

DREMAN CLAYMORE DIVIDEND & INCOME FUND
Form N-Q
September 27, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-21455

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

(Address of principal executive offices)

2455 Corporate West Drive, Lisle, IL 60532

(Zip code)

Nicholas Dalmaso

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

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

Date of fiscal year end: October 31

Date of reporting period: July 31, 2007

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

Attached hereto.

Dreman/Claymore Dividend & Income Fund

Portfolio of Investments

July 31, 2007 (unaudited)

| Number of Shares | | Value |
|-------------------------------------|---|--------------|
| Long-Term Investments 137.5% | | |
| Common Stocks 94.0% | | |
| Consumer Discretionary 0.3% | | |
| 123,700 | Regal Entertainment Group Class A | \$ 2,645,943 |
| Consumer Staples 24.3% | | |
| 2,037,500 | Altria Group Inc (a) | 135,432,625 |
| 2,010,700 | UST, Inc. (a) | 107,672,985 |
| 349,650 | Vector Group Ltd. | 7,482,510 |
| | | 250,588,120 |
| Energy 22.0% | | |
| 163,800 | Anadarko Petroleum Corp. | 8,244,054 |
| 116,600 | Apache Corp. | 9,425,944 |
| 288,700 | ARC Energy Trust (Canada) | 5,782,661 |
| 150,000 | Baytex Energy Trust (Canada) | 2,899,500 |
| 192,500 | Bonavista Energy Trust (Canada) | 5,436,200 |
| 43,800 | BP Prudhoe Bay Royalty Trust | 3,130,386 |
| 303,400 | Chevron Corp. | 25,867,884 |
| 686,200 | ConocoPhillips (a) | 55,472,408 |
| 1,060,900 | Crescent Point Energy Trust (Canada) | 20,093,446 |
| 336,000 | Devon Energy Corp (a) | 25,068,960 |
| 100,000 | Double Hull Tankers, Inc. (Channel Islands) | 1,781,000 |
| 361,200 | Enerplus Resources Fund (Canada) | 15,831,396 |
| 654,300 | Fairborne Energy Trust (Canada) | 4,540,842 |
| 100,000 | Focus Energy Trust (Canada) | 1,579,000 |
| 325,000 | Harvest Energy Trust (Canada) | 9,529,000 |
| 131,500 | Pengrowth Energy Trust (Canada) | 2,406,450 |
| 685,000 | Penn West Energy Trust (Canada) | 21,296,650 |
| 100,800 | San Juan Basin Royalty Trust | 3,271,968 |
| 91,800 | Vermilion Energy Trust (Canada) | 3,321,324 |
| 95,200 | W.P. Stewart & Co. (Bermuda) | 1,032,920 |
| 57,500 | Williams Coal Seam Gas Trust | 573,850 |
| | | 226,585,843 |
| Financials 29.6% | | |
| 99,400 | Allstate Corp. | 5,283,110 |
| 250,600 | Apollo Investment Corp. | 5,285,154 |
| 818,300 | Bank of America Corp. (a) | 38,803,786 |
| 100,000 | Crystal River Capital, Inc., REIT | 1,739,000 |
| 750,000 | Cypress Shapridge Investments, Inc. (b) | 6,750,000 |
| 1,712,200 | Freddie Mac (a) | 98,057,694 |
| 68,600 | Hartford Financial Services Group, Inc. | 6,302,282 |
| 163,900 | JER Investors Trust, Inc., REIT | 1,797,983 |
| 724,800 | KeyCorp. | 25,143,312 |

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| | | |
|-----------|--|-------------|
| 277,900 | KKR Financial Corp. | 5,763,646 |
| 282,100 | Newcastle Investment Corp., REIT | 5,080,621 |
| 233,600 | PNC Financial Services Group, Inc. | 15,569,440 |
| 415,000 | Regions Financial Corp. | 12,479,050 |
| 448,600 | U.S. Bancorp | 13,435,570 |
| 348,300 | Wachovia Corp. (a) | 16,443,243 |
| 1,232,800 | Washington Mutual, Inc. (a) | 46,266,984 |
| | | 304,200,875 |
| | Healthcare 11.1% | |
| 432,400 | Eli Lilly & Co. | 23,388,516 |
| 3,423,100 | Pfizer, Inc. (a) | 80,477,081 |
| 211,400 | UnitedHealth Group, Inc. (a) | 10,238,102 |
| | | 114,103,699 |
| | Industrials 0.1% | |
| 56,800 | Eagle Bulk Shipping, Inc. (Marshall Island) | 1,494,976 |
| | Information Technology 0.4% | |
| 5,000,000 | Freescale Semiconductor, Inc. (b) | 4,425,000 |
| | Telecommunications 1.8% | |
| 107,000 | Alaska Communications Systems Group, Inc. | 1,537,590 |
| 429,500 | AT&T, Inc. (f) | 16,819,220 |
| | | 18,356,810 |
| | Utilities 4.4% | |
| 361,900 | Empire District Electric Co. | 7,849,611 |
| 317,200 | Great Plains Energy, Inc. | 8,805,472 |
| 267,878 | Integrus Energy Group, Inc. | 13,257,257 |
| 345,600 | Progress Energy, Inc. | 15,088,896 |
| | | 45,001,236 |
| | Total Common Stocks 94.0% | |
| | (Cost \$830,715,302) | 967,402,502 |
| | Preferred Stocks 33.4% | |
| | Consumer Discretionary 0.2% | |
| 81,250 | Red Lion Hotels Capital Trust, 9.500% | 2,101,937 |
| | Consumer Staples 4.6% | |
| 140,000 | Dairy Farmers of America, 7.875% (b) | 14,249,382 |
| 25,000 | Universal Corp., 6.750% | 33,562,500 |
| | | 47,811,882 |
| | Financials 26.8% | |
| 7,000,000 | Abbey National Capital Trust I, 8.963% (c) | 8,791,671 |
| 200,000 | ABN AMRO Capital Fund Trust VII, 6.080% | 4,584,000 |
| 80,000 | AEGON N.V., 6.875% (Netherlands) | 1,998,400 |
| 200,000 | Affordable Residential, Series A, 8.250% | 4,650,000 |
| 33,400 | Arch Capital Group, Ltd., 7.875% (Bermuda) | 860,050 |
| 340,000 | Arch Capital Group, Ltd., 8.000% (Bermuda) | 8,938,600 |
| 20,000 | Aspen Insurance Holdings Ltd, 7.401% (Bermuda) (c) | 471,000 |

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| | | |
|------------|--|-------------|
| 218,100 | Axis Capital Holdings Ltd., Series A, 7.250% (Bermuda) | 5,452,500 |
| 50,000 | Axis Capital Holdings Ltd., Series B, 7.500% (Bermuda) (c) | 5,251,565 |
| 80,000 | Banco Santander, Series 1, 6.410% (Spain) | 1,882,400 |
| 10,000,000 | Barclays Bank PLC, 8.550% (United Kingdom) (b) (c) | 11,070,800 |
| 11,000,000 | CA Preferred Funding Trust, 7.000% | 10,615,957 |
| 189,300 | Chevy Chase Bank, Series C, 8.000% | 4,865,010 |
| 310,000 | CIT Group, Inc., Series A, 6.350% | 7,520,600 |
| 300,000 | Deutsche Bank Capital Funding Trust VIII, 6.375% | 7,200,000 |
| 1,000 | Doral Financial Corp., Series B, 8.350% (Puerto Rico) | 21,150 |
| 8,660 | Doral Financial Corp., Series C, 7.250% (Puerto Rico) | 164,540 |
| 412,000 | Endurance Specialty Holdings, Ltd., 7.750% (Bermuda) | 10,720,240 |
| 200,000 | Fannie Mae, Series E, 5.100% | 9,543,760 |
| 80,000 | Fannie Mae, Series O, 7.495% (c) | 4,165,000 |
| 200,000 | First Republic Bank, 6.700% | 5,081,260 |
| 50,000 | Franklin Bank Corp., Series A, 7.500% | 1,225,000 |
| 100,000 | Freddie Mac, Series O, 5.810% | 4,907,500 |
| 25,000 | Freddie Mac, Series T, 6.420% | 1,362,500 |
| 80,000 | Goldman Sachs Group, Inc., 6.200% | 1,960,000 |
| 5,000,000 | HCA Inc., 9.250% (b) | 4,975,000 |
| 7,042,000 | HSBC Capital Funding LP, 10.176% (Channel Islands) (b) (c) | 9,827,872 |
| 12,840,000 | HSBC Capital Funding LP, 9.547% (Channel Islands) (b) (c) | 14,199,063 |
| 100,000 | HSBC Holdings PLC, Series A, 6.200% (United Kingdom) | 2,324,000 |
| 140,500 | Lehman Brothers Holdings, Inc., Series F, 6.500% | 3,540,600 |
| 2,000,000 | Lloyds TSB Bank PLC, 6.900% (United Kingdom) | 1,955,000 |
| 80,000 | LTC Properties, Inc., Series F, 8.000% | 1,995,000 |
| 50,000 | MetLife, Inc., Series B, 6.500% | 1,249,000 |
| 100,000 | Morgan Stanley, Series A, 6.060% (c) | 2,540,000 |
| 245,000 | Odyssey Re Holdings Corp., Series A, 8.125% | 6,651,750 |
| 152,100 | Odyssey Re Holdings Corp., Series B, 8.808% (c) | 3,977,415 |
| 13,354,000 | Old Mutual Capital Funding, 8.000% (Channel Islands) | 13,587,695 |
| 400,000 | OMEGA Healthcare, Series D, 8.375% | 10,000,000 |
| 31,000,000 | Prudential PLC, 6.500% (United Kingdom) | 29,086,649 |
| 6,400,000 | RBS Capital Trust, Series B, 6.800% | 6,176,998 |
| 5,750,000 | Royal Bank Of Scotland Group PLC, 7.648% (United Kingdom) (c) | 6,341,491 |
| 12,000,000 | Royal Bank Of Scotland Group PLC, Series 1, 9.118% (United Kingdom), ADR | 13,042,572 |
| 100,000 | Santander Finance Preferred SA Unipersonal, 6.800% (Spain) (b) | 2,537,500 |
| 577,400 | Scottish Re Group Ltd., 7.250% (Cayman Islands) (c) | 11,057,210 |
| 6,775,000 | UBS Preferred Fund, 8.622% (c) | 7,376,783 |
| | | 275,745,101 |
| | Materials 0.4% | |
| 5,000,000 | Abitibi-Consolidated Co., 8.375% (Canada) | 4,075,000 |
| | Utilities 1.4% | |
| 80,000 | Alabama Power Co., 5.300% | 1,805,600 |
| 120,000 | PPL Electric Utilities Corp., 6.250% | 3,033,756 |
| 385,500 | Southern Union Co., 7.550% | 9,737,730 |
| | | 14,577,086 |
| | Total Preferred Stocks 33.4% (Cost \$345,715,025) | 344,311,006 |
| | Convertible Preferred Stocks 4.8% | |
| | Financials 4.8% | |
| 505 | Fannie Mae, 5.375% | 49,799,758 |
| | Total Convertible Preferred Stocks (Cost \$49,831,000) | 49,799,758 |

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| | | |
|---|--|-------------------------|
| Investment Companies 3.6% | | |
| 116,000 | Cohen & Steers REIT and Preferred Income Fund | 2,859,400 |
| 246,200 | Evergreen Income Advantage Fund | 3,166,132 |
| 222,600 | Hyperion Total Return Fund | 1,756,314 |
| 190,000 | Nuveen Preferred and Convertible Income Fund 2 | 2,118,168 |
| 161,200 | Nuveen Quality Preferred Income Fund II | 2,386,400 |
| 272,200 | Pioneer High Income Trust | 4,077,556 |
| 138,500 | Spdr Trust Series 1 | 20,182,220 |
| Total Investment Companies | | |
| (Cost \$39,312,303) | | 36,546,190 |
| Principal Amount | | |
| Corporate Bonds 1.2% | | |
| Financials 0.7% | | |
| \$2,000,000 | Preferred Term Securities XI Ltd., NR 6.56%, 9/24/33 (b) (c) | 1,364,500 |
| 3,000,000 | Preferred Term Securities XIX Ltd., NR 4.69%, 12/22/35 (b) (c) | 2,412,000 |
| 2,000,000 | Preferred Term Securities XX Ltd., NR 5.51%, 3/22/38 (b) (c) | 1,667,000 |
| 2,000,000 | Preferred Term Securities XXI Ltd., NR 5.84%, 3/22/38 (c) | 1,781,300 |
| | | 7,224,800 |
| Retail 0.5% | | |
| 5,000,000 | Neiman-Marcus Group, Inc., B- 10.375%, 10/15/15 | 5,287,500 |
| Total Corporate Bonds 1.2% | | |
| (Cost \$14,492,756) | | 12,512,300 |
| Asset-Backed Securities 0.1% | | |
| 2,000,000 | Kodiak, Inc., Series 2006-1A, (Cayman Islands) NR CDO Equity Tranche, Variable Rate, 8/07/37 (Cost \$2,000,000) | 700,000 |
| Number of Shares | | |
| Limited Partnership 0.4% | | |
| Real Estate 0.4% | | |
| 4,000,000 | Kodiak Funding, L.P. (d) (Cost \$3,570,000) | 3,711,235 |
| Total Long-Term Investments 137.5% | | |
| (Cost \$1,285,636,386) | | 1,414,982,991 |
| Money Market Fund 3.5% | | |
| 35,923,939 | JP Morgan Prime Money Market Fund (Cost \$35,923,939) | 35,923,939 |
| Total Investments 141.0% | | |
| (Cost \$1,321,560,325) | | 1,450,906,930 |
| Other Assets in excess of Liabilities 0.4% | | 3,806,406 |
| Total Options Written (Premiums received \$974,950) (0.1%) | | (644,250) |
| Preferred Shares, at Liquidation Value (-41.3% of Net Assets Applicable to Common Shares or -29.3% of Total Investments) | | (425,000,000) |
| Net Assets Applicable to Common Shares 100.0% | | \$ 1,029,069,086 |

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LP Limited Partnership

REIT Real Estate Investment Trust

ADR American Depository Receipt

- (a) All or a portion of these securities have been physically segregated in connection with swap agreements and open futures contracts.
- (b) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At July 31, 2007, these securities amounted to 7.1% of net assets applicable to common shares.
- (c) Floating or variable rate security.
- (d) Security is valued in accordance with Fair Valuation procedures established in good faith by the Board of Trustees. The total market value of such securities is \$3,711,235 which represents 0.4% of Net Assets Applicable to Common Shares.
- (e) Non-incoming producing security.
- (f) All or a portion of this security position represents cover for outstanding options written.

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

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

See previously submitted notes to financial statements for the period ending April 30, 2007.

At July 31, 2007, the following futures contracts were outstanding:

| Short Contracts | Number of Contracts | Expiration Month | Original Value | Value at July 31, 2007 | Unrealized Appreciation/ (Depreciation) |
|------------------------|---------------------|------------------|----------------|------------------------|---|
| US Treasury Bond (CBT) | 2,889 | Sep-07 | \$ 312,826,299 | \$ 317,970,563 | \$ (5,144,264) |

At July 31, 2007, the following swap agreement was outstanding:

| Counterparty | Termination Date | Notional Amount | Fixed Rate | Floating Rate | Unrealized Appreciation/ (Depreciation) |
|---------------------------|------------------|-----------------|------------|---------------|---|
| Merrill Lynch & Co., Inc. | 9/21/2009 | \$ 150,000,000 | 4.34% | 1 Month LIBOR | \$ 1,928,927 |

For the swap noted, the Fund pays a fixed rate and receives the floating rate.

| Country Breakdown* | % of Total Investments |
|--------------------|------------------------|
| United States | 82.5% |
| Canada | 6.7% |
| United Kingdom | 4.4% |
| Channel Island | 2.7% |
| Bermuda | 2.3% |
| Cayman Islands | 0.8% |
| Spain | 0.3% |
| Marshall Island | 0.1% |
| Netherlands | 0.1% |
| Puerto Rico | 0.1% |

* Subject to change daily.

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Contracts

(100 shares

| per contract) | Call Options Written (e) | Expiration Date | Exercise Price | Value |
|---------------|--------------------------|-----------------|----------------|------------|
| 4,295 | AT&T, Inc. | October 2007 | \$ 40.00 | \$ 644,250 |

Total Call Options Written

(Premiums received \$974,950) \$ 644,250

(e) Non-income producing security.

Item 2. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of this filing and have concluded, based on such evaluation, that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during the registrant's last fiscal quarter that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting.

Item 3. Exhibits.

Separate certifications for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dreman/Claymore Dividend & Income Fund

By: /s/ Nicholas Dalmaso
Nicholas Dalmaso

Chief Legal and Executive Officer

Date: September 27, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Nicholas Dalmaso
Nicholas Dalmaso

Chief Legal and Executive Officer

Date: September 27, 2007

By: /s/ Steven M. Hill
Steven M. Hill

Treasurer and Chief Financial Officer

Date: September 27, 2007