

FOXBY CORP.
Form N-Q
May 30, 2014

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: 811-09261

FOXBY CORP.
(Exact name of registrant as specified in charter)

11 Hanover Square, 12th Floor
New York, NY 10005
(Address of principal executive offices) (Zip Code)

John F. Ramírez, Esq.
Foxby Corp.
11 Hanover Square
New York, NY 10005
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-212-785-0900

Date of fiscal year end: 12/31

Date of reporting period: 3/31/14

Item 1. Schedule of Investments

FOXBY CORP.
SCHEDULE OF PORTFOLIO INVESTMENTS
March 31, 2014
(Unaudited)

| Shares | | Cost | Value |
|--------|--|-----------|-----------|
| | COMMON STOCKS (107.85%) | | |
| | Arrangement of Transportation of Freight & Cargo (1.81%) | | |
| 2,400 | C.H. Robinson Worldwide, Inc. | \$145,965 | \$125,736 |
| | Cigarettes (2.72%) | | |
| 3,500 | Lorillard, Inc. | 178,741 | 189,280 |

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| | | | |
|--------|---|---------|---------|
| | Computer Communications Equipment (2.90%) | | |
| 9,000 | Cisco Systems, Inc. | 194,419 | 201,690 |
| | Crude Petroleum & Natural Gas (5.65%) | | |
| 1,500 | Apache Corporation | 135,683 | 124,425 |
| 10,000 | Ultra Petroleum Corp. (a) | 192,122 | 268,900 |
| | | 327,805 | 393,325 |
| | Fire, Marine & Casualty Insurance (6.29%) | | |
| 3,500 | Berkshire Hathaway, Inc. - Class B (a) (b) | 296,368 | 437,395 |
| | Gold and Silver Ores (1.89%) | | |
| 15,000 | Yamana Gold Inc. | 130,190 | 131,700 |
| | Information Retrieval Services (8.01%) | | |
| 500 | Google Inc. (a) (b) | 231,910 | 557,255 |
| | Investment Advice (7.01%) | | |
| 9,000 | Franklin Resources, Inc. (b) | 303,381 | 487,620 |
| | In Vitro & In Vivo Diagnostic Substances (2.95%) | | |
| 6,000 | Myriad Genetics, Inc. (a) | 152,388 | 205,140 |
| | Leather & Leather Products (2.14%) | | |
| 3,000 | Coach, Inc. | 152,271 | 148,980 |
| | Metal Mining (2.26%) | | |
| 12,500 | Compania de Minas Buenaventura S.A.A. | 141,774 | 157,125 |
| | National Commercial Banks (4.29%) | | |
| 6,000 | Wells Fargo & Company (b) | 163,265 | 298,440 |
| | Operative Builders (2.58%) | | |
| 5,000 | Toll Brothers, Inc. (a) | 116,697 | 179,500 |
| | Petroleum Refining (5.05%) | | |
| 900 | Chevron Corp. | 90,629 | 107,019 |
| 2,500 | Exxon Mobil Corp. (b) | 171,549 | 244,200 |
| | | 262,178 | 351,219 |
| | Pharmaceutical Preparations (3.73%) | | |
| 4,000 | AstraZeneca PLC | 188,030 | 259,520 |
| | Retail-Catalog & Mail Order Houses (7.26%) | | |
| 1,500 | Amazon.com, Inc. (a) (b) | 127,830 | 504,780 |
| | Retail Consulting and Investment (0.06%) | | |
| 72,728 | Amerivon Holdings LLC (a) (c) | 0 | 4,033 |
| | Retail - Drug Stores and Proprietary Stores (2.70%) | | |

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| | | | |
|---------|--|-------------|-------------|
| 2,500 | Express Scripts Holding Company (a) | 154,187 | 187,725 |
| | Retail-Eating Places (4.23%) | | |
| 3,000 | McDonald's Corp. (b) | 167,748 | 294,090 |
| | Retail-Lumber & Other Building Materials Dealers (7.96%) | | |
| 7,000 | The Home Depot, Inc. (b) | 191,873 | 553,910 |
| | Retail-Variety Stores (4.18%) | | |
| 3,800 | Wal-Mart Stores, Inc. (b) | 196,260 | 290,434 |
| | Services - Business Services (2.64%) | | |
| 2,300 | Accenture plc | 138,155 | 183,356 |
| | Services-Prepackaged Software (3.54%) | | |
| 6,000 | Microsoft Corp. | 141,020 | 245,940 |
| | Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics (7.90%) | | |
| 2,100 | Ecolab Inc. | 135,298 | 226,779 |
| 4,000 | The Procter & Gamble Company (b) | 234,390 | 322,400 |
| | | 369,688 | 549,179 |
| | Surgical & Medical Instruments & Apparatus (3.90%) | | |
| 2,000 | 3M Company | 185,130 | 271,320 |
| | Trucking & Courier Services (4.20%) | | |
| 3,000 | United Parcel Service, Inc. (b) | 221,388 | 292,140 |
| | Total common stocks | 4,878,661 | 7,500,832 |
| | PREFERRED STOCKS (1.45%) | | |
| | Retail Consulting and Investment (1.45%) | | |
| 183,882 | Amerivon Holdings LLC (c) | 508,973 | 101,135 |
| | MONEY MARKET FUND (0.16%) | | |
| 10,961 | SSgA Money Market Fund, 7 day annualized yield 0.00% | 10,961 | 10,961 |
| | Total investments (109.46%) | \$5,398,595 | 7,612,928 |
| | Liabilities in excess of other assets (-9.46%) | | (658,018) |
| | Net assets (100.00%) | | \$6,954,910 |

(a) Non-income producing.

(b) All or a portion of these securities have been segregated as collateral pursuant to the bank credit facility. As of March 31, 2014, the value of securities pledged as collateral was \$4,282,431.

(c) Illiquid and/or restricted security that has been fair valued.

Notes to Schedule of Portfolio Investments (Unaudited)

Valuation of Investments

Portfolio securities are valued by various methods depending on the primary market or exchange on which they trade. Most equity securities for which the primary market is in the United States are valued at the official closing price, last sale price or, if no sale has occurred, at the closing bid price. Most equity securities for which the primary market is outside the United States are valued using the official closing price or the last sale price in the principal market in which they are traded. If the last sale price on the local exchange is unavailable, the last evaluated quote or closing bid price normally is used. Debt obligations with remaining maturities of 60 days or less are valued at cost adjusted for amortization of premiums and accretion of discounts. Certain of the securities in which the Fund may invest are priced through pricing services that may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features, and ratings on comparable securities. Bonds may be valued according to prices quoted by a bond dealer that offers pricing services. Open end investment companies are valued at their net asset value. Foreign securities markets may be open on days when the U.S. markets are closed. For this reason, the value of any foreign securities owned by the Fund could change on a day when shareholders cannot buy or sell shares of the Fund. Securities for which market quotations are not readily available or reliable and other assets may be valued as determined in good faith by Midas Management Corporation, the Fund's Investment Manager under the direction of or pursuant to procedures established or approved by the Fund's Board of Directors, called fair value pricing. Due to the inherent uncertainty of valuation, fair value pricing values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. A security's valuation may differ depending on the method used for determining value. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ from the net asset value that would be calculated using market prices. A fair value price is an estimate and there is no assurance that such price will be at or close to the price at which a security is next quoted or next trades.

Value Measurements

Inputs to valuation methods are prioritized by a three level hierarchy as follows:

- Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities including securities actively traded on a securities exchange.
- Level 2 – observable inputs other than quoted prices included in level 1 that are observable for the asset or liability which may include quoted prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 - unobservable inputs for the asset or liability including the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for investments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing investments are not an indication of the risk associated with investing in those securities.

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The following is a description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows:

Equity Securities (common and preferred stock) - Most publicly traded equity securities are valued normally at the most recent official closing price, last sale price, evaluated quote, or closing bid price. To the extent these securities are actively traded and valuation adjustments are not applied, they may be categorized in level 1 of the fair value hierarchy. Preferred stock and other equities on inactive markets or valued by reference to similar instruments may be categorized in level 2.

Restricted and/or illiquid securities - Restricted and/or illiquid securities for which quotations are not readily available or reliable may be valued as determined in good faith by the Investment Manager under the direction of or pursuant to procedures established by the Fund's Board of Directors. Restricted securities issued by publicly traded companies are generally valued at a discount to similar publicly traded securities. Restricted or illiquid securities issued by nonpublic entities may be valued by reference to comparable public entities or fundamental data relating to the issuer or both. Depending on the relative significance of valuation inputs, these instruments may be classified in either level 2 or level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of March 31, 2014 in valuing the Fund's assets. Refer to the Schedule of Portfolio Investments for detailed information on specific investments.

| | Level 1 | Level 2 | Level 3 | Total |
|---|------------|---------|---------|------------|
| Assets | | | | |
| Investments, at value | | | | |
| Common stocks | | | | |
| Arrangement of Transportation of Freight & Cargo | \$ 125,736 | \$- | \$- | \$ 125,736 |
| Cigarettes | 189,280 | - | - | 189,280 |
| Computer Communications Equipment | 201,690 | - | - | 201,690 |
| Crude Petroleum & Natural Gas | 393,325 | - | - | 393,325 |
| Fire, Marine & Casualty Insurance | 437,395 | - | - | 437,395 |
| Gold and Silver Ores | 131,700 | - | - | 131,700 |
| Information Retrieval Services | 557,255 | - | - | 557,255 |
| Investment Advice | 487,620 | - | - | 487,620 |
| In Vitro & In Vivo Diagnostic Substances | 205,140 | - | - | 205,140 |
| Leather & Leather Products | 148,980 | - | - | 148,980 |
| Metal Mining | 157,125 | - | - | 157,125 |
| National Commercial Banks | 298,440 | - | - | 298,440 |
| Operative Builders | 179,500 | - | - | 179,500 |
| Petroleum Refining | 351,219 | - | - | 351,219 |
| Pharmaceutical Preparations | 259,520 | - | - | 259,520 |
| Retail - Catalog & Mail Order Houses | 504,780 | - | - | 504,780 |
| Retail Consulting and Investment | - | - | 4,033 | 4,033 |
| Retail - Drug Stores and Proprietary Stores | 187,725 | - | - | 187,725 |
| Retail - Eating Places | 294,090 | - | - | 294,090 |
| Retail - Lumber & Other Building Materials Dealers | 553,910 | - | - | 553,910 |
| Retail - Variety Stores | 290,434 | - | - | 290,434 |
| Services - Business Services | 183,356 | - | - | 183,356 |
| Services - Prepackaged Software | 245,940 | - | - | 245,940 |
| Soap, Detergents, Cleaning Preparations, Perfumes, Cosmetics | 549,179 | - | - | 549,179 |
| Surgical & Medical Instruments & Apparatus | 271,320 | - | - | 271,320 |

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| | | | | |
|----------------------------------|-------------|-----|-----------|-------------|
| Trucking & Courier Services | 292,140 | - | - | 292,140 |
| Preferred stocks | | | | |
| Retail Consulting and Investment | - | - | 101,135 | 101,135 |
| Money market fund | 10,961 | - | - | 10,961 |
| Total investments, at value | \$7,507,760 | \$- | \$105,168 | \$7,612,928 |

There were no securities transferred from level 1 on December 31, 2013 to level 2 on March 31, 2014. Transfers from level 1 to level 2, or from level 2 to level 1 are valued utilizing values at the beginning of the period.

The following is a reconciliation of level 3 investments for which significant unobservable inputs were used to determine fair value including securities valued at zero:

| | Common Stocks | Preferred Stocks | Total |
|--|------------------|---------------------|-----------|
| Balance at December 31, 2013 | \$0 | \$100,583 | \$100,583 |
| Payment in-kind dividends | - | - | - |
| Change in unrealized depreciation | 4,033 | 552 | 4,585 |
| Balance at March 31, 2014 | \$4,033 | \$101,135 | \$105,168 |
| Net change in unrealized depreciation attributable to assets still held as level 3 at March 31, 2014 | \$4,033 | \$552 | \$4,585 |

There were no transfers into or out of level 3 assets during the period.

The Investment Manager under the direction of the Fund's Board of Directors considers various valuation approaches for valuing securities categorized within level 3 of the fair value hierarchy. The factors used in determining the value of the Fund's private investments may include, but are not limited to: the discounts applied to the selection of comparable investments due to the private nature of the investment; the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security's disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer or analysts; an analysis of the company's or issuer's financial statements; or an evaluation of the forces that influence the issuer and the market in which the security is purchased and sold. Significant changes in any of those inputs in isolation may result in a significantly lower or higher fair value measurement. The pricing of all fair value holdings is subsequently reported to the Fund's Board of Directors.

The following table presents additional information about valuation methodologies and inputs used for investments that are measured at fair value and categorized as level 3 as of March 31, 2014:

| Fair Value March 31, 2014 | Valuation Technique | Unobservable Input | Amount |
|---------------------------------|------------------------|--------------------|--------|
| Common stocks | | | |

| | | | | | |
|------------------------------------|-----------|---|--|----|---|
| Retail - Consulting and Investment | \$4,033 | Value of liquidation preference per share | Discount rate due to lack of marketability | 80 | % |
| Preferred stocks | | | | | |
| Retail - Consulting and Investment | \$101,135 | Value of liquidation preference per share | Discount rate due to lack of marketability | 80 | % |

Cost for Federal Income Tax Purposes

The aggregate cost of investments for tax purposes will depend upon the Fund's investment experience during the entirety of its fiscal year and may be subject to changes based on tax regulations. As of March 31, 2014, for federal income tax purposes subject to changes, the aggregate cost of securities was \$5,398,595 and net unrealized appreciation was \$2,214,333, comprised of gross unrealized appreciation of \$2,656,949 and gross unrealized depreciation of \$442,616.

Illiquid and Restricted Securities

The Fund owns securities which have a limited trading market and/or certain restrictions on trading and, therefore, may be illiquid and/or restricted. Such securities have been valued at fair value. Due to the inherent uncertainty of valuation, fair value pricing values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. Illiquid and/or restricted securities owned as of March 31, 2014, were as follows:

| | Acquisition Date | Cost | Value |
|---|------------------|------------|------------|
| Amerivon Holdings LLC preferred shares | 9/20/07 | \$ 508,973 | \$ 101,135 |
| Amerivon Holdings LLC common equity units | 9/20/07 | 0 | 4,033 |
| | | \$ 508,973 | \$ 105,168 |
| Percent of net assets | | 7% | 2% |

Item 2. Controls and Procedures

- (a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing date of this report that includes the disclosure required by this paragraph, based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the 1940 Act and 15d-15(b) under the Securities Exchange Act of 1934.
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits

- (a) Certifications of the registrant's principal executive officer and principal financial officer as required by Rule 30a-2(a) under the 1940 Act.

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.

Foxby Corp.

By : /s/ Thomas B. Winmill
Thomas B. Winmill, President

Date: May 30, 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: /s/ Thomas B. Winmill
Thomas B. Winmill, President

Date: May 30, 2014

By: /s/ Thomas O'Malley
Thomas O'Malley, Chief Financial Officer

Date: May 30, 2014

Exhibit Index

- (a) Certifications of the registrant's principal executive and principal financial officer as required by Rule 30a-2(a) under the 1940 Act. (EX-99.CERT)