

Edgar Filing: ELLSWORTH FUND LTD - Form N-Q

ELLSWORTH FUND LTD  
Form N-Q  
August 31, 2007

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: 811-04656  
-----

Ellsworth Fund Ltd.  
-----

(Exact name of registrant as specified in charter)

65 Madison Avenue, Morristown, New Jersey 07960-7308  
-----

(Address of principal executive offices) (Zip code)

Thomas H. Dinsmore  
Ellsworth Fund Ltd.  
65 Madison Avenue  
Morristown, New Jersey 07960-7308  
(Name and address of agent for service)

Copy to:  
Steven King, Esq.  
Ballard Spahr Andrews & Ingersoll, LLP  
1735 Market Street, 49th Floor  
Philadelphia, PA 19103-7599

Registrant's telephone number, including area code: 973-631-1177

Date of fiscal year end: September 30, 2007

Date of reporting period: June 30, 2007

ITEM 1. SCHEDULE OF INVESTMENTS.

ELLSWORTH FUND LTD.-----  
PORTFOLIO OF INVESTMENTS June 30, 2007 (unaudited)-----

Principal Amount -----	Value (Note 1) -----
CONVERTIBLE BONDS AND NOTES -- 64.1%	
Aerospace and Defense -- 3.6%	
\$1,500,000	AAR Corp. 1.75%, due 2026 cv. sr. notes (BB)..... \$ 1,916,250

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1,000,000	Alliant Techsystems Inc. 2.75%, due 2011 cv. sr. sub. notes (B1).....	1,161,250
1,500,000	DRS Technologies, Inc. 2%, due 2026 cv. sr. notes (B1) (Acquired 01/30/06 - 05/16/07; Cost \$1,601,001) (1,2).....	1,650,000
		4,727,500
	 Agriculture -- 1.5%	
2,000,000	Merrill Lynch & Co., Inc. 1.5%, due 2012 cv. securities (Aa3) (exchangeable into Archer-Daniels-Midland Co. common stock) (Acquired 02/23/07; Cost \$2,000,000) (2).....	1,897,700
	 Banking/Savings and Loan -- 2.7%	
1,000,000	PrivateBancorp, Inc. 3.625%, due 2027 cv. sr. notes (NR).....	975,000
1,500,000	U.S. Bancorp floating rate, due 2035 cv. sr. deb. (Aa2).....	1,511,250
1,000,000	U.S. Bancorp floating rate, due 2037 cv. sr. deb. (Aa2) (Acquired 02/01/07; Cost \$988,750) (2).....	993,500
		3,479,750
	 Computer Hardware -- 5.3%	
1,000,000	C&D Technologies, Inc. 5.25%, due 2025 cv. sr. notes (NR).....	975,000
2,000,000	Credit Suisse, New York Branch 13.62%, due 2007 equity-linked notes (Aa3) (exchangeable for Corning Inc. common stock).....	2,210,200
1,000,000	EMC Corp. 1.75%, due 2011 cv. sr. notes (BBB+).....	1,267,500
1,000,000	EMC Corp. 1.75%, due 2013 cv. sr. notes (BBB+).....	1,278,750
1,000,000	Richardson Electronics, Ltd. 8%, due 2011 cv. sr. sub. notes (NR).....	1,126,250
		6,857,700
	 Computer Software -- 4.9%	
1,000,000	Blackboard Inc 3.25%, due 2027 cv. sr. notes (NR).....	1,051,250
1,500,000	Epicor Software Corp. 2.375%, due 2027 sr. cv. notes (NR).....	1,560,000
1,000,000	GSI Commerce, Inc. 2.5%, due 2027 cv. sr. notes (NR) (Acquired 06/27/07; Cost \$1,001,875) (2).....	998,750
1,500,000	Lehman Brothers Holdings Inc. 1%, due 2009 medium-term notes (A1) (performance linked to Microsoft Corp. common stock) (1).....	1,568,400
1,000,000	Symantec Corp. 1%, due 2013 cv. sr. notes (NR).....	1,178,750
		6,357,150
	 Consumer Goods -- 2.5%	
1,500,000	Chattem, Inc. 1.625%, due 2014 cv. sr. notes (NR).....	1,569,375
1,000,000	Church & Dwight Co., Inc. 5.25%, due 2033 cv. sr. deb. (Bal)...	1,607,500
		3,176,875
	 Energy -- 5.5%	
1,000,000	Cameron International Corp. 2.50%, due 2026 cv. sr. notes (Baal).....	1,221,250
1,500,000	Covanta Holding Corp. 1%, due 2027 sr. cv. deb. (B1) (1).....	1,550,625
1,500,000	Nabors Industries, Inc. 0.94%, due 2011 sr. exchangeable notes (A-) (exchangeable for Nabors Industries Ltd. common stock).....	1,470,000
1,225,000	Oil States International, Inc. 2.375%, due 2025 contingent cv. sr. notes (NR).....	1,799,219
1,250,000	Rentech, Inc. 4%, due 2013 cv. sr. notes (NR).....	1,134,375

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		-----
		7,175,469
		-----
	Entertainment -- 3.9%	
2,000,000	Gannett Co., Inc. floating rate, due 2037 cv. sr. notes (NR)...	2,002,500
2,500,000	The Walt Disney Company 2.125%, due 2023 cv. sr. notes (A3)....	3,006,250
		-----
		5,008,750
		-----

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ELLSWORTH FUND LTD.-----  
 PORTFOLIO OF INVESTMENTS June 30, 2007 (continued)-----

Principal Amount		Value (Note 1)
-----		-----
	CONVERTIBLE BONDS AND NOTES -- continued	
	Financial Services -- 1.6%	
\$2,000,000	Euronet Worldwide, Inc. 3.50%, due 2025 cv. deb. (B+) (1).....	\$ 2,112,500
		-----
	Health Care -- 4.2%	
1,000,000	China Medical Technologies, Inc. 3.5%, due 2011 cv. sr. sub. notes (NR).....	1,170,000
500,000	LifePoint Hospitals, Inc. 3.25, due 2025 cv. sr. sub. deb. (B2)	467,500
450,000	LifePoint Hospitals, Inc. 3.50, due 2014 cv. sr. sub. notes (NR).....	459,000
1,000,000	Manor Care, Inc. 2.125%, due 2035 cv. sr. notes (Baa3).....	1,506,250
1,000,000	Omnicare, Inc. 3.25%, due 2035 cv. sr. deb. (B2) (1).....	841,250
1,000,000	St. Jude Medical, Inc. 1.22%, due 2008 cv. sr. deb. (BBB+) (Acquired 04/20/07; Cost \$1,005,938) (2).....	992,500
		-----
		5,436,500
		-----
	Insurance -- 2.4%	
3,000,000	Prudential Financial, Inc. floating rate, due 2036 cv. sr. notes.....	3,107,400
		-----
	Multi-Industry -- 4.9%	
2,000,000	Citigroup Funding Inc. 1%, due 2010 medium-term notes (Aa1) (exchangeable for the cash value of a basket of technology stocks) (1).....	1,986,000
750,000	Diversa Corp. 5.5%, due 2027 cv. sr. notes (NR) (exchangeable for Verenum Corp. common stock) (Acquired 03/23/07; Cost \$750,000) (2).....	707,813
1,125,000	FTI Consulting, Inc. 3.75%, due 2012 cv. sr. sub. notes (B1)...	1,591,875
2,000,000	LSB Industries, Inc. 5.5%, due 2012 cv. sr. sub. deb. (NR) (Acquired 06/28/07; Cost \$2,000,000) (2).....	2,020,000
		-----
		6,305,688
		-----
	Pharmaceuticals -- 6.1%	

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2,500,000	Bristol-Myers Squibb Co. floating rate, due 2023 cv. sr. deb. (A2).....	2,543,750
1,625,000	Mylan Laboratories Inc. 1.25%, due 2012 sr. cv. notes (BBB-)...	1,576,250
1,500,000	Teva Pharmaceutical Finance Co. B.V. 1.75%, due 2026 cv. sr. deb. (Baa2) (exchangeable for Teva Pharmaceutical Industries Ltd. ADR)....	1,501,875
2,000,000	Wyeth floating rate, due 2024 cv. sr. deb. (A3).....	2,272,400
		-----
		7,894,275
		-----
	Real Estate -- 2.5%	
1,000,000	ProLogis 2.25%, due 2037 cv. sr. notes (BBB+) (Acquired 03/20/07 - 04/16/07; Cost \$982,038) (2).....	947,500
1,000,000	United Dominion Realty Trust, Inc. 3.625%, due 2011 cv. sr. notes (NR).....	951,250
1,500,000	Vornado Realty Trust 2.85%, due 2027 cv. sr. deb. (Baa2).....	1,398,750
		-----
		3,297,500
		-----
	Retail -- 1.8%	
1,000,000	Amazon.com, Inc. 4.75%, due 2009 cv. sub. notes (Ba3).....	1,023,750
1,500,000	Charming Shoppes, Inc. 1.125%, due 2014 sr. cv notes (BB-) (Acquired 05/02/07 - 05/03/07; Cost \$1,491,125) (2).....	1,351,875
		-----
		2,375,625
		-----
	Semiconductors -- 6.6%	
2,000,000	Agere Systems Inc. 6.5%, due 2009 cv. sub. notes (B1) (exchangeable for LSI Corp.).....	2,042,500
1,500,000	Cypress Semiconductor Corp. 1%, due 2009 cv. sr. notes (B-)....	1,665,000
2,000,000	Fairchild Semiconductor Corp. 5%, due 2008 cv. sr. sub. notes (B) (exchangeable into Fairchild Semiconductor International, Inc. common stock).....	1,990,000
2,000,000	Intel Corp. 2.95%, due 2035 jr. sub. cv. deb. (A-) (1).....	1,917,500
1,000,000	LSI Corp. 4%, due 2010 cv. sub. notes (B+).....	973,750
		-----
		8,588,750
		-----

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ELLSWORTH FUND LTD.-----  
PORTFOLIO OF INVESTMENTS June 30, 2007 (continued)-----

Principal Amount	Value (Note 1)
-----	-----

CONVERTIBLE BONDS AND NOTES -- continued

	Telecommunications -- 2.6%	
\$1,000,000	Anixter International, Inc. 1%, due 2013 sr. cv. notes (BB-)...	\$ 1,291,250
1,000,000	Equinix, Inc. 2.5%, due 2012 cv. sub. notes (NR).....	1,045,000
1,000,000	SAVVIS, Inc. 3%, due 2012 cv. sr. notes (NR).....	1,020,000

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		----- 3,356,250 -----
	Transportation -- 1.5%	
2,000,000	ExpressJet Holdings, Inc. 4.25%, due 2023 cv. notes (NR).....	1,950,000 -----
	TOTAL CONVERTIBLE BONDS AND NOTES.....	\$ 83,105,382 -----
	CORPORATE BONDS AND NOTES -- 1.2%	
	Retail -- 1.2%	
1,500,000	Amerivon Holdings LLC 4%, due 2010 units with corporate note and warrants attached (NR) (Acquired 06/01/07; Cost \$1,500,000) (2).....	1,500,000 -----
	Shares	
-----		
	CONVERTIBLE PREFERRED STOCKS -- 11.3%	
	Aerospace and Defense -- 0.4%	
40,000	Ionatron, Inc. 6.5% Series A redeemable cv. pfd. (NR) (Acquired 10/27/05; Cost \$1,000,000) (2).....	460,000 -----
	Banking/Savings and Loan -- 3.8%	
54,178	New York Community Bancorp, Inc. 6% BONUSSES units (Baa1).....	2,591,876
20,000	Sovereign Capital Trust IV 4.375% PIERS (Baa1) (exchangeable for Sovereign Bancorp, Inc. common stock) (1)...	932,500
25,000	Washington Mutual Capital Trust 5.375% PIERS units (BBB) (exchangeable for Washington Mutual, Inc. common stock).....	1,399,750 -----
		4,924,126 -----
	Chemicals -- 3.1%	
80,000	Celanese Corp. 4.25% cv. perpetual pfd. (NR).....	4,012,800 -----
	Energy -- 1.6%	
20,000	Chesapeake Energy Corp. 4.5% cum. cv. pfd. (B+).....	2,010,000 -----
	Insurance -- 1.9%	
75,000	Citigroup Funding Inc. variable rate exch. notes (Aa1) (exchangeable for Genworth Financial, Inc. common stock).....	2,406,750 -----
	Telecommunications -- 0.6%	
100	Medis Technologies Ltd 7.25% Series A cum. cv. perpetual pfd. (NR).....	775,279 -----
	TOTAL CONVERTIBLE PREFERRED STOCKS.....	\$ 14,588,955 -----

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ELLSWORTH FUND LTD.-----  
 PORTFOLIO OF INVESTMENTS June 30, 2007 (continued)-----

Shares		Value (Note 1)
	MANDATORY CONVERTIBLE SECURITIES -- 18.9% (3)	
	Chemicals -- 1.5%	
40,000	Huntsman Corp. 5% mandatory cv. pfd., due 02/16/08 (NR).....	\$ 1,960,000
	Consumer Goods -- 1.3%	
1,500	The Stanley Works floating rate equity units, due 05/17/12 (A2)	1,665,570
	Energy -- 2.2%	
40,000	Bristow Group Inc. 5.5% mandatory cv. pfd., due 09/15/09 (B)...	2,552,000
1,000	Chesapeake Energy Corp. 6.25% mandatory cv. pfd., due 06/15/09 (B+).....	287,250
		2,839,250
	Finance -- 1.0%	
25,500	Morgan Stanley, Inc. 5.875% mandatorily exchangeable securities, due 10/15/08 (Aa3) (exchangeable for Nuveen Investments, Inc. common stock).....	1,348,440
	Financial Services -- 1.5%	
70,000	E*TRADE Financial Corp. 6.125% equity units, due 11/18/08 (Ba3)	1,954,400
	Foods -- 0.8%	
40,000	Lehman Brothers Holdings Inc. 6.25% PIES, due 10/15/07 (A1) (exchangeable for General Mills, Inc. common stock).....	1,082,400
	Pharmaceuticals -- 1.4%	
42,008	NATIXIS Financial Products Inc. 8.1% mandatory trigger exchangeable notes, due 12/05/07 (NR) (exchangeable for Sepracor Inc. common stock) (Acquired 05/23/07; Cost \$2,000,000) (2).....	1,769,146
	Insurance -- 5.2%	
7,000	Alleghany Corp. 5.75% mandatory cv. pfd., due 06/15/09 (BBB-)..	2,632,000
80,000	MetLife, Inc. 6.375% common equity units, due 08/15/08 (BBB+)..	2,588,000
52,500	XL Capital, Ltd. 7% equity security units, due 02/15/09 (A3)...	1,542,450
		6,762,450
	Minerals and Mining -- 3.1%	
20,000	Freeport-McMoRan Copper & Gold Inc. 6.75% mandatory cv. pfd., due 05/01/10 (B+).....	2,570,000
20,000	Vale Capital Ltd. 5.5% mandatorily convertible notes, due 06/15/10 (NR) (exchangeable for ADSs representing Companhia Vale Do Rio Doce common stock).....	978,200

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10,000	Vale Capital Ltd. 5.5% mandatorily convertible notes, due 06/15/10 (NR) (exchangeable for ADSs representing Companhia Vale Do Rio Doce Preference A Shares).....	492,000
		-----
		4,040,200
		-----
14,000	Telecommunications -- 0.8% Credit Suisse Securities (USA), Inc. 5.5% SAILS, due 11/15/08 (Aa1) (exchangeable for Equinix, Inc. common stock).....	1,090,880
		-----
	TOTAL MANDATORY CONVERTIBLE SECURITIES (3).....	\$ 24,512,736
		-----

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ELLSWORTH FUND LTD.-----  
PORTFOLIO OF INVESTMENTS June 30, 2007 (continued)-----

Shares		Value (Note 1)
-----		-----
	COMMON STOCKS -- 1.6%	
	Multi-Industry -- 1.6%	
100,000	LSB Industries, Inc. (4).....	\$ 2,140,000
		-----
Principal Amount	SHORT-TERM SECURITIES -- 4.4%	
	Commercial Paper -- 4.4%	
\$5,700,000	American Express Credit Corp. 5.26%, due 07/02/07 (P1).....	5,696,669
		-----
	Total Convertible Bonds and Notes -- 64.1%.....	\$ 83,105,382
	Total Corporate Bonds and Notes -- 1.2%.....	1,500,000
	Total Convertible Preferred Stocks -- 11.3%.....	14,588,955
	Total Mandatory Convertible Securities -- 18.9%.....	24,512,736
	Total Common Stocks -- 1.6%.....	2,140,000
	Total Short-Term Securities -- 4.4%.....	5,696,669
		-----
	Total Investments -- 101.5%.....	131,543,742
	Other assets and liabilities, net -- (1.5)%.....	(1,957,106)
		-----
	Total Net Assets -- 100.0%.....	\$129,586,636
		=====

(1) Contingent payment debt instrument which accrues contingent interest.  
See Note 2.

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- (2) Security not registered under the Securities Act of 1933, as amended (i.e., the security was purchased in a Rule 144A or a Reg D transaction). The security may be resold only pursuant to an exemption from registration under the 1933 Act, typically to qualified institutional buyers. The Fund generally has no rights to demand registration of these securities. The aggregate market value of these securities at June 30, 2007 was \$15,288,784 which represented 11.8% of the Fund's net assets.
- (3) These securities are required to be converted on the dates listed; they generally may be converted prior to these dates at the option of the holder.
- (4) Non-income producing security.
- ADR American Depositary Receipts.  
ADS American Depositary Shares.  
BONUSES Bifurcated Option Note Unit Securities.  
PIES Premium Income Exchangeable Securities.  
PIERS Preferred Income Equity Redeemable Securities.  
SAILS Shared Appreciation Income Linked Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's. NR is used whenever a rating is unavailable.

### Summary of Portfolio Ratings:

	% of Portfolio
Aa	11
A	16
Baa	17
Ba	7
B	19