

SHELTON GREATER CHINA FUND

Form N-Q

April 27, 2012

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: 811-05617

Shelton Greater China Fund
(Exact name of registrant as specified in charter)

44 Montgomery Street, Suite 2100
San Francisco, California 94104-4708
(Address of principal executive offices) (Zip code)

Teresa Axelson
44 Montgomery Street, Suite 2100
San Francisco, California 94104-4708
(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 955-9988

Date of fiscal year end: December 31
Date of reporting period: March 31, 2012

ITEM 1. SCHEDULE OF INVESTMENTS

SHELTON GREATER CHINA FUND

Portfolio of Investments (Expressed in U.S. Dollars) (Unaudited) / March 31, 2012

| Security Description | Shares | Value |
|--------------------------------------|---------|-----------|
| Common Stock (98.61%) | | |
| Basic Materials (4.69%) | | |
| Chemicals (4.69%) | | |
| China Petrochemical Development Corp | 300,000 | \$338,986 |
| Formosa Chemicals & Fibre Corp | 50,897 | 148,650 |
| Formosa Plastics Corp | 150,271 | 442,445 |
| Nan Ya Plastics Corp | 200,968 | 454,169 |
| | | 1,384,250 |
| Total Basic Materials | | 1,384,250 |
| Communications (9.86%) | | |
| Internet (1.89%) | | |
| Tencent Holdings Ltd | 20,000 | 557,848 |
| Telecommunications (7.97%) | | |
| China Mobile Ltd | 130,000 | 1,430,485 |
| China Unicom Hong Kong Ltd | 100,000 | 169,466 |
| Chunghwa Telecom Co Ltd | 80,000 | 246,387 |
| HTC Corp | 20,561 | 415,894 |
| Taiwan Mobile Co Ltd | 30,000 | 91,379 |
| | | 2,353,611 |
| Total Communications | | 2,911,459 |
| Consumer, Cyclical (8.42%) | | |
| Auto Manufacturers (0.61%) | | |
| Dongfeng Motor Group Co Ltd | 100,000 | 180,541 |
| Auto Parts & Equipment (0.62%) | | |
| Xinyi Glass Holdings Ltd | 300,000 | 183,116 |
| Distribution/Wholesale (1.17%) | | |
| Li & Fung Ltd | 150,000 | 344,213 |
| Home Furnishings (1.15%) | | |
| Haier Electronics Group Co Ltd* | 300,000 | 339,963 |
| Lodging (0.66%) | | |
| Sands China Ltd | 50,000 | 195,414 |
| Retail (3.70%) | | |

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| | | |
|------------------------------------|-----------|-----------|
| Emperor Watch & Jewellery Ltd | 3,000,000 | 475,176 |
| Maoye International Holdings Ltd* | 1,000,000 | 266,562 |
| Sa Sa International Holdings Ltd | 100,000 | 57,948 |
| Sun Art Retail Group Ltd* | 100,000 | 135,470 |
| Taiwan FamilyMart Co Ltd | 30,000 | 157,550 |
| | | 1,092,706 |
| Textiles (0.51%) | | |
| International Taifeng Holdings Ltd | 400,000 | 148,863 |
| Total Consumer, Cyclical | | 2,484,816 |
| Consumer, Non-Cyclical (4.97%) | | |
| Cosmetics/Personal Care (1.05%) | | |
| Vinda International Holdings Ltd | 200,000 | 309,057 |

SHELTON GREATER CHINA FUND

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| Security Description | Shares | Value |
|--|-----------|-----------|
| Food (3.20%) | | |
| Shenguan Holdings Group Ltd | 500,000 | 296,180 |
| Standard Foods Corp | 100,500 | 342,213 |
| Uni-President Enterprises Corp | 60,000 | 83,044 |
| Want Want China Holdings Ltd | 200,000 | 223,551 |
| | | 944,988 |
| Pharmaceuticals (0.72%) | | |
| TTY Biopharm Co Ltd | 50,000 | 213,454 |
| Total Consumer, Non-Cyclical | | 1,467,499 |
| Diversified (1.69%) | | |
| Holding Companies (1.69%) | | |
| Hutchison Whampoa Ltd | 50,000 | 499,643 |
| Total Diversified | | 499,643 |
| Energy (8.70%) | | |
| Coal (1.71%) | | |
| China Shenhua Energy Co Ltd | 120,000 | 506,081 |
| Oil & Gas (6.99%) | | |
| China Petroleum & Chemical Corp | 300,000 | 326,828 |
| CNOOC Ltd | 500,000 | 1,027,616 |
| PetroChina Co Ltd | 500,000 | 706,969 |
| | | 2,061,413 |
| Total Energy | | 2,567,494 |
| Financial (31.18%) | | |
| Banks (12.72%) | | |
| Bank of China Ltd | 1,500,000 | 604,593 |
| BOC Hong Kong Holdings Ltd | 200,000 | 552,440 |
| China Construction Bank Corp | 1,600,000 | 1,236,229 |
| Hang Seng Bank Ltd | 20,000 | 265,789 |
| Industrial & Commercial Bank of China | 1,700,000 | 1,096,767 |
| | | 3,755,818 |
| Diversified Financial Services (5.01%) | | |
| Chinatrust Financial Holding Co Ltd | 271,965 | 170,931 |
| Fubon Financial Holding Co Ltd | 350,224 | 394,550 |
| Hong Kong Exchanges and Clearing Ltd | 30,000 | 504,150 |
| Mega Financial Holding Co Ltd | 200,000 | 141,286 |
| Taiwan Acceptance Corp | 50,000 | 104,186 |

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| | | |
|--------------------------------------|---------|----------------------|
| Yuanta Financial Holding Co Ltd* | 306,691 | 159,505 1,474,608 |
| Insurance (6.44%) | | |
| AIA Group Ltd | 150,000 | 549,543 |
| China Life Insurance Co Ltd | 100,000 | 259,479 |
| China Pacific Insurance Group Co Ltd | 150,000 | 464,552 |
| PICC Property & Casualty Co Ltd | 20,000 | 23,797 |
| Ping An Insurance Group Co | 80,000 | 604,722 1,902,093 |

SHELTON GREATER CHINA FUND

Portfolio of Investments (Expressed in U.S. Dollars) (Unaudited) / March 31, 2012

| Security Description | Shares | Value |
|---|-----------|-----------|
| Real Estate (7.01%) | | |
| China Overseas Land & Investment Ltd | 200,000 | 380,141 |
| Hang Lung Properties Ltd | 100,000 | 366,362 |
| Hysan Development Co Ltd | 70,000 | 280,341 |
| Kerry Properties Ltd | 60,000 | 270,039 |
| Link REIT | 60,000 | 223,294 |
| Sun Hung Kai Properties Ltd | 40,000 | 497,067 |
| Swire Properties Ltd* | 21,000 | 52,192 |
| | | 2,069,436 |
| Total Financial | | 9,201,955 |
| Industrial (17.71%) | | |
| Electronics (10.82%) | | |
| AAC Technologies Holdings Inc | 400,000 | 1,086,852 |
| AU Optronics Corp | 300,000 | 138,745 |
| Hon Hai Precision Industry Co Ltd | 250,399 | 971,410 |
| Radiant Opto-Electronics Corp | 60,000 | 266,310 |
| Silitech Technology Corp | 80,500 | 184,923 |
| Taiwan Surface Mounting Technology Co Ltd | 150,000 | 344,576 |
| Tripod Technology Corp | 60,000 | 201,257 |
| | | 3,194,073 |
| Engineering & Construction (3.01%) | | |
| Cheung Kong Infrastructure Holdings Ltd | 100,000 | 608,457 |
| China State Construction International Holdings Ltd | 300,000 | 279,311 |
| | | 887,768 |
| Environmental Control (1.11%) | | |
| China Everbright International Ltd | 700,000 | 329,017 |
| Machinery-Diversified (2.24%) | | |
| First Tractor Co Ltd | 150,000 | 151,052 |
| Shanghai Electric Group Co Ltd | 1,000,000 | 508,657 |
| | | 659,709 |
| Miscellaneous Manufacturing (0.53%) | | |
| Largan Precision Co Ltd | 8,000 | 157,211 |
| Total Industrial | | 5,227,778 |
| Technology (9.86%) | | |
| Computers (2.83%) | | |
| Asustek Computer Inc | 60,000 | 566,162 |
| Lenovo Group Ltd | 300,000 | 270,039 |

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| | | |
|---|---------|-----------|
| | | 836,201 |
| Semiconductors (7.03%) | | |
| Chipbond Technology Corp | 306,000 | 396,568 |
| MediaTek Inc | 25,000 | 239,289 |
| Taiwan Semiconductor Manufacturing Co Ltd | 500,284 | 1,439,093 |
| | | 2,074,950 |
| Total Technology | | 2,911,151 |
| Utilities (1.53%) | | |
| Electric (0.83%) | | |
| CLP Holdings Ltd | 20,000 | 172,557 |
| Power Assets Holdings Ltd | 10,000 | 73,401 |
| | | 245,958 |

SHELTON GREATER CHINA FUND

Portfolio of Investments (Expressed in U.S. Dollars) (Unaudited) / March 31, 2012

| Security Description | Shares | Value |
|---|--------|--------------|
| Gas (0.70%) | | |
| Hong Kong & China Gas Co Ltd | 80,000 | 205,008 |
| Total Utilities | | 450,966 |
| Total Common Stock (Cost \$27,329,812) | | 29,107,011 |
| Rights and Warrants (0.00%) | | |
| Financial (0.00%) | | |
| Chinatrust Financial Holding Co Ltd rights 04/03/12 | 13,589 | 1,036 |
| Total Rights and Warrants (Cost \$0) | | 1,036 |
| Short-Term Investments (1.57%) | | |
| Time Deposit (1.57%) | | |
| HSBC Bank USA, Grand Cayman, 0.03%, Due 04/02/12 | | 462,473 |
| Total Short-Term Investments (Cost \$462,473) | | 462,473 |
| Total Investments (Cost \$27,792,285) (a) (100.18%) | | 29,570,520 |
| Liabilities in Excess of Other Assets (-0.18%) | | (52,425) |
| Net Assets (100.00%) | | \$29,518,095 |

| Security Description | Contracts | Unrealized Appreciation |
|--|------------|-------------------------|
| Forward Foreign Currency Exchange Contract Short (0.02%) | | |
| USD, Brown Brothers Harriman & Co., settlement date 04/02/12 (cost \$4,893; value \$4,893) | HKD 38,000 | \$- |
| Total Forward Foreign Currency Exchange Contract Short (Cost \$4,893; Value \$4,893) | | - |

* Non-income producing security.

(a) Tax cost and unrealized appreciation are only calculated as of fiscal year end. Net unrealized depreciation on a tax basis as of December 31, 2011 was \$3,629,055.

Fair Value Measurements -

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) No. 2011-04 “Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards (“IFRS”)”. ASU 2011-04 includes common requirements for measurement of and disclosure about fair value between U.S. GAAP and IFRS.

ASU 2011-04 requires reporting entities to disclose the following information for fair value measurements categorized within Level 3 of the fair value hierarchy; quantitative information about the unobservable inputs used in the fair value measurement, the valuation processes used by the reporting entity, and a narrative description of the sensitivity of the air value measurement to changes in unobservable inputs and the interrelationships between those unobservable inputs. In addition, ASU 2011-04 requires reporting entities to make disclosures about amounts and reasons for all transfers in and out of Level 1 and Level 2 fair value measurements. The new and revised disclosures are effective for interim and annual reporting periods beginning after December 15, 2011.

The Fund utilizes various methods to measure the fair value of most of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the company has the ability to access.

Level 2 - Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table summarizes the valuation of the Trust's securities at March 31, 2012 using fair value hierarchy:

| | Level 1(b) | Level 2(b) | Level 3(b) | Total |
|---------------------------------|--------------|------------|------------|--------------|
| Investments, in securities | | | | |
| Common stocks (a) | \$29,107,011 | \$- | \$- | \$29,107,011 |
| Rights and warrants | - | 1,036 | - | 1,036 |
| Short term securities | 462,473 | - | - | 462,473 |
| Total investments in securities | \$29,569,484 | \$1,036 | \$- | \$29,570,520 |

(a) For a detailed breakout of common stocks by major industry classification, please refer to the Portfolio of Investments.

(b) There were no transfers in or out of Level 1, Level 2 and Level 3 during the period ended March 31, 2012.

ITEM 2. CONTROLS AND PROCEDURES.

(a) Based on an evaluation of the disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940), the disclosure controls and procedures as of a date within 90 days prior to the filing date of this Form N-Q (the "Report"), are reasonably designed to ensure that information required to be disclosed by the Registrant in the Report is recorded, processed, summarized and reported by the filing date, including ensuring that information required to be disclosed in the Report is accumulated and communicated to the Registrant's management, including the Registrant's principal executive officer and principal financial officer. Based on such evaluation, the Registrant's Principal Executive Officer and Principal Financial Officer have determined that the disclosure controls and procedures are effective.

(b) There were no significant changes in the Registrant's internal controls over financial reporting or in other factors that could significantly affect these controls subsequent to the date of their evaluation, in connection with the preparations of this Quarterly Schedule of Portfolio of Investments.

ITEM 3. EXHIBITS.

Separate certifications for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Act (17 CFR 270.30a-2(a)) is attached hereto as Exhibit 99.CERT.

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.

Shelton Greater China Fund

By /s/ Stephen C. Rogers
Stephen C. Rogers,
President (as Principal Executive Officer)
Date: April 27, 2012

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/ Stephen C. Rogers
Stephen C. Rogers,
President (as Principal Executive Officer)
Date: April 27, 2012

By /s/ William P. Mock
William P. Mock
Treasurer (as Principal Financial Officer)
Date: April 27, 2012