DREMAN CLAYMORE DIVIDEND & INCOME FUND
Form N-CSRS
July 07, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21455

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

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

J. Thomas Futrell
Claymore Advisors, LLC
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: April 30, 2008

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR 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 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. Section 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

The registrant's annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

SEMIANNUAL
REPORT
April 30, 2008
(Unaudited)

Dreman/Claymore | DCS
Dividend & Income Fund

Logo: DREMAN VALUE MANAGEMENT, LLC
Logo: Claymore(R)

www.dremanclaymore.com
... YOUR PATH TO THE LATEST,
MOST UP-TO-DATE INFORMATION ABOUT THE
DREMAN/CLAYMORE DIVIDEND & INCOME FUND

The shareholder report you are reading right now is just the beginning of the story. Online at WWW.DREMANCLAYMORE.COM, you will find:

- Daily, weekly and monthly data on share prices, net asset values, distributions and more
- Monthly portfolio overviews and performance analyses
- Announcements, press releases and special notices
- Fund and advisor contact information

Dreman Value Management and Claymore Securities are constantly updating and expanding shareholder information services on the Fund's website, in an ongoing effort to provide you with the most current information about how your Fund's assets are managed, and the results of our efforts. It is just one more small way we are working to keep you better informed about your investment in the Fund.

Photo of: David N. Dreman

Dear SHAREHOLDER |

We thank you for your investment in Dreman/Claymore Dividend & Income Fund (the "Fund"). This report covers the Fund's performance for the semi-annual period ended April 30, 2008.

As you may know, the Fund's primary investment objective is to provide a high level of current income, with a secondary objective of capital appreciation. The basis for our security selection process comes from Dreman Value Management's contrarian value philosophy of investing, which focuses on what we believe to be quality companies trading at attractive valuations relative to the market. Since many of the income-oriented securities in the portfolio are sensitive to changes in interest rates, we frequently employ hedging techniques to help balance the impact on return of rising or falling interest rates.

All Fund returns cited -- whether based on net asset value ("NAV") or market price--assume the reinvestment of all distributions. For the six-month period ended April 30, 2008, the Fund provided total returns of -18.51% and -18.88% based on market price and NAV, respectively. As of April 30, 2008, the Fund's market price of $15.35 represented a discount of 14.0% to NAV of $17.85. Six months earlier, at October 31, 2007, the Fund's NAV was $22.79 and the closing market price was $19.62. Since its inception on January 27, 2004, through April 30, 2008, the Fund generated average annual total returns of 0.19% and 4.31% based on market price and NAV, respectively. Returns for the six-month period ended April 30, 2008 suffered as a result of the liquidity crisis, which negatively impacted the Fund's holdings of financial and other high yielding stocks and bonds. We believe we have taken advantage of significant opportunities that have arisen during these difficult times, which should result in strong performance as the current financial crisis recedes.

During the six-month period ended April 30, 2008, the Fund paid two quarterly dividends of $0.325 each. The current dividend rate represents an annualized distribution rate of 8.47% based upon the closing market price of $15.35 on April 30, 2008. Given the Fund's tax characteristics for the 2007 calendar year, the Fund's current dividend rate represents a tax-advantaged distribution rate of 10.79% for an individual shareholder subject to the maximum federal income tax rate of 35%. The final determination of the tax characteristics of dividends paid is made after the end of each calendar year. There can be no assurance that this characterization is indicative of future allocations or that this distribution rate will be achieved in the future.

We encourage shareholders to consider the opportunity to reinvest their distributions from the Fund through the Dividend Reinvestment Plan ("DRIP"), which is described in detail on page 26 of the Fund's semi-annual report. When shares trade at a discount to NAV, the DRIP takes advantage of the discount by reinvesting the quarterly dividend distribution in common shares of the Fund purchase 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 and enjoy the benefits of compounding returns over time. Since the Fund endeavors to maintain a steady monthly distribution rate, the DRIP plan effectively provides an income averaging technique, which causes shareholders to accumulate a larger number of Fund shares when the market price is depressed than when the price is higher.

We provide a detailed discussion of the Fund's performance over the last six months in the Questions & Answers section of the report. You'll find information on the overall market environment, a discussion of which sectors and securities contributed and detracted from the Fund's performance and a summary of our contrarian value investment philosophy in that section, which begins on page 5 of this report.

We thank you for your continued investment in the Fund and we are honored that you have chosen the Fund as part of your investment portfolio. For the most up-to-date information on your investment, please visit the Fund's website at www.dremanclaymore.com

Sincerely,

/s/ David N. Dreman

David N. Dreman

Founder, Chairman and Chief Investment Officer of Dreman Value Management, LLC and Trustee of the Dreman/Claymore Dividend & Income Fund

May 25, 2008

QUESTIONS & ANSWERS |

David N. Dreman is primarily responsible for the day-to-day management of the investment portfolio of the Dreman/Claymore Dividend & Income Fund (the "Fund"). Mr. Dreman is the Founder, Chairman and Chief Investment Officer of Dreman Value Management, LLC. In the following interview he shares his thoughts on the equity market and the performance of the Fund during the six-month period ended April 30, 2008.

WILL YOU REMIND US OF THIS FUND'S OBJECTIVES AND THE WAY IT IS MANAGED?

The Fund's investment objective is to provide a high level of current income, with a secondary objective of capital appreciation.

Under normal market conditions, the Fund will invest at least 80% of its total assets in dividend-paying or other income-producing securities, and at least 65% of the Fund's total assets will consist of investments in dividend-paying common and preferred stocks. The Fund may invest up to 20% of its total assets in U.S. dollar-denominated securities of foreign issuers. There is no minimum credit rating for preferred stocks and debt securities in which the Fund may invest, although the Fund will not invest more than 10% of its total assets in non-convertible fixed-income securities of below investment-grade quality.

The basis for our security selection process comes from Dreman Value Management's contrarian value philosophy of investing, which is based on our belief that consensus opinion, especially when it comes to investing, is often wrong. We seek companies that we believe are financially sound and that have, for one reason or another, fallen out of favor with the investing public. We look for stocks that we feel are trading below their intrinsic values, with prices that are low relative to their earnings (P/E - the most common measure of how expensive a stock is), book value (P/B) and cash flow (P/CF). Historically, such companies have provided potential for above-market returns over time. We base our stock selection on fundamental "bottom-up" analysis -- a process of evaluation that accounts for the individual merits of each stock. While our disciplined process has generated favorable results over time, there is no guarantee that the perceived intrinsic value we see in individual securities will be realized.

In selecting equity securities, we try to take advantage of market inefficiencies and investor over-reaction to perceived negatives affecting solid companies. We consider our approach a defensive style of investing, as many of the securities in which we invest are, in our opinion, undervalued in the market. Certain elements of the Fund's sector positioning add a further measure of defensiveness. For example, throughout the six-month period ended April 30, 2008, the Fund had minimal exposure to economically sensitive sectors such as materials and industrials.

In order to achieve the Fund's income objective, we hold positions in utility stocks, preferred stocks and corporate bonds. Since many of the income-oriented securities in the portfolio are sensitive to changes in interest rates, we frequently employ hedging techniques to help balance the impact on return of rising or falling interest rates. We believe that this defensive value-oriented style of investing has good potential to provide investors with attractive risk-adjusted returns over time from a combination of income and capital appreciation in a wide variety of market environments.

In evaluating the Fund's performance, and especially when comparing performance to equity indices such as the S&P 500 Index and the Russell 1000(R) Value Index, it is important to remember that this is not a typical equity fund. About a third of the Fund's assets are in corporate bonds, convertible preferred stocks, and preferred stocks, which are held primarily because of the high level of income they tend to provide while the convertible feature of the convertible preferred stocks also adds the potential for appreciation over time. The returns of corporate bonds and preferred stocks tend to be less volatile than those of equities and therefore can be expected to provide lower rates of

total return than equities over the long run. (Volatility is a measure of the extent to which the price of a financial asset fluctuates.)

PLEASE TELL US ABOUT THE ECONOMIC AND MARKET ENVIRONMENT OVER THE LAST SIX MONTHS.

This has been an extraordinarily challenging time for all investors. Some commentators have gone so far as to say that we have recently experienced the worst financial crisis since the Great Depression. Certainly the U.S. economy, though weak, is not in the terrible condition it was in the 1930s, but liquidity has largely vanished from many areas of the financial markets. What began in early 2007 as a correction in the U.S. housing market accelerated into a crisis in the sub-prime mortgage market with profound implications for the entire economy. Very wide spreads between bid and ask prices of high yield bonds, preferred stocks and other high yield securities has made it challenging to trade these securities. Because of a few rather dramatic trading excesses and business failures, banks have been reluctant to lend to one another, and there has been an extreme degree of risk aversion throughout credit markets.

The Federal Reserve Board (the "Fed") reduced interest rates seven times between September 2007 and April 2008, striving to strike a balance between providing liquidity to financial markets and keeping inflation at a moderate level. Even with these stimulus measures, recent trends in employment and consumer spending, accompanied by a spike in energy prices, have led many economists to forecast that the U.S. will experience a recession during 2008.

In this very tough environment, markets have been extremely volatile, and virtually all equity indices posted negative returns. The S&P 500 Index, which is generally regarded as a good indicator of the broad stock market, returned

-9.64% for the six-month period ended April 2008. The best performing securities were those with little or no credit risk: the Lehman 10-20 Year U.S. Treasury Index returned 6.26%. The Lehman Brothers Aggregate Bond Index, which measures return of the U.S. bond market as a whole, returned 4.08%, but the return of the Merrill Lynch High Yield Master II Index, which measures performance of the high-yield bond market, was -0.77%.

HOW DID THE FUND PERFORM IN THIS ENVIRONMENT?

All Fund returns cited - whether based on net asset value ("NAV") or market price - assume the reinvestment of all distributions. For the six-month period ending April 30, 2008, the Fund provided total returns of -18.51% and -18.88% based on market price and NAV, respectively. As of April 30, 2008, the Fund's market price of $15.35 represented a discount of 14.0% to NAV of $17.85. Six months earlier, at October 31, 2007, the Fund's closing market price was $19.62 and NAV was $22.79. It is worth noting that the Fund's performance began to show improvement in April, and this improvement continued through late May.

As most investors may know, the market value of the Fund's shares fluctuates from time to time, and it may be higher or lower than the Fund's NAV. The current discount to NAV may provide an opportunity for suitable investors to purchase shares of the Fund at prices below the market value of the securities in the underlying portfolio. We believe that, over the long term, the progress of the NAV will be reflected in the market price return to shareholders.

WHICH TRENDS OR INVESTMENT DECISIONS HAD THE GREATEST IMPACT ON THE FUND'S PERFORMANCE OVER THE LAST SIX MONTHS?

The Fund has traditionally had three major return engines -- high-dividend paying equities owned mainly for their dividends, equities selected for overall return potential, and high-yield bonds. In recent months we have also found some very attractive opportunities in convertible preferred stocks, which offer yields comparable to those of high-yield bonds, along with the poten-

tial for capital appreciation if the underlying common stock performs well.

Common stocks represented 68.9% of the portfolio as of October 31, 2007 and 55.5% as of April 30, 2008. Since equities represent such a large percentage of the portfolio, they are generally the main determinant of performance of the portfolio as a whole. The equity portion of the portfolio was down more than the overall market during the six-month period ended April 30, 2008 in large part because the portfolio has a significant concentration in financials, which performed poorly. We have considered the financial sector appropriate for the Fund because of the currently high dividends rates paid by many of the stocks in the sector. However, this positioning detracted from performance during this period as the market has turned away from the entire financial sector because of credit issues related to problems in the sub-prime mortgage business. During the summer of 2007, we carefully evaluated the financial stocks in this portfolio and culled the riskier issues, including those with significant exposure to subprime mortgages and monoline insurers. The financial stocks that remain in the portfolio are large, high-quality companies such as Fannie Mae (18.4% of long-term investments), Bank of America Corp. (1.6% of long-term investments) and Wachovia Corp. (0.8% of long-term investments). However, in the current environment of crisis, essentially all financial stocks have performed very poorly. We regard this situation as a temporary over-reaction by the market, and we continue to hold these attractive stocks, taking the opportunity to average down by buying additional shares on weakness. A large holding that was hurt by problems in the mortgage market was Fannie Mae, since hitting a low point in mid-March, this stock has recovered sharply, and we believe there is great potential for significant further gain, however, there is no guarantee of this occurring.

The major positive was the Fund's positioning in the energy sector, which represented 26.4% of the equity position as of April 30, 2008, compared with a 14.0% energy sector weight in the S&P 500 Index. We have held a significant position in energy stocks for some time because we believe that worldwide demand for energy is growing faster than supply and that energy prices will therefore remain high. Several of the Fund's largest energy holdings including Devon Energy Corp. (3.0% of long-term investments) and Apache Corp. (1.3% of long-term investments) moved up sharply during this period. In order to generate the level of income appropriate for this Fund, a number of our energy holdings are Canadian income trusts with energy-related operations. Income trusts are publicly-traded entities whose interests in oil or gas fields are traded on securities exchanges like shares of corporate stock. Due to their structure, the income generated by these trusts is often treated as qualified dividend income. Several of these stocks including Fairborne Energy Trust (0.6% of long-term investments) and BP Prudhoe Bay Royalty Trust (0.3% of long-term investments) were among the best performing issues in the portfolio during this period.

Also positive was a large position in Altria Group, Inc. (5.0% of long-term investments), which recently spun off its international business as a new public company, Philip Morris International (5.1% of long-term investments). We have been gradually selling some of the international business and replacing it with more of the domestic company, which currently offers a higher yield. Altria has announced that it intends to increase its dividend as it cuts costs; we believe the stock could move up significantly over the next few years.

Straight (non-convertible) preferred stocks, which represent 28.9% of the portfolio as of April 30, 2008, earned income for shareholders, but there was price depreciation in this sector, reflecting concerns about liquidity, solvency and whether the Fed would be successful in stemming this credit crisis. Companies in need of capital have recently been issuing convertible preferred shares with very favorable terms. We recently purchased a

Washington Mutual preferred issue, which has already moved up nicely in price, and we are finding other attractive opportunities in this market.

The high yield market was essentially frozen for much of the period covered by this report. Like preferred stocks, high yield bonds, which represent 5.3% of the portfolio as of April 30, 2008, provided income, but total returns on most issues were flat to slightly negative as prices dropped in a very thin market with scarcely any new issues. During this period, we have found some convertible preferred stocks, offering yields comparable to high yield bonds, to be more attractive sources of income, and they also have equity upside potential, however, there is no guarantee of this occurring.

PLEASE TELL US ABOUT THE FUND'S DISTRIBUTIONS DURING THE PERIOD.

During the six-month period ended April 30, 2008, the Fund paid two quarterly dividends of $0.325 each. The current dividend rate represents an annualized distribution rate of 8.47% based upon the closing market price of $15.35 on April 30, 2008.

Given the Fund's tax characteristics for the 2007 calendar year, the Fund's current dividend rate represents a tax-advantaged distribution rate of 10.79% for an individual shareholder subject to the maximum federal income tax rate of 35%. The final determination of the tax characteristics of dividends paid is made after the end of each calendar year. There can be no assurance that this characterization is indicative of future allocations or that this distribution rate will be achieved in the future.

WOULD YOU EXPLAIN THE FUND'S LEVERAGE STRATEGY?

Like many of its peers, the Fund utilizes leverage as part of its investment strategy. The Fund's leverage is achieved through the issuance of Auction Market Preferred Shares ("AMPS"). AMPS holders receive a dividend that is reset typically every seven or 28 days, depending on the series. The purpose of leverage is to finance the purchase of additional securities that provide income and potentially greater appreciation potential to common shareholders than could be achieved from a portfolio that is not leveraged. However, when leveraged investments fall in price, leverage may reduce overall return, and this was the case during the last six months. As of April 30, 2008, the Fund continues to be leveraged, with AMPS equivalent to approximately 34.4% of the Fund's managed assets.

The broad auction-rate preferred securities market has experienced considerable disruption in the past several months, and your Fund was not immune to this disruption. The result has been failed auctions on nearly all auction-rate preferred shares, including AMPS such as those issued by the Fund. We believe that this increase in failed auctions is simply a liquidity issue. Investors need to be aware that a failed auction is not a default, nor does it require the redemption of a fund's auction-rate preferred shares. Provisions in the offering documents of the Fund's AMPS provide a mechanism to set a maximum rate in the event of a failed auction, and, thus, investors will continue to be entitled to receive payment for holding these AMPS. This maximum rate is determined based upon a multiple of or a spread to LIBOR, whichever is greater.

The Fund has five series of AMPS, three that auction each week and two that auction every 28 days. The most recent auctions for these series have failed, as have auctions of most AMPS. The established maximum rates for auctions during the week prior to May 25, 2008 ranged from 3.54% to 3.68%. These maximum rates are not significantly different from, and in many cases are lower than, past successful auctions. We will continue to evaluate the benefits and impacts of leverage on the Fund, as well as exploring other methods of utilizing leverage.

WHAT IS YOUR OUTLOOK FOR THE MARKETS AND THE FUND IN THE COMING MONTHS?

The last few months have been a challenging time for equity investors. Although there remain significant questions about the direction of the economy, we feel there are signs the market is moving towards a bottom, although there are still likely to be some speed bumps ahead, which makes the timing of an upturn extremely difficult to predict. With our contrarian philosophy, a major way we seek to add value is to take advantage of the over-reactions of investors to bad news, selectively buying attractive equities, preferreds and bonds on weakness, and conditions such as those experienced in the last few months provide some very interesting opportunities.

The portfolio is currently structured fairly defensively, with little exposure to cyclical sectors such as materials and mining. We believe that the concentration in solid financial companies will prove advantageous in the months ahead.

DCS RISKS AND OTHER CONSIDERATIONS

The views expressed in this report reflect those of the Portfolio Managers and Claymore only through the report period as stated on the cover. These views are subject to change at any time, based on market and other conditions and should not be construed as a recommendation of any kind. The material may also contain forward-looking statements that involve risk and uncertainty, and there is no guarantee they will come to pass. There can be no assurance that the Fund will achieve its investment objectives. The value of the Fund will fluctuate with the value of the underlying securities. Historically, closed-end funds often trade at a discount to their net asset value. Past performance does not guarantee future results.

There can be no assurance that the Fund will achieve its investment objectives. The value of the Fund will fluctuate with the value of the underlying securities.

A principal risk of investing in the Fund is equity risk, which is the risk that the value of the securities held by the Fund will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. Stock of an issuer in the Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. Common stock in which the Fund will invest is structurally subordinated to preferred stock, bonds and other debt instruments in a company's capital structure, in terms of priority to corporate income, and therefore will be subject to greater dividend risk than preferred stock or debt instruments of such issuers. In addition, while common stock has historically generated higher average returns than fixed income securities, common stock has also experienced significantly more volatility in those returns. An adverse event, such as an unfavorable earnings report, may depress the value of common stock of an issuer held by the Fund. Also, the price of common stock of an issuer is sensitive to general movements in the stock market. A drop in the stock market may depress the price of most or all of the common stocks held by the Fund.

The Fund is intended for investors seeking a high level of current income and capital appreciation over the long term. The Fund is not meant to provide a vehicle for those who wish to play short-term swings in the stock market. An investment in the common shares of the Fund should not be considered a complete investment program. Each common shareholder should take into account the Fund's investment objectives as well as the Common Shareholder's other investments when considering an investment in the Fund.

Pursuant to its distribution policy, the Fund intends to make regular quarterly distributions on its Common Shares. In order to make such distributions, the Fund may have to sell a portion of its investment portfolio at a time when independent investment judgment may not dictate such action. In addition, the Fund's ability to make distributions more frequently than annually from any net realized capital gains by the Fund is subject to the Fund obtaining exemptive relief from the Securities and Exchange Commission, which cannot be assured. To the extent the total quarterly distributions for a year exceed the Fund's net investment company income and net realized capital gain for that year, the excess will generally constitute a return of capital. Such return of capital distributions generally are tax free up to the amount of a common shareholder's tax basis in the common shares (generally, the amount paid for the common shares).

AUCTION MARKET PREFERRED SHARES (AMPS) RISK. The AMPS are redeemable, in whole or in part, at the option of the Fund on any dividend payment date for the AMPS, and are subject to mandatory redemption in certain circumstances. The AMPS are not listed on an exchange. You may buy or sell AMPS only through an order placed at an auction with or through a broker-dealer that has entered into an agreement with the auction agent and the Fund or in a secondary market maintained by certain broker dealers. These broker-dealers are not required to maintain this market, and it may not provide you with liquidity.

An investment in the Fund is subject to certain risks and other considerations. Such risks and considerations include, but are not limited to: No Operating History; Hedging Risk; Not a Complete Investment Program; Market Discount Risk; Equity Risk; Special Risks Related to Preferred Securities; Income Risk; Value Investing Risk; Fund Distribution Risk; Interest Rate Risk; Inflation Risk; Foreign Securities; Non-diversified Status; Industry Concentration Risk; Lower-Rated Securities; Financial Leverage; Management Risk; Dependence on Key Personnel; Anti-Takeover Provisions; Illiquid Securities; Common Stock Risk; Special Risks of Derivative Transactions and Geopolitical Risks. There can be no assurance that a percentage of dividends paid on common shares, if any, will consist of qualifying dividend income.

Fund SUMMARY | AS OF APRIL 30, (2008) (unaudited)

FUND STATISTICS

Share Price	$15.35
Common Share Net Asset Value	$17.85
Premium/Discount to NAV	-14.0%
Net Assets Applicable to Common Shares ($000)	$810,419

TOTAL RETURNS

(INCEPTION 1/27/04)	MARKET	NAV
Six Months	-18.51%	-18.88%
One Year	-25.58%	-22.10%
Three Year - average annual	0.67%	2.05%
Since Inception - average annual	0.19%	4.31%

SECTOR BREAKDOWN*	% OF LONG-TERM INVESTMENTS
Financials	48.8%
Energy	26.4%
Consumer Staples	14.5%
Health Care	2.8%
Utilities	2.3%
Investment Companies	1.2%
Consumer Discretionary	1.1%
Other	2.9%

INDUSTRY BREAKDOWN	% OF LONG-TERM INVESTMENTS
Diversified Financial Services	26.6%
Oil & Gas	26.3%
Tobacco	13.7%
Commercial Banks	9.1%
Insurance	6.5%
Thrifts & Mortgage Finance	4.6%
Real Estate & Real Estate Investment Trusts	1.6%
Electric Utilities	1.6%
Pharmaceuticals	1.4%
Health Care Providers & Services	1.3%
Investment Companies	1.2%
Diversified Telecommunication	0.1%
Other	6.0%

Past performance does not guarantee future results. All portfolio data is subject to change daily. For more current information, please visit www.claymore.com. The above summaries are provided for informational purposes only and should not be viewed as recommendations.

* Securities are classified by sectors that represent broad groupings of related industries

Line Chart:

SHARE PRICE & NAV PERFORMANCE

SHARE PRICE	NAV
22.15	24.41
22.07	24.46
22.1	24.56
22.14	24.74
22.13	24.72
22.2	24.82

22.15	24.78
22.28	24.85
22.06	24.55
21.85	24.46
21.81	24.43
21.8	24.47
22	24.65
21.97	24.76
22.15	24.93
22.19	25.01
22.18	25.05
22.18	25
21.83	24.67
21.98	24.8
22.02	24.82
22.15	24.96
22.2	24.88
22.37	25.13
22.65	25.17
22.54	25
22.32	24.78
21.82	24.39
21.97	24.48
22.06	24.67
21.76	24.45
21.97	24.68
21.97	24.72
22.16	24.86
22.13	24.77
22.13	24.72
21.79	24.31
21.72	24.42
21.59	24.14
21.53	24.05
21.32	24.06
21.61	24.19
21.6	24.18
21.48	24.13
21.65	24.34
21.77	24.47
21.68	24.47
21.9	24.35
21.85	24.48
21.64	24.12
21.49	24.19
21.86	24.58
21.85	24.6
21.72	24.43
21.55	24.42
21.41	24.31
21.43	24.4
21.25	24.06
21.1	24.03
20.54	23.43
20.33	23.51
20.25	23.04
20.06	22.73
20	22.86
19.93	22.68
19.93	22.69
20.01	22.7
19.47	22.09

19.62	22.7
19.92	22.86
20.07	23.06
19.7	22.4
19.63	22.53
19.27	22.15
18.6	21.69
18.27	21.33
18.46	21.59
19.01	22.35
19.39	22.33
19.66	22.17
19.73	22.37
19.73	22.54
19.93	22.7
19.96	22.6
19.62	22.18
19.9	22.39
19.75	22.24
19.9	22.54
20.17	22.78
20.03	22.49
20.08	22.42
19.77	22.23
19.49	22.05
19.57	22.21
19.61	22.27
19.66	22.31
19.58	22.33
19.38	22.26
20	22.96
20	23.19
20	22.94
20	23
19.87	22.9
19.81	22.87
19.98	23.04
20.01	23.12
19.97	22.95
20.09	23.27
20.07	23.5
20.12	23.5
20.2	23.58
20.31	23.71
20.3	23.64
20.44	23.71
20.39	23.68
20.32	23.59
20.38	23.62
20.15	23.36
19.92	23.04
19.86	23.08
19.75	22.91
19.29	22.43
19.28	22.39
19.36	22.42
19.29	22.35
19.36	22.34
19.72	22.75
19.74	22.69
19.5	22.52
19.62	22.79

19.15	22.04
18.94	21.75
18.67	21.51
18.84	22.02
18.32	20.78
17.94	20.76
17.56	20.55
17.33	20.12
17.5	20.6
17.6	20.44
17.22	19.62
16.91	19.52
16.24	18.79
15.69	17.86
15.1	17.31
15.27	17.89
14.5	17.03
14.63	17.3
15.1	18.14
15.06	18.29
15.79	19.32
16.14	19.12
16.05	18.71
16.25	19.08
16.51	19.65
16.51	19.52
16.65	19.65
16.18	18.67
15.86	18.46
15.83	18.7
15.74	18.32
15.37	18.12
15.51	18.22
15.36	18.25
15.07	18.35
15.44	18.65
15.93	18.9
16.12	18.97
15.95	18.75
15.82	18.7
15.8	18.72
15.95	18.58
16.08	18.62
15.79	18.14
15.64	18.2
15.52	17.83
15.65	17.99
15.81	18.22
15.81	18.33
16.16	18.52
15.94	18.15
16	18.02
15.8	17.33
15.39	17.02
15.17	16.93
15.66	17.45
15.71	17.8
15.42	17.61
15.94	18.1
16.29	18.4
16.3	18.4
16.48	18.76

16.81	19.17
16.66	18.82
16.5	18.11
16.47	17.81
16.52	18.09
16.22	17.97
16.15	17.86
16.12	17.98
15.85	17.85
15.9	17.69
15.76	17.71
15.4	17.72
15.33	18
15.1	17.72
15.19	17.88
15.52	18.17
15.84	18.28
15.73	18.23
15.72	18.1
15.52	17.48
15.45	17.27
15.35	17.16
15.59	17.32
15.36	16.69
15.15	16.6
14.48	15.94
14.81	16.81
14.6	16.43
14.28	16.59
14.3	16.17
13.65	15.44
14.12	16.45
13.72	16.08
14.19	16.65
14.6	16.96
14.78	17.17
14.78	16.98
14.78	16.78
14.28	16.51
14.37	16.45
14.73	17.09
14.87	17.16
14.94	17.18
14.64	17.06
14.81	17.36
14.79	17.21
14.77	16.99
14.73	16.95
14.43	16.64
14.19	16.62
14.22	16.88
14.48	17.45
14.78	17.64
15.26	17.99
15.31	17.88
15.36	17.51
15	17.33
15.06	17.86
15.41	18.19
15.58	18.13
15.42	17.92
15.35	17.85

Pie Chart:
PORTFOLIO COMPOSITION (% of Total Investments)

Asset Class	
Common Stocks	55.5%
Preferred Stocks	28.9%
Convertible Preferred Stocks	7.5%
Corporate Bonds	5.3%
Investment Companies	1.2%
Term-Loans	1.1%
Call Options Purchased	0.2%
Limited Partnership	0.2%
Short-Term Investments	0.1%

TOP TEN ISSUERS	% OF LONG-TERM INVESTMENTS
Fannie Mae	18.4%
Philip Morris International, Inc.	5.1%
Altria Group, Inc.	5.0%
Washington Mutual, Inc.	4.9%
ConocoPhillips	4.7%
Crescent Point Energy Trust	3.1%
Devon Energy Corp.	3.0%
Universal Corp.	3.0%
Chevron Corp.	2.3%
Bonavista Energy Trust	2.2%

Portfolio of INVESTMENTS | APRIL 30, (2008) (unaudited)

NUMBER OF SHARES		VALUE
	TOTAL INVESTMENTS - 155.3%	
	COMMON STOCKS - 86.4%	
	CONSUMER DISCRETIONARY - 0.3%	
123,700	Regal Entertainment Group - Class A	$ 2,345,352
	CONSUMER STAPLES - 16.5%	
3,154,450	Altria Group, Inc.	63,089,000
1,264,965	Philip Morris International, Inc. (e)	64,551,164
367,132	Vector Group Ltd.	6,325,684
		133,965,848
	ENERGY - 40.6%	
163,800	Anadarko Petroleum Corp.	10,902,528
116,600	Apache Corp.	15,703,688
821,500	ARC Energy Trust (Canada)	21,241,049

150,000	Baytex Energy Trust (Canada)	3,772,500
889,700	Bonavista Energy Trust (Canada) (d)	27,315,583
43,800	BP Prudhoe Bay Royalty Trust	4,051,938
303,400	Chevron Corp.	29,171,910
686,200	ConocoPhillips (f)	59,116,130
1,200,900	Crescent Point Energy Trust (Canada)	38,527,533
337,000	Devon Energy Corp. (f)	38,215,800
100,000	Double Hull Tankers, Inc. (Channel Islands)	1,025,000
403,700	Enerplus Resources Fund (Canada)	18,126,130
868,300	Fairborne Energy Ltd. (Canada)	7,828,581
546,828	Harvest Energy Trust (Canada)	12,139,582
82,900	NAL Oil & Gas Trust (Canada)	1,191,929
365,600	Pengrowth Energy Trust - Class A (Canada)	7,205,976
813,000	Penn West Energy Trust (Canada)	24,528,210
100,800	San Juan Basin Royalty Trust	3,873,744
91,800	Vermilion Energy Trust (Canada)	3,616,032
95,200	W.P. Stewart & Co. (Bermuda)	143,752
57,500	Williams Coal Seam Gas Trust	579,600
		328,277,195
	FINANCIALS - 23.6%	
99,400	Allstate Corp.	5,005,784
228,300	Apollo Investment Corp.	3,693,894
540,000	Bank of America Corp.	20,271,600
750,000	Cypress Shapridge Investments, Inc. - REIT (a) (c)	4,500,000
1,515,000	Fannie Mae (f)	42,874,500
68,600	Hartford Financial Services Group, Inc.	4,889,122
724,800	KeyCorp.	17,489,424
233,600	PNC Financial Services Group, Inc.	16,200,160
415,000	Regions Financial Corp.	9,096,800
448,600	U.S. Bancorp	15,203,054
348,300	Wachovia Corp.	10,152,945
3,356,458	Washington Mutual, Inc. (f)	41,250,869
		190,628,152

NUMBER OF SHARES		VALUE
	HEALTH CARE - 3.0%	
362,400	Eli Lilly & Co.	$ 17,445,936
211,400	UnitedHealth Group, Inc.	6,897,982
		24,343,918
	INDUSTRIALS - 0.7%	
333,900	Contrans Income Fund (Canada)	2,934,182
56,800	Eagle Bulk Shipping, Inc. (Marshall Island)	1,671,624
104,900	New Flyer Industries, Inc. (Canada)	1,181,180
		5,786,986
	TELECOMMUNICATIONS - 0.1%	
107,000	Alaska Communications Systems Group, Inc.	1,196,260
	UTILITIES - 1.6%	
261,300	Empire District Electric Co.	5,442,879
152,200	Great Plains Energy, Inc.	3,902,408
90,000	Progress Energy, Inc.	3,779,100

		13,124,387
	TOTAL COMMON STOCKS - 86.4% (Cost $664,496,983)	699,668,098
	PREFERRED STOCKS - 45.0%	
	CONSUMER DISCRETIONARY - 0.2%	
81,250	Red Lion Hotels Capital Trust, 9.500%	2,011,344
	CONSUMER STAPLES - 1.4%	
140,000	Dairy Farmers of America, 7.875% (a)	11,484,382
	FINANCIALS - 41.7%	
200,000	ABN AMRO Capital Fund Trust VII, 6.080%	4,288,000
80,000	AEGON N.V., 6.875% (Netherlands)	1,826,400
33,400	Arch Capital Group, Ltd., 7.875% (Bermuda)	821,640
340,000	Arch Capital Group, Ltd., 8.000% (Bermuda)	8,500,000
20,000	Aspen Insurance Holdings Ltd., 7.401% (Bermuda) (b)	438,750
218,100	Axis Capital Holdings Ltd., Series A, 7.250% (Bermuda)	5,197,323
50,000	Axis Capital Holdings Ltd., Series B, 7.500% (Bermuda) (b)	4,821,875
10,000,000	Barclays Bank PLC, 8.550% (United Kingdom) (a) (b)	10,026,870
11,000,000	CA Preferred Funding Trust, 7.000%	10,644,568
189,300	Chevy Chase Bank, Series C, 8.000%	4,562,130
60,000	CIT Group, Inc., Series A, 6.350%	828,600
225,000	CIT Group, Inc. 8.750%	12,543,750
300,000	Deutsche Bank Capital Funding Trust VIII, 6.375%	6,840,000
412,000	Endurance Specialty Holdings, Ltd., 7.750% (Bermuda)	9,743,800
200,000	Fannie Mae, Series E, 5.100%	6,856,260
4,400,000	Fannie Mae, 8.250% (f)	110,176,000
80,000	Fannie Mae, Series O, 7.000% (b)	3,685,000
1,200,000	Fannie Mae, 6.750%	27,732,000
280,000	Fannie Mae, Series P, 4.500% (a) (b)	5,040,000
48,700	Franklin Bank Corp., Series A, 7.500%	377,425
100,000	Freddie Mac, Series O, 5.810%	4,075,000
25,000	Freddie Mac, Series T, 6.420%	1,203,750

See notes to financial statements.

NUMBER OF SHARES		VALUE
	FINANCIALS (CONTINUED)	
80,000	Goldman Sachs Group, Inc., 6.200%	$ 1,879,200
200,000	Hilltop Holdings, Inc. 8.250%	4,086,000
7,042,000	HSBC Capital Funding LP, 10.176% (Channel Islands) (a) (b)	8,721,193
12,840,000	HSBC Capital Funding LP, 9.547% (Channel Islands) (a) (b)	13,381,219
100,000	HSBC Holdings PLC, Series A, 6.200% (United Kingdom)	2,250,000
140,500	Lehman Brothers Holdings, Inc., Series F, 6.500%	3,003,890

2,000,000	Lloyds TSB Bank PLC, 6.900% (United Kingdom)	1,940,000
80,000	LTC Properties, Inc. - REIT, Series F, 8.000%	1,951,200
200,000	Merrill Lynch & Co., Inc. 6.700%	4,560,000
50,000	MetLife, Inc., Series B, 6.500%	1,151,500
100,000	Morgan Stanley, Series A, 4.000% (b)	1,909,000
245,000	Odyssey Re Holdings Corp., Series A, 8.125%	6,063,750
152,100	Odyssey Re Holdings Corp., Series B, 6.020% (b)	3,312,738
400,000	Omega Healthcare Investors, Inc - REIT, Series D, 8.375%	9,960,000
31,000,000	Prudential PLC, 6.500% (United Kingdom) (d)	27,214,900
100,000	Santander Finance Preferred SA Unipersonal, 6.800% (Spain)	2,236,000
577,400	Scottish Re Group Ltd., 7.250% (Cayman Islands) (b)	3,229,860
		337,079,591
	UTILITIES - 1.7%	
80,000	Alabama Power Co., 5.300%	1,686,400
120,000	PPL Electric Utilities Corp., 6.250%	2,880,000
385,500	Southern Union Co., 7.550%	9,386,925
		13,953,325
	TOTAL PREFERRED STOCKS - 45.0% (Cost $402,179,182)	364,528,642
	CONVERTIBLE PREFERRED STOCKS - 11.7%	
	CONSUMER STAPLES - 4.7%	
25,000	Universal Corp., 6.750% (d)	38,193,750
	FINANCIALS - 7.0%	
505	Fannie Mae, 5.375% (d)	35,855,126
142	Washington Mutual, Inc.	14,200,000
11,000,000	Washington Mutual Preferred Funding LLC, 6.895% (a) (b)	6,825,588
		56,880,714
	TOTAL CONVERTIBLE PREFERRED STOCKS (Cost $95,132,904)	95,074,464
	INVESTMENT COMPANIES - 1.8%	
116,000	Cohen & Steers REIT and Preferred Income Fund	2,484,720
246,200	Evergreen Income Advantage Fund	2,883,002
222,600	Hyperion Brookfield Total Return Fund, Inc	1,576,008
190,000	Nuveen Multi-Strategy Income and Growth Fund 2	2,025,400
161,200	Nuveen Quality Preferred Income Fund II	1,832,844
272,200	Pioneer High Income Trust	4,156,494
	TOTAL INVESTMENT COMPANIES (Cost $18,999,070)	14,958,468

PRINCIPAL AMOUNT		OPTIONAL CALL PROVISIONS	VALUE

	CORPORATE BONDS - 8.2%		
	COMMUNICATIONS - 0.3%		
$ 300,000	Idearc, Inc., BB-, 8.000%, 11/15/16	11/15/11 @ 104	$ 196,500
2,700,000	Univision Communications, CCC, 9.75%, 3/15/15 (a)	3/15/11 @ 105	1,957,500
			2,154,000
	CONSUMER DISCRETIONARY - 1.1%		
900,000	ARAMARK Corp., B, 8.500%, 2/01/15	2/01/11 @ 104	942,750
3,000,000	Ford Motor Co., CCC+, 7.450%, 7/16/31	N/A	2,257,500
3,000,000	General Motors Corp., B, 8.375%, 7/15/33	N/A	2,298,750
2,000,000	Hertz Corp. (The), B, 10.500%, 1/01/16	1/01/11 @ 105	2,022,500
2,535,000	Station Casinos, Inc., B-, 6.500%, 2/01/14	2/01/09 @ 102	1,673,100
			9,194,600
	ENERGY - 0.4%		
2,871,000	Compton Petroleum Finance Corp., B, 7.625%, 12/01/13 (Canada)	12/01/09 @ 104	2,835,113
500,000	Connacher Oil and Gas Ltd., BB, 10.250%, 12/15/15 (Canada) (a)	12/15/11 @ 105	530,000
			3,365,113
	FINANCIALS - 3.6%		
3,000,000	Ford Motor Credit Co., B, 7.375%, 2/1/11	N/A	2,760,009
13,354,000	Old Mutual Capital Funding LP, NR, 8.000%, 5/29/49 (Channel Islands)	12/22/08 @ 100	12,953,380
2,000,000	Preferred Term Securities XI Ltd., NR Subordinate Income Notes 19.000%, 9/24/33 (a) (b)	N/A	1,353,800
3,000,000	Preferred Term Securities XIX Ltd., NR Subordinate Income Notes 13.500%, 12/22/35 (a) (b)	N/A	1,830,000
2,000,000	Preferred Term Securities XX Ltd., NR Subordinate Income Notes 14.000%, 3/22/38 (a) (b)	N/A	1,215,000
2,000,000	Preferred Term Securities XXI Ltd., NR Subordinate Income Notes 15.000%, 3/22/38 (b)	N/A	1,384,000
5,400,000	RBS Capital Trust, Series B, 6.800%, 12/29/49	9/30/08 @ 100	5,239,080
3,250,000	Royal Bank Of Scotland Group PLC, A, 7.648%, 8/29/49 (United Kingdom) (b)	9/30/31 @ 100	2,745,899
			29,481,168
	HEALTH CARE - 1.3%		
1,900,000	Community Health Systems Inc, B, 8.875%, 7/15/15	7/15/11 @ 104	1,985,500
2,300,000	HCA, Inc., B-, 6.500%, 2/15/16	N/A	2,070,000
4,500,000	HCA, Inc., BB-, 9.250%, 11/15/16	11/15/11 @ 105	4,848,750
1,600,000	ReAble Therapeutics Finance Corp., B-, 10.875%, 11/15/04 (a)	11/15/11 @ 105	1,612,000
			10,516,250
	INDUSTRIALS - 0.5%		
1,500,000	Casella Waste Systems, Inc., B, 9.750%, 2/01/13	6/12/08 @ 105	1,477,500
2,000,000	Crown Cork & Seal Co., Inc., B, 8.000%,		

	4/15/23	6/12/08 @ 102	1,880,000
500,000	Owens-Illinois, Inc., B+, 7.800%, 5/15/18	N/A	507,500
			3,865,000

See notes to financial statements.

PRINCIPAL AMOUNT		OPTIONAL CALL PROVISIONS	VALUE
	MATERIALS - 0.3%		
$ 5,000,000	Abitibi-Consolidated Co., CCC+, 8.375%, 4/01/15 (Canada)	N/A	$ 2,075,000
	RETAIL - 0.4%		
1,900,000	Rite Aid Corp., 8.625%, 3/01/15	3/01/11 @ 104	1,553,250
2,000,000	Neiman-Marcus Group, Inc., B+, 9.000%, 10/15/15	10/15/10 @ 105	2,090,000
			3,643,250
	UTILITIES - 0.3%		
2,000,000	Texas Competitive Electric Holdings Co. LLC, CCC 10.25%, 11/1/15 (a)	11/1/11 @ 105	2,095,000
	TOTAL CORPORATE BONDS - 8.2% (Cost $75,661,024)		66,389,381
	TERM-LOANS (FUNDED) - 1.5%		
2,394,000	Bausch & Lomb Term Loan, Parent Tranche, 5.946%, 4/26/15 (b)		2,367,690
300,000	Bausch & Lomb Term Loan, Delayed Tranche, 5.946%, 4/26/15 (b)		296,703
530,701	First Data Corp., Tranche B3, 5.446%, 9/24/14 (b)		498,958
7,429,299	First Data Corp., Tranche B3, 5.348%, 9/24/14 (b)		6,984,938
2,556,429	TXU Bank, Tranche B2, 6.596%, 10/10/14 (b)		2,452,574
428,571	TXU Bank, Tranche B2, 6.477%, 10/10/14 (b)		411,161
	TOTAL TERM-LOANS (FUNDED) (Cost $13,431,410)		13,012,024
	TERM-LOANS (UNFUNDED) - 0.1%		
300,000	Bausch & Lomb Term Loan, Delayed Tranche, 4/26/15 (b) (Cost $301,108)		296,703

NUMBER OF SHARES		VALUE

	LIMITED PARTNERSHIP - 0.2%	
	REAL ESTATE - 0.2%	
	Kodiak Funding, LP (c)	
4,000,000	(Cost $3,570,000)	1,924,928
	SHORT-TERM INVESTMENTS - 0.1%	
602,717	Dreyfus Money Market Bond Fund	
	(Cost $602,717)	602,717

CONTRACTS (100 SHARES PER CONTRACT)	CALL OPTIONS PURCHASED(e)	EXPIRATION DATE	EXERCISE PRICE	
	CALL OPTIONS PURCHASED - 0.3%			
4,000	Financial Select Sector SPDR Fund	January 2009	$ 30.00	$ 46
44,000	Financial Select Sector SPDR Fund	January 2009	33.00	1,93
	TOTAL CALL OPTIONS PURCHASED (Cost $14,839,584)			2,39
	TOTAL INVESTMENTS - 155.3% (Cost $1,289,213,982)			1,258,85
	Liabilities in excess of Other Assets - (0.1%)			(99
	Total Options Written (Premiums received $18,449,426) - (2.8%)			(22,44
	Preferred Shares, at Liquidation Value - (-52.4% of Net Assets Applicable to Common Shares or -33.8% of Total Investments)			(425,00
	NET ASSETS APPLICABLE TO COMMON SHARES - 100.0%			$ 810,41

CONTRACTS (100 SHARES PER CONTRACT)	PUT OPTIONS WRITTEN(e)	EXPIRATION DATE	EXERCISE PRICE	
48,000	Financial Select Sector SPDR Fund	January 2009	$ 30.00	$ 22,44
	TOTAL OPTIONS WRITTEN (Premiums received $18,449,426)			$ 22,44

LP - Limited Partnership

REIT - Real Estate Investment Trust

(a) 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 April 30, 2008, these securities amounted to 8.8% of net assets applicable to common shares.

(b) Floating or variable rate security.

(c) 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 $6,424,928 which represents 0.8% of Net Assets Applicable to Common Shares.

(d) All or a portion of this security position represents cover for outstanding options written.

(e) Non-income producing security.

(f) All or a portion of these securities have been physically segregated in connection with swap agreements and open futures contracts.

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 notes to financial statements.

Statement of ASSETS AND LIABILITIES | APRIL 30, (2008) (unaudited)

ASSETS	
Investments in securities, at value (cost $1,289,213,982)	$
Receivable for securities sold	
Dividends and interest receivable	
Variation margin receivable	
Total assets	
LIABILITIES	
Options written at value (premiums received of $18,449,426)	
Payable for securities purchased	
Unrealized depreciation on interest rate swap	
Variation margin payable	
Advisory fee payable	
Dividends payable - preferred shares	
Due to custodian	
Administrative fee payable	
Accrued expenses and other liabilities	
Total liabilities	
PREFERRED SHARES, AT REDEMPTION VALUE	
Auction Market Preferred Shares $.01 par value per share; 17,000 authorized, issued and outstanding at $25,000 per share liquidation preference	
NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS	
COMPOSITION OF NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS	
Common stock, $.01 par value per share; unlimited number of shares authorized, 45,399,424 shares issued and outstanding	
Additional paid-in capital	

Accumulated net unrealized depreciation on investments, currency, options, and swap transactions
Accumulated net realized loss on investments, futures, options, currency, and swap transactions
Accumulated distributions in excess of net investment income

NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS

NET ASSET VALUE APPLICABLE TO COMMON SHAREHOLDERS (based on 45,399,424 common shares outstanding)

See notes to financial statements.

DCS | Dreman/Claymore Dividend & Income Fund

Statement of OPERATIONS | FOR THE SIX MONTHS ENDED APRIL 30, (2008) (unaudited)

INVESTMENT INCOME	
Dividends (net of foreign withholding taxes of $1,128,140)	$ 30,158,010
Interest (net of foreign withholding taxes of $183,608)	7,588,432
Total income	
EXPENSES	
Advisory fee	5,271,646
Auction agent fee-preferred shares	550,854
Custodian fee	118,148
Professional fees	112,768
Administrative fee	106,773
Fund accounting	100,692
Printing expenses	89,907
Trustees' fees and expenses	82,529
Insurance expense	28,935
NYSE listing	17,836
Transfer agent fee	9,919
Miscellaneous	7,437
Rating agency fee	7,098
Total expenses	
NET INVESTMENT INCOME	
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, FUTURES, SWAP AND FOREIGN CURRENCY TRANSACTIONS	
Net realized gain (loss) on:	
Options	
Investments	
Swaps	
Futures	
Foreign currency transactions	
Net change in unrealized appreciation (depreciation) on:	
Options	
Investments	
Swaps	
Futures	

Foreign currency translations

NET LOSS ON INVESTMENTS, FUTURES, OPTIONS, AND SWAP TRANSACTIONS

DISTRIBUTIONS TO PREFERRED SHARES FROM
Net investment income

NET INCREASE IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS

See notes to financial statements.

Statements of CHANGES IN NET ASSETS APPLICABLE TO COMMON SHARES |

	FOR THE SIX MONTHS ENDED APRIL 30, 2008 (UNAUDITED)
INCREASE IN NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS	
Net investment income	$ 31,241,900
Net realized gain (loss) on investments, futures, options, currency, and swap transactions	(5,791,212)
Net change in unrealized appreciation (depreciation) on investments, futures, currency, options, and swap transactions	(209,902,199)
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS FROM	
Net investment income	(10,216,572)
Net increase in net assets applicable to common shareholders resulting from operations	(194,668,083)
DISTRIBUTIONS TO COMMON SHAREHOLDERS	
From and in excess of net investment income	(29,509,626)
Total distributions to common shareholders	(29,509,626)
Total increase in net assets applicable to common shareholders	(224,177,709)
NET ASSETS	
Beginning of period	1,034,596,871
End of period (including accumulated undistributed net investment income of ($5,947,388) and $2,536,910, respectively.)	$ 810,419,162

See notes to financial statements.

Financial HIGHLIGHTS |

PER SHARE OPERATING PERFORMANCE FOR A COMMON SHARE OUTSTANDING THROUGHOUT THE PERIOD	FOR THE SIX MONTHS ENDED APRIL 30, 2008 (UNAUDITED)	FOR THE YEAR ENDED OCTOBER 31, 2007	FOR YEAR E OCTOBER
NET ASSET VALUE, BEGINNING OF PERIOD	$ 22.79	$ 23.91	$ 2
INCOME FROM INVESTMENT OPERATIONS			
Net investment income (a)	0.69	1.54	
Net realized and unrealized gain (loss) on investments, futures and swap transactions	(4.75)	(0.86)	
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS From net investment income and return of capital (common share equivalent basis)	(0.23)	(0.50)	(
Total from investment operations	(4.29)	0.18	
DISTRIBUTIONS TO COMMON SHAREHOLDERS			
From and in excess of net investment income	(0.65)	(1.30)	(
Return of capital	--	--	
Total distributions to Common Shareholders	(0.65)	(1.30)	(
COMMON AND PREFERRED SHARES' OFFERING EXPENSES CHARGED TO PAID-IN-CAPITAL	--	--	
NET ASSET VALUE, END OF PERIOD	$ 17.85	$ 22.79	$ 2
MARKET VALUE, END OF PERIOD	$ 15.35	$ 19.62	$ 2
TOTAL INVESTMENT RETURN (C)			
Net asset value	-18.88%	0.67%	2
Market value	-18.51%	(3.53)%	2
RATIOS AND SUPPLEMENTAL DATA			
Net assets, applicable to common shareholders, end of period (thousands)	$ 810,419	$1,034,697	$1,085
Preferred Shares, at liquidation value ($25,000 per share liquidation preference) (thousands)	$ 425,000	$ 425,000	$ 425
Preferred Shares asset coverage per share	$ 72,672	$ 85,859	$ 88
Ratios to Average Net Assets applicable to Common Shares:			
Total expenses, including interest expense	1.59%(d)(h)	1.42%(h)	
Interest expense	--	--	
Net investment income, prior to effect of dividends to preferred shares	7.64%(d)	6.47%	
Net investment income, after effect of dividends to preferred shares	5.14%(d)	4.36%	
Ratios to Average Managed Assets: (e)			
Total expenses, including interest expense	1.05%(d)(h)	1.02%(h)	
Interest expense	--	--	
Net investment income, prior to effect of dividends to preferred shares	5.04%(d)	4.64%	
Portfolio turnover	37%	55%	

* Commencement of operations.

(a) Based on average shares outstanding during the period.

(b) Before deduction of offering expenses charged to capital.

(c) Total investment return is calculated assuming a purchase of a common share at the beginning of the period and a sale on the last day of the period reported either at net asset value ("NAV") or market price per share. Dividends and distributions are assumed to be reinvested at NAV for NAV returns or the prices obtained under the Fund's Dividend Reinvestment Plan for market value returns. Total investment return does not reflect brokerage commissions. A return calculated for a period of less than one year is not annualized.

(d) Annualized.

(e) Managed assets is equal to net assets applicable to common shareholders plus outstanding leverage, such as the liquidation value of preferred shares.

(f) Amount is less than $.01.

(g) Distributions partially from return of capital

(h) Expense ratio does not reflect fees and expenses incurred indirectly by the Fund as a result of its investments in shares of other investment companies. If these fees were included in the expense ratio, the net impact to the expense ratio would be 0.02% for the six-months ended April 30, 2008 and the year ended October 31, 2007. The impact to the expense ratio as a result of investments in other investment companies was not required prior to 2007. As a result, the impact has not been disclosed for the years prior to 2007.

See notes to financial statements.

Notes to FINANCIAL STATEMENTS | APRIL 30, (2008) (unaudited)

Note 1 - ORGANIZATION:

Dreman/Claymore Dividend & Income Fund (the "Fund") was organized as a Delaware statutory trust on October 20, 2003. The Fund is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940, as amended.

The Fund's primary investment objective is to provide a high level of current income, with a secondary objective of capital appreciation. The Fund will pursue its investment objectives by investing its assets primarily in dividend-paying common and preferred stocks. There can be no assurance that the Fund will achieve its investment objectives. The Fund's investment objectives are considered fundamental and may not be changed without shareholder approval.

Note 2 - ACCOUNTING POLICIES:

The preparation of the financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

The following is a summary of significant accounting policies consistently followed by the Fund.

(A) VALUATION OF INVESTMENTS

The Fund values equity securities at the last reported sale price on the principle exchange or in the principle OTC market in which such securities are traded, as of the close of regular trading on the NYSE on the day the securities are being valued or, if there are no sales, at the mean between the last available bid and asked prices on that day. Securities traded on NASDAQ are valued at the NASDAQ Official Closing Price. Debt securities are valued by independent pricing services or dealers using the mean of the closing bid and asked prices for such securities or, if such prices are not available, at prices for securities of comparable maturity, quality and type. For those securities where quotations or prices are not available, valuations are determined in accordance with procedures established in good faith by the Board of Trustees. Futures contracts are valued using the settlement price established each day on the exchange on which they are traded. Interest rate swaps are valued at closing prices for such contracts established by the exchange or dealer market on which they are traded. Exchange traded options are valued at the mean between the bid and asked prices on the principal exchange on which it is traded. Short-term securities with maturities of 60 days or less at time of purchase are valued at amortized cost, which approximates market value.

(B) INVESTMENT TRANSACTIONS AND INVESTMENT INCOME

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on the identified cost basis. Dividend income is recorded net of applicable withholding taxes on the ex-dividend date and interest income is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized to interest income over the lives of the respective securities using the effective interest method.

(C) SWAPS

A swap is an agreement to exchange the return generated by one instrument for the return generated by another instrument. The Fund may enter into swap agreements to manage its exposure to interest rates or to manage the duration of its portfolio. The swaps are valued at current market value and any unrealized gain or loss is included in the Statement of Operations. The Fund accrues for the interim payments on swap contracts on a daily basis, with the net amount recorded within unrealized appreciation/depreciation of swap contracts on the Statement of Assets and Liabilities. Once the interim payments are settled in cash, the net amount is recorded as realized gain/loss on swaps, in addition to realized gain/loss recorded upon the termination of swap contracts on the Statement of Operations. During the period that the swap agreement is open, the Fund may be subject to risk from the potential inability of the counterparty to meet the terms of the agreement. The swaps involve elements of both market and credit risk in excess of the amounts reflected on the Statement of Assets and Liabilities.

The Fund entered into interest rate swap agreements during the six months ended April 30, 2008 in order to partially hedge its exposure to short-term interest rates paid to its auction market preferred shareholders. Details of the swap agreement outstanding as of April 30, 2008 were as follows:

NOTIONAL	UNREAL

COUNTERPARTY	TERMINATION DATE	AMOUNT (000)	FIXED RATE	FLOATING RATE	APPRECIA (DEPRECIAT
Merrill Lynch & Co., Inc.	09/21/2009	$150,000	4.34%	1 Month LIBOR	$(3,255,

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

(D) FUTURES

A futures contract is an agreement to buy or sell a financial instrument at a particular price on a stipulated future date. Upon entering into a futures contract, the Fund is required to make an initial margin deposit established by the exchange on which the transaction is effected. Pursuant to the contract, the Fund agrees to receive from or pay to the counterparty an amount of cash equal to the daily fluctuation in the value of the contract. Such receipt or payment is known as the

variation margin and is recorded by the Fund as unrealized appreciation or depreciation. The Fund bears the market risk that arises from the change in the value of these financial instruments.

At April 30, 2008, the following futures contracts were outstanding:

SHORT CONTRACTS	NUMBER OF CONTRACTS	EXPIRATION MONTH	ORIGINAL VALUE	VALUE AT APRIL 30, 2008	(
US Treasury Bonds (CBT)	2,118	June-08	$246,901,645	$247,574,355	
S&P 500 (CME)	38	June-08	$ 12,495,350	$ 13,167,000	

(E) OPTIONS

The Fund may purchase or sell, (write) options on securities and securities indices which are listed on a national securities exchange or in the over-the-counter ("OTC") market as a means of achieving additional return or of hedging the value of the Fund's portfolio. An option on a security is a contract that gives the holder of the option, in return for a premium, the right to buy from (in the case of a call) or sell to (in the case of a put) the writer of the option the security underlying the option at a specified exercise or "strike" price. The writer of an option on a security has an obligation upon exercise of the option to deliver the underlying security upon payment of the exercise price (in the case of a call) or to pay the exercise price upon delivery of the underlying security (in the case of a put). There are several risks associated with transactions in options on securities. As the writer of a covered call option, the Fund forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call but has retained the risk of loss should the price of the underlying security decline. The writer of an option has no control over the time when it may be required to fill its obligation as writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price.

(F) DISTRIBUTIONS

The Fund intends to declare quarterly dividends to common shareholders at a fixed rate per common share based on its projected performance, which rate may be adjusted from time to time. Accordingly, for U.S. generally accepted accounting principles, the Fund may declare and pay dividends in excess of its net investment income on the Statement of Operations. However, the ultimate amount and timing of distributions are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles. Permanent differences relating to the difference between book and tax characterization of distributions have been reclassed on the Statements of Assets and Liabilities.

(G) CURRENCY TRANSLATION

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the mean of the bid and asked price of the respective exchange rates on the last day of the period. Purchases and sales of investments denominated in foreign currencies are translated at the exchange rate on the date of the transaction.

Foreign exchange gain or loss resulting from holding of a foreign currency, expiration of a currency exchange contract, difference in the exchange rates between the trade date and settlement date of an investment purchased or sold, and the difference between dividends actually received compared to the amount shown in a Fund's accounting records on the date of receipt are included as net realized gains or losses on foreign currency forwards and currency transactions in the Fund's Statement of Operations.

Foreign exchange gain or loss on assets and liabilities, other than investments, are included in unrealized appreciation (depreciation) on foreign currency transactions.

Note 3 - INVESTMENT ADVISORY AGREEMENT, SUB-ADVISORY AGREEMENT AND OTHER AGREEMENTS:

Pursuant to an Investment Advisory Agreement (the "Agreement") between the Fund and Claymore Advisors, LLC ("the Adviser"), the Adviser will furnish offices, necessary facilities and equipment, provide administrative services, oversee the activities of Dreman Value Management, LLC (the "Investment Manager"), provide personnel including certain officers required for the Fund's administrative management and compensate all officers and trustees of the Fund who are its affiliates. As compensation for these services, the Fund will pay the Adviser a fee, payable monthly, in an amount equal to 0.85% of the Fund's average managed assets (net assets applicable to common shareholders plus any assets attributable to financial leverage).

The Adviser has entered into a Sub-Advisory Agreement with the Investment Manager. Pursuant to the terms of this agreement, the Investment Manager, under the supervision of the Fund's Board of Trustees and the Adviser, will provide a continuous investment program for the Fund's portfolio; provide investment research and make and execute recommendations for the purchase and sale of securities; and provide certain facilities and personnel, including officers required for the Fund's administrative management, and compensation of all officers and trustees of the Fund who are its affiliate. For these services, the Adviser has agreed to pay the

Investment Manager an aggregate amount equal to 60% of the investment advisory fees paid to the Adviser by the Fund, net of any additional compensation payments to underwriters of the common share offering.

Under a separate Fund Administration agreement, the Adviser provides fund administration services to the Fund.

The Advisor receives a fund administration fee payable monthly at the annual rate set forth below as a percentage of the average daily managed assets of the Fund.

MANAGED ASSETS	RATE
First $200,000,000	0.0275%
Next $300,000,000	0.0200%
Next $500,000,000	0.0150%
Over $1,000,000,000	0.0100%

For the six months ended April 30, 2008 the Fund recognized expenses of approximately $106,800 for these services.

The Bank of New York Mellon ("BNY") acts as the Fund's custodian, accounting agent, and transfer agent. As custodian, BNY is responsible for the custody of the Fund's assets. As accounting agent BNY is responsible for maintaining the books and records of the Fund's securities and cash. As transfer agent, BNY is responsible for performing transfer agency services for the Fund.

Note 4 - FEDERAL INCOME TAXES:

The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required. In addition, by distributing substantially all of its ordinary income and long-term capital gains, if any, during each calendar year, the Fund intends not to be subject to U.S. federal excise tax.

Information on the components of investments as of April 30, 2008 is as follows:

COST OF INVESTMENTS FOR TAX PURPOSES	GROSS TAX UNREALIZED APPRECIATION	GROSS TAX UNREALIZED DEPRECIATION	NET TAX UNREALIZED DEPRECIATION ON INVESTMENTS	F
$1,288,248,459	$175,831,460	$(205,228,494)	$(29,397,034)	

The difference between book and tax basis unrealized appreciation/(depreciation) is attributable to the tax deferral of losses on wash sales, income reclassifications from real estate investment trusts, royalty trusts, partnerships and investments in preferred securities.

For the year ended October 31, 2007, the tax character of distributions paid to common and preferred shareholders as reflected in the statement of changes in net assets was as follows:

DISTRIBUTIONS PAID FROM:	2007
Capital gain - common shares	$ 8,831,953
Capital gain - preferred shares	3,392,877
Ordinary income - common shares	50,187,298
Ordinary income - preferred shares	19,337,489
	$81,749,617

On July 13, 2006, the Financial Accounting Standards Board ("FASB") released FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48"). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year. Management has evaluated the implications of FIN 48 and has determined it does not have any impact on the financial statements as of April 30, 2008. Tax years 2004, 2005, 2006, and 2007 are still subject to examination by major jurisdictions

Note 5 - INVESTMENTS IN SECURITIES:

For the six months ended April 30, 2008, the cost of purchases and proceeds from sales of investments, excluding options and short-term securities, were $477,605,749 and $504,401,921, respectively.

Transactions in option contracts during the six months ended April 30, 2008 were as follows:

	NUMBER OF CONTRACTS	PREMIUMS RECEIVED
Options outstanding, beginning of year	69,186	$ 13,938,789
Options written during the period	66,130	25,801,854

Options expired during the period	(33,250)	(8,234,924)
Options assigned during the period	(54,066)	(13,056,293)
Options outstanding, end of period	48,000	$ 18,449,426

Note 6 - CAPITAL:

COMMON SHARES

The Fund has an unlimited amount of common shares, $0.01 par value, authorized and 45,399,424 issued and outstanding. In connection with the Fund's dividend reinvestment plan, the Fund did not issue any shares during the period ended April 30, 2008.

PREFERRED SHARES

On March 23, 2004, the Fund issued 3,400 shares of Preferred Shares Series M7, 3,400 shares of Preferred Shares Series T28, 3,400 shares of Preferred Shares Series W7, 3,400 shares of Preferred Shares Series TH28 and 3,400 shares of Preferred Shares Series F7 each with a net asset and liquidation value of $25,000 per share plus accrued dividends. Bank of New York Mellon is the auction agent and provides administrative, transfer agency, and dividend distribution services for the preferred shares. Dividends are accumulated daily at an annual rate set through auction procedures.

The broad auction-rate preferred securities market, including the Fund's Auction Market Preferred Shares ("AMPS"), has experienced considerable disruption in the past several months. The result has been failed auctions on nearly all auction-rate preferred shares, including the Fund's AMPS. A failed auction is not a default, nor does it require the redemption of the Fund's AMPS. Provisions in the offering documents of the Fund's AMPS provide a mechanism to set a maximum rate in the event of a failed auction. This maximum rate is LIBOR + 1.25% or LIBOR x 125%, whichever is greater.

For the six months ended April 30, 2008, the annualized dividend rates ranged from:

	HIGH	LOW	AT APRIL 30, 2008
Series M7	5.85%	3.85%	4.01%
Series T28	5.70%	3.90%	4.15%
Series W7	6.00%	3.93%	4.08%
Series TH28	6.15%	3.97%	3.97%
Series F7	5.85%	3.79%	4.04%

The Fund is subject to certain limitations and restrictions while Preferred Shares are outstanding. Failure to comply with these limitations and restrictions could preclude the Fund from declaring any dividends or distributions to common shareholders or repurchasing common shares and/or could trigger the mandatory redemption of Preferred Shares at their liquidation value.

Preferred Shares, which are entitled to one vote per share, generally vote with the common stock but vote separately as a class to elect Class I Trustees and on any matters affecting the rights of the Preferred Shares.

Note 7 - INDEMNIFICATIONS:

In the normal course of business, the Fund enters into contracts that contain a variety of representations, which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would require future claims that may be made against the Fund that have not yet occurred. However, the Fund expects the risk of loss to be remote.

Note 8 - ACCOUNTING PRONOUNCEMENTS:

In September 2006, the FASB released Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. As of April 30, 2008, the Fund does not believe the adoption of FAS 157 will impact the amounts reported in the financial statements, however, additional disclosure will be required about the inputs used to develop measurements of fair value and the effect of certain of the measurements reported in the statement of operations for a fiscal period.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities." This standard is intended to enhance financial statement disclosures for derivative instruments and hedging activities and enable investors to understand: a) how and why a fund uses derivative instruments, b) how derivatives instruments and related hedge fund items are accounted for, and c) how derivative instruments and related hedge items affect a fund's financial position, results of operations and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. As of April 30, 2008, management does not believe the adoption of SFAS No. 161 will impact the financial statement amounts; however, additional footnote disclosures may be required about the use of derivative instruments and hedging items.

Note 9 - SUBSEQUENT EVENT:

On May 1, 2008, the Board of Trustees declared a quarterly dividend of $0.325 per common share. This dividend was payable on May 30, 2008 to shareholders of record on May 15, 2008.

Supplemental INFORMATION | (unaudited)

TRUSTEES
The Trustees of the Dreman/Claymore Dividend & Income Fund and their principal occupations during the past five years:

NAME, ADDRESS*, YEAR OF BIRTH AND POSITION(S) HELD WITH REGISTRANT	TERM OF OFFICE** AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATIONS DURING THE PAST FIVE YEARS AND OTHER AFFILIATIONS	NUMBER PORTFOL IN THE COMPLEX OVERSEE BY TRUSTEE
INDEPENDENT TRUSTEES:			
Richard L. Crandall Year of Birth: 1943 Trustee	Since 2004	Managing Partner of Aspen Partners, LLC since 2003, Founding Co-Partner of Arbor Venture Partners, LLC since 2000, and Chairman of Enterprise Software Roundtable since 1994. Formerly, Director and Special Advisor of GIGA Information Group (1995-2003) and Chairman of GIGA Information Group (2002-2003), Founder and ex-Chairman and CEO of Comshare, Inc. (1966-1994).	1
Roman Friedrich III Year of Birth: 1946 Trustee	Since 2004	Founder of Roman Friedrich & Company, which specializes in the provision of financial advisory services to corporations in the resource sector. Previously, Managing Director at TD Securities. Managing Director Lancaster Financial Ltd.; Wood Gundy; Burns Fry Ltd.; President, Chase Manhattan Bank (Canada) Ltd.	1
Ronald A. Nyberg Year of birth: 1953 Trustee	Since 2004	Partner of Nyberg & Cassioppi, LLC, a law firm specializing in corporate law, estate planning and business transactions from 2000-present. Formerly, Executive Vice President, General Counsel and Corporate Secretary of Van Kampen Investments (1982-1999).	44
Ronald E. Toupin, Jr. Year of birth: 1958 Trustee	Since 2004	Formerly, Vice President, Manager and Portfolio Manager of Nuveen Asset Management (1998-1999), Vice President of Nuveen Investment Advisory Corp. (1992-1999), Vice President and Manager of Nuveen Unit Investment Trusts (1991-1999), and Assistant Vice President and Portfolio Manager of Nuveen Unit Investment Trusts (1988-1999), each of John Nuveen & Company, Inc. (1982-1999).	41
INTERESTED TRUSTEES:			
Nicholas Dalmaso+ Year of birth: 1965 Trustee and (through June 5, 2008) Chief Legal and Executive Officer	Since 2004	Formerly, Senior Managing Director and Chief Administrative Officer (2007-2008) and General Counsel (2001-2007) of Claymore Advisors, LLC and Claymore Securities, Inc. Formerly, Assistant General Counsel, John Nuveen and Company Inc. (1999-2000). Former Vice President and Associate General Counsel of Van Kampen Investments, Inc. (1992-1999).	44

David N. Dreman++ Harborside Financial Center Plaza 10, Suite 800 Jersey City, NJ 07311-4037 Year of birth: 1936 Trustee	Since 2004	Founder, Chairman and Chief Investment Officer of Dreman Value Management, LLC, an investment advisory firm with approximately $17.2 billion under management, in various mutual funds including several branded under the Scudder-Dreman name; annuity products; institutional accounts, including pension, foundation and endowment funds; and SMAs for high net-worth individuals. Author of several books including Contrarian Investment Strategies: The Next Generation and Psychology and the Stock Market. Forbes columnist for 25 years and co-editor of the academic journal, The Journal of Behavioral Finance.	1

* Address for all Trustees unless otherwise noted: 2455 Corporate West Drive, Lisle, IL 60532

** After a Trustee's initial term, each Trustee is expected to serve a three-year term concurrent with the class of Trustees for which he serves:

- Messrs. Crandall and Dalmaso, as Class I Trustees, are expected to stand for re-election at the Fund's 2008 annual meeting of shareholders.

- Messrs. Friedrich and Nyberg, as Class II Trustees, are expected to stand for re-election at the Fund's 2009 annual meeting of the shareholders.

- Messrs. Dreman and Toupin, as Class III Trustees, are expected to stand for re-election at the Fund's 2010 annual meeting of the shareholders.

*** The Claymore Fund Complex consists of U.S. registered investment companies advised or serviced by Claymore Advisors, LLC or Claymore Securities, Inc.

\+ Mr. Dalmaso is an "interested person" (as defined in section 2(a)(19) of the 1940 Act) of the Fund as a result of his position as an officer (through May 13, 2008) of and his equity ownership in the Adviser and certain of its affiliates.

++ Mr. Dreman is an "interested person" (as defined in section 2(a)(19) of the 1940 Act) of the Fund because of his position as an officer of Dreman Value Management, LLC, the Fund's Investment Manager.

OFFICERS
The officers of the Dreman/Claymore Dividend & Income Fund and their principal occupations during the past five years:

NAME, ADDRESS*, YEAR OF BIRTH AND TERM OF OFFICE** AND PRINCIPAL OCCUPATIONS DURING TH

POSITION(S) HELD WITH REGISTRANT	LENGTH OF TIME SERVED	AND OTHER AFFILIATIONS
OFFICERS:		
J. Thomas Futrell Year of birth: 1955 Chief Executive Officer	Effective June 5, 2008	Senior Managing Director and Ch Claymore Advisors, LLC and Clay (2008-present). Formerly Managi Nuveen Asset Management (2000-2
Kevin M. Robinson Year of birth: 1959 Chief Legal Officer	Effective June 5, 2008	Senior Managing Director and Ge Advisors, LLC, Claymore Securit Inc. (2007-present) Formerly, A Assistant Corporate Secretary o
Steven M. Hill Year of birth: 1964 Chief Accounting Officer, Chief Financial Officer and Treasurer	Since 2004	Senior Managing Director of Cla Claymore Securities, Inc. (2005 Financial Officer of Claymore G Managing Director of Claymore A Securities, Inc. (2003-2005). T Funds and Operations Manager fo (NA) Inc., (2002-2003). Managin Partners LLC (2001-2002).
Bruce Saxon Year of birth: 1957 Chief Compliance Officer	Since 2006	Vice President, Fund Compliance Advisors, LLC. (2006 to present Officer/Assistant Secretary of Inc. (2003-2006). Director-Comp (1999-2003).
James Howley Year of birth: 1972 Assistant Treasurer	Since 2006	Vice President, Fund Administra LLC. (2004-present). Previously Administration of Van Kampen In
Matthew J. Patterson Year of birth: 1971 Secretary	Since 2006	Vice President, of Claymore Adv Previously, Securities Counsel, (2004-2006); Associate, Skadden Flom, LLP (2002-2004).
Melissa Nguyen Year of birth: 1978 Assistant Secretary	Since 2005	Vice President of Claymore Advi Previously, Associate, Vedder, P.C. (2003-2005).
E. Clifton Hoover Year of Birth: 1957 Vice President	Since 2006	Co-Chief Investment Officer and Value Management, LLC (2006 to and Portfolio Manager of NFJ In

* Address for all Officers: 2455 Corporate West Drive, Lisle, IL 60532

** Officers serve at the pleasure of the Board of Trustees and until his or her successor is appointed and qualified or until his or her earlier resignation or removal.

Dividend Reinvestment PLAN | (unaudited)

Unless the registered owner of common shares elects to receive cash by contacting the Plan Administrator, all dividends declared on common shares of the Fund will be automatically reinvested by The Bank of New York Mellon (the "Plan Administrator"), Administrator for shareholders in the Fund's Dividend Reinvestment Plan (the "Plan"), in additional common shares of the Fund. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Administrator prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Some brokers may automatically elect to receive cash on your behalf and may re-invest that cash in additional common shares of the Fund for you. If you wish for all dividends declared on your common shares of the Fund to be automatically reinvested pursuant to the Plan, please contact your broker.

The Plan Administrator will open an account for each common shareholder under the Plan in the same name in which such common shareholder's common shares are registered. Whenever the Fund declares a dividend or other distribution (together, a "Dividend") payable in cash, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in common shares. The common shares will be acquired by the Plan Administrator for the participants' accounts, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized common shares from the Fund ("Newly Issued Common Shares") or (ii) by purchase of outstanding common shares on the open market ("Open-Market Purchases") on the New York Stock Exchange or elsewhere. If, on the payment date for any Dividend, the closing market price plus estimated brokerage commission per common share is equal to or greater than the net asset value per common share, the Plan Administrator will invest the Dividend amount in Newly Issued Common Shares on behalf of the participants. The number of Newly Issued Common Shares to be credited to each participant's account will be determined by dividing the dollar amount of the Dividend by the net asset value per common share on the payment date; provided that, if the net asset value is less than or equal to 95% of the closing market value on the payment date, the dollar amount of the Dividend will be divided by 95% of the closing market price per common share on the payment date. If, on the payment date for any Dividend, the net asset value per common share is greater than the closing market value plus estimated brokerage commission, the Plan Administrator will invest the Dividend amount in common shares acquired on behalf of the participants in Open-Market Purchases.

If, before the Plan Administrator has completed its Open-Market Purchases, the market price per common share exceeds the net asset value per common share, the average per common share purchase price paid by the Plan Administrator may exceed the net asset value of the common shares, resulting in the acquisition of fewer common shares than if the Dividend had been paid in Newly Issued Common Shares on the Dividend payment date. Because of the foregoing difficulty with respect to Open-Market Purchases, the Plan provides that if the Plan Administrator is unable to invest the full Dividend amount in Open-Market Purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Administrator may cease making Open-Market Purchases and may invest the uninvested portion of the Dividend amount in Newly Issued Common Shares at net asset value per common share at the close of business on the Last Purchase Date provided that, if the net asset value is less than or equal to 95% of the then current market price per common share; the dollar amount of the Dividend will be divided by 95% of the market price on the payment date.

The Plan Administrator maintains all shareholders' accounts in the Plan and furnishes written confirmation of all transactions in the accounts, including information needed by shareholders for tax records. Common shares in the account of each Plan participant will be held by the Plan Administrator on behalf of the

Plan participant, and each shareholder proxy will include those shares purchased or received pursuant to the Plan. The Plan Administrator will forward all proxy solicitation materials to participants and vote proxies for shares held under the Plan in accordance with the instruction of the participants.

There will be no brokerage charges with respect to common shares issued directly by the Fund. However, each participant will pay a pro rata share of brokerage commission incurred in connection with Open-Market Purchases. The automatic reinvestment of Dividends will not relieve participants of any Federal, state or local income tax that may be payable (or required to be withheld) on such Dividends.

The Fund reserves the right to amend or terminate the Plan. There is no direct service charge to participants with regard to purchases in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants.

All correspondence or questions concerning the Plan should be directed to the Plan Administrator, The Bank of New York Mellon, P.O. Box 463, East Syracuse, New York 13057-0463; Attention: Shareholder Services Department, Phone Number: (866) 488-3559.

Investment Advisory
AGREEMENT AND SUBADVISORY AGREEMENT APPROVALS | (unaudited)

On December 7, 2007, the Board of Trustees (the "Board"), including those trustees who are not interested persons as defined by the Investment Company Act of 1940 (the "Independent Trustees"), of Dreman/Claymore Dividend and Income Fund (the "Fund") met to consider the renewal of: (1) the investment advisory agreement ("Investment Advisory Agreement") between the Fund and Claymore Advisors, LLC ("Adviser") and (2) the subadvisory agreement ("Subadvisory Agreement") among the Adviser, the Fund and Dreman Value Management, L.L.C. ("Sub-Adviser"). (The Investment Advisory Agreement and the Subadvisory Agreement are together referred to as the "Advisory Agreements.") As part of its review process, the Nominating and Governance Committee of the Board (referred to as the "Committee" and consisting solely of the Independent Trustees) was represented by independent legal counsel. The Board reviewed materials received from the Adviser, the Sub-Adviser and independent legal counsel. The Board also had previously received, throughout the year, Board meeting information regarding performance and operating results of the Fund.

In preparation for its review, the Committee communicated with independent legal counsel regarding the nature of information to be provided, and independent legal counsel, on behalf of the Committee, sent a formal request for information. The Adviser and the Sub-Adviser provided extensive information in response to that request as well as to a follow-up request for supplemental information. Among other information, the Adviser and Sub-Adviser provided general information to assist the Committee in assessing the nature and quality of services provided by the Adviser and Sub-Adviser and information comparing the investment performance, advisory fees and total expenses of the Fund to other funds, information about the profitability from the Advisory Agreements to each of the Adviser and the Sub-Adviser and the compliance policies and procedures adopted by each of the Adviser and the Sub-Adviser.

Based upon their review, the Committee and the Board concluded that it was in the best interest of the Fund to renew each of the Advisory Agreements and, accordingly, recommend to the Board of Trustees the renewal of each Advisory Agreement. In reaching this conclusion for the Fund, no single factor was determinative in the Board's analysis, but rather the Board considered a variety of factors.

INVESTMENT ADVISORY AGREEMENT

With respect to the nature, extent and quality of services provided by the Adviser, the Board noted that the Adviser had delegated responsibility for the investment and reinvestment of the Fund's assets to the Sub-Adviser. The Board considered the Adviserresponsibility to oversee the Sub-Adviser and that the Adviser has similar oversight responsibilities for other registered funds for which it serves as investment adviser. The Board members reviewed financial information regarding the Adviser and its parent company and considered the parent company's guaranty of the Adviser's obligations under the Investment Advisory Agreement. The Board members also considered the secondary market support services provided by the Adviser to the Fund and the Adviser's collaboration with the Sub-Adviser on the Fund's use of leverage and in evaluating the Fund's distribution rate. The Board members considered the experience and qualifications of the Adviser's personnel, including those personnel providing compliance oversight and oversight of the Sub-Adviser's portfolio management process. Specifically, the Board noted the ongoing oversight activities performed by the Adviser, including on-site diligence visits and regular monitoring of compliance with policies and procedures and with the Fund's investment parameters as described in its prospectus and statement of additional information. After considering these factors, the Board concluded that the Adviser and its personnel were qualified to serve the Fund in such capacity.

The Board considered the Fund's investment performance by reviewing the Fund's total return on a net asset value and market price basis for the three month, six month, one year, three year and since inception (January 29, 2004) periods ended September 30, 2007 and compared it to comparable performance of a peer group of closed-end funds (defined as funds that invest a majority of assets in dividend paying equity securities and that may have a specific goal of paying qualified dividend income) for the same time periods. The Board also considered the Fund's investment performance for calendar years 2004, 2005 and 2006 and comparable S&P 500 Index returns for the same periods. The Board considered that the Adviser does not directly control investment performance but had delegated such duties to the Sub-Adviser. The Board concluded that the Adviser had selected a Sub-Adviser that was well-qualified to manage the Fund and had appropriately reviewed and monitored the Sub-Adviser's investment performance and efforts to seek the Fund's investment objectives. Accordingly, the Board concluded that the Adviser's performance was satisfactory.

The Board compared the Fund's advisory fee (which includes the subadvisory fee paid to the Sub-Adviser) and expense ratio to the peer group of funds and to the advisory fee that the Adviser charges to other closed-end funds for which it serves as adviser. The Board also considered the mean advisory fees and expense ratios of the peer group of funds and noted that although the Fund's advisory fee was higher than the mean, it was within an acceptable range of the mean and concluded that the Fund's advisory fee was reasonable.

With respect to the costs of services to be provided and profits realized by the Adviser from its relationship to the Fund, the Board reviewed information regarding the revenues the Adviser received under the Investment Advisory Agreement as well as the estimated direct and indirect costs the Adviser incurs in providing the services to the Fund, including paying the subadvisory fee to the Sub-Adviser, and concluded that the profitability was not unreasonable.

The Board considered the extent to which economies of scale could be realized with respect to the management of the Fund as the Fund grows and whether fee levels reflect a reasonable sharing of such economies of scale for the benefit of Fund investors. Because of the fixed nature of closed-end funds' assets, the Board does not expect the Fund to grow significantly in the next twelve months. The Board also considered the Adviser's statement that, although it has increased assets under management as a result of new product offerings, it has also increased staff and upgraded systems as a result and the Adviser thus anticipates neither economies of scale nor increased costs of services to the Fund in the coming year and the Board concluded that fee levels were appropriate.

The Board considered other benefits available to the Adviser because of its relationship to the Fund and noted that the administrative services fees received by the Adviser from serving as administrator provides it with additional revenue but concluded that the advisory fee was reasonable taking into account the benefits from the administration agreement. In reaching the conclusion that the advisory fee was reasonable, the Board also considered the Adviser's statement that it benefited from its association with the Sub-Adviser because of the Fund, which has opened up other business opportunities to the Adviser with the Sub-Adviser and may continue to do so in the future.

SUBADVISORY AGREEMENT

With respect to the nature, extent and quality of services provided by the Sub-Adviser, the Board considered the qualifications, experience, good reputation and skills of the Sub-Adviser's portfolio management and other key personnel. The Board reviewed changes in personnel and the resulting strengthening of the Sub-Adviser's investment and other

professional staff. The Board also considered the Sub-Adviser's use of financial leverage within the Fund in an effort to increase performance and the use of hedging to reduce interest rate risk to implement the Fund's investment strategy. The Board considered the Sub-Adviser's success in achieving the Fund's primary investment objective of providing a high level of current income through the Fund's distribution rate and tax-advantaged distribution rate. The Board concluded that the Sub-Adviser was qualified to provide the services under the Subadvisory Agreement.

In considering investment performance, the Board considered, in addition to the Sub-Adviser's efforts in pursuing the Fund's primary objective, the Sub-Adviser's efforts in pursuing the secondary objective of capital appreciation. The Board considered the Fund's total return, both on a net asset value basis and market price basis, over various periods. The Board also considered current market conditions and their impact on the Fund holdings. The Board noted the Fund's underperformance relative to its peers and market indexes for periods ended September 30, 2007, but also noted strong performance for earlier periods. The Board considered the Sub-Adviser's representation that recent underperformance was largely due to the negative effects of the recent volatility in U.S. credit markets on the Fund's significant holdings of securities in the financial services sector and that, notwithstanding the underperformance of these securities in the short term, the Sub-Adviser believes they will generate positive returns going forward. In evaluating this explanation, the Board considered the Sub-Adviser's successful long-term performance record produced by its contrarian value investment philosophy, which historically has included periods of underperformance during periods of high market volatility, but over the long term has produced superior investment returns. Based upon this review, the Board concluded that it remains confident that the Sub-Adviser is able to implement the Fund's investment strategy, given the Sub-Adviser's contrarian style of investing and long-term track record.

The Board reviewed the subadvisory fee paid by the Adviser to the Sub-Adviser and compared it to the fees charged by the Sub-Adviser to non-fund clients and other investment company clients for which the Sub-Adviser serves as subadviser that have a large cap value strategy similar to the Fund's. The Board considered that the Fund's subadvisory fee was within the range of the other subadvisory fees charged by the Sub-Adviser to other clients in the large cap value strategy. The Board also considered the Sub-Adviser's representation that the Fund requires significantly more work to manage than other clients' accounts because of the Fund's unique investment strategies, including its distribution and qualified dividend income policy, and concluded that the subadvisory fee was reasonable.

With respect to the costs of services to be provided and profits realized by the Sub-Adviser from its relationship to the Fund, the Board reviewed information regarding the revenues the Sub-Adviser received from its advisory business as a whole and considered the Sub-Adviser's statement that it does not allocate its costs among client accounts and that the Fund requires significantly more work than its other clients and, accordingly, is less profitable than these other clients. In concluding that the profitability was not unreasonable, the Board considered this information provided by the Sub-Adviser as well as the factors that the subadvisory fee had been negotiated at arm's-length and that the subadvisory fee rate was competitive.

The Board reviewed the extent to which economies of scale with respect to the subadvisory services provided to the Fund would be realized as the Fund grows and whether fee levels reflect a reasonable sharing of such economies of scale for the benefit of Fund investors. The Board considered the Sub-Adviser's statement that the Fund requires significantly more work than other client accounts because of the Fund's investment objective and unique strategies and that it expected more work to be involved in the coming year to maintain the Fund's yield in the current interest rate environment. The Board also noted that the size of the closed-end Fund was relatively fixed and unlikely to grow significantly in the next twelve months. Given these factors, the Board concluded that the Fund is unlikely to realize any significant economies of scale with respect to the subadvisory services to justify a breakpoint at the time the Subadvisory Agreement was being reviewed.

The Board considered other benefits derived by the Sub-Adviser from its relationship with the Fund, including the Sub-Adviser's use of soft dollars and the Sub-Adviser's other business relationships with the Adviser. The Board concluded that the subadvisory fees were reasonable, taking into account these benefits.

OVERALL CONCLUSIONS

Based upon all of the information considered and the conclusions reached, the Board determined that the terms of each Advisory Agreement continue to be fair and reasonable and that the continuation of each Advisory Agreement is in the best interests of the Fund.

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DCS | Dreman/Claymore Dividend & Income Fund

Fund INFORMATION |

Melissa Nguyen
Assistant Secretary

E. Clifton Hoover
Vice President

INVESTMENT MANAGER
Dreman Value Management, LLC
Aspen, Colorado

INVESTMENT ADVISER AND ADMINISTRATOR
Claymore Advisors, LLC
Lisle, Illinois

CUSTODIAN AND
TRANSFER AGENT
The Bank of New York Mellon
New York, New York

PREFERRED STOCK -
DIVIDEND PAYING AGENT
The Bank of New York Mellon
New York, New York

LEGAL COUNSEL
Skadden, Arps, Slate,
Meagher & Flom LLP
Chicago, Illinois

INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
Chicago, Illinois

PRIVACY PRINCIPLES OF DREMAN/CLAYMORE DIVIDEND & INCOME FUND FOR SHAREHOLDERS

The Fund is committed to maintaining the privacy of its shareholders and to safeguarding its non-public personal information. The following information is provided to help you understand what personal information the Fund collects, how we protect that information and why, in certain cases, we may share information with select other parties.

Generally, the Fund does not receive any non-public personal information relating to its shareholders, although certain non-public personal information of its shareholders may become available to the Fund. The Fund does not disclose any non-public personal information about its shareholders or former shareholders to anyone except as permitted by law or as is necessary in order to service shareholder accounts (for example, to a transfer agent or third party administrator).

The Fund restricts access to non-public personal information about the shareholders to Claymore Advisors, LLC employees with a legitimate business need for the information. The Fund maintains physical, electronic and procedural safeguards designed to protect the non-public personal information of its shareholders.

QUESTIONS CONCERNING YOUR SHARES OF DREMAN/CLAYMORE DIVIDEND & INCOME FUND?

- If your shares are held in a Brokerage Account, contact your Broker.

- If you have physical possession of your shares in certificate form, contact the Fund's Custodian and Transfer Agent: The Bank of New York Mellon, 101 Barclay 11W, New York, New York 10286 (866) 488-3559

This report is sent to shareholders of Dreman/Claymore Dividend & Income Fund for their information. It is not a Prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

A description of the Fund's proxy voting policies and procedures related to portfolio securities is available without charge, upon request, by calling the Fund at (800) 345-7999 or on the Securities and Exchange Commission's website at http://www.sec.gov.

Information regarding how the Fund voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended June 30, is also available, without charge and upon request by calling the Fund at (800) 345-7999 or by accessing the Fund's Form N-PX on the Commission's website at http://www.sec.gov.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC website at http://www.sec.gov. The Fund's Form N-Q may also be viewed and copied at the Commission's Public Reference Room in Washington, DC; information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330 or by visiting the Fund's website at www.dremanclaymore.com.

In October 2007, the Fund submitted a CEO annual certification to the New York Stock Exchange ("NYSE") in which the Fund's principal executive officer certified that he was not aware, as of the date of the certification, of any violation by the Fund of the NYSE's Corporate Governance listing standards. In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and related Securities and Exchange Commission ("SEC") rules, the Fund's principal executive and principal financial officers have made quarterly certifications, included in filings with the SEC on Forms N-CSR and N-Q, relating to, among other things, the Fund's disclosure controls and procedures and internal control over financial reporting.

About the FUND MANAGER |

DREMAN VALUE MANAGEMENT, LLC

Dreman Value Management, LLC is an independently-owned investment management firm that was founded by David N. Dreman in 1997, and its predecessor firms date back to 1977. As of April 30, 2008, the firm had approximately $17.2 billion in assets under management, primarily across institutional accounts and various investment companies. Independently owned, the firm is a value-oriented contrarian equity manager and places its primary emphasis on common stocks with growing dividends and avoiding concept stocks without justifiable valuations.

INVESTMENT PHILOSOPHY

Dreman Value Management is one of the pioneers of contrarian value investing. Our investment philosophy is based on a disciplined, low P/E approach to stock selection.

- We invest in undervalued companies that exhibit strong fundamentals, above-market dividend yields and historic earnings growth, which our analysis indicates will persist.
- Our strategy is to own strong, fundamentally sound companies and to avoid speculative stocks or potential bankruptcies.
- We believe that the markets are not perfectly efficient and that, in particular, behavioral finance plays a considerable role in investor actions and over-reactions and subsequently in stock price movements.

INVESTMENT PROCESS

Our research studies, numerous academic papers and our long-term performance record show that out-of-favor stocks (those with low P/E ratios) consistently and predictably outperform the market.

- Screen for stocks with below market P/E ratios.
- Further refine candidates by applying additional value screens.
- Fundamental analysis is applied to remaining candidates.
- Stocks that pass all the screens and analysis are recommended to the Investment Committee for approval.

DREMAN VALUE MANAGEMENT, L.L.C.
520 East Cooper Avenue
Suite 230-4
Aspen, CO 81611-9725

NOT FDIC-INSURED | NOT BANK-GUARANTEED | MAY LOSE VALUE

DCS
LISTED
NYSE(R)

DCS-SAR-0408

ITEM 2. CODE OF ETHICS.

Not applicable for a semi-annual reporting period.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable for a semi-annual reporting period.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable for a semi-annual reporting period.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable for a semi-annual reporting period.

ITEM 6. SCHEDULE OF INVESTMENTS.

The Schedule of Investments is included as part of Item 1.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable for a semi-annual reporting period.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable for a semi-annual reporting period.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

None.

ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The registrant has not made any material changes to the procedures by which shareholders may recommend nominees to the registrant's Board of Trustees.

ITEM 11. 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-CSR was recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

(b) There were no changes 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 have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

(a)(1) Not Applicable

(a)(2) Certifications of principal executive officer and principal financial officer pursuant to Rule 30a-2(a) of the Investment Company Act of 1940.

(b) Certifications of principal executive officer and principal financial officer pursuant to Rule 30a-2(b) under the investment Company Act of 1940.

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.

(Registrant) Dreman/Claymore Dividend & Income Fund

By: /s/ J. Thomas Futrell

Name: J. Thomas Futrell

Title: Chief Executive Officer

Date: July 7, 2008

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

By: /s/ J. Thomas Futrell

Name: J. Thomas Futrell

Title: Chief Executive Officer

Date: July 7, 2008

By: /s/ Steven M. Hill

Name: Steven M. Hill

Title: Treasurer and Chief Financial Officer

Date: July 7, 2008