

BOULDER TOTAL RETURN FUND INC  
Form N-Q  
April 29, 2010

**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 811-07390

Boulder Total Return Fund, Inc.  
(Exact name of registrant as specified in charter)

2344 Spruce Street, Suite A, Boulder, CO  
(Address of principal executive offices)

80302  
(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: February 28, 2010

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**Item 1 Schedule of Investments.**

The Schedule of Investments are included herewith.

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PORTFOLIO OF INVESTMENTS  
February 28, 2010 (Unaudited)

BOULDER TOTAL RETURN FUND, INC.

| Shares/<br>Principal<br>Amount                     | Description   | Value (Note 1) |
|--|---|----------------|
| <b>LONG TERM INVESTMENTS 92.6%</b>                 |   |                |
| <b>DOMESTIC COMMON STOCKS 81.1%</b>                |   |                |
| <b>Construction Machinery 1.2%</b>                 |   |                |
| 60,000   | Caterpillar, Inc.   | \$ 3,423,000   |
| <b>Diversified 42.4%</b>                           |   |                |
| 690  | Berkshire Hathaway, Inc., Class A*                                  | 82,662,001     |
| 460,000  | Berkshire Hathaway, Inc., Class B*                                  | 36,859,800     |
|  |   | 119,521,801    |
| <b>Diversified Financial Services 0.2%</b>         |   |                |
| 5,700  | Franklin Resources, Inc.  | 579,804        |
| <b>Electric Utilities 0.2%</b>                     |   |                |
| 17,500   | Black Hills Corp.   | 487,725        |
| <b>Gas 0.1%</b>                                    |   |                |
| 12,000   | Inergy L.P.   | 433,440        |
| <b>Healthcare Products &amp; Services 4.8%</b>     |   |                |
| 216,000  | Johnson & Johnson   | 13,608,000     |
| <b>Insurance 1.4%</b>                              |   |                |
| 120,000  | First American Corp.  | 3,867,600      |
| <b>Manufacturing 0.2%</b>                          |   |                |
| 8,000  | 3M Co.  | 641,200        |
| <b>Pharmaceuticals 0.8%</b>                        |   |                |
| 123,300  | Pfizer, Inc.  | 2,163,915      |
| <b>Pipelines 0.4%</b>                              |   |                |
| 15,000   | Boardwalk Pipeline Partners L.P.                                    | 449,100        |
| 9,200  | Energy Transfer Partners L.P.                                       | 425,776        |
| 13,700   | Enterprise Products Partners L.P.                                   | 448,812        |
|  |   | 1,323,688      |
| <b>Real Estate Investment Trust (REIT) 0.4%</b>    |   |                |
| 75,000   | Redwood Trust, Inc.   | 1,068,750      |
| <b>Registered Investment Companies (RICs) 5.9%</b> |   |                |
| 313,546  | Cohen & Steers Infrastructure Fund, Inc.                            | 4,612,262      |
| 576,250  | Cohen & Steers REIT and Utility Income Fund, Inc.                   | 6,194,687      |
| 341,549  | Flaherty & Crumrine/Claymore Preferred Securities Income Fund, Inc. | 5,085,665      |
| 45,077   | Flaherty & Crumrine/Claymore Total Return Fund, Inc.                | 713,118        |
|  |   | 16,605,732     |
| <b>Retail 23.1%</b>                                |   |                |
| 72,500   | The Home Depot, Inc.  | 2,262,000      |
| 177,000  | Walgreen Co.  | 6,237,480      |
| 370,000  | Wal-Mart Stores, Inc.   | 20,005,900     |
| 1,085,000  | Yum! Brands, Inc.   | 36,586,200     |
|  |   | 65,091,580     |
|  |   | 228,816,235    |

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**TOTAL DOMESTIC COMMON STOCKS**  
(Cost \$131,864,211)

**FOREIGN COMMON STOCKS 10.4%**

Germany 0.1%

|       |        |         |
|-------|--------|---------|
| 4,500 | RWE AG | 381,740 |
|-------|--------|---------|

Hong Kong 4.6%

|         |                            |           |
|---------|----------------------------|-----------|
| 515,000 | Cheung Kong Holdings, Ltd. | 6,283,117 |
| 10,500  | Guoco Group, Ltd.          | 108,015   |
| 500,000 | Henderson Investment, Ltd. | 39,293    |

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|   |            |   |             |
|---|------------|---|-------------|
|   | 104,500    | Henderson Land Development Co., Ltd.  | 706,122     |
|   | 6,156,000  | Midland Holdings, Ltd.  | 5,813,271   |
|   |            |   | 12,949,818  |
| <b>Japan 0.0%(1)</b>                      |            |   |             |
|   | 340        | New City Residence Investment Corp.*(2)(3)  | 838         |
| <b>Netherlands 2.5%</b>                   |            |   |             |
|   | 60,000     | Heineken Holding NV   | 2,447,304   |
|   | 95,117     | Heineken NV   | 4,671,664   |
|   |            |   | 7,118,968   |
| <b>New Zealand 1.2%</b>                   |            |   |             |
|   | 4,659,336  | Kiwi Income Property Trust  | 3,285,919   |
| <b>Turkey 0.0%(1)</b>                     |            |   |             |
|   | 57,183     | Dogus GE Gayrimenkul Yatirim Ortakligi A.S.*  | 47,699      |
| <b>United Kingdom 2.0%</b>                |            |   |             |
|   | 75,000     | Diageo PLC, Sponsored ADR   | 4,896,000   |
|   | 20,000     | GlaxoSmithKline PLC, Sponsored ADR  | 742,800     |
|   |            |   | 5,638,800   |
| <b>TOTAL FOREIGN COMMON STOCKS</b>        |            |   |             |
| (Cost \$24,470,877)                       |            |   | 29,423,782  |
| <b>AUCTION PREFERRED SECURITIES 0.1%</b>  |            |   |             |
|   | 8          | Neuberger Berman Real Estate Securities Income Fund, Inc., Series C(2)                          | 180,000     |
| <b>TOTAL AUCTION PREFERRED SECURITIES</b> |            |   |             |
| (Cost \$200,021)                          |            |   | 180,000     |
| <b>FOREIGN GOVERNMENT BONDS 1.0%</b>      |            |   |             |
| <b>New Zealand 1.0%</b>                   |            |   |             |
|   | 3,863,000  |   |             |
|   | NZD        | New Zealand Treasury Bonds, 6.000% due 11/15/2011   | 2,800,047   |
| <b>TOTAL FOREIGN GOVERNMENT BONDS</b>     |            |   |             |
| (Amortized Cost \$2,917,192)              |            |   | 2,800,047   |
| <b>TOTAL LONG TERM INVESTMENTS</b>        |            |   |             |
| (Cost \$159,452,301)                      |            |   | 261,220,064 |
| <b>SHORT TERM INVESTMENTS 7.2%</b>        |            |   |             |
| <b>DOMESTIC GOVERNMENT BONDS 6.5%</b>     |            |   |             |
| \$  | 18,500,000 | United States Treasury Bills DN, 0.070% due 03/25/2010  | 18,499,136  |
| <b>TOTAL DOMESTIC GOVERNMENT BONDS</b>    |            |   |             |
| (Amortized Cost \$18,499,136)             |            |   | 18,499,136  |
| <b>MONEY MARKET FUNDS 0.7%</b>            |            |   |             |
|   | 1,874,812  | Dreyfus Treasury Cash Management Money Market Fund, Institutional Class, 7-Day Yield - 0.00004% | 1,874,812   |
| <b>TOTAL MONEY MARKET FUNDS</b>           |            |   |             |
| (Cost \$1,874,812)                        |            |   | 1,874,812   |
| <b>TOTAL SHORT TERM INVESTMENTS</b>       |            |   |             |
| (Cost \$20,373,948)                       |            |   | 20,373,948  |

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|  |                |
|--|----------------|
| <b>TOTAL INVESTMENTS 99.8%</b><br>(Cost \$179,826,249)                 | 281,594,012    |
| <b>OTHER ASSETS AND LIABILITIES 0.2%</b>                               | 457,496        |
| <b>TOTAL NET ASSETS AVAILABLE TO COMMON AND PREFERRED STOCK 100.0%</b> | 282,051,508    |
| <b>AUCTION MARKET PREFERRED STOCK (AMPS) REDEMPTION VALUE</b>          | (74,900,000)   |
| <b>TOTAL NET ASSETS AVAILABLE TO COMMON STOCK</b>                      | \$ 207,151,508 |

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\* *Non-income producing security.*

(1) *Less than 0.05% of Total Net Assets Available to Common and Preferred Stock.*

(2) *Fair valued security under procedures established by the Fund's Board of Directors. Total market of fair valued securities as of February 28, 2010 is \$180,838, or 0.06% of Total Net Assets Available to Common and Preferred Stock.*

(3) *On October 9, 2008, the company declared bankruptcy.*

*Percentages are stated as a percent of the Total Net Assets Available to Common and Preferred Stock.*

*Common Abbreviations:*

*ADR - American Depositary Receipt*

*A.S. - Anonim Sirketi (Turkish: Joint Stock Company)*

*DN - Discount Note*

*L.P. - Limited Partnership*

*Ltd. - Limited*

*NV - Naamloze Vennootchap is the Dutch term for a public limited liability corporation*

*NZD - New Zealand Dollar*

*PLC - Public Limited Company*

*For Fund compliance purposes, the Fund's industry and/or geography classifications refer to any one of the industry/geography sub-classifications used by one or more widely recognized market indexes, and/or as defined by Fund Management. This definition may not apply for purposes of this report, which may combine industry/geography sub-classifications for reporting ease. Industries/geographies are shown as a percent of net assets available to common and preferred shares. These industry/geography classifications are unaudited.*

*See Notes to Quarterly Portfolio of Investments.*

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**Boulder Total Return Fund, Inc.**

**February 28, 2010 (Unaudited)**

**Note 1. Valuation and Investment Practices**

*Portfolio Valuation:* The net asset value of the Fund's common shares is determined by the Fund's co-administrator no less frequently than on the last business day of each week and month. It is determined by dividing the value of the Fund's net assets attributable to common stock by the number of common shares outstanding. The value of the Fund's net assets attributable to common shares is deemed to equal the value of the Fund's total assets less (i) the Fund's liabilities and (ii) the aggregate liquidation value of the outstanding Taxable Auction Market Preferred Stock. Securities listed on a national securities exchange are valued on the basis of the last sale on such exchange or the NASDAQ Official Close Price on the day of valuation. In the absence of sales of listed securities and with respect to securities for which the most recent sale prices are not deemed to represent fair market value, and unlisted securities (other than money market instruments), 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 sources. Investments for which market quotations are not readily available or do not otherwise accurately reflect the fair value of the investment are valued at fair value as determined in good faith by or under the direction of the Board of Directors of the Fund, including reference to valuations of other securities which are considered comparable in quality, maturity and type. Investments in money market instruments, which mature in 60 days or less at the time of purchase, are valued at amortized cost.

The Fund has adopted the Financial Accounting Standards Board ( FASB ) Accounting Standards Codification ( ASC ), issued in June 2009. The Fund follows the provisions of ASC 820, Fair Value Measurements and Disclosures ( ASC 820 ). In accordance with ASC 820, fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. Under certain circumstances, fair value may equal the mean between the bid and asked prices. ASC 820 established a three tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

- Level 1 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)



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The valuation techniques used by the Fund to measure fair value during the three months ended February 28, 2010 maximized the use of observable inputs and minimized the use of unobservable inputs. The Fund utilized the following fair value techniques: discounted future cash flow models, weighted average of last available trade prices, multi-dimensional relational pricing model, and underlying security.

The following is a summary of the inputs used as of February 28, 2010 in valuing the Fund's investments carried at fair value:

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| Investments in Securities at Value                 | Level 1 - Quoted Prices | Level 2 - Significant Observable Inputs | Level 3 - Significant Unobservable Inputs | Total                 |
|--|-------------------------|---|---|-----------------------|
| Domestic Common Stocks                             | \$ 228,816,235          | \$                                      | \$  | \$ 228,816,235        |
| Foreign Common Stocks                              | 29,422,944              |   | 838                                       | 29,423,782            |
| Auction Preferred Securities                       |                         | 180,000                                 |   | 180,000               |
| Foreign Government Bonds                           |                         | 2,800,047                               |   | 2,800,047             |
| Short Term Investments - Domestic Government Bonds | 18,499,136              |   |   | 18,499,136            |
| Short Term Investments Money Market Funds          | 1,874,812               |   |   | 1,874,812             |
| <b>Total</b>                                       | <b>\$ 278,613,127</b>   | <b>\$ 2,980,047</b>                     | <b>\$ 838</b>                             | <b>\$ 281,594,012</b> |

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

| Investments in Securities at Value | Balance as of 11/30/2009 | Realized gain/(loss) | Change in unrealized appreciation | Net purchases/ (sales) | Transfer in and/or out of Level 3 | Balance as of 2/28/2010 |
|------------------------------------|--------------------------|----------------------|-----------------------------------|------------------------|-----------------------------------|-------------------------|
| Foreign Common Stocks              | \$ 786                   |                      | 52                                |                        |                                   | \$ 838                  |
| <b>Total</b>                       | <b>\$ 786</b>            | <b>\$</b>            | <b>\$ 52</b>                      | <b>\$</b>              | <b>\$</b>                         | <b>\$ 838</b>           |

*Foreign Securities:* The Fund may invest a portion of its assets in foreign securities. Foreign securities may carry more risk than U.S. securities, such as political, market and currency risks. 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.

*Use of Estimates:* The preparation of financial statements is in accordance with generally accepted accounting principles in the United States of America, which requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

**Note 2. Unrealized Appreciation/ (Depreciation)**

On February 28, 2010, based on cost of \$179,638,446 for federal income tax purposes, aggregate gross unrealized appreciation for all securities in which there is an excess of value over tax cost was \$109,579,667 and aggregate gross unrealized depreciation for all securities in which there is an excess of tax cost over value was \$7,624,101, resulting in net unrealized appreciation of \$101,955,566.

**Note 3. Recently Issued Accounting Pronouncements**

In January 2010, the FASB issued Accounting Standards Update Improving Disclosures about Fair Value Measurements that requires additional disclosures regarding fair value measurements. Certain required disclosures are effective for interim and annual reporting periods beginning after

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December 15, 2009, and other required disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. Management is currently evaluating the impact it will have on its financial statement disclosures.

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**Item 2 - Controls and Procedures.**

(a) The Registrant's Principal Executive Officer and Principal Financial Officer concluded that the Registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (17 CFR 270.300-3(c))) were effective as of a date within 90 days of the filing date of this report (the Evaluation Date), based on their evaluation of the effectiveness of the Registrant's disclosure controls and procedures as of the Evaluation Date.

(b) There were no changes in the Registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940 (17 CFR 270.30a-3(d))) that occurred during the Registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

**Item 3 Exhibits.**

(a) Certification of Principal Executive Officer and Principal Financial Officer of the Registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is attached hereto as EX-.99CERT.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant Boulder Total Return Fund, Inc.

By: /s/ Stephen C. Miller  
Stephen C. Miller, President  
(Principal Executive Officer)

Date: April 27, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Stephen C. Miller  
Stephen C. Miller, President  
(Principal Executive Officer)

Date: April 27, 2010

By: /s/ Carl D. Johns  
Carl D. Johns, Vice President and Treasurer  
(Principal Financial Officer)

Date: April 27, 2010

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