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Madison Covered Call & Equity Strategy Fund
Form N-CSRS
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-CSRS

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21582

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

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

Kevin S. Thompson
Chief Legal Officer
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: June 30, 2018

Form N-CSRS 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-CSRS in its regulatory, disclosure review, inspection, and policymaking roles.

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

Item 1. Certified Financial Statement

Semi-annual Report

June 30, 2018

MADISON COVERED CALL &
EQUITY STRATEGY FUND (MCN)

Active Equity Management combined with a Covered Call Option Strategy

MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018

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MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018

Review of Period

What happened in the market during the first half of 2018?

In late 2017, we commented that investor complacency was very high given the strong and consistent upward trend to equity markets in 2017. That sentiment only grew stronger in January of 2018 as the S&P 500 turned in its best opening month since 1997. The main driver of the continued equity surge came in the form of personal and corporate tax cuts which caused equity analysts to adjust their earnings expectations higher and speculate that companies would spend their newfound riches on stock buybacks, dividend increases and increased capital spending programs. In late January, however, the tide turned and from all-time highs on January 26th to the low on February 8th, the S&P 500 declined a touch more than 10%, the largest drop since early 2016. A valiant rebound recouped about two thirds of the loss by early March but additional selling pressure rolled the market over once more as the first quarter came to a close. Complacency had morphed into concern in the form of rising rates and inflation, lower leading economic indicators despite the tax cuts, and the uncertainty of tariffs and trade wars. The strongest start to the year for the S&P 500 in very long time had reversed to become the weakest first quarter in 9 years.

During the second quarter of the year, the S&P 500 found its footing once more and moved higher, albeit, in a choppy fashion. With most other global financial assets continuing to struggle, U.S. equities performed well despite ongoing concerns. Market views are as diverse now as at any time that we can recall. Many believe the U.S. stock market is overly expensive and susceptible to derating as growth expectations flounder while others believe that earnings growth is expanding after a lull and that valuations will expand, carrying markets to new highs. Interest rate expectations vary greatly from those who believe that rates are on an upward trend given that inflationary expectations are growing, to those who believe that rates have risen far enough to give the Federal Reserve room to bring them lower again in case the economy sputters. Even within the current multi-front trade disputes, there is much debate over whether the tough trade stances are just a negotiating ploy or if we are in for protracted and potentially damaging global trade warfare. None of these issues are mutually exclusive, meaning that the outcome of each can have a meaningful impact on the outlook for the others. At some level, this uncertainty must weigh on equity investors. To a certain degree, the U.S. dollar continues to be a “flight to quality” asset for global investors, hence its recent bounce from weakness in 2017. Generally speaking, U.S. equities continue to be relatively attractive versus other asset classes. However, the variety of potential outcomes from just the uncertainties mentioned above should cause investors to, at least, partake in a considered level of caution.

How did the Fund perform given the marketplace conditions during the first six months of 2018?

For the six months ending June 30, 2018, the Madison Covered Call & Equity Strategy Fund (“MCN” or the “Fund”) market price rose 1.28%, slightly lagging the CBOE S&P BuyWrite Index (BXM) return of 1.78%. The S&P 500 rose 2.65% during the period. The Fund’s Net Asset Value (NAV) rose 1.54%. The Fund’s discount to NAV widened only slightly during the period from -6.7% to -7.2%. The Fund entered the year with a very conservative posture following the sustained 2017 market surge and lagged as the market continued to rally in January. However, as the market corrected, the Fund performed very well during a distressed period,

protecting capital during the downturn. During the second quarter, the market rebounded somewhat, rising 3.43% in an uneven, rather unconvincing fashion given the multiple levels of uncertainty that investors are encountering. Market volatility, which had surged earlier in the year, subsided but then leveled out at a meaningfully higher level than that observed in 2017. The S&P 500 continued to be driven by a relatively narrow group of large, mainly technology related companies. In the second quarter, 54% of the market's return was generated by Amazon, Apple, Facebook, Microsoft and Google. While the Technology and Consumer Discretionary sectors were again amongst the leaders, it was the Energy sector that topped the best performer rank. Crude oil prices rose 15% as inventory

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MCN | Madison Covered Call & Equity Strategy Fund | Review of Period (unaudited) - continued | June 30, 2018
concerns abated and the impact on energy related companies has started to be appreciated by investors. With oil prices still 1/3rd below the 2011 levels of \$120/barrel, the S&P 500 index weight remains more than 50% below the 2011 weights. That weighting has bottomed and is now on the increase and, in our view, has room to move higher.

**SHARE PRICE AND NAV PERFORMANCE FOR
MADISON COVERED CALL & EQUITY STRATEGY FUND**

Call option coverage declined marginally during the period, starting at 80.5% and ending at 77.3%. This remains a defensive approach but one that allowed the Fund to participate in the market gains at a slightly elevated level. Despite the overall rise in the market, there was a good degree of choppiness during the quarter which kept volatility at reasonable levels and allowed the option pricing to remain somewhat elevated. The option overlay was a detractor from performance relative to the S&P 500, however, most of the lag came from the periods during which the markets moved higher. Cash levels ended the period below 10%, which was slightly elevated due to continued option assignment activity particularly early in the period. Despite the market's rise, cash holdings were additive to relative performance during the period. The combination of cash and option overlay resulted in only a slightly negative impact on the Fund's performance.

The Fund's individual securities were positive contributors to overall performance with additive results coming from The Energy, Materials, Technology and Financial sectors. The only meaningful weakness came from Consumer Discretionary holdings.

During the period, the top performing sectors were Consumer Discretionary, Information Technology and Energy, while the laggards were Consumer Staples and Telecommunications. The Fund has been underweighted in the Consumer Discretionary and Technology areas for a significant period of time given what we believe are elevated valuations and less compelling growth opportunities. Given their continued strong performance, particularly weighted toward only a handful of the very largest companies, the Fund did not fully participate in these returns. However, as the Energy sector rallied with higher oil prices, the Fund's overweighting, was a positive contributor to returns. Since late last year, the Fund has also built its position in the Materials sector, believing that a trend toward later cycle areas, combined with relative strength in emerging market economies and

continued weakness in the U.S dollar, would support basic industrial commodity prices. Although, in the short run, that thesis remains challenged primarily due to the impact of trade uncertainty, the Fund's overweighting in the Materials sector was a meaningfully positive contributor to returns.

Describe the Fund's portfolio equity and option structure.

As of June 30, 2018, the Fund held 41 equity securities and unexpired call options had been written against 77.3% of the Fund's stock holdings. It is the strategy of the Fund to write "out-of-the-money" call options and as of June 30, 87.1% of the Fund's call options (61 of 70 different options) remained "out-of-the-money." (Out-of-the-money means the stock price is below the strike price at which the shares could be called away by the option holder). On average, the Fund's call options were 46 days to expiration.

Which sectors are prevalent in the Fund?

From a sector perspective, MCN's largest exposure as of June 30, 2018 was to the Information Technology sector followed by the Health Care, Materials, Financials and Energy sectors. This was followed by smaller exposure in the Consumer Discretionary, Telecommunications, Industrial, Consumer Staples and Utilities sectors. The Fund had no exposure to the Real Estate sector.

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MCN | Madison Covered Call & Equity Strategy Fund | Review of Period (unaudited) - continued | June 30, 2018

ALLOCATION AS A
PERCENTAGE OF TOTAL
INVESTMENTS

AS OF 6/30/18

| | |
|----------------------------|-------|
| Consumer Discretionary | 5.8 % |
| Consumer Staples | 3.2 % |
| Energy | 8.9 % |
| Exchange Traded Funds | 4.2 % |
| Financials | 9.7 % |
| Health Care | 11.3% |
| Industrials | 4.7 % |
| Information Technology | 17.3% |
| Materials | 10.8% |
| Money Market Funds | 15.6% |
| Telecommunication Services | 5.6 % |
| Utilities | 2.9 % |

Discuss the Fund’s security and option selection process.

The Fund is managed by primarily focusing on active stock selection before adding the call option overlay utilizing individual equity call options rather than index options. We use Fundamental analysis to select solid companies with good growth prospects and attractive valuations. We then seek attractive call options to write on those stocks. It is our belief that this partnership of active management of the equity and option strategies provides investors with an innovative, risk-moderated approach to equity investing. The Fund’s portfolio managers seek to invest in a portfolio of common stocks that have favorable “PEG” ratios (Price-Earnings ratio to Growth rate) as well as financial strength and industry leadership. As bottom-up investors, we focus on the Fundamental businesses of our companies. Our stock selection philosophy strays away from the “beat the street” mentality, as we seek companies that have sustainable competitive advantages, predictable cash flows, solid balance sheets and high-quality management teams. By concentrating on long-term prospects and circumventing the “instant gratification” school of thought, we believe we bring elements of consistency, stability and predictability to our shareholders.

Once we have selected attractive and solid names for the Fund, we employ our call writing strategy. This procedure entails selling calls that are primarily out-of-the-money, meaning that the strike price is higher than the common stock price, so that the Fund can participate in some stock appreciation. By receiving option premiums, the Fund receives a high level of investment income and adds an element of downside protection. Call options may be written over a number of time periods and at differing strike prices in an effort to maximize the protective value to the strategy and spread income evenly throughout the year.

What is the management’s outlook for the market and Fund for the remainder of 2018?

In terms of global trade issues, events are unfolding on a day-to-day basis. It is very difficult for anyone to prescribe an end game to this issue and the possible outcomes range from benign to extremely damaging to the U.S. and global economies. We believe it is more likely that the current administration is serious about its trade

stance as opposed to just looking for a quick victory in advance of upcoming mid-term elections. This overhang is unlikely to go away quickly. Market valuations, in our estimation are stretched. However, not stretched to a point of major concern. Although expensive, the technology sector is not yet at levels seen during the tech bubble. At its peak, the tech sector represented 33% of the index while only contributing 16% of the market's earnings. Today, tech represents 26% of the index but its earnings contribution is higher at 19%. Expensive? yes, but not at historically high levels. Regarding interest rates, the 3% level on the U.S. 10 year bond was breached in May before backing down below that level as the quarter ended. 3% is a significant increase off the 1.3% lows from 2 years ago, however, we are still at low levels from a historic perspective. A well-known fixed income guru recently compared rising rates to a suicide mission given that we are raising rates during a time that we are increasing the size of the deficit to extreme levels. We believe that this will keep a cap on rates for the foreseeable future given the fragility of the economy and the related uncertainties that weigh on the potential path for further economic growth.

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MCN | Madison Covered Call & Equity Strategy Fund | Review of Period (unaudited) - concluded | June 30, 2018
With significant market uncertainty and yields that will likely remain subdued for some time, equity income investing provides a less volatile approach to asset allocation structuring while also providing an attractive alternative income source for investors. We see covered call writing as an attractive solution given the current investment environment.

TOP TEN EQUITY

HOLDINGS AS OF 6/30/18

% of Total Investments

| | |
|---------------------------|------|
| T-Mobile U.S. Inc. | 3.8% |
| Alphabet Inc., Class C | 3.3% |
| Apache Corp. | 2.9% |
| Alcoa Corp. | 2.8% |
| Ciena Corp. | 2.8% |
| DowDuPont Inc. | 2.8% |
| Microsoft Corp. | 2.8% |
| QUALCOMM Inc. | 2.8% |
| Xilinx Inc. | 2.7% |
| Baxter International Inc. | 2.6% |

INDEX DEFINITIONS

Indices are unmanaged and reflect no expenses. It is not possible to invest directly in an index.

The S&P 500® Index is an unmanaged, capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The Chicago Board Options Exchange (CBOE) Market Volatility Index, often referred to as the VIX (its ticker symbol), the fear index or the fear gauge, is a measure of the implied volatility of S&P 500® Index options. It represents a measure of the market's expectation of stock market volatility over the next 30-day period. Quoted in percentage points, the VIX represents the expected daily movement in the S&P 500® Index over the next 30-day period, which is then annualized.

The CBOE S&P 500 Buy/Write Index (BXM) is a benchmark index designed to show the hypothetical performance of a portfolio that purchases all the constituents of the S&P 500® Index and then sells at-the-money (meaning same as purchase price) call options of one-month duration against those positions.

Past performance is no guarantee of future results.

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MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018

Portfolio of Investments (unaudited)

| | Shares | Value (Note 2) |
|---------------------------------------|---------|----------------------|
| COMMON STOCKS - 87.9% | | |
| Consumer Discretionary - 6.3% | | |
| Discovery Inc., Class C*(A) | 120,300 | \$ 3,067,650 |
| General Motors Co. | 103,200 | 4,066,080 |
| Whirlpool Corp. (A) | 18,100 | 2,646,763 |
| | | 9,780,493 |
| Consumer Staples - 3.5% | | |
| Archer-Daniels-Midland Co. (A) | 60,000 | 2,749,800 |
| JM Smucker Co./The (A) | 24,400 | 2,622,512 |
| | | 5,372,312 |
| Energy - 9.8% | | |
| Apache Corp. (A) | 105,700 | 4,941,475 |
| Baker Hughes, a GE Co. (A) | 119,400 | 3,943,782 |
| Canadian Natural Resources Ltd. (A) | 91,000 | 3,282,370 |
| Range Resources Corp. (A) | 179,600 | 3,004,708 |
| | | 15,172,335 |
| Financials - 10.6% | | |
| Bank of America Corp. (A) | 128,600 | 3,625,234 |
| Citigroup Inc. (A) | 49,300 | 3,299,156 |
| JPMorgan Chase & Co. (A) | 31,900 | 3,323,980 |
| Northern Trust Corp. (A) | 31,000 | 3,189,590 |
| Regions Financial Corp. (A) | 170,000 | 3,022,600 |
| | | 16,460,560 |
| Health Care - 12.4% | | |
| Baxter International Inc. (A) | 60,500 | 4,467,320 |
| Cerner Corp.* (A) | 51,500 | 3,079,185 |
| CVS Health Corp. (A) | 44,800 | 2,882,880 |
| Gilead Sciences Inc. (A) | 61,300 | 4,342,492 |
| McKesson Corp. (A) | 9,700 | 1,293,980 |
| Medtronic PLC (A) (B) | 36,300 | 3,107,643 |
| | | 19,173,500 |
| Industrials - 5.2% | | |
| Delta Air Lines Inc. (A) | 58,000 | 2,873,320 |
| Fastenal Co. (A) | 60,800 | 2,926,304 |
| FedEx Corp. (A) | 9,500 | 2,157,070 |
| | | 7,956,694 |
| Information Technology - 19.0% | | |
| Alphabet Inc., Class C* (A) | 5,000 | 5,578,250 |

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| | | |
|--|------------|---------------|
| Analog Devices Inc. (A) | 14,500 | 1,390,840 |
| Ciena Corp.* (A) | 178,500 | 4,732,035 |
| First Data Corp., 'A'* (A) | 171,000 | 3,579,030 |
| Microsoft Corp. (A) | 48,200 | 4,753,002 |
| QUALCOMM Inc. (A) | 84,600 | 4,747,752 |
| Xilinx Inc. (A) | 70,300 | 4,587,778 |
| | | 29,368,687 |
| Materials - 11.8% | | |
| Alcoa Corp.* (A) | 101,100 | 4,739,568 |
| DowDuPont Inc. (A) | 71,800 | 4,733,056 |
| Freeport-McMoRan Inc. (A) | 120,800 | 2,085,008 |
| Newmont Mining Corp. (A) | 114,700 | 4,325,337 |
| Steel Dynamics Inc. (A) | 52,000 | 2,389,400 |
| | | 18,272,369 |
| Telecommunication Services - 6.1% | | |
| CenturyLink Inc. (A) | 167,000 | 3,112,880 |
| T-Mobile U.S. Inc.* (A) | 106,200 | 6,345,450 |
| | | 9,458,330 |
| Utilities - 3.2% | | |
| AES Corp. (A) | 182,000 | 2,440,620 |
| Sempra Energy (A) | 21,000 | 2,438,310 |
| | | 4,878,930 |
| Total Common Stocks (Cost \$151,645,905) | | 135,894,210 |
| EXCHANGE TRADED FUNDS - 4.6% | | |
| Invesco DB Gold Fund* | 100,000 | 3,951,000 |
| VanEck Vectors Gold Miners ETF | 140,600 | 3,136,786 |
| Total Exchange Traded Funds (Cost \$7,319,469) | | 7,087,786 |
| SHORT-TERM INVESTMENTS - 17.1% | | |
| State Street Institutional U.S. Government Money Market Fund, 1.82%, Premier Class | 26,509,434 | 26,509,434 |
| Total Short-Term Investments (Cost \$26,509,434) | | 26,509,434 |
| TOTAL INVESTMENTS - 109.6% (Cost \$185,474,808**) | | 169,491,430 |
| TOTAL CALL & PUT OPTIONS WRITTEN - (1.7%) | | (2,650,025) |
| NET OTHER ASSETS AND LIABILITIES - (7.9%) | | (12,130,413) |
| TOTAL NET ASSETS - 100.0% | | \$154,710,992 |

* Non-income producing.

** Aggregate cost for Federal tax purposes was \$184,436,949.

(A) All or a portion of these securities' positions represent covers (directly or through conversion rights) for outstanding options written.

(B) Notes and bonds, issued by foreign entities, denominated in U.S. dollars. The aggregate of these securities is 2.0% of total net assets.

ETF Exchange Traded Fund

PLC Public Limited Company

See accompanying Notes to Financial Statements.

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MCN | Madison Covered Call & Equity Strategy Fund | Portfolio of Investments (unaudited) - continued | June 30, 2018

Written Option Contracts Outstanding at June 30, 2018

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---------------------------------|----------------|-----------------|---------------------|-----------------|--------------|--------------------------|--|
| Call Options Written | | | | | | | |
| AES Corp. | \$ 12.00 | 08/17/2018 | (1,820) | \$(182,000) | \$(268,450) | \$(52,710) | \$(215,740) |
| Alcoa Corp. | 47.00 | 07/20/2018 | (366) | (36,600) | (69,540) | (48,850) | (20,690) |
| Alcoa Corp. | 55.00 | 07/20/2018 | (98) | (9,800) | (1,225) | (22,060) | 20,835 |
| Alphabet Inc., Class C | 1,100.00 | 07/20/2018 | (25) | (2,500) | (83,250) | (56,187) | (27,063) |
| Alphabet Inc., Class C | 1,150.00 | 08/17/2018 | (25) | (2,500) | (75,125) | (55,459) | (19,666) |
| Analog Devices Inc. | 97.50 | 07/20/2018 | (145) | (14,500) | (19,575) | (36,305) | 16,730 |
| Apache Corp. | 45.00 | 07/20/2018 | (475) | (47,500) | (121,600) | (58,158) | (63,442) |
| Apache Corp. | 47.50 | 08/17/2018 | (582) | (58,200) | (125,712) | (76,429) | (49,283) |
| Archer-Daniels-Midland Co. | 47.00 | 09/21/2018 | (600) | (60,000) | (70,200) | (73,838) | 3,638 |
| Baker Hughes, a GE Co. | 38.00 | 07/20/2018 | (69) | (6,900) | (690) | (8,553) | 7,863 |
| Baker Hughes, a GE Co. | 35.00 | 08/17/2018 | (500) | (50,000) | (43,750) | (47,110) | 3,360 |
| Bank of America Corp. | 30.00 | 08/17/2018 | (430) | (43,000) | (16,340) | (23,724) | 7,384 |
| Bank of America Corp. | 30.00 | 09/21/2018 | (430) | (43,000) | (25,585) | (34,091) | 8,506 |
| Baxter International Inc. | 70.00 | 08/17/2018 | (231) | (23,100) | (116,078) | (43,157) | (72,921) |
| Baxter International Inc. | 75.00 | 08/17/2018 | (374) | (37,400) | (59,279) | (48,646) | (10,633) |
| Canadian Natural Resources Ltd. | 35.00 | 08/17/2018 | (450) | (45,000) | (97,875) | (37,796) | (60,079) |
| CenturyLink Inc. | 19.00 | 08/17/2018 | (850) | (85,000) | (57,375) | (57,623) | 248 |
| CenturyLink Inc. | 20.00 | 10/19/2018 | (820) | (82,000) | (42,230) | (46,044) | 3,814 |
| Cerner Corp. | 62.50 | 07/20/2018 | (250) | (25,000) | (8,125) | (27,240) | 19,115 |
| Cerner Corp. | 62.50 | 08/17/2018 | (149) | (14,900) | (19,370) | (20,392) | 1,022 |
| Cerner Corp. | 65.00 | 09/21/2018 | (116) | (11,600) | (11,890) | (14,503) | 2,613 |
| Ciena Corp. | 28.00 | 07/20/2018 | (500) | (50,000) | (8,750) | (62,950) | 54,200 |

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| | | | | | | | |
|-------------------------|--------|------------|-------|----------|-----------|----------|----------|
| Ciena Corp. | 27.00 | 09/21/2018 | (835) | (83,500) | (125,250) | (88,167) | (37,083) |
| Ciena Corp. | 29.00 | 09/21/2018 | (450) | (45,000) | (34,425) | (65,330) | 30,905 |
| Citigroup Inc. | 75.00 | 09/21/2018 | (213) | (21,300) | (10,863) | (43,984) | 33,121 |
| CVS Health Corp. | 67.50 | 08/17/2018 | (225) | (22,500) | (33,188) | (50,670) | 17,482 |
| Delta Air Lines Inc. | 55.00 | 07/20/2018 | (171) | (17,100) | (2,137) | (20,869) | 18,732 |
| Delta Air Lines Inc. | 57.50 | 07/20/2018 | (238) | (23,800) | (952) | (41,531) | 40,579 |
| Delta Air Lines Inc. | 57.50 | 09/21/2018 | (171) | (17,100) | (6,070) | (28,297) | 22,227 |
| Discovery Inc., Class C | 25.00 | 09/21/2018 | (600) | (60,000) | (123,000) | (39,397) | (83,603) |
| DowDuPont Inc. | 70.00 | 07/20/2018 | (360) | (36,000) | (7,020) | (41,645) | 34,625 |
| DowDuPont Inc. | 72.50 | 08/17/2018 | (358) | (35,800) | (13,783) | (37,776) | 23,993 |
| Fastenal Co. | 55.00 | 08/17/2018 | (173) | (17,300) | (3,460) | (27,340) | 23,880 |
| FedEx Corp. | 240.00 | 08/17/2018 | (95) | (9,500) | (33,725) | (30,318) | (3,407) |
| First Data Corp. | 21.00 | 07/20/2018 | (800) | (80,000) | (48,000) | (34,425) | (13,575) |
| First Data Corp. | 22.00 | 08/17/2018 | (910) | (91,000) | (56,875) | (47,485) | (9,390) |
| Freeport-McMoRan Inc. | 19.00 | 07/20/2018 | (302) | (30,200) | (4,530) | (15,692) | 11,162 |
| Freeport-McMoRan Inc. | 19.00 | 08/17/2018 | (400) | (40,000) | (19,200) | (30,092) | 10,892 |
| General Motors Co. | 40.00 | 07/20/2018 | (153) | (15,300) | (12,546) | (9,174) | (3,372) |
| General Motors Co. | 45.00 | 07/20/2018 | (363) | (36,300) | (1,633) | (32,808) | 31,175 |
| General Motors Co. | 45.00 | 08/17/2018 | (516) | (51,600) | (11,610) | (57,421) | 45,811 |
| Gilead Sciences Inc. | 70.00 | 07/20/2018 | (310) | (31,000) | (63,085) | (31,515) | (31,570) |
| Gilead Sciences Inc. | 72.50 | 08/17/2018 | (303) | (30,300) | (66,206) | (69,817) | 3,611 |
| JM Smucker Co./The | 110.00 | 08/17/2018 | (244) | (24,400) | (70,760) | (41,446) | (29,314) |
| JPMorgan Chase & Co. | 110.00 | 07/20/2018 | (219) | (21,900) | (11,388) | (35,377) | 23,989 |

See accompanying Notes to Financial Statements.

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MCN | Madison Covered Call & Equity Strategy Fund | Portfolio of Investments (unaudited) - continued | June 30, 2018

| Description | Exercise Price | Expiration Date | Number of Contracts | Notional Amount | Market Value | Premiums Paid (Received) | Unrealized Appreciation (Depreciation) |
|---------------------------------|----------------|-----------------|---------------------|-----------------|---------------|--------------------------|--|
| JPMorgan Chase & Co. | \$120.00 | 07/20/2018 | (100) | \$(10,000) | \$ (300) | \$ (14,333) | \$ 14,033 |
| McKesson Corp. | 150.00 | 08/17/2018 | (59) | (5,900) | (5,605) | (34,158) | 28,553 |
| McKesson Corp. | 155.00 | 08/17/2018 | (38) | (3,800) | (1,900) | (11,558) | 9,658 |
| Medtronic PLC | 87.50 | 07/20/2018 | (185) | (18,500) | (8,233) | (28,033) | 19,800 |
| Medtronic PLC | 87.50 | 08/17/2018 | (178) | (17,800) | (20,203) | (30,537) | 10,334 |
| Microsoft Corp. | 105.00 | 08/17/2018 | (316) | (31,600) | (35,392) | (55,531) | 20,139 |
| Microsoft Corp. | 105.00 | 09/21/2018 | (166) | (16,600) | (30,793) | (31,864) | 1,071 |
| Newmont Mining Corp. | 39.00 | 09/21/2018 | (510) | (51,000) | (59,925) | (52,725) | (7,200) |
| Northern Trust Corp. | 110.00 | 07/20/2018 | (310) | (31,000) | (13,950) | (118,031) | 104,081 |
| QUALCOMM Inc. | 60.00 | 08/17/2018 | (151) | (15,100) | (20,763) | (24,153) | 3,390 |
| QUALCOMM Inc. | 62.50 | 08/17/2018 | (425) | (42,500) | (34,000) | (66,298) | 32,298 |
| Range Resources Corp. | 17.00 | 08/17/2018 | (308) | (30,800) | (30,800) | (25,860) | (4,940) |
| Range Resources Corp. | 19.00 | 09/21/2018 | (900) | (90,000) | (58,500) | (75,628) | 17,128 |
| Regions Financial Corp. | 20.00 | 08/17/2018 | (850) | (85,000) | (12,325) | (33,976) | 21,651 |
| Sempra Energy | 120.00 | 08/17/2018 | (210) | (21,000) | (38,850) | (29,465) | (9,385) |
| Steel Dynamics Inc. | 47.00 | 08/17/2018 | (260) | (26,000) | (43,550) | (42,702) | (848) |
| Steel Dynamics Inc. | 48.00 | 08/17/2018 | (260) | (26,000) | (34,450) | (40,058) | 5,608 |
| T-Mobile U.S. Inc. | 62.50 | 08/17/2018 | (300) | (30,000) | (37,200) | (41,240) | 4,040 |
| T-Mobile U.S. Inc. | 67.50 | 08/17/2018 | (300) | (30,000) | (9,450) | (74,384) | 64,934 |
| Whirlpool Corp. | 170.00 | 07/20/2018 | (138) | (13,800) | (414) | (66,001) | 65,587 |
| Whirlpool Corp. | 150.00 | 08/17/2018 | (43) | (4,300) | (19,780) | (17,585) | (2,195) |
| Xilinx Inc. | 72.50 | 07/20/2018 | (300) | (30,000) | (4,950) | (35,427) | 30,477 |
| Xilinx Inc. | 72.50 | 08/17/2018 | (333) | (33,300) | (26,972) | (60,996) | 34,024 |
| Total Options Written, at Value | | | | | \$(2,650,025) | \$(2,882,944) | \$232,919 |

See accompanying Notes to Financial Statements.

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

MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018
 Statement of Assets and Liabilities as of June 30, 2018 (unaudited)

| | |
|---|---------------|
| Assets: | |
| Investments in unaffiliated securities, at fair value [†] | \$169,491,430 |
| Receivables: | |
| Investments sold | 139,387 |
| Dividends and interest | 150,553 |
| Total assets | 169,781,370 |
| Liabilities: | |
| Payables: | |
| Investments purchased | 12,283,510 |
| Management fees | 103,278 |
| Service agreement fees | 33,565 |
| Options written, at value (premium received \$2,882,944) (Note 7) | 2,650,025 |
| Total liabilities | 15,070,378 |
| Net assets | \$154,710,992 |
| Net assets consist of: | |
| Common Stock/Shares: | |
| Par value (\$0.001 per common stock and \$0.000001 per share, respectively) | \$ 19,268 |
| Paid-in capital in excess of par | 169,848,358 |
| Accumulated undistributed net investment loss | (6,378,189) |
| Accumulated net realized gain on investments sold, options and foreign currency related transactions | 6,972,176 |
| Net unrealized depreciation of investments (including appreciation (depreciation) of options and foreign currency related transactions) | (15,750,621) |
| Net Assets | \$154,710,992 |
| Capital Shares Issued and Outstanding (Note 8) | 19,268,423 |
| Net Asset Value per share | \$8.03 |
| Cost of Investments in unaffiliated securities | \$185,474,808 |

See accompanying Notes to Financial Statements.

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

MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018

Statement of Operations For the Period Ended June 30, 2018 (unaudited)

Investment Income:

| | |
|---|--------------|
| Interest | \$ 194,973 |
| Dividends | |
| Unaffiliated issuers | 1,194,879 |
| Less: Foreign taxes withheld/reclaimed | (3,507) |
| Income from securities lending | 12 |
| Total investment income | 1,386,357 |
| Expenses (Note 3): | |
| Management fees | 624,807 |
| Service agreement fees | 203,062 |
| Other expenses | 45 |
| Total expenses | 827,914 |
| Net Investment Income | 558,443 |
| Net Realized and Unrealized Gain (Loss) on Investments | |
| Net realized gain (loss) on investments (including net realized gain (loss) on foreign currency related transactions) | |
| Options purchased | (302,694) |
| Options written | 5,976,736 |
| Unaffiliated issuers | 3,012,721 |
| Net change in unrealized appreciation (depreciation) on investments (including net unrealized appreciation (depreciation) on foreign currency related transactions) | |
| Options purchased | (45,006) |
| Options written | 4,270,648 |
| Unaffiliated issuers | (11,200,392) |
| Net Realized and Unrealized Gain on Investments and Option Transactions | 1,712,013 |
| Net Increase in Net Assets from Operations | \$ 2,270,456 |

Statements of Changes in Net Assets

| | (unaudited) Six-Months Ended 6/30/18 | Year Ended 12/31/17 |
|--|---|---------------------------|
| Net Assets at beginning of period | \$159,377,168 | \$162,087,278 |
| Increase (decrease) in net assets from operations: | | |
| Net investment income | 558,443 | 1,816,483 |
| Net realized gain | 8,686,763 | 11,829,086 |
| Net change in unrealized depreciation | (6,974,750) | (2,482,414) |
| Net increase in net assets from operations | 2,270,456 | 11,163,155 |
| Distributions to shareholders from: | | |
| Net investment income and capital gains | (6,936,632) | (10,572,489) |
| Return of capital | – | (3,300,776) |
| Total distributions | (6,936,632) | (13,873,265) |
| Total decrease in net assets | (4,666,176) | (2,710,110) |
| Net Assets at end of period | \$154,710,992 | \$159,377,168 |
| Undistributed net investment loss included in net assets | \$(6,378,189) | \$ – |

See accompanying Notes to Financial Statements.

10

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

MCN | Madison Covered Call & Equity Strategy Fund | June 30, 2018

Financial Highlights for a Share of

Beneficial Interest Outstanding

| | (unaudited) Year Ended December 31, Six-Months Ended | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|--|-------------------|-------------------|-------------------|---------------------|-----------------------|
| | 6/30/18 | | | | | |
| Net Asset Value at beginning of period | \$8.27 | \$8.41 | \$8.48 | \$9.28 | \$9.41 | \$8.63 |
| Income from Investment Operations: | | | | | | |
| Net investment income (loss) | 0.03 | 0.09 | 0.03 ¹ | 0.04 ¹ | (0.02) ¹ | (0.00) ^{1,2} |
| Net realized and unrealized gain (loss) on investments | 0.09 | 0.49 | 0.62 | (0.12) | 0.61 | 1.50 |
| Total from investment operations | 0.12 | 0.58 | 0.65 | (0.08) | 0.59 | 1.50 |
| Less Distributions From: | | | | | | |
| Net investment income and capital gains | (0.36) | (0.55) | (0.46) | (0.70) | (0.72) | (0.56) |
| Return of capital | – | (0.17) | (0.26) | (0.02) | – | (0.16) |
| Total distributions | (0.36) | (0.72) | (0.72) | (0.72) | (0.72) | (0.72) |
| Net increase (decrease) in net asset value | (0.24) | (0.14) | (0.07) | (0.80) | (0.13) | 0.78 |
| Net Asset Value at end of period | \$8.03 | \$8.27 | \$8.41 | \$8.48 | \$9.28 | \$9.41 |
| Market Value at end of period | \$7.45 | \$7.72 | \$7.70 | \$7.38 | \$8.14 | \$8.17 |
| Total Return | | | | | | |
| Net asset value (%) | 1.54 ³ | 7.14 | 7.92 | (0.91) | 6.41 | 17.93 |
| Market value (%) ⁴ | 1.28 ³ | 9.77 | 14.51 | (0.48) | 8.50 | 17.05 |
| Ratios/Supplemental Data: | | | | | | |
| Net Assets at end of period (in 000's) | \$154,711 | \$159,377 | \$162,087 | \$163,366 | \$178,780 | \$181,335 |
| Ratios of expenses to average net assets(%) | 1.06 ⁵ | 1.13 ⁶ | | | | |