

BOULDER GROWTH & INCOME FUND  
Form N-CSRS  
August 07, 2009

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 811-02328

Boulder Growth & Income Fund, Inc.  
(Exact name of registrant as specified in charter)

Fund Administrative Services

2344 Spruce Street, Suite A

Boulder, CO  
(Address of principal executive offices)

80302  
(Zip code)

Fund Administrative Services

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, 2009

Date of reporting period: May 31, 2009

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**Item 1. Reports to Stockholders.**

The Report to Stockholders is attached herewith.

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**BOULDER GROWTH & INCOME FUND, INC.**

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**LETTER FROM THE ADVISERS**

Dear Shareholder:

The Boulder Growth & Income Fund (BIF) had a total return of -1.5% based on its net asset value (NAV) for the 6-months ending 05/31/2009. The total return based on BIF's market price for the same period was 5.8%. The S&P 500 Index was up 4.1% over the same period.

<b>Cumulative Returns</b>	<b>3 Months Ended 5/31/09</b>	<b>6 Months Ended 5/31/09</b>	<b>One Year Ended 5/31/09</b>	<b>Three Years* Ended 5/31/09</b>	<b>Five Years* Ended 5/31/09</b>	<b>Since January 2002**</b>
Boulder Growth & Income Fund (NAV)	15.1%	(1.5)%	(21.3)%	(0.2)%	3.7%	3.7%
S&P 500 Index	25.8%	4.1%	(32.5)%	(8.3)%	(1.9)%	(0.9)%
Dow Jones Industrial Average	21.3%	(2.0)%	(30.4)%	(6.2)%	(1.1)%	0.3%
NASDAQ Composite	29.1%	16.2%	(28.9)%	(5.8)%	(1.4)%	(0.57)%

*The total returns for BIF in the table above do not include the affect of dilution from the 12/2002 rights offering. If the affect of dilution is included, the annualized return since 1/2002 would be 1.4%.*

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\* *Annualized*

\*\* *Annualized since January 2002, when the current Advisers became investment advisers to the Fund.*

We are pleased to report that your Fund received two 2008 Performance Achievement Certificates from Lipper Analytical Services in its closed-end classification of Core Funds:

- The Boulder Growth & Income Fund ranks #1 in the Lipper Closed-End Equity Fund Performance Analysis for Core Funds for the 1-year Ended December 31, 2008
- The Boulder Growth & Income Fund ranks #1 in the Lipper Closed-End Equity Fund Performance Analysis for Core Funds for the 5-years Ended December 31, 2008

These awards were received after a huge downturn in the markets in 2008, which is a reflection of one of our primary investing tenets: Don't lose what you already have. By retaining most of the cash we received in the June 2008 rights offering, we avoided investing it prior to the severe market downturn in the latter half of 2008. We confess that we didn't adhere in the strictest sense of this rule. Obviously we suffered with the rest of the market in the investments we had prior, but we're not smart enough to know when the market will rise and fall. We only try to find long-term investments that will 1) survive in even the most severe economic downturns such as the one we had, and are currently witnessing, and 2) provide good returns when the economy is on cruise control.

5.31.09 **SEMI-ANNUAL REPORT**



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A \$10,000 investment in BIF at NAV when BIA and SIA became co-advisers to the Fund in January 2002 would be worth \$13,070 on May 31, 2009. Had the investor purchased the S&P 500 Index at the same time, he'd have less than he started with - only \$9,370. So after expenses (and assuming no expenses on the S&P), an investor would have 39% more money having purchased BIF.

Looking at the Fund's investments, its largest one, Berkshire Hathaway, was down (11.9%) in the 6 months ending 5/31/09, and similarly, its next largest position, WalMart, was down (9.6%). On the upside, nearly all of our foreign holdings, which comprise about 12% of the portfolio, were up nicely. For example, Cheung Kong Holdings was up 31% and Hang Lung Properties, a Hong Kong REIT, was up 57% during the period. Midland Holdings, another Hong Kong company, was up over 100%. All of these increases occurred in the last 6 months and are more of a rebound from severe declines in 2008. We're glad we didn't panic and sell them at the bottom. Some people did that. During the period, we doubled our position in Heineken Holdings from 60,000 shares to 120,000 shares. We have seen a 20% rise in its price since we purchased it in late April.

We used the downturn in the market as an opportunity to start putting some money to work from February through the end of May by buying shares in GE, 3M, Unilever, Pfizer, Proctor & Gamble, and our largest purchase, Johnson & Johnson. The good news is we bought these companies at what we believe are pretty good prices. With the exception of Johnson & Johnson, we didn't buy what we'd consider a full load of these companies. What were we thinking? We liked these companies we bought and we liked the prices at which they were selling. However, the market was in such a sharp decline in February and into March, we weren't inclined to jump in with both feet. Instead, like a little boy at the swimming pool with water wings around his arms, we stuck our big toe in the water and tested. Before we could figure out that all the water in the pool was not going down the drain, the market quickly moved higher. We are still finding some places to put your money to work at what we believe are good prices. Yet, we're not convinced that we've seen the bottom, so we continue to be very cautious before making new commitments or adding to some good companies we already own. At this point, we do not anticipate a quick end to the worldwide economic crisis and the cash we hold makes us feel quite comfortable.

When making additional equity investments, we continue to try to estimate what effect inflation will have on them. With the U.S. Treasury issuing debt at an unprecedented rate, and the Federal Reserve continuing to monetize it, we think there is a high probability of increasing inflation; but we have no idea how soon such inflation will occur. What we can tell you for certain is we won't pay a price we don't think is reasonable. We'd rather be patient.

**BOULDER GROWTH & INCOME FUND, INC.**

[www.boulderfunds.net](http://www.boulderfunds.net)

with your money. This economy is by no means out of the woods yet; there are potential dark clouds on the horizon. The State of California is in a sorry state. How would you like to get an IOU for your State income tax refund? Try taking that to the grocery store. Other state and local governments across the nation are also hurting.

But there are still bargains to be found. We have been buying other closed-end funds trading at discounts to their NAV's which more than offsets the expenses and provides us with income through a diversified portfolio. For the most part, the funds we bought specialize in REITs, utilities and/or preferreds. All of the funds we bought pay a regular monthly or quarterly dividend. If the underlying assets in these funds recover, we may have the chance to double-dip in our returns if the discounts narrow at the same time.

The Fund holds cash and cash-equivalents totaling about \$66 million, or about 38% of the Fund's assets as of 5/31/09. Cash-equivalents can be a tricky term when it includes Auction Rate Preferreds ( ARPs ) which are included in the \$66 million figure. The Fund holds a total of \$10.75 million par value of these preferred instruments issued by other closed-end funds (which are currently fair valued at 98% of par). One year ago, the Fund held almost \$31 million of these securities. Since then, many funds have redeemed their ARPs at their full stated par value. We consider these somewhat frozen assets (the auctions continue to fail) to be good assets that is to say, they are still rated AAA and continue paying dividends. In fact, we recently read that the Fund can expect another \$1.7 million in redemptions this July.

Our website at [www.boulderfunds.net](http://www.boulderfunds.net) is an excellent source for information on the Fund. One of the features on the website is the ability to sign up for electronic delivery of stockholder information. Through electronic delivery, you can enjoy the convenience of receiving and viewing stockholder communications, such as annual reports, managed distribution information, and proxy statements online in addition to, but more quickly than, the hard copies you currently receive in the mail. To enroll, simply go to [www.boulderfunds.net/enotify.htm](http://www.boulderfunds.net/enotify.htm). You will also find information about the Boulder Growth & Income Fund's sister fund the Boulder Total Return Fund on the website.

Sincerely,

Stewart R. Horejsi  
Stewart Investment Advisers  
Barbados, W.I.

Carl D. Johns  
Boulder Investment Advisers, LLC  
Boulder, Colorado

**FINANCIAL DATA [Unaudited]**

		<b>Net Asset Value</b>	<b>Per Share of Common Stock NYSE Closing Price</b>	<b>Dividends Paid</b>
12/31/08	\$	5.84	\$ 4.66	\$ 0.000
1/31/09		5.50	4.42	0.000
2/28/09		5.05	3.89	0.000
3/31/09		5.32	3.96	0.000
4/30/09		5.67	4.36	0.000
5/31/09		5.81	4.60	0.000

**Boulder Growth & Income Fund, Inc.:**

- Ranks #1 in the Lipper Closed-End Equity Fund Performance Analysis for Core Funds for the 1-Year Ended December 31, 2008
- Ranks #1 in the Lipper Closed-End Equity Fund Performance Analysis for Core Funds for the 5-Years Ended December 31, 2008

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INVESTMENTS AS A % OF NET ASSETS AVAILABLE TO COMMON AND PREFERRED STOCK



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**PORTFOLIO OF INVESTMENTS** [Unaudited]

May 31, 2009

Shares	Description	Value (Note 1)
<b>LONG TERM INVESTMENTS 68.0%</b>		
<b>DOMESTIC COMMON STOCKS 47.7%</b>		
<b>Construction Machinery 0.4%</b>		
20,000	Caterpillar, Inc.	\$ 709,200
<b>Cosmetics/Personal Care 0.9%</b>		
30,000	The Procter & Gamble Co.	1,558,200
<b>Diversified 25.5%</b>		
466	Berkshire Hathaway, Inc., Class A*	42,685,600
500	Berkshire Hathaway, Inc., Class B*	1,486,000
		44,171,600
<b>Diversified Financial Services 0.7%</b>		
35,000	American Express Co.	869,750
4,300	Franklin Resources, Inc.	287,455
		1,157,205
<b>Electric Utilities 1.3%</b>		
150,000	Great Plains Energy, Inc.	2,260,500
<b>Healthcare Products &amp; Services 3.2%</b>		
100,000	Johnson & Johnson	5,516,000
<b>Insurance 0.9%</b>		
47,074	Fidelity National Financial, Inc.	656,212
40,000	First American Corp.	912,400
		1,568,612
<b>Manufacturing 2.1%</b>		
12,000	3M Co.	685,200
50,500	Eaton Corp.	2,196,750
60,000	General Electric Co.	808,800
		3,690,750
<b>Pharmaceuticals 0.2%</b>		
17,000	Pfizer, Inc.	258,230
<b>Registered Investment Company (RIC) 5.6%</b>		
291,762	Cohen & Steers Advantage Income Realty Fund, Inc.	1,099,943
120,137	Cohen & Steers Premium Income Realty Fund, Inc.	432,493
106,600	Cohen & Steers Quality Income Realty Fund, Inc.	423,202
138,734	Cohen & Steers REIT and Preferred Income Fund, Inc.	1,028,019
509,550	Cohen & Steers REIT and Utility Income Fund, Inc.	3,312,075
47,700	Cohen & Steers Select Utility Fund, Inc.	528,516
91,174	Cohen & Steers Worldwide Realty Income Fund, Inc.	350,108

See accompanying notes to financial statements.

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Shares	Description	Value (Note 1)
<b>Registered Investment Company (continued)</b>		
66,000	Flaherty & Crumrine/Claymore Preferred Securities Income Fund, Inc.	\$ 597,300
135,392	Flaherty & Crumrine/Claymore Total Return Fund, Inc.	1,226,652
146,663	ING Clarion Global Real Estate Income Fund	768,514
		9,766,822
<b>Retail 6.9%</b>		
240,000	Wal-Mart Stores, Inc.	11,937,600
<b>TOTAL DOMESTIC COMMON STOCKS</b>		
(Cost \$80,179,361)		82,594,719
<b>FOREIGN COMMON STOCKS 11.2%</b>		
<b>Australia 0.3%</b>		
983,610	ING Office Fund	449,029
<b>Canada 0.6%</b>		
10,200	Bank of Nova Scotia	356,708
44,000	Brookfield Asset Management, Inc., Class A	766,952
		1,123,660
<b>Hong Kong 4.5%</b>		
185,000	Cheung Kong Holdings, Ltd.	2,286,175
600,000	Hang Lung Properties, Ltd.	2,027,798
500,000	Henderson Investment, Ltd.	39,343
104,500	Henderson Land Development Co., Ltd.	630,862
1,500,000	Midland Holdings, Ltd.	1,002,290
650,000	Wheelock & Co, Ltd.	1,844,626
		7,831,094
<b>Japan 0.0% (1)</b>		
105	New City Residence Investment Corp.*(2)(3)	4,573
<b>Netherlands 3.0%</b>		
120,000	Heineken Holding NV	3,603,257
31,663	Heineken NV	1,127,113
20,000	Unilever NV	477,974
		5,208,344
<b>New Zealand 1.4%</b>		
4,219,835	Kiwi Income Property Trust	2,486,963
<b>Singapore 0.6%</b>		
906,666	Ascendas Real Estate Investment Trust	954,154

See accompanying notes to financial statements.

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Shares/ Principal Amount	Description	Value (Note 1)
<b>Turkey 0.0% (1)</b>		
57,183	Dogus Ge Gayrimenkul Yatirim Ortakligi A.S.*	\$ 29,449
<b>United Kingdom 0.8%</b>		
25,000	Diageo PLC, Sponsored ADR	1,364,000
<b>TOTAL FOREIGN COMMON STOCKS</b> (Cost \$20,037,447)		19,451,266
<b>AUCTION PREFERRED SECURITIES 6.1%</b>		
228	Advent Claymore Global Convertible Securities & Income Fund, Series W(3)	5,586,000
25	Cohen & Steers REIT and Preferred Income Fund, Inc., Series W(3)	612,500
43	Cohen & Steers Select Utility Fund, Series M7(3)	1,053,500
108	Gabelli Dividend & Income Trust, Series B(3)	2,646,000
26	Neuberger Berman Real Estate Securities Income Fund, Series A(3)	637,000
<b>TOTAL AUCTION PREFERRED SECURITIES</b> (Cost \$10,750,066)		10,535,000
<b>HEDGE FUND 3.0%</b>		
5	Ithan Creek Partners, L.P.*(3)	5,183,615
<b>TOTAL HEDGE FUND</b> (Cost \$5,000,000)		5,183,615
<b>TOTAL LONG TERM INVESTMENTS</b> (Cost \$115,966,874)		117,764,600
<b>SHORT TERM INVESTMENTS 32.1%</b>		