

Edgar Filing: HERZFELD CARIBBEAN BASIN FUND INC - Form N-Q

HERZFELD CARIBBEAN BASIN FUND INC

Form N-Q

November 12, 2008

FORM N-Q  
 QUARTERLY SCHEDULE OF PORFOLIO HOLDINGS OF REGISTERED MANAGEMENT  
 INVESTMENT COMPANY

Investment Company Act file number 811-06445

-----  
 The Herzfeld Caribbean Basin Fund, Inc.

-----  
 (Exact name of registrant as specified in charter)

P.O. BOX 161465, MIAMI, FLORIDA 33116

-----  
 (Address of principal executive offices) (Zip code)

THOMAS J. HERZFELD  
 P.O. BOX 161465, MIAMI, FL 33116

-----  
 (Name and address of agent for service)

Registrant's telephone number, including area code: 305-271-1900

-----  
 Date of fiscal year end: 06/30/09

-----  
 Date of reporting period: 09/30/08

ITEM 1. SCHEDULE OF INVESTMENTS

SCHEDULE OF INVESTMENTS AS OF SEPTEMBER 30, 2008 (unaudited)

Shares or Principal Amount	Description	Market Value
-----		
Common stocks - 99.72% of net assets		
Banking and finance - 9.36%		
34,500	Bancolombia, S.A	\$ 981,525
44,420	Banco Latinoamericano de Exportaciones, S.A	640,536
50,000	Banco Popular, Inc.	414,500
6,500	Doral Financial Corp.	70,980
16,400	Grupo Financiero Banorte, S.A. de C.V. Series O	52,092
9,900	Grupo Financiero Inbursa, S.A. de C.V. Series O	33,879
192,200	W Holding Co.Inc.	103,788
Communications - 19.07%		
35,600	America Movil, S.A. de C.V. Series A	79,382
50,891	America Movil, S.A. de C.V. Series L	117,461
20,000	America Movil	927,200
36,819	Atlantic Tele-Network, Inc.	1,030,932
11,900	Carso Global Telecom, S.A. de C.V. Series A1	60,651
176,000	Fuego Entertainment	8,800
19,000	Garmin Ltd.	644,860

## Edgar Filing: HERZFELD CARIBBEAN BASIN FUND INC - Form N-Q

871 Grupo Iusacell, S.A. de C.V. Series V	6,228
21,120 Grupo Radio Centro, S.A. ADR	222,816
32,400 Grupo Televisa, S.A. ADR	708,588
13,400 Grupo Televisa, S.A. Series CPO	58,698
80,304 Spanish Broadcasting System Inc.	30,516
15,000 Telefonos de Mexico ADR	386,250
23,800 Telefonos de Mexico, S.A. de C.V. Series A	30,109
78,600 Telefonos de Mexico, S.A. de C.V. Series L	100,151
15,000 Telmex International S.A.B. de C.V ADR	195,000
23,800 Telmex International Series A	14,296
78,600 Telmex International Series L	51,506
13,900 TV Azteca, S.A. de C.V. Series CPO	8,691
Conglomerates and holdings companies - 1.47%	
250,000 Admiralty Holding Co.	625
5,400 Alfa, S.A. de C.V. Series A	24,180
42,595 BB Holdings Ltd.	161,337
30,300 Cocleshell Ltd. Ord	28,894
3,200 Corporacion Interamericana de Entretenimiento, S.A. de C.V. Series B	5,184
11,000 Grupo Carso, S.A. de C.V. Series A1	41,848
1,580 Grupo Kuo SAB de CV	892
20 Grupo Pochetca S.A.B. de C.V.	5
3,250 Shellshock Ltd. Ord.	3,592
2,900 Vitro, S.A. Series A	3,210
27,918 Vitro, S.A. ADR	90,175
Construction and related - 5.63%	
21,863 Cemex, S.A. de C.V. Series CPO	376,481
49,599 Cemex S.A. de C.V. ADR	85,318
20 Ceramica Carabobo Class A ADR	4,657
17,200 Consorcio ARA, S.A. de C.V.	9,549
1,580 Dine S.A.B de C.V.	1,136
3,583 Empresas ICA, Sociedad Controladora, S.A. de C.V.	10,370
800 Grupo Cementos de Chihuahua, S.A. de C.V	3,131
67,132 Mastec, Inc.	892,184
Consumer products and related manufacturing - 8.62%	
1,211,664 Atlas Electricas, S.A	179,927
13,273 Grupo Casa Saba, S.A. ADR	378,281
31,000 Watsco Incorporated	1,558,680
Food, beverages and tobacco - 6.53%	
1,219 Alsea, S.A. de C.V.	921
3,000 Chiquita Brands International Inc.	47,430
19,500 Coca-Cola Femsa, S.A. de C.V. ADR	983,970
200 Coca-Cola Femsa, S.A. de C.V., Series L	1,012
18,900 Fomento Economico Mexicano, S.A. de C.V. Series UBD	71,954
18,690 Fresh Del Monte Produce Inc.	414,918
800 Gruma S.A. de C.V. Series B	1,638
7,600 Grupo Bimbo, S.A. de C.V. Series A	47,589
7,700 Grupo Modelo, S.A. Series B	32,587
Housing - 2.11%	
1,700 Corporacion Geo S.A. de C.V., Series B	3,861
100 Desarrolladora Homex, S.A. de C.V.	739
33,500 Lennar Corp.	508,865
400 Sare Holding, S.A. de C.V. Series B	160
1,500 Urbi Dessarrollos Urbanos, S.A. de C.V.	3,485
Investment companies - 5.45%	
18,110 Latin America Equity Fund	593,103

## Edgar Filing: HERZFELD CARIBBEAN BASIN FUND INC - Form N-Q

26,140	The Mexico Fund	653,500
4,420	Shellproof Limited	4,294
9,000	Western Asset Worldwide Income Fund	87,840
141	Western Asset Emerging Markets Debt Fund	1,806
	Leisure - 10.18%	
37,500	Carnival Corp.	1,325,625
33,500	Royal Caribbean Cruises Ltd.	695,125
13,900	Steiner Leisure Ltd.	477,882
	Medical - 1.95%	
8,386	Micromet, Inc.	37,150
23,660	Orthofix International N.V.	440,786
	Mining - 0.02%	
3,624	Grupo Mexico, S.A. de C.V., Series B	3,793
	Pulp and paper - 0.11%	
6,100	Kimberly-Clark de Mexico, S.A. de C.V. Series A	26,371
	Railroad and landholdings - 4.31%	
16,000	Norfolk South Corp	1,059,360
	Retail - 0.85%	
3,700	Controladora Comercial Mexicana, S.A. de C.V Series UBC	8,503
1,270	Grupo Elektra, S.A. de C.V. Series CPO	43,923
45,111	Wal-Mart de Mexico, S.A. de C.V. Series V	157,248
	Service - 0.01%	
700	Grupo Aeroportuario del Sureste, S.A. de C.V. Series B	3,424
100	Promotora Ambiental S.A. de C.V.	190
	Trucking and marine freight - 11.40%	
61,404	Grupo TMM, S.A. ADR	54,650
1,201	Seaboard Corporation	1,509,657
21,000	Teekay Corporation	553,980
8,361	Teekay LNG Partners LP.	131,268
66,797	Trailer Bridge, Inc.	368,052
23,000	Ultrapetrol Bahamas Ltd.	180,550
	Utilities - 7.91%	
12,000	Caribbean Utilities Ltd. Class A	118,200
68,241	Consolidated Water, Inc.	1,161,462
700	Cuban Electric Company	8,400
41,500	Teco energy Inc.	652,795
	Other - 4.74%	
33,000	Copa Holdings	1,072,500
13,000	Impellam Group	11,007
55,921	Margo Caribe, Inc.	69,901
300	Mexichem S.A. de C.V.	543
895	Siderurgica Venezolana Sivensa ADR	9,649
79	Siderurgica Venezolana Sivensa Series B	852
Total common stocks (cost \$27,633,151)		\$ 24,481,609
	Bonds and fixed income - 0.00% of net assets	
165,000	Republic of Cuba - 4.5%, 1977 - in default (cost \$63,038)	--
Other assets less liabilities - 0.28% of net assets		\$ 69,813

## Edgar Filing: HERZFELD CARIBBEAN BASIN FUND INC - Form N-Q

Net assets - 100% (applicable to 3,713,070 shares; equivalent to \$6.61 per share) (a) \$ 24,551,422

(a) The cost for federal income tax purposes was \$27,764,571. At September 30, 2008, net unrealized loss for all securities based on tax cost was \$3,282,962. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess value over tax cost of \$2,646,145 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$5,929,107. The cost of securities owned for financial statement purposes is lower than the cost basis for income tax purposes by approximately \$68,382 due to wash sale adjustments.

### ITEM 2. CONTROLS AND PROCEDURES

- (a) The registrant's principal executive 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, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this Form N-Q that includes the disclosure required by this paragraph based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) 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

The certifications required by Rule 30a-2 of the Investment Company Act of 1940, as amended, is attached as an exhibit to this filing.

### 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 Herzfeld Caribbean Basin Fund, Inc.

By /s/ Thomas J. Herzfeld  
-----

Thomas J. Herzfeld  
Chairman and President

Date: November 12, 2008

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.

Edgar Filing: HERZFELD CARIBBEAN BASIN FUND INC - Form N-Q

By /s/ Thomas J. Herzfeld

-----  
Thomas J. Herzfeld  
Chairman and President

Date: November 12, 2008

By /s/ Cecilia L. Gondor

-----  
Cecilia L. Gondor  
Treasurer

Date: November 12, 2008