

ASA LTD
Form N-Q
April 15, 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 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, New York 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: February 28, 2010

Item 1. Schedule of Investments

ASA Limited
Schedule of Investments (Unaudited)
February 28, 2010

| Name of Company | Number of Shares/ Principal Amount | Fair Value | Percent of Net Assets |
|---|---|---------------|--------------------------|
| Common Shares & Warrants | | | |
| Gold investments | | | |
| Gold mining companies | | | |
| <i>Australia</i> | | | |
| Newcrest Mining Limited - ADRs | 1,665,000 | \$ 46,722,957 | 9.2% |
| <i>Canada</i> | | | |
| Agnico-Eagle Mines Limited | 600,000 | 34,542,000 | 6.8 |
| Anatolia Minerals Development Limited (1) | 1,118,400 | 3,828,316 | 0.8 |
| Barrick Gold Corporation | 1,250,000 | 47,075,000 | 9.2 |
| Goldcorp Inc. | 1,082,400 | 40,893,072 | 8.0 |
| Golden Star Resources Limited (1) | 750,000 | 2,355,000 | 0.5 |
| IAMGOLD Corporation | 600,000 | 8,862,000 | 1.7 |
| Kinross Gold Corporation | 1,125,000 | 20,385,000 | 4.0 |
| NovaGold Resources Inc. (1)(3)(4) | 1,157,691 | 6,737,762 | 1.3 |
| NovaGold Resources Inc., \$1.50 Warrants 1/21/13, (1)(3)(4) | 2,307,691 | 9,969,223 | 1.9 |
| Yamana Gold Inc. | 600,000 | 6,324,000 | 1.2 |
| | | 180,971,373 | 35.4 |
| <i>Channel Islands</i> | | | |
| Randgold Resources Limited - ADRs | 719,700 | 51,825,597 | 10.2 |
| <i>Latin America</i> | | | |
| Compania de Minas Buenaventura S.A.A.-ADRs | 1,284,000 | 43,155,240 | 8.5 |
| <i>South Africa</i> | | | |
| AngloGold Ashanti Limited | 793,194 | 28,856,398 | 5.7 |
| Gold Fields Limited | 1,729,577 | 19,872,840 | 3.9 |
| | | 48,729,238 | 9.6 |
| <i>United States</i> | | | |
| Newmont Mining Corporation | 420,368 | 20,715,735 | 4.0 |
| Royal Gold Inc. | 150,000 | 6,741,000 | 1.3 |
| Total gold mining companies (Cost \$166,816,037) | | 398,861,140 | 78.2 |
| Platinum investments | | | |
| Platinum mining companies | | | |
| <i>South Africa</i> | | | |
| Angelo Platinum Limited (1) | 345,100 | 31,958,674 | 6.3 |
| Impala Platinum Holdings Limited | 1,322,400 | 32,197,014 | 6.3 |

| | | | |
|---|------------|----------------|------|
| | | 64,155,688 | 12.6 |
| <i>United Kingdom</i> | | | |
| Lonmin PLC ADRs (1) | 289,700 | 7,976,909 | 1.5 |
| Total platinum investments (Cost \$8,613,105) | | 72,132,597 | 14.1 |
| Investments in other mining companies | | | |
| <i>United Kingdom</i> | | | |
| Anglo American plc (1) (Cost \$1,762,502) | 414,800 | 15,106,527 | 2.9 |
| Total common shares (Cost \$177,191,643) | | 486,100,264 | 95.2 |
| 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 | 13,579,500 | 2.7 |
| Total Investments (Cost \$192,191,643) (2) | | 499,679,764 | 97.9 |
| Cash, receivables, and other assets less liabilities | | 10,494,319 | 2.1 |
| Net assets | | \$ 510,174,083 | 100% |

ADR-American Depository Receipt

- (1) Non-income producing security
- (2) Cost of investments shown approximates cost for U.S. federal income tax purposes, determined in accordance with U.S. federal income tax principles. Gross unrealized appreciation of investments and gross unrealized depreciation of investments at February 28, 2010 were \$313,999,626 and \$6,511,505 respectively, resulting in net unrealized appreciation on investments of \$307,488,121.

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- (3) Securities restricted as to public resale. The aggregate market value of restricted assets was \$16,706,985 at February 28, 2010, representing 3.2% of net assets.
- (4) At February 28, 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:

| Shares/Warrants | Issuer | Acquisition Date | Cost | Value |
|-----------------|---|------------------|-------------|-------------|
| 1,157,691 | NovaGold Resources Inc. | 1/21/2009 | \$1,030,345 | \$6,737,762 |
| 2,307,691 | NovaGold Resources Inc. \$1.50 Warrants, 1/21/13 | 1/21/2009 | 946,153 | 9,969,223 |

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 Depositary 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.

The Company adopted Accounting Standards Codification (ASC 820, formerly known as SFAS 157), Fair Value Measurements, effective December 1, 2007.

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 February 28, 2010 in valuing the Company's investments at market value:

| Investments in Securities | Fair Value |
|---------------------------|---------------|
| Valuation Inputs | |
| Level 1 Quoted Prices | \$350,857,648 |

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| | |
|---|---------------|
| Level 2 Other Significant Observable Inputs | 148,822,116 |
| Total | \$499,679,764 |

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. A substantial portion of the Company's assets currently is invested in South African companies and other companies having significant assets or operations in South Africa. The Company is, therefore, subject to gold and precious mineral related risks as well as risks related to investing in South Africa, including political, economic, regulatory, currency fluctuation and foreign exchange risks. The Company currently is invested in a limited number of securities and thus holds large positions in certain securities. Because the Company's investments are concentrated in a limited number of securities of companies involved in the holding or mining of gold and other precious minerals and related activities, the net asset value of the Company may be subject to greater volatility than that of a more broadly diversified investment company.

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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.
