

First Quarter Report



## Tri-Continental Corporation

**Quarterly Report for  
the Period Ended  
March 31, 2010**

- > Tri-Continental Corporation seeks future growth of both capital and income while providing reasonable current income.**

# Letter to Stockholders

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Dear Stockholders,

I am pleased to present the quarterly stockholder report for Tri-Continental Corporation (the Fund). The report contains the Fund's investment results and portfolio of investments as of March 31, 2010.

For the three months ended March 31, 2010, the Fund's total return based on net asset value rose 6.21%, and its total return based on market price rose 6.90%. During the same 3-month period, the S&P 500 Index gained 5.39% and the Lipper Large-Cap Core Funds Index gained 4.83%.

Under the earned distribution policy, the Fund paid a distribution on March 29, 2010 of \$0.04 per share of common stock of the Fund. Distributions are based upon amounts distributed by underlying portfolio companies owned by the Fund.

The Fund continues to offer several distribution payment options. Stockholders should assess their income needs and consider investing a portion of their distributions in additional shares of the Fund. The options available with respect to Fund distribution payments are:

- > 100% of distribution reinvested in additional shares
- > 75% of distribution reinvested / 25% of distribution paid in cash
- > 50% of distribution reinvested / 50% of distribution paid in cash
- > 100% of distribution paid in cash

You may change your payment election by contacting your financial advisor or by calling the Fund's Stockholder Servicing Agent at 800.221.2450, 7 a.m. to 6 p.m. Central time.

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On April 30, 2010, Ameriprise Financial, Inc., the parent company of RiverSource Investments, LLC — the Fund’s investment manager, acquired the long-term asset management business of Columbia Management Group, LLC, bringing together the fund families of Columbia Management and RiverSource Investments. While the investment manager for the Fund, RiverSource Investments, LLC, will remain the same, its name has changed to Columbia Management Investment Advisers, LLC. The Fund’s Stockholder Servicing Agent, RiverSource Service Corporation, has been renamed Columbia Management Investment Services Corp.

On behalf of the Board, we would like to thank you for your continued support of the Fund.



Stephen R. Lewis, Jr.  
Chairman of the Board

For more information go online to [Tricontinental.com](http://Tricontinental.com) or [Seligman.com](http://Seligman.com); or call 800.221.2450. Customer Service Representatives are available to answer your questions Monday through Friday from 7 a.m. to 6 p.m. Central time.

# Your Fund at a Glance

(Unaudited)

## FUND SUMMARY

- > Tri-Continental Corporation (the Fund) common stock gained 6.21%, based on net asset value, and 6.90%, based on market price (excluding sales charge) for the 3-month period ended March 31, 2010.
- > The Fund outperformed its benchmark, the S&P 500 Index, which gained 5.39% for the 3-month period.
- > The Fund outperformed the Lipper Large-Cap Core Funds Index, which rose 4.83% for the 3 months.

## ANNUALIZED TOTAL RETURNS *(for period ended March 31, 2010)*

	3 months*	1 year	3 years	5 years	10 years
Tri-Continental Corporation					
Market Price	+6.90%	+48.20%	-11.40%	-1.67%	-1.82%
Net Asset Value	+6.21%	+51.71%	-10.07%	-1.69%	-2.61%
S&P 500 Index <sup>(1)</sup> (unmanaged)	+5.39%	+49.77%	-4.17%	+1.92%	-0.65%
Lipper Large-Cap Core Funds Index <sup>(2)</sup>	+4.83%	+48.66%	-3.68%	+2.03%	-1.15%
Lipper Large-Cap Core Funds Average <sup>(3)</sup>	+4.93%	+48.49%	-4.00%	+1.84%	-0.15%

\* Not annualized.

*The performance information shown represents past performance and is not a guarantee of future results. The investment return and principal value of your investment will fluctuate so that your shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting [seligman.com](http://seligman.com).*

Returns reflect changes in market price or net asset value, as applicable, and assume reinvestment of distributions. Returns do not reflect the deduction of taxes that investors may pay on distributions or the sale of shares.

The indices and the average do not reflect the effects of sales charges, expenses (excluding Lipper) and taxes. It is not possible to invest directly in an index or an average.

<sup>(1)</sup>The Standard & Poor's 500 Composite Stock Price Index (S&P 500 Index), an unmanaged index of common stocks, is frequently used as a general measure of market performance. The index reflects reinvestment of all distributions and changes in market prices.

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- (2) The Lipper Large-Cap Core Funds Index (the Lipper Index) includes the 30 largest open-end large-cap core funds tracked by Lipper Inc. The Lipper Index's returns include net reinvested distributions.\*
- (3) The Lipper Large-Cap Core Funds Average (the Lipper Average) includes open-end funds that, by portfolio practice, invest at least 75% of their assets in companies with market capitalizations (on a three-year weighted basis) above Lipper's U.S. Diversified Equity large-cap floor. Large-cap core funds typically have an average price-to-earnings ratio, price-to-book ratio, and three-year sales-per-share growth value relative to the S&P 500 Index. The Lipper Average's returns include net reinvested distributions.\*
- \* On Oct. 1, 2009 the Lipper Index replaced the Lipper Average as the Fund's secondary benchmark. The Lipper Average includes all funds categorized by Lipper within the broad universe of open-end funds in the Lipper Average, whereas the Lipper Index includes only a select group of open-end funds from the Lipper Average, as described above. This change was made to bring the selection of the secondary benchmark in line with the practice of the Fund Family, which would permit a common stockholder experience and provide a more focused peer group for performance comparison purposes. Information on both the Lipper Index and the Lipper Average will be included for a one-year transition period. Thereafter, only the Lipper Index will be included. Although the Fund is a closed-end fund, the Lipper Index and Lipper Average are included because they provide a broader competitor base than the equivalent Lipper closed-end universes.

# Your Fund at a Glance *(continued)*

## PRICE PER SHARE

	March 31, 2010	Dec. 31, 2009
Market price	\$12.27	\$11.52
Net asset value	14.53	13.73

## DIVIDEND AND CAPITAL GAIN INFORMATION PER COMMON SHARE

*(for the three months ended March 31, 2010)*

Distributions paid <sup>(b)</sup>	Capital gain (loss) <sup>(a)</sup>		
	Realized	Unrealized gain <sup>(c)</sup>	Unrealized loss <sup>(c)</sup>
\$0.04	\$0.28	\$1.84	\$(1.53)

<sup>(a)</sup> Per share amounts based on outstanding Common shares as of March 31, 2010.

<sup>(b)</sup> Preferred Stockholders were paid dividends totaling \$0.625 per share.

<sup>(c)</sup> Represents the per Common share amount of gross unrealized gain or loss of portfolio securities as of March 31, 2010.

The net asset value of the Fund's shares may not always correspond to the market price of such shares. Common stock of many closed-end funds frequently trade at a discount from their net asset value. The Fund is subject to stock market risk, which is the risk that stock prices overall will decline over short or long periods, adversely affecting the value of an investment in the Fund.

Securities selected using quantitative methods may perform differently from the market as a whole for many reasons, including the factors used in building the quantitative analytical framework, the weights placed on each factor, and changing sources of market returns, among others. There can be no assurance that these methodologies will enable the Fund to achieve its objective.

## STYLE MATRIX

STYLE			SIZE
VALUE	BLEND	GROWTH	
			LARGE
			MEDIUM
			SMALL

Shading within the style matrix indicates areas in which the Fund is designed to generally invest.

The style matrix can be a valuable tool for constructing and monitoring your portfolio. It provides a frame of reference for distinguishing the types of stocks or bonds owned by a fund, and may serve as a guideline for helping you build a portfolio.

Investment products, including shares of funds, are not federally or FDIC-insured, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.

## PORTFOLIO BREAKDOWN<sup>(1)</sup> (at March 31, 2010)

Consumer Discretionary	10.5%
Consumer Staples	5.2%
Energy	15.4%
Financials	18.7%
Health Care	15.9%
Industrials	9.4%
Information Technology	13.8%
Materials	3.7%
Telecommunication Services	5.1%
Utilities	2.0%
Other <sup>(2)</sup>	0.3%

<sup>(1)</sup> Sectors can be comprised of several industries. Please refer to the section entitled “Portfolio of Investments” for a complete listing. No single industry exceeds 25% of portfolio assets.

Percentages indicated are based upon total investments (excluding Investments of Cash Collateral Received for Securities on Loan). The Fund’s composition is subject to change.

<sup>(2)</sup> Cash & Cash Equivalents.

The sectors identified above are based on the Global Industry Classification Standard (GICS), which was developed by and is the exclusive property of Morgan Stanley Capital International Inc. and Standard & Poor’s, a division of The McGraw-Hill Companies, Inc.

## Your Fund at a Glance *(continued)*

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### **TOP TEN HOLDINGS<sup>(1)</sup>** *(at March 31, 2010)*

Apple, Inc.	6.1%
Chevron Corp.	5.5%
Pfizer, Inc.	4.0%
AT&T, Inc.	3.5%
Johnson & Johnson	3.3%
Home Depot, Inc.	3.2%
ConocoPhillips	3.2%
Bank of America Corp.	2.6%
General Electric Co.	2.4%
Merck & Co., Inc.	2.2%

<sup>(1)</sup> Percentages indicated are based upon total investments (excluding Investments of Cash Collateral Received for Securities on Loan and Cash & Cash Equivalents).

For further detail about these holdings, please refer to the section entitled "Portfolio of Investments."

Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security.

# Portfolio of Investments

March 31, 2010 (Unaudited)

(Percentages represent value of investments compared to net assets)

## Investments in Securities

Common Stocks (99.7%)			Common Stocks (continued)		
Issuer	Shares	Value(a)	Issuer	Shares	Value(a)
<b>Aerospace &amp; Defense (2.2%)</b>			<b>Capital Markets (3.2%)</b>		
General Dynamics Corp.	77,707	\$5,998,981	Franklin Resources, Inc.	46,700	\$5,179,030
ITT Corp.	18,839(g)	1,009,959	Invesco Ltd.	53,352	1,168,942
Lockheed Martin Corp.	58,984(g)	4,908,648	Morgan Stanley	114,323(g)	3,348,521
Northrop Grumman Corp.	42,536(g)	2,789,086	State Street Corp.	93,763(g)	4,232,462
Raytheon Co.	51,954(g)	2,967,612	The Bank of New York Mellon Corp.	179,421(g)	5,540,520
United Technologies Corp.	67,658	4,980,305	The Goldman Sachs Group, Inc.	67,435(g)	11,506,435
Total		22,654,591	WCAS Capital Partners II LP	4,292,803(e,f)	1,940,776
<b>Air Freight &amp; Logistics (0.4%)</b>			Total		32,916,686
CH Robinson Worldwide, Inc.	26,764	1,494,769	<b>Chemicals (1.7%)</b>		
FedEx Corp.	23,889(g)	2,231,233	Air Products & Chemicals, Inc.	12,825	948,409
Total		3,726,002	CF Industries Holdings, Inc.	9,852	898,305
<b>Airlines (0.1%)</b>			Eastman Chemical Co.	23,702	1,509,343
Southwest Airlines Co.	90,939	1,202,214	El du Pont de Nemours & Co.	31,327(g)	1,166,617
<b>Auto Components (0.1%)</b>			PPG Industries, Inc.	26,162(g)	1,710,995
Johnson Controls, Inc.	41,647(g)	1,373,935	The Dow Chemical Co.	386,113(g)	11,417,362
<b>Automobiles (0.1%)</b>			Total		17,651,031
Harley-Davidson, Inc.	47,514(g)	1,333,718	<b>Commercial Banks (3.6%)</b>		
<b>Beverages (1.9%)</b>			BB&T Corp.	17,541(g)	568,153
Brown-Forman Corp., Class B	20,369(g)	1,210,937	Comerica, Inc.	50,712(g)	1,929,084
Coca-Cola Enterprises, Inc.	91,210	2,522,869	Fifth Third Bancorp	98,736(g)	1,341,822
PepsiCo, Inc.	61,609	4,076,051	First Horizon National Corp.	77,138(b,g)	1,083,790
The Coca-Cola Co.	208,922	11,490,710	KeyCorp	123,471(g)	956,900
Total		19,300,567	M&T Bank Corp.	16,187	1,284,924
<b>Biotechnology (0.1%)</b>			Marshall & Ilsley Corp.	140,663(g)	1,132,337
Cephalon, Inc.	13,389(b,g)	907,506	PNC Financial Services Group, Inc.	205,785(g)	12,285,365
<b>Building Products (0.1%)</b>			SunTrust Banks, Inc.	102,300(g)	2,740,617
Masco Corp.	68,608(g)	1,064,796	US Bancorp	61,420(g)	1,589,550
			Wells Fargo & Co.	398,424	12,398,955
			Total		37,311,497
			<b>Commercial Services &amp; Supplies (0.4%)</b>		
			Avery Dennison Corp.	27,121	987,476
			Pitney Bowes, Inc.	42,234	1,032,621
			RR Donnelley & Sons Co.	116,797	2,493,616
			Total		4,513,713

See accompanying Notes to Portfolio of Investments.

# Portfolio of Investments *(continued)*

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Communications Equipment (0.9%)</b>		
Cisco Systems, Inc.	223,328(b)	\$5,813,228
Motorola, Inc.	406,815(b)	2,855,841
QUALCOMM, Inc.	17,150	720,129
<b>Total</b>		<b>9,389,198</b>
<b>Computers &amp; Peripherals (7.6%)</b>		
Apple, Inc.	264,807(b)	62,211,108
Dell, Inc.	351,104(b)	5,270,071
Lexmark International, Inc., Class A	64,655(b)	2,332,752
NetApp, Inc.	122,453(b)	3,987,070
QLogic Corp.	9,925(b.g)	201,478
Western Digital Corp.	104,385(b)	4,069,971
<b>Total</b>		<b>78,072,450</b>
<b>Construction &amp; Engineering (0.1%)</b>		
Fluor Corp.	25,350(g)	1,179,029
<b>Consumer Finance (1.6%)</b>		
American Express Co.	220,285	9,088,960
Capital One Financial Corp.	83,535(g)	3,459,184
Discover Financial Services	169,896	2,531,450
SLM Corp.	129,265(b.g)	1,618,398
<b>Total</b>		<b>16,697,992</b>
<b>Distributors (0.1%)</b>		
Genuine Parts Co.	29,421(g)	1,242,743
<b>Diversified Consumer Services (0.1%)</b>		
H&R Block, Inc.	77,095(g)	1,372,291
<b>Diversified Financial Services (3.6%)</b>		
Bank of America Corp.	1,472,802	26,289,515
Citigroup, Inc.	2,617,393(b)	10,600,442
IntercontinentalExchange, Inc.	4,150(b.g)	465,547
<b>Total</b>		<b>37,355,504</b>
<b>Diversified Telecommunication Services (4.9%)</b>		
AT&T, Inc.	1,396,010(g)	36,072,899
CenturyTel, Inc.	36,445(g)	1,292,340
Verizon Communications, Inc.	415,670	12,894,083
<b>Total</b>		<b>50,259,322</b>

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Electric Utilities (0.9%)</b>		
Edison International	29,772	\$1,017,309
Exelon Corp.	67,721	2,966,857
FirstEnergy Corp.	39,287(g)	1,535,729
Progress Energy, Inc.	84,011	3,306,673
<b>Total</b>		<b>8,826,568</b>
<b>Electrical Equipment (0.3%)</b>		
Emerson Electric Co.	43,778(g)	2,203,784
Rockwell Automation, Inc.	21,013	1,184,293
<b>Total</b>		<b>3,388,077</b>
<b>Electronic Equipment, Instruments &amp; Components (0.8%)</b>		
Agilent Technologies, Inc.	86,701(b.g)	2,981,648
Corning, Inc.	139,805	2,825,459
Jabil Circuit, Inc.	23,163	375,009
Tyco Electronics Ltd.	70,765(c)	1,944,622
<b>Total</b>		<b>8,126,738</b>
<b>Energy Equipment &amp; Services (1.9%)</b>		
Baker Hughes, Inc.	21,110(g)	988,792
BJ Services Co.	50,851	1,088,211
Cameron International Corp.	59,339(b.g)	2,543,270
Diamond Offshore Drilling, Inc.	11,999(g)	1,065,631
EnSCO PLC, ADR	32,277(c)	1,445,364
FMC Technologies, Inc.	23,389(b.g)	1,511,631
Halliburton Co.	40,690	1,225,990
Nabors Industries Ltd.	63,575(b,c.g)	1,247,977
National Oilwell Varco, Inc.	76,799(g)	3,116,504
Noble Corp.	12,335(b,c)	515,850
Schlumberger Ltd.	74,653(g)	4,737,480
Smith International, Inc.	3,620	155,008
Weatherford International Ltd.	11,912(b,c)	188,924
<b>Total</b>		<b>19,830,632</b>
<b>Food &amp; Staples Retailing (1.0%)</b>		
SUPERVALU Inc.	103,498	1,726,347
Walgreen Co.	82,882	3,074,093
Wal-Mart Stores, Inc.	90,429	5,027,852
Whole Foods Market, Inc.	19,466(b.g)	703,696
<b>Total</b>		<b>10,531,988</b>

See accompanying Notes to Portfolio of Investments.

## Common Stocks (continued)

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Food Products (1.0%)</b>		
Archer-Daniels-Midland Co.	150,534	\$4,350,432
ConAgra Foods, Inc.	57,717(g)	1,446,965
Dean Foods Co.	40,694(b,g)	638,489
General Mills, Inc.	20,962	1,483,900
Hormel Foods Corp.	23,467(g)	985,849
Sara Lee Corp.	85,249	1,187,519
<b>Total</b>		<b>10,093,154</b>

<b>Gas Utilities (0.2%)</b>		
Nicor, Inc.	24,521(g)	1,027,920
ONEOK, Inc.	22,637	1,033,379
<b>Total</b>		<b>2,061,299</b>

<b>Health Care Equipment &amp; Supplies (1.0%)</b>		
Becton Dickinson and Co.	27,125(g)	2,135,551
CareFusion Corp.	28,672(b,g)	757,801
Intuitive Surgical, Inc.	9,595(b,g)	3,340,307
Medtronic, Inc.	84,074(g)	3,785,852
St. Jude Medical, Inc.	9,551(b)	392,069
<b>Total</b>		<b>10,411,580</b>

<b>Health Care Providers &amp; Services (3.4%)</b>		
Aetna, Inc.	114,632	4,024,730
Cardinal Health, Inc.	145,179(g)	5,230,799
CIGNA Corp.	125,553	4,592,729
Coventry Health Care, Inc.	46,172(b,g)	1,141,372
Humana, Inc.	24,709(b)	1,155,640
McKesson Corp.	16,234	1,066,898
UnitedHealth Group, Inc.	313,692	10,248,318
WellPoint, Inc.	107,698(b)	6,933,597
<b>Total</b>		<b>34,394,083</b>

<b>Hotels, Restaurants &amp; Leisure (0.6%)</b>		
Starbucks Corp.	242,514(b)	5,885,815

<b>Household Durables (0.6%)</b>		
DR Horton, Inc.	99,489(g)	1,253,561
Harman International Industries, Inc.	25,111(b)	1,174,693
Pulte Group, Inc.	81,133(b,g)	912,746
Whirlpool Corp.	28,572(g)	2,492,907
<b>Total</b>		<b>5,833,907</b>

<b>Household Products (0.2%)</b>		
Clorox Co.	19,549	\$1,253,873
Colgate-Palmolive Co.	11,085(g)	945,107
<b>Total</b>		<b>2,198,980</b>

<b>Independent Power Producers &amp; Energy Traders (0.4%)</b>		
Constellation Energy Group, Inc.	35,925	1,261,327
NRG Energy, Inc.	46,869(b,g)	979,562
The AES Corp.	162,076(b)	1,782,836
<b>Total</b>		<b>4,023,725</b>

<b>Industrial Conglomerates (3.4%)</b>		
3M Co.	87,751	7,333,351
General Electric Co.	1,379,615	25,108,992
Textron, Inc.	66,356(g)	1,408,738
Tyco International Ltd.	18,634(c)	712,751
<b>Total</b>		<b>34,563,832</b>

<b>Insurance (5.5%)</b>		
AFLAC, Inc.	136,212	7,394,949
Aon Corp.	84,339(g)	3,602,119
Assurant, Inc.	28,410	976,736
Chubb Corp.	115,899	6,009,363

<b>Hartford Financial Services Group, Inc.</b>		
	61,987	1,761,671
Lincoln National Corp.	49,430	1,517,501
MetLife, Inc.	62,535	2,710,267
Principal Financial Group, Inc.	62,611(g)	1,828,867
Prudential Financial, Inc.	31,793	1,923,477
The Allstate Corp.	321,629	10,391,833
The Progressive Corp.	196,964	3,760,043
The Travelers Companies, Inc.	213,982	11,542,188
Torchmark Corp.	41,023(g)	2,195,141
Unum Group	57,272(g)	1,418,627
<b>Total</b>		<b>57,032,782</b>

<b>Internet &amp; Catalog Retail (0.5%)</b>		
Expedia, Inc.	78,713(g)	1,964,676
priceline.com, Inc.	13,274(b)	3,384,870
<b>Total</b>		<b>5,349,546</b>

<b>Internet Software &amp; Services (0.3%)</b>		
eBay, Inc.	129,136(b,g)	3,480,215

See accompanying Notes to Portfolio of Investments.

# Portfolio of Investments *(continued)*

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>IT Services (1.2%)</b>		
Automatic Data Processing, Inc.	79,712	\$3,544,793
Cognizant Technology Solutions Corp., Class A	110,233(b)	5,619,678
Computer Sciences Corp.	29,428(b)	1,603,532
SAIC, Inc.	54,719(b,g)	968,526
<b>Total</b>		<b>11,736,529</b>

<b>Leisure Equipment &amp; Products (0.2%)</b>		
Mattel, Inc.	66,506	1,512,346

<b>Life Sciences Tools &amp; Services (0.1%)</b>		
Life Technologies Corp.	10,195(b,g)	532,893

<b>Machinery (1.6%)</b>		
Caterpillar, Inc.	120,819(g)	7,593,473
Cummins, Inc.	23,008(g)	1,425,346
Eaton Corp.	12,205(g)	924,773
Flowserve Corp.	10,682	1,177,904
Illinois Tool Works, Inc.	39,314	1,861,911
Ingersoll-Rand PLC	39,846(c)	1,389,430
Stanley Black & Decker, Inc.	37,860	2,173,543
<b>Total</b>		<b>16,546,380</b>

<b>Media (1.3%)</b>		
CBS Corp., Class B	202,002	2,815,908
Gannett Co., Inc.	82,836(g)	1,368,451
News Corp., Class A	337,587	4,864,629
The Walt Disney Co.	119,306	4,164,972
Viacom, Inc., Class B	8,274(b)	284,460
<b>Total</b>		<b>13,498,420</b>

<b>Metals &amp; Mining (1.6%)</b>		
Alcoa, Inc.	162,736(g)	2,317,361
Allegheny Technologies, Inc.	24,486(g)	1,321,999
Freeport-McMoRan Copper & Gold, Inc.	123,344(g)	10,304,157
Nucor Corp.	6,444(g)	292,429
United States Steel Corp.	30,531(g)	1,939,329
<b>Total</b>		<b>16,175,275</b>

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Multiline Retail (0.9%)</b>		
Family Dollar Stores, Inc.	71,498	\$2,617,542
JC Penney Co., Inc.	29,136	937,305
Macy's, Inc.	142,041	3,092,232
Nordstrom, Inc.	62,168	2,539,563
Sears Holdings Corp.	1,760(b,g)	190,837
<b>Total</b>		<b>9,377,479</b>

<b>Multi-Utilities (0.5%)</b>		
DTE Energy Co.	22,941	1,023,169
PG&E Corp.	101,954(g)	4,324,888
<b>Total</b>		<b>5,348,057</b>

<b>Oil, Gas &amp; Consumable Fuels (13.5%)</b>		
Chesapeake Energy Corp.	82,514(g)	1,950,631
Chevron Corp.	737,542(d)	55,927,811
ConocoPhillips	631,914	32,335,039
Exxon Mobil Corp.	222,712(g)	14,917,250
Hess Corp.	53,467	3,344,361
Marathon Oil Corp.	410,668	12,993,536
Murphy Oil Corp.	34,239	1,923,889
Occidental Petroleum Corp.	87,462	7,394,037
Pioneer Natural Resources Co.	40,225(g)	2,265,472
Sunoco, Inc.	24,149	717,467
Tesoro Corp.	44,673(g)	620,955
Valero Energy Corp.	207,889	4,095,413
<b>Total</b>		<b>138,485,861</b>

<b>Paper &amp; Forest Products (0.5%)</b>		
International Paper Co.	146,334	3,601,280
MeadWestvaco Corp.	41,549(g)	1,061,577
<b>Total</b>		<b>4,662,857</b>

<b>Pharmaceuticals (11.4%)</b>		
Abbott Laboratories	158,321	8,340,350
Bristol-Myers Squibb Co.	72,690	1,940,823
Eli Lilly & Co.	146,029	5,289,170
Forest Laboratories, Inc.	114,465(b)	3,589,622
Johnson & Johnson	513,644	33,489,590
King Pharmaceuticals, Inc.	64,212(b)	755,133
Merck & Co., Inc.	600,497	22,428,563
Pfizer, Inc.	2,404,208	41,232,168
<b>Total</b>		<b>117,065,419</b>

See accompanying Notes to Portfolio of Investments.

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Real Estate Investment Trusts (REITs) (1.0%)</b>		
Boston Properties, Inc.	17,003(g)	\$1,282,706
Equity Residential	33,847(g)	1,325,110
Simon Property Group, Inc.	52,518(g)	4,406,261
Ventas, Inc.	28,380	1,347,482
Vornado Realty Trust	19,219(g)	1,454,878
<b>Total</b>		<b>9,816,437</b>

### Real Estate Management & Development (0.2%)

CB Richard Ellis Group, Inc., Class A	100,889(b,g)	1,599,091
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### Road & Rail (0.7%)

CSX Corp.	72,718	3,701,346
Norfolk Southern Corp.	66,947	3,741,668
<b>Total</b>		<b>7,443,014</b>

### Semiconductors & Semiconductor Equipment (1.2%)

Advanced Micro Devices, Inc.	175,014(b)	1,622,380
Analog Devices, Inc.	37,608	1,083,863
Broadcom Corp., Class A	51,952(g)	1,723,767
MEMC Electronic Materials, Inc.	75,552(b,g)	1,158,212
Micron Technology, Inc.	307,070(b,g)	3,190,457
NVIDIA Corp.	66,927(b,g)	1,163,191
Texas Instruments, Inc.	75,900(g)	1,857,273
<b>Total</b>		<b>11,799,143</b>

### Software (1.9%)

Microsoft Corp.	61,794	1,808,710
Oracle Corp.	83,820	2,153,336
Red Hat, Inc.	36,860(b)	1,078,892
Rovi Corp.	316,380(b,g)	11,747,190
Salesforce.com, Inc.	40,378(b,g)	3,006,142
<b>Total</b>		<b>19,794,270</b>

### Specialty Retail (5.5%)

Abercrombie & Fitch Co., Class A	42,922(g)	1,958,960
AutoNation, Inc.	50,188(b,g)	907,399
Bed Bath & Beyond, Inc.	12,498(b,g)	546,912
Best Buy Co., Inc.	57,352	2,439,754
Home Depot, Inc.	1,028,999(g)	33,288,117
Limited Brands, Inc.	499,103(g)	12,287,916
Lowe's Companies, Inc.	21,413	519,051
The Gap, Inc.	46,869	1,083,143
The Sherwin-Williams Co.	15,478(g)	1,047,551

## Common Stocks (continued)

Issuer	Shares	Value(a)
<b>Specialty Retail (cont.)</b>		
Tiffany & Co.	25,740	\$1,222,393
Urban Outfitters, Inc.	31,988(b)	1,216,504
<b>Total</b>		<b>56,517,700</b>

### Textiles, Apparel & Luxury Goods (0.4%)

Coach, Inc.	6,735(g)	266,167
Nike, Inc., Class B	53,138	3,905,643
VF Corp.	3,275	262,491
<b>Total</b>		<b>4,434,301</b>

### Tobacco (1.2%)

Altria Group, Inc.	446,561	9,163,432
Lorillard, Inc.	37,660	2,833,538
<b>Total</b>		<b>11,996,970</b>

### Trading Companies & Distributors (-%)

Fastenal Co.	23	1,104
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### Wireless Telecommunication Services (0.2%)

Sprint Nextel Corp.	530,893(b,g)	2,017,393
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### Total Common Stocks

(Cost: \$980,053,340)		\$1,025,918,645
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## Money Market Fund (0.3%)

	Shares	Value(a)
RiverSource Short-Term Cash Fund, 0.18%	3,209,597(h)	\$3,209,597

### Total Money Market Fund

(Cost: \$3,209,597)		\$3,209,597
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## Investments of Cash Collateral Received for Securities on Loan (19.9%)

Issuer	Coupon rate	Principal amount	Value(a)
<b>Asset-Backed Commercial Paper (2.2%)</b>			
Belmont Funding LLC			
04-12-10	0.48%	\$7,996,693	\$7,996,693
Grampian Funding LLC			
04-12-10	0.22	4,998,992	4,998,992
Rheingold Securitization			
04-22-10	0.27	4,998,838	4,998,838

See accompanying Notes to Portfolio of Investments.

# Portfolio of Investments *(continued)*

## Investments of Cash Collateral Received for Securities on Loan (continued)

Issuer	Coupon rate	Principal amount	Value(a)
<b>Asset-Backed Commercial Paper (cont.)</b>			
Versailles Commercial Paper LLC			
04-15-10	0.28%	\$4,998,794	\$4,998,794
<b>Total</b>			<b>22,993,317</b>
<b>Certificates of Deposit (13.6%)</b>			
Australia and New Zealand Bank Group			
04-27-10	0.29	5,000,000	5,000,000
05-24-10	0.31	2,000,000	2,000,000
Banco Popular Espanol			
04-26-10	0.35	2,998,251	2,998,251
05-04-10	0.34	2,498,582	2,498,582
Banco Santander Central Hispano			
04-06-10	0.30	5,000,000	5,000,000
04-19-10	0.31	5,000,000	5,000,000
Caisse Centrale du Credit Immobilier de France			
04-30-10	0.35	3,998,612	3,998,612
Clydesdale Bank			
04-12-10	0.25	5,000,000	5,000,000
Credit Industriel et Commercial			
04-13-10	0.34	2,000,000	2,000,000
Credit Suisse			
04-23-10	0.32	5,000,000	5,000,000
Dexia Bank			
04-26-10	0.33	3,000,000	3,000,000
Dexia Credit Local			
04-01-10	0.28	5,000,000	5,000,000
Erste Bank der Oesterreichischen Sparkassen			
04-01-10	0.29	7,999,613	7,999,613
Hong Kong Shanghai Bank			
04-06-10	0.22	8,000,000	8,000,000
KBC Bank			
04-22-10	0.33	5,000,000	5,000,000
Natixis			
04-12-10	0.27	9,995,439	9,995,439
Norinchukin Bank			
04-08-10	0.25	2,000,000	2,000,000
04-13-10	0.27	5,000,062	5,000,062
NyKredit Bank			
06-24-10	0.38	8,000,000	8,000,000
Overseas Chinese Banking Corp			
05-11-10	0.27	5,000,000	5,000,000

## Investments of Cash Collateral Received for Securities on Loan (continued)

Issuer	Coupon rate	Principal amount	Value(a)
<b>Certificates of Deposit (cont.)</b>			
Pohjola Bank			
06-15-10	0.33%	\$7,493,680	\$7,493,680
Raiffeisen Zentralbank Oesterreich			
04-01-10	0.31	5,000,000	5,000,000
Sumitomo Mitsui Banking			
04-26-10	0.29	10,000,001	10,000,001
Ulster Bank Ireland Limited			
04-01-10	0.29	7,999,613	7,999,613
Unicredit BK			
04-06-10	0.30	6,000,000	6,000,000
United Overseas Bank			
05-28-10	0.30	5,000,000	5,000,000
<b>Total</b>			<b>138,984,053</b>
<b>Commercial Paper (0.5%)</b>			
Citigroup Funding			
04-26-10	0.26	4,998,736	4,998,736
<b>Repurchase Agreements (3.6%)(i)</b>			
Bank of America Securities LLC			
dated 03-31-10, matures 04-01-10,			
repurchase price			
\$5,533,755	0.05	5,533,747	5,533,747
Morgan Stanley			
dated 01-21-10, matures 04-30-10			
repurchase price			
\$7,001,867	0.32	7,000,000	7,000,000
Morgan Stanley			
dated 02-22-10, matures 04-30-10,			
repurchase price			
\$10,003,083	0.37	10,000,000	10,000,000
Morgan Stanley			
dated 02-23-10, matures 04-30-10,			
repurchase price			
\$5,001,542	0.37	5,000,000	5,000,000

See accompanying Notes to Portfolio of Investments.

## Investments of Cash Collateral Received for Securities on Loan (continued)

Issuer	Coupon rate	Principal amount	Value(a)
<b>Repurchase Agreements (cont.)</b>			
Pershing LLC			
dated 03-31-10, matures 04-01-10, repurchase price			
\$10,000,061	0.22%	\$10,000,000	\$10,000,000
Total			37,533,747
<b>Total Investments of Cash Collateral Received for Securities on Loan</b>			
(Cost: \$204,509,853)			\$204,509,853
<b>Total Investments in Securities</b>			
(Cost: \$1,187,772,790)(j)			\$1,233,638,095

The industries identified above are based on the Global Industry Classification Standard (GICS), which was developed by and is the exclusive property of Morgan Stanley Capital International Inc. and Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

## Investments in Derivatives

### Futures Contracts Outstanding at March 31, 2010

Contract description	Number of contracts long (short)	Notional market value	Expiration date	Unrealized appreciation (depreciation)
S&P 500 Index	10	\$2,913,000	June 2010	\$26,066

### Notes to Portfolio of Investments

ADR — American Depositary Receipt

- (a) The Fund adopted Financial Accounting Standards Board (FASB) Staff Position FAS 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" (FSP 157-4), on June 30, 2009. FSP 157-4 provides guidance on estimating the fair value of an investment when the trade volume and level of activity for the investment have significantly decreased relative to historical levels. FSP 157-4 requires funds to disclose in interim and annual periods the inputs and valuation techniques used to measure fair value and any changes in valuation inputs or techniques. In addition, investments shall be disclosed by major category. There was no impact to the Fund's net assets or results of operations upon adoption. This disclosure can be found as part of the Fair Value Measurements disclosure in the Portfolio of Investments.

# Portfolio of Investments *(continued)*

## Notes to Portfolio of Investments *(continued)*

All securities are valued at the close of each business day of the NYSE. Securities traded on national securities exchanges or included in national market systems are valued at the last quoted sales price. Debt securities are generally traded in the over-the-counter market and are valued by an independent pricing service using an evaluated bid. When market quotes are not readily available, the pricing service, in determining fair values of debt securities, takes into consideration such factors as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Foreign securities are valued based on quotations from the principal market in which such securities are normally traded. The procedures adopted by the Board of Directors (the Board) generally contemplate the use of fair valuation in the event that price quotations or valuations are not readily available, price quotations or valuations from other sources are not reflective of market value and thus deemed unreliable, or a significant event has occurred in relation to a security or class of securities (such as foreign securities) that is not reflected in price quotations or valuations from other sources. A fair value price is a good faith estimate of the value of a security at a given point in time.

Many securities markets and exchanges outside the U.S. close prior to the close of the NYSE and therefore the closing prices for securities in such markets or on such exchanges may not fully reflect events that occur after such close but before the close of the NYSE, including significant movements in the U.S. market after foreign exchanges have closed. Accordingly, in those situations, Ameriprise Financial, Inc. (Ameriprise Financial), parent company of RiverSource Investments, LLC\*, (the Investment Manager), as administrator to the Corporation, will fair value foreign securities pursuant to procedures adopted by the Board, including utilizing a third party pricing service to determine these fair values. These procedures take into account multiple factors, including movements in the U.S. securities markets, to determine a good faith estimate that reasonably reflects the current market conditions as of the close of the NYSE.

Short-term securities maturing in more than 60 days from the valuation date are valued at the market price or approximate market value based on current interest rates. Typically, those maturing in 60 days or less that originally had maturities of more than 60 days at acquisition date are valued at amortized cost using the market value on the 61st day before maturity. Short-term securities maturing in 60 days or less at acquisition date are valued at amortized cost. Amortized cost is an approximation of market value. Investments in money market funds are valued at net asset value.

- (b)** Non-income producing. For long-term debt securities, item identified is in default as to payment of interest and/or principal.
- (c)** Foreign security values are stated in U.S. dollars. At March 31, 2010, the value of foreign securities, excluding short-term securities, represented 0.72% of net assets.
- (d)** At March 31, 2010, investments in securities included securities valued at \$748,037 that were partially pledged as collateral to cover initial margin deposits on open stock index futures contracts.

\* Effective May 1, 2010, RiverSource Investments, LLC is known as Columbia Management Investment Advisers, LLC.

## Notes to Portfolio of Investments (continued)

- (e) Identifies issues considered to be illiquid as to their marketability. The aggregate value of such securities at March 31, 2010 was \$1,940,776, representing 0.19% of net assets. Information concerning such security holdings at March 31, 2010 was as follows:

Security	Acquisition dates	Cost
WCAS Capital Partners II LP	01-09-05 thru 03-05-97	4,212,138

- (f) At March 31, 2010, the Fund owned one limited partnership investment that was purchased through a private offering and cannot be sold without prior registration under the Securities Act of 1933 or pursuant to an exemption therefrom. The investment is valued at fair value as determined in accordance with procedures approved by the Board of Directors of the Fund. The acquisition dates of investment in the limited partnership, along with the cost and value at March 31, 2010, were as follows:

Investment	Acquisition dates	Cost	Value(a)
WCAS Capital Partners II LP	12-11-90 to 03-24-98	\$4,292,803	\$1,940,776

- (g) At March 31, 2010, security was partially or fully on loan.
- (h) Affiliated Money Market Fund – The Fund may invest its daily cash balance in RiverSource Short-Term Cash Fund, a money market fund established for the exclusive use of the RiverSource, Seligman and Threadneedle funds and other institutional clients of the Investment Manager. The rate shown is the seven-day current annualized yield at March 31, 2010.
- (i) The table below represents securities received as collateral subject to repurchase agreements. This collateral, which is generally high quality short-term obligations, is deposited with the Fund's custodian and, pursuant to the terms of the repurchase agreement, must have an aggregate market value greater than or equal to the repurchase price plus accrued interest at all times. The market value of securities held as collateral for repurchase agreements is monitored on a daily basis to ensure the existence of the proper level of collateral.

### Banc of America Securities LLC (0.05%)

Security description	Value(a)
Fannie Mae REMICS	\$347,520
Freddie Mac REMICS	858,824
Government National Mortgage Association	4,438,078
Total market value of collateral securities	\$5,644,422

### Morgan Stanley (0.32%)

Security description	Value(a)
Amstel Funding Corp	\$630,472
Amsterdam Funding Corp	11,660
Atlantic Asset Securities	2,332
Beethoven Funding Corp	12
Bryant Park Funding LLC	607

# Portfolio of Investments *(continued)*

## Notes to Portfolio of Investments *(continued)*

### Morgan Stanley (0.32%) *(continued)*

Security description	Value(a)
BTM Capital Corp	\$241,471
Can Ast & Can Ltd	159,782
Chesham Financing/ Chesham LLC	100,600
Concord Min Capital	124,788
Crown Point Capital	33,647
Fairway Finance Corp	35
Fannie Mae Pool	49,373
Fannie Mae REMICS	49,368
Fannie Mae Whole Loan	719
Federal Home Loan Banks	1,522,696
Federal National Mortgage Association	21,467
FHLMC-GNMA	32
Freddie Mac Gold Pool	6,720
Freddie Mac Non Gold Pool	1,808
Freddie Mac REMICS	1
Galleon Capital Corp	1,167
Ginnie Mae I Pool	42,133
Ginnie Mae II Pool	10,738
Gotham Funding Corp	1,400
Halkin Finance LLC	417,192
LMA LMA Americas	27,990
Manhattan Asset Funding	3,674
Market St Funding Corp	16,083
Nationwide Life Ins Co	4,783
Nestle Capital Corp	455,400
Paradigm Funding LLC	17,508
Scaldis & Scaldis	673,128
Silver Tower US Funding	175,432
Silver Tower US Fund	466,532
Starbird Funding Corp	9,064
Straight A Funding	26,829
Thames Ast Global Securities	440,057
TSL USA Inc	1,553,094
Victory Receivables	58
Total market value of collateral securities	\$7,299,852

### Morgan Stanley (0.37%)

Security description	Value(a)
Access Group Inc	\$778,973
Accredited Mortgage Loan Trust	41,752
American Express Credit Account Master Trust	22,572
American Express Issuance Trust	23,224

## Notes to Portfolio of Investments (continued)

### Morgan Stanley (0.37%) (continued)

Security description	Value(a)
AmeriCredit Automobile Receivables Trust	\$26,929
BA Credit Card Trust	194,270
Banc of America Commercial Mortgage Inc	385,145
Banc of America Large Loan Inc	124,637
Bank One Issuance Trust	187,931
BMW Vehicle Lease Trust	133,672
Capital Auto Receivables Asset Trust	251,604
Capital One Multi-Asset Execution Trust	351,419
Chase Issuance Trust	393,297
Citibank Credit Card Issuance Trust	266,253
Citifinancial Mortgage Securities Inc	26,770
Citigroup Commercial Mortgage Trust	204,497
Collegiate Funding Services Education Loan Trust I	130,258
Commercial Mortgage Asset Trust	65,803
Commercial Mortgage Pass Through Certificates	80,247
Credit Suisse First Boston Mortgage Securities Corp	57,553
Credit Suisse Mortgage Capital Certificates	220,148
Daimler Chrysler Auto Trust	353,462
DFR Middle Market CLO Ltd	276,466
Education Funding Capital Trust I	118,353
Fannie Mae REMICS	66,484
Fannie Mae Whole Loan	161,662
Federal National Mortgage Association	36,267
FHLMC Structured Pass Through Securities	24,609
Ford Credit Floorplan Master Owner Trust	208,808
GE Business Loan Trust	33,956
GE Capital Credit Card Master Note Trust	282,957
G-FORCE CDO	63,581
Gramercy Real Estate CDO	407,425
Granite Master Issuer PLC	219,871
Granite Mortgages PLC	29,890
HSBC Home Equity Loan Trust	72,084
Hyundai Floorplan Master Owner Trust	113,931
JP Morgan Chase Commercial Mortgage Securities Corp	410,967
LB-UBS Commercial Mortgage Trust	48,748
MBNA Credit Card Master Note Trust	660,681
Merrill Lynch Mortgage Trust	146,729
Morgan Stanley ABS Capital I	12,163
Nelnet Education Loan Funding Inc	53,920
Nelnet Student Loan Trust	265,713
Nissan Auto Lease Trust	80,208
Northstar Education Finance Inc	93,672
Pennsylvania Higher Education Assistance Agency	39,716
Saxon Asset Securities Trust	35,295

# Portfolio of Investments *(continued)*

## Notes to Portfolio of Investments *(continued)*

### Morgan Stanley (0.37%) *(continued)*

Security description	Value(a)
SLC Student Loan Trust	\$82,935
SLM Student Loan Trust	345,483
Victoria Falls CLO Ltd	694,371
Wachovia Bank Commercial Mortgage Trust	1,084,138
Total market value of collateral securities	\$10,491,499

### Morgan Stanley (0.37%)

Security description	Value(a)
Access Group Inc	\$389,486
Accredited Mortgage Loan Trust	20,876
American Express Credit Account Master Trust	11,286
American Express Issuance Trust	11,612
AmeriCredit Automobile Receivables Trust	13,465
BA Credit Card Trust	97,135
Banc of America Commercial Mortgage Inc	192,572
Banc of America Large Loan Inc	62,318
Bank One Issuance Trust	93,966
BMW Vehicle Lease Trust	66,836
Capital Auto Receivables Asset Trust	125,802
Capital One Multi-Asset Execution Trust	175,709
Chase Issuance Trust	196,649
Citibank Credit Card Issuance Trust	133,126
Citifinancial Mortgage Securities Inc	13,385
Citigroup Commercial Mortgage Trust	102,249
Collegiate Funding Services Education Loan Trust I	65,129
Commercial Mortgage Asset Trust	32,902
Commercial Mortgage Pass Through Certificates	40,124
Credit Suisse First Boston Mortgage Securities Corp	28,777
Credit Suisse Mortgage Capital Certificates	110,074
Daimler Chrysler Auto Trust	176,731
DFR Middle Market CLO Ltd	138,233
Education Funding Capital Trust I	59,177
Fannie Mae REMICS	33,242
Fannie Mae Whole Loan	80,831
Federal National Mortgage Association	18,134
FHLMC Structured Pass Through Securities	12,304
Ford Credit Floorplan Master Owner Trust	104,404
GE Business Loan Trust	16,978
GE Capital Credit Card Master Note Trust	141,478
G-FORCE CDO	31,790
Gramercy Real Estate CDO	203,713
Granite Master Issuer PLC	109,936

## Notes to Portfolio of Investments (continued)

### Morgan Stanley (0.37%) (continued)

Security description	Value(a)
Granite Mortgages PLC	\$14,945
HSBC Home Equity Loan Trust	36,042
Hyundai Floorplan Master Owner Trust	56,965
JP Morgan Chase Commercial Mortgage Securities Corp	205,484
LB-UBS Commercial Mortgage Trust	24,374
MBNA Credit Card Master Note Trust	330,341
Merrill Lynch Mortgage Trust	73,364
Morgan Stanley ABS Capital I	6,081
Nelnet Education Loan Funding Inc	26,960
Nelnet Student Loan Trust	132,857
Nissan Auto Lease Trust	40,104
Northstar Education Finance Inc	46,836
Pennsylvania Higher Education Assistance Agency	19,858
Saxon Asset Securities Trust	17,648
SLC Student Loan Trust	41,467
SLM Student Loan Trust	172,741
Victoria Falls CLO Ltd	347,185
Wachovia Bank Commercial Mortgage Trust	542,069
Total market value of collateral securities	\$5,245,750

### Pershing LLC (0.22%)

Security description	Value(a)
Fannie Mae Benchmark REMIC	\$40,142
Fannie Mae Pool	4,036,983
Fannie Mae REMICS	969,212
Federal Home Loan Banks	15,300
Federal Home Loan Mortgage Corp	56,911
Federal National Mortgage Association	130,241
Freddie Mac Gold Pool	1,843,799
Freddie Mac Non Gold Pool	86,560
Freddie Mac Reference REMIC	24,685
Freddie Mac REMICS	182,764
Ginnie Mae I Pool	282,880
Ginnie Mae II Pool	113,413
Government National Mortgage Association	363,277
United States Treasury Inflation Indexed Bonds	48,192
United States Treasury Note/Bond	1,847,296
United States Treasury Strip Principal	158,345
Total market value of collateral securities	\$10,200,000

# Portfolio of Investments *(continued)*

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## Notes to Portfolio of Investments *(continued)*

- (i) At March 31, 2010, the cost of securities for federal income tax purposes was approximately \$1,187,773,000 and the approximate aggregate gross unrealized appreciation and depreciation based on that cost was:

Unrealized appreciation	\$125,934,000
Unrealized depreciation	(80,069,000)
Net unrealized appreciation	\$45,865,000

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## Fair Value Measurements

Generally accepted accounting principles (GAAP) require disclosure regarding the inputs and valuation techniques used to measure fair value and any changes in valuation inputs or techniques. In addition, investments shall be disclosed by major category.

The Fund categorizes its fair value measurements according to a three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by prioritizing that the most observable input be used when available. Observable inputs are those that market participants would use in pricing an investment based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the Fund's assumptions about the information market participants would use in pricing an investment. An investment's level within the fair value hierarchy is based on the lowest level of any input that is deemed significant to the asset or liability's fair value measurement. The input levels are not necessarily an indication of the risk or liquidity associated with investments at that level. For example, certain U.S. government securities are generally high quality and liquid, however, they are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market.

Fair value inputs are summarized in the three broad levels listed below:

- Level 1 – Valuations based on quoted prices for investments in active markets that the Fund has the ability to access at the measurement date. Valuation adjustments are not applied to Level 1 investments.
- Level 2 – Valuations based on other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risks, etc.).
- Level 3 – Valuations based on significant unobservable inputs (including the Fund's own assumptions and judgment in determining the fair value of investments).

Inputs that are used in determining fair value of an investment may include price information, credit data, volatility statistics, and other factors. These inputs can be either observable or unobservable. The availability of observable inputs can vary between investments, and is affected by various factors such as the type of investment, and the volume and level of activity for that investment or similar investments in the marketplace. The inputs will be considered by the Fund Administrator, along with any other relevant factors in the calculation of an investment's fair value. The Fund uses prices and inputs that are current as of the measurement date, which may include periods of market dislocations. During these periods, the availability of prices and inputs may be reduced for many investments. This condition could cause an investment to be reclassified between the various levels within the hierarchy.

Non-U.S. equity securities actively traded in foreign markets may be reflected in Level 2 despite the availability of closing prices, because the Fund evaluates and determines whether those closing prices reflect fair value at the close of the New York Stock Exchange (NYSE) or require adjustment, as described in Note (a) to the Portfolio of Investments.

Investments falling into the Level 3 category are primarily supported by quoted prices from brokers and dealers participating in the market for those investments. However, these may be classified as

# Portfolio of Investments *(continued)*

## Fair Value Measurements *(continued)*

Level 3 investments due to lack of market transparency and corroboration to support these quoted prices. Additionally, valuation models may be used as the pricing source for any remaining investments classified as Level 3. These models rely on one or more significant unobservable inputs and/or significant assumptions by the Fund Administrator. Inputs used in a valuation model may include, but are not limited to, financial statement analysis, discount rates and estimated cash flows, and comparable company data.

The following table is a summary of the inputs used to value the Fund's investments as of March 31, 2010:

Description	Fair value at March 31, 2010			Total
	Level 1 quoted prices in active markets for identical assets	Level 2 other significant observable inputs	Level 3 significant unobservable inputs	
Equity Securities				
Common Stocks				
Capital Markets	\$30,975,910	\$—	\$1,940,776	\$32,916,686
All Other Industries(a)	993,001,959	—	—	993,001,959
Total Equity Securities	1,023,977,869	—	1,940,776	1,025,918,645
Other				
Affiliated Money Market Fund(b)	3,209,597	—	—	3,209,597
Investments of Cash Collateral Received for Securities on Loan(c)	—	204,509,853	—	204,509,853
Total Other	3,209,597	204,509,853	—	207,719,450
Investments in Securities	1,027,187,466	204,509,853	1,940,776	1,233,638,095
Other Financial Instruments(d)	26,066	—	—	26,066
Total	\$1,027,213,532	\$204,509,853	\$1,940,776	\$1,233,664,161

(a) Industry classifications are identified in the Portfolio of Investments.

(b) Money market fund that is a sweep investment for cash balances in the Fund at March 31, 2010.

(c) Asset categories for Investments of Cash Collateral are identified in the Portfolio of Investments.

(d) Other Financial Instruments are derivative instruments, which are valued at the unrealized appreciation (depreciation) on the instrument. Derivative descriptions are located in the Investments in Derivatives section of the Portfolio of Investments.

## Fair Value Measurements (continued)

The following table is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value.

	<b>Common Stocks</b>
Balance as of Dec. 31, 2009	\$1,927,202
Accrued discounts/premiums	—
Realized gain (loss)	—
Change in unrealized appreciation (depreciation)*	13,574
Net purchases (sales)	—
Transfers in and/or out of Level 3	—
Balance as of March 31, 2010	\$1,940,776

\* Change in unrealized appreciation (depreciation) relating to securities held at March 31, 2010 was \$13,574.

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