

BLUE CHIP VALUE FUND INC  
Form N-Q  
May 30, 2007

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

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number: 811-5003

Blue Chip Value Fund, Inc.  
(Exact name of registrant as specified in charter)

1225 17<sup>th</sup> Street, 26<sup>th</sup> Floor, Denver, Colorado 80202  
(Address of principal executive offices) (Zip code)

Michael P. Malloy  
Drinker Biddle & Reath LLP  
One Logan Square  
18<sup>th</sup> & Cherry Streets  
Philadelphia, Pennsylvania 19103-6996  
(Name and address of agent for service)

Registrant's Telephone Number, including Area Code: (800) 624-4190

Date of fiscal year end: December 31

Date of reporting period: March 31, 2007

---

**Item 1 - Schedule of Investments.**

## BLUE CHIP VALUE FUND, INC.

**STATEMENT OF INVESTMENTS**

March 31, 2007 (Unaudited)

|   |                 | Shares  | Cost        | Market Value |
|---|-----------------|---------|-------------|--------------|
| <b>COMMON STOCKS</b>                      | <b>106.81 %</b> |         |             |              |
| <b>CAPITAL GOODS</b>                      | <b>11.93 %</b>  |         |             |              |
| <b>Aerospace &amp; Defense</b>            | <b>4.66 %</b>   |         |             |              |
| General Dynamics Corp.                    |                 | 54,300  | \$2,889,696 | \$4,148,520  |
| Raytheon Co.                              |                 | 63,500  | 2,386,783   | 3,331,210    |
|   |                 |         | 5,276,479   | 7,479,730    |
| <b>Electrical Equipment</b>               | <b>2.01 %</b>   |         |             |              |
| General Electric Co.                      |                 | 91,400  | 3,275,765   | 3,231,904    |
| <b>Farm Equipment</b>                     | <b>1.49 %</b>   |         |             |              |
| CNH Global N.V.                           |                 | 64,200  | 2,491,878   | 2,394,018    |
| <b>Industrial Products</b>                | <b>3.77 %</b>   |         |             |              |
| ITT Corp.                                 |                 | 35,300  | 1,805,258   | 2,129,296    |
| Parker Hannifin Corp.                     |                 | 45,500  | 3,216,607   | 3,927,105    |
|   |                 |         | 5,021,865   | 6,056,401    |
| <b>TOTAL CAPITAL GOODS</b>                |                 |         | 16,065,987  | 19,162,053   |
| <b>COMMERCIAL SERVICES</b>                | <b>3.91 %</b>   |         |             |              |
| <b>IT Services</b>                        | <b>1.08 %</b>   |         |             |              |
| Computer Sciences Corp. **                |                 | 33,350  | 1,572,456   | 1,738,535    |
| <b>Transaction Processing</b>             | <b>2.83 %</b>   |         |             |              |
| First Data Corp.                          |                 | 92,900  | 2,043,511   | 2,499,010    |
| The Western Union Co.                     |                 | 92,900  | 1,712,279   | 2,039,155    |
|   |                 |         | 3,755,790   | 4,538,165    |
| <b>TOTAL COMMERCIAL SERVICES</b>          |                 |         | 5,328,246   | 6,276,700    |
| <b>COMMUNICATIONS</b>                     | <b>6.47 %</b>   |         |             |              |
| <b>Networking</b>                         | <b>2.54 %</b>   |         |             |              |
| Cisco Systems Inc. **                     |                 | 159,700 | 4,000,220   | 4,077,141    |
| <b>Telecomm Equipment &amp; Solutions</b> | <b>3.93 %</b>   |         |             |              |
| Nokia Corp.** (ADR)                       |                 | 119,700 | 1,920,063   | 2,743,524    |
| QUALCOMM Inc.                             |                 | 83,900  | 3,552,125   | 3,579,174    |
|   |                 |         | 5,472,188   | 6,322,698    |
| <b>TOTAL COMMUNICATIONS</b>               |                 |         | 9,472,408   | 10,399,839   |

-2-

|  |                |         |            |            |
|--|----------------|---------|------------|------------|
| <b>CONSUMER CYCLICAL</b>                 | <b>10.44 %</b> |         |            |            |
| <b>Clothing &amp; Accessories</b>        | <b>2.66 %</b>  |         |            |            |
| TJX Companies Inc.                       |                | 158,600 | 3,759,240  | 4,275,856  |
| <b>Department Stores</b>                 | <b>1.44 %</b>  |         |            |            |
| J.C. Penney Co. Inc.                     |                | 28,200  | 1,637,670  | 2,316,912  |
| <b>Hotels &amp; Gaming</b>               | <b>2.25 %</b>  |         |            |            |
| Starwood Hotels & Resorts Worldwide Inc. |                | 55,700  | 2,165,453  | 3,612,145  |
| <b>Publishing &amp; Media</b>            | <b>2.15 %</b>  |         |            |            |
| Walt Disney Co.                          |                | 100,500 | 2,549,316  | 3,460,215  |
| <b>Restaurants</b>                       | <b>1.94 %</b>  |         |            |            |
| Darden Restaurants Inc.                  |                | 75,540  | 1,982,868  | 3,111,493  |
| <b>TOTAL CONSUMER CYCLICAL</b>           |                |         | 12,094,547 | 16,776,621 |
| <b>CONSUMER STAPLES</b>                  | <b>7.22 %</b>  |         |            |            |
| <b>Consumer Products</b>                 | <b>2.98 %</b>  |         |            |            |
| Colgate-Palmolive Co.                    |                | 71,800  | 4,090,497  | 4,795,522  |
| <b>Food &amp; Agricultural Products</b>  | <b>4.24 %</b>  |         |            |            |
| Bunge Ltd.                               |                | 60,500  | 2,758,347  | 4,974,310  |
| Campbell Soup Co.                        |                | 47,100  | 1,444,781  | 1,834,545  |
|  |                |         | 4,203,128  | 6,808,855  |
| <b>TOTAL CONSUMER STAPLES</b>            |                |         | 8,293,625  | 11,604,377 |
| <b>ENERGY</b>                            | <b>9.32 %</b>  |         |            |            |
| <b>Exploration &amp; Production</b>      | <b>4.74 %</b>  |         |            |            |
| Occidental Petroleum Corp.               |                | 79,700  | 2,388,264  | 3,930,007  |
| XTO Energy Inc.                          |                | 67,200  | 2,133,990  | 3,683,232  |
|  |                |         | 4,522,254  | 7,613,239  |
| <b>Integrated Oils</b>                   | <b>2.32 %</b>  |         |            |            |
| Marathon Oil Corp.                       |                | 37,700  | 1,657,053  | 3,725,891  |
| <b>Oil Services</b>                      | <b>2.26 %</b>  |         |            |            |
| Transocean Inc. **                       |                | 44,400  | 1,699,961  | 3,627,480  |
| <b>TOTAL ENERGY</b>                      |                |         | 7,879,268  | 14,966,610 |

|  |                |        |                       |
|--|----------------|--------|-----------------------|
| <b>INTEREST RATE SENSITIVE</b>           | <b>26.58 %</b> |        |                       |
| <b>Integrated Financial Services</b>     | <b>3.01 %</b>  |        |                       |
| Citigroup Inc.                           |                | 94,100 | 4,215,956 4,831,094   |
| <b>Money Center Banks</b>                | <b>1.76 %</b>  |        |                       |
| Bank of America Corp.                    |                | 55,500 | 2,608,684 2,831,610   |
| <b>Property Casualty Insurance</b>       | <b>8.05 %</b>  |        |                       |
| ACE Ltd.                                 |                | 70,700 | 3,914,274 4,034,142   |
| American International Group Inc.        |                | 67,800 | 4,364,008 4,557,516   |
| MBIA Inc.                                |                | 40,100 | 2,364,032 2,626,149   |
| MGIC Investment Corp.                    |                | 29,200 | 1,704,892 1,720,464   |
|  |                |        | 12,347,206 12,938,271 |
| <b>Regional Banks</b>                    | <b>3.98 %</b>  |        |                       |
| The Bank of New York Co. Inc.            |                | 42,800 | 1,512,282 1,735,540   |
| SunTrust Banks Inc.                      |                | 19,800 | 1,523,951 1,644,192   |
| Wachovia Corp.                           |                | 54,600 | 2,810,094 3,005,730   |
|  |                |        | 5,846,327 6,385,462   |
| <b>Securities &amp; Asset Management</b> | <b>5.41 %</b>  |        |                       |
| Merrill Lynch & Company Inc.             |                | 46,200 | 2,929,980 3,773,154   |
| Morgan Stanley & Co.                     |                | 40,400 | 2,202,335 3,181,904   |
| State Street Corp.                       |                | 26,700 | 1,737,516 1,728,825   |
|  |                |        | 6,869,831 8,683,883   |
| <b>Specialty Finance</b>                 | <b>2.74 %</b>  |        |                       |
| Countrywide Financial Corp.              |                | 56,900 | 1,979,283 1,914,116   |
| Freddie Mac                              |                | 41,700 | 2,663,933 2,480,733   |
|  |                |        | 4,643,216 4,394,849   |
| <b>Thrifts</b>                           | <b>1.63 %</b>  |        |                       |
| Washington Mutual Inc.                   |                | 65,000 | 2,585,243 2,624,700   |
| <b>TOTAL INTEREST RATE SENSITIVE</b>     |                |        | 39,116,463 42,689,869 |

|  |                |                |                |
|--|----------------|----------------|----------------|
| <b>MEDICAL - HEALTHCARE</b>  | <b>17.58 %</b> |                |                |
| <b>Medical Technology</b>  | <b>5.96 %</b>  |                |                |
| Medtronic Inc.   | 96,500         | 4,752,346      | 4,734,290      |
| Zimmer Holdings Inc. **  | 56,700         | 3,892,049      | 4,842,747      |
|  |                | 8,644,395      | 9,577,037      |
| <b>Pharmaceuticals</b>   | <b>11.62 %</b> |                |                |
| Abbott Laboratories  | 126,200        | 5,377,135      | 7,041,960      |
| Amgen Inc. **  | 67,200         | 3,960,607      | 3,755,136      |
| Barr Pharmaceuticals Inc. **   | 33,500         | 1,556,294      | 1,552,725      |
| Teva Pharmaceutical Industries Ltd. (ADR)                            | 168,800        | 4,578,345      | 6,318,184      |
|  |                | 15,472,381     | 18,668,005     |
| <b>TOTAL MEDICAL - HEALTHCARE</b>                                    |                | 24,116,776     | 28,245,042     |
| <b>TECHNOLOGY</b>  | <b>10.56 %</b> |                |                |
| <b>Computer Software</b>   | <b>3.62 %</b>  |                |                |
| Microsoft Corp.  | 122,900        | 3,268,719      | 3,425,223      |
| VeriSign Inc. **   | 94,800         | 2,161,432      | 2,381,376      |
|  |                | 5,430,151      | 5,806,599      |
| <b>PC's &amp; Servers</b>  | <b>2.92 %</b>  |                |                |
| International Business Machines Corp.                                | 49,800         | 4,015,749      | 4,694,148      |
| <b>Semiconductors</b>  | <b>4.02 %</b>  |                |                |
| Altera Corp. **  | 147,000        | 2,832,663      | 2,938,530      |
| Intel Corp.  | 184,200        | 3,621,541      | 3,523,746      |
|  |                | 6,454,204      | 6,462,276      |
| <b>TOTAL TECHNOLOGY</b>  |                | 15,900,104     | 16,963,023     |
| <b>TRANSPORTATION</b>  | <b>2.80 %</b>  |                |                |
| <b>Railroads</b>   | <b>2.80 %</b>  |                |                |
| Norfolk Southern Corp.   | 88,800         | 3,191,056      | 4,493,280      |
| <b>TOTAL TRANSPORTATION</b>  |                | 3,191,056      | 4,493,280      |
| <b>TOTAL COMMON STOCKS</b>   |                | 141,458,480    | 171,577,414    |
| <b>SHORT TERM INVESTMENTS</b>  | <b>0.18 %</b>  |                |                |
| Goldman Sachs Financial Square Prime Obligations Fund - FST Shares * | 296,660        | 296,660        | 296,660        |
| <b>TOTAL SHORT TERM INVESTMENTS</b>                                  |                | 296,660        | 296,660        |
| <b>TOTAL INVESTMENTS</b>   | 106.99%        | \$ 141,755,140 | \$ 171,874,074 |
| Liabilities in Excess of Other Assets                                | (6.99)%        |                | (11,233,779)   |
| <b>NET ASSETS</b>  | 100.00%        |                | \$ 160,640,295 |

\*\* Non Income Producing Security.

ADR - American Depositary Receipt.

See accompanying notes to statement of investments.

Blue Chip Value Fund, Inc  
Country Breakdown as of March 31, 2007 (Unaudited)

| <b>Country</b>                           | <b>Market Value</b> | <b>%</b> |
|--|---------------------|----------|
| United States                            | \$ 156,087,546      | 97.17 %  |
| Israel                                   | \$ 6,318,184        | 3.93 %   |
| Bermuda                                  | \$ 4,034,142        | 2.51 %   |
| Finland                                  | \$ 2,743,524        | 1.71 %   |
| Netherlands                              | \$ 2,394,018        | 1.49 %   |
| Cash and Cash equivalents                | \$ 296,660          | 0.18 %   |
| Liabilities in Excess<br>of other Assets | \$ (11,233,779)     | -6.99 %  |
| Net Assets                               | \$ 160,640,295      | 100.00 % |

*Please note the country classification is based on the company headquarters.*

*All of the Fund's investments are traded on U.S. exchanges.*

**BLUE CHIP VALUE FUND**  
**NOTES TO STATEMENT OF INVESTMENTS**  
March 31, 2007 (Unaudited)

**1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Blue Chip Value Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its statement of investments.

**Security Valuation**-All securities of the Fund are valued as of the close of regular trading on the New York Stock Exchange ("NYSE"), currently 4:00 p.m. (Eastern Time), on each day that the NYSE is open. Listed securities are generally valued at the last sales price as of the close of regular trading on the NYSE. Securities traded on the National Association of Securities Dealers Automated Quotation ("NASDAQ") are generally valued at the NASDAQ Official Closing Price ("NOCP"). In the absence of sales and NOCP, such securities are valued at the mean of the bid and asked prices.

Securities having a remaining maturity of 60 days or less are valued at amortized cost which approximates market value.

When market quotations are not readily available or when events occur that make established valuation methods unreliable, securities of the Fund may be valued at fair value determined in good faith by or under the direction of the Board of Directors. Factors which may be considered when determining the fair value of a security include (a) the fundamental data relating to the investment; (b) an evaluation of the forces which influence the market in which the security is sold, including the liquidity and depth of the market; (c) the market value at date of purchase; (d) information as to any transactions or offers with respect to the security or comparable securities; and (e) any other relevant matters.

**Investment Transactions**-Investment transactions are accounted for on the date the investments are purchased or sold (trade date). Realized gains and losses from investment transactions and unrealized appreciation and depreciation of investment are determined on the "specific identification" basis for both financial statement and federal income tax purposes. Dividend income is recorded on the ex-dividend date. Interest income, which includes interest earned on money market funds, is accrued and recorded daily.

**Use of Estimates**-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. Actual results could differ from those estimates.

**2. UNREALIZED APPRECIATION AND DEPRECIATION OF INVESTMENTS (TAX BASIS)**

As of March 31, 2007:

|  |               |
|--|---------------|
| Gross appreciation (excess of value over tax cost) | \$ 30,458,168 |
| Gross depreciation (excess of tax cost over value) | (1,110,617)   |
| Net unrealized appreciation                        | \$ 29,347,551 |
| Cost of investments for income tax purposes        | \$142,526,523 |

**3. LOAN OUTSTANDING**

The Fund has a line of credit with The Bank of New York ("BONY") in which the Fund may borrow up to the lesser of \$15,000,000 or the maximum amount the Fund is permitted to borrow under the Investment Company Act of 1940. The interest rate resets daily at overnight Federal Funds Rate plus 0.825%.

The borrowings under the BONY loan are secured by a perfected security interest on all of the Fund's assets.

Details of the loan outstanding are as follows:

|   | As of        | Average for the |
|---|--------------|-----------------|
|   | March 31,    | Period Ended    |
|   | 2007         | March 31,       |
|   |              | 2007            |
| Loan outstanding                            | \$11,150,000 | \$9,048,556     |
| Interest rate                               | 6.13%*       | 6.08%           |
| % of Fund's total assets                    | 6.48%        | 5.26%           |
| Amount of debt per share outstanding        | \$ 0.40      | \$ 0.32         |
| Number of shares outstanding (in thousands) | 28,131       | 28,129**        |
| *Annualized                                 |              |                 |
| **Weighted average                          |              |                 |
|   |              |                 |
|   |              |                 |
|   |              |                 |



#### **4. NEW ACCOUNTING PRONOUNCEMENTS**

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48 - Accounting for Uncertainty in Income Taxes, that requires the tax effects of certain tax positions to be recognized. FASB Interpretation No. 48 is effective for fiscal periods beginning after December 15, 2006. Management of the Fund currently believes that FASB Interpretation No. 48 will have no impact on the Fund's financial statements.

In September 2006, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" (SFAS No.157). SFAS No. 157 defines fair value for securities in the Fund's portfolio, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosure about fair value measurements. SFAS No.157 is effective for fiscal years beginning after November 15, 2007. Management is currently evaluating the impact adoption of SFAS No. 157 will have on the Fund's financial statement disclosures.

**Item 2 - Controls and Procedures.**

(a) The registrant's Principal Executive Officer and Principal Financial Officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of the filing date of this report and have concluded that the registrant's disclosure controls and procedures were effective, as of that date.

(b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during 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.**

Separate certifications for the registrant's Principal Executive Officer and Principal Financial Officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached as Ex99.CERT.

**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.

BLUE CHIP VALUE FUND, INC.

By: /s/ Todger Anderson  
**Todger Anderson**  
**President / Principal Executive Officer**

Date: May 30, 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 dates indicated.

By: /s/ Todger Anderson  
**Todger Anderson**  
**President / Principal**  
**Executive Officer**

Date: May 30, 2007

By: /s/ Jasper R. Frontz  
**Jasper R. Frontz**  
**Treasurer / Principal**  
**Financial Officer**

Date: May 30, 2007