

DUFF & PHELPS UTILITY & CORPORATE BOND TRUST INC

Form N-Q

March 24, 2015

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-07358

**Duff & Phelps Utility and Corporate  
Bond Trust Inc.**

(Exact name of registrant as specified in charter)

**200 South Wacker Drive, Suite 500, Chicago, Illinois 60606**

(Address of principal executive offices) (Zip code)

**Alan M. Meder  
Duff & Phelps Utility and Corporate Bond Trust Inc.  
200 South Wacker Drive, Suite 500  
Chicago, Illinois 60606**

**Lawrence R. Hamilton, Esq.  
Mayer Brown LLP  
71 South Wacker Drive  
Chicago, Illinois 60606**

(Name and address of agents for service)

Registrant's telephone number, including area code: (800) 338-8214

Date of fiscal year end: October 31

Date of reporting period: January 31, 2015

ITEM 1. SCHEDULE OF INVESTMENTS.

See the Statement of Net Assets below.

## DUFF &amp; PHELPS UTILITY AND CORPORATE BOND TRUST INC.

## STATEMENT OF NET ASSETS

January 31, 2015

(Unaudited)

Principal Amount		Description	Value
(000)			(Note 1)
<b>LONG-TERM INVESTMENTS - 135.5%</b>			
<b>Corporate Bonds - 134.4%</b>			
<b>Electric, Gas and Water - 56.7%</b>			
\$ 4,000		CMS Energy Corporation, 5.05%, 3/15/22	\$ 4,621,524
10,000		CalEnergy Company, Inc., 8.48%, 9/15/28 (a)	15,614,300
5,000		CenterPoint Energy Resources Corp., 6.00%, 5/15/18 (a)(b)	5,714,590
10,713		The Cleveland Electric Illuminating Company, 8.875%, 11/15/18 (a)	13,397,346
5,000		Commonwealth Edison Company, 6.95%, 7/15/18 (a)	5,831,650
5,000		Consolidated Edison Company of New York Inc., 5.85%, 4/01/18 (a)(b)	5,710,100
10,000		Entergy Texas, Inc., 7.125%, 2/01/19 (a)(b)	12,035,110
5,475		Exelon Generation Company, LLC, 6.20%, 10/01/17 (a)(b)	6,113,314
10,000		Hydro-Quebec, 7.50%, 4/01/16 (Canada) (a)	10,762,490
8,115		Indiana Michigan Power Company, 7.00%, 3/15/19 (a)	9,740,151
7,000		National Fuel Gas Company, 6.50%, 4/15/18 (a)(b)	8,042,251
6,000		National Grid PLC, 6.30%, 8/01/16 (United Kingdom) (a)	6,461,730
5,000		Nevada Power Company, 7.125%, 3/15/19	6,065,160
5,799		NextEra Energy Capital Holdings, Inc., 7.875%, 12/15/15 (a)(b)	6,152,362
5,000		Oncor Electric Delivery Company, LLC, 7.00%, 9/01/22 (a)(b)	6,550,795
5,230		PPL Energy Supply LLC, 6.50%, 5/01/18	5,564,066
5,000		PSEG Power LLC, 5.32%, 9/15/16 (a)(b)	5,351,150
10,000		Progress Energy, Inc., 7.05%, 3/15/19 (a)(b)	12,047,640
8,000		Sempra Energy, 6.15%, 6/15/18 (a)(b)	9,183,440
7,785		South Carolina Electric & Gas Company, 6.50%, 11/01/18 (a)(b)	9,201,870

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5,000	Xcel Energy, Inc., 5.613%, 4/01/17 (a)	5,470,900
		169,631,939
<b>Financial - 32.1%</b>		
5,000	American Express Company, 6.15%, 8/28/17 (a)(b)	5,596,810
3,000	AvalonBay Communities, Inc. 3.95%, 1/15/21	3,272,670

The accompanying notes are an integral part of this financial statement.

**DUFF & PHELPS UTILITY AND CORPORATE BOND TRUST INC.****STATEMENT OF NET ASSETS (Continued)****January 31, 2015****(Unaudited)**

<b>Principal Amount</b>		<b>Description</b>	<b>Value</b>
<b>(000)</b>			<b>(Note 1)</b>
\$ 5,000		Bank of America Corporation, 6.50%, 8/01/16 (a)	\$ 5,384,785
3,000		Citigroup Inc. 4.50%, 1/14/22	3,365,007
5,000		Duke Realty Limited Partnership, 6.75%, 3/15/20 (a)	6,006,975
5,000		Health Care Property Investors, Inc., 6.00%, 1/30/17 (a)	5,464,565
4,000		Health Care REIT, Inc., 6.125%, 4/15/20 (a)	4,699,984
5,000		JPMorgan Chase & Co., 6.00%, 1/15/18	5,615,025
4,000		KeyCorp., 5.10%, 3/24/21 (a)	4,626,200
5,000		Kimco Realty Corporation, 5.584%, 11/23/15 (a)	5,185,890
5,000		Liberty Property L.P., 5.125%, 3/02/15	5,015,890
6,000		Morgan Stanley, 6.00%, 4/28/15 (a)(b)	6,077,508
5,000		National City Corporation, 6.875%, 5/15/19 (a)	5,955,035
3,000		Prologis, L.P. 6.875%, 3/15/20	3,586,341
6,000		Realty Income Corporation, 6.75%, 8/15/19 (a)	7,157,772
4,000		Regency Centers, L.P., 4.80%, 4/15/21	4,474,920
4,000		Simon Property Group, L.P. 4.375%, 3/01/21	4,488,052
3,000		UDR, Inc., 4.625%, 1/10/22	3,323,721
6,000		Wachovia Bank NA, 6.00%, 11/15/17 (a)	6,745,566
			96,042,716
		<b>Oil &amp; Gas Storage, Transportation and Production - 25.8%</b>	
8,000		EQT Corporation, 8.125%, 6/01/19 (a)	9,684,776
5,000		Enterprise Products Operating LLC, 6.50%, 1/31/19 (a)	5,824,785
5,000		Kinder Morgan Energy Partners, L.P.,	

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	7.75%, 3/15/32 (a)	6,452,695
3,500	Magellan Midstream Energy Partners, L.P.,	
	6.40%, 7/15/18	3,982,769
5,000	Magellan Midstream Energy Partners, L.P.,	
	6.55%, 7/15/19 (a)	5,891,875
9,441	ONEOK Partners, L.P.,	
	6.15%, 10/01/16 (a)	10,069,431
4,000	Plains All American Pipeline, L.P.,	
	5.00%, 2/01/21	4,476,132
7,000	Spectra Energy Capital, LLC,	
	6.20%, 4/15/18 (a)	7,846,671

The accompanying notes are an integral part of this financial statement.

**DUFF & PHELPS UTILITY AND CORPORATE BOND TRUST INC.****STATEMENT OF NET ASSETS (Continued)****January 31, 2015****(Unaudited)**

<b>Principal Amount</b>		<b>Description</b>	<b>Value</b>
<b>(000)</b>			<b>(Note 1)</b>
\$ 10,000		Trans-Canada PipeLines Limited, 9.875%, 1/01/21 (Canada) (a)(b)	\$ 13,595,100
8,571		Williams Partners L.P., 7.25%, 2/01/17 (a)(b)	9,446,159
			77,270,393
		<b>Industrial - 16.6%</b>	
3,000		CSX Corporation, 4.25%, 6/01/21 (a)(b)	3,348,744
6,000		The Dow Chemical Company, 9.00%, 4/01/21	7,965,804
5,000		Sun Company, Inc., 9.00%, 11/01/24	6,685,655
5,275		Tele-Communications, Inc., 10.125%, 4/15/22 (a)(b)	7,545,555
3,200		Tele-Communications, Inc., 9.875%, 6/15/22 (a)	4,531,011
5,000		Time Warner, Inc., 9.15%, 2/01/23	7,042,380
5,000		Wal-Mart Stores, Inc., 6.75%, 10/15/23	6,705,085
5,000		Xerox Corporation, 6.35%, 5/15/18	5,697,770
			49,522,004
		<b>Telecommunications - 3.2%</b>	
6,000		Rogers Wireless Inc., 7.50%, 3/15/15 (Canada) (a)(b)	6,047,730
3,000		Verizon Communications Inc., 6.35%, 4/01/19	3,517,293
			9,565,023
		<b>Total Corporate Bonds</b>	
		(Cost \$397,170,850)	402,032,075
		<b>Asset-Backed Securities - 0.5%</b>	
1,347		Detroit Edison Securitization Funding LLC 2001-1 A6, 6.62%, 3/01/16	1,354,285

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Total Asset-Backed Securities			
(Cost \$1,596,462)			1,354,285
<b>Shares</b>			
<b>Non-Convertible Preferred Stock - 0.4%</b>			
<b>Financial - 0.4%</b>			
50,000	Vornado Realty Trust, Series I,		
	6.625%		1,282,500
Total Non-Convertible Preferred Stock			
(Cost \$1,175,000)			1,282,500
<b>Principal</b>			
<b>Amount</b>			
<b>(000)</b>			
<b>U.S. Government and Agency Mortgage-Backed Securities - 0.2%</b>			
Federal National Mortgage Association,			
Pass-Through Certificates,			
\$ 96	8.00%, 10/01/30	\$	121,978
345	7.00%, 12/01/31		421,659

The accompanying notes are an integral part of this financial statement.



**DUFF & PHELPS UTILITY AND CORPORATE BOND TRUST INC.****STATEMENT OF NET ASSETS (Continued)****January 31, 2015****(Unaudited)**

<b>Principal Amount</b>		<b>Description</b>	<b>Value</b>
<b>(000)</b>			<b>(Note 1)</b>
		Government National Mortgage Association	
		Pass-Through Certificates,	
\$	5	7.00%, 3/15/26	\$ 5,581
	33	8.00%, 11/15/30	35,915
	30	8.00%, 2/15/31	30,198
		Total U.S. Government and Agency Mortgage-Backed Securities	
		(Cost \$523,945)	615,331
		<b>TOTAL INVESTMENTS - 135.5%</b>	
		(Cost \$400,466,257)	\$ 405,284,191
		Other assets in excess of liabilities - 6.3%	18,828,436
		Borrowings - (41.8%)	(125,000,000)
		<b>NET ASSETS APPLICABLE TO COMMON STOCK - 100.0%</b>	<b>\$ 299,112,627</b>

(a) All or a portion of this security has been pledged as collateral for borrowings and made available for loan.

(b) All or a portion of this security has been loaned.

The percentage shown for each investment category is the total value of that category as a percentage of the net assets applicable to common stock of the Fund.

The accompanying notes are an integral part of this financial statement.

**DUFF & PHELPS UTILITY AND CORPORATE BOND TRUST INC.****STATEMENT OF NET ASSETS (Continued)****January 31, 2015****(Unaudited)****Note 1. Investment Valuation**

The Fund's investments are carried at fair value which is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. The three-tier hierarchy of inputs established to classify fair value measurements for disclosure purposes is summarized in the three broad levels listed below:

Level 1 quoted prices in active markets for identical securities.

Level 2 other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risks, etc.).

Level 3 significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in these securities. For more information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent financial statements contained in its annual report. The following is a summary of the inputs used to value each of the Fund's investments at January 31, 2015:

	Level 1	Level 2
Corporate bonds		\$ 402,032,075
Asset-backed securities		1,354,285
Non-convertible preferred stock	\$ 1,282,500	
U.S. Government and Agency mortgage-backed securities		615,331
<b>Total</b>	<b>\$ 1,282,500</b>	<b>\$ 404,001,691</b>

There were no Level 3 priced securities held and there were no transfers between Level 1 and Level 2 related to securities held at January 31, 2015.

**DUFF & PHELPS UTILITY AND CORPORATE BOND TRUST INC.**

**STATEMENT OF NET ASSETS (Continued)**

**January 31, 2015**

**(Unaudited)**

**Note 2. Federal Tax Cost**

At October 31, 2014, the Fund's most recent fiscal tax year-end, the federal tax cost of investments and aggregate gross unrealized appreciation (depreciation) were as follows:

	Unrealized	Unrealized	Net Unrealized
Federal Tax Cost	Appreciation	Depreciation	Appreciation
\$400,134,712	\$14,703,019	(\$12,718,987)	\$1,984,032

The difference between the book basis and tax basis of unrealized appreciation (depreciation) and cost of investments is primarily attributable to the difference between book and tax amortization methods for premiums and discounts on fixed income securities.

Other information regarding the Fund is available on the Fund's website at [www.ducfund.com](http://www.ducfund.com) or the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "1940 Act")) are effective, based on an evaluation of those controls and procedures made as of a date within 90 days of the filing date of this report as required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934.

(b) There has been no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Exhibit 99.CERT Certifications pursuant to Rule 30a-2(a) under the 1940 Act and 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) DUFF & PHELPS UTILITY AND  
CORPORATE BOND TRUST INC.

By (Signature and Title) /s/ NATHAN I. PARTAIN

Nathan I. Partain  
President and Chief Executive Officer  
(Principal Executive Officer)

Date March 24, 2015

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

By (Signature and Title) /s/ NATHAN I. PARTAIN

Nathan I. Partain  
President and Chief Executive Officer  
(Principal Executive Officer)

Date March 24, 2015

By (Signature and Title) /s/ ALAN M. MEDER

Alan M. Meder  
Treasurer and Assistant Secretary  
(Principal Financial and Accounting Officer)

Date March 24, 2015