

ZWEIG TOTAL RETURN FUND INC
Form N-Q
November 26, 2014

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 811-05620

The Zweig Total Return Fund, Inc.

(Exact name of registrant as specified in charter)

101 Munson Street

Greenfield, MA 01301-9683

(Address of principal executive offices) (Zip code)

William Renahan, Esq.

Vice President, Chief Legal Officer and Secretary for Registrant

100 Pearl Street

Hartford, CT 06103-4506

(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 272-2700

Date of fiscal year end: December 31

Date of reporting period: September 30, 2014

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 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 30b1-5 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 respond to the collection of information contained in Form N-Q

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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, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedule of Investments is attached herewith.

THE ZWEIG TOTAL RETURN FUND, INC.

SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT

SEPTEMBER 30, 2014 (Unaudited)

Asset Allocation as of September 30, 2014

The following table illustrates asset allocations within certain sectors as a percentage of total investments, net of securities sold short as of September 30, 2014.

Common Stocks	69%
U.S. Government Securities	21
Corporate Bonds	6
Foreign Government Securities	2
Exchange-Traded Funds	1
Closed End Funds	1
Total	100%

(\$ reported in thousands)

	Par	Value
INVESTMENTS		
U.S. GOVERNMENT SECURITIES 21.1%		
U.S. Treasury Inflation Indexed Bonds ⁽³⁾		
1.625%, 1/15/15	\$ 28,000	\$ 34,959
2.000%, 1/15/16	25,000	31,065
2.375%, 1/15/17	31,000	39,108
TOTAL U.S. GOVERNMENT SECURITIES		105,132
(Identified Cost \$100,576)		
FOREIGN GOVERNMENT SECURITIES 2.0%		
Commonwealth of Australia Series 122		
5.250%, 3/15/19	10,200	9,802
TOTAL FOREIGN GOVERNMENT SECURITIES		9,802
(Identified Cost \$10,338)		
CORPORATE BONDS 5.6%		
Consumer Discretionary 0.4%		
Comcast Cable Communications Holdings, Inc.		
9.455%, 11/15/22	1,534	2,204
		2,204
Consumer Staples 0.4%		
Anheuser-Busch Inbev Worldwide, Inc.		
7.750%, 1/15/19	1,500	1,811
		1,811

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	Par	Value
Energy 0.4%		
Chevron Corp. 3.191%, 6/24/23	\$ 2,000	\$ 2,014
		2,014
Financials 0.9%		
General Electric Capital Corp. 3.150%, 9/7/22	2,000	1,993
Goldman Sachs Group, Inc. (The) 5.750%, 1/24/22	2,000	2,276
		4,269
Industrials 2.7%		
Burlington Northern Santa Fe LLC 3.450%, 9/15/21	1,000	1,031
CSX Corp. 6.250%, 3/15/18	4,000	4,591
Ingersoll-Rand Global Holding Co., Ltd. 9.000%, 8/15/21	1,000	1,280
6.875%, 8/15/18	4,814	5,639
Parker Hannifin Corp. 5.500%, 5/15/18	1,000	1,124
		13,665
Materials 0.4%		
Du Pont (E.I.) de Nemours & Co. 2.800%, 2/15/23	2,000	1,938
		1,938

See notes to schedule of investments and securities sold short

THE ZWEIG TOTAL RETURN FUND, INC.
SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT (Continued)**SEPTEMBER 30, 2014 (Unaudited)**

(\$ reported in thousands)

	Par	Value
Telecommunication Services 0.4%		
Verizon Communications, Inc. 5.150%, 9/15/23	\$ 2,000	\$ 2,212
		2,212
TOTAL CORPORATE BONDS (Identified Cost \$25,996)		28,113
	Number of Shares	
COMMON STOCKS 67.3%		
Consumer Discretionary 8.9%		
Comcast Corp. Class A	108,000	5,808
Ford Motor Co.	428,000	6,330
Goodyear Tire & Rubber Co. (The)	201,000	4,540
Hasbro, Inc.	53,000	2,915
Las Vegas Sands Corp.	106,000	6,594
Lear Corp.	45,000	3,888
Macy's, Inc.	97,000	5,644
Michael Kors Holdings Ltd. ⁽²⁾	49,000	3,498
Time Warner, Inc.	72,000	5,415
		44,632
Consumer Staples 3.4%		
Altria Group, Inc.	83,000	3,813
Archer-Daniels-Midland Co. (The)	117,000	5,979
PepsiCo, Inc.	76,000	7,075
		16,867
Energy 7.1%		
Buckeye Partners LP. ⁽⁴⁾	42,000	3,345
Continental Resources, Inc. ⁽²⁾	50,000	3,324
Energy Transfer Partners LP ⁽²⁾⁽⁴⁾	58,000	3,711
Helmerich & Payne, Inc.	66,000	6,459
Schlumberger Ltd.	47,000	4,780
Suncor Energy, Inc.	158,000	5,712

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Total SA Sponsored ADR	52,000	3,351
Valero Energy Corp.	100,000	4,627
		35,309

	Number of Shares	Value
Financials 12.2%		
Aflac, Inc.	101,000	\$ 5,883
BB&T Corp.	178,000	6,623
BlackRock, Inc.	17,700	5,811
Blackstone Group LP (The)	228,000	7,178
Goldman Sachs Group, Inc. (The)	31,000	5,691
HCP, Inc.	83,000	3,296
JPMorgan Chase & Co.	114,000	6,867
Lincoln National Corp.	93,000	4,983
Royal Bank of Canada	66,000	4,716
T. Rowe Price Group, Inc.	70,000	5,488
U.S. Bancorp	106,000	4,434
		60,970
Health Care 6.8%		
Abbott Laboratories	131,000	5,448
Biogen Idec, Inc. ⁽²⁾	11,200	3,705
Eli Lilly & Co. ⁽⁴⁾	55,000	3,567
GlaxoSmithKline plc Sponsored ADR	70,000	3,218
HCA Holdings, Inc. ⁽²⁾	14,000	987
Merck & Co., Inc. ⁽⁴⁾	58,000	3,438
Pfizer, Inc.	118,000	3,489
UnitedHealth Group, Inc.	68,000	5,865
Zimmer Holdings, Inc.	41,000	4,123
		33,840
Industrials 11.0%		
Alaska Air Group, Inc.	121,000	5,268
Cummins, Inc.	38,000	5,015
Deere & Co.	85,000	6,969
Dover Corp.	65,000	5,221
General Electric Co. ⁽⁴⁾	132,000	3,382
L-3 Communications Holdings, Inc.	52,000	6,184
Lockheed Martin Corp. ⁽⁴⁾	20,000	3,656
Parker Hannifin Corp.	48,000	5,479
Trinity Industries, Inc.	97,000	4,532
Union Pacific Corp.	56,000	6,072
United Rentals, Inc. ⁽²⁾	26,000	2,889
		54,667

Information Technology 11.6%

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Apple, Inc.	59,000	5,944
Cisco Systems, Inc.	292,000	7,350
EMC Corp.	192,000	5,618

See notes to schedule of investments and securities sold short

THE ZWEIG TOTAL RETURN FUND, INC.
SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT (Continued)**SEPTEMBER 30, 2014 (Unaudited)**

(\$ reported in thousands)

	Number of Shares	Value
Information Technology (continued)		
Google, Inc. Class A ⁽²⁾	2,800	\$ 1,647
Google, Inc. Class C ⁽²⁾	2,800	1,617
Intel Corp. ⁽⁴⁾	183,000	6,372
Jabil Circuit, Inc.	293,000	5,910
MasterCard, Inc. Class A	50,000	3,696
NetApp, Inc.	143,000	6,143
Oracle Corp.	122,000	4,670
QUALCOMM, Inc.	78,000	5,832
Texas Instruments, Inc.	64,000	3,052
		57,851
Materials 3.3%		
CF Industries Holdings, Inc.	21,700	6,059
Du Pont (E.I.) de Nemours & Co.	51,000	3,660
Freeport-McMoRan Copper & Gold, Inc.	203,000	6,628
		16,347
Telecommunication Services 2.3%		
AT&T, Inc. ⁽⁴⁾	97,000	3,418
Verizon Communications, Inc.	160,000	7,999
		11,417
Utilities 0.7%		
AGL Resources, Inc.	67,000	3,440
		3,440
TOTAL COMMON STOCKS (Identified Cost \$261,664)		335,340
CLOSED END FUNDS 0.9%		
Templeton Dragon Fund, Inc.	176,000	4,537
TOTAL CLOSED END FUNDS (Identified Cost \$3,596)		4,537
EXCHANGE-TRADED FUNDS 1.1%		
Proshares Ultrashort S&P500 ⁽²⁾	224,000	5,526

TOTAL EXCHANGE-TRADED FUNDS (Identified Cost \$5,454)		5,526
TOTAL LONG TERM INVESTMENTS 98.0% (Identified Cost \$407,624)		488,450
	Number of Shares	Value
SHORT-TERM INVESTMENTS 1.6%		
Money Market Mutual Funds 1.6%		
Fidelity Money Market Portfolio Institutional Shares (seven-day effective yield 0.080%)	7,854,335	\$ 7,854
Total Short-Term Investments (Identified Cost \$7,854)		7,854
TOTAL INVESTMENTS, BEFORE SECURITIES SOLD SHORT (Identified Cost \$415,478) 99.6%		496,304⁽¹⁾
SECURITIES SOLD SHORT (1.4%)		
COMMON STOCK		
Consumer Discretionary (0.4%)		
Mattel, Inc.	62,000	(1,900)
		(1,900)
Industrials (0.4%)		
Manitowoc Co., Inc. (The)	96,000	(2,251)
		(2,251)
Information Technology (0.6%)		
Analog Devices, Inc.	56,000	(2,772)
		(2,772)
TOTAL SECURITIES SOLD SHORT (Proceeds \$7,845)		(6,923)⁽¹⁾
TOTAL INVESTMENTS, NET OF SECURITIES SOLD SHORT (Identified Cost \$407,633) 98.2%		489,381
Other assets and liabilities, net 1.8%		9,029
NET ASSETS 100.0%		\$ 498,410

⁽¹⁾ Federal Income Tax Information: For tax information at September 30, 2014, see Note 4 Federal Income Tax Information in the Notes to Schedules of Investments and Securities Sold Short.

See notes to schedule of investments and securities sold short

THE ZWEIG TOTAL RETURN FUND, INC.

SCHEDULE OF INVESTMENTS AND SECURITIES SOLD SHORT (Continued)

SEPTEMBER 30, 2014 (Unaudited)

(\$ reported in thousands)

- (2) Non-income producing.
- (3) Principal amount is adjusted daily pursuant to the change in the Consumer Price Index.
- (4) All or portion of securities segregated as collateral for securities sold short.