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ADAMS EXPRESS CO
Form N-Q
April 30, 2007

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: 811-00248

THE ADAMS EXPRESS COMPANY

(Exact name of registrant as specified in charter)

7 Saint Paul Street, Suite 1140, Baltimore, Maryland 21202

(Address of principal executive offices) (Zip code)

Lawrence L. Hooper, Jr.
The Adams Express Company
7 Saint Paul Street
Suite 1140
Baltimore, Maryland 21202

Registrant's telephone number, including area code: 410-752-5900

Date of fiscal year end: December 31, 2007

Date of reporting period: March 31, 2007

Item 1: SCHEDULE OF INVESTMENTS.

SCHEDULE OF INVESTMENTS

March 31, 2007
(unaudited)

Shares Value (A)

Stocks and Convertible Securities -- 96.5%

Consumer -- 17.6%

Consumer Discretionary -- 7.0%

BJ's Wholesale Club, Inc. (B) 500,000 \$ 16,915,000

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| | | |
|-------------------------------|-----------|-------------|
| Clear Channel | | |
| Communications, Inc. | 175,000 | 6,132,000 |
| Comcast Corp. (B) | 525,000 | 13,623,750 |
| Gannett Co., Inc. | 112,500 | 6,332,625 |
| Harley-Davidson, Inc. | 120,000 | 7,050,000 |
| Newell Rubbermaid Inc. | 400,000 | 12,436,000 |
| OSI Restaurant Partners, Inc. | 315,000 | 12,442,500 |
| Ryland Group Inc. (C) | 135,000 | 5,695,650 |
| Target Corp. | 290,000 | 17,185,400 |
| | | ----- |
| | | 97,812,925 |
| | | ----- |
| Consumer Staples -- 10.6% | | |
| Avon Products, Inc. | 430,000 | 16,021,800 |
| Bunge Ltd. | 180,000 | 14,799,600 |
| Coca-Cola Co. | 200,000 | 9,600,000 |
| Dean Foods Co. (B) | 340,000 | 15,891,600 |
| Del Monte Foods Co. | 1,115,000 | 12,800,200 |
| PepsiCo, Inc. | 400,000 | 25,424,000 |
| Procter & Gamble Co. | 340,000 | 21,474,400 |
| Safeway Inc. | 390,000 | 14,289,600 |
| Unilever plc ADR | 550,000 | 16,538,500 |
| | | ----- |
| | | 146,839,700 |
| | | ----- |
| Energy -- 12.1% | | |
| ConocoPhillips | 345,000 | 23,580,750 |
| ENSCO International, Inc. | 209,150 | 11,377,760 |
| Exxon Mobil Corp. | 215,000 | 16,221,750 |
| Marathon Oil Co. | 120,000 | 11,859,600 |
| Murphy Oil Corp. | 38,500 | 2,055,900 |
| Petroleum & Resources | | |
| Corporation (D) | 2,186,774 | 75,727,984 |
| Schlumberger Ltd. | 380,000 | 26,258,000 |
| | | ----- |
| | | 167,081,744 |
| | | ----- |
| Financials -- 18.7% | | |
| Banking -- 15.0% | | |
| BankAtlantic Bancorp, Inc. | 880,000 | 9,644,800 |
| Bank of America Corp. | 610,000 | 31,122,200 |
| Bank of New York Co., Inc. | | |
| (The) | 375,000 | 15,206,250 |
| Compass Bancshares Inc. | 300,000 | 20,640,000 |
| Fifth Third Bancorp (C) | 280,000 | 10,833,200 |
| Investors Financial Services | | |
| Corp. | 382,500 | 22,242,375 |
| Morgan Stanley | 170,000 | 13,389,200 |
| PNC Financial Services Group | | |
| Inc. | 200,000 | 14,394,000 |
| Prosperity Bancshares, Inc. | 200,000 | 6,948,000 |
| Wachovia Corp. | 470,000 | 25,873,500 |
| Wells Fargo & Co. | 650,000 | 22,379,500 |
| Wilmington Trust Corp. | 363,000 | 15,307,710 |
| | | ----- |
| | | 207,980,735 |
| | | ----- |
| | Shares | Value (A) |
| | ----- | ----- |

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| | | |
|---|-----------|---------------|
| Insurance -- 3.7% | | |
| AMBAC Financial Group, Inc. | 200,000 | \$ 17,278,000 |
| American International Group, Inc. | 500,000 | 33,610,000 |
| | | ----- |
| | | 50,888,000 |
| | | ----- |
| Health Care -- 12.5% | | |
| Abbott Laboratories | 320,000 | 17,856,000 |
| Advanced Medical Optics, Inc. (B) | 325,000 | 12,090,000 |
| Bristol-Myers Squibb Co. | 345,000 | 9,577,200 |
| CVS/Caremark Corp. | 208,750 | 7,126,725 |
| Genentech, Inc. (B) | 220,000 | 18,066,400 |
| Johnson & Johnson | 255,000 | 15,366,300 |
| MedImmune, Inc. (B) | 225,000 | 8,187,750 |
| Medtronic, Inc. | 310,000 | 15,208,600 |
| Pfizer Inc. | 1,120,000 | 28,291,200 |
| Teva Pharmaceutical Industries Ltd. ADR | 385,000 | 14,410,550 |
| Wyeth Co. | 325,000 | 16,259,750 |
| Zimmer Holdings, Inc. (B) | 125,000 | 10,676,250 |
| | | ----- |
| | | 173,116,725 |
| | | ----- |
| Industrials -- 13.0% | | |
| Cintas Corp. (C) | 300,000 | 10,830,000 |
| Curtiss-Wright Corp. | 460,000 | 17,728,400 |
| Emerson Electric Co. | 400,000 | 17,236,000 |
| General Electric Co. | 1,487,700 | 52,605,072 |
| Illinois Tool Works Inc. | 250,000 | 12,900,000 |
| Masco Corp. (C) | 450,000 | 12,330,000 |
| Oshkosh Truck Corp. | 270,000 | 14,310,000 |
| 3M Co. | 160,000 | 12,228,800 |
| United Parcel Service, Inc. | 155,000 | 10,865,500 |
| United Technologies Corp. | 300,000 | 19,500,000 |
| | | ----- |
| | | 180,533,772 |
| | | ----- |
| Information Technology -- 11.0% | | |
| Communication Equipment -- 1.3% | | |
| Avaya Inc. (B) | 600,000 | 7,086,000 |
| Corning Inc. (B) | 500,000 | 11,370,000 |
| | | ----- |
| | | 18,456,000 |
| | | ----- |
| Computer Related -- 8.1% | | |
| Automatic Data Processing Inc. | 300,000 | 14,520,000 |
| BEA Systems, Inc. (B) | 800,000 | 9,272,000 |
| Cisco Systems, Inc. (B) | 850,000 | 21,700,500 |
| Dell Inc. (B) | 585,000 | 13,577,850 |
| Microsoft Corp. | 1,180,000 | 32,886,600 |
| Oracle Corp. (B) | 1,100,000 | 19,943,000 |
| | | ----- |
| | | 111,899,950 |
| | | ----- |
| Electronics -- 1.6% | | |
| Cree, Inc. (B) (C) | 375,000 | 6,172,500 |
| Intel Corp. | 800,000 | 15,304,000 |
| | | ----- |
| | | 21,476,500 |

SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2007
(unaudited)

| | Shares | Value (A) |
|---|---------|-----------------|
| | ----- | ----- |
| Materials -- 5.2% | | |
| Air Products and Chemicals, Inc. | 250,000 | \$ 18,472,500 |
| du Pont (E.I.) de Nemours and Co. | 360,000 | 17,794,800 |
| Florida Rock Industries Inc. | 200,000 | 13,458,000 |
| Martin Marietta Materials, Inc. | 14,600 | 1,973,920 |
| Rohm & Haas Co. | 400,000 | 20,688,000 |
| | | ----- |
| | | 72,387,220 |
| | | ----- |
| Telecom Services -- 2.8% | | |
| Alltel Corp. | 300,000 | 18,600,000 |
| AT&T Corp. | 400,000 | 15,772,000 |
| Windstream Corp. | 310,178 | 4,556,515 |
| | | ----- |
| | | 38,928,515 |
| | | ----- |
| Utilities -- 3.6% | | |
| Aqua America, Inc. | 608,000 | 13,649,600 |
| Duke Energy Corp. | 611,560 | 12,408,552 |
| MDU Resources Group, Inc. | 562,500 | 16,166,250 |
| Spectra Energy Corp. | 305,780 | 8,032,840 |
| | | ----- |
| | | 50,257,242 |
| | | ----- |
| Total Stocks and Convertible Securities (Cost \$913,530,603) (E) | | \$1,337,659,028 |
| | | ----- |

| | Prin. Amt. | Value (A) |
|--|--------------|---------------|
| | ----- | ----- |
| Short-Term Investments -- 3.3% | | |
| U.S. Government Obligations --1.2% | | |
| U.S. Treasury Bills, 5.00%, due 5/17/07 | \$16,500,000 | \$ 16,394,583 |
| | | ----- |
| Time Deposit -- 0.0% | | |
| Citibank, N.A., 4.69%, due 4/2/07 | | 348,083 |
| | | ----- |

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| | | |
|--|------------|-----------------|
| Commercial Paper -- 2.1% | | |
| American General Finance, Inc., 5.20 - 5.25%, due 4/3/07-4/5/07 | 10,800,000 | 10,795,392 |
| Chevron Funding Corp., 5.21%, due 4/19/07 | 5,900,000 | 5,884,630 |
| General Electric Capital Corp., 5.22 - 5.23%, due 4/5/07-4/26/07 | 9,500,000 | 9,479,802 |
| Toyota Motor Credit Corp., 5.22%, due 4/12/07 | 3,300,000 | 3,294,737 |
| | | ----- |
| | | 29,454,561 |
| | | ----- |
| Total Short-Term Investments (Cost \$46,197,227) | | 46,197,227 |
| | | ----- |
| Total Securities Lending Collateral -- 2.1% (Cost \$28,643,337) | | |
| Brown Brothers Investment Trust, 5.26%, due 4/2/07 | | 28,643,337 |
| | | ----- |
| Total Investments -- 101.9% (Cost \$988,371,167) | | 1,412,499,592 |
| Cash, receivables, prepaid pension cost, prepaid expenses and other assets, less liabilities -- (1.9)% | | (26,207,414) |
| | | ----- |
| Net Assets -- 100% | | \$1,386,292,178 |
| | | ===== |

Notes:

- (A) See note 1 to financial statements. Securities are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ.
- (B) Presently non-dividend paying.
- (C) Some of the shares of this company are on loan. See note 8 to financial statements.
- (D) Non-controlled affiliate, a closed-end sector fund, registered as an investment company under the Investment Company Act of 1940.
- (E) The aggregate market value of stocks held in escrow at March 31, 2007 covering open call option contracts written was \$17,688,210. In addition, the aggregate market value of securities segregated by the Company's custodian required to collateralize open put option contracts written was \$9,290,000.

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SCHEDULE OF OUTSTANDING OPTION CONTRACTS

March 31, 2007
(unaudited)

Contracts
(100 shares)

Contract
Strike Expiration Appreciation/

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| each) | Security | Price | Date | (Depreciation) |
|---------------------|------------------------------------|-------|---------|----------------|
| COVERED CALLS | | | | |
| 200 | Air Products and Chemicals, Inc... | \$ 80 | Jun 07 | \$ 5,399 |
| 100 | Bunge Ltd..... | 70 | Apr 07 | (116,125) |
| 150 | Bunge Ltd..... | 75 | Apr 07 | (95,701) |
| 100 | Bunge Ltd..... | 80 | Apr 07 | (21,300) |
| 100 | Bunge Ltd..... | 90 | Jul 07 | (15,800) |
| 375 | Comcast Corp..... | 33 | Jul 07 | 24,874 |
| 100 | Harley-Davidson, Inc..... | 80 | May 07 | 10,499 |
| 250 | Investors Financial Services Corp. | 50 | Apr 07 | (180,126) |
| 100 | Marathon Oil Co..... | 105 | Apr 07 | 14,724 |
| 100 | Martin Marietta Materials, Inc.... | 130 | Apr 07 | (51,528) |
| 100 | Morgan Stanley..... | 75 | Apr 07 | (19,301) |
| 100 | Morgan Stanley..... | 80 | Apr 07 | (2,800) |
| 100 | Morgan Stanley..... | 85 | Jul 07 | (6,800) |
| 200 | Ryland Group Inc..... | 65 | Jul 07 | 39,398 |
| 250 | Safeway Inc..... | 40 | Sep 07 | (8,376) |
| 100 | Target Corp..... | 65 | Apr 07 | 12,200 |
| 100 | Target Corp..... | 70 | Jul 07 | 9,950 |
| 45 | 3M Co..... | 85 | Apr 07 | 5,490 |
| 100 | United Technologies Corp..... | 75 | May 07 | 12,200 |
| 100 | Zimmer Holdings, Inc..... | 85 | Jun 07 | (19,301) |
| ----- | | | | ----- |
| 2,770 | | | | (402,424) |
| ----- | | | | ----- |
| COLLATERALIZED PUTS | | | | |
| 150 | Advanced Medical Optics, Inc..... | 35 | Apr 07 | 18,298 |
| 250 | ENSCO International, Inc..... | 40 | Jun 07 | 37,998 |
| 100 | Exxon Mobil Corp..... | 65 | Jul 07 | 6,100 |
| 150 | Florida Rock Industries Inc..... | 40 | Jun 07 | 8,549 |
| 250 | Oshkosh Truck Corp..... | 45 | July 07 | 4,249 |
| 150 | Oshkosh Truck Corp..... | 50 | Jul 07 | (10,950) |
| 100 | PNC Financial Services Group, Inc. | 72.50 | May 07 | (11,800) |
| 100 | PNC Financial Services Group, Inc. | 70 | Aug 07 | (12,300) |
| 100 | Ryland Group Inc..... | 40 | Apr 07 | 2,750 |
| 100 | Ryland Group Inc..... | 42.50 | Apr 07 | (4,800) |
| 35 | Ryland Group Inc..... | 40 | Jul 07 | (6,405) |
| 250 | 3M Co..... | 70 | Jul 07 | 15,499 |
| 100 | Wachovia Corp..... | 50 | Apr 07 | 10,900 |
| ----- | | | | ----- |
| 1,835 | | | | 58,088 |
| ----- | | | | ----- |
| | | | | \$ (344,336) |
| | | | | ===== |

(SELECTED) NOTES TO FINANCIAL STATEMENTS (Unaudited)

The Adams Express Company (the Company) is registered under the Investment Company Act of 1940 as a diversified investment company. The Company is an internally-managed fund whose investment objectives are preservation of

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capital, the attainment of reasonable income from investments, and an opportunity for capital appreciation.

Security Valuation-Investments in securities traded on a national security exchange are valued at the last reported sale price on the day of valuation. Over-the-counter and listed securities for which a sale price is not available are valued at the last quoted bid price. Short-term investments (excluding purchased options) are valued at amortized cost. Purchased and written options are valued at the last quoted asked price.

For federal income tax purposes, the identified cost of securities at March 31, 2007 was \$987,883,916 and net unrealized appreciation aggregated \$424,615,676, of which the related gross unrealized appreciation and depreciation were \$485,201,590 and \$60,585,914, respectively.

8. PORTFOLIO SECURITIES LOANED

The Company makes loans of securities to brokers, secured by cash deposits, U.S. Government securities, or bank letters of credit. The Company accounts for securities lending transactions as secured financing and receives compensation in the form of fees or retains a portion of interest on the investment of any cash received as collateral. The Company also continues to receive interest or dividends on the securities loaned. The loans are secured at all times by collateral of at least 102% of the fair value of the securities loaned plus accrued interest. Gain or loss in the fair value of the securities loaned that may occur during the term of the loan will be for the account of the Company. At March 31, 2007, the Company had securities on loan of \$28,050,440 and held collateral of \$28,643,337, consisting of an investment trust fund which may invest in money market instruments, commercial paper, repurchase agreements, U.S. Treasury Bills, and U.S. agency obligations.

Item 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures:

(a) As of April 30, 2007, an evaluation was performed under the supervision and with the participation of the officers of The Adams Express Company (the "Company"), including the principal executive officer ("PEO") and principal financial officer ("PFO"), of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's officers, including the PEO and PFO, concluded that, as of April 30, 2007, the Company's disclosure controls and procedures were reasonably designed so as to ensure: (1) that information required to be disclosed by the Company on Form N-Q is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Company is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no significant changes in the Company's

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internal control over financial reporting (as defined in Rule 30 a-3(d) under the Investment Company Act of 1940 (17 CFR 270.30a-3(d)) that occurred during the Company's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 3. EXHIBITS.

The certifications of the principal executive officer and principal financial officer pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 are attached hereto as Form N-Q Certifications.

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.

THE ADAMS EXPRESS COMPANY

BY: /s/ Douglas G. Ober

Douglas G. Ober
Chief Executive Officer

Date: April 30, 2007

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

BY: /s/ Douglas G. Ober

Douglas G. Ober
Chief Executive Officer
(Principal Executive Officer)

Date: April 30, 2007

BY: /s/ Maureen A. Jones

Maureen A. Jones
Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: April 30, 2007