

SWISS HELVETIA FUND, INC.  
Form N-Q  
November 26, 2008

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED**  
**MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-05128

**THE SWISS HELVETIA FUND, INC.**

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**C.P. 395**

**CH-1201 Geneva**

**Switzerland**

**Date of fiscal year end: December 31**

**Date of reporting period: July 1, 2008 - September 30, 2008**

## Item 1. Schedule of Investments.

## THE SWISS HELVETIA FUND, INC.

Schedule of Investments (Unaudited)

September 30, 2008

No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Common Stocks 83.51%</b>			
<b>Banks 2.75%</b>			
20,407	<b>Bank Sarasin &amp; Cie AG</b> <i>Registered Shares</i> Offers private banking, asset management, investment advisory, and institutional banking services. (Cost \$764,604)	\$ 778,060	0.16%
172,500	<b>Credit Suisse Group<sup>1</sup></b> <i>Registered Shares</i> A global diversified financial service company with significant activity in private banking, investment banking, asset management and insurance service. (Cost \$4,523,886)	7,676,923	1.52%
329,075	<b>UBS AG<sup>1,2</sup></b> <i>Registered Shares</i> A global diversified financial service company with significant activity in private banking, investment banking, and asset management. (Cost \$2,242,403)	5,417,814	1.07%
		13,872,797	2.75%
<b>Basic Resources 0.58%</b>			
26,236	<b>Precious Woods Holding AG<sup>2</sup></b> <i>Registered Shares</i> Through subsidiaries, manages tropical forests using ecologically sustainable forest management methods. Harvests tropical trees and processes them into lumber. (Cost \$2,107,307)	1,790,015	0.35%
No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Basic Resources (continued)</b>			
75,000	<b>UMS Schweizerische Metallwerke Holding AG<sup>2</sup></b> <i>Bearer Shares</i> Produces profiles and large dimension rods for electrical engineering, mechanical engineering, and construction companies, lead-free brass wire for batteries, billets and small diameter wire and rods for the consumer goods and electronics industries. (Cost \$1,655,850)	\$ 1,150,501	0.23%
		2,940,516	0.58%
<b>Biotechnology 9.96%</b>			
124,655	<b>Actelion, Ltd.<sup>1,2</sup></b> <i>Registered Shares</i> Biotechnology company that develops and markets synthetic small-molecule drugs against diseases related to the endothelium. (Cost \$1,815,945)	6,348,094	1.26%

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314,860	<b>Addex Pharmaceuticals, Ltd.<sup>2</sup></b> <i>Registered Shares</i>	13,198,145	2.61%
	Bio-pharmaceutical company that discovers, develops, and markets therapeutic compounds for the treatment of addiction and other neuropsychiatric conditions. (Cost \$16,016,264)		
10,000	<b>Bachem Holding AG</b> <i>Registered Shares</i>	789,298	0.16%
	Manufactures ingredients for pharmaceuticals, generic drugs, and research supplies. (Cost \$833,329)		

## THE SWISS HELVETIA FUND, INC.

Schedule of Investments (Unaudited)

September 30, 2008

(continued)

No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Common Stocks (continued)</b>			
<b>Biotechnology (continued)</b>			
131,250	<b>Basilea Pharmaceutica<sup>1,2</sup></b> <i>Registered Shares</i> Conducts research into the development of drugs for the treatment of infectious diseases and dermatological problems. (Cost \$18,117,602)	\$ 19,314,381	3.83%
10,000	<b>Santhera Pharmaceuticals<sup>2</sup></b> <i>Registered Shares</i> Drug discovery and development company. (Cost \$948,284)	397,324	0.08%
81,903	<b>Speedel Holding AG<sup>2</sup></b> <i>Registered Shares</i> Researches and develops therapies for cardiovascular and metabolic diseases. (Cost \$10,812,921)	10,219,157	2.02%
		50,266,399	9.96%
<b>Chemicals 4.94%</b>			
117,931	<b>Syngenta AG<sup>1</sup></b> <i>Registered Shares</i> Produces herbicides, insecticides and fungicides, and seeds for field crops, vegetables, and flowers. (Cost \$12,466,047)	24,948,257	4.94%
		24,948,257	4.94%
<b>Construction &amp; Materials 0.20%</b>			
1,141	<b>Belimo Holding AG</b> <i>Registered Shares</i> World market leader in damper and volume control actuators for ventilation and air-conditioning equipment. (Cost \$222,726)	1,007,438	0.20%
		1,007,438	0.20%
No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Food &amp; Beverages 18.88%</b>			
2,690	<b>Barry Callebaut AG</b> <i>Registered Shares</i> Manufactures cocoa, chocolate, and confectionary products. (Cost \$1,374,087)	\$ 1,611,001	0.32%
290		7,823,857	1.55%

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	<b>Lindt &amp; Sprungli AG</b> <i>Registered Shares</i>		
	Major manufacturer of premium Swiss chocolates. (Cost \$1,141,585)		
<b>1,997,000</b>	<b>Nestle SA1</b> <i>Registered Shares</i>	85,846,511	17.01%
	Largest food and beverage processing company in the world. (Cost \$27,020,121)		
		95,281,369	18.88%
<b>Industrial Goods &amp; Services 2.07%</b>			
<b>446,457</b>	<b>ABB, Ltd.</b> <i>Registered Shares</i>	8,409,518	1.67%
	The holding company for ABB Group, which is one of the largest electrical engineering firms in the world. (Cost \$4,789,336)		
<b>6,440</b>	<b>Inficon Holding AG</b> <i>Registered Shares</i>	712,205	0.14%
	Manufactures and markets vacuum instruments used to monitor and control production processes. Manufactures on-site chemical detection and monitoring system. (Cost \$581,616)		

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**THE SWISS HELVETIA FUND, INC.**

Schedule of Investments (Unaudited)

September 30, 2008

(continued)

No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Common Stocks (continued)</b>			
<b>Industrial Goods &amp; Services (continued)</b>			
11,648	<b>Komax Holding AG</b> <i>Registered Shares</i> Manufactures wire processing machines. Produces machines for cutting and tripping round and flat wire, crimping and insertion machines for processing single wires and equipment for processing wire harnesses. (Cost \$1,789,079)	\$ 1,297,512	0.26%
			10,419,235
			2.07%
<b>Insurance 7.71%</b>			
28,000	<b>Baloise Holding AG</b> <i>Registered Shares</i> Offers group and individual life, health, accident, liability, property and transportation insurance (Cost \$2,095,588)	1,877,904	0.37%
180,000	<b>Swiss Re</b> <i>Registered Shares</i> Offers reinsurance and insurance linked financial market products (Cost \$11,038,198)	9,744,481	1.93%
100,000	<b>Zurich Financial Services AG</b> <i>Registered Shares</i> Offers property, accident, health, automobile, liability, financial risk and life insurance and retirement products. (Cost \$26,057,885)	27,290,970	5.41%
			38,913,355
			7.71%
No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Medical Technology 0.98%</b>			
150,000	<b>Nobel Biocare Holding AG</b> <i>Registered Shares</i> Develops and produces dental implants and dental prosthetics (Cost \$5,265,016)	\$ 4,957,860	0.98%
			4,957,860
			0.98%
<b>Personal &amp; Household Goods 0.15%</b>			
14,972	<b>Schulthess Group</b> <i>Registered Shares</i> Develops, manufactures, and sells household appliances and heating equipment.	754,442	0.15%

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(Cost \$1,200,040)

		754,442	0.15%
<b>Pharmaceuticals 21.46%</b>			
<b>891,300</b>	<b>Novartis AG<sup>1</sup></b> <i>Registered Shares</i>	46,542,355	9.23%
	One of the leading manufacturers of branded and generic pharmaceutical products. Manufactures nutrition products. (Cost \$14,613,905)		
<b>396,600</b>	<b>Roche Holding AG<sup>1</sup></b> <i>Non-voting equity securities</i>	61,722,809	12.23%
	Worldwide pharmaceutical company. (Cost \$12,550,849)		
		108,265,164	21.46%



## THE SWISS HELVETIA FUND, INC.

## Schedule of Investments (Unaudited)

September 30, 2008

(continued)

No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Common Stocks (continued)</b>			
<b>Real Estate &amp; Infrastructure 0.15%</b>			
12,000	<b>Orascom Development Holding AG<sup>2</sup></b> Through its subsidiary, offers real estate, infrastructure, and leisure services. (Cost \$1,925,937)	\$ 758,261	0.15%
		758,261	0.15%
<b>Retailers 1.72%</b>			
17,550	<b>Galenica AG<sup>1</sup></b> <i>Registered Shares</i> Manufactures and distributes prescription and over-the-counter drugs, toiletries and hygiene products. (Cost \$2,147,767)	6,229,565	1.24%
1,100	<b>Jelmoli Holding AG</b> <i>Bearer Shares</i> Owns and operates department and retail stores and provides mail-order catalog and real estate leasing services. (Cost \$1,779,341)	2,431,037	0.48%
		8,660,602	1.72%
<b>Technology 1.63%</b>			
441,200	<b>Temenos Group AG<sup>2</sup></b> <i>Registered Shares</i> Provides integrated software for the banking sector.  (Cost \$8,486,650)	8,223,929	1.63%
		8,223,929	1.63%
No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Utility Suppliers 10.33%</b>			
35,023	<b>Atel Holding, Ltd.</b> Generates, transmits and distributes electricity throughout Europe.  (Cost \$16,949,030)	\$ 17,882,424	3.54%
100,817	<b>BKW FMB Energie AG</b> <i>Registered Shares</i> Produces electricity using nuclear, hydroelectric, solar, biomass and wind energy.  (Cost \$5,171,057)	10,340,205	2.05%

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<b>28,095</b>	<b>Centralschweizerische Kraftwerke AG</b> <i>Registered Shares</i>	13,330,247	2.64%
	Supplies electric power, operates and maintains distribution network facilities, constructs and installs equipment, and offers consulting services to its clients.		
	(Cost \$8,416,552)		
<b>1,500</b>	<b>Electrizaets-Gesellschaft Laufenburg AG</b> <i>Bearer Shares</i>	1,672,241	0.33%
	Operates nuclear and hydroelectric generating plants and sells excess power throughout Europe.		
	(Cost \$1,970,882)		
<b>5,000</b>	<b>Raetia Energie AG</b> <i>Participation Certificate</i>	1,863,991	0.37%
	Generates and distributes electric power from its own hydroelectric stations, as well as from outside nuclear power suppliers of electric power.		
	(Cost \$2,035,541)		

## THE SWISS HELVETIA FUND, INC.

Schedule of Investments (Unaudited)

September 30, 2008

(continued)

No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Common Stocks (continued)</b>			
<b>Utility Suppliers (continued)</b>			
3,110	<b>Romande Energie Holding SA</b>		
	<i>Registered Shares</i>	\$ 7,045,173	1.40%
	Distributes electricity in the Canton of Vaud, provides repair and other electrical services to its customers.		
	(Cost \$7,533,642)		
		52,134,281	10.33%
	<b>Total Common Stocks</b>		
	(Cost \$238,460,872)*	421,403,905	83.51%
<b>Private Equity Investments<sup>3</sup> 0.84%</b>			
	<b>Aravis Venture II Limited Partnership (471,900 Euro)<sup>3,4</sup></b>	662,855	0.13%
	<b>Zurmont Madison Private Equity, Limited Partnership (3,996,768 CHF)<sup>2,3,4</sup></b>	3,564,564	0.71%
	<b>Total Private Equity Investments</b>		
	(Cost \$4,467,945)	4,227,419	0.84%
<b>Call Warrants 0.09%</b>			
1,250,000	<b>Galenica AG Expires 12/19/08 at 400.00 CHF</b>	167,224	0.03%
5,000,000	<b>Novartis AG Expires 10/17/08 at 60.00 CHF</b>	312,152	0.06%
	<b>Total Call Warrants</b>		
	(Cost \$1,642,807)	479,376	0.09%
No. of Shares	Security	Fair Value	Percent of Net Assets
<b>Put Warrants 2.04%</b>			
10,870,000	<b>SMIM Price Index Expires 12/19/08 at 250.00 CHF</b>	\$ 3,296,143	0.66%
2,200,000	<b>SMIM Price Index Expires 12/19/08 at 300.00 CHF</b>	706,354	0.14%

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12,000,000	Swiss Leader Index Expires 01/16/09 at 20.00 CHF	4,494,983	0.89%
1,600,000	Swiss Re Expires 12/19/08 at 55.00 CHF	499,443	0.10%
2,700,000	Syngenta AG Expires 12/19/08 at 241.00 CHF	1,011,371	0.20%
3,000,000	Zurich Financial Services AG Expires 12/19/08 at 250.00 CHF	267,559	0.05%
<b>Total Put Warrants</b>			
	(Cost \$8,856,178)	10,275,853	2.04%
<b>Total Investments</b>			
	(Cost \$253,427,802)*	436,386,553	86.48%
<b>Other Assets less Other Liabilities, net</b>		68,217,946	13.52%
<b>Net Assets</b>		\$ 504,604,499	100.0%

<sup>1</sup> One of the ten largest portfolio holdings.

<sup>2</sup> Non-income producing security.

<sup>3</sup> Private equity investments are priced at fair value as determined by the Board's valuation committee. At the end of the period, the value of these securities amounted to \$4,227,419 or 0.84% of net assets.

<sup>4</sup> Restricted security not registered under the Securities Act of 1933 other than Rule 144A securities. At the end of the period the value of these securities amounted to \$4,227,419 or 0.84% of net assets. Additional information on restricted securities is as follows:

## THE SWISS HELVETIA FUND, INC.

## Schedule of Investments (Unaudited)

September 30, 2008

(continued)

Security	Acquisition Date	Acquisition Cost	Acquisition Value per unit
Aravis Venture II, LP	July 31, 2007	\$ 205,328	\$ 1.00
Aravis Venture II, LP	February 21, 2008	399,343	1.00
Aravis Venture II, LP	August 4, 2008	81,013	1.00
Zurmont Madison Private Equity, LP	September 13, 2007	123,646	1.00
Zurmont Madison Private Equity, LP	December 17, 2007	109,210	1.00
Zurmont Madison Private Equity, LP	February 28, 2008	3,225,332	1.00
Zurmont Madison Private Equity, LP	April 14, 2008	169,431	1.00
Zurmont Madison Private Equity, LP	June 26, 2008	154,642	1.00
		\$ 4,467,945	

\* Cost for Federal income tax purposes is \$253,427,802 and net unrealized appreciation (depreciation) consists of:

Gross Unrealized Appreciation	\$ 194,951,403
Gross Unrealized Depreciation	(11,992,652)
Net Unrealized Appreciation	\$ 182,958,751

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (SFAS 157). This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements. SFAS 157 applies to fair value measurements already required or permitted by existing standards. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. The changes to current GAAP from the application of this Statement relate to the definition of fair value, the methods used to measure fair value, and the expanded disclosures about fair value measurements.

One key component of the implementation of SFAS 157 includes the development of a three-tier fair value hierarchy. The basis of the tiers is dependant upon the various inputs used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical assets

Level 2 other significant inputs (including quoted prices of similar securities, interest rates, prepayments speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Fund'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 to value the Fund's net assets as of September 30, 2008:

Valuation Inputs	Investments in Securities
Level 1 Quoted Prices	\$ 421,403,905
Level 2 Other Significant Observable Inputs	10,755,229

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<i>Level 3 Significant Unobservable</i>	4,227,419
<i>Total Investments</i>	\$ 436,386,553

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**THE SWISS HELVETIA FUND, INC.**
**Schedule of Investments (Unaudited)**

September 30, 2008

(concluded)

The following is a reconciliation of Level 3 assets (at either the beginning or the ending of the period) for which significant unobservable inputs were used to determine fair value.

	Investments in Securities
<i>Balance as of 12/31/2007</i>	\$ 1,230,949
<i>Accrued Accretion / (Amortization)</i>	
<i>Change in Unrealized Appreciation / (Depreciation)</i>	(176,868)
<i>Net Purchase / (Sales)</i>	3,173,338
<i>Transfers In / (Out) of Level 3</i>	
 <i>Balance as of 9/30/2008</i>	 \$ 4,227,419

THE PORTFOLIO OF INVESTMENTS SHOULD BE READ IN CONJUNCTION WITH THE FINANCIAL STATEMENTS AND NOTES TO FINANCIAL STATEMENTS WHICH ARE INCLUDED IN THE FUND'S AUDITED ANNUAL REPORT OR SEMI-ANNUAL REPORT. THESE REPORTS INCLUDE ADDITIONAL INFORMATION ABOUT THE FUND'S SECURITY VALUATION POLICIES AND ABOUT CERTAIN SECURITY TYPES INVESTED IN BY THE FUND.

**Item 2. Controls and Procedures.**

- (a) **The registrant's President and Treasurer have concluded, based on their evaluation of the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")) as conducted within 90 days of the filing date of this report, that these disclosure controls and procedures are adequately designed and are operating effectively to ensure that information required to be disclosed by the registrant on Form N-Q is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.**
  
- (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.**

**Certifications pursuant to Rule 30a-2(a) are attached hereto.**



