

FOXBY CORP.
Form N-CSR
March 08, 2018
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: 811-09261

Foxby Corp.
(Exact name of registrant as specified in charter)

11 Hanover Square, New York, NY 10005
(Address of principal executive offices) (Zipcode)

Russell Kamerman, Esq.
11 Hanover Square
New York, NY 10005
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-212-785-0900
Date of fiscal year end: 12/31

Date of reporting period: 1/1/17 - 12/31/17

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 policy making 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 clearance requirements of 44 U.S.C. sec. 3507.

Item 1. Reports to Stockholders.

PORTFOLIO ANALYSIS

December 31, 2017

December 31, 2017

TOP TEN
HOLDINGS

- 1 Berkshire Hathaway, Inc. Class B
- 2 Alphabet Inc. Class A
- 3 Wal-Mart Stores, Inc.
- 4 The Greenbrier Companies, Inc.
- 5 Copart, Inc.
- 6 Polaris Industries, Inc.
- 7 Wyndham Worldwide Corporation
- 8 Laboratory Corporation of American Holdings
- 9 United Therapeutics Corporation
- 10 Apple Inc.

Top ten holdings comprise approximately 35% of total assets.

December 31, 2017

TOP TEN
INDUSTRIES

- 1 Business Services
- 2 Transportation Equipment
- 3 Security and Commodity
Brokers, Dealers, Exchanges, and
Services
- 4 Chemical and Allied Products
- 5 Insurance Carriers
- 6 Automotive Dealers and
Gasoline Service Stations
- 7 General Merchandise Stores
- 8 Miscellaneous Retail
- 9 Fabricated Metal Products,
except Machinery and
Transportation Equipment
- 10 Apparel and Accessory Stores

Top ten holdings and industries are shown for informational purposes only and are subject to change. The above portfolio information should not be considered as a recommendation to purchase or sell a particular security and is not indicative of future portfolio characteristics. There is no assurance that any securities will remain in or out of the Fund.

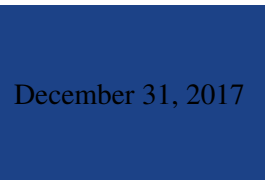
Holdings by Security Type on December 31, 2017*

*Based on approximate percentages of net assets and may not add up to 100% due to leverage or other assets, rounding, and other factors. Allocations of less than 1% in aggregate are not shown. Allocations are subject to change.



Annual Report 2017

TO OUR SHAREHOLDERS



Dear Fellow Shareholders:

It is a pleasure to welcome our new shareholders who find the total return investment objective of Foxby Corp. (the “Fund”) attractive and to submit this 2017 Annual Report.

Investment Strategies

In seeking its objective, the Fund exercises a flexible strategy in the selection of securities, and is not limited by the issuer’s location, size, or market capitalization. The Fund may invest in equity and fixed income securities of new and seasoned U.S. and foreign issuers, including securities convertible into common stock, debt securities, futures, options, derivatives, and other instruments. The Fund also may employ aggressive and speculative investment techniques, such as selling securities short and borrowing money for investment purposes, a practice known as “leveraging,” and may invest defensively in short term, liquid, high grade securities and money market instruments. There is a risk that these transactions sometimes may reduce returns or increase volatility. In addition, derivatives, such as options and futures, can be illiquid and highly sensitive to changes in their underlying security, interest rate or index, and as a result can be highly volatile. A small investment in certain derivatives could have a potentially large impact on the Fund’s performance. The Fund may invest in debt securities rated below investment grade, commonly referred to as junk bonds, as well as investment grade and U.S. Government securities. Generally, investments in securities in the lower rating categories or comparable unrated securities provide higher yields but involve greater price volatility and risk of loss of principal and interest than investments in securities with higher ratings. A potential benefit of its closed end structure, the Fund may invest without limit in illiquid investments such as private placements and private companies.

Economic and Market Report

At the December 2017 meeting of the Federal Open Market Committee (FOMC) of the Federal Reserve Bank (the “Fed”), the Fed staff’s review of the economic situation suggested that real gross domestic product (GDP) was “rising at a solid pace in the second half of 2017.” The staff viewed labor market conditions as reflecting in part a rebound from the negative effects of the hurricanes in September, as the national unemployment rate declined to 4.1% through November 2017. Regarding inflation, the staff noted that “total consumer price inflation, as measured by the 12-month percentage change in the price index for personal consumption expenditures (PCE), remained below 2 percent in October and was lower than early in the year.” In fact, over the 12 months through October 2017, total U.S. consumer prices, as measured by the PCE price index, increased slightly more than 1.5%.

Addressing the financial situation, the Fed staff noted that asset price movements appeared to be “reflecting slightly stronger-than-expected economic data releases, announcements related to Treasury debt issuance, and an increase in the perceived probability that the Congress would enact tax legislation. On net, the Treasury yield curve flattened, U.S. equity prices moved up, and the foreign exchange value of the dollar was little changed. Financing conditions for businesses and households remained broadly supportive of continued growth in household spending and business investment.”

In conjunction with the FOMC meeting, the Fed's board members and bank presidents submitted their projections for future real GDP growth, unemployment, and similar measures. They projected real growth in GDP in a range of 2.2 - 2.6% for 2018, and 1.9 - 2.3% for 2019, and an unemployment rate in a range of 3.7 - 4.0% for 2018 and 3.6 - 4.0% for 2019.

In summary, the U.S. economy appears to be growing sluggishly during a period of strengthening employment and mild inflation, which suggests to us that investors might anticipate favorable markets ahead, although certain signs of speculative excess, such as cryptocurrencies and growing systemic leverage, indicate a cautious approach might be in order for 2018.

Investment Strategy and Returns

In view of these economic and market developments, the Fund's strategy in 2017 was to focus on quality companies deemed by Midas Management Corporation (the "Investment Manager") to be undervalued. Generally, the Fund purchased and held equity securities in seeking to achieve its total return investment objective and sold investments that appeared to have appreciated to levels reflecting less potential for total return. In 2017, the Fund's net investment loss, net realized gain on investments, and unrealized appreciation on investments were, respectively, \$(96,755), \$568,166, and \$629,007, which contributed significantly to the Fund's net asset value return of 15.50%. Profitable sales in the period were made of, among others, part of the Fund's holding of Alphabet Inc. Class A shares in the business services sector and Cisco Systems, Inc. in the industrial and commercial machinery and computer equipment sector and losses were taken on, among others, Hibbett Sports, Inc. in the retail sector. Although no particular investment was responsible for the majority of the unrealized appreciation or depreciation on investments over the period, retailers Dick's Sporting Goods, Inc. and Bed Bath & Beyond Inc. were significant contributors to unrealized depreciation during the

TO OUR SHAREHOLDERS

December 31, 2017

period. At the same time, the Fund benefited from unrealized appreciation from its holdings of Pilgrim's Pride Corporation in the food and kindred products sector and The GAP, Inc. in the apparel and accessory stores sector.

The Fund's market return for 2017 was 16.76%. Generally, the Fund's total return on a market value basis will be higher than total return on a net asset value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. For comparison, in the same period, the S&P 500 Index total return was 21.83%. This index is unmanaged and does not reflect fees and expenses, nor is it available for direct investment. At December 31, 2017, the Fund's portfolio included over 60 securities of different issuers, with the top ten amounting to approximately 35% of total assets. At that time, the Fund's investments totaled approximately \$10.2 million, reflecting the use of about \$2 million of leverage on net assets of about \$8.2 million. As the Fund pursues its investment objective of total return, these holdings and allocations are subject to change at any time.

Fund Website

The Fund's website, www.FoxbyCorp.com, provides investors with investment information, news, and other material about the Fund. The website also has links to SEC filings, performance data, and daily net asset value reporting. You are invited to use this excellent resource to learn more about the Fund.

Long Term Strategies

Our current view of financial conditions continues to suggest that Foxby Corp. may benefit during the current year from its flexible

portfolio approach, investing opportunistically in a variety of markets, and employing aggressive and speculative investment techniques as deemed appropriate. We thank you for investing in the Fund and share your enthusiasm for the Fund, as evidenced by the fact that affiliates of the Investment Manager own approximately 24% of the Fund's shares. We look forward to serving your investment needs over the years ahead.

Board of Directors

Bruce B. Huber announced his retirement and has resigned from the Board of the Fund effective January 29, 2018. Bruce agreed to join the Fund complex as an independent director on October 30, 1981 and over the years, he has given so much of his time, wisdom, and perspective, we shall remain deeply in his debt. We wish him the very best as he pursues his many, varied interests outside of the investment company world.

Sincerely,

Thomas B. Winmill

President and Co-Portfolio Manager

William Winmill

Vice President and Co-Portfolio Manager

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SCHEDULE OF PORTFOLIO INVESTMENTS

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Shares	Common Stocks (121.30%)	Value
Apparel and Accessory Stores (3.55%)		
8,000	Hanesbrands Inc. ^(a)	\$ 167,280
3,600	The GAP, Inc. ^(a)	122,616
		289,896
Automotive Dealers and Gasoline Service Stations (7.22%)		
2,300	AutoNation, Inc. ^{(a) (b)}	118,059
250	AutoZone, Inc. ^{(a) (b)}	177,842
6,800	Copart, Inc. ^{(a) (b)}	293,692
		589,593
Building Construction General Contractors and Operative Builders (2.34%)		
2,550	LGI Homes, Inc. ^(b)	191,326
Building Materials, Hardware, Garden Supply (1.10%)		
1,200	Tractor Supply Company ^(a)	89,700
Business Services (15.73%)		
500	Alphabet Inc. Class A ^{(a) (b)}	526,700
2,600	DST Systems, Inc.	161,382
11,069	GlobalSCAPE, Inc.	39,295
2,400	Omnicom Group Inc. ^(a)	174,792
3,300	Robert Half International Inc. ^(a)	183,282
2,200	WPP plc ADR	199,232
		1,284,683
Chemical and Allied Products (8.82%)		
950	Amgen Inc. ^(a)	165,205
500	Biogen Inc. ^{(a) (b)}	159,285
250	Bioverativ Inc. ^{(a) (b)}	13,480
2,500	Gilead Sciences, Inc. ^(a)	179,100
1,375	United Therapeutics Corporation ^{(a) (b)}	203,431
		720,501
Communications (0.46%)		
350	The Walt Disney Company ^(a)	37,629
Educational Services (2.37%)		

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2,500	Capella Education Company	193,500
	Electric, Gas, and Sanitary Services (2.07%)	
4,250	SCANA Corporation ^(a)	169,065
	Electronic and Other Electrical Equipment and Components, except Computer Equipment (3.29%)	
2,700	Cirrus Logic, Inc. ^{(a) (b)}	140,022
3,250	Taiwan Semiconductor Manufacturing Co. Ltd.	128,862
		268,884

See notes to financial statements.

SCHEDULE OF PORTFOLIO INVESTMENTS

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Shares	Common Stocks (continued)	Value
	Fabricated Metal Products, except Machinery and Transportation Equipment (3.89%)	
750	Snap-on Incorporated ^(a)	\$ 130,725
3,350	Sturm, Ruger & Company, Inc.	187,098
		317,823
	Food and Kindred Products (1.90%)	
5,000	Pilgrim's Pride Corporation ^{(a) (b)}	155,300
	Food Stores (2.35%)	
7,000	The Kroger Co. ^(a)	192,150
	General Merchandise Stores (6.29%)	
5,200	Wal-Mart Stores, Inc. ^(a)	513,500
	Health Services (2.54%)	
1,300	Laboratory Corporation of America Holdings ^(a)	207,363
	Holding and Other Investment Offices (1.40%)	
1,500	InterDigital, Inc. ^(a)	114,225
	Home Furniture, Furnishings, and Equipment Stores (2.25%)	
2,500	Bed Bath & Beyond Inc. ^(a)	54,975
2,500	Williams-Sonoma, Inc. ^(a)	129,250
		184,225
	Hotels, Rooming Houses, Camps, and Other Lodging Places (2.69%)	
1,900	Wyndham Worldwide Corporation ^(a)	220,153
	Industrial and Commercial Machinery and Computer Equipment (3.54%)	
1,200	Apple Inc. ^(a)	203,076
2,250	Cisco Systems, Inc. ^(a)	86,175
		289,251
	Insurance Carriers (8.49%)	
3,500	Berkshire Hathaway, Inc. Class B ^{(a)(b)}	693,770
	Measuring, Analyzing, and Controlling Instruments; Photographic, Medical and Optical Goods; Watches and Clocks (2.31%)	
1,800	KLA-Tencor Corporation ^(a)	189,126
	Miscellaneous Retail (3.92%)	

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1,400	CVS Health Corporation ^(a)	101,500
2,439	Dick's Sporting Goods, Inc. ^(a)	70,097
2,050	Walgreens Boots Alliance, Inc. ^(a)	148,871
		320,468
	Non-Depository Credit Institutions (1.22%)	
1,000	American Express Company ^(a)	99,310

See notes to financial statements.

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SCHEDULE OF PORTFOLIO INVESTMENTS

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Shares	Common Stocks (concluded)	Value
	Paper and Allied Products (0.88%)	
1,588	Schweitzer-Mauduit International, Inc.	\$ 72,032
	Real Estate (2.00%)	
5,000	Marcus & Millichap, Inc. ^(b)	163,050
	Retail Consulting and Investment (0.0%)	
72,728	Amerivon Holdings LLC ^{(b) (c)}	0
	Security and Commodity Brokers, Dealers, Exchanges, and Services (11.69%)	
900	Affiliated Managers Group, Inc. ^(a)	184,725
700	Diamond Hill Investment Group, Inc.	144,662
5,000	Federated Investors, Inc. ^(a)	180,400
3,300	GAMCO Investors, Inc.	97,845
4,500	Hennessy Advisors, Inc.	74,430
2,000	Invesco Ltd. ^(a)	73,080
1,900	T. Rowe Price Group, Inc. ^(a)	199,367
		954,509
	Tobacco Products (2.60%)	
1,500	Altria Group, Inc. ^(a)	107,115
1,000	Philip Morris International, Inc. ^(a)	105,650
		212,765
	Transportation by Air (0.76%)	
400	Allegiant Travel Company ^(a)	61,900
	Transportation Equipment (12.93%)	
4,250	General Motors Company ^(a)	174,207
5,500	Gentherm Incorporated ^(b)	174,625
1,900	Polaris Industries Inc. ^(a)	235,581
8,850	The Greenbrier Companies, Inc.	471,705
		1,056,118
	Wholesale Trade - Nondurable Goods (0.70%)	
365	McKesson Corporation ^(a)	56,922
	Total common stocks (Cost \$8,116,805)	9,908,737
	Units Master Limited Partnerships (0.46%)	
	Mining And Quarrying Of Nonmetallic Minerals, Except Fuels (0.46%)	
1,500	Ciner Resources LP (Cost \$38,296)	37,830

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Shares Preferred Stocks (2.80%)
Communications (0.20%)
1,500 Frontier Communications Corp., Series A, 11.125%

	16,230

See notes to financial statements.

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SCHEDULE OF PORTFOLIO INVESTMENTS

December 31,
2017

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Statements

Shares	Preferred Stocks (continued)	Value
	Water Transportation (1.53%)	
1,734	Seaspan Corporation Series G 8.20%	\$ 42,136
3,500	Seaspan Corporation Series H 7.875%	82,740
		124,876
	Retail Consulting and Investment (1.07%)	
207,852	Amerivon Holdings LLC ^(c)	87,298
	Total preferred stocks (Cost \$647,415)	228,404
Shares	Money Market Fund (0.54%)	
43,965	State Street Institutional U.S. Government Money Market Fund, Administration Class,	
	7 day annualized yield 0.95% (Cost \$43,965)	43,965
	Total investments (Cost \$8,846,481) (125.10%)	10,218,936
	Liabilities in excess of other assets (-25.10%)	(2,050,353)
	Net assets (100.00%)	\$ 8,168,583

(a) All or a portion of this security has been pledged as collateral pursuant to the Liquidity Agreement. As of December 31, 2017,

the value of securities pledged was \$3,999,831.

(b) *Non-income producing.*

(c) Illiquid and/or restricted security that has been fair valued.

See notes to financial statements.

FOXBY CORP.

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STATEMENT OF ASSETS AND LIABILITIES

Financial
Statements

December 31, 2017

Assets	
Investments at value (cost \$8,846,481)	\$ 10,218,936
Dividends receivable	10,760
Other assets	1,754
Total assets	10,231,450
Liabilities	
Liquidity agreement borrowing	2,000,000
Payables	
Accrued expenses	49,475
Investment management fee	8,203
Directors	3,010
Administrative services	2,179
Total liabilities	2,062,867
Net Assets	\$ 8,168,583
Net Asset Value Per Share (applicable to 2,610,050 shares outstanding; 500,000,000 shares of \$.01 par value authorized)	\$ 3.13
Net Assets Consist of	
Paid in capital	\$ 7,515,484
Accumulated undistributed net investment income	88,197
Accumulated net realized loss on investments	(807,555)
Net unrealized appreciation on investments	1,372,457
	\$ 8,168,583

See notes to financial statements.

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STATEMENT OF OPERATIONS

Financial Statements

Year Ended
December 31, 2017

Investment Income	
Dividends (net of \$677 foreign tax expense)	\$ 126,711
Total investment income	126,711
Expenses	
Investment management	75,339
Interest and fees on liquidity agreement	30,359
Bookkeeping and pricing	28,330
Audit	21,380
Legal	15,940
Directors	13,957
Shareholder communications	13,458
Administrative services	11,310
Transfer agent	6,932
Custody	2,650
Insurance	1,612
Registration	1,321
Other	878
Total expenses	223,466
Net investment loss	(96,755)
Realized and Unrealized Gain (Loss)	
Net realized gain (loss) on	
Investments	568,230
Foreign currencies	(64)
Unrealized appreciation on	
Investments	628,880
Translation of assets and liabilities in foreign currencies	127
Net realized and unrealized gain	1,197,173
Net increase in net assets resulting from operations	\$ 1,100,418
See notes to financial statements.	



STATEMENTS OF CHANGES IN NET ASSETS

Financial Statements

	Year Ended December 31, 2017	Year Ended December 31, 2016
Operations		
Net investment loss	\$ (96,755)	\$ (4,420)
Net realized gain	568,166	486,944
Unrealized appreciation	629,007	254,740
Net increase in net assets resulting from operations	1,100,418	737,264
Distributions to Shareholders		
Net investment income	-	(4,700)
Return of capital	-	(21,401)
Total distributions	-	(26,101)
Total increase in net assets	1,100,418	711,163
Net Assets		
Beginning of period	7,068,165	6,357,002
End of period	\$ 8,168,583	\$ 7,068,165
End of period net assets include undistributed net investment income	\$ 88,197	\$ 97,272
See notes to financial statements.		

STATEMENT OF CASH FLOWS

Financial Statements

Year Ended
December 31, 2017

Cash Flows From Operating Activities	
Net increase in net assets resulting from operations	\$ 1,100,418
Adjustments to reconcile increase in net assets resulting from operations to net cash provided by (used in) operating activities:	
Unrealized appreciation of investments	(629,007)
Net realized gain on sales of investments	(568,166)
Purchase of long term investments	(3,832,535)
Proceeds from sales of long term investments	3,176,037
Net purchases of short term investments	(22,978)
Decrease in dividends receivable	21,338
Decrease in foreign withholding taxes reclaimed	1,872
Increase in other assets	(559)
Increase in accrued expenses	7,112
Increase in investment management fee payable	632
Increase in administrative services payable	831
Increase in directors payable	5
Net cash used in operating activities	(745,000)
Cash Flows from Financing Activities	
Liquidity agreement borrowing, net	745,000
Net cash provided by financing activities	745,000
Net change in cash	-
Cash	
Beginning of period	-
End of period	\$ -
Supplemental disclosure of cash flow information:	
Cash paid for interest on liquidity agreement	\$ 11,142
See notes to financial statements.	

Financial Statements

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES Foxby Corp. (the “Fund”), a Maryland corporation registered under the Investment Company Act of 1940, as amended (the “Act”), is a non-diversified, closed end management investment company whose shares are quoted over the counter under the ticker symbol FXBY. The Fund’s non-fundamental investment objective is total return which it may seek from growth of capital and from income in any security type and in any industry sector. The Fund retains Midas Management Corporation (the “Investment Manager”) as its investment manager.

As an investment company, the Fund follows the accounting and reporting guidance of the Financial Accounting Standards Board Accounting Standard Codification Topic 946 “Financial Services – Investment Companies.” The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Valuation of Investments – Portfolio securities are valued by various methods depending on the primary market or exchange on which they trade. Most equity securities for which the primary market is in the United States are usually valued at the official closing price, last sale price or, if no sale has occurred, at the closing bid price. Most equity securities for which the primary market is outside the United States are usually valued using the official closing price or the last sale price in the principal market in which they are traded. If the last sale price on the local exchange is unavailable, the last evaluated quote or closing bid price normally is used. In the event of an unexpected closing of the primary market or exchange, a security may continue to trade on one or more other markets, and the price as reflected on those other trading venues may be more reflective of the security’s value than an earlier price from the primary market or exchange. Accordingly, the Fund may seek to use these additional sources of pricing data or information when prices from the primary market or exchange are unavailable, or are earlier and less representative of current market value. Certain debt securities may be priced through pricing services that may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features, and ratings on comparable securities or according to prices quoted by a securities dealer that offers pricing services. Open end investment companies are valued at their net asset value. Foreign securities markets may be open on days when the U.S.

markets are closed. For this reason, the value of any foreign securities owned by the Fund could change on a day when shareholders cannot buy or sell shares of the Fund. Securities for which market quotations are not readily available or reliable and other assets may be valued as determined in good faith by the Investment Manager’s Valuation Committee under the direction of or pursuant to procedures approved by the Fund’s Board of Directors, called “fair value pricing.” Due to the inherent uncertainty of valuation, fair value pricing values may differ from the values that would have been used had a readily available or reliable market quotation for the securities existed. These differences in valuation could be material. A security’s valuation may differ depending on the method used for determining value. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ from the net asset value that would be calculated using market prices. A fair value price is an estimate and there is no assurance that such price will be at or close to the price at which a security is next quoted or next trades.

Foreign Currency Translation – Securities denominated in foreign currencies are translated into U.S. dollars at prevailing exchange rates. Realized gain or loss on sales of such investments in local currency terms is reported separately from gain or loss attributable to a change in foreign exchange rates for those investments.

Short Sales – The Fund may sell a security short it does not own in anticipation of a decline in the market value of the security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker/dealer through which it made the short sale. The Fund is liable for any dividends or interest paid on securities sold short. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, normally is recognized upon the termination of the short sale. Securities sold short result in off balance sheet risk as the Fund’s ultimate obligation to satisfy the terms of a sale of securities sold short may exceed the amount recognized in the Statement of Assets and Liabilities.

Derivatives – The Fund may use derivatives for a variety of reasons, such as to attempt to protect against possible changes in the value of its portfolio holdings or to generate potential gain. Derivatives are financial instruments that derive their values from other securities or commodities, or that are based on indices. Derivative instruments are marked to market with the change in value reflected in unrealized appreciation or depreciation. Upon disposition, a realized gain or loss is recognized accordingly, except when taking delivery of a security underlying a contract. In these instances, the recognition of gain or loss is postponed until the disposal of the security underlying the contract. Risk may arise



NOTES TO FINANCIAL STATEMENTS



Financial Statements

as a result of the potential inability of the counterparties to meet the terms of their contracts. Derivative instruments include written options, purchased options, futures contracts, forward foreign currency exchange contracts, and swap agreements.

Investments in Other Investment Companies – The Fund may invest in shares of other investment companies such as closed end funds, exchange traded funds, and mutual funds (each, an “Acquired Fund”) in accordance with the Act and related rules. Shareholders in the Fund bear the pro rata portion of the fees and expenses of the Acquired Funds in addition to the Fund’s expenses. Expenses incurred by the Fund that are disclosed in the Statement of Operations do not include fees and expenses incurred by the Acquired Funds. The fees and expenses of an Acquired Fund are reflected in such Acquired Fund’s total returns.

Investment Transactions – Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Realized gains or losses are determined by specifically identifying the cost basis of the investment sold.

Investment Income – Dividend income is recorded on the ex-dividend date or in the case of certain foreign securities, as soon as practicable after the Fund is notified. Interest income is recorded on the accrual basis. Amortization of premium and accretion of discount on corporate bonds and notes are included in interest income. Taxes withheld on foreign dividends have been provided for in accordance with the Fund’s understanding of the applicable country’s tax rules and rates.

Expenses – Expenses deemed by the Investment Manager to have been incurred solely by the Fund are charged to the Fund. Expenses deemed by the Investment Manager to have been incurred jointly by the Fund and one or more of the other investment companies for which the Investment Manager, or its affiliates serve as investment manager, or other related entities, are allocated on the basis of relative net assets, except where a more appropriate allocation can be made fairly in the judgment of the Investment Manager.

Expense Reduction Arrangement – Through arrangements with the Fund’s custodian, credits realized as a result of uninvested cash balances are used to reduce custodian expenses. No credits were realized by the Fund during the years ended December 31, 2017 and 2016.

Distributions to Shareholders – Distributions to shareholders are determined in accordance with income tax regulations and are recorded on the ex-dividend date.

Income Taxes – No provision has been made for U.S. income taxes because the Fund’s current intention is to continue to qualify as a regulated investment company under the Internal Revenue Code (the “IRC”) and to distribute to its shareholders substantially all of its taxable income and net realized gains. Foreign securities held by the Fund may be subject to foreign taxation. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. The Fund has reviewed its tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to

uncertain tax positions taken on federal, state, and local income tax returns for open tax years (2014-2016) or expected to be taken in the Fund's 2017 tax returns.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities, and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

2. FEES AND TRANSACTIONS WITH RELATED PARTIES The Fund has retained the Investment Manager pursuant to an investment management agreement. Under the terms of the investment management agreement, the Investment Manager receives a fee payable monthly for investment advisory services at an annual rate of 0.95% of the Fund's Managed Assets. "Managed Assets" means the average weekly value of the Fund's total assets minus the sum of the Fund's liabilities, which liabilities exclude debt relating to leverage, short term debt, and the aggregate liquidation preference of any outstanding preferred stock.

Pursuant to the investment management agreement, the Fund reimburses the Investment Manager for providing at cost certain administrative services comprised of compliance and accounting services. For the year ended December 31, 2017, the Fund's reimbursements of such costs were \$11,310, of which \$7,290 and \$4,020 was for compliance and accounting services, respectively. Certain officers and directors of the Fund are officers and directors of the Investment Manager. As of December 31, 2017, affiliates of the Investment Manager owned approximately 24% of the Fund's outstanding shares.

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The Fund compensates each director who is not an employee of the Investment Manager or its affiliates. These directors receive fees for service as a director from the Fund and the other investment companies for which the Investment Manager or its affiliates serve as investment manager. In addition, director out-of-pocket expenses are allocated to each fund for which the Investment Manager or its affiliates serve as investment manager on the basis of relative net assets, except where a more appropriate allocation can be made fairly in the judgment of the Investment Manager.

3. DISTRIBUTIONS TO SHAREHOLDERS AND DISTRIBUTABLE EARNINGS For the year ended December 31, 2017, there were no distributions paid to shareholders and for the year ended December 31, 2016, the Fund paid a distribution of \$26,101, comprised of \$4,700 and \$21,401 of net investment income and return of capital, respectively.

As of December 31, 2017, the components of distributable earnings on a tax basis were as follows:

Capital loss carryover	\$	(779,419)
Unrealized appreciation		1,432,518
	\$	653,099

Capital loss carryovers are calculated and reported as of a specific date. Results of transactions and other activity after that date may affect the amount of capital loss carryovers actually available for the Fund to utilize under the IRC and related regulations. Capital losses incurred in taxable years beginning after December 22, 2010 are allowed to be carried forward indefinitely and retain the character of the original loss. As a transition rule, post-enactment net capital losses are required to be utilized before pre-enactment net capital losses. During the year ended December 31, 2017, the Fund used \$442,079 of capital losses carryover due to expire in 2017. As of December 31, 2017, the Fund has a net capital loss carryover of \$779,419, comprised of short term losses, which expires in 2018.

GAAP requires certain components related to permanent differences of net assets to be classified differently for financial reporting than for tax reporting purposes. These differences have no effect on net assets or net asset value per share. These differences, which may result in distribution reclassifications, are primarily due to differences in partnership income, return of capital dividends, re-characterization of capital gain income, and timing of distributions. As of December 31, 2017, the Fund recorded the following financial reporting reclassifications to the net asset accounts to reflect those differences:

Accumulated	Accumulated Net	
Net Investment	Realized Loss	Paid
Income	on Investments	in Capital

\$87,680	\$1,207	\$(88,887)
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4. **VALUE MEASUREMENTS** 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 including securities actively traded on a securities exchange.

Level 2 – observable inputs other than quoted prices included in level 1 that are observable for the asset or liability which may include quoted 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 including the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability.

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 investments categorized in level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, 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 inputs or methodology used for valuing investments are not an indication of the risk associated with investing in those securities.

The following is a description of the valuation techniques applied to the Fund’s major categories of assets and liabilities measured at fair value on a recurring basis:

Equity securities (common and preferred stock) – Most publicly traded equity securities are valued usually at the most recent official closing price, last sale price, evaluated quote, or closing bid price. To the extent these securities are actively traded and valuation adjustments are not applied, they may be categorized in level 1 of the fair value hierarchy. Equities on inactive markets or valued by reference to similar instruments may be categorized in level 2.

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Restricted and/or illiquid securities – Restricted and/or illiquid securities for which quotations are not readily available or reliable may be valued with fair value pricing as determined in good faith by the Investment Manager under the direction of or pursuant to procedures approved by the Fund’s Board of Directors. Restricted securities issued by publicly traded companies are generally

Valued at a discount to similar publicly traded securities. Restricted or illiquid securities issued by nonpublic entities may be valued by reference to comparable public entities or fundamental data relating to the issuer or both or similar inputs. Depending on the relative significance of valuation inputs, these instruments may be categorized in either level 2 or level 3 of the fair value hierarchy.

The following is a summary of the inputs used as of December 31, 2017 in valuing the Fund’s assets. Refer to the Schedule of Portfolio Investments for detailed information on specific investments.

ASSETS	Level 1	Level 2	Level 3	Total
Investments, at value				
Common stocks	\$ 9,908,737	\$ -	\$ 0	\$ 9,908,737
Master limited partnerships	37,830	-	-	37,830
Preferred stocks	141,106	-	87,298	228,404
Money market funds	43,965			
			-	-
				43,965
Total investments, at value	\$ 10,131,638	\$ -	\$ 87,298	\$ 10,218,936

There were no securities transferred from level 1 on December 31, 2016 to level 3 at December 31, 2017.

The following is a reconciliation of level 3 assets:

	Common Stocks	Preferred Stocks	Total
	\$		
	727		
Balance at December 31, 2016		\$ 116,397	\$ 117,124
Payment of in-kind dividends	-	-	-
Change in unrealized appreciation	(727)	(29,099)	(29,826)
	\$ 0	\$ 87,298	\$ 87,298
Balance at December 31, 2017			
Net change in unrealized appreciation attributable to assets still held as level 3 at December 31, 2017	\$ (727)	\$ (29,099)	\$ (29,826)

Except to the extent of the receipt of payment of in-kind dividends from level 3 preferred stocks as shown above, there were no transfers into or out of level 3 assets during the period. Unrealized gains (losses) are included in the related amounts on investments in the Statement of Operations.

The Investment Manager, under the direction of or pursuant to procedures approved by the Fund's Board of Directors, considers various valuation techniques and inputs for valuing assets categorized within level 3 of the fair value hierarchy. These include, but are not limited to: the type of the security; the size of the asset; the initial cost of the security; the existence of any contractual

restrictions on the security's disposition; prices of and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer or analysts; an analysis of the company's or issuer's financial statements; an evaluation of the

forces that influence the issuer and the market in which the asset is purchased and sold; multiples of earnings, cash flow, enterprise value, and similar measures; and the discount rate for lack of marketability. Significant changes in any of those inputs in isolation may result in a significantly lower or higher fair value measurement. The pricing of all fair value assets is regularly reported to the Fund's Board of Directors.

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The following table presents additional information about valuation techniques and inputs used for assets that are measured at fair value and categorized as level 3 as of December 31, 2017:

	Fair Value	Valuation Technique	Unobservable Input	Range
Common Stocks				
Retail - Consulting and Investment	\$ 0	Value of liquidation per share	Discount rate due to lack of marketability	80%
Preferred Stocks				
Retail - Consulting and Investment	\$ 87,298	Value of liquidation preference per share	Discount rate due to lack of marketability	80%

5. INVESTMENT TRANSACTIONS Purchases and proceeds from sales of investment securities, excluding short term securities, were \$3,832,535 and \$3,176,037, respectively, for the year ended December 31, 2017. As of December 31, 2017, for federal income tax purposes, the aggregate cost of securities was \$8,786,420 and net unrealized appreciation was \$1,432,518, comprised of gross unrealized appreciation of \$2,110,278 and gross unrealized depreciation of \$677,760.

6. ILLIQUID AND RESTRICTED SECURITIES The Fund owns securities which have a limited trading market and/or certain restrictions on trading and, therefore, may be considered illiquid and/or restricted. Such securities have been valued using fair value pricing. Due to the inherent uncertainty of valuation, fair value pricing values may differ from the values that would have been used had a readily available or reliable market quotation for the securities existed. These differences in valuation could be material. Illiquid and/or restricted securities owned as of December 31, 2017 were as follows:

	Acquisition Date	Cost	Value
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		\$ 497,531	\$ 87,298
Amerivon Holdings LLC preferred shares	9/20/07		
common equity units	9/20/07	0	0
Total		\$ 497,531	\$ 87,298
Percent of net assets		5%	1%

7. LIQUIDITY AGREEMENT The Fund has a Liquidity Agreement (“LA”) with State Street Bank and Trust Company (“SSB”), the Fund’s custodian and securities lending agent. The LA allows the Fund to draw up to \$2 million (maximum liquidity commitment) and includes a securities lending authorization by the Fund to SSB to engage in agency securities lending and reverse repurchase activity.

Interest is charged on the drawn amount at the rate of one-month LIBOR (London Interbank Offered Rate) plus 1.20% per annum,

and is payable monthly. A non-usage fee is charged on the difference between the maximum liquidity commitment and the drawn amount at the rate of one-month LIBOR plus 0.07% per annum, and is payable monthly.

Generally, the Fund pledges its assets as collateral to secure its obligations under the LA and makes these assets available for securities lending and repurchase transactions initiated by SSB, although the Fund retains the risks and rewards of the ownership of assets pledged. Under the terms of the LA, the Fund may enter into securities lending transactions initiated by SSB, acting as the Fund’s authorized securities lending agent. All securities lent through SSB are required to be secured with cash collateral received from the securities lending counterparty in amounts at least equal to 100% of the initial market value of the securities lent. Cash collateral received by SSB, in its role as securities lending agent for the Fund, is credited against the amounts drawn under the LA. Any amounts credited against the LA are considered leverage and would be subject to various limitations in the LA and the Act, or both. Upon return of loaned securities, SSB will return collateral to the securities lending counterparty and may fund the amount of collateral returned through securities lending, repurchase, and/or other lending activities provided under the LA. Amounts paid by securities lending counterparties for loaned securities are retained by SSB.

In the event of a securities lending counterparty default, SSB is obligated to indemnify the Fund for certain losses that may arise in connection with the default and SSB may use the collateral received from the securities lending counterparty to purchase replacement securities of the same issue, type, class, and series of the loaned securities. If the value of the collateral is less than the purchase cost of the replacement securities, SSB is responsible for satisfying the shortfall but only to the extent that the shortfall is not due to any decrease in the value of the collateral. Although the risk of the loss of the securities lent can be mitigated by receiving collateral from

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the securities lending counterparty and through SSB indemnification, the Fund could experience a delay in recovering securities or could experience a lower than expected return if the securities lending counterparty fails to return the securities on a timely basis.

The Fund or SSB may terminate the LA with 179 days' prior written notice to the other party absent a default or facility termination event. If certain asset coverage and collateral requirements, minimum net assets, or other covenants are not met, the LA could be deemed in default and be terminated. As of December 31, 2017 there were no lent securities and the outstanding loan balance and the value of assets pledged as collateral were \$2,000,000 and \$3,999,831, respectively. The weighted average interest rate and average daily amount outstanding under the LA for the year ended December 31, 2017 were 2.40% and \$565,178, respectively. The maximum amount outstanding during the year ended December 31, 2017 was \$2,000,000.

8. FOREIGN SECURITIES RISK Investments in the securities of foreign issuers involve special risks which include changes in foreign exchange rates and the possibility of future adverse political, tax, and economic developments which could adversely affect the value of such securities. Moreover, securities of foreign issuers and securities traded in foreign markets may be less liquid and their prices more volatile than those of U.S. issuers and markets. In addition, in certain foreign countries, there is the possibility of expropriation or confiscatory taxation, political, or social instability, or diplomatic developments that could affect U.S. investments in the securities of issuers domiciled in those countries.

9. LEVERAGE RISK The Fund from time to time may borrow under its LA to increase the assets in its investment portfolio over its net assets, a practice called leverage. Leverage borrowing creates an opportunity for increased return but, at the same time, involves special risk considerations. Leverage increases the likelihood of greater volatility of net asset value and market price of the Fund's shares. If the return that the Fund earns on the additional securities purchased fails to cover the interest and fees incurred on the monies borrowed, the net asset value of the Fund (and the return of the Fund) would be lower than if borrowing had not been incurred. In addition, when the Fund borrows at a variable interest rate, there is a risk that fluctuations in the interest rate may adversely affect the return to the Fund's shareholders. Interest payments and fees incurred in connection with such borrowings will reduce the amount of net income available for distribution to shareholders. There is no assurance that a borrowing strategy will be successful during any period in which it is employed. Borrowing on a secured basis results in certain additional risks. Should securities that are pledged as collateral to secure its obligations under the LA decline in value, the Fund may be required

to pledge additional assets in the form of cash or securities to the lender to avoid liquidation of the pledged assets. In the event of a steep drop in the value of pledged securities, it might not be possible to liquidate assets quickly enough and this could result in mandatory liquidation of the pledged assets in a declining market at relatively low prices. Furthermore, the Investment Manager's ability to sell the pledged securities is limited by the terms of the LA, which may reduce the Fund's investment flexibility over the pledged securities. Because the fee paid to the Investment Manager is calculated on the basis of the average weekly value of the Fund's total assets minus the sum of the Fund's liabilities, which liabilities exclude debt relating to leverage, short term debt and the aggregate liquidation preference

of any outstanding preferred stock, the dollar amount of the management fee paid by the Fund to the Investment Manager will be higher (and the Investment Manager will benefit to that extent) when leverage is utilized.

10. CYBERSECURITY RISK With the increased use of technologies such as the Internet to conduct business, the Fund is susceptible to operational, information security, and related risks. Cyber incidents affecting the Fund or its service providers may cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its net asset value, impediments to trading, the inability of shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional related costs.

11. CAPITAL STOCK As of December 31, 2017, there were 2,610,050 shares of \$.01 par value common stock outstanding and 500,000,000 shares authorized. There were no transactions in capital stock during the years ended December 31, 2017 and 2016.

12. SHARE REPURCHASE PROGRAM In accordance with Section 23(c) of the Act, the Fund may from time to time repurchase its shares in the open market at the discretion of and upon such terms as determined by the Board of Directors. The Fund did not repurchase any of its shares during the years ended December 31, 2017 and 2016.

13. CONTINGENCIES The Fund indemnifies its officers and directors from certain liabilities that might arise from their performance of their duties for the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which may provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as it involves future claims that may be made against the Fund under circumstances that have not occurred.

NOTES TO FINANCIAL STATEMENTS

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14. OTHER INFORMATION The Fund may at times raise cash for investment by issuing shares through one or more offerings, including rights offerings. Proceeds from any such offerings will be invested in accordance with the investment objective and policies of the Fund.

15. ACCOUNTING PRONOUNCEMENTS In October 2016, the Securities and Exchange Commission (“SEC”) adopted investment

company reporting modernization reforms which, among other things, amend Regulation S-X (“Regulation S-X Amendments”) to require standardized, enhanced disclosures, particularly related to derivatives, in investment company financial statements. The compliance date for the Regulation S-X Amendments is for reporting period end dates on or after August 1, 2017. The impact of the Regulation S-X Amendments had no effect on the Fund’s net assets or results of operations.

FINANCIAL HIGHLIGHTS

Financial Statements

Per Share Operating Performance (for a share outstanding throughout each period)	Year Ended December 31,				
	2017	2016	2015	2014	2013
Net asset value, beginning of period	\$2.71	\$2.44	\$2.68	\$2.66	\$2.09
Income from investment operations:					
Net investment income (loss) ⁽¹⁾	(0.04)	-*	0.02	0.02	0.02
Net realized and unrealized gain (loss) on investments	0.46	0.28	(0.24)	-*	0.57
Total from investment operations	0.42	0.28	(0.22)	0.02	0.59
Less distributions:					
Net investment income	-	-*	(0.01)	-	(0.02)
Return of capital	-	(0.01)	(0.01)	-	-
Total distributions	-	(0.01)	(0.02)	-	(0.02)
Net asset value, end of period	\$3.13	\$2.71	\$2.44	\$2.68	\$2.66
Market value, end of period	\$2.09	\$1.79	\$1.59	\$1.87	\$1.95
Total Return ⁽²⁾					
Based on net asset value	15.50%	11.69%	(7.81)%	0.75%	28.23%
Based on market price	16.76%	13.21%	(13.90)%	(4.10)%	35.50%
Ratios/Supplemental Data					
Net assets at end of period (000s omitted)	\$8,169	\$7,068	\$6,357	\$6,996	\$6,945
Ratio of expenses to average net assets ⁽³⁾	3.03%	2.91%	2.35%	1.92%	1.60%
Ratio of net investment income (loss) to average net assets	(1.31)%	(0.07)%	0.64%	0.75%	0.92%
Portfolio turnover rate	40%	58%	34%	53%	12%
Leverage analysis, end of period:					
Outstanding loan balance (000s omitted)	\$ 2,000	\$ 1,255	\$ 1,186	\$ 546	\$ 847
Asset coverage per \$1, 000 ⁽⁴⁾	\$ 5,084	\$ 6,632	\$ 6,362	\$ 13,821	\$ 9,203
Average commission rate paid	\$0.0182	\$0.0137	\$0.0167	\$ 0.0114	\$0.0170

(1) The per share amounts were calculated using the average number of shares outstanding during the period.

(2)

Total return on a market value basis is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan if in effect or, if there is no plan in effect, at the lower of the per share net asset value or the closing market price of the Fund's shares on the dividend/distribution date. Generally, total return on a net asset value basis will be higher than total return on a market value basis in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total return on a net asset value basis will be lower than total return on a market value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. The calculation does not reflect brokerage commissions, if any.

(3) The ratio of expenses excluding loan interest and fees from the use of leverage to average net assets was 2.62%, 2.68%, 2.29%, 1.86%, and 1.60% for the years ended December 31, 2017, 2016, 2015, 2014, and 2013, respectively.

(4) Represents the value of total assets less liabilities not represented by senior securities representing indebtedness divided by the total number of senior indebtedness units, where one unit equals \$1,000 of senior indebtedness. For purposes of this calculation, the LA is considered a senior security representing indebtedness.

*Less than \$0.005 per share.

See notes to financial statements.

REPORT OF INDEPENDENT REGISTERED ACCOUNTING FIRM

Financial
Statements

To the Shareholders and Board of Directors of

Foxby Corp.

New York, New York

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Foxby Corp. (the “Fund”), including the schedule of investments, as of December 31, 2017, the related statement of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2017, the results of its operations and cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund’s auditor since 2002.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2017 by correspondence with the custodian. We believe that our audits provide a

reasonable basis for our opinion.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania

February 26, 2018

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DIRECTORS (Unaudited)

Additional Information

The following table sets forth certain information concerning the directors currently serving on the Board of Directors of the Fund. The directors of each class shall serve for terms of five years and then carryover until their successors are elected and qualify.

INDEPENDENT DIRECTORS ⁽¹⁾					
Name, Address ⁽²⁾ and Date of Birth	Position(s) Held with the Fund	Director Since	Principal Occupation(s) for the Past Five Years	Number of Portfolios in Fund Complex Overseen by Director ⁽³⁾	Other Directorships Held by Director During the Past Five Years ⁽⁴⁾
Peter K. Werner August 16, 1959	Class III Director	2002	Since 1996, Mr. Werner has taught, directed, and coached many programs at The Governor's Academy of Byfield, MA. Currently, he teaches economics and history at the Governor's Academy. Previously, he	4	None

held the position of Vice President in the Fixed Income Departments of Lehman Brothers and First Boston. His responsibilities included trading sovereign debt instruments, currency arbitrage, syndication, medium term note trading, and money market trading.

Jon Tómasson September 20, 1958	Class V Director	2017	Since 2002, Mr. Tómasson has served as the Chief Executive Officer of Vinland Capital Investments, LLC, a real estate investment company that he founded. Prior to starting Vinland, Mr. Tómasson was a principal with Cardinal Capital Partners, a leading investor in single-tenant net-leased property, and served as a Vice President at Citigroup in the Global Real Estate Equity and Structured Finance group, part of the Real	4	Eagle Bulk Shipping Inc. ⁽⁷⁾
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Estate
Investment Bank,
with both
transactional and
various
management
responsibilities.

INTERESTED DIRECTOR

<p>Thomas B. Winmill ⁽⁵⁾ ⁽⁶⁾ PO Box 4 Walpole, NH 03608 June 25, 1959</p>	<p>Class IV Director; President, Chief Executive Officer, Chairman, Chief Legal Officer</p>	<p>2002</p>	<p>Mr. Winmill is President, Chief Executive Officer, Chairman, Chief Legal Officer, and a Trustee or Director of the Fund, Dividend and Income Fund, and Midas Series Trust. He is President, Chief Executive Officer, and Chief Legal Officer of the Investment Manager and Bexil Advisers LLC (registered investment advisers) (collectively, the “Advisers”), Bexil Securities LLC and Midas Securities Group, Inc. (registered broker-dealers) (collectively, the “Broker-Dealers”), Bexil Corporation (a holding</p>	<p>4</p>	<p>Global Self Storage, Inc. Eagle Bulk Shipping Inc.⁽⁷⁾</p>
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company) (“Bexil”) and Winmill & Co. Incorporated (a holding company) (“Winco”). He is a Director of Global Self Storage, Inc. (a self storage REIT) (“SELF”) and Bexil American Mortgage Inc. He is Chairman of the Investment Policy Committee of each of the Advisers (the “IPCs”), and he is a portfolio manager of the Fund, Dividend and Income Fund, Midas Fund, and Midas Magic. He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute.

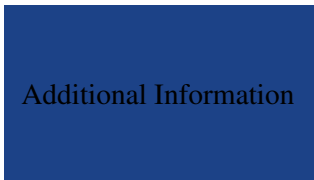
(1) Refers to directors who are not “interested persons” of the Fund as defined under the Act. Mr. Bruce B. Huber resigned as a director from the Board of Directors of the Fund effective as of January 29, 2018. (2) Unless otherwise noted, the address of record for the directors is 11 Hanover Square, New York, New York 10005. (3) The “Fund Complex” is comprised of the Fund, Dividend and Income Fund, and Midas Series Trust (with two series), which are managed by the Investment Manager or its affiliates. (4) Refers to directorships and trusteeships held by a director during the past five years in any company with a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 or any company registered as an investment company under the Act, excluding those within the Fund Complex. (5) Thomas B. Winmill is an “interested person” (as such term is defined in the Act) of the Fund due to his affiliation with the Investment Manager. (6) Thomas B. Winmill and Mark C. Winmill are brothers; Thomas B. Winmill and William M. Winmill are father and son, respectively; William M. Winmill is the nephew of Mark C. Winmill. (7) Thomas B. Winmill and Jon Tómasson ceased serving as directors of Eagle Bulk Shipping Inc. in 2014.

Messrs. Tómasson and Werner also serve on the Audit and Nominating Committees of the Board. Mr. Winmill serves on the Executive Committee of the Board. Each of the directors serves on the Continuing Directors Committee of the Board.

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OFFICERS (Unaudited)



The executive officers, other than those who serve as directors, and their relevant biographical information are set forth below.

EXECUTIVE OFFICERS			
Name, Address (1) and Date of Birth	Position(s) Held with the Fund	Principal Officer Since ⁽²⁾	Occupation(s) for the Past Five Years

Russell Kammerman, Esq. July 8, 1982	Chief Compliance Officer, Secretary, and General Counsel	2014	Chief Compliance Officer (since 2014), Secretary (since 2017), and General Counsel (since 2017) of the other investment companies in the Fund Complex, the Advisers, the Broker-Dealers, and Bexil. He is Assistant Chief Compliance Officer, Assistant Secretary, and Assistant General Counsel of SELF, Winco, and Tuxis Corporation (a real estate company) (“Tuxis”). From December 2014 to June 2017, Mr. Kamerman served as Anti-Money Laundering Officer of the other investment companies in the Fund Complex, the Advisers, Bexil, SELF, Winco and Tuxis. He is a member of the New York State Bar and the Chief Compliance Officer Committee and the Advertising Compliance Advisory Committee of the Investment Company Institute. Previously, he was an attorney in private practice focusing on regulatory, compliance, and other general corporate matters relating to the structure, formation, and operation of investment funds and investment advisers.
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Heidi Keating March 28, 1959	Vice President	2002	Vice President of the other investment companies in the Fund Complex, the Advisers, Bexil, SELF, Tuxis, and Winco. She is a member of the IPCs.
Donald Klimoski II, Esq. September 24, 1980	Assistant Secretary, Assistant General Counsel, and Assistant Chief Compliance Officer	2017	Assistant Secretary, Assistant General Counsel, and Assistant Chief Compliance Officer of the other investment companies in the Fund Complex, the Advisers, and Bexil. He is Chief Compliance Officer, Secretary, and General Counsel of SELF, Winco, and Tuxis. He is a member of the New York, New Jersey and Patent Bars and the Compliance Advisory Committee of the Investment Company Institute. Previously, he served as Associate General Counsel of Commvault Systems, Inc. Prior to that, he was an associate at Sullivan & Cromwell LLP, where his practice focused on mergers and acquisitions, securities law, corporate governance, intellectual property and related matters.
Thomas O'Malley July 22, 1958	Chief Accounting Officer, Chief Financial Officer, Treasurer, and Vice President	2005	Chief Accounting Officer, Chief Financial Officer, Vice President, and Treasurer of the other investment companies in the Fund Complex, the Advisers, the Broker-Dealers, Bexil, SELF, Tuxis, and Winco. He is a certified public accountant.
Mark C. Winmill (3) November 26, 1957	Vice President	2012	Vice President of the other investment companies in the Fund Complex and Midas Management Corporation. He is a member of the IPCs. He is President, Chief Executive Officer, Chairman and a Director of SELF and Tuxis. He is Executive Vice President and a Director of Winco and a principal of the Broker-Dealers.
William M. Winmill (3) December 29, 1991	Vice President	2017	Vice President or Assistant Vice President of the other investment companies in the Fund Complex, the Advisers, Bexil, SELF, Tuxis, and Winco. From 2014 to 2016, he served these companies as Compliance Assistant and Accounting Assistant, after graduating from Bowdoin College in 2014. He is a member of the IPCs, and he is a portfolio manager of Dividend and Income Fund and Foxby Corp.

(1) Unless otherwise noted, the address of record for the officers is 11 Hanover Square, New York, New York 10005. (2) Officers hold their positions with the Fund until a successor has been duly elected and qualifies. Officers are generally elected annually. The officers were last elected on December 13, 2017. (3) Thomas B. Winmill and Mark C. Winmill are brothers; Thomas B. Winmill and William M. Winmill are father and son, respectively; William M. Winmill is the nephew of Mark C. Winmill.

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Rev. 7/2017

PRIVACY POLICY

FACTS WHAT DOES
FOXBY CORP.
DO WITH YOUR
PERSONAL
INFORMATION?

Why? Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What? The types of personal information we collect and share depend on the product or service you have with us. This information can include:

Social Security number	Transaction or loss history
Account balances	Account transactions



Transaction history Retirement assets

When you are *no longer* our customer, we continue to share your information as described in this notice.

How? All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Foxby Corp. chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Foxby Corp. share?	Can you limit this sharing?
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For our everyday business purposes –

Yes

No

such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit

bureaus

For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other nonaffiliated financial companies	No	We don't share
For our affiliates' everyday business purposes – Information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – Information about your creditworthiness	No	We don't share
For our affiliates to market to you	Yes	Yes
For nonaffiliates to market to you	No	We don't share

To Limit Sharing

Call Foxby Corp. at 212-785-0900 – our menu will prompt you through your choices; or
Mail the form below

Please note:

If you are a new customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

Questions?

Call Foxby Corp. at 1-212-785-0900 or go to www.foxbycorp.com

"....."

Mail-in Form

Leave Blank or
[If you have a joint
account, your choice will
apply to everyone on
your account unless you
mark below.

Mark if you want to limit:
Do not allow your affiliates to use my personal
information to market to me.

Apply my choice only to me]

Name
Address

City, State, Zip
Account #

Mail to:
Foxby Corp.
11 Hanover Square, 12th

Floor
New York, NY 10005

FOXBY CORP.

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Who we are

Who is providing this notice? Foxby Corp.

What we do

How does Foxby Corp. protect my personal information? To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

How does Foxby Corp. collect my personal information? We collect your personal information, for example, when you

- Open an account
- Buy securities from us
- Provide account information
- Give us your contact information
- Tell us where to send the money

Why can't I limit all sharing? Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes – information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

What happens when I limit sharing for an account I hold jointly with someone else? State laws and individual companies may give you additional rights to limit sharing. Your choices will apply to everyone on your account – unless you tell us otherwise.

Definitions

Affiliates Companies related by common ownership or control. They can be financial and nonfinancial companies.

Foxby Corp. shares with our affiliates.

Nonaffiliates Companies not related by common ownership or control. They can be financial and nonfinancial companies.

Foxby Corp. does not share with nonaffiliates so they can market their financial products or services to you.

Joint marketing A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

Foxby Corp. does not jointly market.

GENERAL INFORMATION, POLICIES, AND UPDATES

Additional Information

Proxy Voting

The Fund’s Proxy Voting Guidelines, which describe the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities, as well as its proxy voting record for the most recent 12 months ended June 30, are available without charge by calling the Fund collect at 1-212-785-0900, on the SEC’s website at www.sec.gov, and on the Fund’s website at www.FoxbyCorp.com.

Quarterly Schedule of Portfolio Holdings

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund’s Forms N-Q are available on the SEC’s website at www.sec.gov. The Fund’s Form N-Q may be reviewed and copied at the SEC’s Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Fund makes the Forms N-Q available on its website at www.FoxbyCorp.com.

STOCK DATA AT DECEMBER 31, 2017

Market Price per Share	\$2.09
Net Asset Value per Share	\$3.13
Market Price Discount to Net Asset Value	33.2%
Ticker Symbol	FXBY
CUSIP Number	351645106

Investment Manager

Midas Management Corporation

11 Hanover Square

New York, NY 10005

1-212-785-0900

Stock Transfer Agent and Registrar

Securities Transfer Corporation

2901 N Dallas Parkway, Suite 380

Plano, TX 75093

www.stctransfer.com

1-469-633-0101

FOXBYCORP.COM

Visit us on the web at www.FoxbyCorp.com. The site provides information about the Fund including press releases and shareholder reports. For further information, please email us at info@FoxbyCorp.com.

Foxby Corp. is a part of a fund complex which includes Midas Fund, Midas Magic, and Dividend and Income Fund.

Exclusive Forum

In October 2017, the Fund's bylaws ("Bylaws") were amended to provide that, unless the Fund consents in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland (or, in the event that the Circuit Court does not have jurisdiction, other state courts of the State of Maryland or, if no state court located within the State of Maryland has jurisdiction, the United States District Court for the District of Maryland, Baltimore Division) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Fund, (ii) any action asserting a claim of breach of any duty owed by any director or officer or other employee of the Fund to the Fund or to the stockholders of the Fund, (iii) any action asserting a claim against the Fund or any director or officer or other employee of the Fund arising pursuant to any provision of the Maryland General Corporation Law, the Fund's charter or the Bylaws, (iv) any action to interpret, apply, enforce or determine the validity of the Fund's charter or the Bylaws, or (v) any action asserting a claim against the Fund or any director or officer or other employee of the Fund that is governed by the internal affairs doctrine. The Bylaws further provide that, if any such action is filed in a court other than a court located within the State of Maryland (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Maryland in connection with any action brought in any such court to enforce this provision, and (ii) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

The provisions of the Bylaws described above could have the effect of depriving the owners of shares in the Fund of opportunities to sell their shares at a premium over prevailing market prices by discouraging a third party from seeking to obtain control of the Fund in a tender offer or similar transaction or bringing litigation against the Fund and/or any director, officer, employee or affiliate thereof. The overall effect of these provisions is to render more difficult the accomplishment of a merger or the assumption of control by a principal stockholder.

The foregoing summary is subject to the Bylaws and other governing documents of the Fund, which are on file with the SEC and available on the Fund's website <http://www.foxbycorp.com>.

Please Note - There is no assurance that the Fund's investment objective will be attained. Past performance is no guarantee of future results. Investors should carefully consider the investment objective, risks, charges, and expenses of the Fund before investing. The Fund's investment policies, management fees, and other matters of interest to investors may be found in its filings with the SEC, including its annual and semi-annual reports. To obtain a copy of the reports, please call 212 785-0900 or visit www.FoxbyCorp.com.

This report is for shareholder information. This is not a prospectus intended for use in the purchase or sale of Fund shares.

NOT FDIC INSURED MAY LOSE VALUE NOT BANK GUARANTEED



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GENERAL INFORMATION, POLICIES, AND UPDATES

Additional Information

Shares of closed end funds frequently trade at a discount from their Net Asset Value (“NAV”). This characteristic is a risk separate and distinct from the risk that the Fund’s NAV could decrease as a result of its investment activities. Neither the Fund nor its Investment Manager can predict whether shares of the Fund will trade at, below, or above NAV. The risk of holding shares of the Fund that might trade at a discount is more pronounced for investors expecting to sell their shares in a relatively short period of time after acquiring them because, for those investors, realization of a gain or loss on their investments is likely to be more dependent upon the existence of a premium or discount than upon portfolio performance. The shares of the Fund are designed primarily for long term investors and should not be considered a vehicle for trading purposes. The NAV of the Fund shares typically will fluctuate with price changes of the Fund’s portfolio securities, and these fluctuations are likely to be greater in the case of a fund which uses leverage, as the Fund may from time to time. In the event that shares of the Fund trade at a premium to NAV, there is no assurance that any such premium will be sustained for any period of time and will not decrease, or that the shares of the Fund will not trade at a discount to NAV thereafter. The market price for the Fund is based on supply and demand which fluctuates daily based on many factors, such as economic conditions and global events, investor sentiment, and security-specific factors.

This report, including the financial statements herein, is provided for informational purposes only. This is not a prospectus, circular, or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report. This report shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any state in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state, or an exemption therefrom.

The Fund does not make available copies of its Statement of Additional Information because the Fund’s shares are not continuously offered, which means that the Fund’s Statement of Additional Information has not been updated since completion