s basis in the underlying security purchased. The writer or buyer of an option traded on an

Notes to consolidated financial statements (cont'd)

exchange can liquidate the position before the exercise of the option by entering into a closing transaction. The cost of a closing transaction is deducted from the original premium received resulting in a realized gain or loss to the Fund.

The risk in writing a covered call option is that the Fund may forego the opportunity of profit if the market price of the underlying security increases and the option is exercised. The risk in writing a put option is that the Fund may incur a loss if the market price of the underlying security decreases and the option is exercised. The risk in writing an uncovered call option is that the Fund is exposed to the risk of loss if the market price of the underlying security increases. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market.

(h) Forward foreign currency contracts. The Fund enters into a forward foreign currency contract to hedge against foreign currency exchange rate risk on its non-U.S. dollar denominated securities or to facilitate settlement of a foreign currency denominated portfolio transaction. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price with delivery and settlement at a future date. The contract is marked-to-market daily and the change in value is recorded by the Fund as an unrealized gain or loss. When a forward foreign currency contract is closed, through either delivery or offset by entering into another forward foreign currency contract, the Fund recognizes a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it is closed.

Forward foreign currency contracts involve elements of market risk in excess of the amounts reflected on the Consolidated Statement of Assets and Liabilities. The Fund bears the risk of an unfavorable change in the foreign exchange rate underlying the forward foreign currency contract. Risks may also arise upon entering into these contracts from the potential inability of the counterparties to meet the terms of their contracts.

(i) Swap agreements. The Fund invests in swaps for the purpose of managing its exposure to interest rate, credit or market risk, or for other purposes. The use of swaps involves risks that are different from those associated with other portfolio transactions. Swap agreements are privately negotiated in the over-the-counter market and may be entered into as a bilateral contract ("OTC Swaps") or centrally cleared ("Centrally Cleared Swaps"). Unlike Centrally Cleared Swaps, the Fund has credit exposure to the counterparties of OTC Swaps.

In a Centrally Cleared Swap, immediately following execution of the swap, the swap agreement is submitted to a clearinghouse or central counterparty (the "CCP") and the CCP becomes the ultimate counterparty of the swap agreement. The Fund is required to interface with the CCP through a broker, acting in an agency capacity. All payments are settled with the CCP through the broker. Upon entering into a Centrally Cleared Swap, the Fund is required to deposit initial margin with the broker in the form of cash or securities.

Swap contracts are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). The daily change in valuation of Centrally Cleared Swaps, if

any, is recorded as a receivable or payable for variation margin on the Consolidated Statement of Assets and Liabilities. Gains or losses are realized upon termination of the swap agreement. Collateral, in the form of restricted cash or securities, may be required to be held in segregated accounts with the Fund's custodian in compliance with the terms of the swap contracts. Securities posted as collateral for swap contracts are identified in the Consolidated Schedule of Investments and restricted cash, if any, is identified on the Consolidated Statement of Assets and Liabilities. Risks may exceed amounts recorded in the Consolidated Statement of Assets and Liabilities. These risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms, and the possible lack of liquidity with respect to the swap agreements.

OTC swap payments received or made at the beginning of the measurement period are reflected as a premium or deposit, respectively, on the Consolidated Statement of Assets and Liabilities. These upfront payments are amortized over the life of the swap and are recognized as realized gain or loss in the Consolidated Statements of Operations. Net periodic payments received or paid by the Fund are recognized as a realized gain or loss in the Consolidated Statements of Operations.

The Fund's maximum exposure in the event of a defined credit event on a credit default swap to sell protection is the notional amount. As of November 30, 2016, the Fund did not hold any credit default swaps to sell protection.

For average notional amounts of swaps held during the period ended November 30, 2016, see Note 4.

Total return swaps

The Fund enters into total return swaps for investment purposes. Total return swaps are agreements to exchange the return generated by one instrument for the return generated by another instrument. For example, the agreement to pay a predetermined or fixed interest rate in exchange for a market-linked return based on a notional amount. To the extent the total return of a referenced index or instrument exceeds the offsetting interest obligation, the Fund will receive a payment from the counterparty. To the extent it is less, the Fund will make a payment to the counterparty.

(j) Inflation-indexed bonds. Inflation-indexed bonds are fixed-income securities whose principal value or interest rate is periodically adjusted according to the rate of inflation. As the index measuring inflation changes, the principal value or interest rate of inflation-indexed bonds will be adjusted accordingly. Inflation adjustments to the principal amount of inflation-indexed bonds are reflected as an increase or decrease to investment income on the Consolidated Statements of Operations. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury inflation-indexed bonds. For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

(k) Foreign currency translation. Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts based upon

Notes to consolidated financial statements (cont'd)

prevailing exchange rates on the date of valuation. Purchases and sales of investment securities and income and expense items denominated in foreign currencies are translated into U.S. dollar amounts based upon prevailing exchange rates on the respective dates of such transactions.

The Fund does not isolate that portion of the results of operations resulting from fluctuations in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss on investments.

Net realized foreign exchange gains or losses arise from sales of foreign currencies, including gains and losses on forward foreign currency contracts, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the values of assets and liabilities, other than investments in securities, on the date of valuation, resulting from changes in exchange rates.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of U.S. dollar denominated transactions as a result of, among other factors, the possibility of lower levels of governmental supervision and regulation of foreign securities markets and the possibility of political or economic instability.

(l) Loan participations. The Fund may invest in loans arranged through private negotiation between one or more financial institutions. The Fund's investment in any such loan may be in the form of a participation in or an assignment of the loan. In connection with purchasing participations, the Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement related to the loan, or any rights of off-set against the borrower and the Fund may not benefit directly from any collateral supporting the loan in which it has purchased the participation.

The Fund assumes the credit risk of the borrower, the lender that is selling the participation and any other persons interpositioned between the Fund and the borrower. In the event of the insolvency of the lender selling the participation, the Fund may be treated as a general creditor of the lender and may not benefit from any off-set between the lender and the borrower.

(m) Stripped securities. The Fund may invest in "Stripped Securities," a term used collectively for components, or strips, of fixed income securities. Stripped Securities can be principal only securities ("PO"), which are debt obligations that have been stripped of unmatured interest coupons, or interest only securities ("IO"), which are unmatured interest coupons that have been stripped from debt obligations. The market value of Stripped Securities will fluctuate in response to changes in economic conditions, rates of pre-payment, interest rates and the market's perception of the securities. However, fluctuations in response to interest rates may be greater in Stripped Securities than for debt obligations of

comparable maturities that pay interest currently. The amount of fluctuation may increase with a longer period of maturity.

The yield to maturity on IO's is sensitive to the rate of principal repayments (including prepayments) on the related underlying debt obligation and principal payments may have a material effect on yield to maturity. If the underlying debt obligation experiences greater than anticipated prepayments of principal, the Fund may not fully recoup its initial investment in IO's.

(n) Cash flow information. The Fund invests in securities and distributes dividends from net investment income and net realized gains, which are paid in cash and may be reinvested at the discretion of shareholders. These activities are reported in the Consolidated Statements of Changes in Net Assets and additional information on cash receipts and cash payments are presented in the Consolidated Statements of Cash Flows.

(o) Credit and market risk. The Fund invests in high-yield and emerging market instruments that are subject to certain credit and market risks. The yields of high-yield and emerging market debt obligations reflect, among other things, perceived credit and market risks. The Fund's investments in securities rated below investment grade typically involve risks not associated with higher rated securities including, among others, greater risk related to timely and ultimate payment of interest and principal, greater market price volatility and less liquid secondary market trading. The consequences of political, social, economic or diplomatic changes may have disruptive effects on the market prices of investments held by the Fund. The Fund's investments in non-U.S. dollar denominated securities may also result in foreign currency losses caused by devaluations and exchange rate fluctuations.

Investments in securities that are collateralized by real estate mortgages are subject to certain credit and liquidity risks. When market conditions result in an increase in default rates of the underlying mortgages and the foreclosure values of underlying real estate properties are materially below the outstanding amount of these underlying mortgages, collection of the full amount of accrued interest and principal on these investments may be doubtful. Such market conditions may significantly impair the value and liquidity of these investments and may result in a lack of correlation between their credit ratings and values.

(p) Foreign investment risks. The Fund's investments in foreign securities may involve risks not present in domestic investments. Since securities may be denominated in foreign currencies, may require settlement in foreign currencies or pay interest or dividends in foreign currencies, changes in the relationship of these foreign currencies to the U.S. dollar can significantly affect the value of the investments and earnings of the Fund. Foreign investments may also subject the Fund to foreign government exchange restrictions, expropriation, taxation or other political, social or economic developments, all of which affect the market and/or credit risk of the investments.

Notes to consolidated financial statements (cont'd)

(q) Counterparty risk and credit-risk-related contingent features of derivative instruments.

The Fund may invest in certain securities or engage in other transactions, where the Fund is exposed to counterparty credit risk in addition to broader market risks. The Fund may invest in securities of issuers, which may also be considered counterparties as trading partners in other transactions. This may increase the risk of loss in the event of default or bankruptcy by the counterparty or if the counterparty otherwise fails to meet its contractual obligations. The Fund's investment manager attempts to mitigate counterparty risk by (i) periodically assessing the creditworthiness of its trading partners, (ii) monitoring and/or limiting the amount of its net exposure to each individual counterparty based on its assessment and (iii) requiring collateral from the counterparty for certain transactions. Market events and changes in overall economic conditions may impact the assessment of such counterparty risk by the investment manager. In addition, declines in the values of underlying collateral received may expose the Fund to increased risk of loss.

The Fund has entered into master agreements with certain of its derivative counterparties that provide for general obligations, representations, agreements, collateral, events of default or termination and credit related contingent features. The credit related contingent features include, but are not limited to, a percentage decrease in the Fund's net assets or NAV over a specified period of time. If these credit related contingent features were triggered, the derivatives counterparty could terminate the positions and demand payment or require additional collateral.

Collateral requirements differ by type of derivative. Collateral or margin requirements are set by the broker or exchange clearinghouse for exchange traded derivatives while collateral terms are contract specific for over-the-counter traded derivatives. Cash collateral that has been pledged to cover obligations of the Fund under derivative contracts, if any, will be reported separately in the Consolidated Statement of Assets and Liabilities. Securities pledged as collateral, if any, for the same purpose are noted in the Consolidated Schedule of Investments.

Absent an event of default by the counterparty or a termination of the agreement, the terms of the master agreements do not result in an offset of reported amounts of financial assets and financial liabilities in the Consolidated Statement of Assets and Liabilities across transactions between the Fund and the applicable counterparty. The enforceability of the right to offset may vary by jurisdiction.

As of November 30, 2016, the Fund held forward foreign currency contracts with credit related contingent features which had a liability position of \$2,906,036. If a contingent feature in the master agreements would have been triggered, the Fund would have been required to pay this amount to its derivatives counterparties.

(r) Security transactions and investment income. Security transactions are accounted for on a trade date basis. Interest income, adjusted for amortization of premium and accretion of discount, is recorded on the accrual basis. Paydown gains and losses on mortgage and asset-backed securities are recorded as adjustments to interest income.

Dividend income is recorded on the ex-dividend date. Foreign dividend income is recorded on the ex-dividend date or as soon as practicable after the Fund determines the existence of a dividend declaration after exercising reasonable due diligence. The cost of investments sold is determined by use of the specific identification method. To the extent any issuer defaults or a credit event occurs that impacts the issuer, the Fund may halt any additional interest income accruals and consider the realizability of interest accrued up to the date of default or credit event.

(s) Distributions to shareholders. Distributions from net investment income of the Fund, if any, are declared and paid on a monthly basis. Distributions of net realized gains, if any, are declared at least annually. Pursuant to its Managed Distribution Policy, the Fund intends to make regular monthly distributions to shareholders at a fixed rate per common share, which rate may be adjusted from time to time by the Fund's Board of Trustees. Under the Fund's Managed Distribution Policy, if, for any monthly distribution, the value of the Fund's net investment income and net realized capital gain is less than the amount of the distribution, the difference will be distributed from the Fund's net assets (and may constitute a "return of capital"). Shareholders will be informed of the tax characteristics of the distributions after the close of the 2016 fiscal year. The Board of Trustees may modify, terminate or suspend the Managed Distribution Policy at any time, including when certain events would make part of the return of capital taxable to shareholders. Any such modification, termination or suspension could have an adverse effect on the market price of the Fund's shares. Distributions to shareholders of the Fund are recorded on the ex-dividend date and are determined in accordance with income tax regulations, which may differ from GAAP.

(t) Compensating balance arrangements. The Fund has an arrangement with its custodian bank whereby a portion of the custodian's fees is paid indirectly by credits earned on the Fund's cash on deposit with the bank.

(u) Organization costs. Organization costs associated with the establishment of the Subsidiary are charged to expense as they are incurred.

(v) Federal and other taxes. It is the Fund's policy to comply with the federal income and excise tax requirements of the Internal Revenue Code of 1986 (the "Code"), as amended, applicable to regulated investment companies. Accordingly, the Fund intends to distribute its taxable income and net realized gains, if any, to shareholders in accordance with timing requirements imposed by the Code. Therefore, no federal or state income tax provision is required in the Fund's financial statements.

Management has analyzed the Fund's tax positions taken on income tax returns for all open tax years and has concluded that as of November 30, 2016, no provision for income tax is required in the Fund's financial statements. The Fund's federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state departments of revenue.

Notes to consolidated financial statements (cont'd)

(w) Reclassification. GAAP requires that certain components of net assets be reclassified to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. During the current period, the following reclassifications have been made:

	Undistributed Net Investment Income	Accumulated Net Realized Loss	Paid-in Capital
(a)	\$ 46,264	—	\$(46,264)
(b)	(340,777)	\$340,777	—

^(a) Reclassifications are due to non-deductible organization costs for tax purposes.

^(b) Reclassifications are due to foreign currency transactions treated as ordinary income for tax purposes, losses from mortgage backed securities treated as capital losses for tax purposes, losses realized by the Fund's wholly owned subsidiary and book/tax differences in the treatment of inflation-indexed bonds.

2. Investment management agreement and other transactions with affiliates

On May 3, 2016, the Fund entered into an Amended and Restated Investment Advisory Agreement with Security Investors, LLC ("Investment Adviser"), an affiliate of Guggenheim Funds Investment Advisors, LLC (the Fund's previous investment adviser), which provides for payment of a monthly fee computed at the annual rate of 0.60% of the Fund's average weekly assets. Apart from the name of the entity providing advisory services, the terms of the Amended and Restated Investment Advisory Agreement are substantially identical to those of the prior agreement, and this change did not result in a change in the personnel primarily responsible for providing investment advisory services to the Fund. The Investment Adviser has, in turn, entered into an Amended and Restated Investment Management Agreement with Western Asset Management Company and separate Amended and Restated Investment Management Agreements among the Investment Adviser, Western Asset Management Company and each of Western Asset Management Company Ltd. ("Western Asset Japan"), Western Asset Management Company Limited ("Western Asset London"), and Western Asset Management Company Pte. Ltd. ("Western Asset Singapore"), collectively with Western Asset Management Company, Western Asset Japan, and Western Asset London, (the "Investment Manager"), pursuant to which the Investment Manager provides investment management services to the Fund. Each Amended and Restated Investment Management Agreement solely reflects the change in investment adviser for the Fund. Special counsel provided the Fund with a legal opinion confirming that this transition in investment adviser did not constitute an assignment of the Investment Advisory Agreement or any of the Investment Management Agreements for purposes of the Investment Company Act of 1940, as amended, or an amendment to any such agreement that required approval by shareholders of the Fund. In exchange for the services provided by the Investment Manager, the Investment Adviser pays a portion of the fees it receives from the Fund to the Investment Manager, at the annual rate of 0.27% of the Fund's average weekly assets. "Average weekly assets" means the average weekly value of the total assets of the Fund (including any assets attributable to leverage) minus accrued liabilities (other than liabilities representing leverage). For purposes of calculating "average weekly assets," liabilities associated with any instrument or transactions used by the Investment

Manager to leverage the Fund’s portfolio (whether or not such instruments or transactions are “covered” as described in the prospectus) are not considered a liability.

During periods when the Fund is using leverage, the fee paid to the Investment Adviser for advisory services will be higher than if the Fund did not use leverage because the fee paid will be calculated on the basis of the Fund’s average weekly assets, which includes the assets attributable to leverage.

Western Asset London, Western Asset Singapore and Western Asset Japan provide certain investment management services to the Fund relating to currency transactions and investment in non-U.S. denominated securities. Western Asset London, Western Asset Singapore and Western Asset Japan do not receive any compensation from the Fund.

Under an administrative agreement with the Fund, Legg Mason Partners Fund Advisor, LLC (“LMPFA”) (“Administrator”), an affiliate of the Investment Manager, provides certain administrative and accounting functions for the Fund. The Fund pays the Administrator a monthly fee at an annual rate of 0.04% of the Fund’s average weekly assets, subject to an annual minimum fee of \$225,000.

3. Investments

During the period ended November 30, 2016, the aggregate cost of purchases and proceeds from sales of investments (excluding short-term investments) and U.S Government & Agency Obligations were as follows:

	Investments	U.S. Government & Agency Obligations
Purchases	\$191,825,674	\$570,873,504
Sales	264,044,253	535,574,842

At November 30, 2016, the aggregate gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

Gross unrealized appreciation	\$ 21,477,717
Gross unrealized depreciation	(18,742,534)
Net unrealized appreciation	\$ 2,735,183

Transactions in reverse repurchase agreements for the Fund during the period ended November 30, 2016 were as follows:

Average Daily Balance*	Weighted Average Interest Rate*	Maximum Amount Outstanding
\$364,938,403	0.65%	\$383,386,750

* Averages based on the number of days that Fund had reverse repurchase agreements outstanding.

Interest rates on reverse repurchase agreements ranged from 0.42% to 0.90% during the period ended November 30, 2016. Interest expense incurred on reverse repurchase agreements totaled \$2,354,426.

Notes to consolidated financial statements (cont'd)

At November 30, 2016, the Fund had the following open reverse repurchase agreements:

Counterparty	Rate	Effective Date	Maturity Date	Face Amount of Reverse Repurchase Agreements	Asset Class of Collateral*	Collateral Value
Credit Suisse	0.40%	10/7/2016	TBD**	\$162,609,700	U.S. Treasury inflation protected securities Cash	\$163,929,283 340,017
Deutsche Bank	0.90%	11/17/2016	2/14/2017	203,091,250	U.S. Treasury inflation protected securities	208,906,505
				\$365,700,950		\$373,175,805

* Refer to the Consolidated Schedule of Investments for positions held at the counterparty as collateral for reverse repurchase agreements.

** TBD — To Be Determined; These reverse repurchase agreements have no maturity dates because they are renewed daily and can be terminated by either the Fund or the counterparty in accordance with the terms of the agreements. The rates for these agreements are variable. The rate disclosed is the rate as-of November 30, 2016.

During the period ended November 30, 2016, written option transactions for the Fund were as follows:

	Number of Contracts/ Notional Amount	Premiums
Written options, outstanding as of December 31, 2015	830	\$ 479,490
Options written	46,534	12,498,849
Options closed	(39,195)	(11,074,981)
Options exercised	—	—
Options expired	(8,169)	(1,903,358)
Written options, outstanding as of November 30, 2016	—	—

At November 30, 2016, the Fund had the following open futures contracts:

	Number of Contracts	Expiration Date	Basis Value	Market Value	Unrealized Appreciation (Depreciation)
Contracts to Buy:					
90-day Eurodollar	1,198	12/17	\$296,359,343	\$295,321,975	\$(1,037,368)
90-day Eurodollar	1,100	3/18	272,239,825	270,916,250	(1,323,575)
90-day Eurodollar	112	12/18	27,699,364	27,487,600	(211,764)
Corn	160	3/17	2,837,490	2,788,000	(49,490)*
Cotton No. 2 Futures	18	3/17	629,079	644,220	15,141*
Euro	202	12/16	28,463,719	26,776,362	(1,687,357)
Gold	215	2/17	25,607,237	25,607,237	—*
LME Copper	129	3/17	7,615,578	8,491,425	875,847*
Lean Hogs Futures	31	4/17	758,573	762,600	4,027*
Live Cattle Futures	24	4/17	991,018	1,072,560	81,542*
Natural Gas	146	2/17	4,204,877	4,858,880	654,003*
New York Harbor ULSD Futures	34	2/17	2,121,536	2,279,659	158,123*
RBOB Gasoline	30	2/17	1,748,524	1,906,254	157,730*
Silver	22	3/17	2,011,772	1,813,020	(198,752)*
Soybean	77	3/17	3,869,086	4,008,813	139,727*
U.S. Treasury 10-Year Notes	431	3/17	53,860,321	53,666,234	(194,087)
U.S. Treasury Ultra Long-Term Bonds	154	3/17	24,894,011	24,856,562	(37,449)

	Number of Contracts	Expiration Date	Basis Value	Market Value	Unrealized Appreciation (Depreciation)
Contracts to Buy: <i>continued</i>					
WTI Crude	182	2/17	8,401,711	9,320,220	918,509*
Wheat	73	3/17	1,549,677	1,470,038	(79,639)*
					(1,814,832)
Contracts to Sell:					
British Pound	67	12/16	\$ 5,566,645	\$ 5,238,562	\$ 328,083
Euro-Bund	134	12/16	23,364,534	22,873,719	490,815
Japanese Yen	259	12/16	31,657,514	28,339,456	3,318,058
U.S. Treasury 5-Year Notes	2,509	3/17	296,053,846	295,669,969	383,877
U.S. Treasury Ultra 10-Year Notes	168	3/17	22,639,751	22,585,500	54,251
					4,575,084
Net unrealized appreciation on open futures contracts					\$ 2,760,252

* Held by the Subsidiary.

At November 30, 2016, the Fund had the following open forward foreign currency contracts:

	Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
COP	22,715,260,000	USD 7,605,980	Bank of America N.A.	1/20/17	\$ (279,880)
RUB	218,850,000	USD 3,421,135	Barclays Bank PLC	1/20/17	(43,880)
GBP	4,941,589	USD 6,158,174	Citibank N.A.	1/20/17	33,645
INR	225,650,000	USD 3,338,512	Citibank N.A.	1/20/17	(57,966)
INR	277,880,000	USD 4,116,131	Citibank N.A.	1/20/17	(76,255)
JPY	1,695,070,000	USD 16,448,367	Citibank N.A.	1/20/17	(1,590,362)
MXN	280,870,000	USD 14,375,355	Citibank N.A.	1/20/17	(805,034)
RUB	290,969,000	USD 4,542,842	Citibank N.A.	1/20/17	(52,659)
USD	2,022	CAD 2,660	Citibank N.A.	1/20/17	40
USD	13,733,096	EUR 12,235,256	Citibank N.A.	1/20/17	731,242
USD	19,739,840	TWD 616,870,000	Citibank N.A.	1/20/17	355,006
USD	240,698	EUR 216,529	Citibank N.A.	2/13/17	10,342
USD	2,728,057	EUR 2,445,043	UBS AG	2/13/17	126,865
Total					\$(1,648,896)

Abbreviations used in this table:

CAD — Canadian Dollar
 COP — Colombian Peso
 EUR — Euro
 GBP — British Pound
 INR — Indian Rupee
 JPY — Japanese Yen
 MXN — Mexican Peso
 RUB — Russian Ruble
 TWD — Taiwan Dollar
 USD — United States Dollar

Notes to consolidated financial statements (cont'd)

At November 30, 2016, the Fund had the following open swap contracts:

OTC TOTAL RETURN SWAPS

Swap Counterparty	Notional Amount	Termination Date	Periodic Payments Made by the Fund†	Periodic Payments Received by the Fund‡	Upfront Premiums Paid (Received)	Unrealized Appreciation
Barclays Capital Inc.	\$ 67,940,000	1/27/20	1.925%*	CPURNSA*	—	\$ 79,116
Barclays Capital Inc.	67,940,000	1/28/20	1.955%*	CPURNSA*	—	81,385
Total	\$135,880,000				—	\$160,501

† Percentage shown is an annual percentage rate.

‡ Periodic payments made/received by the Fund are based on the total return of the referenced entity.

* One time payment at termination date.

4. Derivative instruments and hedging activities

Below is a table, grouped by derivative type, that provides information about the fair value and the location of derivatives within the Consolidated Statement of Assets and Liabilities at November 30, 2016.

ASSET DERIVATIVES¹

	Interest Rate Risk	Foreign Exchange Risk	Commodity Risk	Total
Futures contracts²	\$ 928,943	\$3,646,141	\$3,004,649	\$7,579,733
OTC swap contracts³	160,501	—	—	160,501
Forward foreign currency contracts	—	1,257,140	—	1,257,140
Total	\$1,089,444	\$4,903,281	\$3,004,649	\$8,997,374

LIABILITY DERIVATIVES¹

	Interest Rate Risk	Foreign Exchange Risk	Commodity Risk	Total
Futures contracts²	\$2,804,243	\$1,687,357	\$ 327,881	\$4,819,481
Forward foreign currency contracts	—	2,906,036	—	2,906,036
Total	\$2,804,243	\$4,593,393	\$ 327,881	\$7,725,517

¹ Generally, the balance sheet location for asset derivatives is receivables/net unrealized appreciation (depreciation) and for liability derivatives is payables/net unrealized appreciation (depreciation).

² Includes cumulative appreciation (depreciation) of futures contracts as reported in the footnotes. Only variation margin is reported within the receivables and/or payables on the Consolidated Statement of Assets and Liabilities.

³ Values include premiums paid (received) on swap contracts which are shown separately in the Consolidated Statement of Assets and Liabilities.

The following tables provide information about the effect of derivatives and hedging activities on the Fund's Consolidated Statements of Operations for the year ended December 31, 2015. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

AMOUNT OF REALIZED GAIN (LOSS) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Total
Purchased options ¹	\$ (6,704,208)	—	\$ (403,594)	\$ (7,107,802)
Written options	14,816,087	—	375,396	15,191,483
Futures contracts	(8,128,178)	—	—	(8,128,178)
Swap contracts	(3,368,776)	—	—	(3,368,776)
Forward foreign currency contracts ²	—	\$16,164,606	—	16,164,606
Total	\$ (3,385,075)	\$16,164,606	\$ (28,198)	\$12,751,333

¹ Net realized gain (loss) from purchased options is reported in net realized gain (loss) from investment transactions in the Consolidated Statements of Operations.

² Net realized gain (loss) from forward foreign currency contracts is reported in net realized gain (loss) from foreign currency transactions in the Consolidated Statements of Operations.

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Total
Purchased options ¹	\$ 684,648	—	\$ 684,648
Written options	(2,541)	—	(2,541)
Futures contracts	(1,019,378)	—	(1,019,378)
Swap contracts	(37,521)	—	(37,521)
Forward foreign currency contracts ²	—	\$ (4,741,917)	(4,741,917)
Total	\$ (374,792)	\$ (4,741,917)	\$ (5,116,709)

¹ The change in unrealized appreciation (depreciation) from purchased options is reported in the change in net unrealized appreciation (depreciation) from investments in the Consolidated Statements of Operations.

² The change in unrealized appreciation (depreciation) from forward foreign currency contracts is reported in the change in net unrealized appreciation (depreciation) from foreign currencies in the Consolidated Statements of Operations.

The following tables provide information about the effect of derivatives and hedging activities on the Fund's Consolidated Statements of Operations for the period ended November 30, 2016. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the period. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the period.

AMOUNT OF REALIZED GAIN (LOSS) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Commodity Risk	Total
Purchased options ¹	\$ (3,574,243)	—	—	\$ (3,574,243)
Futures contracts	(14,042,834)	\$ (555,737)	\$ (2,421,234)	(17,019,805)
Written options	5,941,979	60,404	—	6,002,383
Forward foreign currency contracts ²	—	(2,063,835)	—	(2,063,835)
Total	\$ (11,675,098)	\$ (2,559,168)	\$ (2,421,234)	\$ (16,655,500)

¹ Net realized gain (loss) from purchased options is reported in net realized gain (loss) from investment transactions in the Consolidated Statements of Operations.

² Net realized gain (loss) from forward foreign currency contracts is reported in net realized gain (loss) from foreign currency transactions in the Consolidated Statements of Operations.

Notes to consolidated financial statements (cont'd)

CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON DERIVATIVES RECOGNIZED

	Interest Rate Risk	Foreign Exchange Risk	Commodity Risk	Total
Written options	\$ 2,541	—	—	\$ 2,541
Futures contracts	(1,920,845)	\$ 1,958,784	\$2,676,768	2,714,707
Swap contracts	1,138,935	—	—	1,138,935
Forward foreign currency contracts ¹	—	(1,574,274)	—	(1,574,274)
Total	\$ (779,369)	\$ 384,510	\$2,676,768	\$ 2,281,909

¹ The change in unrealized appreciation (depreciation) from forward foreign currency contracts is reported in the change in net unrealized appreciation (depreciation) from foreign currencies in the Consolidated Statements of Operations.

During the period ended November 30, 2016, the volume of derivative activity for the Fund was as follows:

	Average Market Value
Purchased options†	\$ 474,433
Written options†	527,114
Futures contracts (to buy)	903,483,589
Futures contracts (to sell)	908,947,550
Forward foreign currency contracts (to buy)	80,723,580
Forward foreign currency contracts (to sell)	94,397,169
	Average Notional Balance
Total return swap contracts	\$135,880,000

† At November 30, 2016, there were no open positions held in this derivative.

The following table presents by financial instrument, the Fund's derivative assets net of the related collateral received by the Fund at November 30, 2016:

	Gross Amount of Derivative Assets in the Consolidated Statement of Assets and Liabilities ¹	Collateral Received ^{2,3}	Net Amount
Futures contracts ⁴	\$2,074,387	\$(7,572)	\$2,066,815
OTC swap contracts	160,501	—	160,501
Forward foreign currency contracts	1,257,140	—	1,257,140
Total	\$3,492,028	\$(7,572)	\$3,484,456

The following table presents by financial instrument, the Fund's derivative liabilities net of the related collateral pledged by the Fund at November 30, 2016:

	Gross Amount of Derivative Liabilities in the Consolidated Statement of Assets and Liabilities ¹	Collateral Pledged	Net Amount
Forward foreign currency contracts	\$2,906,036	—	\$2,906,036

¹ Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the Consolidated Statement of Assets and Liabilities.

² Gross amounts are not offset in the Consolidated Statement of Assets and Liabilities.

³ In some instances, the actual collateral received and/or pledged may be more than the amount shown here due to overcollateralization.

⁴ Amount represents the current day's variation margin as reported in the Consolidated Statement of Assets and Liabilities. It differs from the cumulative appreciation (depreciation) presented in the previous table.

5. Distributions subsequent to November 30, 2016

The following distributions have been declared by the Fund's Board of Trustees and are payable subsequent to the period end of this report:

Record Date	Payable Date	Amount
12/15/2016	12/30/2016	\$0.0335
1/13/2017	1/31/2017	\$0.0335

6. Stock repurchase program

On March 2, 2016, the Fund announced that the Fund's Board of Trustees (the "Board") had authorized the Fund to repurchase in the open market up to approximately 10% of the Fund's outstanding common stock when the Fund's shares are trading at a discount to net asset value. The Board has directed management of the Fund to repurchase shares of common stock at such times and in such amounts as management reasonably believes may enhance stockholder value. The Fund is under no obligation to purchase shares at any specific discount levels or in any specific amounts. During the period ended November 30, 2016, the Fund did not repurchase any shares.

7. Income tax information and distributions to shareholders

The tax character of distributions paid during the period ended November 30, 2016 and the fiscal years ended December 31, 2015 and December 31, 2014, respectively, was as follows:

	2016	2015	2014
Distributions paid from:			
Ordinary income	\$18,036,758	\$ 8,091,325	\$25,969,186
Net long-term capital gains	—	—	676,504
Tax return of capital	4,509,595	14,455,028	—
Total distributions paid	\$22,546,353	\$22,546,353	26,645,690

As of November 30, 2016, the components of accumulated earnings (losses) on a tax basis were as follows:

Deferred capital losses*	\$(47,787,904)
Other book/tax temporary differences ^(a)	(18,940,959)
Unrealized appreciation (depreciation) ^(b)	3,958,624
Total accumulated earnings (losses) — net	\$(62,770,239)

* These capital losses have been deferred in the current year as either short-term or long-term losses. The losses will be deemed to occur on the first day of the next taxable year in the same character as they were originally deferred and will be available to offset future taxable capital gains.

^(a) Other book/tax temporary differences are attributable to the tax deferral of losses on straddles, the realization for tax purposes of unrealized gains (losses) on certain futures and foreign currency contracts and book/tax differences in the timing of the deductibility of various expenses.

^(b) The difference between book-basis and tax-basis unrealized appreciation (depreciation) is attributable to the tax deferral of losses on wash sales.

Notes to consolidated financial statements (cont'd)

8. Recent accounting pronouncement

In October 2016, the U.S. Securities and Exchange Commission adopted new rules and amended existing rules (together, the “final rules”) intended to modernize the reporting and disclosure of information by registered investment companies. In part, the final rules amend Regulation S-X and require standardized, enhanced disclosure about derivatives in investment company financial statements, as well as other amendments. The compliance date for the amendments to Regulation S-X is August 1, 2017. Management is currently evaluating the impact that the adoption of the amendments to Regulation S-X will have on the Fund’s financial statements and related disclosures.

Report of independent registered public accounting firm

To the Board of Trustees and the Shareholders of Western Asset/Claymore Inflation-Linked Opportunities & Income Fund:

In our opinion, the accompanying consolidated statement of assets and liabilities, including the consolidated schedule of investments, and the related consolidated statements of operations, of changes in net assets and of cash flows and the consolidated financial highlights present fairly, in all material respects, the financial position of the Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (the “Fund”) as of November 30, 2016, the results of its operations, the changes in its net assets, its cash flows and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These consolidated financial statements and consolidated financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities as of November 30, 2016 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

Baltimore, MD
January 18, 2017

Board approval of management and subadvisory agreements (unaudited)

The Independent Trustees considered the Investment Advisory Agreement (the “Advisory Agreement”) between the Fund and Security Investors, LLC (“SI”) and the Investment Management Agreements (each a “Management Agreement” and together with the Advisory Agreement, the “Agreements”) between SI and Western Asset Management Company (“Western Asset”), and separately between SI, Western Asset and each of Western Asset Management Company Limited (“WAML”), Western Asset Management Company Pte. Ltd. in Singapore (“Western Singapore”) and Western Asset Management Company Ltd. in Japan (“Western Japan,” and together with Western Singapore and WAML, the “Non-U.S. Managers,” and together with Western Asset, the “Managers”) with respect to the Fund at a meeting held on October 17, 2016. At a meeting held on November 14, 2016, the Independent Trustees reported to the full Board of Trustees their considerations and recommendation with respect to the Agreements, and the Board of Trustees, including a majority of the Independent Trustees, considered and approved renewal of the Agreements.

In considering the Management Agreements, the Trustees noted that although Western Asset’s business is operated through separate legal entities, such as the Non-U.S. Managers, its business is highly integrated and senior investment personnel at Western Asset have supervisory oversight responsibility over the investment decisions made by the Non-U.S. Managers. Therefore, in connection with their deliberations noted below, the Trustees primarily focused on the information provided by Western Asset when considering the approval of the Management Agreements. The Trustees also noted that the Fund does not pay any management fees directly to any of the Non-U.S. Managers because Western Asset pays the Non-U.S. Managers for services provided to the Fund out of the management fee Western Asset receives from SI.

In arriving at their decision to renew the Agreements, the Trustees met with representatives of SI and Western Asset; reviewed a variety of information prepared by SI and Western Asset and materials provided by Broadridge and counsel to the Independent Trustees; reviewed performance and expense information for peer groups of comparable funds, selected and prepared by Broadridge, and certain other products available from Western Asset for investments in U.S. TIPS, including separate accounts managed by Western Asset; and requested and reviewed additional information as necessary. These reviews were in addition to information obtained by the Trustees at their regular quarterly meetings with respect to the Fund’s performance and other relevant matters, such as information on public trading in the Fund’s shares and differences between the Fund’s share price and net asset value per share, and related discussions with SI’s and Western Asset’s personnel.

As part of their review, the Trustees examined SI’s ability to provide high quality oversight and administrative and shareholder support services to the Fund, and the Managers’ ability to provide high quality investment management services to the Fund. The Trustees considered the experience of SI’s personnel in providing the types of services that SI is responsible for providing to the Fund, such as oversight of the Fund and the Managers with respect to portfolio management, and written and oral communications with the closed-end

fund analyst community, investment advisers and current and prospective shareholders; the ability of SI to attract and retain capable personnel; the capability and integrity of SI's senior management and staff; and the level of skill required to provide such services to the Fund. The Trustees also considered the investment philosophy and research and decision-making processes of the Managers; the experience of their key advisory personnel responsible for management of the Fund; the ability of the Managers to attract and retain capable research and advisory personnel; the capability and integrity of the Managers' senior management and staff; and the level of skill required to manage the Fund, noting in particular the substantial complexities in purchasing fixed income securities of below-investment-grade quality and emerging-markets debt instruments. In addition, the Trustees reviewed the quality of SI's and the Managers' services with respect to regulatory compliance and compliance with the investment policies of the Fund and conditions that might affect SI's and the Managers' ability to provide high quality services to the Fund in the future, including their business reputations, financial conditions and operational stabilities. Based on the foregoing, the Trustees concluded that the Managers' investment process, research capabilities and philosophy were well suited to the Fund given its investment objectives and policies, that SI's various services were valuable to the Fund and that the Managers would be able to meet any reasonably foreseeable obligations under the Agreements.

In reviewing the quality of the services provided to the Fund, the Trustees also reviewed a comparison of the performance of the Fund to the performance of a group of closed-end bond funds. The Trustees noted that the Fund had met its primary objective of producing current income to shareholders, and that the performance of the Fund was lower than its peer average performance for the one-, three-, five- and ten-year periods ended August 31, 2016. The Trustees considered information regarding the factors contributing to the underperformance and actions being taken to improve performance. The Trustees indicated their intention to continue to monitor performance trends to assess the effectiveness of these efforts and to evaluate whether additional actions to address underperformance would be warranted. The Trustees concluded that the Managers' management of the Fund would continue to be in the best interests of the shareholders.

The Trustees also considered the advisory fee payable by the Fund to SI, the management fee payable by SI to Western Asset, the management fees payable by Western Asset to the Non-U.S. Managers and the total expenses payable by the Fund. They reviewed information concerning fees paid to investment advisers of similarly managed funds, the fees paid by SI's other closed-end fund clients, as well as fees paid by Western Asset's other clients, including separate accounts managed by Western Asset. The Trustees observed that the advisory fee paid by the Fund to SI was lower than the average of the fees paid by the funds in its peer group and that the total expenses for the Fund were lower than the average of the funds in its peer group, whether measured as a percentage of net assets attributable to common shares or total assets. The Trustees considered that the advisory fee paid by the Fund to SI was below the average of the fees paid to SI by other closed-end fund clients; that SI was responsible for payment of the management fees to the Managers;

Board approval of management and subadvisory agreements (unaudited) (cont'd)

and that the net fee retained by SI was below its fees from other closed-end fund clients. The Trustees noted that although the management fee paid by SI to Western Asset was higher than the fees paid by clients of Western Asset for accounts with similar investment strategies, the administrative and operational responsibilities for Western Asset with respect to the Fund were also relatively higher. In light of these differences, the Trustees concluded that the management fees relative to the fees paid by Western Asset's other clients were reasonable.

The Trustees further evaluated the benefits of the advisory relationship to the Managers, including, among others, the profitability of the relationship to SI and the Managers; the direct and indirect benefits that SI and the Managers may receive from their relationship with the Fund, including the "fallout benefits," such as reputational value derived from serving as investment manager or adviser to the Fund; and the affiliation between the Managers and Legg Mason Partners Funds Advisor, LLC, the Fund's administrator. In that connection, the Trustees concluded that the SI's and the Managers' profitability was consistent with levels of profitability that had been determined by courts not to be excessive. The Trustees noted that Western Asset does not have soft dollar arrangements.

Finally, the Trustees considered, in light of the profitability information provided by SI and the Managers, the extent to which economies of scale would be realized by the Managers as the assets of the Fund grow. The Trustees concluded that, because the Fund is a closed-end fund and does not make a continuous offer of its securities, the Fund's size was relatively fixed and it would be unlikely that the Managers would realize economies of scale from the Fund's growth. The Trustees further noted that, as SI's and the Managers' profitability was consistent with levels of profitability that had been determined by courts not to be excessive, any economies of scale that may currently exist were being appropriately shared with shareholders.

In their deliberations with respect to these matters, the Independent Trustees were advised by their independent counsel, who is independent, within the meaning of the Securities and Exchange Commission rules regarding the independence of counsel, of the Managers. The Independent Trustees weighed each of the foregoing matters in light of the advice given to them by their independent counsel as to the law applicable to the review of investment advisory contracts. In arriving at a decision, the Trustees, including the Independent Trustees, did not identify any single matter as all-important or controlling, and the foregoing summary does not detail all the matters considered. The Trustees judged the terms and conditions of the Agreements, including the investment advisory fees, in light of all of the surrounding circumstances.

Based upon their review, the Trustees, including all of the Independent Trustees, determined, in the exercise of their business judgment, that they were satisfied with the quality of investment advisory services being provided by the Managers and the advisory oversight, administrative and after-market support services being provided by SI; that the fees to be paid to the Managers under the relevant Agreements were fair and reasonable

given the scope and quality of the services rendered by each Manager; and that reaffirming their prior approval of the Agreements was in the best interest of the Fund and its shareholders.

Additional information (unaudited)

Information about Trustees and Officers

The business and affairs of Western Asset/Claymore Inflation-Linked Opportunities & Income Fund (the “Fund”) are conducted by management under the supervision and subject to the direction of its Board of Trustees. Except as noted below, the business address of each Trustee and Officer is c/o Western Asset Management Company, 385 East Colorado Boulevard, Pasadena, CA 91101. Information pertaining to the Trustees and Officers of the Fund is set forth below.

Independent Trustees

Michael Larson

Year of birth	1959
Position(s) held with Fund	Trustee and Chairman of the Board of Trustees ^{2,3,4}
Term of office and length of time served	Term expires in 2019; served since September 2004
Principal occupations during the past 5 years	Chief Investment Officer for William H. Gates III (1994-present)
Number of portfolios in fund complex overseen by Trustee ¹	2
Other directorships held by Trustee	Republic Services, Inc. (2009-present); Autonation, Inc. (2010-present); Fomento Economico Mexicano, SAB (2011-present); Ecolab Inc. (2012-present); (Grupo Televisa, S.A.B. (2009-2014)

Ronald A. Nyberg

Year of birth	1953
Position(s) held with Fund	Trustee ^{2,3}
Term of office and length of time served	Term expires in 2018; served since January 2004
Principal occupations during the past 5 years	Partner of Momkus McCluskey Roberts LLC, a law firm specializing in corporate law, estate planning and business transactions (2000-present); Formerly, Executive Vice President, General Counsel and Corporate Secretary of Van Kampen Investments (1982-1999)
Number of portfolios in fund complex overseen by Trustee ¹	100
Other directorships held by Trustee	Edward-Elmhurst Healthcare System (2012-present)

Ronald E. Toupin, Jr.

Year of birth	1958
Position(s) held with Fund	Trustee ^{2,3}
Term of office and length of time served	Term expires in 2019; served since January 2004
Principal occupations during the past 5 years	Portfolio Consultant (2010-present). Formerly: Vice President, Manager and Portfolio Manager of Nuveen Asset Management (1998-1999); Vice President, Nuveen Investment Advisory Corp. (1992-1999); Vice President and Manager, Nuveen Unit Investment Trusts (1991-1999); and Assistant Vice President and Portfolio Manager of Nuveen Unit Investment Trusts (1988-1999), each of John Nuveen & Co., Inc. (1982-1999)
Number of portfolios in fund complex overseen by Trustee ¹	97
Other directorships held by Trustee	Bennett Group of Funds (2011-2013)

Interested Trustee⁵

Jane Trust

Year of birth	1958
Position(s) held with Fund	Trustee and President ⁵
Term of office and length of time served	Term expires 2019; served since April 2015
Principal occupations during the past 5 years	Managing Director of Legg Mason & Co., LLC ("Legg Mason & Co.") (since 2016); Officer and/or Trustee/Director of 157 funds associated with Legg Mason Partners Fund Advisor, LLC ("LMPFA") or its affiliates (since 2015); President and Chief Executive Officer of LMPFA (since 2015); formerly, Senior Vice President of LMPFA (2015); Director of ClearBridge, LLC (formerly, Legg Mason Capital Management, LLC) (2007 to 2014); Managing Director of Legg Mason Investment Counsel & Trust Co. (2000 to 2007)
Number of portfolios in fund complex overseen by Trustee ¹	150
Other directorships held by Trustee	None

Officers⁶

Richard F. Sennett

100 International Drive, 7th Floor, Baltimore, MD 21202

Year of birth	1970
Position(s) held with Fund	Principal Financial and Accounting Officer and Treasurer
Term of office and length of time served	Served since December 2011
Principal occupations during the past 5 years	Principal Financial Officer and Treasurer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2011 and since 2013); Managing Director of Legg Mason & Co. and Senior Manager of the Treasury Policy group for Legg Mason & Co.'s Global Fiduciary Platform (since 2011); formerly, Chief Accountant within the SEC's Division of Investment Management (2007 to 2011); formerly, Assistant Chief Accountant within the SEC's Division of Investment Management (2002 to 2007)
Number of portfolios in fund complex overseen by Trustee ¹	N/A
Other directorships held by Trustee	N/A

Additional information (unaudited) (cont'd)

Information about Trustees and Officers

Officers⁶ cont'd

Todd F. Kuehl

100 International Drive, Baltimore, MD 21202

Year of birth	1969
Position(s) held with Fund	Chief Compliance Officer
Term of office and length of time served	Served since February 2007
Principal occupations during the past 5 years	Managing Director of Legg Mason & Co. (since 2011); Chief Compliance Officer of certain mutual funds associated with Legg Mason & Co. or its affiliates (since 2006); formerly, Chief Compliance Officer of Legg Mason Private Portfolio Group (prior to 2010); Branch Chief, Division of Investment Management, U.S. Securities and Exchange Commission (2002 to 2006)
Number of portfolios in fund complex overseen by Trustee ¹	N/A
Other directorships held by Trustee	N/A

Mark E. Mathiasen

227 West Monroe Street, Chicago, IL 60606

Year of birth	1978
Position(s) held with Fund	Secretary
Term of office and length of time served	Served since November 2010
Principal occupations during the past 5 years	Secretary, certain other funds in the fund complex (2007-present). Managing Director, Guggenheim Investments (2007-present)
Number of portfolios in fund complex overseen by Trustee ¹	N/A
Other directorships held by Trustee	N/A

¹ Each Trustee also serves as a Trustee of Western Asset/Claymore Inflation-Linked Securities & Income Fund, a closed-end investment company, which is considered part of the same Fund Complex as the Fund. The Investment Manager serves as investment adviser to Western Asset/Claymore Inflation-Linked Opportunities & Income Fund. Messrs. Nyberg and Toupin also serve as Trustees of Guggenheim Enhanced Equity Strategy Fund, Fiduciary/Claymore MLP Opportunity Fund, Guggenheim Enhanced Equity Income Fund, Guggenheim Strategic Opportunities Fund, Guggenheim Equal Weight Enhanced Equity Income Fund, Guggenheim Credit Allocation Fund, Guggenheim Energy & Income Fund and Guggenheim Taxable Municipal Managed Duration Trust, each of which is a closed-end management investment company, Claymore Exchange-Traded Fund Trust (consisting of 31 separate portfolios) and Claymore Exchange-Traded Fund Trust 2 (consisting of 14 separate portfolios), each an open-end management investment company. Additionally, Mr. Nyberg serves as a Trustee for Advent Claymore Convertible Securities and Income Fund, Advent/Claymore Enhanced Growth & Income Fund and Advent Claymore Securities and Income Fund II, each a closed-end investment company. Ms. Trust serves as Director/Trustee to 150 other portfolios associated with Legg Mason & Co., LLC or its affiliates. Legg Mason & Co., LLC is an affiliate of the Investment Manager.

² Member of the Audit Committee of the Board of Trustees.

³ Member of the Governance and Nominating Committee of the Board of Trustees.

⁴ Mr. Larson is the chief investment officer for William H. Gates III and in that capacity oversees the investments of Mr. Gates and the investments of the Bill and Melinda Gates Foundation Trust (such combined investments are referred to as the "Accounts"). Since 1997, Western Asset has provided discretionary investment advice with respect to one or more Accounts.

⁵ Ms. Trust is an "interested person" (as defined above) of the Fund because of her positions with subsidiaries of, and ownership of shares of common stock of, Legg Mason, Inc., the parent company of the Investment Manager.

⁶ Each officer shall hold office until his or her respective successor is chosen and qualified, or in each case until he or she sooner dies, resigns, is removed with or without cause or becomes disqualified.

Annual principal executive officer and principal financial officer certifications (unaudited)

The Fund’s Principal Executive Officer (“PEO”) has submitted to the NYSE the required annual certification and the Fund also has included the certifications of the Fund’s PEO and Principal Financial Officer required by Section 302 of the Sarbanes-Oxley Act in the Fund’s Form N-CSR filed with the SEC for the period of this report.

Other shareholder communications regarding accounting matters (unaudited)

The Fund's Audit Committee has established guidelines and procedures regarding the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters (collectively, "Accounting Matters"). Persons with complaints or concerns regarding Accounting Matters may submit their complaints to the Chief Compliance Officer ("CCO"). Persons who are uncomfortable submitting complaints to the CCO, including complaints involving the CCO, may submit complaints directly to the Fund's Audit Committee Chair. Complaints may be submitted on an anonymous basis.

The CCO may be contacted at:

Legg Mason & Co., LLC
Compliance Department
620 Eighth Avenue, 49th Floor
New York, New York 10018

Complaints may also be submitted by telephone at 1-800-742-5274. Complaints submitted through this number will be received by the CCO.

Dividend reinvestment plan (unaudited)

The Fund and Computershare Inc. ("Agent"), as the Transfer Agent and Registrar of WIW, offer a convenient way to add shares of WIW to your account. WIW offers to all common shareholders a Dividend Reinvestment Plan ("Plan"). Under the Plan, cash distributions (e.g., dividends and capital gains) on the common shares are automatically invested in shares of WIW unless the shareholder elects otherwise by contacting the Agent at the address set forth below.

As a participant in the Dividend Reinvestment Plan, you will automatically receive your dividend or net capital gains distribution in newly issued shares of WIW, if the market price of the shares on the date of the distribution is at or above the net asset value (NAV) of the shares, minus estimated brokerage commissions that would be incurred upon the purchase of common shares on the open market. The number of shares to be issued to you will be determined by dividing the amount of the cash distribution to which you are entitled (net of any applicable withholding taxes) by the greater of the NAV per share on such date or 95% of the market price of a share on such date. If the market price of a share on such distribution date is below the NAV, less estimated brokerage commissions that would be incurred upon the purchase of common shares on the open market, the Agent will, as agent for the participants, buy shares of WIW through a broker on the open market. All common shares acquired on your behalf through the Plan will be automatically credited to an account maintained on the books of the Agent.

Additional information regarding the plan

WIW will pay all costs applicable to the Plan, except for brokerage commissions for open market purchases by the Agent under the Plan, which will be charged to participants. All shares acquired through the Plan receive voting rights and are eligible for any stock split, stock dividend, or other rights accruing to shareholders that the Board of Trustees may declare.

You may terminate participation in the Plan at any time by giving notice to the Agent. Such termination will be effective prior to the record date next succeeding the receipt of such instructions or by a later date of termination specified in such instructions. Upon termination, a participant will receive a certificate for the full shares credited to his or her account or may request the sale of all or part of such shares. Fractional shares credited to a terminating account will be paid for in cash at the current market price at the time of termination.

Dividends and other distributions invested in additional shares under the Plan are subject to income tax just as if they had been received in cash. After year end, dividends paid on the accumulated shares will be included in the Form 1099-DIV information return to the Internal Revenue Service and only one Form 1099-DIV will be sent to participants each year.

Inquiries regarding the Plan, as well as notices of termination, should be directed to Computershare Inc, 211 Quality Circle, Suite 210 College Station, TX 77845-4470. Investor Relations telephone number 1-888-888-0151.

Dividend reinvestment plan (unaudited) (cont'd)

Schedule of portfolio holdings

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. You may obtain a free copy of the Fund's Form N-Q by calling 1-800-345-7999, by visiting the Fund's website (<http://guggenheiminvestments.com/wiwi>), or by writing to the Fund, or you may obtain a copy of this report (and other information relating to the Fund) from the SEC's website (<http://www.sec.gov>). Additionally, the Fund's Form N-Q can be viewed or copied at the SEC's Public Reference Room in Washington D.C. Information about the operation of the Public Reference Room can be obtained by calling 1-800-SEC-0330.

Important tax information (unaudited)

The following information is provided with respect to the distributions paid during the taxable period ended November 30, 2016:

Record date:	Monthly
Payable date:	January 2016 - November 2016
Interest from Federal Obligations	58.11%*
Tax return of capital	20.00%

* Expressed as a percentage of the distribution paid reduced by the return of capital.

The law varies in each state as to whether and what percentage of dividend income attributable to Federal obligations is exempt from state income tax. We recommend that you consult with your tax adviser to determine if any portion of the dividends you received is exempt from state income taxes.

Please retain this information for your records.

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Western Asset/Claymore

Inflation-Linked Opportunities & Income Fund

Trustees

Michael Larson
Ronald A. Nyberg
Ronald E. Toupin, Jr.
Jane Trust

Officers

Jane Trust
President
Richard F. Sennett
*Principal Financial and Accounting
Officer and Treasurer*
Todd F. Kuehl
Chief Compliance Officer
Mark E. Mathiasen
Secretary

Investment managers

Western Asset Management Company
Western Asset Management Company
Limited
Western Asset Management Company Pte. Ltd.
Western Asset Management Company Ltd

Investment adviser

Security Investors, LLC

Custodian

State Street Bank and Trust Company
1 Lincoln Street
Boston, MA 02111

Legal counsel

Ropes & Gray LLP
1211 Avenue of the Americas
New York, NY 10036

Independent registered public accounting firm

PricewaterhouseCoopers LLP
100 East Pratt Street
Baltimore, MD 21202

Transfer agent

Computershare Inc.*
211 Quality Circle, Suite 210
College Station, TX 77845-4470

* Effective March 14, 2016, Computershare Inc. serves as the Fund's transfer agent.

Privacy and Security Notice

Your Privacy and the Security of Your Personal Information is Very Important to the Funds

This Privacy and Security Notice (the “Privacy Notice”) addresses the Funds’ privacy and data protection practices with respect to nonpublic personal information the Funds receive. The provisions of this Privacy Notice apply to your information both while you are a shareholder and after you are no longer invested with the Funds.

The Type of Nonpublic Personal Information the Funds Collect About You

The Funds collect and maintain nonpublic personal information about you in connection with your shareholder account. Such information may include, but is not limited to:

- Personal information included on applications or other forms;
- Account balances, transactions, and mutual fund holdings and positions;
- Online account access user IDs, passwords, security challenge question responses; and
- Information received from consumer reporting agencies regarding credit history and creditworthiness (such as the amount of an individual’s total debt, payment history, etc.).

How the Funds Use Nonpublic Personal Information About You

The Funds do not sell or share your nonpublic personal information with third parties or with affiliates for their marketing purposes, or with other financial institutions or affiliates for joint marketing purposes, unless you have authorized the Funds to do so. The Funds do not disclose any nonpublic personal information about you except as may be required to perform transactions or services you have authorized or as permitted or required by law. The Funds may disclose information about you to:

- Employees, agents, and affiliates on a “need to know” basis to enable the Funds to conduct ordinary business or comply with obligations to government regulators;
- Service providers, including the Funds’ affiliates, who assist the Funds as part of the ordinary course of business (such as printing, mailing services, or processing or servicing your account with us) or otherwise perform services on the Funds’ behalf, including companies that may perform marketing services solely for the Funds;
- The Funds’ representatives such as legal counsel, accountants and auditors; and
- Fiduciaries or representatives acting on your behalf, such as an IRA custodian or trustee of a grantor trust.

NOT PART OF THE ANNUAL REPORT

Privacy and Security Notice (cont'd)

Except as otherwise permitted by applicable law, companies acting on the Funds' behalf are contractually obligated to keep nonpublic personal information the Funds provide to them confidential and to use the information the Funds share only to provide the services the Funds ask them to perform.

The Funds may disclose nonpublic personal information about you when necessary to enforce their rights or protect against fraud, or as permitted or required by applicable law, such as in connection with a law enforcement or regulatory request, subpoena, or similar legal process. In the event of a corporate action or in the event a Fund service provider changes, the Funds may be required to disclose your nonpublic personal information to third parties. While it is the Funds' practice to obtain protections for disclosed information in these types of transactions, the Funds cannot guarantee their privacy policy will remain unchanged.

Keeping You Informed of the Funds' Privacy and Security Practices

The Funds will notify you annually of their privacy policy as required by federal law. While the Funds reserve the right to modify this policy at any time they will notify you promptly if this privacy policy changes.

The Funds' Security Practices

The Funds maintain appropriate physical, electronic and procedural safeguards designed to guard your nonpublic personal information. The Funds' internal data security policies restrict access to your non-public personal information to authorized employees, who may use your nonpublic personal information for Fund business purposes only.

Although the Funds strive to protect your nonpublic personal information, they cannot ensure or warrant the security of any information you provide or transmit to them, and you do so at your own risk. In the event of a breach of the confidentiality or security of your nonpublic personal information, the Funds will attempt to notify you as necessary so you can take appropriate protective steps. If you have consented to the Funds using electronic communications or electronic delivery of statements, they may notify you under such circumstances using the most current email address you have on record with them.

In order for the Funds to provide effective service to you, keeping your account information accurate is very important. If you believe that your account information is incomplete, not accurate or not current, or if you have questions about the Funds' privacy practices, write the Funds using the contact information on your account statements, email the Funds by clicking on the Funds' website at guggenheiminvestments.com, or contact the Fund at 1-800-345-7999.

NOT PART OF THE ANNUAL REPORT

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund

Western Asset/Claymore Inflation-Linked Opportunities & Income Fund
385 East Colorado Boulevard
Pasadena, CA 91101

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that from time to time the Fund may purchase at market prices, shares of its Common Stock in the open market.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington D.C., and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. To obtain information on Form N-Q, shareholders can call 1-800-345-7999.

Information on how the Fund voted proxies relating to portfolio securities during the prior 12-month period ended June 30th of each year and a description of the policies and procedures that the Fund uses to determine how to vote proxies related to portfolio transactions are available (1) without charge, upon request, by calling 1-800-345-7999, (2) on the Fund's website at guggenheiminvestments.com/wiw and (3) on the SEC's website at www.sec.gov.

This report is transmitted to the shareholders of Western Asset/Claymore Inflation-Linked Opportunities & Income Fund for their information. This is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or any securities mentioned in this report.

Computershare Inc.
211 Quality Circle, Suite 210
College Station, TX
77854-4470