

Edgar Filing: Madison/Claymore Covered Call & Equity Strategy Fund - Form N-Q

Madison/Claymore Covered Call & Equity Strategy Fund  
Form N-Q  
May 20, 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 811-21582

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Madison/Claymore Covered Call & Equity Strategy Fund

-----  
(Exact name of registrant as specified in charter)

2455 Corporate West Drive, Lisle, IL 60532

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(Address of principal executive offices) (Zip code)

J. Thomas Futrell

Madison/Claymore Covered Call & Equity Strategy Fund

2455 Corporate West Drive, Lisle, IL 60532

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(Name and address of agent for service)

Registrant's telephone number, including area code: 630-505-3700

Date of fiscal year end: December 31

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Date of reporting period: January 1, 2010 - March 31, 2010

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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

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

ITEM 1. SCHEDULE OF INVESTMENTS.  
Attached hereto.

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MCN | MADISON/CLAYMORE COVERED CALL & EQUITY STRATEGY FUND

PORTFOLIO OF INVESTMENTS  
MARCH 31, 2010 (UNAUDITED)

NUMBER OF SHARES	DESCRIPTION
	LONG-TERM INVESTMENTS 77.1%
	COMMON STOCKS (a) 75.1%
	COMPUTERS 2.1%
265,800	Dell, Inc. (b)
	CONSUMER DISCRETIONARY 11.3%
204,000	American Eagle Outfitters, Inc.
80,000	Best Buy Co., Inc.
138,700	Home Depot, Inc.
210,000	Lowe's Cos., Inc.
35,000	Target Corp.
118,500	Williams-Sonoma, Inc.
	CONSUMER SERVICES 7.2%
291,400	eBay, Inc. (b)
90,400	Garmin, Ltd. (Cayman Islands)
70,000	Intuit, Inc. (b)
	ENERGY 6.4%
41,900	Apache Corp.
32,000	Schlumberger, Ltd. (Netherlands Antilles)
47,000	Transocean, Ltd. (Switzerland) (b)
70,000	Valero Energy Corp.
14,000	XTO Energy, Inc.
	FINANCIALS 15.6%
205,278	Bank of America Corp.
160,000	Capital One Financial Corp.
420,000	Citigroup, Inc. (b)
260,000	Marshall & Ilsley Corp.
150,000	Morgan Stanley
110,000	State Street Corp.
255,000	Synovus Financial Corp.
180,000	Wells Fargo & Co.

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	HEALTH CARE 17.5%
90,000	Biogen Idec, Inc. (b)
30,000	Community Health Systems, Inc. (b)
85,045	Genzyme Corp. (b)
102,000	Gilead Sciences, Inc. (b)
166,800	Mylan, Inc. (b)
270,000	Pfizer, Inc.
199,800	UnitedHealth Group, Inc.
55,200	Zimmer Holdings, Inc. (b)
	INDUSTRIAL 1.2%
35,000	United Parcel Services, Inc. - Class B
	INSURANCE 0.6%
108,800	MGIC Investment Corp. (b)
	SOFTWARE 1.9%
220,000	Symantec Corp. (b)
	TECHNOLOGY 11.3%
89,100	Applied Materials, Inc.
247,700	Cisco Systems, Inc. (b)
141,300	EMC Corp. (b)
592,300	Flextronics International Ltd. (Singapore) (b)
75,000	QUALCOMM, Inc.
164,000	Yahoo!, Inc. (b)
30,800	Zebra Technologies Corp. - Class A (b)
	TOTAL COMMON STOCKS - 75.1%
	(Cost \$210,839,664)
	EXCHANGE-TRADED FUNDS (a) - 2.0%
80,000	Powershares QQQ
	(Cost \$3,692,600)
	TOTAL LONG-TERM INVESTMENTS 77.1%
	(Cost \$214,532,264)
	SHORT-TERM INVESTMENTS 26.5%
	MONEY MARKET FUNDS 26.5%
50,841,136	AIM Liquid Assets Money Market Fund
	(Cost \$50,841,136)
	TOTAL INVESTMENTS 103.6%
	(Cost \$265,373,400)
	Liabilities in excess of Other Assets - (0.0%*)
	Total Value of Options Written - (3.6%)
	NET ASSETS 100.0%

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\*Less than 0.1%

- (a) All or a portion of this security position represents cover (directly or through conversion rights) for outstanding options written.
- (b) Non-income producing security.

CONTRACTS (100 SHARES PER CONTRACT)	CALL OPTIONS WRITTEN (b)	EXPIRATION DATE	EX
300	American Eagle Outfitters, Inc.	May 2010	
354	American Eagle Outfitters, Inc.	August 2010	
400	American Eagle Outfitters, Inc.	January 2011	
304	Apache Corp.	April 2010	
115	Apache Corp.	October 2010	
200	Best Buy Co., Inc.	September 2010	
300	Best Buy Co., Inc.	January 2011	
200	Biogen Idec, Inc.	April 2010	
200	Biogen Idec, Inc.	July 2010	
200	Biogen Idec, Inc.	January 2011	
600	Capital One Financial Corp.	June 2010	
500	Capital One Financial Corp.	September 2010	
400	Cisco Systems, Inc.	April 2010	
1,000	Cisco Systems, Inc.	July 2010	
300	Cisco Systems, Inc.	October 2010	
300	Cisco Systems, Inc.	January 2012	
200	Community Health Systems, Inc.	June 2010	
900	eBay, Inc.	July 2010	
500	eBay, Inc.	October 2010	
400	EMC Corp.	April 2010	
600	EMC Corp.	April 2010	
413	EMC Corp.	October 2010	
2,000	Flextronics International Ltd.	April 2010	

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700	Flextronics International Ltd.	January 2011
26	Garmin, Ltd.	April 2010
552	Garmin, Ltd.	July 2010
400	Genzyme Corp.	April 2010
450	Genzyme Corp.	July 2010
176	Gilead Sciences, Inc.	May 2010
620	Gilead Sciences, Inc.	August 2010
16	Gilead Sciences, Inc.	January 2011
200	Home Depot, Inc.	May 2010
600	Home Depot, Inc.	August 2010
200	Home Depot, Inc.	January 2011
300	Intuit, Inc.	April 2010
390	Intuit, Inc.	July 2010
325	Lowe's Cos., Inc.	July 2010
500	Lowe's Cos., Inc.	October 2010
300	Lowe's Cos., Inc.	January 2011
400	Morgan Stanley	April 2010
300	Morgan Stanley	July 2010
400	Morgan Stanley	July 2010
290	Mylan, Inc.	April 2010
600	Mylan, Inc.	July 2010
500	Mylan, Inc.	July 2010
278	Mylan, Inc.	October 2010
500	Pfizer, Inc.	June 2010
800	Powershares QQQ	June 2010
250	QUALCOMM, Inc.	April 2010
250	QUALCOMM, Inc.	October 2010
250	QUALCOMM, Inc.	January 2011
320	Schlumberger, Ltd.	August 2010
500	State Street Corp.	May 2010
400	State Street Corp.	August 2010

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300	Symantec Corp.	April 2010
300	Symantec Corp.	July 2010
600	Symantec Corp.	July 2010
200	Target Corp.	July 2010
150	Target Corp.	July 2010
132	Transocean, Ltd.	August 2010
200	Transocean, Ltd.	January 2011
150	United Parcel Services, Inc.	April 2010
200	United Parcel Services, Inc.	July 2010
400	UnitedHealth Group, Inc.	June 2010
300	UnitedHealth Group, Inc.	June 2010
400	Valero Energy Corp.	June 2010
200	Wells Fargo & Co.	April 2010
300	Wells Fargo & Co.	April 2010
400	Wells Fargo & Co.	July 2010
500	Wells Fargo & Co.	July 2010
246	Williams-Sonoma, Inc.	May 2010
400	Williams-Sonoma, Inc.	August 2010
100	XTO Energy, Inc.	May 2010
40	XTO Energy, Inc.	May 2010
240	Yahoo!, Inc.	July 2010
400	Yahoo!, Inc.	January 2011
108	Zebra Technologies Corp.	May 2010
300	Zimmer Holdings, Inc.	June 2010
102	Zimmer Holdings, Inc.	January 2011

TOTAL VALUE OF CALL OPTIONS WRITTEN  
(Premiums received \$6,341,267)

(b) Non-income producing security.

Country Allocation\*\*

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United States 92.9%

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Singapore	2.3%
Switzerland	2.0%
Cayman Islands	1.8%
Netherlands Antilles	1.0%

\*\* Based on Total Investments (which does not take into consideration the Value of Options Written). Subject to change daily.

See previously submitted notes to financial statements for the year ended December 31, 2009.

At March 31, 2010, the cost and related gross unrealized appreciation and depreciation on investments for tax purposes are as follows:

Cost of Investments for Tax Purposes	Gross Tax Unrealized Appreciation	Gross Tax Unrealized Depreciation	Un Depreci Inv
\$ 266,267,743	\$ 3,649,696	\$ (71,200,925)	\$ (67

In accordance with ASC 820, Fair Value Measurements and Disclosures (formerly known as the Statement of Financial Accounting Standard ("FAS") No. 157, fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market for the investment or liability. ASC 820 establishes three different categories for valuations. Level 1 valuations are those based upon quoted prices in active markets. Level 2 valuations are those based upon quoted prices in inactive markets or based upon significant observable inputs (e.g. yield curves; benchmark interest rates; indices). Level 3 valuations are those based upon unobservable inputs (e.g. discounted cash flow analysis; non-market based methods used to determine fair valuation). The following table represents the Fund's investments carried on the Statement of Assets and Liabilities by caption and by level within the fair value hierarchy as of March 31, 2010.

Description	Level 1	Level 2	Level 3
(value in \$000s)			
Assets:			
Common stocks	\$ 144,021	\$ -	
Exchange-Traded Funds	3,855		
Money Market Funds	50,841	-	
Total	\$ 198,717	\$ -	
Liabilities:			
Written Options	6,865	-	

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Total \$ 6,865 \$ -

ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures... (b) There was no change in the registrant's internal control over financial reporting...

ITEM 3. EXHIBITS.

A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act of 1940, as amended (17 CFR 270.30a-2(a)), is attached hereto.

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.

Madison/Claymore Covered Call & Equity Strategy Fund

By: /s/ J. Thomas Futrell

J. Thomas Futrell
Chief Executive Officer

Date: May 20, 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/ J. Thomas Futrell

J. Thomas Futrell



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Chief Executive Officer

Date: May 20, 2010

By: /s/ Steven M. Hill

Steven M. Hill  
Treasurer and Chief Financial Officer

Date: May 20, 2010