

Madison Strategic Sector Premium Fund  
Form N-Q  
November 07, 2007

OMB APPROVAL  
OMB Number: 3235-0578  
Expires: April 30, 2010  
Estimated average burden  
hours per response....10.5

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 811-21713

**Madison Strategic Sector Premium Fund**  
(Exact name of registrant as specified in charter)

550 Science Drive, Madison, WI 53711  
(Address of principal executive offices)(Zip code)

W. Richard Mason  
Madison/Mosaic Legal and Compliance Department  
8777 N. Gainey Center Drive, Suite 220  
Scottsdale, AZ 85258  
(Name and address of agent for service)

Registrant's telephone number, including area code: 608-274-0300

Date of fiscal year end: December 31

Date of reporting period: September 30, 2007

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget ("OMB") control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. s 3507.

**Item 1. Schedule of Investments.****Madison Strategic Sector Premium Fund****Portfolio of Investments - September 30, 2007 (unaudited)**

Number of Shares	Value
<b>Common Stocks - 100.6%</b>	
<i>Consumer Services - 7.6%</i>	
95,000 eBay Inc.*	\$3,706,900
3,000 Google, Inc-Class A*	1,701,810
103,000 Intuit Inc	3,120,900
<i>Consumer Discretionary - 24.8%</i>	
50,000 Abercrombie & Fitch Co-Class A	4,035,000
119,200 American Eagle Outfitters, Inc	3,136,152
98,000 Bed Bath & Beyond Inc*	3,343,760
87,000 Best Buy Co, Inc	4,003,740
90,000 Home Depot Inc	2,919,600
110,000 Lowe's Cos, Inc	3,082,200
60,000 Target Corp	3,814,200
100,000 Williams Sonoma Co	3,262,000
<i>Exchange Traded Funds - 2.8%</i>	
60,000 Powershares QQQQ	3,084,600
<i>Energy - 2.8%</i>	
23,000 Apache Corp	2,071,380
21,000 Unit Corp*	1,016,400
<i>Financials - 17.8%</i>	
20,000 Affiliated Managers Group Inc*	2,550,200
50,000 Capital One Financial Corp	3,321,500
90,000 Citigroup, Inc.	4,200,300
100,000 Countrywide Financial Corp	1,901,000
15,400 Discover Financial Services	320,320
57,500 Merrill Lynch & Co., Inc	4,098,600
55,000 Morgan Stanley & Co	3,465,000
<i>Health Care - 23.9%</i>	

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65,400 Amgen, Inc.*	3,699,678
58,000 Biogen Idec Inc*	3,847,140
61,500 Boston Scientific Corp*	857,925
20,000 Genentech Inc*	1,560,400
37,000 Genzyme Corp*	2,292,520
49,900 Health Management Associates, Inc.	346,306
35,000 Medtronic Inc	1,974,350
125,000 Mylan, Inc*	1,995,000
23,000 Patterson Cos, Inc	888,030
109,800 Pfizer Inc	2,682,414
85,000 UnitedHealth Group	4,116,550
57,000 Varian Medical Systems	2,387,730

*Insurance - 1.4%*

50,000 MGIC Investment Corp.	1,615,500
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*Software - 3.5%*

70,000 ACI Worldwide Inc	1,564,500
120,000 Symantec Corp*	2,325,600

*Technology - 16.0%*

47,000 Altera Corp	1,131,760
60,000 Applied Materials, Inc.	1,242,000
80,000 Cisco Systems, Inc.*	2,648,800
100,000 Dell Inc*	2,760,000
190,500 Flextronics International Ltd.*	2,129,790
71,000 Linear Technology Corp	2,484,290
96,000 Qlogic Corp*	1,291,200
30,000 Qualcomm Inc	1,267,800
40,000 Xilinx Inc	1,045,600
50,000 Zebra Technologies Corp-Class A*	1,824,500

Total Long-Term Investments

(Cost \$118,548,958)	\$112,134,945
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\* Non-income producing.

Contracts

(100 shares

per contract)

**Call Options Written - (7.1%)**

500 Abercrombie & Fitch Co-Class A
126 ACI Worldwide Inc
329 ACI Worldwide Inc
180 ACI Worldwide Inc

Expiration

Date

Exercise

Price

Market

Value

November 2007	\$ 72.50	\$ (505,000)
October 2007	25.00	(2,205)
November 2007	30.00	(1,645)
November 2007	35.00	(900)

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65 ACI Worldwide Inc	February 2008	30.00	(3,900)
200 Affiliated Managers Group Inc	December 2007	110.00	(418,000)
270 Altera Corp	January 2008	20.00	(126,900)
200 Altera Corp	March 2008	25.00	(37,000)
401 American Eagle Outfitters, Inc	January 2008	25.00	(132,330)
394** American Eagle Outfitters, Inc	January 2008	26.625	(143,318)
200 American Eagle Outfitters, Inc	January 2008	30.00	(25,500)
445 Amgen, Inc	October 2007	57.50	(42,720)
54 Amgen, Inc	January 2008	65.00	(3,645)
155 Amgen, Inc	April 2008	60.00	(52,700)
170 Apache Corp	January 2008	70.00	(361,250)
60 Apache Corp	January 2008	80.00	(75,900)
600 Applied Materials, Inc	January 2008	20.00	(114,000)
480 Bed Bath & Beyond, Inc	November 2007	40.00	(6,000)
200 Bed Bath & Beyond, Inc	January 2008	37.50	(24,500)
270 Best Buy Co, Inc	December 2007	45.00	(86,400)
300 Best Buy Co, Inc	December 2007	50.00	(28,500)
100** Best Buy Co, Inc	January 2008	53.375	(6,750)
150 Best Buy Co, Inc	January 2008	47.50	(32,250)
580 Biogen Idec Inc	January 2008	50.00	(1,015,000)
615 Boston Scientific Corp	October 2007	12.50	(98,400)
250 Capital One Financial Corp	December 2007	75.00	(33,125)
127 Capital One Financial Corp	January 2008	70.00	(48,895)
500 Cisco Systems, Inc	January 2008	27.50	(318,750)
100 Cisco Systems, Inc	April 2008	35.00	(21,650)
150 Countrywide Financial Corp	October 2007	17.50	(31,500)
300 Countrywide Financial Corp	October 2007	20.00	(21,750)
400 Countrywide Financial Corp	January 2008	25.00	(30,000)
404 Dell Inc	November 2007	27.50	(54,540)
596 Dell Inc	January 2008	27.50	(123,670)
500 eBay Inc	January 2008	32.50	(380,000)
450 eBay Inc	January 2008	35.00	(252,000)
1,905 Flextronics International Ltd.	January 2008	12.50	(73,343)
26 Genentech Inc	December 2007	80.00	(7,410)
174 Genentech Inc	January 2008	75.00	(113,100)
170 Genzyme Corp	January 2008	65.00	(47,600)
200 Genzyme Corp	January 2008	70.00	(24,500)
30 Google, Inc-Class A	January 2008	500.00	(249,300)
499 Health Management Associates, Inc	October 2007	7.50	(2,495)
900 Home Depot, Inc	November 2007	37.50	(18,000)
1,030 Intuit Inc	January 2008	32.50	(113,300)

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710 Linear Technology Corp	January 2008	35.00	(152,650)
1,000 Lowe's Cos, Inc	January 2008	32.50	(47,500)
100 Lowe's Cos, Inc	January 2008	30.00	(11,250)
350 Medtronic Inc	November 2007	52.50	(157,500)
575 Merrill Lynch & Co, Inc	January 2008	80.00	(120,750)
300 MGIC Investment Corp	December 2007	35.00	(74,250)
200 MGIC Investment Corp	January 2008	40.00	(27,500)
228 Morgan Stanley***	October 2007	75.00	(24,510)
242 Morgan Stanley	January 2008	65.00	(87,120)
80 Morgan Stanley	January 2008	90.00	(3,600)
328 Mylan, Inc	January 2008	15.00	(64,780)
776 Mylan, Inc	January 2008	17.50	(56,260)
46 Mylan, Inc	April 2008	17.50	(5,750)
230 Patterson Cos, Inc	October 2007	35.00	(87,400)
374 Pfizer Inc	December 2007	27.50	(6,545)
562 Pfizer Inc	January 2008	25.00	(51,985)
150 Powershares QQQQ	October 2007	46.00	(84,525)
450 Powershares QQQQ	October 2007	48.00	(167,850)
300 Qlogic Corp	October 2007	12.50	(31,500)
460 Qlogic Corp	January 2008	12.50	(82,800)
300 Qualcomm Inc	January 2008	40.00	(133,500)
300 Symantec Corp	October 2007	17.50	(60,000)
900 Symantec Corp	January 2008	20.00	(103,500)
100 Target Corp	January 2008	60.00	(71,000)
500 Target Corp	January 2008	65.00	(215,000)
50 Unit Corp	March 2008	50.00	(18,750)
270 UnitedHealth Group	January 2008	55.00	(17,550)
280 UnitedHealth Group	January 2008	50.00	(60,200)
150 UnitedHealth Group	March 2008	55.00	(18,000)
473 Varian Medical Systems Inc	November 2007	45.00	(34,293)
1,000 Williams-Sonoma Inc	November 2007	32.50	(192,500)
400 Xilinx Inc	January 2008	25.00	(108,000)
500 Zebra Technologies Corp. - CL A	February 2008	35.00	(190,000)
Total Call Options Written			
(Premiums Received \$7,888,573)			\$(7,877,958)

\*\* 150 shares per contract

\*\*\*Due to spin-off, 100 shares of Morgan Stanley and 50 shares

Discover Financial Services per contract

Contracts

(100 shares

per contract) **Put Options Written - (0.1%)**

Expiration Date    Exercise    Market Value  
Price

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480	American Eagle Outfitters, Inc	November 2007	25.00	(45,600)
750	Mylan Laboratories Inc	January 2008	15.00	(54,375)

Total Put Options Written	(Premiums Received \$173,314)			\$(99,975)
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**Short-term Note - 2.7%**

United States Treasury Note issued 11/30/2005  
at 4.25%, due 11/30/2007

Proceeds at maturity are \$3,000,000 (Cost \$2,996,817)	3,002,112
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**Repurchase Agreement - 4.1%**

Morgan Stanley issued 9/28/07 at 3.80%, due  
10/2/07, collateralized by \$4,625,216 in United  
States Treasury Notes due 6/30/11. Proceeds at  
maturity are \$4,531,435 (Cost \$4,530,000).

4,530,000

**Total Investments - 107.4%**

(Cost \$126,075,775)	119,667,057
Liabilities less cash and other assets - (0.2%)	(247,965)
Total Call Options Written - (7.1%)	(7,877,958)
Total Put Options Written - (0.1%)	(99,975)
<b>Net Assets - 100%</b>	<b>\$111,441,159</b>

**Item 2. Controls and Procedures.**

(a) The registrant's principal executive officer and principal financial officer determined 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 within 90 days of the date of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the Act. There were no significant changes in the Trust's internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. The officers identified no significant deficiencies or material weaknesses.

(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 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 of principal executive and principal financial officers as required by Rule 30a-2(a) under the 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.

**Madison Strategic Sector Premium Fund**

By: (signature)

W. Richard Mason, Secretary

Date: October 24, 2007

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)

Katherine L. Frank, Chief Executive Officer

Date: October 24, 2007

By: (signature)

Greg Hoppe, Chief Financial Officer

Date: October 24, 2007