

Edgar Filing: Madison Strategic Sector Premium Fund - Form N-Q

Madison Strategic Sector Premium Fund
Form N-Q
November 17, 2017

OMB APPROVAL
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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 811-21713

Madison Strategic Sector Premium Fund
(Exact name of registrant as specified in charter)

550 Science Drive, Madison, WI 53711
(Address of principal executive offices)(Zip code)

Kevin S. Thompson
Chief Legal Officer
Madison Asset Management, LLC
550 Science Drive
Madison, WI 53711
(Name and address of agent for service)

Registrant's telephone number, including area code: 608-274-0300

Date of fiscal year end: December 31

Date of reporting period: September 30, 2017

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (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

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burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. s 3507.

Madison Funds | September 30, 2017

Madison Strategic Sector Premium Fund
Portfolio of Investments (unaudited)

Item 1. Schedule of Investments.

Shares Value (Note 1)

COMMON
STOCKS

-	
89.0%	
Consumer	
Discretionary	
-	
10.0%	
Discovery	
Communications	
Inc.	
53,800	\$1,089,988
Class	
C	
*	
Dollar	
General	
17,800	1,442,690
Corp.	
(A)	
General	
Motors	
14,800	597,624
Co.	
(A)	
Lowe's	
Cos.	
31,400	2,510,116
Inc.	
(A)	
Whirlpool	
6,100	1,493,964
(A)	
	7,134,382
Consumer	
Staples	
-	
7.3%	
Costco	
Wholesale	
11,400	1,872,906
Corp.	
(A)	
CVS	
Health	
21,200	1,723,984
Corp.	
(A)	

Diageo
 PLC
 3,700 488,881
 ADR
 (A)
 JM
 Smucker
 11,000 1,154,230
 Co./The
 (A)
 5,240,001
 Energy
 -
 12.6%
 Apache
 67,500 1,717,500
 (A)
 Baker
 Hughes,
 a
 32,000 1,171,840
 GE
 Co.
 (A)
 Marathon
 Petroleum
 37,100 2,080,568
 Corp.
 (A)
 National
 Oilwell
 28,500 1,018,305
 Inc.
 (A)
 Occidental
 Petroleum
 21,700 1,393,357
 Corp.
 (A)
 Range
 Resources
 80,400 1,573,428
 Corp.
 (A)
 8,954,998
 Financials
 -
 8.9%
 Bank
 of
 77,400 1,961,316
 Corp.
 (A)
 Citigroup
 10,500 763,770
 (A)
 17,200 1,642,772

JPMorgan
 Chase
 &
 Co.
 (A)
 T.
 Rowe
 Price
 21,600 1,958,040
 Group
 Inc.
 (A)
 6,325,898
 Health
 Care
 -
 11.7%
 Baxter
 International
 17,200 1,079,300
 Inc.
 (A)
 Biogen
 Inc.
 5,500 1,722,160
 (A)
 Cerner
 Corp.
 14,400 1,027,008
 (A)
 Express
 Scripts
 Holding
 26,900 1,703,308
 Co.
 *
 (A)
 Gilead
 Sciences
 27,500 2,228,050
 Inc.
 (A)
 McKesson
 6,800 583,718
 (A)
 8,343,544
 Industrials
 -
 7.6%
 Delta
 Air
 28,100 1,354,982
 Inc.
 (A)
 18,000 1,131,120

Emerson
Electric
Co.
(A)
Textron
~~18,000~~ 1,508,640
(A)
United
Technologies
~~12,200~~ 1,416,176
Corp.
(A)
5,410,918
Information
Technology
-
18.4%
Alphabet
Inc.,
Class
~~2,400~~ 2,301,864
C
*
(A)
Analog
Devices
~~12,700~~ 1,094,359
Inc.
(A)
Ciena
Corp.
~~82,100~~ 1,803,737
(A)
Intel
~~25,100~~ 955,808
(A)

See accompanying Notes to Portfolios of Investments.

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Madison Strategic Sector Premium Fund
Portfolio of Investments (unaudited)

Microsoft Corp. (A)	30,000	2,234,700
QUALCOMM Inc. (A)	38,000	1,969,920
Visa Inc., Class A (A)	14,000	1,473,360
Xilinx Inc. (A)	18,500	1,310,355
		13,144,103
Materials - 2.0%		
DowDuPont Inc. (A)	20,700	1,433,061
Real Estate - 3.2%		
Weyerhaeuser Co. (A)	66,800	2,273,204
Telecommunication Service - 4.1%		
T-Mobile U.S. Inc. * (A)	47,600	2,935,016
Utilities - 3.2%		
NRG Energy Inc. (A)	89,000	2,277,510
Total Common Stocks (Cost \$67,941,652)		63,472,635
INVESTMENT COMPANIES - 6.6%		
PowerShares DB Gold Fund *	44,200	1,802,034
SPDR S&P Oil & Gas Exploration & Production ETF (A)	43,100	1,469,279
VanEck Vectors Gold Miners ETF (A)	63,200	1,451,072
Total Investment Companies (Cost \$4,779,131)		4,722,385
SHORT-TERM INVESTMENTS - 3.0%		
State Street Institutional U.S. Government Money Market Fund, 0.92%, Premier Class	2,104,785	2,104,785
Total Short-Term Investments (Cost \$2,104,785)		2,104,785
		Par Value
U.S. GOVERNMENT AND AGENCY OBLIGATIONS - 5.6%		
U.S. Treasury Bill (B) (C), 1.011%, 10/5/17	\$4,000,000	3,999,558
Total U.S. Government and Agency Obligations (Cost \$3,999,558)		3,999,558
TOTAL INVESTMENTS - 104.2% (Cost \$78,825,126)		74,299,363
TOTAL PUT OPTIONS PURCHASED - 0.1%		71,550
TOTAL CALL & PUT OPTIONS WRITTEN - (3.2%)		(2,251,229)
NET OTHER ASSETS AND LIABILITIES - (1.1%)		(792,447)
TOTAL NET ASSETS - 100.0%		\$71,327,237

* Non-income producing.

(A) All or a portion of these securities' positions represent covers (directly or through conversion rights) for outstanding options written.

(B) Rate noted represents annualized yield at time of purchase.

(C)

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All or a portion of these securities are segregated as collateral for put options written. As of September 30, 2017, the total amount segregated was \$3,999,558.

~~A~~American Depositary Receipt.

~~E~~Exchange Traded Fund.

~~P~~ublic Limited Company.

See accompanying Notes to Portfolios of Investments.

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Madison Funds | September 30, 2017

Madison Strategic Sector Premium Fund
Portfolio of Investments (unaudited)

Purchased Option Contracts Outstanding
at September 30, 2017

Description	Exercise Price	Expiration Date	Number of Contracts	Notional Amount	Market Value	Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Put Option Purchased							
S&P 500 Index	\$2,420.00	10/20/2017	270	\$ 27,000	\$71,550	\$ 996,582	\$ (925,032)
Total Put Options Purchased					\$71,550	\$ 996,582	\$ (925,032)

Written Option Contracts Outstanding at September 30,
2017

Description	Exercise Price	Expiration Date	Number of Contracts	Notional Amount	Market Value	Premiums Paid (Received)	Unrealized Appreciation (Depreciation)
Call Options Written							
Alphabet Inc., Class C	\$950.00	10/20/2017	(8)	\$ (800)	\$(15,400)	\$ (9,591)	\$ (5,809)
Alphabet Inc., Class C	960.00	01/19/2018	(16)	(1,600)	(67,280)	(39,220)	(28,060)
Analog Devices Inc.	87.50	01/19/2018	(127)	(12,700)	(43,815)	(41,777)	(2,038)
Apache Corp.	47.50	01/19/2018	(190)	(19,000)	(43,890)	(39,467)	(4,423)
Baker Hughes, a GE Co.	35.00	10/20/2017	(160)	(16,000)	(31,200)	(9,462)	(21,738)
Bank of America Corp.	25.00	10/20/2017	(310)	(31,000)	(22,630)	(17,036)	(5,594)
Bank of America Corp.	25.00	01/19/2018	(464)	(46,400)	(70,296)	(44,083)	(26,213)
Baxter International Inc.	65.00	01/19/2018	(90)	(9,000)	(11,835)	(11,187)	(648)
Biogen Inc.	300.00	10/20/2017	(55)	(5,500)	(87,450)	(28,042)	(59,408)
Cerner Corp.	67.50	01/19/2018	(144)	(14,400)	(90,000)	(30,602)	(59,398)
Ciena Corp.	25.00	10/20/2017	(182)	(18,200)	(728)	(16,450)	15,722
Ciena Corp.	24.00	01/19/2018	(121)	(12,100)	(10,103)	(11,359)	1,256
Citigroup Inc.	67.50	10/20/2017	(105)	(10,500)	(56,700)	(24,040)	(32,660)
Costco Wholesale Corp.	158.00	10/20/2017	(57)	(5,700)	(42,893)	(16,470)	(26,423)
Costco Wholesale Corp.	160.00	10/20/2017	(57)	(5,700)	(34,058)	(13,297)	(20,761)
CVS Health Corp.	80.00	10/20/2017	(106)	(10,600)	(21,147)	(10,663)	(10,484)
CVS Health Corp.	80.00	01/19/2018	(106)	(10,600)	(41,870)	(18,757)	(23,113)
Delta Air Lines Inc.	50.00	01/19/2018	(281)	(28,100)	(54,093)	(51,595)	(2,498)
Diageo PLC	125.00	10/20/2017	(37)	(3,700)	(27,750)	(7,546)	(20,204)
Dollar General Corp.	80.00	10/20/2017	(178)	(17,800)	(37,380)	(22,954)	(14,426)
DowDuPont Inc.	65.00	01/19/2018	(100)	(10,000)	(53,500)	(24,395)	(29,105)
DowDuPont Inc.	72.50	01/19/2018	(107)	(10,700)	(12,144)	(17,012)	4,868
Emerson Electric Co.	60.00	10/20/2017	(180)	(18,000)	(54,900)	(16,912)	(37,988)
Express Scripts Holding Co.	62.50	10/20/2017	(135)	(13,500)	(20,183)	(20,115)	(68)
Express Scripts Holding Co.	67.50	01/19/2018	(134)	(13,400)	(15,477)	(18,224)	2,747
General Motors Co.	37.00	10/20/2017	(148)	(14,800)	(51,430)	(14,645)	(36,785)
Gilead Sciences Inc.	85.00	10/20/2017	(100)	(10,000)	(5,300)	(11,196)	5,896
Gilead Sciences Inc.	87.50	10/20/2017	(35)	(3,500)	(875)	(3,814)	2,939

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Gilead Sciences Inc.	90.00	01/19/2018	(140)	(14,000)	(19,390)	(26,734)	7,344
Intel Corp.	37.00	10/20/2017	(121)	(12,100)	(15,306)	(7,255)	(8,051)
Intel Corp.	36.00	10/20/2017	(130)	(13,000)	(27,755)	(8,054)	(19,701)
JM Smucker Co./The	110.00	01/19/2018	(110)	(11,000)	(23,100)	(26,063)	2,963
JPMorgan Chase & Co.	95.00	10/20/2017	(52)	(5,200)	(7,904)	(9,254)	1,350
JPMorgan Chase & Co.	97.50	01/19/2018	(120)	(12,000)	(30,240)	(27,728)	(2,512)
Lowe's Cos. Inc.	75.00	10/20/2017	(115)	(11,500)	(59,225)	(16,624)	(42,601)
Lowe's Cos. Inc.	80.00	10/20/2017	(199)	(19,900)	(23,582)	(23,513)	(69)
Marathon Petroleum Corp.	55.00	10/20/2017	(267)	(26,700)	(46,325)	(57,125)	10,800

See accompanying Notes to Portfolios of Investments.

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Portfolio of Investments (unaudited)

Marathon Petroleum Corp.	55.00	11/17/2017	(104)(10,400)	(26,312)	(16,531)	(9,781)	
McKesson Corp.	150.00	10/20/2017	(38)	(3,800)	(21,470)	(10,980)	(10,490)
Microsoft Corp.	75.00	10/20/2017	(220)(22,000)	(17,050)	(32,730)	15,680	
Microsoft Corp.	75.00	01/19/2018	(80)	(8,000)	(21,280)	(17,916)	(3,364)
National Oilwell Varco Inc.	32.00	10/20/2017	(140)(14,000)	(52,150)	(9,934)	(42,216)	
National Oilwell Varco Inc.	37.50	01/19/2018	(145)(14,500)	(19,865)	(18,962)	(903)	
NRG Energy Inc.	28.00	01/19/2018	(450)(45,000)	(60,750)	(50,530)	(10,220)	
Occidental Petroleum Corp.	65.00	01/19/2018	(110)(11,000)	(26,730)	(17,192)	(9,538)	
Occidental Petroleum Corp.	67.50	01/19/2018	(107)(10,700)	(15,140)	(19,897)	4,757	
QUALCOMM Inc.	55.00	10/20/2017	(100)(10,000)	(1,150)	(10,822)	9,672	
Range Resources Corp.	20.00	10/20/2017	(270)(27,000)	(15,525)	(21,318)	5,793	
Range Resources Corp.	21.00	10/20/2017	(270)(27,000)	(6,750)	(11,869)	5,119	
SPDR S&P Oil & Gas Exploration & Production ETF	31.00	10/20/2017	(220)(22,000)	(69,300)	(18,030)	(51,270)	
T-Mobile U.S. Inc.	67.50	11/17/2017	(160)(16,000)	(10,160)	(29,063)	18,903	
T-Mobile U.S. Inc.	67.50	01/19/2018	(130)(13,000)	(17,225)	(26,514)	9,289	
T. Rowe Price Group Inc.	75.00	10/20/2017	(126)(12,600)	(197,190)	(27,622)	(169,568)	
T. Rowe Price Group Inc.	80.00	10/20/2017	(90)	(9,000)	(96,750)	(23,396)	(73,354)
Textron Inc.	55.00	01/19/2018	(280)(28,000)	(70,700)	(59,783)	(10,917)	
United Technologies Corp.	120.00	01/19/2018	(122)(12,200)	(29,524)	(28,462)	(1,062)	
VanEck Vectors Gold Miners ETF	24.00	10/20/2017	(632)(63,200)	(10,112)	(42,764)	32,652	
Visa Inc., Class A	110.00	01/19/2018	(140)(14,000)	(28,070)	(23,584)	(4,486)	
Weyerhaeuser Co.	35.00	01/19/2018	(68)	(6,800)	(5,610)	(5,723)	113
Whirlpool Corp.	185.00	10/20/2017	(45)	(4,500)	(15,457)	(17,053)	1,596
Whirlpool Corp.	180.00	01/19/2018	(36)	(3,600)	(43,200)	(19,042)	(24,158)
Xilinx Inc.	70.00	10/20/2017	(105)(10,500)	(20,370)	(13,244)	(7,126)	
Xilinx Inc.	72.50	01/19/2018	(80)	(8,000)	(25,600)	(20,316)	(5,284)
Total Call Options Written					\$(2,200,594)	\$(1,385,538)	\$(815,056)
Put Options Written							
Apache Corp.	\$45.00	10/20/2017	(100)	\$(10,000)	\$(8,950)	\$(24,814)	\$15,864
Baker Hughes, a GE Co.	35.00	10/20/2017	(122)(12,200)	(3,660)	(20,612)	16,952	
Range Resources Corp.	17.00	10/20/2017	(300)(30,000)	(2,250)	(25,187)	22,937	
S&P 500 Index	2,350.00	10/20/2017	(270)(27,000)	(35,775)	(620,719)	584,944	
Total Put Options Written							