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ADAMS EXPRESS CO  
Form N-Q  
November 12, 2004

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: 811-00248  
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THE ADAMS EXPRESS COMPANY

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

7 Saint Paul Street, Suite 1140, Baltimore, Maryland 21202  
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(Address of principal executive offices) (Zip code)

Lawrence L. Hooper, Jr.  
The Adams Express Company  
7 Saint Paul Street  
Suite 1140  
Baltimore, Maryland 21202

Registrant's telephone number, including area code: 410-752-5900

Date of fiscal year end: December 31, 2004

Date of reporting period: September 30, 2004

Item 1: SCHEDULE OF INVESTMENTS.

SCHEDULE OF INVESTMENTS  
-----

September 30, 2004  
(unaudited)

	Prin. Amt. or Shares	Value (A)
	-----	-----
-		
Stocks and Convertible Securities --	95.3%	
Consumer --	14.2%	
Consumer Discretionary --	7.1%	

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BJ's Wholesale Club, Inc. (B) (C)	500,000	\$ 13,670,000
Brinker International Inc. (B) (C)	400,000	12,460,000
Clear Channel Communications Inc.	205,000	6,389,850
Gannett Co., Inc.	87,500	7,329,000
Mattel, Inc. (C)	575,000	10,424,750
Newell Rubbermaid Inc.	515,000	10,320,600
Ryland Group Inc.	65,000	6,022,900
Target Corp.	460,000	20,815,000
		-----
		87,432,100
		-----
Consumer Staples -- 7.1%		
Coca-Cola Co.	200,000	8,010,000
Dean Foods Co. (B)	506,600	15,208,132
Hershey Foods Corp.	140,000	6,539,400
PepsiCo, Inc.	440,000	21,406,000
Procter & Gamble Co.	340,000	18,400,800
Safeway, Inc. (B)	423,000	8,168,130
Unilever plc ADR (C)	300,000	9,906,000
		-----
		87,638,462
		-----
Energy -- 8.4%		
BP plc ADR	270,000	15,533,101
ConocoPhillips	200,000	16,570,000
Exxon Mobil Corp.	130,000	6,282,900
Petroleum & Resources Corporation (D)	1,985,996	52,311,148
Schlumberger Ltd. (C)	190,000	12,788,900
		-----
		103,486,049
		-----
Financials -- 17.0%		
Banking -- 10.4%		
Bank of America Corp.	440,000	19,065,200
Compass Bancshares Inc.	300,000	13,146,000
Fifth Third Bancorp	200,000	9,844,000
Investors Financial Services Corp. (C)	430,000	19,405,900
Provident Bankshares Corp. (C)	335,021	11,239,983
Wachovia Corp.	370,000	17,371,500
Wells Fargo & Co.	400,000	23,852,000
Wilmington Trust Corp.	420,000	15,208,200
		-----
		129,132,783
		-----
Insurance -- 6.6%		
AMBAC Financial Group, Inc.	390,000	31,180,500
American International Group, Inc.	738,675	50,222,514
		-----
		81,403,014
		-----

Prin. Amt.  
or Shares      Value (A)

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Health Care -- 12.8%		
Abbott Laboratories	350,000	\$ 14,826,000
Bristol-Myers Squibb Co.	345,000	8,166,150
Enzon Pharmaceuticals, Inc. (B)	100,000	1,595,000
Genentech, Inc. (B) (C)	250,000	13,105,000
HCA Inc.	450,000	17,167,500
Johnson & Johnson Laboratory Corp. of America Holdings (B) (C)	300,000	13,116,000
MedImmune, Inc. (B)	225,000	5,332,500
Medtronic Inc.	310,000	16,089,000
Pfizer Inc. (C)	1,100,000	33,660,000
Wyeth Co.	325,000	12,155,000
Zimmer Holdings Inc. (B) (C)	110,000	8,694,400
		----- 158,834,000 -----
Industrials -- 12.6%		
Canadian National Railway Co.	255,000	12,367,500
Donnelley (R.R.) & Sons Co.	355,000	11,118,600
Emerson Electric Co.	200,000	12,378,000
General Electric Co.	1,487,700	49,956,966
Illinois Tool Works Inc.	135,000	12,577,950
Parker-Hannifin Corp.	225,000	13,243,500
3M Co.	165,000	13,195,050
United Parcel Service, Inc.	80,000	6,073,600
United Technologies Corp.	265,000	24,745,700
		----- 155,656,866 -----

### SCHEDULE OF INVESTMENTS (CONTINUED)

-----  
September 30, 2004  
(unaudited)

	Prin. Amt. or Shares	Value (A)
	-----	-----
Information Technology -- 14.2%		
Communication Equipment -- 2.4%		
Avaya Inc. (B)	600,000	\$ 8,364,000
Corning Inc. (B)	1,170,000	12,963,600
Lucent Technologies Inc. (B) (C)	2,820,000	8,939,400
		----- 30,267,000 -----
Computer Related -- 9.3%		
BEA Systems Inc. (B) (C)	800,000	5,528,000
BMC Software Inc. (B) (C)	310,000	4,901,100
Cisco Systems, Inc. (B)	1,200,000	21,720,000
Dell Inc. (B)	400,000	14,240,000

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DiamondCluster International Inc. (B)	497,500	6,069,500
Microsoft Corp.	800,000	22,120,000
Oracle Corp. (B)	880,000	9,926,400
Sapient Corp. (B) (C)	1,150,000	8,774,500
Siebel Systems Inc. (B)	800,000	6,032,000
Sun Microsystems Inc. (B)	515,000	2,080,600
Symantec Corp. 3.00% Conv. Sub. Notes due 2006	\$500,000	1,610,938
Symantec Corp. (B) (C)	215,000	11,799,200
		-----
		114,802,238
		-----
Electronics -- 2.5%		
Cree, Inc. (B) (C)	500,000	15,265,000
Intel Corp.	310,000	6,218,600
Solelectron Corp. (B) (C)	1,850,000	9,157,500
		-----
		30,641,100
		-----
	Prin. Amt. or Shares	Value (A)
	-----	-----
Materials -- 4.9%		
Air Products and Chemicals, Inc.	250,000	\$ 13,595,000
du Pont (E.I.) de Nemours and Co.	400,000	17,120,000
Rohm & Haas Co.	400,000	17,188,000
Smurfit-Stone Container Corp. (B) (C)	650,000	12,590,500
		-----
		60,493,500
		-----
Telecom Services -- 4.5%		
Alltel Corp. (C)	350,000	19,218,500
BellSouth Corp.	315,000	8,542,800
SBC Communications Inc.	595,000	15,440,250
Vodafone Group plc ADS (C)	492,613	11,876,899
		-----
		55,078,449
		-----
Utilities -- 6.7%		
Aqua America, Inc. (C)	900,000	19,899,000
Black Hills Corp. (C)	245,000	6,806,100
CINergy Corp. (C)	300,000	11,880,000
Duke Energy Corp. (C)	611,560	13,998,608
Keyspan Corp.	400,000	15,680,000
MDU Resources Group, Inc. (C)	575,000	15,139,750
		-----
		83,403,458
		-----
Total Stocks and Convertible Securities (Cost \$913,240,742) (E)		\$1,178,269,019
		-----

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## SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2004  
(unaudited)

	Prin. Amt.	Value (A)
	-----	-----
Short-Term Investments -- 4.1%		
U.S. Government Obligations -- 2.0%		
U.S. Treasury Bills,		
1.38%, due 11/18/04	\$24,900,000	\$24,844,611
		-----
Commercial Paper -- 2.1%		
American General Finance		
Corp., 1.69 - 1.75%,		
due 10/12/04-10/21/04	5,770,000	5,765,724
ChevronTexaco Funding Corp.,		
1.72%, due 10/14/04	5,300,000	5,296,708
General Electric Capital Corp.,		
1.53%, due 10/5/04	2,900,000	2,899,507
General Electric Capital		
Services, Corp.,		
1.58%, due 10/7/04	3,000,000	2,999,210
Toyota Motor Credit Corp.,		
1.72 - 1.74%,		
due 10/19/04-10/26/04	8,515,000	8,506,346
		-----
		25,467,495
		-----
Total Short-Term Investments		
(Cost \$50,312,106)		\$50,312,106
		-----

		Value (A)
		-----
Securities Lending Collateral -- 6.1%		
Money Market Fund		
BNY Institutional Cash Reserves Fund,		
1.79%, due 10/1/04	\$ 75,405,097	
		-----
Total Securities Lending Collateral		
(Cost \$75,405,097)		75,405,097
		-----
Total Investments -- 105.5%		
(Cost \$1,038,957,945)		1,303,986,222
Cash, receivables and other		
assets, less liabilities -- (5.5)%		(67,382,577)
		-----
Net Assets -- 100.0%		\$1,236,603,645
		=====

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Notes:

- (A) See note 1 to financial statements. Securities are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ, except restricted securities.
- (B) Presently non-dividend paying.
- (C) Some or all of these securities are on loan. See note 7 to financial statements.
- (D) Non-controlled affiliate, a closed-end sector fund, registered as an investment company under the Investment Company Act of 1940.
- (E) The aggregate market value of stocks held in escrow at September 30, 2004 covering open call option contracts written was \$19,513,350. In addition, the aggregate market value of securities segregated by the Company's custodian required to collateralize open put option contracts written was \$19,497,500.

SCHEDULE OF OUTSTANDING OPTION CONTRACTS

September 30, 2004  
(unaudited)

Contracts (100 shares each)	Security	Strike Price	Contract Expiration Date	Appreciation/ (Depreciation)
COVERED CALLS				
150	AMBAC Financial Group, Inc.	\$ 80	Nov 04	\$ (19,951)
150	AMBAC Financial Group, Inc.	80	Jan 05	(34,951)
250	American International Group, Inc.	80	Feb 05	19,399
200	Brinker International Inc.	40	Jan 05	17,299
100	ConocoPhillips	80	Jan 05	(36,300)
100	Genentech, Inc.	60	Dec 04	200
100	Illinois Tool Works Inc.	100	Dec 04	1,700
100	Illinois Tool Works Inc.	105	Mar 05	(3,400)
150	Investors Financial Services Corp.	47.50	Oct 04	3,450
150	Investors Financial Services Corp.	50	Oct 04	9,300
150	Investors Financial Services Corp.	50	Jan 05	1,799
100	Laboratory Corp. of America Holdings	45	Jan 05	(5,675)
200	Parker-Hannifin Corp.	65	Feb 05	(4,351)
200	Procter & Gamble Co.	60	Oct 04	8,700
100	Ryland Group Inc.	105	Jan 05	(2,801)
100	Symantec Corp.	55	Oct 04	(2,400)
100	Symantec Corp.	55	Jan 05	(26,300)
150	Symantec Corp.	65	Apr 05	(10,331)
150	3M Co.	90	Jan 05	9,149
100	United Technologies Corp.	100	Nov 04	5,200
100	United Technologies Corp.	105	Nov 04	12,100
100	United Technologies Corp.	110	Feb 05	5,700
3,000				(52,464)
COLLATERALIZED PUTS				
250	Avaya Inc.	12.50	Dec 04	17,999
200	Bank of America Corp.	35	Nov 04	9,700

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60	Canadian National Railway Co.	35	Oct	04	4,070
250	du Pont (E.I.) de Nemours and Co.	37.50	Oct	04	21,749
150	Fifth Third Bancorp	45	Jan	05	300
100	Gannett Co., Inc.	75	Oct	04	7,350
250	Microsoft Corp.	22.50	Oct	04	22,999
100	Murphy Oil Corp.	50	Oct	04	7,700
175	Murphy Oil Corp.	75	Nov	04	3,034
200	Murphy Oil Corp.	60	Jan	05	13,200
175	Murphy Oil Corp.	65	Jan	05	1,252
200	Pfizer Inc.	30	Dec	04	(5,100)
250	Ryland Group Inc.	65	Oct	04	24,249
150	Ryland Group Inc.	70	Oct	04	13,800
100	Ryland Group Inc.	60	Jan	05	16,199
150	Schlumberger Ltd.	50	Jan	05	11,550
200	Target Corp.	40	Oct	04	31,125
100	Target Corp.	35	Jan	05	6,700
250	United Parcel Service, Inc.	65	Jan	05	18,749
250	Wachovia Corp.	40	Jan	05	14,499
100	Wyeth Co.	30	Oct	04	9,200
100	Wyeth Co.	35	Oct	04	12,750
150	Zimmer Holdings Inc.	60	Dec	04	15,675
100	Zimmer Holdings Inc.	65	Dec	04	14,749
100	Zimmer Holdings Inc.	60	Mar	05	11,699
-----					-----
4,110					305,197
-----					-----
					\$252,733
					=====

(SELECTED) NOTES TO FINANCIAL STATEMENTS (Unaudited)

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The Adams Express Company (the Company) is registered under the Investment Company Act of 1940 as a diversified investment company. The Companys investment objectives as well as the nature and risk of its investment transactions are set forth in the Companys registration statement.

Security Valuation-Investments in securities traded on a national security exchange are valued at the last reported sale price on the day of valuation. Over-the-counter and listed securities for which a sale price is not available are valued at the last quoted bid price. Short-term investments (excluding purchased options) are valued at amortized cost. Purchased and written options are valued at the last quoted asked price.

7. Portfolio Securities Loaned

The Company makes loans of securities to brokers, secured by cash deposits, U.S. Government securities, or bank letters of credit. The Company accounts for securities lending transactions as secured financing and receives compensation in the form of fees or retains a portion of interest on the investment of any cash received as collateral. The Company also continues to receive interest or dividends on the securities loaned. The loans are secured at all times by collateral of at least 102% of the fair value of the securities loaned plus accrued interest. Gain or loss in the fair value of the securities loaned that may occur during the term of the loan will be for the account of the Company. At September 30, 2004, the Company had securities on loan of

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\$73,553,358 and held collateral of \$75,405,097, consisting of a money market fund.

Item 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures:

(a) As of November 11, 2004, an evaluation was performed under the supervision and with the participation of the officers of The Adams Express Company (the "Company"), including the principal executive officer ("PEO") and principal financial officer ("PFO"), of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's officers, including the PEO and PFO, concluded that, as of November 11, 2004, the Company's disclosure controls and procedures were reasonably designed so as to ensure: (1) that information required to be disclosed by the Company on Form N-Q is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Company is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no significant changes in the Company'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 Company's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 3. EXHIBITS.

The certifications of the principal executive officer and principal financial officer pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 are attached hereto as Form N-Q Certifications.

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.

THE ADAMS EXPRESS COMPANY

BY: /s/ Douglas G. Ober  
-----  
Douglas G. Ober  
Chief Executive Officer

Date: November 11, 2004

Pursuant to the requirements of the Securities Exchange Act



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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/ Douglas G. Ober  
-----  
Douglas G. Ober  
Chief Executive Officer  
(Principal Executive Officer)

Date: November 11, 2004

BY: /s/ Maureen A. Jones  
-----  
Maureen A. Jones  
Vice President, Chief Financial Officer and Treasurer  
(Principal Financial Officer)

Date: November 11, 2004