

CORNERSTONE STRATEGIC VALUE FUND INC
Form N-CSR
March 02, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-05150

Cornerstone Strategic Value Fund, Inc.

(Exact name of registrant as specified in charter)

350 Jericho Turnpike, Suite 206 Jericho, New York

11753

(Address of principal executive offices)

(Zip code)

Frank J. Maresca

Ultimus Fund Solutions, LLC 350 Jericho Turnpike, Suite 206 Jericho, New York 11753

(Name and address of agent for service)

Registrant's telephone number, including area code: (513) 326-3597

Date of fiscal year end: December 31, 2011

Date of reporting period: December 31, 2011

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR 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 Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1.

REPORTS TO STOCKHOLDERS.

Cornerstone Strategic
Value Fund, Inc.

Annual Report
December 31, 2011

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Cornerstone Strategic Value Fund, Inc.
 Portfolio Summary – as of December 31, 2011 (unaudited)

SECTOR ALLOCATION

Sector	Percent of Net Assets
Closed-End Funds	30.6
Information Technology	12.1
Energy	8.4
Consumer Staples	7.0
Healthcare	6.4
Consumer Discretionary	6.2
Financials	5.2
Industrials	5.0
Telecommunication Services	2.5
Utilities	1.9
Materials	1.6
Other	13.1

TOP TEN HOLDINGS, BY ISSUER

Holding	Sector	Percent of Net Assets
1. Eaton Vance Tax-Managed Global Diversified Equity Income Fund	Closed-End Funds	3.9
2. Apple, Inc.	Information Technology	3.6
3. Exxon Mobil Corporation	Energy	3.6
4. Eaton Vance Tax-Managed Diversified Equity Income Fund	Closed-End Funds	3.4
5. Eaton Vance Risk-Managed Diversified Equity Income Fund	Closed-End Funds	3.0
6. Microsoft Corporation	Information Technology	2.6

7.	Wal-Mart Stores, Inc.	Consumer Staples	2.0
8.	Chevron Corporation	Energy	1.9
9.	Google, Inc. - Class A	Information Technology	1.8
10.	Eaton Vance Enhanced Equity Income Fund II	Closed-End Funds	1.8

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Cornerstone Strategic Value Fund, Inc.
Summary Schedule of Investments – December 31, 2011

Description	No. of Shares	Value
EQUITY SECURITIES – 86.92%		
CLOSED-END FUNDS – 30.57%		
CONVERTIBLE SECURITIES – 0.54%		
Other Convertible Securities (a)		\$474,060
CORE – 0.31%		
Other Core (a)		275,548
CORPORATE DEBT FUNDS INVESTMENT GRADE-RATED – 2.30%		
AllianceBernstein Income Fund	155,160	1,252,141
Federated Enhanced Treasury Income Fund	47,044	675,081
Other Corporate Debt Funds Investment Grade-Rated (a)		101,322
		2,028,544
DEVELOPED MARKET – 0.38%		
Total Developed Market (a)		338,717
EMERGING MARKETS – 0.19%		
Other Emerging Markets (a)		167,187
FLEXIBLE INCOME – 0.50%		
Zweig Total Return Fund, Inc. (The)	145,657	441,341
GENERAL BOND – 0.35%		
Total General Bond (a)		311,240
GLOBAL – 0.48%		
Other Global (a)		426,252
GLOBAL INCOME – 0.17%		
Total Global Income (a)		147,342
Description	No. of Shares	Value
CLOSED-END FUNDS – (continued)		
LOAN PARTICIPATION – 1.26%		
Other Loan Participation (a)		\$1,106,672
OPTION ARBITRAGE/OPTIONS STRATEGIES – 21.43%		
BlackRock Enhanced Capital & Income Fund, Inc.	52,048	640,190
BlackRock Enhanced Equity Dividend Trust	127,740	903,122
BlackRock International Growth & Income Trust	105,800	757,528
Eaton Vance Enhanced Equity Income Fund	102,000	1,038,360
Eaton Vance Enhanced Equity Income Fund II	152,300	1,554,983
Eaton Vance Risk-Managed Diversified Equity Income Fund	254,748	2,662,117

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Eaton Vance Tax-Managed Buy-Write Income Fund	74,563	957,389
Eaton Vance Tax-Managed Buy-Write Opportunities Fund	95,600	1,120,432
Eaton Vance Tax-Managed Diversified Equity Income Fund	334,608	2,967,973
Eaton Vance Tax-Managed Global Buy-Write Opportunities Fund	106,866	1,098,582
Eaton Vance Tax-Managed Global Diversified Equity Income Fund	413,226	3,409,115
ING Global Equity Dividend and Premium Opportunity Fund	82,389	711,841