

EAGLE CAPITAL GROWTH FUND, INC.

Form N-Q

April 07, 2015

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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: 811-05807

Eagle Capital Growth Fund, Inc.

(Exact name of registrant as specified in charter)

225 East Mason Street, Suite 802, Milwaukee, WI 53202-3657

(Address of principal executive offices) (zip code)

Luke E. Sims, President

Eagle Capital Growth Fund, Inc.

225 East Mason Street

Suite 802

Milwaukee, WI 53202-3657

(414) 765-1107

(Name and address of agent for service)

Registrant's telephone number, including area code:

(414) 765-1107

Date of fiscal year end: December 31, 2015

Date of reporting period: March 31, 2015

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ITEM 1. SCHEDULE OF INVESTMENTS

Eagle Capital Growth Fund, Inc.

Portfolio of Investments (as of March 31, 2015) (unaudited)

				LEVEL ONE
Common Stock (93.6% of total investments)				
Industry				
			Market Value	% Total Inv.
Bank	Shares	Cost		
Wells Fargo & Company	15,000	597,750	816,000	
			\$816,000	(2.9 %)
Consumer				
The Coca-Cola Company	28,000	1,058,939	1,135,400	
Colgate-Palmolive Co.	12,000	72,938	832,080	
PepsiCo, Inc.	10,000	168,296	956,200	
			\$2,923,680	(10.4 %)
Data Processing				
Automatic Data Processing, Inc.	16,000	490,404	1,370,240	
Paychex, Inc.	31,500	853,258	1,562,873	
			\$2,933,113	(10.4 %)
Drug/Medical Device				
Abbott Laboratories Inc.	7,500	175,588	347,475	
Johnson & Johnson	4,000	45,500	402,400	
Stryker Corp.	16,500	72,531	1,522,125	
			\$2,272,000	(8.0 %)
Industrial				
Deere & Company	20,000	1,681,501	1,753,800	
Emerson Electric Co.	18,000	810,169	1,019,160	
Illinois Tool Works Inc.	15,500	710,498	1,505,670	
Sigma-Aldrich Corp.	7,000	58,094	967,750	
Waters Corp.*	6,000	302,341	745,920	
			\$5,992,300	(21.2 %)
Insurance				
AFLAC Corp.	19,000	1,018,259	1,216,190	
Berkshire Hathaway Inc.*	17,000	1,303,475	2,453,440	
The Chubb Corporation	14,000	752,716	1,415,400	
Markel Corp.*	1,875	1,199,077	1,441,800	
			\$6,526,830	(23.1 %)
Mutual Fund Managers				
Franklin Resources, Inc.	45,000	1,884,631	2,309,400	
T Rowe Price Group Inc.	15,500	1,096,545	1,255,190	
			\$3,564,590	(12.6 %)
Closed-End Funds				
MCG Capital Corporation*	354,768	1,424,887	1,404,881	
			\$1,404,881	(5.0 %)
Total common stock investments			\$26,433,394	
Money Market Funds (6.4% of total investments)				LEVEL ONE

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	Market Value	% Total Inv.
Federated Government Obligations Fund #5 Institutional, 0%	1,800,205	(6.4 %)
Total investments	\$28,233,599	
All other assets less liabilities	44,724	
Total net assets	\$28,278,323	

\*Non-dividend paying security

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Footnote:

The following information is based upon federal income tax cost of portfolio investments as of March 31, 2015:

Gross unrealized appreciation	\$10,655,996
Gross unrealized depreciation	-
Net unrealized appreciation	\$10,655,996

Federal income tax basis	\$15,777,398
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ITEM 2. Controls and Procedures

As of April 1, 2015, an evaluation of the effectiveness of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) was performed by management with the participation of the registrant's President and Chief Executive Officer (who is the principal executive officer of the registrant) and the registrant's Chief Financial Officer (who is the principal financial officer of the registrant). Based on that evaluation, the registrant's President and Chief Executive Officer and Chief Financial Officer concluded (a) that the registrant's disclosure controls and procedures are effectively designed to ensure that information required to be disclosed by the registrant is recorded, processed, summarized and reported within the time periods specified by the Commission's rules and forms, and that information required to be disclosed by the registrant has been accumulated and communicated to the registrant's management, including its principal executive officer and principal financial officer, or persons performing similar functions as appropriate to allow timely decisions regarding required disclosure.

Fair Value Accounting—Accounting standards require certain assets and liabilities be reported at fair value in the (b) financial statements and provides a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.