

ASA LTD
Form N-Q
September 24, 2010

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 811-21650

ASA Limited

(Exact name of registrant as specified in charter)

400 S. El Camino Real, Suite 710, San Mateo, CA

94402-1708

(Address of principal executive offices)

(Zip Code)

JPMorgan Chase Bank, N A
3 MetroTech Center, 6th Floor
Brooklyn, NY 11245

(Name and address of agent for service)

Registrant's telephone number, including area code: (650) 376-3135

Date of fiscal year end: November 30, 2010

Date of reporting period: August 31, 2010

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Item 1. Schedule of Investments

ASA Limited
 Schedule of Investments (Unaudited)
 August 31, 2010

| Name of Company | Shares/ Principal Amount | Fair Value | Percent of Net Assets |
|--|--------------------------------|---------------|--------------------------|
| <hr/> | | | |
| Common Shares & Warrants | | | |
| <hr/> | | | |
| Gold and Silver investments | | | |
| Gold mining, exploration, development and royalty companies | | | |
| <i>Australia</i> | | | |
| Newcrest Mining Limited - ADRs | 1,665,000 | \$ 55,236,125 | 9.3% |
| <hr/> | | | |
| <i>Canada</i> | | | |
| Agnico-Eagle Mines Limited | 525,000 | 34,109,250 | 5.8 |
| Anatolia Minerals Development Limited, (1) | 1,343,400 | 9,127,455 | 1.5 |
| Barrick Gold Corporation | 1,300,000 | 60,788,000 | 10.3 |
| Eldorado Gold Corporation | 650,000 | 12,714,000 | 2.1 |
| Detour Gold Corporation (1) | 250,000 | 7,472,316 | 1.3 |
| Gammon Gold Inc (1) | 150,400 | 1,078,318 | 0.2 |
| Goldcorp Inc. | 1,082,400 | 47,863,728 | 8.1 |
| Golden Star Resources Limited (1) | 750,000 | 3,547,500 | 0.6 |
| IAMGOLD Corporation | 600,000 | 11,244,000 | 1.9 |
| Kinross Gold Corporation | 1,125,000 | 19,035,000 | 3.2 |
| NovaGold Resources Inc. (1)(2)(3) | 2,307,691 | 17,146,144 | 2.9 |
| Osisko Mining Corporation (1) | 250,000 | 3,329,110 | 0.6 |
| Yamana Gold Inc. | 600,000 | 6,066,000 | 1.0 |
| | | <hr/> | <hr/> |
| | | 233,520,821 | 39.5 |
| <hr/> | | | |
| <i>Channel Islands</i> | | | |
| Randgold Resources Limited - ADRs | 594,700 | 55,003,803 | 9.3 |
| <hr/> | | | |
| <i>Latin America</i> | | | |
| Compania de Minas Buenaventura S.A.A.-ADRs | 959,000 | 39,645,060 | 6.7 |
| <hr/> | | | |
| <i>South Africa</i> | | | |
| AngloGold Ashanti Limited | 793,194 | 33,544,174 | 5.7 |
| Gold Fields Limited | 1,629,577 | 22,944,444 | 3.9 |
| | | <hr/> | <hr/> |
| | | 56,488,618 | 9.5 |
| <hr/> | | | |
| <i>United States</i> | | | |
| Newmont Mining Corporation | 520,368 | 31,908,966 | 5.4 |
| Royal Gold Inc. | 210,000 | 10,304,700 | 1.7 |
| | | <hr/> | <hr/> |
| | | 42,213,666 | 7.1 |
| <hr/> | | | |
| Total gold mining, exploration, development and royalty companies (Cost \$194,355,220) | | 482,108,093 | 81.4 |
| <hr/> | | | |
| Silver mining, exploration and development companies | | | |
| <i>Canada</i> | | | |
| Tahoe Resources Inc. (1) | 165,000 | 1,246,481 | 0.2 |

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| | | | |
|---|------------|----------------|------|
| Tahoe Resources Inc. (1)(2)(3) | 400,000 | 3,021,772 | 0.5 |
| Total silver mining, exploration and development companies (Cost \$3,498,297) | | 4,268,253 | 0.7 |
| Total gold and silver investments (Cost \$197,853,517) | | 486,376,346 | 82.1 |
| Platinum and Palladium investments (PGMs) | | | |
| Platinum and Palladium mining companies | | | |
| <i>South Africa</i> | | | |
| Angelo Platinum Limited (1) | 345,100 | 28,571,135 | 4.8 |
| Impala Platinum Holdings Limited | 1,322,400 | 31,203,906 | 5.3 |
| | | 59,775,041 | 10.1 |
| <i>United Kingdom</i> | | | |
| Lonmin PLC ADRs (1) | 189,700 | 4,448,796 | 0.8 |
| | | 64,223,837 | 10.9 |
| Exchange Traded Funds PGMs | | | |
| ETFS Palladium Trust (1) | 40,000 | 1,996,400 | 0.3 |
| ETFS Platinum Trust (1) | 10,000 | 1,517,400 | 0.3 |
| Total platinum and palladium investments (Cost \$10,105,591) | | 67,737,637 | 11.5 |
| Diversified Mineral Resources Companies | | | |
| <i>United Kingdom</i> | | | |
| Anglo American plc (Cost \$1,762,502) | 414,800 | 14,897,260 | 2.5 |
| Total common shares (Cost \$209,721,610) | | 569,011,243 | 96.1 |
| Convertible Securities | | | |
| Gold mining companies | | | |
| <i>Canada</i> | | | |
| NovaGold Resources Inc. 5.50% Senior Convertible Notes, due 5/01/2015 (Cost \$15,000,000) | 15,000,000 | 15,663,000 | 2.6 |
| Total investments (Cost \$224,721,610) (3) | | 584,674,243 | 98.7 |
| Cash, receivables, and other assets less liabilities | | 7,486,619 | 1.3 |
| Net assets | | \$ 592,160,862 | 100% |

ADR-American Depository Receipt

(1) Non-income producing security

(2) Securities restricted as to public resale. The aggregate market value of restricted assets was \$20,167,916 at August 31, 2010, representing 3.4% of net assets.

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(3) At August 31, 2010, the Company held investments in restricted securities valued in accordance with procedures approved by the Company's Board of Directors as reflecting fair value, as follows:

| Issuer | Shares | Cost | Acquisition Date | Value Per Unit | Value |
|-------------------------|-----------|-------------|------------------|----------------|--------------|
| Tahoe Resources Inc. | 400,000 | \$2,287,880 | 5/28/10 | \$7.55 | \$ 3,021,772 |
| NovaGold Resources Inc. | 2,307,691 | \$4,407,690 | 7/13/10 | \$7.43 | \$17,146,144 |

(4) Cost of investments shown approximates cost for U.S. federal income tax purposes, determined in accordance with US federal income tax principles. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at August 31, 2010 were \$366,508,064 and \$6,555,430 respectively, resulting in net unrealized appreciation on investments of \$359,952,634.

Security Valuation Portfolio securities listed on U.S. and foreign stock exchanges are generally valued at the last reported sale price on the date for which the valuation is being made on the exchange on which the securities are primarily traded, or the last reported bid price if a sale price is not available. Securities traded over the counter are valued at the last sale price or the last reported bid price if a sale price is not available. Securities listed on foreign stock exchanges may be fair valued based on significant events that have occurred subsequent to the close of the foreign markets.

Securities for which current market quotations are not readily available are valued at their fair value as determined in good faith by, or in accordance with procedures approved by, the Company's Board of Directors. If a security is valued at a fair value, that value is likely to be different from the last quoted price for the security. Various factors may be reviewed in order to make a good faith determination of a security's fair value. These factors include, but are not limited to, the nature of the security; relevant financial or business development of the issuer; actively traded similar or related securities; conversion rights on the security; and changes in overall market conditions.

Where the Company holds securities listed on foreign stock exchanges and American Depository Receipts (ADRs) representing these securities are actively traded on the New York Stock Exchange, the securities normally are fair valued based on the last reported sales price of the ADRs.

The difference between cost and current value is reflected separately as net unrealized appreciation (depreciation) on investments. The net realized gain or loss from the sale of securities is determined for accounting purposes on the identified cost basis.

In accordance with U.S. GAAP, fair value is defined as the price that the Company would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. ASC 820 establishes a three-tier hierarchy to distinguish between (1) inputs that reflect the assumptions market participants would use in pricing an asset or liability developed based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability developed based on the best information available in the circumstances (unobservable inputs) and to establish classification of fair value measurements for disclosure purposes. Various inputs are used in determining the value of the Company's investments. The inputs are summarized in the three broad levels listed below.

Level 1 quoted prices in active markets for identical investments

Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.)

Level 3 significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

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

The following is a summary of the inputs used as of August 31, 2010 in valuing the Company's investments at market value:

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**Investments in Securities
Measurements at August 31, 2010**

| Description (1) | Level 1 | Level 2 | Level 3 | Level 4 |
|---|----------------|----------------|----------------|----------------|
| Common Shares | | | | |
| Gold and silver investments | \$ 353,237,206 | \$ 133,139,140 | \$ | \$ 486,376,346 |
| Platinum and palladium investments | 63,288,841 | 4,448,796 | | 67,737,637 |
| Diversified mineral resources companies | | 14,897,260 | | 14,897,260 |
| Convertible Securities | | | | |
| Gold mining companies | | 15,663,000 | | 15,663,000 |
| Total | \$ 416,526,047 | \$ 168,148,196 | \$ | \$ 584,674,243 |

(1) See schedules of investments for country classifications.

Risk It is a fundamental policy of the Company that at least 80% of its total assets be invested in securities of companies engaged, directly or indirectly, in the exploration, mining or processing of gold or other precious minerals and/or in other gold and precious mineral investments. The Company is, therefore, subject to gold and precious mineral related risk.

The Company invests in foreign companies and U.S. companies with significant foreign operations. Typically, foreign investment involves greater risk than investing in the United States. The political, economic, regulatory and social structures of certain foreign countries may be less stable and more volatile than those in the United States. Investment in these countries is subject to the risks of internal and external conflicts, currency fluctuations and restrictions, foreign ownership and trading limitations, and tax increases. It is also possible that a foreign government may take over the assets or operations of a company or impose restrictions on the exchange or export of currency or other assets. The Company also invests in companies based in emerging or developing markets, or companies with significant operations in these markets. For example, a portion of the Company's assets are invested in South African companies. Economic development, political stability, market structure, infrastructure, capitalization, and regulatory oversight in emerging markets can be significantly less than in more developed foreign markets. As such, securities issued by emerging market companies tend to be more volatile and less liquid than securities issued by companies in more developed foreign markets.

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Item 2. Controls and Procedures.

- (a) The registrant's President and Chief Executive Officer and its Chief Financial Officer and Treasurer, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) are effective, based on their evaluation of these controls and procedures as of a date within 90 days prior to the filing date of this report.
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

The certifications required by Rule 30a-2(a) under the Act are attached hereto.
