

ASA LTD
Form N-CSR
February 03, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-21650

ASA Limited
(Exact name of registrant as specified in charter)

400 S. El Camino Real, Suite 710, San Mateo, CA
(Address of principal executive offices)

94402
(Zip code)

JP Morgan Chase Bank, N.A.
3 MetroTech Center, 6th Floor
Brooklyn, New York 11245
(Name and address of agent for service)

Registrant's telephone number,
including area code: 650-376-3135

Date of fiscal year end: November 30, 2010

Date of reporting period: November 30, 2010

Item 1. Report to Stockholders.

ASA Limited

Annual Report
November 2010

ASA Limited

A Closed-end Fund Specializing in Precious Minerals Investments

Annual Report and Financial Statements

November 30, 2010

Table of Contents

Letter to shareholders	2
Forward-looking statements	5
Certain investment policies and restrictions	6
Report of independent registered public accounting firm	6
Schedules of investments	7
Portfolio statistics	9
Principal portfolio changes	9
Statements of assets and liabilities	10
Statements of operations	11
Statements of changes in net assets	12
Notes to financial statements	13
Financial highlights	17
Supplementary information	17
Certain tax information for U.S. shareholders	18
Dividend reinvestment and stock purchase plan	19
Privacy notice	20
Direct registration system	20
Results of proposals presented at the annual general meeting of shareholders	20
Proxy voting	21
Form N-Q	21
Common share repurchases	21
Board of directors and officers	22
Other information	23

Letter to Shareholders

A combination of events during the last year led to another positive year of performance from the portfolio and a rising market price for the shares of ASA Limited.

The beginning of the 2010 fiscal year saw a slow start for gold prices and the performance of mining shares. Fears of further weakness in global equity markets negatively affected the sentiment for virtually all equity investments, including precious metals and mining companies. By April/May, gold prices began to improve as investors turned to precious metals as a safe haven in response to the slow pace of the global economic recovery combined with the expanding European debt crisis. These fears maintained a high level of investor interest in precious metals through the remainder of the year. The U.S. Federal Reserve's second round of quantitative easing added to investor concerns regarding the value of the dollar during the second half of the year prompting additional investment interest in the sector.

Driven by the broader economic concerns, gold prices reached an all-time high of \$1,421 an ounce on November 9, 2010 (London P.M. fix basis), and averaged \$1,205 an ounce during ASA's 2010 fiscal year. For the twelve months ending November 30, 2010, gold prices increased by 17.7%, silver prices increased by 51.9%, platinum prices increased 14.0% and palladium prices increased by an astonishing 91.3%. This performance was less than the 44.4% rise in gold prices witnessed during the 2009 fiscal year but represented the tenth consecutive annual increase in the price of gold.

Supply / Demand Fundamentals

During the last ten years the average annual gold price has increased nearly 340%. During the same period, the annual supply of gold to the market from the gold mining industry increased only 1%, from approximately 2,621 metric tonnes in 2000 to an estimated 2,652 metric tonnes during 2010¹. The growth in global gold mine production has remained subdued despite the rise in prices as a consequence of the aging nature of many current projects and the long lead-times to develop new mining projects. The lack of support in many industrialized countries for the development of new mining projects combined with rising resource nationalism in many emerging economies limits new project development. Without a change in technology that dramatically changes the economics of the industry, the trend of little to no growth in gold production is likely to continue.

Despite the difficulties gold producers face in developing new projects, we have witnessed the re-opening of previously closed projects and the development of low grade deposits that had been unprofitable at lower gold prices. As a long-term investor, ASA invests in very few of these lower quality projects, choosing instead to maintain a portfolio of high quality, low production cost, long-lived, precious metals companies. Nevertheless, the riskier projects can offer significant share price leverage to rising metal prices and our decision to limit these types of investments during the last year led to a more modest performance of the overall portfolio.

For much of the last two years, the recycling of gold scrap due to higher prices has increased the available supply of gold to the market. The surge in recycled gold scrap appeared to have slowed in the second half of 2010 as compared with the previous eighteen months.

GFMS has estimated that fabrication demand rose an estimated 13% last year, largely due to a 16% increase in global jewelry demand. A recovery in purchases from traditional gold consuming regions such as India and China witnessed the most significant improvement in demand. As the Chinese economy matures, it is estimated that the growth of consumer demand will continue to drive purchases of luxury items such as jewelry. Jewelry demand in India is estimated to have reached an all-time high during 2010 driven in part by rising income, strength of the rupee, a good harvest and speculative interest. In many of the Western markets, such as the United States and Europe, jewelry demand continued to be soft. This is not surprising as high gold prices made purchases more expensive at a time of weak consumer sentiment due to the general economic environment. An improvement in jewelry demand will be important if investment interest in gold declines as the market has become increasingly dependent on investment demand to sustain gold prices.

After being net sellers of gold for almost two decades, central banks have been net purchasers of gold since late 2009. The official sector, like many investors, sought to diversify their foreign exchange holdings away from U.S. dollars and Euros. Several important central banks such as China, Russia, India, Mauritius, Sri Lanka and the Philippines increased their holdings of gold bullion during the last year. Likewise, gold sales from European central banks, which had been a key supplier of gold to the market during the last decade, have largely disappeared as a significant source of gold. The largest seller of gold during the last twelve months was the International Monetary Fund (IMF), which accounted for the majority of all sales by official institutions during the year. In February of 2010, the IMF commenced the phased sales of 191.3 metric tonnes of gold, after previously selling 212 tonnes to three central banks during late 2009. These gold sales were easily absorbed by the market during 2010.

China has become one of the most important drivers of demand for gold and Chinese investors were active buyers during the last year. Yuan inflation has eroded real interest rates and Chinese bank deposits now offer negative real returns. With few investment options, physical gold is a popular investment strategy for many Chinese. In recent months, Chinese officials have tried several times to slow the rate of growth in the economy by increasing interest rates. Given the concern domestically regarding an over-heated economy and the potential for rising

Edgar Filing: ASA LTD - Form N-CSR

inflation, we anticipate that China will continue to take measures aimed at reducing the overall pace of economic activity during 2011. These actions may slow local gold investment demand, but are unlikely to alter the broader theme of rising disposable income and savings which should continue to drive gold investment.

¹ GFMS Annual Review Update, 2010

2

Chart 1: ETF Gold Bullion Holdings

Source: ASA Limited, Bloomberg

Demand for gold from investment products such as Exchange Traded Funds (ETFs) and other bullion products moderated during the second half of 2010 as compared to 2009 and the first half of 2010. Nevertheless, gold ETF products increased their aggregate holdings of gold by about 9.7 million ounces during the 2010 calendar year, a 17% annual increase. Nearly 90% of the increase in ETF holdings of gold during 2010 occurred in the second quarter as concerns about the status of the Euro and the European debt crises began to unfold. Total ETF gold holdings were estimated at a total of 67.5 million ounces, equivalent to approximately 10 months of global gold production.

Portfolio Update and Performance

At November 30, 2010, ASA's total net assets were \$669.6 million or \$34.45 per share, versus \$580.4 million or \$29.85 per share on November 30, 2009 (Adjusted to reflect a 3-for-1 stock distribution). The closing price of ASA's shares on the New York Stock Exchange on November 30, 2010 was \$33.87, representing a discount of 1.7% to the net asset value (NAV). This compares with the discount of 11.2% on November 30, 2009.

Chart 2: ASA's Performance vs. the FTSE Gold Mines Index - One Year Trailing

Source: ASA Limited, including reinvested dividends

Total return during fiscal year 2010, including the reinvestment of dividends, was 16.6% based on the NAV and 29.1% based on the market price of the shares. The higher total return based on the share price as compared to the NAV was due to the narrowing of the discount at which ASA shares traded in the market during the 2010 fiscal year. ASA continued to outperform most major gold indices during the last year, even though its performance was somewhat subdued relative to the high returns enjoyed during 2009. During the 2010 fiscal year, ASA outperformed the FTSE Gold Mines Index total return of 12.8% which excludes the reinvestment of dividends. ASA's Board of Directors considers the FTSE Gold Mines Index to be the best publically available index for comparing the performance of ASA to an unmanaged index of global gold mining shares.

Distributions to ASA shareholders totaling \$0.34 and \$0.46 per share were paid during the fiscal years 2010 and 2009, respectively (Adjusted for the 3-for-1 stock distribution during 2010). (See note 1.E. Dividends to Shareholders (page 15) and Certain tax information for U.S. shareholders (pages 18 and 19) for further comments). During 2010, \$0.02 per share was distributed from net investment income earned in prior periods and \$0.32 was distributed from realized capital gains due to the sale of securities. Investment income has declined in recent years due to a combination of lower dividend distributions from the South African gold and platinum mining companies, and the increased diversification of ASA's portfolio toward higher growth investments. We are hopeful for a slight improvement in dividend receipts during the 2011 fiscal year from our investments as a result of the higher gold price and significant free cash flow being generated by the mining industry.

Chart 3: ASA's Historical Distributions to Shareholders (reflects 3-for-1 split in May 2010)

Source: ASA Limited

The Company's primary goal is to generate capital appreciation for shareholders over the long term through investments primarily in companies with quality, low cost, long-lived mining assets, and to maintain a globally diversified portfolio of precious metals and mining companies.

Asset Allocation

ASA seeks to prioritize its investments based on the quality and longevity of the mining asset and the experience of the management team. We have no predetermined mandate requiring that a certain percentage of the portfolio's assets be maintained in any single country or region. However, the portfolio management team seeks to maintain a broad, geographically diversified portfolio so as to reduce the potential risk of investment in any single country or region.

The most significant change in the portfolio over the last year was the continued increase in Canadian-domiciled gold producers and project development companies. Canada is the world's largest capital market for financing mining projects. The availability of low-cost capital has led many precious metals companies to seek a listing on the Toronto Stock Exchange (TSX). Consequently, in the effort to increase the portion of the portfolio allocated to potentially higher-growth companies, many of ASA's newer investments were listed on the TSX. As of November 30, 2010, approximately 44% of the portfolio was comprised of companies domiciled in Canada compared to approximately 36% as of the prior fiscal year end. This is a sharp increase from the 19% of total net assets invested in Canadian listed companies as of year-end 2008.

The increased portfolio weighting towards Canadian companies was largely as a result of new positions added during fiscal year 2010, including Anatolia Minerals Development, a Canadian based company that discovered and is developing the Çöpler Gold Project in Turkey. ASA also invested in Tahoe Resources, which is developing the Escobal silver project in Guatemala. Both projects were visited during the year, and ASA is excited about the prospect of these projects expanding during the next several years. ASA's investment in NovaGold Resources, a position acquired in early 2009, continued to contribute to the portfolio's performance, as the value of the position doubled during the year. In response to this performance, we reduced the size of the investment in NovaGold to maintain our overall portfolio diversification.

Our strategy to become more globally diversified has increased the total return to shareholders. Over the last several years, our holdings of South African-based mining companies was reduced from more than 80% to 20% of total net assets. We anticipate that over the next year, ASA will continue to increase our holdings of Canadian based gold producers, especially among the smaller capitalized companies. This year's report includes a breakdown of asset allocation by the location of reserves in addition to the country of registration.

Chart 5 reflects the portfolio's holdings according to the geographic location of the physical assets based on the portion of each investment's precious metal reserves. This breakdown provides a more useful assessment of the risk profile and diversification of the portfolio. For example, while Chart 6 reflects that we did not hold any positions in issuers domiciled in West Africa, approximately 9% of operating assets held by our portfolio companies are situated in West African countries. Production growth from West Africa in particular was a significant factor last year, as a number of development projects commenced production. We continually examine the risk profile of the overall portfolio with respect to regional and political exposure.

ASA Portfolio Allocation November 30, 2010

Chart 4: By Primary Commodity Exposure

Chart 5: By Location of Reserves

Chart 6: By Country of Registration

Source: ASA Limited

Trends to Watch

We believe investors should watch the trend in interest rates, such as the yield on 10-year U.S. Treasury notes. Historically, rising interest rates have bode negatively for speculative interest in gold and precious metals. Should interest rates rise, it may slow the pace of interest in gold investments. On the other hand, we believe the recent trend towards increasing gold bul-

Edgar Filing: ASA LTD - Form N-CSR

lion holdings by central banks and the rising influence of Chinese and Indian investors will be the main pillars of support for gold prices during the coming year.

It is against the backdrop of recent economic events, slow growth in global gold production, the anticipated decline in scrap recycling, rising central bank purchases and potential improvements in jewelry demand that we look forward to the New Year. We believe that many of the factors that have contributed to the last ten years of rising gold prices remain in place at the end of 2010.

Corporate Developments

The Board of Directors of ASA undertook several initiatives during the 2010 fiscal year aimed at narrowing the discount at which the Company's shares trade in the market and to improve liquidity. The first of these was the commencement of a measurement period for the purpose of determining the need for a tender offer. During 2008, the Board of Directors authorized the first of a series of tender offers if the discount at which ASA shares trade in the market exceeded 10% during a measurement period. During 2010, the discount at which ASA's shares traded during the measurement period did not exceed 10% and thus the Company did not undertake the last of three previously planned tender offers.

During 2010, the Company's Board of Directors approved a 3-for-1 stock split in the form of a stock distribution to shareholders of record at the close of business on April 15, 2010. The additional shares were distributed on May 3, 2010. It was anticipated that the lower share price would make the shares more attractive to a wider number of shareholders.

During 2010, ASA's shareholders approved the creation of an investment advisory subsidiary for the purpose of providing investment advice and professional asset management to others interested in the precious metals sector. The Company subsequently sought and was granted relief from the Division of Investment Management of the SEC in late July of 2010 to create an investment advisory subsidiary. It is hoped that over time, this subsidiary may provide additional income to the Company, which could lower the cost of operations, enhancing the total return to shareholders.

Other changes during the year included the consolidation of the Company's operations in California. This change coincided with the retirement of Mr. Paul Wustrack, former Chief Compliance Officer and Mr. Lawrence Nardolillo, former Chief Financial Officer. The Board and management will miss the great depth of knowledge that each of them was able to bring to their positions with the Company. Mr. Steven Schantz has joined the Company as General Counsel and Chief Compliance Officer and Mr. Rodney Yee has joined ASA as Chief Financial Officer and Chief Operating Officer. Both of these new officers bring extensive experience with them from their previous positions.

Mr. Michael L. Mead was named Chairman (non-executive) of the Board of Directors in early January of 2011, replacing Mr. Julian Reid who resigned. Mr. Mead retired from the Howard Hughes Medical Institute where he held investment research and portfolio management positions from 1997 to 2008, most recently as Director-Global Equities. He brings with him a wealth of experience to supplement the skills and experience of the Company's other Directors.

David Christensen
President, Chief Executive Officer and Chief Investment Officer
January 21, 2011

* * * * *

Copies of financial reports for ASA Limited, as well as its latest net asset value, may be requested from ASA Limited, 400 S. El Camino Real, Suite 710, San Mateo, CA (650) 376-3135 or (800) 432-3378, and may be found on the Company's web-site (www.asaltd.com). We would like to call to your attention the availability of the Dividend Reinvestment and Stock Purchase Plan. See page 19 of this report for information on how shareholders can participate in this plan.

* * * * *

The Annual General Meeting of Shareholders will be held on Thursday, March 10, 2011 at 10:00 a.m. at the offices of K&L Gates LLP, 599 Lexington Avenue, 32nd Floor, New York, New York, USA. We look forward to your attendance.

* * * * *

Forward-Looking Statements

This shareholder letter includes forward-looking statements within the meaning of U.S. federal securities laws. The Company's actual performance or results may differ from the Company's beliefs, expectations, estimates, goals and projections, and, consequently, investors should

Edgar Filing: ASA LTD - Form N-CSR

not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and generally may be identified by words such as believe, anticipate, estimate, expect, intend, should, may, will, seek or similar expressions in negative forms, or by references to strategy, plans, goals or intentions. The absence of these words or references does not mean that the statement is not forward-looking. The Company's performance or results can fluctuate depending on a variety of factors, a number of which are beyond the Company's control or difficult to predict, including without limitation, the prices of gold, platinum, silver and other precious metals; the Company's investment decisions; the performance of the issuers in the Company's investment portfolio; economic, political, market and financial factors. The Company assumes no obligation to revise, correct or update the forward-looking statements, whether as a result of new information, future events or otherwise.

Certain investment policies and restrictions (unaudited)

The following is a summary of certain of the Company's investment policies and restrictions and is subject to the more complete statements contained in documents filed with the Securities and Exchange Commission.

The Concentration of Investments in a Particular Industry or Group of Industries. It is a fundamental policy (i.e., a policy that may be changed only by shareholder vote) of the Company that at least 80% of its total assets be (i) invested in common shares or securities convertible into common shares of companies engaged, directly or indirectly, in the exploration, mining or processing of gold, silver, platinum, diamonds or other precious minerals, (ii) held as bullion or other direct forms of gold, silver, platinum or other precious minerals, (iii) invested in instruments representing interests in gold, silver, platinum or other precious minerals such as certificates of deposit therefor, and/or (iv) invested in securities of investment companies, including exchange traded funds, or other securities that seek to replicate the price movement of gold, silver or platinum bullion. Compliance with the percentage limitation relating to the concentration of the Company's investments will be measured at the time of investment.

If investment opportunities deemed by the Company to be attractive are not available in the types of securities referred to in the preceding paragraph, the Company may deviate from the investment policy outlined in that paragraph and make temporary investments of unlimited amounts in securities issued by the U.S. Government, its agencies or instrumentalities or other high quality money market instruments.

The Percentage of Voting Securities of any one Issuer that the Company May Acquire. It is a non-fundamental policy (i.e., a policy that may be changed by the Board of Directors) of the Company that the Company shall not purchase a security if, at the time of purchase, more than 20% of the value of its total assets would be invested in securities of the issuer of such security.

Report of independent registered public accounting firm

To the Board of Directors and Shareholders of
ASA Limited:

We have audited the accompanying statements of assets and liabilities of ASA Limited (the Company), including the schedules of investments, as of November 30, 2010 and 2009, and the related statements of operations, changes in net assets and supplementary information for each of the two years in the periods then ended, and the financial highlights for each of the five years indicated therein. These financial statements, supplementary information and financial highlights are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements, supplementary information and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements, supplementary information and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, supplementary information and financial highlights, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2010 and 2009 by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements, supplementary information and financial highlights referred to above present fairly, in all material respects, the financial position of the Company at November 30, 2010 and 2009, the results of its operations, changes in its net assets and supplementary information for each of the two years in the periods then ended, and the financial highlights for each of the indicated years, in conformity with U.S. generally accepted accounting principles.

New York, New York
January 21, 2011

Schedules of investments

November 30, 2010 and November 30, 2009

Name of Company	2010			2009		
	Shares/ Principal Amount	Fair Value	Percent of Net Assets	Shares/ Principal Amount	Fair Value	Percent of Net Assets
Common Shares & Warrants						
Gold and Silver investments						
Gold mining, exploration and development companies						
<i>Australia</i>						
Newcrest Mining Limited ADRs	1,665,000	\$ 63,290,738	9.5%	1,665,000	\$ 56,109,901	9.7%
<i>Canada</i>						
Agnico-Eagle Mines Limited	525,000	42,372,750	6.3	600,000	37,596,000	6.5
Anatolia Minerals Development Limited, (1)	1,343,400	9,358,252	1.4			
Barrick Gold Corporation	1,300,000	67,145,000	10.0	1,250,000	53,362,500	9.2
Eldorado Gold Corporation	650,000	11,336,000	1.7			
Detour Gold Corporation, (1)	250,000	7,674,883	1.1			
Goldcorp Inc.	1,082,400	49,346,616	7.4	1,082,400	45,460,800	7.8
Golden Star Resources Limited, (1)	750,000	3,240,000	0.5	750,000	2,895,000	0.5
IAMGOLD Corporation	600,000	9,828,000	1.5	600,000	11,370,000	2.0
Kinross Gold Corporation	1,125,000	19,608,750	2.9	1,125,000	22,522,500	3.9
Lake Shore Gold Corporation, (1)(2)	1,500,000	5,845,674	0.8			
NovaGold Resources Inc., (1)(2)	2,307,691	33,207,674	5.0	1,157,691	6,471,492	1.1
NovaGold Resources Inc., \$1.50 Warrants, 01/21/13, (1)(2)				2,307,691	9,438,456	1.6
Osisko Mining Corporation, (1)	250,000	3,845,966	0.6			
Yamana Gold Inc.	600,000	7,008,000	1.0	600,000	7,998,000	1.3
		269,817,565	40.2		197,114,748	33.9
<i>Channel Islands</i>						
Randgold Resources Limited ADRs	594,700	55,937,482	8.4	719,700	60,987,378	10.5
<i>Latin America</i>						
Compania de Minas Buenaventura S.A.A. ADRs	959,000	48,563,760	7.3	1,359,000	54,563,850	9.4
<i>South Africa</i>						
AngloGold Ashanti Limited	793,194	37,145,275	5.5	943,194	41,538,264	7.2
Gold Fields Limited	1,629,577	27,197,640	4.1	1,979,577	29,258,148	5.0
		64,342,915	9.6		70,796,412	12.2
<i>United States</i>						
Newmont Mining Corporation	520,368	30,613,249	4.6	420,368	22,548,540	3.8
Royal Gold Inc.	210,000	10,819,200	1.6	150,000	8,073,000	1.4
		41,432,449	6.2		30,621,540	5.2
Total gold mining, exploration and development companies (Cost \$198,682,843 2010, \$164,056,871 2009)		543,384,909	81.2		470,193,829	80.9

Silver mining, exploration and development companies*Canada*

Tahoe Resources Inc., (1)	523,200	8,262,931	1.2		
Tahoe Resources Inc., (1)(2)	400,000	6,317,225	0.9		

	14,580,156	2.1			
--	------------	-----	--	--	--

Total gold and silver investments (Cost \$205,392,265 - 2010, \$164,056,871 - 2009)		557,965,065	83.3	470,193,829	80.9
--	--	-------------	------	-------------	------

Platinum and Palladium investments (PGMs) Platinum and palladium mining companies*South Africa*

Anglo Platinum Limited, (1)	345,100	32,139,047	4.8	345,100	35,514,376	6.1
Impala Platinum Holdings Limited	1,322,400	37,685,514	5.7	1,322,400	30,673,536	5.3

	69,824,561	10.5		66,187,912	11.4
--	------------	------	--	------------	------

United Kingdom

Lonmin PLC- ADRs, (1)	189,700	4,997,925	0.8	289,700	8,453,736	1.5
-----------------------	---------	-----------	-----	---------	-----------	-----

	74,822,486	11.3		74,641,648	12.9
--	------------	------	--	------------	------

Schedules of investments (continued)

November 30, 2010 and November 30, 2009

Name of Company	2010			2009		
	Shares/ Principal Amount	Fair Value	Percent of Net Assets	Shares/ Principal Amount	Fair Value	Percent of Net Assets
Exchange Traded Funds PGMs						
ETFS Palladium Trust, (1)	\$ 40,000	\$ 2,788,800	0.4	\$	\$	
ETFS Platinum Trust, (1)	10,000	1,656,400	0.2			
		4,445,200	0.6			
Total platinum and palladium investments (Cost \$10,105,591 2010, \$8,613,104 2009)		79,267,686	11.9		74,641,648	12.9
Diversified mineral resources companies						
<i>United Kingdom</i>						
Anglo American plc, (Cost \$1,762,502 in 2010 and 2009)	414,800	18,206,659	2.7	414,800	17,750,669	3.1
Total common shares & warrants (Cost \$217,260,358 2010, \$174,432,478 2009)		655,439,410	97.9		562,586,146	96.9
Convertible Securities Gold mining companies						
<i>Canada</i>						
NovaGold Resources Inc. 5.50% Senior Convertible Notes, due 5/01/2015 (Cost \$5,000,000 in 2010 and \$15,000,000 in 2009)	5,000,000	7,920,500	1.2	\$ 15,000,000	13,164,600	2.3
Total investments (Cost \$222,260,358 2010, \$189,432,477 2009), (3)		663,359,910	99.1		575,750,746	99.2
Cash, receivables, and other assets less liabilities		6,272,953	0.9		4,604,509	0.8
Net assets		\$ 669,632,863	100 %		\$ 580,355,255	100 %

(1) Non-income producing security.

(2) Restricted Security.

(3) Cost of investments shown approximates cost for U.S. federal income tax purposes, determined in accordance with U.S. federal income tax principles. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at November 30, 2010 were \$447,276,964 and \$6,177,412, respectively, resulting in net unrealized appreciation on investments of \$441,099,552. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at November 30, 2009 were \$390,961,904 and \$4,643,635, respectively, resulting in net unrealized appreciation on investments of \$386,318,269.

ADR American Depository Receipt

The notes to the financial statements form an integral part of these statements.

Portfolio statistics (unaudited)*

November 30, 2010 and November 30, 2009

Country breakdown*	2010	2009
Canada	43.5%	36.2%
South Africa	20.1%	23.6%
Channel Islands	8.4%	10.5%
Australia	9.5%	9.7%
Latin America	7.3%	9.4%
United States	6.8%	5.2%
United Kingdom	3.5%	4.6%

* Geographic breakdowns, which are based on company domiciles, are expressed as a percentage of total net assets.

Principal portfolio changes during the years ended November 30, 2010 and 2009 (unaudited)

	2010		2009	
	Increase	Decrease	Increase	Decrease
Agnico-Eagle Mines Limited		75,000		
Anatolia Minerals Development Limited	1,343,400			
Anglo American plc				500,000
Anglo Platinum Limited				125,000
AngloGold Ashanti Limited		150,000		
Barrick Gold Corporation	50,000		225,000	
Compania de Minas Buenaventura S.A.A. ADRs		400,000		100,000
Detour Gold Corporation	250,000			
Eldorado Gold Corporation	650,000			
ETFS Palladium Trust	40,000			
ETFS Platinum Trust	10,000			
Gold Fields Limited		350,000		
Goldcorp Inc.				117,600
Golden Star Resources Limited			750,000	
Harmony Gold Mining Company Limited ADRs				503,100
IAMGOLD Corporation			600,000	
Impala Platinum Holdings Limited				175,000
Kinross Gold Corporation			375,000	
Lake Shore Gold Corporation (1)	1,500,000			
Lonmin PLC ADRs		100,000		
Newcrest Mining Limited				200,000
Newmont Mining Corporation	100,000			
NovaGold Resources Inc. (1)	1,150,000		1,157,691	
NovaGold Resources Inc. 5.50% Senior Convertible Notes, due 5/01/2015		10,000,000		
		2,307,691	2,307,691	

Edgar Filing: ASA LTD - Form N-CSR

NovaGold Resources Inc., \$1.50 Warrants, 01/21/13 (1)				
Osisko Mining Corporation (1)	250,000			
Randgold Resources Limited ADRs		125,000		375,000
Royal Gold Inc.	60,000		150,000	
SPDR Gold Trust				150,000
Tahoe Resources Inc.	523,200			
Tahoe Resources Inc. (1)	400,000			
Yamana Gold Inc.			600,000	

(1) Restricted security

Statements of assets and liabilities