DELAWARE INVESTMENTS DIVIDEND & INCOME FUND, INC Form N-O

October 29, 2010

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: 811-07460

Exact name of registrant as specified in charter: Delaware Investments® Dividend and

Income Fund, Inc.

Address of principal executive offices: 2005 Market Street

Philadelphia, PA 19103

Name and address of agent for service: David F. Connor, Esq.

2005 Market Street Philadelphia, PA 19103

Registrant's telephone number, including area code: (800) 523-1918

Date of fiscal year end: November 30

Date of reporting period: August 31, 2010

Item 1. Schedule of Investments.

Schedule of Investments (Unaudited)

Delaware Investments® Dividend and Income Fund, Inc.

August 31, 2010

| Share Notes Value Common Stock – 65 36% 1,309 \$ 94,128 EPAva D Brands 1,509 974,128 Comeast Class A 5,509 974,128 Lowe's 42,500 86,84,940 Lowe's 42,500 86,84,940 Consumer Stuples – 7,69% 34,700 1,068,106 Kind Foods Class A 37,000 1,101,240 Kind Foods Class A 37,000 1,101,104 Vind Safeway 47,100 88,450 Vind Safeway 10,300 86,450 Vind Safeway 10,300 86,403 Vind Safeway 10,300 86,403 Vornado Realty Trust 10,300 86,403 Vornado Realty Trust 10,300 80,403 Chevon 14,200 90,257 Chevon 14,200 90,257 Marindo Oli< | | Number of | |
|--|--------------------------------|-----------|-----------|
| Consumer Discretionary - 2.84% = Pri Ava Di Brands 1,390 8 0 Comecat Class A 55,900 794,128 DIRECTV Class A 1,550 8,876 Lows 42,800 80,840 Consumer Staples - 7,69% 34,700 108,050 Crossumer Staples - 7,69% 34,700 108,050 CVS Caronark 30,300 98,010 Kinderly-Clark 17,100 1,101,20 Kind Foods Class A 37,000 1,101,20 Safeway 47,100 88,580 Diversified RETS - 1,18% 1,103,00 8,440 Except State Trust 10,300 8,440 Except J Tsust 10,300 8,440 Except J Tsust 12,000 8,604 "Worson Reality Trust 12,00 8,604 Chevron 14,200 1,02,235 Marathon Oil 32,50 99,025 National Orived IV Arco 26,40 99,275 National Orived IV Arco 26,40 99,275 Marathe McLeman 31,40 1,01,100 | | Shares | Value |
| PP A A Audo Brands | Common Stock – 65.36% | | |
| Comeast Class A 56,900 974,128 IDIRECTY Class A 1,550 58,776 Lowe's 42,000 86,88,40 Consumer Staptes - 7,69% 34,700 1,500,734 Archer-Daniels-Midland 34,700 1,006,806 CNS Caremark 36,300 98,01,000 Kintherly-Clark 17,101 1,012,40 Kraft Foods Class A 37,000 1,108,150 Safeway 47,00 85,480 Usersified REITs - 1,18% 31,000 84,460 Usersified REITs - 1,18% 10,300 84,460 Processors Real Estate Trust 10,300 8,4460 Exingtion Realty Trust 7,665 621,325 79,828 Energy - 7,89% 2 7,665 621,325 79,828 Chevron 14,200 1,053,072 7,050 1,022,385 8,043 9,092 7,050 1,022,385 8,043 9,092 7,050 1,022,385 9,092 7,050 9,092 7,050 9,092 7,050 9,092 7,050 9 | Consumer Discretionary – 2.84% | | |
| fDIRECTV Class A 1,550 58,776 Lowe's 42,800 36,8,840 1,901,744 Consumer Staples – 7,69% Total Class A 34,700 1,068,066 CVS Caremark 36,300 900,100 1,101,240 Kraft Foods Class A 37,000 1,108,150 5,143,036 Sisteway 47,100 88,848 5,143,036 Diversified REITs – 1,18% 10,300 84,460 88,480 5,143,036 Einversified Realty Trust 10,300 84,460 88,480 < | =P†Avado Brands | 1,390 | \$ 0 |
| Lowe's 42,800 868,840 Consumer Staples - 7.69% 1,901,744 Archer-Daniels Midland 34,700 1,088,066 CVS Caremark 36,300 98,0100 Kimberly-Clark 37,000 1,108,120 Kraft Foods Class A 37,000 1,108,120 *Safeway 47,100 885,480 *Oversified REITs - 1,18% 10,300 84,460 Diversified REITs - 1,18 12,900 86,433 *Vormado Realty Trust 12,900 86,043 *Vormado Realty Trust 12,900 86,043 *Vormado Realty Trust 14,200 1,053,072 Chevron 14,200 1,053,072 ConscoPhillips 19,500 1,022,385 Noble 10,400 323,648 Williams 26,400 99,2376 Noble 10,400 323,648 Williams 36,500 1,010,160 Bank of New York Mellon 38,300 292,541 Fifth Street Finance 34,001 323,648 Marsh & | Comcast Class A | 56,900 | 974,128 |
| 1,901,744 1,901,744 1,005,006 1,005,006 1,005,006 1,005,006 1,005,006 1,005,100 1,00 | †DIRECTV Class A | 1,550 | 58,776 |
| Consumer Staples – 7.69% Archer-Daniels-Midland 34,700 1.068,066 CVS Caremark 36,300 980,100 Kimberly-Clark 17,100 1.101,240 Kraft Foods Class A 37,000 1.108,150 **Safeway 47,100 885,480 Diversified REITs – 1.1886 10,300 84,460 **Investors Real Estate Trust 10,300 86,043 **Vornado Realty Trust 7,665 621,325 **Vornado Realty Trust 7,665 621,325 **Deveron 14,200 1,053,00 Conco-Ophilips 19,500 1,022,385 Marathon Oil 32,500 909,225 Noble 32,600 92,376 Noble 10,400 33,460 Williams 49,200 89,196 Silvarda 38,300 90,925 Alstate 36,600 1,010,100 Bank of New York Mellon 38,300 90,926 Fitth Street Finance 30,401 33,641 Marsh & McLennan 31,400 74 | Lowe's | 42,800 | 868,840 |
| Archer-Daniels-Midland 34,700 1,068,066 CVS Caremark 36,300 980,100 Kimberly-Clark 17,100 1,104,10 Kraft Foods Class A 37,000 1,108,150 *Safeway 47,100 885,480 Diversified REITs - 1,18% 10,300 84,460 Powersified REITs - 1,18% 12,900 86,043 *Vormado Realty Trust 12,900 86,043 *Vormado Realty Trust 12,900 86,043 *Vormado Realty Trust 19,500 1,053,072 Conco-Phillips 19,500 1,053,072 Conco-Phillips 19,500 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 92,376 Noble 10,400 333,648 Williams 49,200 81,906 Williams 36,600 1,010,10 Bank of New York Mellon 38,300 929,541 *Firifi Street Finance 34,041 335,644 Marsh & McLennan 31,000 1,028,80< | | | 1,901,744 |
| CVS Caremark 36,300 980,100 Kimberly-Clark 17,100 1,101,240 Kraft Poods Class A 37,000 1,108,150 *Safeway 47,100 885,480 Diversified REITs - 1,18% *Investors Real Estate Trust 10,300 84,460 Evenigton Realty Trust 12,900 86,043 *Vormado Realty Trust 7,665 62,1235 *Energy - 7,38% *** 1,202,085 Chevron 14,200 1,032,072 Concor-Phillips 19,500 1,022,385 Marathon Oil 32,500 990,225 National Oilwell Varco 26,400 92,376 Noble 10,400 32,368 Williams 49,200 81,996 Friancials - 6,95% 4,902 81,996 Flattistree Finance 38,00 99,941 Fliftis Street Finance 3,041 33,644 Marsh & McLennan 31,400 74,488 *Solar Capital 30,561 600,218 Travelers <td>Consumer Staples – 7.69%</td> <td></td> <td></td> | Consumer Staples – 7.69% | | |
| Kimberly-Clark 17,100 1,101,240 Kraft Foods Class A 37,000 1,108,150 *Safeway 47,100 885,840 *Lost Safeway 47,100 885,840 *Diversified REITs – 1,18% ************************************ | Archer-Daniels-Midland | 34,700 | 1,068,066 |
| Kraft Foods Class A 37,000 1,108,150 *Safeway 47,100 855,480 Diversified REITs - 1,18% 10,300 5,143,056 *Investors Real Estate Trust 10,300 84,460 £exington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 Energy - 7,88% 7 7,665 621,325 Chevron 14,200 1,053,072 7,065 7,082 OncooPhillips 19,500 1,022,385 7,000 </td <td>CVS Caremark</td> <td>36,300</td> <td>980,100</td> | CVS Caremark | 36,300 | 980,100 |
| *Safeway 47,100 885,480 Diversified REITs - 1,18% 5,143,036 Investors Real Estate Trust 10,300 84,460 Lexington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 Energy - 7,88% 7 14200 1,030,072 Chevron 14,200 1,053,072 2,035 3,072 <td>Kimberly-Clark</td> <td>17,100</td> <td>1,101,240</td> | Kimberly-Clark | 17,100 | 1,101,240 |
| 5,143,036 Diversified REITs - 1.18% *Investors Real Estate Trust 10,300 84,460 Lexington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 Energy - 7.88% ************************************ | Kraft Foods Class A | 37,000 | 1,108,150 |
| Diversified REITs - 1.18% 10,300 84,460 Lexington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 79,828 Energy - 7.88% Trust 14,200 1,053,072 Chevron 14,200 1,053,072 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 92,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials - 6.95% 4 49,200 891,996 Allstate 36,600 1,010,100 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,850 *Call Carriers 7,223 30,757 Batter International 7,323 30,757 Batter International 23,600 1,004,416 <td>*Safeway</td> <td>47,100</td> <td>885,480</td> | *Safeway | 47,100 | 885,480 |
| *Investors Real Estate Trust 10,300 84,460 Lexington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 791,828 Energy – 7.88% Trust 14,200 1,053,072 200,007 14,200 1,053,072 200,007 200,007 1,002,385 300 1,002,385 300 990,925 300,001 32,500 990,925 300,001 32,640 992,376 300,001 32,648 300,001 32,648 300,902 <td></td> <td></td> <td>5,143,036</td> | | | 5,143,036 |
| Lexington Realty Trust 12,900 86,043 *Vornado Realty Trust 7,665 621,325 Toplas28 Energy - 7,88% Tenergy - 7,88% Chevron 14,200 1,053,072 ConcocPhillips 19,500 1,022,385 Marathon Oil 32,500 990,225 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 5,274,402 5 5 Financials - 6,95% 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,800 *Health Care - 9.20% 4,648,951 **Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Diversified REITs – 1.18% | | |
| *Vornado Realty Trust 7,665 621,325 Energy – 7.88% Tenergy – 7.88% Chevron 14,200 1,053,072 ConcoPhillips 19,500 1,022,385 Marathon Oil 32,500 990,2376 Noble 10,400 323,648 Williams 49,200 891,996 Use of the street Financials – 6.95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 31,401 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 60021s Travelers 21,000 1,028,800 Travelers 21,000 1,028,800 Health Care – 9,20% **Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | *Investors Real Estate Trust | 10,300 | 84,460 |
| 791,828 Chevron 14,200 1,053,072 ConcoPhillips 19,500 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials – 6,95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 74,480s *Solar Capital 30,561 600,218 Travelers 21,000 1,028,80 *Health Care – 9,20% 4,648,951 *#Alliance HealthCare Services 7,232 30,757 Baxter International 23,600 1,004,416 | Lexington Realty Trust | 12,900 | 86,043 |
| Energy - 7.88% 14,200 1,053,072 ConocoPhillips 19,500 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials - 6.95% 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,800 4,648,951 Health Care - 9,20% ** ** 7,323 30,757 Baxter International 23,600 1,004,416 | *Vornado Realty Trust | 7,665 | 621,325 |
| Chevron 14,200 1,053,072 ConocoPhillips 19,500 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials – 6,95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9,20% ** 4,648,951 Baxter International 23,600 1,004,416 | | | 791,828 |
| ConocoPhillips 19,500 1,022,385 Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials - 6,95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 + Health Care - 9,20% **Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Energy – 7.88% | | |
| Marathon Oil 32,500 990,925 National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials – 6.95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Chevron | 14,200 | 1,053,072 |
| National Oilwell Varco 26,400 992,376 Noble 10,400 323,648 Williams 49,200 891,996 Financials - 6,95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 4,648,951 Health Care - 9,20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | ConocoPhillips | 19,500 | 1,022,385 |
| Noble 10,400 323,648 Williams 49,200 891,996 Financials – 6.95% 5,274,402 Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Marathon Oil | 32,500 | 990,925 |
| Williams 49,200 891,996 5,274,402 Financials – 6.95% Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | National Oilwell Varco | 26,400 | 992,376 |
| 5,274,402 Financials – 6.95% Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Noble | 10,400 | 323,648 |
| Financials – 6.95% Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% 4,648,951 *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Williams | 49,200 | 891,996 |
| Allstate 36,600 1,010,160 Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% 4,648,951 *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | | | 5,274,402 |
| Bank of New York Mellon 38,300 929,541 *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% 4,648,951 *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Financials – 6.95% | | |
| *Fifth Street Finance 34,041 335,644 Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 4,648,951 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Allstate | 36,600 | 1,010,160 |
| Marsh & McLennan 31,400 744,808 *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 Health Care – 9.20% 4,648,951 *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Bank of New York Mellon | 38,300 | 929,541 |
| *Solar Capital 30,561 600,218 Travelers 21,000 1,028,580 4,648,951 Health Care – 9,20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | *Fifth Street Finance | 34,041 | 335,644 |
| Travelers 21,000 1,028,580 4,648,951 Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Marsh & McLennan | 31,400 | 744,808 |
| Health Care - 9.20% +†Alliance HealthCare Services 7,323 30,757 | *Solar Capital | 30,561 | 600,218 |
| Health Care – 9.20% *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | Travelers | 21,000 | 1,028,580 |
| *†Alliance HealthCare Services 7,323 30,757 Baxter International 23,600 1,004,416 | | | 4,648,951 |
| Baxter International 23,600 1,004,416 | Health Care – 9.20% | | |
| | *†Alliance HealthCare Services | 7,323 | 30,757 |
| Cardinal Health 33,200 994,672 | Baxter International | 23,600 | 1,004,416 |
| | Cardinal Health | 33,200 | 994,672 |

| Johnson & Johnson | 17,900 | 1,020,658 |
|------------------------------|--------|-----------|
| Merck | 29,870 | 1,050,229 |
| Pfizer | 69,189 | 1,102,182 |
| *Quest Diagnostics | 22,000 | 957,000 |
| | | 6,159,914 |
| Health Care REITs – 3.19% | | |
| Cogdell Spencer | 16,800 | 103,824 |
| *HCP | 15,650 | 551,194 |
| *Health Care REIT | 9,060 | 416,216 |
| LTC Properties | 3,300 | 81,444 |
| Nationwide Health Properties | 8,800 | 338,536 |
| *Omega Healthcare Investors | 7,900 | 169,455 |
| *Ventas | 9,375 | 473,531 |
| | | 2,134,200 |
| Hotel REITs – 0.37% | | |
| *Host Hotels & Resorts | 18,688 | 245,373 |
| | | 245,373 |
| Industrial REITs – 0.05% | | |
| AMB Property | 1,280 | 30,451 |
| | | 30,451 |
| Industrials – 3.04% | | |
| †Delta Air Lines | 9 | 94 |
| †Flextronics International | 4,400 | 21,692 |
| †Foster Wheeler | 2 | 43 |
| *†Mobile Mini | 1,651 | 23,494 |
| Northrop Grumman | 17,200 | 930,864 |
| =P†PT Holdings | 350 | 4 |
| *Waste Management | 31,900 | 1,055,570 |
| | | 2,031,761 |
| | | |

| Information Technology – 5.73% | | |
|--|---------|-----------|
| Intel | 47,800 | 847,016 |
| International Business Machines | 8,200 | 1,010,486 |
| †Motorola | 136,400 | 1,027,092 |
| Xerox | 112,800 | 952,032 |
| Mall REITs – 1.99% | | 3,836,626 |
| General Growth Properties | 6 | 84 |
| *Macerich | 5,026 | 208,177 |
| Simon Property Group | 11,347 | 1,026,336 |
| *Taubman Centers | 2,400 | 99,576 |
| | | 1,334,173 |
| Materials – 1.57% | | |
| *duPont (E.I.) deNemours | 25,800 | 1,051,866 |
| | | 1,051,866 |
| Mortgage REITs – 0.44% | ** *** | |
| Chimera Investment | 23,800 | 93,534 |
| *Cypress Sharpridge Investments | 14,800 | 199,356 |
| Multifamily REITs – 1.36% | | 292,890 |
| Apartment Investment & Management | 7,968 | 162,866 |
| Associated Estates Realty | 7,200 | 97,632 |
| *BRE Properties | 4,600 | 188,048 |
| *Camden Property Trust | 3,450 | 157,872 |
| Equity Residential | 6,600 | 302,478 |
| | | 908,896 |
| Office REITs – 0.74% | | |
| *Boston Properties | 3,000 | 244,200 |
| Brandywine Realty Trust | 11,500 | 126,385 |
| Government Properties Income Trust | 4,800 | 123,216 |
| Off II I C'IDEIT OCICI | | 493,801 |
| Office/Industrial REITs – 0.61% | 5,550 | 328,949 |
| *Digital Realty Trust Liberty Property Trust | 2,700 | 81,999 |
| Liberty Froperty Trust | 2,700 | 410,948 |
| Real Estate Operating REITs – 0.46% | | 110,510 |
| *Starwood Property Trust | 16,000 | 304,320 |
| | | 304,320 |
| Self-Storage REITs – 0.76% | | |
| *Public Storage | 5,150 | 504,803 |
| | | 504,803 |
| Shopping Center REITs – 0.74% | | |
| *Federal Realty Investment Trust | 300 | 23,787 |
| *Kimco Realty | 20,430 | 304,611 |
| Ramco-Gershenson Properties Trust | 8,800 | 91,872 |
| *Weingarten Realty Investors | 3,600 | 72,648 |
| Single Tenant DEITs 0.24% | | 492,918 |
| Single Tenant REITs – 0.24% *National Retail Properties | 6,700 | 163,212 |
| National Retail Floperites | 0,700 | 103,212 |

| | | 163,212 |
|--|---------|------------|
| Specialty REITs – 0.78% | | |
| *Entertainment Properties Trust | 2,920 | 125,823 |
| *Plum Creek Timber | 6,885 | 237,325 |
| *Potlatch | 4,825 | 161,638 |
| | | 524,786 |
| Telecommunications – 3.86% | | |
| AT&T | 42,200 | 1,140,666 |
| =†Century Communications | 500,000 | 0 |
| Frontier Communications | 40,000 | 309,200 |
| †GeoEye | 550 | 20,042 |
| Verizon Communications | 37,800 | 1,115,478 |
| | | 2,585,386 |
| Utilities – 3.70% | | |
| American Water Works | 4,300 | 97,094 |
| Edison International | 33,300 | 1,123,875 |
| †Mirant | 189 | 1,833 |
| NorthWestern | 3,300 | 92,796 |
| Progress Energy | 27,000 | 1,158,570 |
| | | 2,474,168 |
| Total Common Stock (cost \$46,950,454) | | 43,740,453 |
| | | |
| Convertible Preferred Stock – 2.23% | | |
| Banking, Finance & Insurance – 0.86% | | |
| Aspen Insurance Holdings 5.625% exercise price \$29.28, expiration date 12/31/49 | 8,800 | 469,150 |
| Citigroup 7.5% exercise price \$3.94, expiration date 12/15/12 | 900 | 103,005 |
| @†Fannie Mae 8.75% exercise price \$32.45, expiration date 5/13/11 | 3,500 | 3,150 |
| | | 575,305 |
| | | |

| Energy – 0.68% | | |
|--|------------|-----------|
| †Apache 6.00% exercise price \$109.12, expiration date 8/1/13 | 1,300 | 70,239 |
| El Paso Energy Capital Trust I 4.75% exercise price \$41.59, expiration date 3/31/28 | 5,250 | 196,088 |
| SandRidge Energy 8.50% exercise price \$8.01, expiration date 12/31/49 | 2,305 | 191,038 |
| | | 457,365 |
| Health Care & Pharmaceuticals – 0.35% | | |
| Mylan 6.50% exercise price \$17.08, expiration date 11/15/10 | 220 | 230,780 |
| Telecommunications – 0.34% | | 230,780 |
| Lucent Technologies Capital Trust I 7.75% exercise price \$24.80, expiration date 3/15/17 | 305 | 228,750 |
| Lucent Technologies Capital Trust 17.75% exercise price \$24.80, expiration date 3/13/17 | 303 | 228,750 |
| Total Convertible Preferred Stock (cost \$1,713,134) | | 1,492,200 |
| Total Convertible Freiened Stock (cost \$1,713,134) | | 1,492,200 |
| | Principal | |
| | Amount | |
| Convertible Bonds – 13.65% | Aniount | |
| Aerospace & Defense – 0.75% | | |
| #AAR 144A 1.75% exercise price \$29.43, expiration date 1/1/26 | \$ 260,000 | 235,300 |
| *#L-3 Communications Holdings 144A 3.00% exercise price \$98.94, expiration date 8/1/35 | 265,000 | 267,319 |
| 6 | | 502,619 |
| Auto Parts & Equipment – 0.30% | | , |
| ArvinMeritor 4.00% exercise price \$26.73, expiration date 2/15/27 | 235,000 | 197,106 |
| | | 197,106 |
| Banking, Finance & Insurance – 0.54% | | |
| Jefferies Group 3.875% exercise price \$39.20, expiration date 11/1/29 | 149,000 | 148,441 |
| #SVB Financial Group 3.875% exercise price \$53.04, expiration date 4/15/11 | 210,000 | 212,888 |
| | | 361,329 |
| Basic Materials – 1.46% | | |
| #Owens-Brockway Glass Container 144A 3.00% exercise price \$47.47, expiration date 5/28/15 | 335,000 | 319,506 |
| Rayonier TRS Holdings 3.75% exercise price \$54.81, expiration date 10/15/12 | 345,000 | 368,288 |
| #Sino-Forest 144A 5.00% exercise price \$20.29, expiration date 8/1/13 | 255,000 | 289,744 |
| | | 977,538 |
| Building & Materials – 0.20% | | |
| Standard Pacific 6.00% exercise price \$8.37, expiration date 10/1/12 | 135,000 | 134,831 |
| | | 134,831 |
| Cable, Media & Publishing – 0.36% | | |
| VeriSign 3.25% exercise price \$34.37, expiration date 8/15/37 | 235,000 | 239,406 |
| | | 239,406 |
| Computers & Technology – 2.98% | | |
| #Advanced Micro Devices 144A 6.00% exercise price \$28.08, expiration date 5/1/15 | 83,000 | 81,651 |
| Euronet Worldwide 3.50% exercise price \$40.48, expiration date 10/15/25 | 435,000 | 422,494 |
| *Hutchinson Technology 3.25% exercise price \$36.43, expiration date 1/15/26 | 150,000 | 117,000 |
| Intel 2.95% exercise price \$30.75, expiration date 12/15/35 | 145,000 | 140,831 |
| Linear Technology 3.00% exercise price \$45.36, expiration date 5/1/27 | 425,000 | 426,593 |
| Live Nation Entertainment 2.875% exercise price \$27.15, expiration date 7/15/27 | 413,000 | 346,920 |
| #Rovi 144A 2.625% exercise price \$47.36, expiration date 2/15/40 | 250,000 | 281,875 |
| SanDisk 1.00% exercise price \$82.35, expiration date 5/15/13 | 190,000 | 175,275 |
| | | 1,992,639 |

| Chesapeake Energy 2.25% exercise price \$85.89, expiration date 12/15/38 | 220,000 | 165,825 |
|--|---------|-----------|
| *Peabody Energy 4.75% exercise price \$58.40, expiration date 12/15/41 | 50,000 | 51,750 |
| *Transocean 1.625% exercise price \$168.61, expiration date 12/15/37 | 125,000 | 123,594 |
| | | 341,169 |
| Health Care & Pharmaceuticals – 2.70% | | |
| Alere 3.00% exercise price \$43.98, expiration date 5/15/16 | 215,000 | 192,156 |
| #Allergan 144A 1.50% exercise price \$63.33, expiration date 4/1/26 | 415,000 | 461,168 |
| Amgen | | |
| 0.375% exercise price \$79.48, expiration date 2/1/13 | 270,000 | 269,325 |
| #144A 0.375% exercise price \$79.48, expiration date 2/1/13 | 165,000 | 164,588 |
| fHologic 2.00% exercise price \$38.59, expiration date 12/15/37 | 255,000 | 231,731 |
| LifePoint Hospitals 3.25% exercise price \$61.22, expiration date 8/15/25 | 220,000 | 213,125 |
| Medtronic 1.65% exercise price \$54.79, expiration date 4/15/13 | 275,000 | 276,719 |
| | | 1,808,812 |
| Leisure, Lodging & Entertainment – 0.55% | | |
| #Gaylord Entertainment 144A 3.75% exercise price \$27.25, expiration date 10/1/14 | 160,000 | 188,000 |
| *International Game Technology 144A 3.25% exercise price \$19.97, expiration date 5/1/14 | 160,000 | 175,800 |
| | | 363,800 |
| Real Estate – 0.40% | | |
| #Digital Realty Trust 144A 5.50% exercise price \$43.00, expiration date 4/15/29 | 95,000 | 140,600 |
| #Lexington Realty Trust 144A 6.00% exercise price \$7.09, expiration date 1/15/30 | 120,000 | 127,800 |
| | | 268,400 |
| Retail – 0.25% | | |
| Pantry 3.00% exercise price \$50.09, expiration date 11/15/12 | 180,000 | 169,650 |
| | | 169,650 |
| Telecommunications – 1.80% | | |
| Alaska Communications System Group 5.75% exercise price \$12.90, expiration date 3/1/13 | 260,000 | 256,425 |
| | | 189,875 |

| Level 3 Communications 5.25% exercise price \$3.98, expiration date 12/15/11 | 140,000 | 137,900 |
|--|---------|-----------|
| NII Holdings 3.125% exercise price \$118.32, expiration date 6/15/12 | 410,000 | 398,725 |
| SBA Communications 4.00% exercise price \$30.38, expiration date 10/1/14 | 165,000 | 223,163 |
| | | 1,206,088 |
| Transportation – 0.33% | | |
| Bristow Group 3.00% exercise price \$77.34, expiration date 6/14/38 | 254,000 | |