

BOULDER GROWTH & INCOME FUND

Form N-Q

April 25, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-02328

Boulder Growth & Income Fund, Inc.

(Exact name of registrant as specified in charter)

2344 Spruce Street, Suite A, Boulder, CO 80302

(Address of principal executive offices) (Zip code)

Stephen C. Miller, Esq.

2344 Spruce Street, Suite A

Boulder, CO 80302

(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 444-5483

Date of fiscal year end: November 30

Date of reporting period: December 1, 2016 – February 28, 2017

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Item 1 – Schedule of Investments.

The Schedule of Investments is included herewith.

PORTFOLIO OF INVESTMENTS BOULDER GROWTH & INCOME FUND, INC.
February 28, 2017 (Unaudited)

Description	Shares	Value (Note 2)
LONG TERM INVESTMENTS 101.27%		
DOMESTIC COMMON STOCK 94.90%		
Banks 6.79%		
Community Bank ⁽¹⁾	31,000	\$5,255,740
MidCountry Financial Corp.* ⁽¹⁾⁽²⁾	310,300	4,005,973
Perpetual Federal Savings Bank	87,762	2,312,529
Wells Fargo & Co. ⁽³⁾	1,233,600	71,400,768
		82,975,010
Construction Machinery 3.94%		
Caterpillar, Inc. ⁽³⁾⁽⁴⁾	498,700	48,204,342
Consumer Durables 1.06%		
Mattel, Inc. ⁽³⁾⁽⁴⁾	505,000	12,993,650
Diversified 30.85%		
Berkshire Hathaway, Inc., Class A* ⁽³⁾⁽⁴⁾	1,144	294,122,400
Berkshire Hathaway, Inc., Class B* ⁽³⁾	485,000	83,138,700
		377,261,100
Diversified Financial Services 10.12%		
American Express Co.	210,000	16,812,600
Goldman Sachs Group, Inc.	37,200	9,227,832
JPMorgan Chase & Co.	1,028,000	93,157,360
South Street Securities Holdings, Inc.* ⁽¹⁾⁽²⁾	25,000	4,489,750
		123,687,542
Healthcare Products & Services 2.50%		
Johnson & Johnson	250,000	30,552,500
Insurance 0.00% ⁽⁵⁾		
Forethought Financial Group, Inc., Escrow - Class A* ⁽¹⁾⁽²⁾	19,678	27,179
Manufacturing 0.58%		
3M Co. ⁽⁶⁾	38,000	7,081,300
Mining 1.02%		
Freeport-McMoRan, Inc.* ⁽³⁾⁽⁴⁾	929,000	12,448,600
Oil & Gas 5.84%		
Chevron Corp. ⁽³⁾	635,100	71,448,750
Pharmaceuticals 3.37%		
Pfizer, Inc. ⁽³⁾	1,207,100	41,186,252

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Real Estate Investment Trusts (REITs) 2.64%		
LTC Properties, Inc. ⁽³⁾	112,000	5,402,880
Ventas, Inc. ⁽³⁾	414,000	26,930,700
		32,333,580
Registered Investment Companies (RICs) 3.30%		
Cohen & Steers Infrastructure Fund, Inc.	1,914,058	40,290,920
Retail 11.62%		
Wal-Mart Stores, Inc. ⁽³⁾	818,100	58,027,833
Yum China Holdings, Inc. ^{*(3)(4)}	915,000	24,329,850
Yum! Brands, Inc. ⁽³⁾	915,000	59,767,800
		142,125,483

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Description	Shares	Value (Note 2)
Software & Services 4.68%		
International Business Machines Corp.	145,200	\$26,109,864
Oracle Corp. ⁽³⁾	731,200	31,141,808
		57,251,672
Technology, Hardware & Equipment 6.59%		
Cisco Systems, Inc.	1,822,200	62,282,796
Harris Corp.	166,300	18,276,370
		80,559,166
TOTAL DOMESTIC COMMON STOCK (Cost \$597,547,235)		1,160,427,046
FOREIGN COMMON STOCK 5.12%		
Beverages 1.97%		
Heineken Holding NV	180,000	13,670,717
Heineken NV	126,780	10,462,812
		24,133,529
Diversified 1.17%		
CK Hutchison Holdings, Ltd.	1,155,500	14,274,620
Pharmaceuticals 1.98%		
Sanofi	53,000	4,566,536
Sanofi, ADR ⁽³⁾⁽⁴⁾	455,300	19,637,089
		24,203,625
TOTAL FOREIGN COMMON STOCK (Cost \$40,612,341)		62,611,774
LIMITED PARTNERSHIPS 1.09%		
Enterprise Products Partners L.P.	476,800	13,364,704
TOTAL LIMITED PARTNERSHIPS (Cost \$10,814,578)		13,364,704
HEDGE FUND 0.16%		
Ithan Creek Partners L.P. ^{*(1)(2)}		1,891,895
TOTAL HEDGE FUND (Cost \$928,204)		1,891,895
TOTAL LONG TERM INVESTMENTS (Cost \$649,902,358)		1,238,295,419
SHORT TERM INVESTMENTS 2.77%		
Money Market Funds 2.77%		
State Street Institutional U.S. Government Money Market Fund, 7-Day Yield - 0.000%	33,832,072	33,832,072
TOTAL MONEY MARKET FUNDS (Cost \$33,832,072)		33,832,072

TOTAL SHORT TERM INVESTMENTS
(Cost \$33,832,072)

33,832,072

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TOTAL INVESTMENTS 104.04%
 (Cost \$683,734,430) \$1,272,127,491

LEVERAGE
 FACILITY (4.09%) (50,028,290)

OTHER ASSETS
 AND LIABILITIES
 0.05% 649,393

TOTAL NET ASSETS
 AVAILABLE TO
 COMMON
 STOCKHOLDERS
 100.00% \$1,222,748,594

*Non-income producing security.

Fair valued security under procedures established by the Fund's Board of Directors. Total value of fair valued (1) securities as of February 28, 2017 was \$15,670,537 or 1.28% of Total Net Assets Available to Common Stockholders.

(2) Restricted Security; these securities may only be resold in transactions exempt from registration under the Securities Act of 1933. (See Notes 12 and 13).

(3) Memo Pledged security; a portion or all of the security is pledged as collateral for borrowings as of February 28, 2017. (See Note 14).

(4) Loaned security; a portion or all of the security is on loan as of February 28, 2017. (See Note 14).

(5) Less than 0.005% of Total Net Assets Available to Common Stockholders.

All, or a portion of this security is being held as collateral for written call option contracts. As of February 28, (6) 2017, the aggregate market value of this security was \$7,081,300, representing 0.58% of Total Net Assets Available to Common Stockholders

Percentages are stated as a percent of the Total Net Assets Available to Common Stockholders.

Regional Breakdown as a % of Total
 Net Assets Available to Common
 Stockholders

United States	98.92%
France	1.98%
Netherlands	1.97%
Hong Kong	1.17%
Leverage Facility	(4.09)%
Other Assets and Liabilities	0.05%
Total Net Assets	100.00%

Contracts
 (100
 shares
 per
 contract) Value

Schedule Of Call Options Written

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Call Options Written

3M Co., Expires April 21, 2017, Exercise Price \$180.00 (380) \$(313,500)

Total Call Options Written

(Premiums received \$101,016) (313,500)

Boulder Growth & Income Fund, Inc.
Notes to Quarterly Portfolio of Investments
February 28, 2017 (Unaudited)

Note 1. Fund Organization

Boulder Growth & Income Fund, Inc. (the “Fund”), is a non-diversified, closed-end management company organized as a Maryland corporation and is registered with the Securities and Exchange Commission (“SEC”) under the Investment Company Act of 1940, as amended (the “1940 Act”). The Fund is considered an investment company for financial reporting purposes under generally accepted accounting principles in the United States of America (“GAAP”).

On March 20, 2015 (the “Reorganization Date”), Boulder Total Return Fund, Inc. (“BTF”), The Denali Fund Inc. (“DNY”) and First Opportunity Fund, Inc. (“FOFI” and together with BTF and DNY, the “Acquired Funds”) reorganized into the Fund (the “Reorganization”), pursuant to a certain Agreement and Plan of Reorganization.

Note 2. Valuation and Investment Practices

Portfolio Valuation: Equity securities for which market quotations are readily available (including securities listed on national securities exchanges and those traded over-the-counter) are valued based on the last sales price at the close of the applicable exchange. If such equity securities were not traded on the valuation date, but market quotations are readily available, they are valued at the bid price provided by an independent pricing service or by principal market makers. Equity securities traded on NASDAQ are valued at the NASDAQ Official Closing Price. Debt securities are valued at the mean between the closing bid and asked prices, or based on a matrix system which utilizes information (such as credit ratings, yields and maturities) from independent pricing services, principal market makers, or other independent sources. Money market mutual funds are valued at their net asset value. Short-term fixed income securities such as Commercial Paper, Bankers Acceptances and U.S. Treasury Bills, having a maturity of less than 60 days are valued using market quotations or a matrix method provided by a pricing service. If prices are not available from the pricing service, then the securities will be priced at “fair value” under procedures approved by the Board of Directors (the “Board”). The Board has delegated to the Valuation Committee, the responsibility of determining the fair value of any security or financial instrument owned by the Fund for which market quotations are not readily available or where the pricing agent or market maker does not provide a valuation or methodology, or provides a valuation or methodology that, in the judgment of the Valuation Committee, does not represent fair value (“Fair Value Securities”). The Valuation Committee uses a third-party pricing consultant to assist the committee in analyzing, developing, applying and documenting a methodology with respect to certain Fair Value Securities. The Valuation Committee and the valuation consultant, as appropriate, use valuation techniques that could utilize both observable and unobservable inputs. In such circumstances, the Valuation Committee is responsible for (i) identifying Fair Value Securities, (ii) analyzing each Fair Value Security and developing, applying and documenting a methodology for valuing Fair Value Securities, and (iii) periodically reviewing the appropriateness and accuracy of the methods used in valuing Fair Value Securities. The appointment of any officer or employee of the advisers or Fund to the Valuation Committee shall be promptly reported to the Board and ratified by the Board at its next regularly scheduled meeting. The Valuation Committee is responsible for reporting to the Board, on a quarterly basis, valuations and certain findings with respect to the Fair Value Securities. Such valuations and findings are reviewed by the entire Board on a quarterly basis.

The Portfolio of Investments includes investments valued at \$15,670,537 (1.28% of total net assets), whose fair values have been estimated by management in the absence of readily determinable fair values. Due to the inherent uncertainty of the valuation of these investments, these values may differ from the values that would have been used had a ready market for these investments existed and the differences could be material.

The Fund’s investment in an unregistered pooled investment vehicle, Ithan Creek Partners L.P. (the “Hedge Fund”), is valued, as a practical expedient, at the most recent net asset value determined by the Hedge Fund manager according to such manager’s policies and procedures based on valuation information reasonably available to the Hedge Fund

manager at that time; provided, however, that the Valuation Committee may consider whether it is appropriate, in light of relevant circumstances, to adjust such valuation in accordance with the Fund's valuation procedures. If the Hedge Fund does not report a value to the Fund on a timely basis, the fair value of the Hedge Fund shall be based on the most recent value reported by the Hedge Fund, as well as any other relevant information available at the time the Fund values its portfolio. The frequency and timing of receiving valuations for the Hedge Fund investment is subject to change at any time, without notice to investors, at the discretion of the Hedge Fund manager or the Fund.

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For valuation purposes, the last quoted prices of non-U.S. equity securities may be adjusted under certain circumstances. If the Valuation Committee determines that developments between the close of a foreign market and the close of the New York Stock Exchange (“NYSE”) will, in its judgment, materially affect the value of some or all of the Fund’s portfolio securities, the Valuation Committee may adjust the previous closing prices to reflect what it believes to be the fair value of the securities as of the close of the NYSE. In deciding whether it is necessary to adjust closing prices to reflect fair value, the Valuation Committee reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The Valuation Committee may also fair value securities in other situations, such as when a particular foreign market is closed but the U.S. market is open. The Valuation Committee may use outside pricing services to provide it with closing prices. The Valuation Committee may consider whether it is appropriate, in light of relevant circumstances, to adjust such valuation in accordance with the Fund’s valuation procedures. The Valuation Committee cannot predict how often it will use closing prices and how often it will determine it necessary to adjust those prices to reflect fair value. If the Valuation Committee adjusts prices, the Valuation Committee will periodically compare closing prices, the next day’s opening prices in the same markets and those adjusted prices as a means of evaluating its security valuation process.

Options are valued at the mean of the highest bid and lowest ask prices on the principal exchange on which the option trades. If no quotations are available, fair value procedures will be used. Fair value procedures will also be used for any options traded over-the-counter.

Various inputs are used to determine the value of the Fund’s investments. Observable inputs are inputs that reflect the assumptions market participants would use based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions based on the best information available in the circumstances.

These inputs are summarized in the three broad levels listed below.

Level 1—Unadjusted quoted prices in active markets for identical investments

Level 2—Significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3—Significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The following is a summary of the inputs used as of February 28, 2017 in valuing the Fund’s investments carried at value:

Investments in Securities at Value*	Level 1 - Quoted Prices	Level 2 - Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Domestic Common Stock				
Banks	\$73,713,297	\$ –	\$ 9,261,713	\$82,975,010
Diversified Financial Services	119,197,792	–	4,489,750	123,687,542
Insurance	–	–	27,179	27,179
Other	953,737,315	–	–	953,737,315
Foreign Common Stock				
Other	62,611,774	–	–	62,611,774
Limited Partnerships	13,364,704	–	–	13,364,704
Hedge Fund**	N/A	N/A	N/A	1,891,895

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Short Term Investments	33,832,072	–	–	33,832,072
TOTAL	\$1,256,456,954	\$ –	\$ 13,778,642	\$1,272,127,491

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	Level 1 – Quoted Prices	Level 2 – Significant Observable Inputs	Level 3 – Significant Unobservable Inputs	Total
Other Financial Instruments*				
Liabilities Call Options Written	\$(313,500)	\$ –	\$ –	\$(313,500)
TOTAL	\$(313,500)	\$ –	\$ –	\$(313,500)

*For detailed descriptions, see the accompanying Portfolio of Investments.

In accordance with ASU 2015-07 and Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amount presented in the Total column of this table is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Portfolio of Investments.

The Fund evaluates transfers into or out of Level 1, Level 2 and Level 3 as of the end of the reporting period.

During the three months ended February 28, 2017, there were no transfers between Levels 1 and 2 securities.

The following is a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value:

	Domestic Common Stock	Total
Boulder Growth & Income Fund		
Balance as of November 30, 2016	\$ 15,811,260	\$ 15,811,260
Accrued Discount/ Premium	-	-
Return of Capital	-	-
Realized Gain/(Loss)	4,460,088	4,460,088
Change in Unrealized Appreciation/(Depreciation)	(1,591,770)	(1,591,770)
Purchases	-	-
Sales Proceeds	(4,900,936)	(4,900,936)
Transfer into Level 3	-	-
Transfer out of Level 3	-	-
Balance as of February 28, 2017	\$ 13,778,642	\$ 13,778,642
Net change in unrealized appreciation/(depreciation) attributable to Level 3 investments held at February 28, 2017	\$(1,591,770)	\$(1,591,770)

The table below provides additional information about the Level 3 Fair Value Measurements as of February 28, 2017 where the Fund used its own significant assumptions:

Quantitative Information about Level 3 Fair Value Measurements

Asset Class	Industry Group	Fair Value (USD)	Valuation Technique	Unobservable Inputs ^(a)	Value/Range
Domestic Common Stocks:					
	Banks	\$9,261,713	Comparable Company Approach	Discount for Lack of Marketability Price to Tangible Book Value Multiple	10% – 26% 1.596x – 2.196x

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Diversified Financial Services	\$4,489,750	Comparable Company Approach	Discount for Lack of Marketability	10%
			Price to Tangible Book Value Multiple	2.378x
Insurance	\$27,179	Future Cash Distribution less a 20% discount	Discount for Lack of Marketability	20%
			Future Cash Distribution	\$1.73
Grand Total	\$13,778,642			

(a) A change to the unobservable input may result in a significant change to the value of the investment as follows:

Unobservable Input	Impact to Value if Input Increases	Impact to Value if Input Decreases
Discount for Lack of Marketability	Decrease	Increase
Price to Tangible Book Value Multiple	Increase	Decrease
Future Cash Distribution	Increase	Decrease

Securities Transactions and Investment Income: Securities transactions are recorded as of the trade date. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income is recorded as of the ex-dividend date or for certain foreign securities when the information becomes available to the Fund. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Interest income, including amortization of premium and accretion of discount on debt securities, as required, is recorded on the accrual basis.

Dividend income from investments in real estate investment trusts (“REITs”) is recorded at management’s estimate of income included in distributions received. Distributions received in excess of this amount are recorded as a reduction of the cost of investments. The actual amount of income and return of capital are determined by each REIT only after its fiscal year-end, and may differ from the estimated amounts. Such differences, if any, are recorded in the Fund’s following year.

Foreign Currency Translations: The Fund may invest a portion of its assets in foreign securities. In the event that the Fund executes a foreign security transaction, the Fund will generally enter into a forward foreign currency contract to settle the foreign security transaction. Foreign securities may carry more risk than U.S. securities, such as political, market and currency risks. See Foreign Issuer Risk below.

The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rate prevailing at the end of the period, and purchases and sales of investment securities, income and expenses transacted in foreign currencies are translated at the exchange rate on the dates of such transactions. Foreign currency gains and losses result from fluctuations in exchange rates between trade date and settlement date on securities transactions, foreign currency transactions, and the difference between the amounts of foreign interest and dividends recorded on the books of the Fund and the amounts actually received.

The portion of realized and unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately disclosed and is included in realized and unrealized gains or losses on investments, when applicable.

Foreign Issuer Risk: Investment in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers. These risks may include, but are not limited to: (i) less information about non-U.S. issuers or markets may be available due to less rigorous disclosure, accounting standards or regulatory practices; (ii) many non-U.S. markets are smaller, less liquid and more volatile thus, in a changing market, the advisers may not be able to sell the Fund’s portfolio securities at times, in amounts and at prices they consider reasonable; (iii) currency exchange rates or controls may adversely affect the value of the Fund’s investments; (iv) the economies of non-U.S. countries may grow at slower rates than expected or may experience downturns or recessions; and, (v) withholdings and other non-U.S. taxes may decrease the Fund’s return.

Concentration Risk: The Fund operates as a “non-diversified” investment company, as defined in the 1940 Act. As a result of being “non-diversified” with respect to 50% of the Fund’s portfolio, the Fund must limit the portion of its assets invested in the securities of a single issuer to 5%, measured at the time of purchase. In addition, no single investment can exceed 25% of the Fund’s total assets at the time of purchase. A more concentrated portfolio may cause the Fund’s net asset value to be more volatile and thus may subject