

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND

Form N-Q

June 28, 2005

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OMB APPROVAL  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

Investment Company Act File Number: 811-21417

Registrant Name: NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND

Address of Principal Executive Offices: 1345 Avenue of the Americas New York,  
New York 10105

Name and Address of Agent for Service: Lawrence G. Altadonna - 1345 Avenue of  
the Americas New York, New York 10105

Registrant's telephone number, including area code: 212-739-3371

Date of Fiscal Year End: 1/31

Date of Reporting Period: 4/30

Form N-Q is to be used by the registered management investment company, other than a small business investment company registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b 1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

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

ITEM 1. SCHEDULE OF INVESTMENTS

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NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND SCHEDULE OF INVESTMENTS  
 April 30, 2005 (unaudited)

Shares (000)		Value
	COMMON STOCK--73.8%	
	AEROSPACE/DEFENSE--0.7%	
270	Northrop Grumman Corp.	\$ 14,8
	AGRICULTURE--6.0%	
1,125	Altria Group, Inc.	73,1
721	Reynolds American, Inc.	56,2
		129,3
	APPAREL--0.8%	
300	VF Corp.	16,9
	BANKING--6.6%	
410	Bank of America Corp.	18,4
1,783	Keycorp	59,1
1,919	Regions Financial Corp.	64,2
		141,8
	CHEMICALS--1.9%	
900	The Dow Chemical Co.	41,3
	COMMERCIAL SERVICES--3.0%	
1,630	Deluxe Corp.	65,0
	COMPUTERS--1.4%	
711	Hewlett-Packard Co.	14,5
828	Seagate Technology, Inc.	14,5
		29,1
	DIVERSIFIED FINANCIAL SERVICES--1.8%	
392	JP Morgan Chase & Co.	13,9
615	MBNA Corp.	12,1
244	Morgan Stanley Dean Witter & Co.	12,8
		38,8
	ELECTRIC--5.6%	
793	DTE Energy Co.	36,4
2,000	Progress Energy, Inc.	83,9
		120,3
	FOOD--4.0%	
1,950	Albertson's, Inc.	38,5
1,800	ConAgra Foods, Inc.	48,1
		86,7

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	GAS--3.3%		
1,486	KeySpan Corp.		56,3
361	Sempra Energy		14,5
			70,9
	HAND/MACHINE TOOLS--0.6%		
307	The Stanley Works		13,2
	HOME FURNISHINGS--1.3%		
456	Whirlpool Corp.		28,2
	HOUSEHOLD PRODUCTS--0.6%		
212	Kimberly-Clark Corp.		13,2
	INSURANCE--2.3%		
450	Jefferson-Pilot Corp.		22,5
307	Lincoln National Corp.		13,8
382	St. Paul Travelers Cos., Inc.		13,6
			50,0
	METALS & MINING--1.8%		
1,100	Freeport-McMoRan Copper & Gold, Inc.		38,1

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND SCHEDULE OF INVESTMENTS  
April 30, 2005 (unaudited)

Shares (000)		Valu
	OIL & GAS--9.8%	
630	Chevron Corp.	\$ 32,7
265	ConocoPhillips	27,7
626	Marathon Oil Corp.	29,1
201	Occidental Petroleum Corp.	13,8
770	PetroChina Co. Ltd. ADR	45,9
1,480	Petroleo Brasileiro SA ADR	62,0
		211,5
	PHARMACEUTICALS--9.2%	
1,700	GlaxoSmithKline PLC ADR	85,9
2,335	Merck & Co., Inc.	79,1
1,200	Pfizer Inc.	32,6
		197,6
	REAL ESTATE INVESTMENT TRUSTS--3.2%	

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488	Boston Properties, Inc.		32,4
1,215	Duke Realty Corp.		37,1
			-----
			69,6
			-----
	RETAIL--1.3%		
615	Limited Brands, Inc.		13,3
414	The May Department Stores Co.		14,5
			-----
			27,8
			-----
	SAVINGS & LOANS--3.1%		
1,600	Washington Mutual, Inc.		66,1
			-----
	TELECOMMUNICATIONS--5.5%		
244	Alltel Corp.		13,8
1,518	AT&T Corp.		29,0
2,080	Verizon Communications Inc.		74,4
			-----
			117,4
			-----
	Total Common Stock (cost--\$1,633,337,060)		1,588,7
			-----
	CONVERTIBLE BONDS & NOTES--12.2%		
			-----
Principal		Credit Rating	
Amount		(Moody's/S&P)	
(000)			
-----		-----	
\$ 6,500	AEROSPACE/DEFENSE--0.4% GenCorp, Inc., 4.00%. 1/16/24	Caa2/B	8,7
			-----
7,500	AIRLINES--0.3% Continental Airlines, Inc., 4.50%, 2/1/07	Caa2/CCC+	5,8
			-----
6,325	AUTO PARTS & EQUIPMENT--0.3% The Goodyear Tire & Rubber Co., 4.00%, 6/15/34 (a) (b)	B3/B-	7,2
			-----
3,000	CHEMICALS--0.3% Millennium Chemicals, Inc., 4.00%, 11/15/23	B1/BB-	6,0
			-----
5,000	COMMERCIAL SERVICES--1.0% Bowne & Co., Inc., 5.00%, 10/1/33	B2/B-	5,2
7,500	Memberworks, Inc., 5.50%, 10/1/10	NR/B-	7,4
9,000	World Color Press, Inc., 6.00%, 10/1/07	Ba1/BB+	9,2
			-----
			22,0
			-----
9,000	COMPUTERS--0.4% Maxtor Corp., 6.80%, 4/30/10	B2/NR	8,4
			-----
9,500	DIVERSIFIED FINANCIAL SERVICES--0.4% E*Trade Financial Corp., 6.00%, 2/1/07	NR/B-	9,5

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	ELECTRIC--0.5%		
3,500	PG&E Corp., 9.50%, 6/30/10	NR/NR	9,6

	ELECTRICAL COMPONENTS & EQUIPMENT--0.3%		
5,750	Artesyn Technologies, Inc., 5.50%, 8/15/10	NR/NR	6,4

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND SCHEDULE OF INVESTMENTS  
 April 30, 2005 (unaudited)

Principal Amount (000)		Credit Rating (Moody's/S&P)	Val
2,500	HEALTHCARE-SERVICES--0.2% Matria Healthcare, Inc., 4.875%, 5/1/24	NR/B-	\$ 4,2
7,700	LODGING--0.4% Hilton Hotels Corp., 3.375%, 4/15/23	Baa3/BBB-	8,7
9,000	MEDIA--0.4% EchoStar Communications Corp., 5.75%, 5/15/08 GDR	B2/B	8,8
6,775	MINING--0.4% Freeport-McMoRan Copper & Gold, Inc., 7.00%, 2/11/11	NR/B+	8,6
6,000	MISCELLANEOUS MANUFACTURING--0.4% Tyco International Group SA, 3.125%, 1/15/23	Baa3/BBB	8,8
8,475 4,400	OIL & GAS--0.8% Devon Energy Corp., 4.95%, 8/15/08 St. Mary Land & Exploration Co., 6.25%, 3/15/22 (c)	Baa2/BBB NR/NR	9,0 7,8
1,000	OIL & GAS SERVICES--0.1% Schlumberger Ltd., 1.50%, 6/1/23	A1/A+	16,9 1,0
6,000 9,000	PHARMACEUTICALS--0.7% Ligand Pharmaceuticals, Inc., 6.00%, 11/16/07 Sepracor, Inc., 5.00%, 2/15/07	NR/NR NR/CCC+	6,3 9,0
5,650	RETAIL--0.7% Guitar Center, Inc., 4.00%, 7/15/13	B1/BB-	15,4 8,4

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7,000	Sonic Automotive, Inc., 5.25%, 5/7/09	B3/B	6,9
			15,3
	SEMI-CONDUCTORS--0.8%		
9,500	Advanced Micro Devices, Inc., 4.75%, 2/1/22 GDR (c)	B3/B-	8,9
9,850	Amkor Technology, Inc., 5.75%, 6/1/06 GDR	Caa1/CCC	8,7
			17,7
	TELECOMMUNICATIONS--2.6%		
9,000	American Tower Corp., 5.00%, 2/15/10	B3/CCC	8,9
8,500	CenturyTel, Inc., 4.75%, 8/1/32	Baa2/BBB+	8,8
6,000	Harris Corp., 3.50%, 8/15/22 GDR	Baa2/BBB	8,0
10,000	Nextel Communications, Inc., 5.25%, 1/15/10	Ba3/BB	9,9
4,325	NII Holdings, Inc., 3.50%, 9/15/33	NR/NR	8,5
9,500	Nortel Networks Corp., 4.25%, 9/1/08 GDR	B3/B-	8,6
5,000	Primus Telecommunications Group, Inc., 8.00%, 1/15/14 GDR	B3/CCC	2,9
			55,8
	TRANSPORTATION--0.4%		
5,450	Yellow Roadway Corp., 5.00%, 8/8/23	Ba1/BBB-	8,5
	TRUCKING & LEASING--0.4%		
7,950	GATX Corp., 7.50%, 2/1/07 GDR	Baa3/BBB-	9,2
	Total Convertible Bonds & Notes (cost-\$290,604,741)		263,5

CONVERTIBLE PREFERRED STOCK--9.3%

Shares (000)			
	AUTO MANUFACTURERS--0.8%		
191	Ford Motor Co. Capital Trust II, 6.50%, 1/15/32	Baa2/B+	7,4
460	General Motors Corp., 6.25%, 7/15/33, Ser. C	Baa3/BBB	8,6
			16,1
	CHEMICALS--0.3%		
150	Huntsman Corp., 5.00%, 2/16/08	NR/NR	7,0

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April 30, 2005 (unaudited)

Shares (000)		Credit Rating (Moody's/S&P)	Val
	COAL--0.5%		
88	Arch Coal, Inc., 5.00%, 12/31/49	B3/B	\$ 9,7

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180	COMMERCIAL SERVICES--0.3% United Rentals Trust I, 6.50%, 8/1/28	B3/B	7,4
175	DIVERSIFIED FINANCIAL SERVICES--0.4% Capital One Financial Corp., 6.25%, 5/17/05	Baa3/BBB-	8,7
201	ELECTRIC--1.3% AES Trust III, 6.75%, 10/15/29	B3/CCC+	8,8
150	FPL Group, Inc., 8.00%, 2/16/06	NR/A-	9,3
125	Public Service Enterprise Group, Inc., 10.25%, 11/16/05	Baa3/BBB-	9,2
413	FOOD--0.4% Albertson's, Inc., 7.25%, 5/16/07	Baa2/BBB	8,8
259	GAS--0.4% Oneok, Inc., 8.50%, 2/16/06	Baa1/BBB+	9,1
110	HOLDING COMPANIES-DIVERSIFIED --0.4% Williams Cos., Inc., 5.50%, 6/1/33	NR/B-	9,3
270	INSURANCE--1.7% Genworth Financial, Inc., 6.00%, 5/16/07	A2/A	8,6
332	Platinum Underwriters Holdings Ltd., 7.00%, 11/16/05	NR/NR	9,5
410	PMI Group Inc., 5.875%, 11/15/06	A1/A	9,1
415	XL Capital Ltd., 6.50%, 5/15/07	A2/A	9,5
46	IRON/STEEL--0.3% U. S. Steel Corp. 7.00%, 6/15/06, Ser. B	NR/B	6,3
76	OFFICE/BUSINESS EQUIPMENT --0.4% Xerox Corp., 6.25%, 7/1/06	B1/B-	8,8
113	OIL & GAS--0.8% Amerada Hess Corp., 7.00%, 12/1/06	Ba3/BB	9,2
69	Chesapeake Energy Corp., 5.00%, 12/31/49	B3/B-	9,0
190	PHARMACEUTICALS--0.5% Schering-Plough Corp., 6.00%, 9/14/07	Baa3/BBB	10,4
190	SAVINGS & LOANS--0.5% Washington Mutual Capital Trust I, 5.375%, 5/1/41	Baa1/BBB	9,9
9	TELECOMMUNICATIONS--0.3% Corning, Inc., 7.00%, 8/16/05, Ser. C	B1/BB+	6,0
	Total Convertible Preferred Stock (cost-\$216,502,364)		200,4

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SHORT-TERM INVESTMENTS--5.0%			
Principal Amount (000)			
TIME DEPOSITS--3.3%			
\$ 13,884	HSBC Bank USA, 2.36%, due 5/2/2005		13,884
29,679	Rabobank, 2.36%, due 5/2/2005		29,679
27,877	Wachovia Bank, 2.36%, due 5/2/2005		27,877
	Total Time Deposits (cost-\$71,440,431)		71,439
U.S. GOVERNMENT SECURITIES--1.7%			
35,000	United States Treasury Notes, 10.75%, 8/15/05 (cost-\$35,815,027)	Aaa/AAA	35,000

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND SCHEDULE OF INVESTMENTS  
April 30, 2005 (unaudited)

Principal Amount (000)		Val
	Total Short-Term Investments (cost-\$107,255,458)	\$ 107,255,458
	TOTAL INVESTMENTS, BEFORE CALL OPTIONS WRITTEN (cost-\$2,247,699,623)--100.3%	2,159,800

CALL OPTIONS WRITTEN (d)--(0.7)%			
Contracts			
(800)	American Stock Exchange Oil Index, strike price \$860, expires 5/21/05		(2,000)
(400)	strike price \$870, expires 5/21/05		(1,000)
(375)	strike price \$890, expires 5/21/05		(1,000)
(300)	strike price \$910, expires 5/21/05		(1,000)
(300)	strike price \$900, expires 5/21/05		(1,000)
(100)	strike price \$880, expires 5/21/05		(1,000)
(100)	strike price \$870, expires 6/18/05		(1,000)
(800)	American Stock Exchange Morgan Stanley Cyclical Index, strike price \$790, expires 5/21/05		(1,000)
(500)	strike price \$800, expires 5/21/05		(1,000)
(200)	strike price \$770, expires 6/18/05		(1,000)
(2,300)	American Stock Exchange Pharmaceutical Index, strike price \$325, expires 5/21/05		(1,800)
(800)	strike price \$322, expires 6/3/05		(800)

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(700)	strike price \$320, expires 5/21/05	(8)
(500)	strike price \$330, expires 5/21/05	(2)
(300)	strike price \$320, expires 6/18/05	(4)
(300)	strike price \$330, expires 6/18/05	(1)
(200)	strike price \$315, expires 6/18/05	(3)
(200)	strike price \$335, expires 7/16/05	(1)
	Ishares DJ U.S. Real Estate Index,	
(3,000)	strike price \$118, expires 6/18/05	(8)
(1,000)	strike price \$114, expires 5/21/05	(4)
(1,000)	strike price \$117, expires 6/18/05	(3)
	Morgan Stanley Cyclical Index,	
(200)	strike price \$780, expires 6/3/05	
	Nasdaq 100 Stock Index,	
(100)	strike price \$1550, expires 5/21/05	
(75)	strike price \$1465, expires 6/24/05	(1)
	Philadelphia Stock Exchange KBW Bank Sector Index,	
(5,500)	strike price \$102.50, expires 5/21/05	(1)
(4,000)	strike price \$100, expires 5/21/05	(1)
(3,000)	strike price \$100, expires 6/3/05	(1)
(3,000)	strike price \$99.75, expires 6/3/05	(1)
(2,000)	strike price \$97.50, expires 6/18/05	(3)
(1,000)	strike price \$100, expires 6/18/05	(1)
	Philadelphia Stock Exchange Utility Index,	
(1,600)	strike price \$400, expires 5/21/05	(1,4)
(1,400)	strike price \$395, expires 5/21/05	(1,7)
(1,000)	strike price \$398, expires 6/3/05	(1,2)
(500)	strike price \$400, expires 5/27/05	(4)
(500)	strike price \$395, expires 6/18/05	(7)
(300)	strike price \$400, expires 6/18/05	(3)
	Standard & Poors 500 Index,	
(1,400)	strike price \$1225, expires 5/21/05	(1)
(700)	strike price \$1205, expires 6/10/05	(2)
(500)	strike price \$1205, expires 6/3/05	(1)
(500)	strike price \$1250, expires 5/21/05	(1)
(400)	strike price \$1195, expires 6/18/05	(3)
(300)	strike price \$1225, expires 5/27/05	(1)
(200)	strike price \$1200, expires 6/18/05	(1)
(200)	strike price \$1235, expires 5/21/05	(1)
	Telecommunication Basket Index,	
(6,000)	strike price \$101, expires 6/30/05	(6)

NFJ DIVIDEND, INTEREST & PREMIUM STRATEGY FUND SCHEDULE OF INVESTMENTS  
 April 30, 2005 (unaudited)

	Valu
Total Call Options Written (premiums received--\$26,245,069)	(15,7
TOTAL INVESTMENTS, NET OF CALL OPTIONS WRITTEN (cost--\$2,221,454,554)--99.6%	2,144,0
Other assets less liabilities--0.4%	9,0

NET ASSETS--100.0%

\$2,153,1  
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NOTES TO SCHEDULE OF INVESTMENTS:

- \* Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. The Fund's investments are valued daily by an independent pricing service approved by the Board of Trustees, dealer quotations, or are valued at the last sale price on the exchange that is the primary market for such securities, or the last quoted bid price for those securities for which the over-the-counter market is the primary market or for listed securities in which there were no sales. Prices obtained from independent pricing services use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Short-term investments maturing in 60 days or less are valued at amortized cost, if their original maturity was 60 days or less, or by amortizing their value on the 61st day prior to maturity, if the original term to maturity exceeded 60 days. Exchange traded options are valued at the settlement price determined by the relevant exchange. Securities for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of the security, may be fair-valued in good faith pursuant to guidelines established by the Board of Trustees. The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold. The Fund's net asset value is determined daily at the close of regular trading (normally, 4:00 p.m. Eastern time) on the New York Stock Exchange.
- (a) 144A security--Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional investors.
- (b) Private placement security.
- (c) Variable rate security. Interest rate disclosed reflects the rate in effect on April 30, 2005.
- (d) Non-income producing.

## GLOSSARY:

ADR--American Depositary Receipt

GDR--Global Depositary Receipt

NR--Not Rated

## ITEM 2. CONTROLS AND PROCEDURES

a) The registrant's President and Chief Executive Officer and Principal Financial Officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended) are effective based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls or in factors that could affect these controls subsequent to the date of their

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evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

### ITEM 3. EXHIBITS

(a) Exhibit 99.302 Cert. - Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

### 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.

Registrant: NFJ Dividend, Interest & Premium Strategy Fund

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: June 28, 2005

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: June 28, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dated indicated.

By /s/ Brian S. Shlissel  
President & Chief Executive Officer

Date: June 28, 2005

By /s/ Lawrence G. Altadonna  
Treasurer, Principal Financial & Accounting Officer

Date: June 28, 2005