

FOXBY CORP.
Form N-Q
November 15, 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: 811-09261

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

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

Russell L. Kamerman, Esq.
Foxby Corp.
11 Hanover Square, 12th Floor
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: December 31

Date of reporting period: September 30, 2018

Item 1. Schedule of Investments

FOXBY CORP.
SCHEDULE OF PORTFOLIO INVESTMENTS
September 30, 2018
(Unaudited)

| Shares | | Value |
|--------|---|------------|
| | Common Stocks (100.32%) | |
| | Apparel and Accessory Stores (1.28%) | |
| 3,600 | The GAP, Inc. | \$ 103,860 |
| | Automotive Dealers and Gasoline Service Stations(3.56%) | |
| 2,300 | AutoNation, Inc. ^(a) | 95,565 |
| 250 | AutoZone, Inc. ^(a) | 193,925 |
| | | 289,490 |
| | Automotive Repair, Services, and Parking (2.20%) | |
| 500 | Amerco | 178,325 |
| | Building Construction General Contractors And Operative Builders (1.49%) | |
| 2,550 | LGI Homes, Inc. ^(a) | 120,972 |
| | Building Materials, Hardware, Garden Supply (1.34%) | |
| 1,200 | Tractor Supply Company | 109,056 |
| | Business Services (14.36%) | |
| 500 | Alphabet Inc. Class A ^(a) | 603,540 |
| 1,649 | GlobalSCAPE, Inc. | 6,612 |
| 2,400 | Omnicom Group Inc. | 163,248 |
| 3,300 | Robert Half International Inc. | 232,254 |
| 2,200 | WPP plc | 161,194 |
| | | 1,166,848 |
| | Chemical and Allied Products (6.76%) | |
| 950 | Amgen Inc. | 196,925 |
| 500 | Biogen Inc. ^(a) | 176,655 |
| 1,375 | United Therapeutics Corporation ^(a) | 175,835 |
| | | 549,415 |
| | Communications (5.63%) | |
| 13,000 | Discovery, Inc. ^(a) | 416,000 |
| 350 | The Walt Disney Company | 40,929 |
| | | 456,929 |
| | Electronic and Other Electrical Equipment and Components, except Computer Equipment (5.91%) | |
| 2,700 | Advanced Energy Industries, Inc. ^(a) | 139,455 |
| 800 | Broadcom Inc. | 197,384 |
| 3,250 | Taiwan Semiconductor Manufacturing Co. Ltd. | 143,520 |

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| | |
|---|-----------|
| | 480,359 |
| Fabricated Metal Products, except Machinery and Transportation Equipment (1.70%) | |
| 750 Snap-on Incorporated | 137,700 |
| Food and Kindred Products (3.02%) | |
| 5,000 Pilgrim's Pride Corporation ^(a) | 90,450 |
| 1,500 Sanderson Farms, Inc. | 155,055 |
| | 245,505 |
| Food Stores (2.51%) | |
| 7,000 The Kroger Co. | 203,770 |
| General Merchandise Stores (1.00%) | |
| 1,000 Dollar Tree, Inc. ^(a) | 81,550 |
| Health Services (2.78%) | |
| 1,300 Laboratory Corporation of America Holdings ^(a) | 225,784 |
| Home Furniture, Furnishings, and Equipment Stores (2.02%) | |
| 2,500 Williams-Sonoma, Inc. | 164,300 |
| Industrial and Commercial Machinery and Computer Equipment (3.33%) | |
| 1,200 Apple Inc. | 270,888 |
| Insurance Carriers (13.15%) | |
| 3,500 Berkshire Hathaway, Inc. Class B ^(a) | 749,385 |
| 4,000 Essent Group Ltd. ^(a) | 177,000 |
| 1,400 Prudential Financial, Inc. | 141,848 |
| | 1,068,233 |
| Miscellaneous Retail (4.84%) | |
| 2,000 CVS Health Corporation | 157,440 |
| 2,439 Dick's Sporting Goods, Inc. | 86,536 |
| 2,050 Walgreens Boots Alliance, Inc. | 149,445 |
| | 393,421 |
| Oil And Gas Extraction (0.34%) | |
| 8,000 Permianville Royalty Trust | 28,000 |
| Paper and Allied Products (0.75%) | |
| 1,588 Schweitzer-Mauduit International, Inc. | 60,836 |
| Real Estate (2.14%) | |
| 5,000 Marcus & Millichap, Inc. ^(a) | 173,550 |
| Retail Consulting and Investment (0.00%) | |
| 72,728 Amerivon Holdings LLC ^{(a) (b)} | 0 |
| Security and Commodity Brokers, Dealers, Exchanges, and Services (3.78%) | |

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| | |
|--|--------------|
| 900 Affiliated Managers Group, Inc. | 123,048 |
| 700 Diamond Hill Investment Group, Inc. | 115,773 |
| 252 GAMCO Investors, Inc. ^{Class A} | 5,902 |
| 4,500 Hennessy Advisors, Inc. | 62,325 |
| | 307,048 |
| Tobacco Products (3.05%) | |
| 2,750 Altria Group, Inc. | 165,853 |
| 1,000 Philip Morris International, Inc. | 81,540 |
| | 247,393 |
| Transportation by Air (2.60%) | |
| 400 Allegiant Travel Company | 50,720 |
| 4,000 Hawaiian Holdings, Inc. | 160,400 |
| | 211,120 |
| Transportation Equipment (10.18%) | |
| 4,250 General Motors Company | 143,098 |
| 950 Lear Corporation | 137,750 |
| 3,000 Magna International Inc. | 157,590 |
| 2,500 PACCAR Inc. | 170,475 |
| 1,200 Thor Industries, Inc. | 100,440 |
| 1,000 WABCO Holdings Inc. ^(a) | 117,940 |
| | 827,293 |
| Wholesale Trade - Nondurable Goods (0.60%) | |
| 365 McKesson Corporation | 48,417 |
| Total common stocks (Cost \$6,915,268) | |
| | 8,150,062 |
| Master Limited Partnerships (0.50%) | |
| Mining And Quarrying Of Nonmetallic Minerals, Except Fuels (0.50%) | |
| 1,500 Ciner Resources LP | 40,770 |
| Total master limited partnerships (Cost \$38,296) | |
| | 40,770 |
| Preferred Stocks (1.05%) | |
| Retail Consulting and Investment (1.050%) | |
| 207,852 Amerivon Holdings LLC ^(b) | 85,219 |
| Total preferred stocks (Cost \$521,923) | |
| | 85,219 |
| Total investments (Cost \$7,475,487) (101.87%) | |
| | 8,276,051 |
| Liabilities in excess of cash and other assets (-1.87%) | |
| | (152,953) |
| Net assets (100.00%) | |
| | \$ 8,123,098 |

^(a) Non-income producing.

^(b) 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 usually 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 usually 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. In the event of an unexpected closing of the primary market or exchange, a security may continue to trade on one or more other markets, and the price as reflected on those other trading venues may be more reflective of the security's value than an earlier price from the primary market or exchange. Accordingly, the Fund may seek to use these additional sources of pricing data or information when prices from the primary market or exchange are unavailable or are earlier and less representative of current market value. Certain debt securities may be 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 or according to prices quoted by a securities 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 the Investment Manager under the direction of or pursuant to procedures 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 or reliable market quotation 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 for the security, 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 and methodology used for valuing investments are not necessarily an indication of the risk associated with

investing in those securities.

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:

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. 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 with fair value pricing as determined in good faith by the Investment Manager under the direction of or pursuant to procedures approved 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 or similar inputs. Depending on the relative significance of valuation inputs, these instruments may be categorized in either level 2 or level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of September 30, 2018 in valuing the Fund's assets. Refer to the Schedule of Portfolio Investments for detailed information on specific investments.

| ASSETS | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|--------------|---------|-----------|--------------|
| Investments, at value | | | | |
| Common stocks | \$ 8,150,062 | \$ - | \$ 0 | \$ 8,150,062 |
| Master limited partnership | 40,770 | - | - | 40,770 |
| Preferred stocks | - | - | 85,219 | 85,219 |
| Total investments, at value | \$ 8,190,832 | \$ - | \$ 85,219 | \$ 8,276,051 |

There were no securities transferred from level 1 on December 31, 2017 to level 2 on September 30, 2018.

The following is a reconciliation of level 3 assets:

| | Common Stocks | Preferred Stocks | Total |
|--|------------------|---------------------|------------|
| Balance of level 3 assets at December 31, 2017 | \$ 0 | \$ 87,298 | \$ 87,298 |
| Payment in-kind dividends | - | - | - |
| Change in unrealized appreciation (depreciation) | - | (2,079) | (2,079) |
| Balance at September 30, 2018 | \$ 0 | \$ 85,219 | \$ 85,219 |
| Net change in unrealized depreciation attributable to assets still | \$ - | \$ (2,079) | \$ (2,079) |

held as level 3
at September
30, 2018

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 assets categorized within level 3 of the fair value hierarchy. The factors used in determining the value of such assets may include, but are not limited to: the discount applied due to the private nature of the asset; the type of the security; the size of the asset; 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 asset 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 assets is normally reported to the Fund's Board of Directors.

The following table presents additional information about valuation methodologies and inputs used for assets that are measured at fair value and categorized as level 3 as of September 30, 2018:

| | Fair Value | Valuation Technique | Unobservable Input | Range |
|----------------------------------|------------|---|--|-------|
| Common stocks | | | | |
| Retail Consulting and Investment | \$ 0 | Value of liquidation preference per share | Discount rate due to lack of marketability | 80% |
| Preferred stocks | | | | |
| Retail Consulting and Investment | \$ 85,219 | Value of liquidation preference per share | Discount rate due to lack of marketability | 80% |

Cost for Federal Income Tax Purposes

As of September 30, 2018, for federal income tax purposes, subject to change, the aggregate cost of securities was \$7,475,487 and net unrealized appreciation was \$800,564, comprised of gross unrealized appreciation of \$1,581,765 and gross unrealized depreciation of \$781,201. 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.

ILLIQUID AND RESTRICTED SECURITIES

The Fund owns securities which have a limited trading market and/or certain restrictions on trading and, therefore, may be considered illiquid and/or restricted. Such securities have been valued using 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. Illiquid and/or restricted securities owned as of September 30, 2018 were as follows:

| | Acquisition Date | Cost | Value |
|---|------------------|------------|-----------|
| Amerivon Holdings LLC preferred shares | 9/20/07 | \$ 521,923 | \$ 85,219 |
| Amerivon Holdings LLC common equity units | 9/20/07 | 0 | 0 |
| Total | | \$ 521,923 | \$ 85,219 |
| Percent of net assets | | 6% | 1% |

Foreign Securities Risks

Investments in the securities of foreign issuers involve special risks which include changes in foreign exchange rates and the possibility of future adverse political, tax, and economic developments which could adversely affect the value of such securities. Moreover, securities of foreign issuers and securities traded in foreign markets may be less liquid and their prices more volatile than those of U.S. issuers and markets. In addition, in certain foreign countries, there is the possibility of expropriation or confiscatory taxation, political, or social instability, or diplomatic developments that could affect U.S. investments in the securities of issuers domiciled in those countries.

Item 2. Controls and Procedures

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 1940 Act) are effective as of a date (a) 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.

There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) (b) 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: November 15, 2018

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: November 15, 2018

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

Date: November 15, 2018

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)