

Edgar Filing: Madison Covered Call & Equity Strategy Fund - Form N-Q

Madison Covered Call & Equity Strategy Fund
Form N-Q
November 24, 2014

OMB APPROVAL

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21582

Madison Covered Call and Equity Strategy Fund
(Exact name of registrant as specified in charter)

550 Science Drive, Madison, WI 53711
(Address of principal executive offices)(Zip code)

W. Richard Mason
Madison Asset Management, LLC
550 Science Drive
Madison, WI 53711
(Name and address of agent for service)

Registrant's telephone number, including area code: 608-274-0300

Date of fiscal year end: December 31

Date of reporting period: September 30, 2014

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

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the

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burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. s 3507.

Item 1. Schedule of Investments.

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Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

	Shares	Value (Note 1)
COMMON STOCKS - 74.0%		
Consumer Discretionary - 18.3%		
Amazon.com Inc. * (A)	17,700	\$5,707,188
CarMax Inc. * (A)	45,500	2,113,475
CBS Corp., Class B (A)	70,900	3,793,150
Discovery Communications Inc., Class C *	119,200	4,443,776
Home Depot Inc./The (A)	4,700	431,178
Lululemon Athletica Inc. * (A)	60,000	2,520,600
Priceline Group Inc./The * (A)	3,600	4,170,888
Ross Stores Inc. (A)	42,000	3,174,360
Starbucks Corp. (A)	56,500	4,263,490
TJX Cos. Inc./The (A)	40,000	2,366,800
		32,984,905
Consumer Staples - 7.0%		
Costco Wholesale Corp. (A)	40,000	5,012,800
General Mills Inc. (A)	75,500	3,808,975
Whole Foods Market Inc. (A)	99,500	3,791,945
		12,613,720
Energy - 8.4%		
Apache Corp. (A)	21,000	1,971,270
Baker Hughes Inc. (A)	69,500	4,521,670
Cameron International Corp. * (A)	53,000	3,518,140
Occidental Petroleum Corp. (A)	45,500	4,374,825
Petroleo Brasileiro S.A., ADR (A)	60,000	851,400
		15,237,305
Financials - 5.4%		
Morgan Stanley (A)	16,100	556,577
Progressive Corp./The (A)	151,500	3,829,920
State Street Corp. (A)	11,500	846,515
T. Rowe Price Group Inc. (A)	57,500	4,508,000
		9,741,012
Health Care - 3.4%		
Baxter International Inc. (A)	29,000	2,081,330
Express Scripts Holding Co. * (A)	58,000	4,096,540
		6,177,870
Industrials - 12.8%		
C.H. Robinson Worldwide Inc. (A)	20,000	1,326,400
Danaher Corp. (A)	55,500	4,216,890
FedEx Corp. (A)	13,000	2,098,850
Jacobs Engineering Group Inc. * (A)	94,500	4,613,490
Rockwell Collins Inc. (A)	58,400	4,584,400

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Stericycle Inc. * (A)	23,500	2,739,160
United Technologies Corp. (A)	32,300	3,410,880
		22,990,070
Information Technology - 15.2%		
Accenture PLC, Class A (A)	52,000	4,228,640
Altera Corp. (A)	95,000	3,399,100
Apple Inc. (A)	31,500	3,173,625

See accompanying Notes to Portfolios of Investments.

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Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

eBay Inc. * (A)	114,500	6,484,135
EMC Corp. (A)	43,100	1,261,106
Linear Technology Corp. (A)	63,500	2,818,765
Nuance Communications Inc. * (A)	99,000	1,526,085
QUALCOMM Inc. (A)	61,500	4,598,355
		27,489,811
Materials - 1.2%		
Mosaic Co./The (A)	49,800	2,211,618
Telecommunication Service - 2.3%		
Verizon Communications Inc. (A)	83,000	4,149,170
Total Common Stocks (Cost \$134,792,364)		133,595,481
	Contracts	
PUT OPTIONS PURCHASED - 1.3%		
S&P 500 Index, Put, Oct 2014, \$1,985	136	393,720
S&P 500 Index, Put, Nov 2014, \$2,005	350	2,024,750
Total Put Options Purchased (Cost \$1,590,486)		2,418,470
	Shares	
INVESTMENT COMPANIES - 9.1%		
Powershares QQQ Trust Series 1 (A)	56,000	5,532,240
SPDR Gold Shares *	46,000	5,345,660
SPDR S&P 500 ETF Trust (A)	27,800	5,477,156
Total Investment Companies (Cost \$16,600,533)		16,355,056
	Par Value	
U.S. GOVERNMENT AND AGENCY OBLIGATIONS - 5.5%		
U.S. Treasury Bill (B) (C) - 5.5%		
0.028%, 2/5/15	\$ 10,000,000	9,999,340
Total U.S. Government and Agency Obligations (Cost \$9,999,012)		9,999,340
	Shares	
SHORT-TERM INVESTMENTS - 11.7%		
State Street Institutional U.S. Government Money Market Fund	21,096,027	21,096,027
Total Short-Term Investments (Cost \$21,096,027)		21,096,027
TOTAL INVESTMENTS - 101.6% (Cost \$184,078,422)		183,464,374
NET OTHER ASSETS AND LIABILITIES - 0.5%		813,169

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TOTAL CALL & PUT OPTIONS WRITTEN - (2.1%)	(3,857,479)
TOTAL NET ASSETS - 100.0%	\$180,420,064

* Non-income producing.

See accompanying Notes to Portfolios of Investments.

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Madison Covered Call & Equity Strategy Fund Portfolio of Investments (unaudited)

- All or a portion of these securities' positions represent
- (A) covers (directly or through conversion rights) for outstanding options written.
- (B) Rate noted represents annualized yield at time of purchase.
- (C) All or a portion of these securities are segregated as collateral for put options written. As of September 30, 2014, the total amount segregated was \$9,999,340.

ADR American Depositary Receipt.

ETF Exchange Traded Fund.

PLC Public Limited Company.

Call Options Written	Contracts (100 Shares Per Contract)	Expiration Date	Strike Price	Value (Note 1)
Accenture PLC, Class A	120	October 2014	\$ 80.00	\$ 22,200
Accenture PLC, Class A	150	January 2015	80.00	49,500
Accenture PLC, Class A	250	January 2015	82.50	51,250
Altera Corp.	250	October 2014	34.00	46,875
Altera Corp.	250	January 2015	35.00	53,750
Altera Corp.	450	January 2015	36.00	72,000
Amazon.com Inc.	165	October 2014	335.00	39,848
Apache Corp.	210	October 2014	95.00	29,925
Apple Inc.	315	October 2014	97.14	133,875
Baker Hughes Inc.	300	October 2014	70.00	9,150
Baker Hughes Inc.	395	January 2015	70.00	63,200
Baxter International Inc.	160	October 2014	75.00	1,520
Baxter International Inc.	130	January 2015	75.00	11,310
C.H. Robinson Worldwide Inc.	200	November 2014	60.00	141,000
Cameron International Corp.	270	October 2014	75.00	1,350
CarMax Inc.	200	October 2014	50.00	2,000
CarMax Inc.	255	October 2014	52.50	638
CBS Corp., Class B	280	January 2015	55.00	76,300
CBS Corp., Class B	300	January 2015	57.50	57,000
CBS Corp., Class B	40	January 2015	60.00	5,000
CBS Corp., Class B	89	January 2015	62.50	7,120
Costco Wholesale Corp.	250	October 2014	115.00	260,000
Costco Wholesale Corp.	150	October 2014	120.00	86,625
Danaher Corp.	255	January 2015	77.50	66,938
Danaher Corp.	300	January 2015	80.00	50,250
eBay Inc.	385	October 2014	52.50	167,475
eBay Inc.	360	October 2014	55.00	87,120
eBay Inc.	400	January 2015	55.00	156,000
EMC Corp.	431	October 2014	27.00	99,561
Express Scripts Holding Co.	220	October 2014	75.00	2,090
Express Scripts Holding Co.	360	January 2015	75.00	59,940

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FedEx Corp.	130	October 2014	150.00	154,050
General Mills Inc.	185	January 2015	55.00	3,792
Home Depot Inc./The	47	October 2014	85.00	33,018
Jacobs Engineering Group Inc.	375	January 2015	55.00	17,812
Linear Technology Corp.	295	October 2014	45.00	23,600
Linear Technology Corp.	200	January 2015	45.00	