

BLUE CHIP VALUE FUND INC  
Form N-Q  
November 29, 2005

**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: 811-5003

**Blue Chip Value Fund, Inc.**

(Exact name of registrant as specified in charter)

1225 17th Street, 26th Floor, Denver, Colorado 80202

(Address of principal executive offices) (Zip code)

Michael P. Malloy  
Drinker Biddle & Reath LLP  
One Logan Square  
18<sup>th</sup> & Cherry Streets  
Philadelphia, Pennsylvania 19103-6996  
(Name and address of agent for service)

Registrant's Telephone Number, including Area Code: (800) 624-4190

Date of fiscal year end: December 31

Date of reporting period: September 30, 2005

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**Item 1 - Schedule of Investments.**
**BLUE CHIP VALUE FUND, INC.**  
**STATEMENT OF INVESTMENTS**  
 September 30, 2005 (Unaudited)

		Shares	Cost	Market Value
<b>COMMON STOCKS</b>	<b>108.94%</b>			
<b>CAPITAL GOODS</b>	<b>8.32%</b>			
<b>Aerospace &amp; Defense</b>	<b>4.58%</b>			
General Dynamics Corp.		34,000	3,519,455	4,064,700
Raytheon Co.		80,700	3,048,165	3,068,214
			6,567,620	7,132,914
<b>Electrical Equipment</b>	<b>1.38%</b>			
General Electric Co.		63,800	2,285,020	2,148,146
<b>Industrial Products</b>	<b>2.36%</b>			
Parker Hannifin Corp.		57,100	4,080,142	3,672,101
<b>TOTAL CAPITAL GOODS</b>			<b>12,932,782</b>	<b>12,953,161</b>
<b>COMMERCIAL SERVICES</b>	<b>5.72%</b>			
<b>IT Services</b>	<b>3.52%</b>			
Computer Sciences Corp.*+		115,900	5,586,979	5,483,229
<b>Transaction Processing</b>	<b>2.20%</b>			
First Data Corp.		85,600	3,429,205	3,424,000
<b>TOTAL COMMERCIAL SERVICES</b>			<b>9,016,184</b>	<b>8,907,229</b>
<b>COMMUNICATIONS</b>	<b>2.56%</b>			
<b>Telecomm Equipment &amp; Solutions</b>	<b>2.56%</b>			
Nokia Corp.+		235,600	3,695,378	3,983,996
<b>TOTAL COMMUNICATIONS</b>			<b>3,695,378</b>	<b>3,983,996</b>
<b>CONSUMER CYCLICAL</b>	<b>16.57%</b>			
<b>Clothing &amp; Accessories</b>	<b>2.82%</b>			
TJX Companies Inc.+		214,600	5,028,330	4,395,008
<b>General Merchandise</b>	<b>3.90%</b>			
Target Corp.+		117,000	5,874,868	6,075,810
<b>Hotels &amp; Gaming</b>	<b>2.77%</b>			
Starwood Hotels & Resorts Worldwide Inc.		75,300	3,620,624	4,304,901
<b>Other Consumer Services</b>	<b>1.10%</b>			
Cendant Corp.		82,600	1,794,543	1,704,864
<b>Publishing &amp; Media</b>	<b>4.11%</b>			
Viacom Inc. - Class B		73,100	3,395,252	2,413,031
Walt Disney Co.+		165,100	4,163,934	3,983,863
			7,559,186	6,396,894
<b>Restaurants</b>	<b>1.87%</b>			
Darden Restaurants Inc.		95,700	2,411,276	2,906,409
<b>TOTAL CONSUMER CYCLICAL</b>			<b>26,288,827</b>	<b>25,783,886</b>
<b>CONSUMER STAPLES</b>	<b>6.04%</b>			
<b>Food &amp; Agricultural Products</b>	<b>3.83%</b>			

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Bunge Ltd.		53,100	2,308,893	2,794,122
Kraft Foods Inc.		103,500	3,368,223	3,166,065
			5,677,116	5,960,187
<b>Home Products</b>	<b>2.21%</b>			
Colgate Palmolive Co.		65,100	3,664,481	3,436,629
<b>TOTAL CONSUMER STAPLES</b>			<b>9,341,597</b>	<b>9,396,816</b>

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<b>ENERGY</b>	<b>13.80%</b>			
<b>Exploration &amp; Production</b>	<b>6.59%</b>			
Occidental Petroleum Corp.		62,100	3,532,615	5,305,203
XTO Energy Inc.		109,100	3,461,430	4,944,412
			6,994,045	10,249,615
<b>Integrated Oils</b>	<b>4.61%</b>			
Marathon Oil Corp.+		63,600	2,574,274	4,383,948
Suncor Energy Inc.		46,200	1,587,360	2,796,486
			4,161,634	7,180,434
<b>Oil Services</b>	<b>2.60%</b>			
Transocean Inc.*		65,900	2,313,538	4,040,329
<b>TOTAL ENERGY</b>			<b>13,469,217</b>	<b>21,470,378</b>
<b>FINANCIALS</b>	<b>20.74%</b>			
<b>Integrated Financial Services</b>	<b>3.70%</b>			
Citigroup Inc.+		126,500	5,687,653	5,758,280
<b>Property Casualty Insurance</b>	<b>1.09%</b>			
American International Group		27,400	1,688,793	1,697,704
<b>Regional Banks</b>	<b>4.11%</b>			
US Bancorp		74,100	2,125,950	2,080,728
Bank of America Corp.		54,900	2,562,138	2,311,290
Wachovia Corp.		41,900	2,035,935	1,994,021
			6,724,023	6,386,039
<b>Securities &amp; Asset Management</b>	<b>6.98%</b>			
Goldman Sachs Group Inc.		16,500	1,602,510	2,006,070
Merrill Lynch & Company Inc.+		85,700	4,799,860	5,257,695
Morgan Stanley & Co.		66,800	3,560,580	3,603,192
			9,962,950	10,866,957
<b>Specialty Finance</b>	<b>2.96%</b>			
Countrywide Financial Corp.		91,900	3,199,067	3,030,862
Freddie Mac+		27,800	1,812,084	1,569,588
			5,011,151	4,600,450
<b>Thriffs</b>	<b>1.90%</b>			
Washington Mutual Inc.+		75,500	2,999,670	2,961,110
<b>TOTAL FINANCIALS</b>			<b>32,074,240</b>	<b>32,270,540</b>
<b>MEDICAL- HEALTHCARE</b>	<b>18.87%</b>			
<b>Medical Technology</b>	<b>2.00%</b>			
Medtronic Inc.		58,100	2,935,738	3,115,322
<b>Pharmaceuticals</b>	<b>16.87%</b>			
Abbott Laboratories+		131,000	5,545,540	5,554,400
Amgen Inc.*+		61,000	3,514,229	4,859,870
Barr Pharmaceuticals Inc.*		66,100	3,145,948	3,630,212
Pfizer Inc.+		173,460	5,168,119	4,331,296
Teva Pharmaceutical Industries Ltd.		235,700	6,717,348	7,877,094
			24,091,184	26,252,872
<b>TOTAL MEDICAL - HEALTHCARE</b>			<b>27,026,922</b>	<b>29,368,194</b>



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<b>TECHNOLOGY</b>	<b>13.69%</b>			
<b>Computer Software</b>	<b>8.78%</b>			
International Business Machines Corp.		46,100	3,686,467	3,698,142
Microsoft Corp.+		273,400	8,047,855	7,034,582
Verisign Inc.*		136,600	3,438,364	2,919,142
			15,172,686	13,651,866
<b>Semiconductors</b>	<b>4.91%</b>			
Altera Corp.*+		66,900	1,491,596	1,278,459
Intel Corp.		158,500	4,249,519	3,907,025
Maxim Integrated Products Inc.		57,600	2,214,780	2,456,640
			7,955,895	7,642,124
TOTAL TECHNOLOGY			23,128,581	21,293,990
<b>TRANSPORTATION</b>	<b>2.63%</b>			
<b>Railroads</b>	<b>2.63%</b>			
Norfolk Southern Corp.		101,000	3,598,366	4,096,560
TOTAL TRANSPORTATION			3,598,366	4,096,560
TOTAL COMMON STOCKS			160,572,094	169,524,750
<b>SHORT-TERM INVESTMENTS</b>	<b>1.64%</b>			
Goldman Sachs Financial Square Prime Obligations Fund - FST Shares		2,556,640	2,556,640	2,556,640
TOTAL SHORT-TERM INVESTMENTS			2,556,640	2,556,640
TOTAL INVESTMENTS	<b>110.58%</b>		163,128,734	172,081,390
Liabilities in Excess of Other Assets	<b>-10.58%</b>			(16,474,927)
NET ASSETS	<b>100.00%</b>			\$155,606,463

\* Denotes non-income producing security.

+ A portion of the shares held in this security are pledged as collateral for the borrowings under the loan agreement.  
See accompanying notes to the statement of investments.

**BLUE CHIP VALUE FUND**  
**NOTES TO STATEMENT OF INVESTMENTS**  
September 30, 2005 (Unaudited)

**1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Blue Chip Value Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940, as amended, as a diversified, closed-end management investment company.

The following is a summary of significant accounting policies followed by the Fund in the preparation of its statement of investments.

**Security Valuation**-All securities of the Fund are valued as of the close of regular trading on the New York Stock Exchange ("NYSE"), currently 4:00 p.m. (Eastern Time), on each day that the NYSE is open. Listed securities are generally valued at the last sales price as of the close of regular trading on the NYSE. Securities traded on the National Association of Securities Dealers Automated Quotation ("NASDAQ") are generally valued at the NASDAQ Official Closing Price ("NOCP"). In the absence of sales and NOCP, such securities are valued at the mean of the bid and asked prices.

Securities having a remaining maturity of 60 days or less are valued at amortized cost which approximates market value.

When market quotations are not readily available or when events occur that make established valuation methods unreliable, securities of the Fund may be valued at fair value determined in good faith by or under the direction of the Board of Directors. Factors which may be considered when determining the fair value of a security include (a) the fundamental data relating to the investment; (b) an evaluation of the forces which influence the market in which the security is sold, including the liquidity and depth of the market; (c) the market value at date of purchase; (d) information as to any transactions or offers with respect to the security or comparable securities; and (e) any other relevant matters.

**Investment Transactions**-Investment transactions are accounted for on the date the investments are purchased or sold (trade date). Realized gains and losses from investment transactions and unrealized appreciation and depreciation of investment are determined on the "specific identification" basis for both financial statement and federal income tax purposes. Dividend income is recorded on the ex-dividend date. Interest income, which includes interest earned on money market funds, is accrued and recorded daily.

**Use of Estimates**-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. Actual results could differ from those estimates.

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**2. UNREALIZED APPRECIATION AND DEPRECIATION OF INVESTMENTS (TAX BASIS)****As of September 30, 2005:**

Gross appreciation (excess of value over tax cost)	\$ 9,425,529
Gross depreciation (excess of tax cost over value)	(710,394)
Net unrealized appreciation	\$ 8,715,135
Cost of investments for income tax purposes	\$163,366,255

**3. LOAN OUTSTANDING**

On November 12, 2003 an agreement with Custodial Trust Company, an affiliate of Bear Stearns, was reached, in which the Fund may borrow from the Custodial Trust Company an aggregate amount of up to the lesser of \$15,000,000 or the maximum amount the Fund is permitted to borrow under the Investment Company Act of 1940. The interest rate resets monthly at 30-day LIBOR plus 1.00%. The borrowings under the Custodial Trust Company loan are secured by pledging a portion of the Fund's portfolio securities as collateral. The initial value of the portfolio securities pledged must equal twice the amount of the loan outstanding.

Details of the loan outstanding are as follows:

	<b>As of September 30, 2005</b>	<b>Average for Nine Months Ended September 30, 2005</b>
Loan outstanding	\$14,000,000	\$12,236,522
Interest rate	4.83%*	4.04%
% of Fund's total assets	7.99%	6.98%
Amount of debt per share outstanding	\$ 0.51	\$ 0.45
Number of shares outstanding (in thousands)	27,529	27,416**

\*Annualized

\*\*Weighted average



**Item 2 - Controls and Procedures.**

(a) The registrant's Principal Executive Officer and Principal Financial Officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) within 90 days of the filing date of this report and have concluded that the registrant's disclosure controls and procedures were effective, as of that date.

(b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) that occurred during 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.**

Separate certifications for the registrant's Principal Executive Officer and Principal Financial Officer, as required by Rule 30a-2(a) under the Investment Company Act of 1940, are attached as Ex99.CERT.

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**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.

BLUE CHIP VALUE FUND, INC.

By: /s/ Todger Anderson  
**Todger Anderson**  
**President / Principal**  
**Executive Officer**

Date: November 29, 2005

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: /s/ Todger Anderson  
**Todger Anderson**  
**President / Principal**  
**Executive Officer**

Date: November 29, 2005

By: /s/ Jasper R. Frontz  
**Jasper R. Frontz**  
**Treasurer / Principal**  
**Financial Officer**

Date: November 29, 2005