

TRI-CONTINENTAL CORP
Form N-Q
November 26, 2014

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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 811-00266

Tri-Continental Corporation
(Exact name of registrant as specified in charter)

225 Franklin Street, Boston, Massachusetts
(Address of principal executive offices)

02110
(Zip code)

Scott R. Plummer

5228 Ameriprise Financial Center

Minneapolis, MN 55474
(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 345-6611

Date of fiscal year end: December 31

Date of reporting period: September 30, 2014

Item 1. Schedule of Investments.

Portfolio of Investments

Tri-Continental Corporation

September 30, 2014 (Unaudited)

(Percentages represent value of investments compared to net assets)

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| Issuer | Shares | | Value |
|--|---------|----|-------------------|
| Common Stocks 68.7% | | | |
| CONSUMER DISCRETIONARY 6.4% | | | |
| Auto Components 0.5% | | | |
| Delphi Automotive PLC | 119,800 | \$ | 7,348,532 |
| Automobiles 0.5% | | | |
| General Motors Co. | 235,000 | | 7,505,900 |
| Hotels, Restaurants & Leisure 0.4% | | | |
| Marriott International, Inc., Class A | 9,100 | | 636,090 |
| Wyndham Worldwide Corp. | 74,500 | | 6,053,870 |
| Total | | | 6,689,960 |
| Internet & Catalog Retail 0.1% | | | |
| Expedia, Inc. | 10,700 | | 937,534 |
| Media 2.2% | | | |
| Cinemark Holdings, Inc. | 120,000 | | 4,084,800 |
| Comcast Corp., Class A | 306,400 | | 16,478,192 |
| DIRECTV (a) | 42,300 | | 3,659,796 |
| Walt Disney Co. (The) | 110,800 | | 9,864,524 |
| Total | | | 34,087,312 |
| Specialty Retail 2.2% | | | |
| Best Buy Co., Inc. | 338,600 | | 11,373,574 |
| Home Depot, Inc. (The) | 203,900 | | 18,705,786 |
| Lowe's Companies, Inc. | 64,500 | | 3,413,340 |
| Total | | | 33,492,700 |
| Textiles, Apparel & Luxury Goods 0.5% | | | |
| VF Corp. | 117,300 | | 7,745,319 |
| TOTAL CONSUMER DISCRETIONARY | | | 97,807,257 |
| CONSUMER STAPLES 6.1% | | | |
| Beverages 1.0% | | | |
| Dr. Pepper Snapple Group, Inc. | 127,500 | | 8,199,525 |
| PepsiCo, Inc. | 87,500 | | 8,145,375 |
| Total | | | 16,344,900 |
| Food & Staples Retailing 1.1% | | | |
| CVS Health Corp. | 24,700 | | 1,965,873 |
| Kroger Co. (The) | 279,600 | | 14,539,200 |
| Total | | | 16,505,073 |
| Food Products 1.5% | | | |
| Archer-Daniels-Midland Co. | 214,700 | | 10,971,170 |
| Tyson Foods, Inc., Class A | 294,000 | | 11,574,780 |
| Total | | | 22,545,950 |

| Issuer | Shares | | Value |
|---|---------|----|-------------------|
| Common Stocks (continued) | | | |
| CONSUMER STAPLES (CONTINUED) | | | |
| Household Products 0.2% | | | |
| Kimberly-Clark Corp. | 26,900 | \$ | 2,893,633 |
| Tobacco 2.3% | | | |
| Altria Group, Inc. | 223,600 | | 10,272,184 |
| Philip Morris International, Inc. | 298,200 | | 24,869,880 |
| Total | | | 35,142,064 |
| TOTAL CONSUMER STAPLES | | | 93,431,620 |
| ENERGY 7.3% | | | |
| Energy Equipment & Services 0.8% | | | |
| National Oilwell Varco, Inc. | 164,200 | | 12,495,620 |
| Oil, Gas & Consumable Fuels 6.5% | | | |
| BP PLC, ADR | 165,000 | | 7,251,750 |
| Chevron Corp. (b) | 90,900 | | 10,846,188 |
| ConocoPhillips | 317,000 | | 24,256,840 |
| EOG Resources, Inc. | 53,100 | | 5,257,962 |
| Exxon Mobil Corp. | 57,700 | | 5,426,685 |
| Kinder Morgan, Inc. | 200,000 | | 7,668,000 |
| Occidental Petroleum Corp. | 80,000 | | 7,692,000 |
| ONEOK, Inc. | 117,500 | | 7,702,125 |
| Phillips 66 | 121,100 | | 9,846,641 |

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| | | |
|---------------------------------|---------|--------------------|
| Valero Energy Corp. | 258,100 | 11,942,287 |
| Total | | 97,890,478 |
| TOTAL ENERGY | | 110,386,098 |
| FINANCIALS 12.5% | | |
| Banks 4.4% | | |
| Bank of Montreal | 105,000 | 7,730,100 |
| Citigroup, Inc. | 363,200 | 18,821,024 |
| Cullen/Frost Bankers, Inc. | 100,000 | 7,651,000 |
| JPMorgan Chase & Co. | 194,500 | 11,716,680 |
| KeyCorp | 687,200 | 9,160,376 |
| Wells Fargo & Co. | 223,100 | 11,572,197 |
| Total | | 66,651,377 |
| Capital Markets 2.1% | | |
| Ares Capital Corp. | 475,000 | 7,676,000 |
| BlackRock, Inc. | 24,200 | 7,945,344 |
| Goldman Sachs Group, Inc. (The) | 25,900 | 4,754,463 |
| Invesco Ltd. | 96,500 | 3,809,820 |
| T. Rowe Price Group, Inc. | 100,000 | 7,840,000 |
| Total | | 32,025,627 |

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| Issuer | Shares | | Value |
|---|---------|----|--------------------|
| Common Stocks (continued) | | | |
| FINANCIALS (CONTINUED) | | | |
| Consumer Finance 1.4% | | | |
| Capital One Financial Corp. | 167,000 | \$ | 13,630,540 |
| Discover Financial Services | 86,800 | | 5,589,052 |
| Navient Corp. | 130,200 | | 2,305,842 |
| Total | | | 21,525,434 |
| Insurance 2.3% | | | |
| ACE Ltd. | 24,800 | | 2,600,776 |
| Aflac, Inc. | 147,600 | | 8,597,700 |
| Aon PLC | 147,100 | | 12,896,257 |
| Lincoln National Corp. | 43,900 | | 2,352,162 |
| Prudential Financial, Inc. | 21,700 | | 1,908,298 |
| Travelers Companies, Inc. (The) | 76,600 | | 7,195,804 |
| Total | | | 35,550,997 |
| Real Estate Investment Trusts (REITs) 2.3% | | | |
| CBS Outdoor Americas, Inc. | 132,500 | | 3,967,050 |
| Colony Financial, Inc. | 175,000 | | 3,916,500 |
| Host Hotels & Resorts, Inc. | 446,100 | | 9,515,313 |
| National Health Investors, Inc. | 65,000 | | 3,714,100 |
| Simon Property Group, Inc. | 39,400 | | 6,478,148 |
| Starwood Property Trust, Inc. | 340,000 | | 7,466,400 |
| Total | | | 35,057,511 |
| TOTAL FINANCIALS | | | |
| | | | 190,810,946 |
| HEALTH CARE 8.6% | | | |
| Biotechnology 1.9% | | | |
| Amgen, Inc. | 40,000 | | 5,618,400 |
| Celgene Corp. (a) | 62,400 | | 5,914,272 |
| Gilead Sciences, Inc. (a) | 123,400 | | 13,135,930 |
| Pharmacyclics, Inc. (a) | 7,600 | | 892,468 |
| Vertex Pharmaceuticals, Inc. (a) | 33,700 | | 3,784,847 |
| Total | | | 29,345,917 |
| Health Care Equipment & Supplies 1.2% | | | |
| Becton Dickinson and Co. | 57,800 | | 6,578,218 |
| CR Bard, Inc. | 75,500 | | 10,774,605 |
| Total | | | 17,352,823 |
| Health Care Providers & Services 1.4% | | | |
| Cardinal Health, Inc. | 113,100 | | 8,473,452 |
| WellPoint, Inc. | 103,800 | | 12,416,556 |
| Total | | | 20,890,008 |
| Pharmaceuticals 4.1% | | | |
| AbbVie, Inc. | 215,600 | | 12,453,056 |
| Merck & Co., Inc. | 451,000 | | 26,735,280 |
| Pfizer, Inc. | 669,709 | | 19,803,295 |

| Issuer | Shares | | Value |
|-------------------------------------|---------|----|--------------------|
| Common Stocks (continued) | | | |
| HEALTH CARE (CONTINUED) | | | |
| Pharmaceuticals (continued) | | | |
| Theravance, Inc. | 225,000 | \$ | 3,845,250 |
| Total | | | 62,836,881 |
| TOTAL HEALTH CARE | | | |
| | | | 130,425,629 |
| INDUSTRIALS 7.0% | | | |
| Aerospace & Defense 2.8% | | | |
| General Dynamics Corp. | 44,600 | | 5,668,214 |
| Lockheed Martin Corp. | 80,500 | | 14,713,790 |
| Raytheon Co. | 217,100 | | 22,061,702 |
| Total | | | 42,443,706 |
| Airlines 1.1% | | | |
| Delta Air Lines, Inc. | 118,600 | | 4,287,390 |
| Southwest Airlines Co. | 368,700 | | 12,450,999 |
| Total | | | 16,738,389 |
| Electrical Equipment 0.9% | | | |

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| | | |
|--|---------|--------------------|
| Emerson Electric Co. | 213,700 | 13,373,346 |
| Industrial Conglomerates 0.7% | | |
| General Electric Co. | 450,000 | 11,529,000 |
| Machinery 0.9% | | |
| Caterpillar, Inc. | 42,400 | 4,198,872 |
| Illinois Tool Works, Inc. | 81,700 | 6,897,114 |
| Parker-Hannifin Corp. | 19,200 | 2,191,680 |
| Total | | 13,287,666 |
| Professional Services 0.1% | | |
| Dun & Bradstreet Corp. (The) | 11,800 | 1,386,146 |
| Transportation Infrastructure 0.5% | | |
| Macquarie Infrastructure Co. LLC | 114,000 | 7,603,800 |
| TOTAL INDUSTRIALS | | 106,362,053 |
| INFORMATION TECHNOLOGY 12.2% | | |
| Communications Equipment 2.1% | | |
| Cisco Systems, Inc. | 991,300 | 24,951,021 |
| QUALCOMM, Inc. | 103,200 | 7,716,264 |
| Total | | 32,667,285 |
| Internet Software & Services 1.2% | | |
| Facebook, Inc., Class A (a) | 49,300 | 3,896,672 |
| Google, Inc., Class A (a) | 9,425 | 5,545,764 |

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| Issuer | Shares | | Value |
|---|---------------|----|----------------------|
| Common Stocks (continued) | | | |
| INFORMATION TECHNOLOGY (CONTINUED) | | | |
| Internet Software & Services (continued) | | | |
| VeriSign, Inc. (a) | 154,600 | \$ | 8,521,552 |
| Total | | | 17,963,988 |
| IT Services 2.0% | | | |
| Automatic Data Processing, Inc. | 95,000 | | 7,892,600 |
| MasterCard, Inc., Class A | 206,400 | | 15,257,088 |
| Visa, Inc., Class A | 35,200 | | 7,510,624 |
| Total | | | 30,660,312 |
| Semiconductors & Semiconductor Equipment 2.0% | | | |
| Altera Corp. | 55,400 | | 1,982,212 |
| Broadcom Corp., Class A | 234,300 | | 9,470,406 |
| Intel Corp. | 235,000 | | 8,182,700 |
| Xilinx, Inc. | 240,500 | | 10,185,175 |
| Total | | | 29,820,493 |
| Software 2.5% | | | |
| Microsoft Corp. | 496,000 | | 22,994,560 |
| Oracle Corp. | 407,900 | | 15,614,412 |
| Total | | | 38,608,972 |
| Technology Hardware, Storage & Peripherals 2.4% | | | |
| Apple, Inc. | 356,350 | | 35,902,263 |
| TOTAL INFORMATION TECHNOLOGY | | | 185,623,313 |
| MATERIALS 3.2% | | | |
| Chemicals 2.0% | | | |
| Dow Chemical Co. (The) | 155,000 | | 8,128,200 |
| LyondellBasell Industries NV, Class A | 132,300 | | 14,375,718 |
| PPG Industries, Inc. | 37,300 | | 7,338,402 |
| Total | | | 29,842,320 |
| Metals & Mining 0.6% | | | |
| Freeport-McMoRan, Inc. | 240,000 | | 7,836,000 |
| Jaguar Mining, Inc. (a) | 1,173,564 | | 607,765 |
| Total | | | 8,443,765 |
| Paper & Forest Products 0.6% | | | |
| International Paper Co. | 202,900 | | 9,686,446 |
| TOTAL MATERIALS | | | 47,972,531 |
| TELECOMMUNICATION SERVICES 2.5% | | | |
| Diversified Telecommunication Services 2.5% | | | |
| AT&T, Inc. | 408,900 | | 14,409,636 |
| CenturyLink, Inc. | 228,000 | | 9,322,920 |
| Issuer | Shares | | Value |
| Common Stocks (continued) | | | |
| TELECOMMUNICATION SERVICES (CONTINUED) | | | |
| Diversified Telecommunication Services (continued) | | | |
| Verizon Communications, Inc. | 300,000 | \$ | 14,997,000 |
| Total | | | 38,729,556 |
| TOTAL TELECOMMUNICATION SERVICES | | | |
| UTILITIES 2.9% | | | |
| Electric Utilities 0.7% | | | |
| Duke Energy Corp. | 110,000 | | 8,224,700 |
| Entergy Corp. | 21,400 | | 1,654,862 |
| Total | | | 9,879,562 |
| Independent Power and Renewable Electricity Producers 0.4% | | | |
| AES Corp. (The) | 446,000 | | 6,324,280 |
| Multi-Utilities 1.8% | | | |
| Ameren Corp. | 205,000 | | 7,857,650 |
| Dominion Resources, Inc. | 115,000 | | 7,945,350 |
| Public Service Enterprise Group, Inc. | 327,600 | | 12,199,824 |
| Total | | | 28,002,824 |
| TOTAL UTILITIES | | | 44,206,666 |
| Total Common Stocks | | | |
| (Cost: \$886,702,210) | | \$ | 1,045,755,669 |

Convertible Preferred Stocks 8.4%

CONSUMER STAPLES 1.3%

Food Products 1.3%

| | | |
|---------------------------------|---------|-----------|
| Bunge Ltd., 4.875% | 75,000 | 8,137,875 |
| Post Holdings, Inc., 3.750% (c) | 42,500 | 3,586,056 |
| Tyson Foods, Inc., 4.750% (a) | 162,000 | 8,190,720 |

Total **19,914,651**

TOTAL CONSUMER STAPLES

19,914,651

ENERGY 1.5%

Oil, Gas & Consumable Fuels 1.5%

| | | |
|-------------------------------------|--------|------------|
| Chesapeake Energy Corp., 5.750% (c) | 10,500 | 11,648,437 |
| Energy XXI Bermuda Ltd., 5.625% | 35,000 | 6,792,188 |
| Penn Virginia Corp., 6.000% (c) | 41,900 | 4,150,660 |

Total **22,591,285**

TOTAL ENERGY

22,591,285

FINANCIALS 3.3%

Banks 1.0%

| | | |
|-------------------------------|-------|-----------|
| Bank of America Corp., 7.250% | 6,900 | 7,910,850 |
|-------------------------------|-------|-----------|

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| Issuer | Shares | | Value |
|---|---------|----|--------------------|
| Convertible Preferred Stocks (continued) | | | |
| FINANCIALS (CONTINUED) | | | |
| Banks (continued) | | | |
| Wells Fargo & Co., 7.500% | 6,500 | \$ | 7,816,315 |
| Total | | | 15,727,165 |
| Real Estate Investment Trusts (REITs) 2.3% | | | |
| Alexandria Real Estate Equities, Inc., 7.000% | 290,000 | | 7,807,351 |
| Crown Castle International Corp., 4.500% | 77,500 | | 8,102,470 |
| Health Care REIT, Inc., 6.500% | 135,000 | | 7,719,300 |
| Weyerhaeuser Co., 6.375% | 140,000 | | 7,564,200 |
| iStar Financial, Inc., 4.500% | 62,500 | | 3,602,731 |
| Total | | | 34,796,052 |
| TOTAL FINANCIALS | | | 50,523,217 |
| HEALTH CARE 0.3% | | | |
| Health Care Equipment & Supplies 0.3% | | | |
| Alere, Inc., 3.000% | 12,000 | | 3,993,660 |
| TOTAL HEALTH CARE | | | 3,993,660 |
| INDUSTRIALS 0.8% | | | |
| Aerospace & Defense 0.8% | | | |
| United Technologies Corp., 7.500% | 200,000 | | 11,778,000 |
| TOTAL INDUSTRIALS | | | 11,778,000 |
| MATERIALS 0.2% | | | |
| Metals & Mining 0.2% | | | |
| Alcoa, Inc., 5.375% (a) | 77,000 | | 3,842,300 |
| TOTAL MATERIALS | | | 3,842,300 |
| UTILITIES 1.0% | | | |
| Electric Utilities 0.5% | | | |
| NextEra Energy, Inc., 5.599% | 127,500 | | 7,987,748 |
| Multi-Utilities 0.5% | | | |
| CenterPoint Energy, Inc., 3.719% (d) | 130,000 | | 7,905,625 |
| TOTAL UTILITIES | | | 15,893,373 |
| Total Convertible Preferred Stocks | | | |
| (Cost: \$120,149,524) | | \$ | 128,536,486 |

| Issuer | Coupon Rate | Principal Amount | Value |
|---|-------------|------------------|-------------------|
| Corporate Bonds & Notes 12.0% | | | |
| Aerospace & Defense 0.3% | | | |
| ADS Tactical, Inc. Senior Secured (c) 04/01/18 | 11.000% | \$ 4,200,000 | \$ 4,032,000 |
| Banking 0.5% | | | |
| Popular, Inc. Senior Unsecured 07/01/19 | 7.000% | 8,000,000 | 8,040,000 |
| Construction Machinery 0.5% | | | |
| United Rentals North America, Inc. 11/15/24 | 5.750% | 7,600,000 | 7,695,000 |
| Consumer Cyclical Services 0.5% | | | |
| ADT Corp. (The) Senior Unsecured 04/15/19 | 4.125% | 8,000,000 | 7,840,000 |
| Diversified Manufacturing 1.1% | | | |
| Gardner Denver, Inc. Senior Unsecured (c) 08/15/21 | 6.875% | 7,900,000 | 7,919,750 |
| Hamilton Sundstrand Corp. Senior Unsecured (c) 12/15/20 | 7.750% | 7,750,000 | 8,040,625 |
| Total | | | 15,960,375 |
| Electric 0.7% | | | |

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| | | | |
|---|--------|-----------|-------------------|
| AES Corp. (The) | | | |
| Senior Unsecured | | | |
| 07/01/21 | 7.375% | 5,800,000 | 6,496,000 |
| 03/15/24 | 5.500% | 1,199,000 | 1,166,028 |
| DPL, Inc. | | | |
| Senior Unsecured (c)(e) | | | |
| 10/01/19 | 6.750% | 2,857,000 | 2,906,997 |
| Total | | | 10,569,025 |
| Food and Beverage 0.5% | | | |
| Chiquita Brands International, Inc./LLC | | | |
| Senior Secured | | | |
| 02/01/21 | 7.875% | 400,000 | 432,000 |
| Post Holdings, Inc. (c) | | | |
| 12/01/21 | 6.750% | 7,957,000 | 7,539,258 |
| Total | | | 7,971,258 |

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| Issuer | Coupon Rate | Principal Amount | Value |
|---|-------------|------------------|-------------------|
| Corporate Bonds & Notes (continued) | | | |
| Home Construction 0.5% | | | |
| Taylor Morrison Communities, Inc./Monarch, Inc. (c) 04/15/21 | 5.250% | \$ 8,200,000 | \$ 7,995,000 |
| Independent Energy 2.0% | | | |
| American Energy-Permian Basin LLC/Finance Corp. (c) Senior Unsecured 11/01/20 | 7.125% | 667,000 | 610,305 |
| 11/01/21 | 7.375% | 7,333,000 | 6,709,695 |
| Goodrich Petroleum Corp. 03/15/19 | 8.875% | 7,599,000 | 7,807,972 |
| Parsley Energy LLC/Finance Corp. Senior Unsecured (c) 02/15/22 | 7.500% | 7,446,000 | 7,678,688 |
| Stone Energy Corp. 11/15/22 | 7.500% | 7,400,000 | 7,624,220 |
| Total | | | 30,430,880 |
| Leisure 0.5% | | | |
| Live Nation Entertainment, Inc. (c) 06/15/22 | 5.375% | 7,998,000 | 7,958,010 |
| Media and Entertainment 0.5% | | | |
| AMC Networks, Inc. 12/15/22 | 4.750% | 8,000,000 | 7,900,000 |
| Metals 0.8% | | | |
| Alpha Natural Resources, Inc. 04/15/18 | 9.750% | 5,200,000 | 3,796,000 |
| United States Steel Corp. Senior Unsecured 04/01/21 | 6.875% | 7,550,000 | 7,965,250 |
| Total | | | 11,761,250 |
| Other Industry 0.5% | | | |
| MasTec, Inc. 03/15/23 | 4.875% | 7,900,000 | 7,386,500 |
| Pharmaceuticals 0.3% | | | |
| Salix Pharmaceuticals Ltd. (c) 01/15/21 | 6.000% | 4,080,000 | 4,416,600 |
| Retailers 0.4% | | | |
| Rite Aid Corp. Senior Unsecured 02/15/27 | 7.700% | 4,982,000 | 5,330,740 |

| Issuer | Coupon Rate | Principal Amount | Value |
|---|-------------|------------------|--------------|
| Corporate Bonds & Notes (continued) | | | |
| Supermarkets 0.5% | | | |
| Safeway, Inc. Senior Unsecured 02/01/31 | 7.250% | \$ 8,112,000 | \$ 7,948,389 |
| Technology 0.5% | | | |
| Micron Technology, Inc. Senior Unsecured (c) 02/01/25 | 5.500% | 8,000,000 | 7,840,000 |
| Transportation Services 0.4% | | | |
| XPO Logistics, Inc. Senior Unsecured (c) 09/01/19 | 7.875% | 5,608,000 | 5,790,260 |
| Wirelines 1.0% | | | |
| Frontier Communications Corp. Senior Unsecured 01/15/25 | 6.875% | 8,030,000 | 7,929,625 |
| Level 3 Escrow II, Inc. (c) 08/15/22 | 5.375% | 8,000,000 | 7,880,000 |

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| | | | |
|--|--------|-----------|--------------------|
| Total | | | 15,809,625 |
| Total Corporate Bonds & Notes | | | |
| (Cost: \$185,062,481) | | \$ | 182,674,912 |
| Convertible Bonds 8.6% | | | |
| Automotive 1.0% | | | |
| Navistar International Corp. (c) | | | |
| Senior Subordinated Notes | | | |
| 04/15/19 | 4.750% | 9,959,000 | 9,965,224 |
| 10/15/18 | 4.500% | 1,530,000 | 1,489,302 |
| Wabash National Corp. | | | |
| Senior Unsecured | | | |
| 05/01/18 | 3.375% | 2,900,000 | 3,873,240 |
| Total | | | 15,327,766 |
| Brokerage/Asset Managers/Exchanges 0.3% | | | |
| Walter Investment Management Corp. | | | |
| Senior Subordinated Notes | | | |
| 11/01/19 | 4.500% | 4,500,000 | 3,791,250 |
| Finance Companies 0.2% | | | |
| Air Lease Corp. | | | |
| Senior Unsecured | | | |
| 12/01/18 | 3.875% | 2,700,000 | 3,663,563 |

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| Issuer | Coupon Rate | Principal Amount | Value |
|---|-------------|------------------|-------------------|
| Convertible Bonds (continued) | | | |
| Food and Beverage 0.5% | | | |
| Chiquita Brands International, Inc. Senior Unsecured 08/15/16 | 4.250% | \$ 7,500,000 | \$ 7,500,000 |
| Health Care 0.8% | | | |
| Omnicare, Inc. 04/01/42 | 3.750% | 5,020,000 | 7,865,838 |
| Teleflex, Inc. Senior Subordinated Notes 08/01/17 | 3.875% | 2,270,000 | 3,911,494 |
| Total | | | 11,777,332 |
| Independent Energy % | | | |
| Endeavour International Corp. 07/15/16 | 5.500% | 4,400,000 | 242,000 |
| Integrated Energy 0.4% | | | |
| American Energy - Utica LLC PIK (c) 03/01/21 | 3.500% | 2,084,000 | 2,417,440 |
| GT Advanced Technologies, Inc. Senior Unsecured 12/15/20 | 3.000% | 3,300,000 | 3,766,125 |
| Total | | | 6,183,565 |
| Metals 0.2% | | | |
| Alpha Natural Resources, Inc. 12/15/20 | 4.875% | 5,080,000 | 3,006,725 |
| Oil Field Services 0.2% | | | |
| Cobalt International Energy, Inc. Senior Unsecured 12/01/19 | 2.625% | 4,500,000 | 3,733,965 |
| Other Financial Institutions 0.5% | | | |
| Forest City Enterprises, Inc. Senior Unsecured 08/15/20 | 3.625% | 7,598,000 | 7,821,191 |
| Other Industry 0.3% | | | |
| General Cable Corp. Subordinated Notes (d) 11/15/29 | 4.500% | 5,500,000 | 3,822,500 |

| Issuer | Coupon Rate | Principal Amount | Value |
|---|-------------|------------------|------------------|
| Convertible Bonds (continued) | | | |
| Other REIT 0.4% | | | |
| Blackstone Mortgage Trust, Inc. Senior Unsecured 12/01/18 | 5.250% | \$ 5,750,000 | \$ 6,010,590 |
| Pharmaceuticals 0.5% | | | |
| ARIAD Pharmaceuticals, Inc. Senior Unsecured (c) 06/15/19 | 3.625% | 4,100,000 | 3,758,880 |
| Dendreon Corp. Senior Unsecured 01/15/16 | 2.875% | 5,350,000 | 3,664,750 |
| Total | | | 7,423,630 |
| Property & Casualty 0.4% | | | |
| MGIC Investment Corp. (c) 04/01/63 | 9.000% | 4,700,000 | 6,004,250 |
| Refining 0.2% | | | |
| Clean Energy Fuels Corp. Senior Unsecured (c) 10/01/18 | 5.250% | 4,150,000 | 3,706,639 |
| Retailers 0.3% | | | |

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| | | | |
|--|--------|-----------|-------------------|
| HeartWare International, Inc. Senior Unsecured 12/15/17 | 3.500% | 3,500,000 | 3,799,687 |
| Technology 1.6% | | | |
| Ciena Corp. Senior Unsecured (c) 10/15/18 | 3.750% | 6,300,000 | 7,322,490 |
| Mentor Graphics Corp. Subordinated Notes 04/01/31 | 4.000% | 6,500,000 | 7,519,687 |
| Powerwave Technologies, Inc. Subordinated Notes (f)(g)(h) 10/01/27 | 3.875% | 2,000,000 | 200 |
| TiVo, Inc. Senior Unsecured (c) 03/15/16 | 4.000% | 3,100,000 | 3,935,063 |
| j2 Global, Inc. Senior Unsecured 06/15/29 | 3.250% | 5,800,000 | 5,781,875 |
| Total | | | 24,559,315 |

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| Issuer | Coupon Rate | Principal Amount | Value |
|--|-------------|------------------|-----------------------|
| Convertible Bonds (continued) | | | |
| Tobacco 0.5% | | | |
| Vector Group Ltd. Senior Unsecured 04/15/20 | 1.750% | \$ 3,400,000 | \$ 3,791,748 |
| Vector Group Ltd. (d) Senior Unsecured 01/15/19 | 2.500% | 2,824,000 | 4,134,336 |
| Total | | | 7,926,084 |
| Transportation Services 0.3% | | | |
| DryShips, Inc. Senior Unsecured 12/01/14 | 5.000% | 4,000,000 | 3,955,000 |
| Total Convertible Bonds (Cost: \$129,893,128) | | | \$ 130,255,052 |
| Preferred Debt 0.3% | | | |
| Banking 0.3% | | | |
| Synovus Financial Corp. (d) 12/31/49 | 7.875% | 150,000 | \$ 4,132,500 |
| Total Preferred Debt (Cost: \$3,823,450) | | | \$ 4,132,500 |

| | Shares | Value |
|--|------------|----------------------------|
| Money Market Funds 1.8% | | |
| Columbia Short-Term Cash Fund, 0.093% (i)(j) | 6,823,457 | \$ 6,823,457 |
| JPMorgan Prime Money Market Fund, 0.010% (i) | 20,603,302 | 20,603,302 |
| Total Money Market Funds (Cost: \$27,426,759) | | \$ 27,426,759 |
| Total Investments (Cost: \$1,353,057,552) (k) | | \$ 1,518,781,378(l) |
| Other Assets & Liabilities, Net | | 2,449,114 |
| Net Assets | | \$ 1,521,230,492 |

Investments in Derivatives
Futures Contracts Outstanding at September 30, 2014

At September 30, 2014, securities totaling \$525,008 were pledged as collateral to cover initial margin requirements on open futures contracts.

Long Futures Contracts Outstanding

| Contract Description | Number of Contracts | Trading Currency | Notional Market Value (\$) | Expiration Date | Unrealized Appreciation (\$) | Unrealized Depreciation (\$) |
|----------------------|---------------------|------------------|----------------------------|-----------------|------------------------------|------------------------------|
| S&P 500 | 15 | USD | 7,370,625 | 12/2014 | | (46,589) |

Notes to Portfolio of Investments

- (a) Non-income producing.
- (b) This security, or a portion of this security, has been pledged as collateral in connection with open futures contracts. These values are denoted within the Investments in Derivatives section of the Portfolio of Investments.
- (c) Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At September 30, 2014, the value of these securities amounted to \$145,301,629 or 9.55% of net assets.
- (d) Variable rate security.
- (e) Represents a security purchased on a when-issued or delayed delivery basis.
- (f) Identifies securities considered by the Investment Manager to be illiquid as to their marketability. The aggregate value of such securities at September 30, 2014 was \$200, which represents less than 0.01% of net assets. Information concerning such security holdings at September 30, 2014 is as follows:

| Security Description | Acquisition Dates | Cost (\$) |
|---|-------------------------|-----------|
| Powerwave Technologies, Inc. Subordinated Notes 10/01/27 3.875% | 04-04-2012 - 04-05-2012 | 999,030 |

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- (g) Represents fair value as determined in good faith under procedures approved by the Board of Trustees. At September 30, 2014, the value of these securities amounted to \$200, which represents less than 0.01% of net assets.
- (h) Represents securities that have defaulted on payment of interest. The Fund has stopped accruing interest on these securities. At September 30, 2014, the value of these securities amounted to \$200, which represents less than 0.01% of net assets.
- (i) The rate shown is the seven-day current annualized yield at September 30, 2014.
- (j) As defined in the Investment Company Act of 1940, an affiliated company is one in which the Fund owns 5% or more of the company's outstanding voting securities, or a company which is under common ownership or control with the Fund. Holdings and transactions in these affiliated companies during the period ended September 30, 2014, are as follows:

| Issuer | Beginning Cost (\$) | Purchase Cost (\$) | Proceeds from Sales (\$) | Ending Cost (\$) | Dividends Affiliated Issuers (\$) | Value (\$) |
|-------------------------------|---------------------|--------------------|--------------------------|------------------|-----------------------------------|------------|
| Columbia Short-Term Cash Fund | 4,586,660 | 57,729,363 | (55,492,566) | 6,823,457 | 3,034 | 6,823,457 |

- (k) At September 30, 2014, the cost of securities for federal income tax purposes was approximately \$1,353,058,000 and the approximate aggregate gross unrealized appreciation and depreciation based on that cost was:

| | | |
|-----------------------------|----|--------------|
| Unrealized Appreciation | \$ | 193,573,000 |
| Unrealized Depreciation | | (27,850,000) |
| Net Unrealized Appreciation | \$ | 165,723,000 |

- (l) Investments are valued using policies described in the notes to financial statements in the most recent shareholder report.

Abbreviation Legend

ADR American Depositary Receipt
 PIK Payment-in-Kind

Currency Legend

USD US Dollar

Fair Value Measurements

Generally accepted accounting principles (GAAP) require disclosure regarding the inputs and valuation techniques used to measure fair value and any changes in valuation inputs or techniques. In addition, investments shall be disclosed by major category.

The Fund categorizes its fair value measurements according to a three-level hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by prioritizing that the most observable input be used when available. Observable inputs are those that market participants would use in pricing an investment based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the Fund's assumptions about the information market participants would use in pricing an investment. An investment's level within the fair value hierarchy is based on the lowest level of any input that is deemed significant to the asset or liability's fair value measurement. The input levels are not necessarily an indication of the risk or liquidity associated with investments at that level. For example, certain U.S. government securities are generally high quality and liquid, however, they are reflected as Level 2 because the inputs used to determine fair value may not always be quoted prices in an active market.

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Fair value inputs are summarized in the three broad levels listed below:

- Level 1 - Valuations based on quoted prices for investments in active markets that the Fund has the ability to access at the measurement date (including NAV for open-end mutual funds). Valuation adjustments are not applied to Level 1 investments.
- Level 2 Valuations based on other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risks, etc.).
- Level 3 Valuations based on significant unobservable inputs (including the Fund's own assumptions and judgment in determining the fair value of investments).

Inputs that are used in determining fair value of an investment may include price information, credit data, volatility statistics, and other factors. These inputs can be either observable or unobservable. The availability of observable inputs can vary between investments, and is affected by various factors such as the type of investment, and the volume and level of activity for that investment or similar investments in the marketplace. The inputs will be considered by the Investment Manager, along with any other relevant factors in the calculation of an investment's fair value. The Fund uses prices and inputs that are current as of the measurement date, which may include periods of market dislocations. During these periods, the availability of prices and inputs may be reduced for many investments. This condition could cause an investment to be reclassified between the various levels within the hierarchy.

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Foreign equity securities actively traded in markets where there is a significant delay in the local close relative to the New York Stock Exchange (NYSE) are classified as Level 2. The values of these securities may include an adjustment to reflect the impact of significant market movements following the close of local trading, as described in Note 2 to the financial statements Security Valuation in the most recent Semiannual Report dated June 30, 2014.

Investments falling into the Level 3 category are primarily supported by quoted prices from brokers and dealers participating in the market for those investments. However, these may be classified as Level 3 investments due to lack of market transparency and corroboration to support these quoted prices. Additionally, valuation models may be used as the pricing source for any remaining investments classified as Level 3. These models may rely on one or more significant unobservable inputs and/or significant assumptions by the Investment Manager. Inputs used in valuations may include, but are not limited to, financial statement analysis, capital account balances, discount rates and estimated cash flows, and comparable company data.

Under the direction of the Fund's Board of Trustees (the Board), the Investment Manager's Valuation Committee (the Committee) is responsible for overseeing the valuation procedures approved by the Board. The Committee consists of voting and non-voting members from various groups within the Investment Manager's organization, including operations and accounting, trading and investments, compliance, risk management and legal.

The Committee meets at least monthly to review and approve valuation matters, which may include a description of specific valuation determinations, data regarding pricing information received from approved pricing vendors and brokers and the results of Board-approved valuation control policies and procedures (the Policies). The Policies address, among other things, instances when market quotations are or are not readily available, including recommendations of third party pricing vendors and a determination of appropriate pricing methodologies; events that require specific valuation determinations and assessment of fair value techniques; securities with a potential for stale pricing, including those that are illiquid, restricted, or in default; and the effectiveness of third party pricing vendors, including periodic reviews of vendors. The Committee meets more frequently, as needed, to discuss additional valuation matters, which may include the need to review back-testing results, review time-sensitive information or approve related valuation actions. The Committee reports to the Board, with members of the Committee meeting with the Board at each of its regularly scheduled meetings to discuss valuation matters and actions during the period, similar to those described earlier.

For investments categorized as Level 3, the Committee monitors information similar to that described above, which may include: (i) data specific to the issuer or comparable issuers, (ii) general market or specific sector news and (iii) quoted prices and specific or similar security transactions. The Committee considers this data and any changes from prior periods in order to assess the reasonableness of observable and unobservable inputs, any assumptions or internal models used to value those securities and changes in fair value. This data is also used to corroborate, when available, information received from approved pricing vendors and brokers. Various factors impact the frequency of monitoring this information (which may occur as often as daily). However, the Committee may determine that changes to inputs, assumptions and models are not required as a result of the monitoring procedures performed.

The following table is a summary of the inputs used to value the Fund's investments at September 30, 2014:

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| Description | Level 1 Quoted Prices in Active Markets for Identical Assets (\$) | Level 2 Other Significant Observable Inputs (\$) | Level 3 Significant Unobservable Inputs (\$) | Total (\$) |
|------------------------------|--|---|---|---------------|
| Equity Securities | | | | |
| Common Stocks | | | | |
| Consumer Discretionary | 97,807,257 | | | 97,807,257 |
| Consumer Staples | 93,431,620 | | | 93,431,620 |
| Energy | 110,386,098 | | | 110,386,098 |
| Financials | 190,810,946 | | | 190,810,946 |
| Health Care | 130,425,629 | | | 130,425,629 |
| Industrials | 106,362,053 | | | 106,362,053 |
| Information Technology | 185,623,313 | | | 185,623,313 |
| Materials | 47,364,766 | 607,765 | | 47,972,531 |
| Telecommunication Services | 38,729,556 | | | 38,729,556 |
| Utilities | 44,206,666 | | | 44,206,666 |
| Convertible Preferred Stocks | | | | |
| Consumer Staples | | 19,914,651 | | 19,914,651 |
| Energy | | 22,591,285 | | 22,591,285 |
| Financials | 31,010,665 | 19,512,552 | | 50,523,217 |
| Health Care | 3,993,660 | | | 3,993,660 |
| Industrials | 11,778,000 | | | 11,778,000 |
| Materials | 3,842,300 | | | 3,842,300 |
| Utilities | | 15,893,373 | | 15,893,373 |
| Total Equity Securities | 1,095,772,529 | 78,519,626 | | 1,174,292,155 |
| Bonds | | | | |
| Corporate Bonds & Notes | | 182,674,912 | | 182,674,912 |
| Convertible Bonds | | | | |
| Technology | | 24,559,115 | 200 | 24,559,315 |
| All Other Industries | | 105,695,737 | | 105,695,737 |
| Preferred Debt | 4,132,500 | | | 4,132,500 |
| Total Bonds | 4,132,500 | 312,929,764 | 200 | 317,062,464 |
| Mutual Funds | | | | |
| Money Market Funds | 27,426,759 | | | 27,426,759 |
| Total Mutual Funds | 27,426,759 | | | 27,426,759 |
| Investments in Securities | 1,127,331,788 | 391,449,390 | 200 | 1,518,781,378 |
| Derivatives | | | | |
| Liabilities | | | | |
| Futures Contracts | (46,589) | | | (46,589) |
| Total | 1,127,285,199 | 391,449,390 | 200 | 1,518,734,789 |

See the Portfolio of Investments for all investment classifications not indicated in the table.

The Fund's assets assigned to the Level 2 input category are generally valued using the market approach, in which a security's value is determined through reference to prices and information from market transactions for similar or identical assets. These assets include certain foreign securities for which a third party statistical pricing service may be employed for purposes of fair market valuation. The model utilized by such third party statistical pricing service takes into account a security's correlation to available market data including, but not limited to, intraday index, ADR, and ETF movements.

There were no transfers of financial assets between Levels 1 and 2 during the period.

Derivative instruments are valued at unrealized appreciation (depreciation).

The Fund does not hold any significant investments with unobservable inputs which are categorized as Level 3.

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The Fund's assets assigned to the Level 3 category are valued utilizing the valuation technique deemed the most appropriate in the circumstances. Certain convertible bonds classified as Level 3 are valued using an income approach. To determine fair value for these securities, management considered estimates of future distributions from the company assets or potential actions related to the respective company's bankruptcy filing. Significant increases (decreases) to any of these inputs would result in a significantly lower (higher) fair value measurement.

Financial Assets were transferred from Level 2 to Level 3 due to unavailable market quotes. As a result, as of period end, management determined to fair value the securities under consistently applied procedures established by and under the general supervision of the Board of Trustees.

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| <u>Level 2 (\$)</u> | Transfers In | <u>Level 3 (\$)</u> | <u>Level 2 (\$)</u> | Transfers Out | <u>Level 3 (\$)</u> |
|---------------------|--------------|---------------------|---------------------|---------------|---------------------|
| | | 10,000 | 10,000 | | |

Transfers in and/or out of Level 3 are determined based on the fair value at the beginning of the period for security positions held throughout the period.

Item 2. Controls and Procedures.

(a) The registrant's principal executive officer and principal financial officers, based on their evaluation of the registrant's disclosure controls and procedures as of a date within 90 days of the filing of this report, have concluded that such controls and procedures are adequately designed to ensure that information required to be disclosed by the registrant in Form N-Q is accumulated and communicated to the registrant's management, including the principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) There was no change in the registrant's internal control over financial reporting 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.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) attached hereto as Exhibit 99.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.

(registrant) Tri-Continental Corporation

By (Signature and Title) /s/ J. Kevin Connaughton
 J. Kevin Connaughton, President and Principal Executive Officer

Date November 21, 2014

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 (Signature and Title) /s/ J. Kevin Connaughton
 J. Kevin Connaughton, President and Principal Executive Officer

Date November 21, 2014

By (Signature and Title) /s/ Michael G. Clarke
 Michael G. Clarke, Treasurer and Chief Financial Officer

Date November 21, 2014
