

BANCROFT FUND LTD
Form N-Q
September 25, 2018

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 811-02151

Bancroft Fund Ltd.

(Exact name of registrant as specified in charter)

One Corporate Center

Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Jane D. O Keeffe

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-422-3554

Date of fiscal year end: October 31

Date of reporting period: July 31, 2018

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct

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comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

Bancroft Fund Ltd.**Third Quarter Report July 31, 2018****(Y)our Portfolio Management Team****To Our Shareholders,**

For the quarter ended July 31, 2018, the net asset value (NAV) total return of the Bancroft Fund was 5.3%, compared with total returns of 4.7% and 3.9% for the ICE Bank of America Merrill Lynch U.S. Convertibles Index and the Bloomberg Barclays Balanced U.S. Convertibles Index, respectively. The total return for the Fund's publicly traded shares was 4.8%. The Fund's NAV per share was \$25.49, while the price of the publicly traded shares closed at \$22.06 on the NYSE American. See below for additional performance information.

Enclosed is the schedule of investments as of July 31, 2018.

Comparative Results**Average Annual Returns through July 31, 2018 (a)(b) (Unaudited)**

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (04/20/71)
Bancroft Fund Ltd.						
NAV Total Return (c)	5.30%	10.58%	7.89%	8.76%	7.60%	8.96%
Investment Total Return (d)	4.80	4.45	8.50	10.19	7.88	9.52
ICE Bank of America Merrill Lynch U.S. Convertibles Index	4.65	10.47	8.06	9.17	8.87	N/A(e)
Bloomberg Barclays Balanced U.S. Convertibles Index	3.89	3.36	3.80	4.22	6.32	N/A(f)
Standard & Poor's (S&P) 500 Index	6.87	16.24	12.52	13.12	10.67	10.46(g)

(a) Returns represent past performance and do not guarantee future results. Investment returns and the principal value of an investment will fluctuate. The Fund's use of leverage may magnify the volatility of net asset value changes versus funds that do not employ leverage. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized. NAV returns would have been lower had Gabelli Funds, LLC (the Adviser) not reimbursed certain expenses of the Fund. Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The ICE Bank of America Merrill Lynch U.S. Convertibles Index is a market value weighted index of all dollar denominated convertible securities that are exchangeable into U.S. equities that have a market value of more than \$50 million. The Bloomberg Barclays Balanced U.S. Convertibles Index is a market value weighted index that tracks the performance of publicly placed, dollar denominated convertible securities that are between 40% and 80% sensitive to movements in their underlying common stocks. The S&P 500 Index is an unmanaged indicator of stock market performance commonly used to represent the U.S. equity market. Dividends and interest income

are considered reinvested. You cannot invest directly in an index.

- (b) The Fund's fiscal year ends on October 31.
- (c) Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date for the period beginning November 2015, and are net of expenses. For the period December 2008 through October 2015, distributions were reinvested on the payable date using market prices. For the period May 2006 through November 2008, distributions were reinvested on payable date using NAV. Total returns and average annual returns were adjusted for the 1987 tender offering (no adjustments were made for the 1982 and 2007 tender offers nor for the 1987 or 2003 rights offerings). Since inception return is based on an initial NAV of \$22.92.
- (d) Total returns and average annual returns reflect changes in closing market values on the NYSE American and reinvestment of distributions. Total returns and average annual returns were adjusted for the 1987 tender offering (no adjustments were made for the 1982 and 2007 tender offers nor for the 1987 or 2003 rights offerings). Since inception return is based on an initial offering price of \$25.00.
- (e) The ICE Bank of America Merrill Lynch U.S. Convertibles Index inception date is December 31, 1994.
- (f) The Bloomberg Barclays Balanced U.S. Convertibles Index inception date is January 1, 2003.
- (g) From April 30, 1971, the date closest to the Fund's inception for which data are available.

Bancroft Fund Ltd.**Schedule of Investments July 31, 2018 (Unaudited)**

Principal Amount		Market Value
	CONVERTIBLE CORPORATE BONDS 75.9%	
	Aerospace 1.7%	
\$ 2,000,000	Aerojet Rocketdyne Holdings Inc., 2.250%, 12/15/23	\$ 2,846,180
	Automotive 0.6%	
1,000,000	Tesla Inc., 1.250%, 03/01/21	1,022,251
	Business Services 4.6%	
1,527,000	Bristow Group Inc., 4.500%, 06/01/23	1,728,816
2,084,000	Macquarie Infrastructure Corp., 2.000%, 10/01/23	1,853,024
1,000,000	Q2 Holdings Inc., 0.750%, 02/15/23(a)	1,166,806
1,040,000	RingCentral Inc., Zero Coupon, 03/15/23(a)	1,132,435
1,500,000	Square Inc., 0.500%, 05/15/23(a)	1,645,659
		7,526,740
	Cable and Satellite 1.7%	
2,975,000	DISH Network Corp., 3.375%, 08/15/26	2,710,091
	Communications Equipment 4.2%	
1,500,000	Harmonic Inc., 4.000%, 12/01/20	1,586,211
2,000,000	InterDigital, Inc., 1.500%, 03/01/20	2,421,000
2,459,000	Lumentum Holdings Inc., 0.250%, 03/15/24	2,762,950
		6,770,161

Computer Software and Services 16.9%

1,972,000	Apptio Inc., 0.875%, 04/01/23(a)	2,105,907
1,000,000	Coupa Software Inc., 0.375%, 01/15/23(a)	1,475,500
2,500,000	CSG Systems International Inc., 4.250%, 03/15/36	2,652,800
194,000	GDS Holdings Ltd., 2.000%, 06/01/25(a)	146,177
1,987,000	IAC FinanceCo. Inc., 0.875%, 10/01/22(a)	2,247,837
450,000	Maxwell Technologies Inc., 5.500%, 09/15/22(a)(b)	448,092
1,250,000	MercadoLibre Inc., 2.250%, 07/01/19	3,409,939
195,000	MINDBODY Inc., 0.375%, 06/01/23(a)	192,356
1,776,000	New Relic Inc., 0.500%, 05/01/23(a)	1,930,610
Principal Amount		Market Value
\$ 1,548,000	Nice Systems Inc., 1.250%, 01/15/24	\$ 2,133,769
1,701,000	Nutanix Inc., Zero Coupon, 01/15/23(a)	2,034,110
800,000	Okta Inc., 0.250%, 02/15/23(a)	975,706
1,600,000	Proofpoint Inc., 0.750%, 06/15/20	2,309,742
1,500,000	PROS Holdings Inc., 2.000%, 06/01/47	1,484,250
973,000	Pure Storage Inc., 0.125%, 04/15/23(a)	1,029,737
1,500,000	The Priceline Group Inc., 0.350%, 06/15/20	2,326,393
514,000	Vocera Communications Inc., 1.500%, 05/15/23(a)	573,506
		27,476,431

Consumer Products 0.9%

1,313,000	GoPro Inc., 3.500%, 04/15/22	1,154,789
366,000	JAKKS Pacific Inc., 4.875%, 06/01/20(a)	307,793
		1,462,582

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Consumer Services 2.4%

2,000,000	Extra Space Storage LP, 3.125%, 10/01/35(a)	2,213,510
1,600,000	Quotient Technology Inc., 1.750%, 12/01/22(a)	1,729,592
		3,943,102

Diversified Industrial 3.6%

750,000	Chart Industries Inc., 1.000%, 11/15/24(a)	1,073,477
1,349,000	Kaman Corp., 3.250%, 05/01/24	1,576,552
1,457,000	Team Inc., 5.000%, 08/01/23	1,815,232
1,000,000	TimkenSteel Corp., 6.000%, 06/01/21	1,369,980
		5,835,241

Energy and Utilities 4.6%

2,000,000	Cheniere Energy Inc., 4.250%, 03/15/45	1,574,016
1,500,000	Chesapeake Energy Corp., 5.500%, 09/15/26	1,495,243
750,000	Clean Energy Fuels Corp., 5.250%, 10/01/18(a)	752,929
259,000	Goodrich Petroleum Escrow Bond, Zero Coupon, 12/31/21 (a)(b)(c)(d)	0

See accompanying notes to schedule of investments.

Bancroft Fund Ltd.**Schedule of Investments (Continued) July 31, 2018 (Unaudited)**

Principal Amount		Market Value
	Convertible Corporate Bonds (Continued)	
	Energy and Utilities (Continued)	
\$ 917,000	Newpark Resources Inc., 4.000%, 12/01/21(a)	\$ 1,279,073
3,000,000	SunPower Corp., 4.000%, 01/15/23	2,416,737
		7,517,998
	Entertainment 1.6%	
1,250,000	Gannett Co. Inc., 4.750%, 04/15/24(a)	1,346,875
1,625,000	Global Eagle Entertainment Inc., 2.750%, 02/15/35	1,251,250
		2,598,125
	Financial Services 4.1%	
766,000	Encore Capital Europe Finance Ltd., 4.500%, 09/01/23	783,235
1,250,000	Encore Capital Group Inc., 3.000%, 07/01/20	1,251,179
2,000,000	GSV Capital Corp., 4.750%, 03/28/23	1,927,600
1,000,000	Heritage Insurance Holdings Inc., 5.875%, 08/01/37(a)	1,287,140
1,116,000	LendingTree Inc., 0.625%, 06/01/22	1,453,819
		6,702,973
	Health Care 13.0%	
1,559,000	Accelerate Diagnostics Inc., 2.500%, 03/15/23(a)	1,475,282
875,000	ANI Pharmaceuticals Inc., 3.000%, 12/01/19	1,000,745

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550,000	Array BioPharma Inc., 2.625%, 12/01/24(a)	692,089
1,550,000	BioMarin Pharmaceutical Inc., 0.599%, 08/01/24	1,639,463
500,000	Dermira Inc., 3.000%, 05/15/22	417,127
950,000	Exact Sciences Corp., 1.000%, 01/15/25	988,822
750,000	Horizon Pharma Investment Ltd., 2.500%, 03/15/22	732,123
1,066,000	Insulet Corp., 1.375%, 11/15/24(a)	1,162,749
1,000,000	Intercept Pharmaceuticals Inc., 3.250%, 07/01/23	886,834
500,000	Invacare Corp., 4.500%, 06/01/22	643,680
250,000	K2M Group Holdings Inc., 3.000%, 06/30/25(a)	254,807
1,384,000	Neurocrine Biosciences Inc., 2.250%, 05/15/24	2,031,717
Principal Amount		Market Value
\$ 1,000,000	NuVasive Inc., 2.250%, 03/15/21	\$ 1,137,333
1,500,000	Pacira Pharmaceuticals Inc., 2.375%, 04/01/22	1,487,427
1,000,000	Paratek Pharmaceuticals Inc., 4.750%, 05/01/24(a)	958,235
1,000,000	Supernus Pharmaceuticals Inc., 0.625%, 04/01/23(a)	1,130,005
1,200,000	Teladoc Inc., 3.000%, 12/15/22	1,840,829
1,000,000	Teligent Inc., 3.750%, 12/15/19	957,052
1,000,000	Theravance Biopharma Inc., 3.250%, 11/01/23	1,005,320
1,000,000	Vitamin Shoppe Inc., 2.250%, 12/01/20	785,000
		21,226,639
	Metals and Mining 0.7%	
500,000	Arconic Inc., 1.625%, 10/15/19	516,139
600,000	Royal Gold Inc., 2.875%, 06/15/19	619,718
		1,135,857

Semiconductors 11.1%		
750,000	Advanced Micro Devices Inc., 2.125%, 09/01/26	1,789,422
1,500,000	Cypress Semiconductor Corp., 4.500%, 01/15/22	2,171,340
2,500,000	Inphi Corp., 1.125%, 12/01/20	2,635,577
2,000,000	Knowles Corp., 3.250%, 11/01/21	2,337,744
1,000,000	Microchip Technology Inc., 1.625%, 02/15/27	1,195,311
1,500,000	NXP Semiconductors NV, 1.000%, 12/01/19	1,664,073
2,386,000	Rambus Inc., 1.375%, 02/01/23(a)	2,232,010
1,309,000	Silicon Laboratories Inc., 1.375%, 03/01/22	1,540,039
1,750,000	Teradyne Inc., 1.250%, 12/15/23	2,549,034
		18,114,550
Telecommunications 2.1%		
1,000,000	Dycom Industries Inc., 0.750%, 09/15/21	1,116,635
2,164,000	Twilio Inc., 0.250%, 06/01/23(a)	2,279,798
		3,396,433

See accompanying notes to schedule of investments.

Bancroft Fund Ltd.**Schedule of Investments (Continued) July 31, 2018 (Unaudited)**

Principal Amount		Market Value
	CONVERTIBLE CORPORATE BONDS (Continued)	
	Transportation 2.1%	
\$ 1,000,000	Air Transport Services Group Inc., 1.125%, 10/15/24(a)	\$ 977,390
2,000,000	Atlas Air Worldwide Holdings Inc., 2.250%, 06/01/22	2,361,250
		3,338,640
	TOTAL CONVERTIBLE CORPORATE BONDS	123,623,994
	Shares	
	CONVERTIBLE PREFERRED STOCKS 6.6%	
	Agriculture 0.8%	
12,500	Bunge Ltd., 4.875%	1,360,823
	Business Services 0.3%	
711,039	Amerivon Holdings LLC, 4.000% (c)	433,734
272,728	Amerivon Holdings LLC, common equity units (c)	16,36