

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND  
Form N-Q  
June 19, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

OMB APPROVAL  
OMB Number: 3235-0578  
Expires: April 30, 2010  
Estimated average burden  
hours per response: 10.5

**FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act File Number: 811-21417

Registrant Name: NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND

Address of Principal Executive Offices: 1345 Avenue of the Americas New York, New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna □ 1345 Avenue of the Americas New York, New York 10105

Registrant's telephone number, including area code: 212-739-3371

Date of Fiscal Year End: January 31, 2008

Date of Reporting Period: April 30, 2007

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (§§ 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 30b 1-5 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 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 burden to the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Schedule of Investments****NFJ Dividend, Interest & Premium Strategy Fund Schedule of Investments**

April 30, 2007 (unaudited)

| Shares<br>(000)                            |                                       | Value*        |
|--|---------------------------------------|---------------|
| <b>COMMON STOCK-74.1%</b>                  |                                       |               |
| <b>Agriculture-3.5%</b>                    |                                       |               |
| 650  | Altria Group, Inc.                    | \$ 44,798,000 |
| 650  | Reynolds American, Inc. (a)           | 41,769,000    |
|  |                                       | 86,567,000    |
| <b>Apparel-0.9%</b>                        |                                       |               |
| 250  | VF Corp.                              | 21,952,500    |
| <b>Banking-7.6%</b>                        |                                       |               |
| 900  | Bank of America Corp. (a)             | 45,810,000    |
| 900  | KeyCorp (a)                           | 32,112,000    |
| 1,200                                      | Regions Financial Corp. (a)           | 42,108,000    |
| 650  | Wachovia Corp.                        | 36,101,000    |
| 750  | Washington Mutual, Inc. (a)           | 31,485,000    |
|  |                                       | 187,616,000   |
| <b>Beverages-1.8%</b>                      |                                       |               |
| 500  | Anheuser-Busch Cos., Inc. (a)         | 24,595,000    |
| 400  | Coca-Cola Co.                         | 20,876,000    |
|  |                                       | 45,471,000    |
| <b>Chemicals-4.3%</b>                      |                                       |               |
| 2,400                                      | Dow Chemical Co. (a)                  | 107,064,000   |
| <b>Commercial Services-0.7%</b>            |                                       |               |
| 36   | Deluxe Corp.                          | 1,377,740     |
| 400  | RR Donnelley & Sons Co. (a)           | 16,080,000    |
|  |                                       | 17,457,740    |
| <b>Computers-3.3%</b>                      |                                       |               |
| 400  | International Business Machines Corp. | 40,884,000    |
| 1,800                                      | Seagate Technology, Inc. (a)          | 39,870,000    |
|  |                                       | 80,754,000    |
| <b>Diversified Financial Services-2.7%</b> |                                       |               |
| 350  | Freddie Mac                           | 22,673,000    |
| 400  | JP Morgan Chase & Co. (a)             | 20,840,000    |
| 276  | Morgan Stanley                        | 23,211,963    |
|  |                                       | 66,724,963    |
| <b>Electric-1.7%</b>                       |                                       |               |
| 625  | TXU Corp.                             | 41,007,174    |
| <b>Food-1.9%</b>                           |                                       |               |
| 384  | HJ Heinz Co.                          | 18,085,529    |
| 811  | Kraft Foods, Inc.                     | 27,134,450    |
| 50   | Supervalu, Inc.                       | 2,295,000     |
|  |                                       | 47,514,979    |
| <b>Gas-2.9%</b>                            |                                       |               |

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|       |                                |            |
|-------|--------------------------------|------------|
| 1,300 | KeySpan Corp. (a)              | 53,833,000 |
| 300   | Sempra Energy                  | 19,044,000 |
|       |                                | 72,877,000 |
|       | <b>Hand/Machine Tools-2.1%</b> |            |
| 900   | Stanley Works                  | 52,452,000 |
|       | <b>Home Furnishings-0.0%</b>   |            |
| 10    | Whirlpool Corp.                | 1,060,300  |
|       | <b>Household Products-1.3%</b> |            |
| 450   | Kimberly-Clark Corp.           | 32,026,500 |
|       | <b>Insurance-3.7%</b>          |            |
| 700   | Allstate Corp. (a)             | 43,624,000 |
| 400   | Lincoln National Corp. (a)     | 28,460,000 |
| 350   | Travelers Cos., Inc.           | 18,935,000 |
|       |                                | 91,019,000 |
|       | <b>Machinery-0.7%</b>          |            |
| 150   | Deere & Co.                    | 16,410,000 |

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**NFJ Dividend, Interest & Premium Strategy Fund Schedule of Investments**

April 30, 2007 (unaudited)

| Shares<br>(000)                          |  |                                | Value*        |
|--|--|--------------------------------|---------------|
|  | <b>Media-2.0%</b>  |                                |               |
| 1,600                                    | CBS Corp.  | \$                             | 50,825,646    |
|  | <b>Oil &amp; Gas-16.1%</b>                                 |                                |               |
| 1,300                                    | Anadarko Petroleum Corp. (a)                               |                                | 60,658,000    |
| 725                                      | Chevron Corp. (a)  |                                | 56,397,750    |
| 1,000                                    | ConocoPhillips   |                                | 69,350,000    |
| 372                                      | Marathon Oil Corp.   |                                | 37,725,825    |
| 1,500                                    | Occidental Petroleum Corp.                                 |                                | 76,050,000    |
| 550                                      | PetroChina Co., Ltd. ADR                                   |                                | 61,677,000    |
| 352                                      | Petroleo Brasileiro SA ADR                                 |                                | 35,663,329    |
|  |  |                                | 397,521,904   |
|  | <b>Pharmaceuticals-8.4%</b>                                |                                |               |
| 1,000                                    | GlaxoSmithKline PLC ADR                                    |                                | 57,780,000    |
| 1,000                                    | Merck & Co., Inc. (a)                                      |                                | 51,440,000    |
| 3,700                                    | Pfizer, Inc. (a)   |                                | 97,902,000    |
|  |  |                                | 207,122,000   |
|  | <b>Real Estate-0.0%</b>                                    |                                |               |
| 10                                       | Duke Realty Corp. REIT                                     |                                | 431,100       |
|  | <b>Telecommunications-6.1%</b>                             |                                |               |
| 500                                      | AT&T, Inc. (a)   |                                | 19,360,000    |
| 1,500                                    | Verizon Communications, Inc. (a)                           |                                | 57,270,000    |
| 5,000                                    | Windstream Corp. (a)                                       |                                | 73,100,000    |
|  |  |                                | 149,730,000   |
|  | <b>Toys, Games &amp; Hobbies-0.5%</b>                      |                                |               |
| 400                                      | Mattel, Inc.   |                                | 11,320,000    |
|  | <b>Transportation-1.9%</b>                                 |                                |               |
| 900                                      | Norfolk Southern Corp.                                     |                                | 47,916,000    |
|  | Total Common Stock (cost-\$1,692,712,196)                  |                                | 1,832,840,806 |
| <b>CONVERTIBLE PREFERRED STOCK-15.4%</b> |  |                                |               |
|  |  | Credit Rating<br>(Moody's/S&P) |               |
|  | <b>Agriculture-0.5%</b>                                    |                                |               |
| 117                                      | Bunge Ltd., 4.875%, 12/31/49                               | Ba1/BB                         | 12,928,675    |
|  | <b>Automotive-0.5%</b>                                     |                                |               |
| 575                                      | General Motors Corp., 6.25%, 7/15/33, Ser. C               | Caa1/B-                        | 13,215,802    |
|  | <b>Banking-0.4%</b>  |                                |               |
| 195                                      | Washington Mutual Capital Trust, 5.375%, 5/3/41, Ser. UNIT | A3/BBB                         | 10,781,550    |
|  | <b>Commercial Services-0.3%</b>                            |                                |               |

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|     |  |        |             |
|-----|--|--------|-------------|
| 161 | United Rentals, Inc., 6.50%, 8/1/28        | B3/B-  | 7,937,130   |
|     | <b>Diversified Financial Services-6.5%</b> |        |             |
| 416 | E*Trade Financial Corp., 6.125%, 11/18/08  | Ba3/NR | 12,064,000  |
|     | Goldman Sachs Group, Inc.,                 |        |             |
| 495 | 12.00%, 12/12/07, Ser. CSCO                | Aa3/NR | 12,701,516  |
| 608 | 20.00%, 12/31/07, Ser. TWX                 | Aa3/NR | 11,878,146  |
| 322 | 20.00%, 3/6/08, Ser. DISH                  | Aa3/NR | 13,749,318  |
| 120 | Lazard Ltd., 6.625%, 5/15/08               | Ba1/NR | 5,541,948   |
|     | Lehman Brothers Holdings, Inc.,            |        |             |
| 430 | 6.25%, 10/15/07, Ser. GIS                  | A1/A+  | 12,126,000  |
| 144 | 8.00%, 3/9/08, Ser. AAPL                   | A1/A+  | 13,627,941  |
| 206 | 20.00%, 8/15/07, Ser. UTX                  | A1/A+  | 12,138,885  |
| 389 | 20.00%, 2/24/08, Ser. HPQ                  | A1/A+  | 16,056,123  |
|     | Morgan Stanley,                            |        |             |
| 184 | 20.00%, 12/15/07, Ser. XOM                 | Aa3/A+ | 13,368,995  |
| 337 | 20.00%, 1/31/08, Ser. T                    | Aa3/A+ | 12,401,938  |
| 26  | 20.00%, 3/8/08, Ser. GOOG                  | NR/NR  | 11,760,141  |
| 362 | 20.00%, 3/24/08, Ser. DIS                  | Aa3/NR | 12,487,527  |
|     |  |        | 159,902,478 |

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**NFJ Dividend, Interest & Premium Strategy Fund Schedule of Investments**

April 30, 2007 (unaudited)

| Shares<br>(000) |   | Credit Rating<br>(Moody's/S&P) | Value*        |
|-----------------|---|--------------------------------|---------------|
|                 | <b>Electric-1.8%</b>  |                                |               |
| 244             | AES Trust III, 6.75%, 10/15/29  | B3/B                           | \$ 12,197,677 |
| 230             | Entergy Corp., 7.625%, 2/17/09  | NR/BBB                         | 15,939,000    |
| 48              | NRG Energy, Inc., 5.75%, 3/16/09  | B2/CCC+                        | 16,935,750    |
|                 |   |                                | 45,072,427    |
|                 | <b>Insurance-1.8%</b>   |                                |               |
| 300             | Genworth Financial, Inc., 6.00%, 5/16/07  | A2/A                           | 11,583,000    |
| 405             | Metlife, Inc., 6.375%, 8/15/08  | NR/BBB+                        | 13,310,583    |
| 165             | Platinum Underwriters Holdings Ltd., 6.00%, 2/15/09, Ser. A<br>XL Capital Ltd., | NR/BB+                         | 5,341,875     |
| 386             | 6.50%, 5/15/07  | A3/A-                          | 9,841,788     |
| 136             | 7.00%, 2/15/09  | A3/A-                          | 3,733,250     |
|                 |   |                                | 43,810,496    |
|                 | <b>Metals &amp; Mining-0.5%</b>   |                                |               |
| 121             | Freeport-McMoRan Copper & Gold, Inc., 6.75%, 5/1/10                             | NR/B+                          | 13,165,902    |
|                 | <b>Oil &amp; Gas-0.5%</b>   |                                |               |
| 104             | Chesapeake Energy Corp., 5.00%, 12/31/49  | NR/B                           | 11,605,237    |
|                 | <b>Pharmaceuticals-0.7%</b>   |                                |               |
| 239             | Schering-Plough Corp., 6.00%, 9/14/07   | Baa3/BBB                       | 17,267,922    |
|                 | <b>Real Estate-0.5%</b>   |                                |               |
| 465             | FelCor Lodging Trust, Inc., 1.95%, 12/31/49, Ser. A, REIT                       | B2/B-                          | 12,037,050    |
|                 | <b>Retail-0.3%</b>  |                                |               |
| 5               | Blockbuster, Inc., 7.50%, 12/31/49  | NR/NR                          | 6,955,200     |
|                 | <b>Telecommunications-0.6%</b>  |                                |               |
| 239             | Crown Castle International Corp., 6.25%, 8/15/12                                | NR/NR                          | 13,736,462    |
|                 | <b>Waste Disposal-0.5%</b>  |                                |               |
| 38              | Allied Waste Industries, Inc., 6.25%, 3/1/08, Ser. D                            | B3/B                           | 13,487,400    |
|                 | Total Convertible Preferred Stock (cost-\$355,665,500)                          |                                | 381,903,731   |

**CONVERTIBLE BONDS & NOTES-8.9%**

| Principal<br>Amount<br>(000) |                                       | Credit Rating<br>(Moody's/S&P) |            |
|------------------------------|---------------------------------------|--------------------------------|------------|
|                              | <b>Airlines-0.5%</b>                  |                                |            |
| \$8,945                      | UAL Corp., 4.50%, 6/30/21 (b)(c)      | NR/CCC+                        | 11,985,584 |
|                              | <b>Banking-0.4%</b>                   |                                |            |
| 10,000                       | UBS AG Jersey, 22.00%, 8/15/07 (b)(c) | NR/NR                          | 9,900,000  |

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|   |  |          |            |
|---|--|----------|------------|
| <b>Commercial Services-1.5%</b>                   |  |          |            |
| 3,000   | Quanta Services, Inc., 3.75%, 4/30/26 (b)(c)   | NR/B     | 4,170,000  |
| 7,930   | Quanta Services, Inc., 3.75%, 4/30/26 GDR      | NR/B     | 11,022,700 |
| 13,400  | Quebecor World USA, Inc., 6.00%, 10/1/07       | Caa1/B-  | 13,366,500 |
| 7,500   | Vertrue, Inc., 5.50%, 10/1/10                  | NR/B-    | 9,328,125  |
|   |  |          | 37,887,325 |
| <b>Computers-1.6%</b>                             |  |          |            |
| 10,000  | DST Systems, Inc., 4.125%, 8/15/23             | NR/NR    | 16,775,000 |
| 11,750  | Electronic Data Systems Corp., 3.875%, 7/15/23 | Ba1/BBB- | 12,278,750 |
| 10,100  | Maxtor Corp., 6.80%, 4/30/10                   | Ba1/NR   | 11,046,875 |
|   |  |          | 40,100,625 |
| <b>Electric-0.5%</b>                              |  |          |            |
| 3,500   | PG&E Corp., 9.50%, 6/30/10                     | NR/NR    | 12,691,875 |
| <b>Electrical Components &amp; Equipment-0.0%</b> |  |          |            |
| 750   | General Cable Corp., 0.875%, 11/15/13          | B1/B+    | 971,250    |
| <b>Hotel/Gaming-0.3%</b>                          |  |          |            |
| 2,300   | Hilton Hotels Corp., 3.375%, 4/15/23           | Ba1/BB+  | 3,544,875  |
| 1,695   | Mandalay Resort Group, 6.10%, 3/21/33 (d)      | Ba2/BB   | 2,398,425  |
|   |  |          | 5,943,300  |

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**NFJ Dividend, Interest & Premium Strategy Fund Schedule of Investments**

April 30, 2007 (unaudited)

| Principal Amount (000)            |  | Credit Rating (Moody's/S&P) | Value*               |
|-----------------------------------|--|-----------------------------|----------------------|
|                                   | <b>Oil &amp; Gas-0.5%</b>  |                             |                      |
| \$8,825                           | Devon Energy Corp., 4.95%, 8/15/08   | Baa2/BBB                    | \$ 12,928,625        |
|                                   | <b>Real Estate-0.5%</b>  |                             |                      |
| 9,500                             | Digital Realty Trust L.P., 4.125%, 8/15/26, REIT (b)(c)                              | NR/NR                       | 12,498,295           |
|                                   | <b>Retail-0.5%</b>   |                             |                      |
| 12,800                            | Sonic Automotive, Inc., 5.25%, 5/7/09  | B2/B                        | 12,624,000           |
|                                   | <b>Semi-conductors-0.2%</b>  |                             |                      |
| 4,000                             | Intel Corp., 2.95%, 12/15/35   | NR/A-                       | 3,660,000            |
|                                   | <b>Telecommunications-2.4%</b>   |                             |                      |
| 10,500                            | CenturyTel, Inc., 4.75%, 8/1/32  | Baa2/BBB                    | 12,455,625           |
| 5,855                             | Harris Corp., 3.50%, 8/15/22 GDR   | Baa2/BBB+                   | 13,327,444           |
| 13,300                            | Level 3 Communications, Inc., 6.00%, 3/15/10   | Caa3/CCC                    | 12,751,375           |
| 14,000                            | Nextel Communications, Inc., 5.25%, 1/15/10  | Baa3/BBB                    | 14,017,500           |
| 6,500                             | Nortel Networks Corp., 4.25%, 9/1/08 GDR   | B3/B-                       | 6,443,125            |
|                                   |  |                             | 58,995,069           |
|                                   | Total Convertible Bonds & Notes (cost-\$201,201,685)                                 |                             | 220,185,948          |
| <b>SHORT-TERM INVESTMENT-4.3%</b> |  |                             |                      |
|                                   | <b>Time Deposits-4.3%</b>  |                             |                      |
| 97,248                            | Societe Generale Grand Cayman, 4.63%, 5/1/07   |                             | 97,248,209           |
| 8,222                             | Citbank Nassau, 4.63%, 5/1/07  |                             | 8,222,448            |
|                                   | Total Time Deposits (cost-\$105,470,657)   |                             | 105,470,657          |
|                                   | <b>Total Investments, before call options written (cost-\$2,355,050,038)- 102.7%</b> |                             | <b>2,540,401,142</b> |

**CALL OPTIONS WRITTEN (e)-(1.8)%**

| Contracts |   |             |
|-----------|---|-------------|
|           | American Stock Exchange Morgan Stanley Cyclical Flex Index, |             |
| 250       | strike price \$975, expires 6/1/07                          | (863,750)   |
| 250       | strike price \$977, expires 6/1/07                          | (823,000)   |
|           | American Stock Exchange Morgan Stanley Cyclical Index,      |             |
| 600       | strike price \$970, expires 5/19/07                         | (2,112,000) |
| 300       | strike price \$980, expires 5/19/07                         | (799,500)   |
| 125       | strike price \$990, expires 6/16/07                         | (353,125)   |
| 125       | strike price \$995, expires 6/16/07                         | (310,625)   |
| 400       | strike price \$1015, expires 6/16/07                        | (522,000)   |



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|     |   |             |
|-----|---|-------------|
| 100 | strike price \$1020, expires 6/16/07    | (105,000)   |
|     | American Stock Exchange Oil Flex Index, |             |
| 200 | strike price \$1283, expires 6/1/07     | (450,600)   |
| 200 | strike price \$1295, expires 6/8/07     | (416,400)   |
|     | American Stock Exchange Oil Index,      |             |
| 200 | strike price \$1190, expires 5/19/07    | (1,683,000) |
| 200 | strike price \$1200, expires 5/19/07    | (1,497,000) |
| 250 | strike price \$1210, expires 5/19/07    | (1,646,250) |
| 100 | strike price \$1220, expires 5/19/07    | (570,500)   |
| 150 | strike price \$1240, expires 5/19/07    | (615,750)   |
| 150 | strike price \$1250, expires 5/19/07    | (509,250)   |
| 250 | strike price \$1265, expires 5/25/07    | (683,750)   |
| 200 | strike price \$1300, expires 6/16/07    | (464,000)   |
| 250 | strike price \$1310, expires 6/16/07    | (485,000)   |
| 325 | strike price \$1320, expires 6/16/07    | (523,250)   |
| 225 | strike price \$1330, expires 6/16/07    | (298,125)   |
|     | Nasdaq 100 Stock Index,                 |             |
| 100 | strike price \$1810, expires 5/19/07    | (719,500)   |
| 25  | strike price \$1850, expires 6/16/07    | (152,750)   |
| 50  | strike price \$1875, expires 6/16/07    | (226,500)   |
| 100 | strike price \$1900, expires 6/16/07    | (319,000)   |

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**NFJ Dividend, Interest & Premium Strategy Fund Schedule of Investments**

April 30, 2007 (unaudited)

| Contracts   | Value*                  |
|---|-------------------------|
| 5,000 Pharmaceutical HOLDERS,<br>strike price \$100.80, expires 5/4/07                              | \$ (3,735,000)          |
| 5,000 strike price \$101, expires 5/25/07   | (4,320,000)             |
| 5,000 strike price \$101, expires 6/22/07   | (1,395,000)             |
| 2,000 Philadelphia Stock Exchange KBW Bank Sector Flex Index,<br>strike price \$116, expires 6/8/07 | (478,000)               |
| 1,500 strike price \$116.20, expires 5/11/07  | (160,500)               |
| 2,000 strike price \$116.50, expires 5/25/07  | (332,000)               |
| 2,000 strike price \$117.50, expires 5/4/07   | (20,000)                |
| 400 Philadelphia Stock Exchange KBW Bank Sector Index,<br>strike price \$112.50, expires 5/19/07    | (168,000)               |
| 6,050 strike price \$115, expires 5/19/07   | (1,331,000)             |
| 2,000 strike price \$115, expires 6/16/07   | (620,000)               |
| 4,050 strike price \$117.50, expires 5/19/07  | (344,250)               |
| 400 strike price \$117.50, expires 6/16/07  | (70,000)                |
| 1,500 strike price \$120, expires 5/19/07   | (37,500)                |
| 1,100 strike price \$120, expires 6/16/07   | (93,500)                |
| 250 Standard & Poors 500 Flex Index,<br>strike price \$1418, expires 5/11/07                        | (1,998,250)             |
| 200 strike price \$1432, expires 5/4/07   | (1,296,800)             |
| 200 strike price \$1443, expires 6/1/07   | (1,258,200)             |
| 200 strike price \$1463, expires 6/8/07   | (973,600)               |
| 250 strike price \$1465, expires 5/4/07   | (518,750)               |
| 200 Standard & Poors 500 Index,<br>strike price \$1425, expires 5/19/07                             | (1,269,000)             |
| 100 strike price \$1450, expires 5/19/07  | (418,000)               |
| 300 strike price \$1455, expires 5/19/07  | (1,131,000)             |
| 300 strike price \$1480, expires 6/16/07  | (933,000)               |
| 550 strike price \$1500, expires 6/16/07  | (1,053,250)             |
| 100 strike price \$1505, expires 6/16/07  | (168,000)               |
| 200 strike price \$1511, expires 7/6/07   | (411,200)               |
| 4,000 Telecommunication Basket Index,<br>strike price \$102.30, expires 5/11/07                     | (1,280,000)             |
| 5,000 Utilities HOLDERS,<br>strike price \$101, expires 6/22/07                                     | (495,000)               |
| Total Call Options Written (premium received-\$22,890,975)  | (43,458,425)            |
| <b>Total Investments, net of call options written (cost-\$2,332,159,063) -100.9%</b>                | <b>2,496,942,717</b>    |
| Liabilities in excess of other assets-(0.9%)  | (23,425,360)            |
| <b>Net Assets-100.0%</b>  | <b>\$ 2,473,517,357</b> |

**Notes to Schedule of Investments:**

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## Edgar Filing: NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND - Form N-Q

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to guidelines established by the Board of Trustees. The Fund's investments including over-the-counter options, are valued daily using prices supplied by an independent pricing service or dealer quotations, or the last sale price on the exchange that is the primary market for such securities, or the mean between the last quoted bid and ask price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options are valued at the settlement price determined by the relevant exchange. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund's net asset value is determined daily as of the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange (["NYSE"]) on each day the (["NYSE"]) is open for business.

- (a) All or partial amount segregated as collateral for call options written.
- (b) 144A Security-Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (c) Private Placement. Restricted as to resale and may not have a readily available market. Securities with an aggregate market value of \$38,553,879, representing 1.56% of net assets are restricted.
- (d) Variable rate security. Interest rate disclosed reflects the rate in effect on April 30, 2007.
- (e) Non-income producing.

**Glossary:**

ADR-American Depositary Receipt

GDR-Global Depositary Receipt

NR-Not Rated

REIT-Real Estate Investment Trust

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**Item 2. Controls and Procedures**

a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c)) under the Investment Company Act of 1940, as amended are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls over financial reporting (as defined in Rule 30a-3(d) under the Act (17 CFR 270.3a-3(d)) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits**

(a) Exhibit 99.302 Cert.  Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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**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.

Registrant: NFJ Dividend, Interest & Premium Strategy Fund

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: June 19, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: June 19, 2007

Pursuant to the requirements of the Securities Exchange Act 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 dated indicated.

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: June 19, 2007

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: June 19, 2007

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