

Madison/Claymore Covered Call & Equity Strategy Fund  
Form N-Q  
November 15, 2011

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 811-21582

Madison/Claymore Covered Call & Equity Strategy Fund  
(Exact name of registrant as specified in charter)

2455 Corporate West Drive, Lisle, IL 60532  
(Address of principal executive offices) (Zip code)

Kevin M. Robinson

2455 Corporate West Drive, Lisle, IL 60532  
(Name and address of agent for service)

Registrant's telephone number, including area code: 630-505-3700

Date of fiscal year end: December 31

Date of reporting period: July 1, 2011 – September 30, 2011

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 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 20549-1090. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

Attached hereto.

MCN Madison/Claymore Covered Call & Equity Strategy Fund

Portfolio of Investments

September 30, 2011 (unaudited)

| Number<br>of Shares | Description                                  | Value        |
|---------------------|----------------------------------------------|--------------|
|                     | Long-Term Investments - 100.6%               |              |
|                     | Common Stocks (b) - 93.3%                    |              |
|                     | Consumer Discretionary - 15.4%               |              |
| 154,000             | American Eagle Outfitters, Inc.              | \$ 1,804,880 |
| 200,000             | Best Buy Co., Inc.                           | 4,660,000    |
| 58,700              | Home Depot, Inc.                             | 1,929,469    |
| 60,000              | Kohl's Corp.                                 | 2,946,000    |
| 200,000             | Lowe's Cos., Inc.                            | 3,868,000    |
| 160,000             | Staples, Inc.                                | 2,128,000    |
| 130,000             | Target Corp.                                 | 6,375,200    |
|                     |                                              | 23,711,549   |
|                     | Energy - 7.6%                                |              |
| 35,000              | Apache Corp.                                 | 2,808,400    |
| 100,000             | Canadian Natural Resources, Ltd.<br>(Canada) | 2,927,000    |
| 150,000             | Petroleo Brasileiro SA, ADR<br>(Brazil)      | 3,367,500    |
| 45,000              | Schlumberger, Ltd. (Curacao)                 | 2,687,850    |
|                     |                                              | 11,790,750   |
|                     | Financials - 17.8%                           |              |
| 50,000              | Affiliated Managers Group, Inc.(a)           | 3,902,500    |
| 475,000             | Bank of America Corp.                        | 2,907,000    |
| 43,000              | Goldman Sachs Group, Inc.                    | 4,065,650    |
| 240,000             | Morgan Stanley                               | 3,240,000    |
| 140,000             | State Street Corp.                           | 4,502,400    |
| 80,000              | T Rowe Price Group, Inc.                     | 3,821,600    |
| 210,000             | Wells Fargo & Co.                            | 5,065,200    |
|                     |                                              | 27,504,350   |
|                     | Health Care - 21.8%                          |              |
| 22,100              | Biogen Idec, Inc.(a)                         | 2,058,615    |
| 80,000              | Celgene Corp.(a)                             | 4,953,600    |
| 150,600             | Community Health Systems,<br>Inc.(a)         | 2,505,984    |
| 147,000             | Gilead Sciences, Inc.(a)                     | 5,703,600    |
| 180,000             | Mylan, Inc.(a)                               | 3,060,000    |
| 100,000             | St. Jude Medical, Inc                        | 3,619,000    |
| 80,000              | Stryker Corp.                                | 3,770,400    |

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|                  |           |                                                                       |             |
|------------------|-----------|-----------------------------------------------------------------------|-------------|
|                  | 100,000   | Teva Pharmaceutical Industries, Ltd., ADR (Israel)                    | 3,722,000   |
|                  | 78,037    | Zimmer Holdings, Inc.(a)                                              | 4,174,979   |
|                  |           |                                                                       | 33,568,178  |
|                  |           | Industrials - 2.2%                                                    |             |
|                  | 135,000   | FLIR Systems, Inc.                                                    | 3,381,750   |
|                  |           | Information Technology - 27.1%                                        |             |
|                  | 160,000   | Adobe Systems, Inc.(a)                                                | 3,867,200   |
|                  | 160,000   | Applied Materials, Inc.                                               | 1,656,000   |
|                  | 300,000   | Cisco Systems, Inc.                                                   | 4,647,000   |
|                  | 65,000    | EMC Corp.(a)                                                          | 1,364,350   |
|                  | 540,300   | Flextronics International, Ltd. (Singapore)(a)                        | 3,041,889   |
|                  | 12,500    | Google, Inc., Class A(a)                                              | 6,429,750   |
|                  | 180,000   | Hewlett-Packard Co.                                                   | 4,041,000   |
|                  | 235,000   | Microsoft Corp.                                                       | 5,849,150   |
|                  | 170,000   | Symantec Corp.(a)                                                     | 2,771,000   |
|                  | 75,000    | Visa, Inc., Class A                                                   | 6,429,000   |
|                  | 124,000   | Yahoo!, Inc.(a)                                                       | 1,631,840   |
|                  |           |                                                                       | 41,728,179  |
|                  |           | Materials - 1.4%                                                      |             |
|                  | 70,000    | Freeport-McMoRan Copper & Gold, Inc.                                  | 2,131,500   |
|                  |           | Total Common Stocks - 93.3%<br>(Cost \$186,104,675)                   | 143,816,256 |
|                  |           | Exchange Traded Funds - 5.6%                                          |             |
|                  | 100,000   | PowerShares QQQ Trust Series 1(b)                                     | 5,252,000   |
|                  | 30,000    | SPDR S&P 500 ETF Trust(b)<br>(Cost \$9,111,738)                       | 3,395,100   |
|                  |           |                                                                       | 8,647,100   |
|                  |           | Exchange Traded Notes - 1.7%                                          |             |
|                  | 49,500    | iPATH S&P 500 VIX Short-Term Futures ETN(a) (b)<br>(Cost \$1,892,340) | 2,641,815   |
|                  |           | Total Long-Term Investments - 100.6%<br>(Cost \$197,108,753)          | 155,105,171 |
| Principal Amount |           | Description                                                           | Value       |
|                  |           | Short-Term Investments - 3.6%                                         |             |
|                  |           | Money Market Fund - 1.5%                                              |             |
| \$               | 2,369,233 | AIM Liquid Assets Money Market Fund                                   | 2,369,233   |

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|           |                                                                                                 |                |
|-----------|-------------------------------------------------------------------------------------------------|----------------|
|           | (Cost \$2,369,233)                                                                              |                |
| 3,150,000 | US Treasury Securities - 2.1%<br>U.S. Treasury Note, 1.75%,<br>11/15/2011<br>(Cost \$3,156,101) | 3,156,101      |
|           | Total Short-Term Investments -<br>3.6%<br>(Cost \$5,525,334)                                    | 5,525,334      |
|           | Total Investments - 104.2%<br>(Cost \$202,634,087)                                              | 160,630,505    |
|           | Other Assets in excess of<br>Liabilities - 0.1%                                                 | 59,816         |
|           | Total Value of Options Written -<br>(4.3%) (Premiums received<br>\$9,573,497)                   | (6,600,138)    |
|           | Net Assets - 100.0%                                                                             | \$ 154,090,183 |

ADR - American Depositary Receipt

SA - Corporation

S&P - Standard & Poor's

- (a) Non-income producing security.  
(b) All or a portion of this security position represents cover for outstanding options written.

See previously submitted notes to financial statements for the period ended June 30, 2011.

| Contracts<br>(100 shares<br>per contract) | Call Options Written (a)        | Expiration<br>Month | Exercise<br>Price | Value      |
|-------------------------------------------|---------------------------------|---------------------|-------------------|------------|
| (590)                                     | Adobe Systems, Inc.             | January 2012        | \$ 34.00          | \$ (9,735) |
| (700)                                     | Adobe Systems, Inc.             | January 2012        | 29.00             | (52,500)   |
| (188)                                     | Adobe Systems, Inc.             | April 2012          | 28.00             | (30,456)   |
| (100)                                     | Affiliated Managers Group, Inc. | December 2011       | 90.00             | (41,500)   |
| (400)                                     | Affiliated Managers Group, Inc. | December 2011       | 95.00             | (116,000)  |
| (600)                                     | American Eagle Outfitters, Inc. | February 2012       | 13.00             | (54,000)   |
| (740)                                     | American Eagle Outfitters, Inc. | February 2012       | 14.00             | (44,400)   |
| (350)                                     | Apache Corp.                    | January 2012        | 110.00            | (31,500)   |
| (800)                                     | Applied Materials, Inc.         | January 2012        | 12.50             | (20,800)   |
| (400)                                     | Applied Materials, Inc.         | April 2012          | 13.00             | (15,000)   |
| (2,000)                                   | Bank of America Corp.           | January 2012        | 9.00              | (46,000)   |
| (900)                                     | Bank of America Corp.           | February 2012       | 8.00              | (46,800)   |
| (300)                                     | Best Buy Co., Inc.              | December 2011       | 33.00             | (3,000)    |
| (500)                                     | Best Buy Co., Inc.              | December 2011       | 32.00             | (7,000)    |
| (400)                                     | Best Buy Co., Inc.              | January 2012        | 34.00             | (6,400)    |
| (400)                                     | Best Buy Co., Inc.              | January 2012        | 27.00             | (43,200)   |
| (221)                                     | Biogen Idec, Inc.               | October 2011        | 82.50             | (279,565)  |

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|         |                                          |               |        |             |
|---------|------------------------------------------|---------------|--------|-------------|
| (500)   | Canadian Natural Resources, Ltd.         | January 2012  | 45.00  | (8,750)     |
| (500)   | Canadian Natural Resources, Ltd.         | March 2012    | 40.00  | (43,750)    |
| (350)   | Celgene Corp.                            | October 2011  | 57.50  | (187,250)   |
| (450)   | Celgene Corp.                            | January 2012  | 60.00  | (273,375)   |
| (500)   | Cisco Systems, Inc.                      | January 2012  | 19.00  | (13,500)    |
| (1,000) | Cisco Systems, Inc.                      | April 2012    | 17.00  | (113,000)   |
| (300)   | Community Health Systems, Inc.           | December 2011 | 24.00  | (6,000)     |
| (650)   | EMC Corp.                                | October 2011  | 23.00  | (15,600)    |
| (152)   | Flextronics International, Ltd.          | April 2012    | 7.00   | (6,156)     |
| (600)   | FLIR Systems, Inc.                       | January 2012  | 26.00  | (133,500)   |
| (750)   | FLIR Systems, Inc.                       | April 2012    | 27.00  | (195,000)   |
| (500)   | Freeport-McMoRan Copper & Gold, Inc.     | November 2011 | 52.00  | (3,500)     |
| (200)   | Freeport-McMoRan Copper & Gold, Inc.     | January 2012  | 50.00  | (6,600)     |
| (400)   | Gilead Sciences, Inc.                    | November 2011 | 43.00  | (22,800)    |
| (300)   | Gilead Sciences, Inc.                    | January 2012  | 44.00  | (32,700)    |
| (300)   | Gilead Sciences, Inc.                    | February 2012 | 40.00  | (88,500)    |
| (130)   | Goldman Sachs Group, Inc.                | April 2012    | 115.00 | (85,475)    |
| (50)    | Google, Inc.                             | December 2011 | 550.00 | (117,000)   |
| (75)    | Google, Inc.                             | January 2012  | 620.00 | (88,875)    |
| (287)   | Home Depot, Inc.                         | November 2011 | 33.00  | (52,521)    |
| (300)   | Home Depot, Inc.                         | January 2012  | 35.00  | (46,800)    |
| (495)   | iPATH S&P 500 VIX Short-Term Futures ETN | December 2011 | 27.00  | (1,316,700) |
| (400)   | Kohl's Corp.                             | January 2012  | 50.00  | (160,000)   |
| (300)   | Lowe's Cos., Inc.                        | October 2011  | 20.00  | (13,950)    |
| (1,000) | Lowe's Cos., Inc.                        | January 2012  | 21.00  | (98,000)    |
| (700)   | Lowe's Cos., Inc.                        | January 2012  | 24.00  | (19,250)    |
| (1,800) | Microsoft Corp.                          | January 2012  | 27.50  | (135,900)   |
| (250)   | Microsoft Corp.                          | April 2012    | 29.00  | (20,250)    |
| (800)   | Morgan Stanley                           | January 2012  | 24.00  | (14,400)    |
| (200)   | Mylan, Inc.                              | October 2011  | 23.00  | (800)       |
| (400)   | Mylan, Inc.                              | January 2012  | 24.00  | (7,000)     |
| (300)   | Mylan, Inc.                              | January 2012  | 19.00  | (31,650)    |
| (600)   | Mylan, Inc.                              | January 2012  | 20.00  | (43,800)    |
| (300)   | Mylan, Inc.                              | April 2012    | 22.00  | (21,750)    |
| (600)   | Petroleo Brasileiro SA                   | January 2012  | 35.00  | (1,200)     |
| (600)   | Petroleo Brasileiro SA                   | January 2012  | 30.00  | (13,800)    |
| (250)   | PowerShares QQQ Trust Series 1           | October 2011  | 54.00  | (33,875)    |
| (750)   | Powershares QQQ Trust Series 1           | December 2011 | 57.00  | (114,000)   |
| (450)   | Schlumberger, Ltd.                       | January 2012  | 85.00  | (22,500)    |
| (300)   | SPDR S&P 500 ETF Trust                   | October 2011  | 117.00 | (71,400)    |
| (400)   | St Jude Medical, Inc.                    | October 2011  | 42.50  | (2,000)     |
| (300)   | St Jude Medical, Inc.                    | January 2012  | 45.00  | (15,000)    |
| (300)   | St Jude Medical, Inc.                    | April 2012    | 47.50  | (23,250)    |
| (900)   | Staples, Inc.                            | January 2012  | 16.00  | (36,000)    |
| (400)   | Staples, Inc.                            | January 2012  | 15.00  | (27,000)    |
| (300)   | State Street Corp.                       | November 2011 | 47.00  | (1,350)     |
| (300)   | State Street Corp.                       | January 2012  | 47.00  | (6,600)     |
| (500)   | State Street Corp.                       | February 2012 | 38.00  | (88,250)    |
| (200)   | Stryker Corp.                            | January 2012  | 50.00  | (51,500)    |
| (600)   | Stryker Corp.                            | March 2012    | 50.00  | (204,000)   |
| (500)   | Symantec Corp.                           | October 2011  | 18.00  | (10,000)    |

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|                                                                        |                                      |               |       |               |
|------------------------------------------------------------------------|--------------------------------------|---------------|-------|---------------|
| (700)                                                                  | Symantec Corp.                       | January 2012  | 20.00 | (31,150)      |
| (600)                                                                  | T Rowe Price Group, Inc.             | January 2012  | 55.00 | (151,500)     |
| (200)                                                                  | T Rowe Price Group, Inc.             | January 2012  | 60.00 | (26,500)      |
| (600)                                                                  | Target Corp.                         | January 2012  | 50.00 | (186,000)     |
| (700)                                                                  | Target Corp.                         | January 2012  | 52.50 | (140,000)     |
| (300)                                                                  | Teva Pharmaceutical Industries, Ltd. | December 2011 | 42.50 | (22,050)      |
| (300)                                                                  | Teva Pharmaceutical Industries, Ltd. | March 2012    | 45.00 | (30,150)      |
| (300)                                                                  | Visa, Inc.                           | December 2011 | 87.50 | (174,750)     |
| (450)                                                                  | Visa, Inc.                           | January 2012  | 87.50 | (311,625)     |
| (400)                                                                  | Wells Fargo & Co.                    | October 2011  | 27.00 | (12,000)      |
| (1,000)                                                                | Wells Fargo & Co.                    | January 2012  | 30.00 | (54,000)      |
| (500)                                                                  | Wells Fargo & Co.                    | April 2012    | 27.00 | (107,250)     |
| (1,240)                                                                | Yahoo!, Inc.                         | January 2012  | 17.50 | (73,780)      |
| (300)                                                                  | Zimmer Holdings, Inc.                | January 2012  | 65.00 | (27,750)      |
| (280)                                                                  | Zimmer Holdings, Inc.                | January 2012  | 70.00 | (11,200)      |
| (200)                                                                  | Zimmer Holdings, Inc.                | March 2012    | 60.00 | (59,500)      |
| Total Value of Call Options Written<br>(Premiums received \$9,410,000) |                                      |               |       | (6,412,888)   |
| Put Options Written                                                    |                                      |               |       |               |
| (500)                                                                  | Cisco Systems, Inc.                  | October 2011  | 17.00 | (83,750)      |
| (500)                                                                  | Microsoft Corp.                      | January 2012  | 25.00 | (103,500)     |
| Total Value of Put Options Written<br>(Premiums received \$163,497)    |                                      |               |       | (187,250)     |
| Total Value of Options Written<br>(Premiums received \$9,573,497)      |                                      |               |       | \$(6,600,138) |

(a) Non-income producing security.

Country Allocation\*

|               |       |
|---------------|-------|
| United States | 90.2% |
| Israel        | 2.3%  |
| Brazil        | 2.1%  |
| Singapore     | 1.9%  |
| Canada        | 1.8%  |
| Curacao       | 1.7%  |

\* Based on Total Investments (which does not take into consideration the Value of Options Written). Subject to change daily.

At September 30, 2011, the cost and related gross unrealized appreciation and depreciation on investments for tax purposes are as follows:

| Cost of<br>Investments<br>for Tax<br>Purposes | Gross Tax<br>Unrealized<br>Appreciation | Gross Tax<br>Unrealized<br>Depreciation | Net Tax<br>Unrealized<br>Depreciation<br>on<br>Investments |
|-----------------------------------------------|-----------------------------------------|-----------------------------------------|------------------------------------------------------------|
| \$203,148,612                                 | \$ 3,299,861                            | \$(45,817,968)                          | \$(42,518,107)                                             |

Fair value is defined as the price that the Fund would receive to sell an investment or pay to transfer a liability in an orderly transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. There are three different categories for valuations. Level 1 valuations are those based upon quoted prices in active markets. Level 2 valuations are those based upon quoted prices in inactive markets or based upon significant observable inputs (e.g. yield curves; benchmark interest rates; indices). Level 3 valuations are those based upon unobservable inputs (e.g. discounted cash flow analysis; non-market based methods used to determine fair valuation).

The Fund adopted the Accounting Standards Update, Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements which provides guidance on how investment assets and liabilities are to be valued and disclosed. Specifically, the amendment requires reporting entities to disclose: i) the input and valuation techniques used to measure fair value for both recurring and nonrecurring fair value measurements, for Level 2 or Level 3 positions, ii) transfers between all levels (including Level 1 and Level 2) on a gross basis (i.e. transfers out must be disclosed separately from transfers in) as well as the reason(s) for the transfer, and iii) purchases, sales, issuances and settlements must be shown on a gross basis in the Level 3 rollforward rather than as one net number.

The Fund values Level 1 securities using readily available market quotations in active markets. The Fund values Level 2 fixed income securities using independent pricing providers who employ matrix pricing models utilizing market prices, broker quotes and prices of securities with comparable maturities and qualities. The Fund values Level 2 equity securities using various observable market inputs in accordance with procedures established in good faith by management and approved by the Board of Fundeers. The Fund did not have any Level 3 securities during the period ended September 30, 2011. There were no transfers between Level 1 and Level 2 during the period ended September 30, 2011.

The following table represents the Fund's investments carried on the Statement of Assets and Liabilities by caption and by level within the fair value hierarchy as of September 30, 2011:

| Description<br>(value in \$000s) | Level 1    | Level 2 | Level 3 | Total      |
|----------------------------------|------------|---------|---------|------------|
| Assets:                          |            |         |         |            |
| Common Stocks                    | \$ 143,816 | \$ -    | \$ -    | \$ 143,816 |
| Exchange Traded Funds            | 8,647      | -       | -       | 8,647      |

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|                       |           |         |     |           |
|-----------------------|-----------|---------|-----|-----------|
| Exchange Traded Notes | 2,642     | -       | -   | 2,642     |
| Money Market Fund     | 2,369     | -       | -   | 2,369     |
| U.S. Government       | -         | 3,156   | -   | 3,156     |
| Total                 | \$157,474 | \$3,156 | \$- | \$160,630 |
| Liabilities:          |           |         |     |           |
| Written Options       | \$6,600   | \$-     | \$- | \$6,600   |
| Total                 | \$6,600   | \$-     | \$- | \$6,600   |

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Item 2. Controls and Procedures.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) as of a date within 90 days of the filing date of this report and have concluded, based on such evaluation, that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant on this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act Of 1940, as amended) 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.

A separate certification for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act, as amended (17 CFR 270.30a-2(a)) is attached hereto.

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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.

Madison/Claymore Covered Call & Equity Strategy Fund

By: /s/ Kevin M. Robinson  
Kevin M. Robinson  
Chief Executive Officer and Chief Legal Officer

Date: November 15, 2011

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/ Kevin M. Robinson  
Kevin M. Robinson  
Chief Executive Officer and Chief Legal Officer

Date: November 15, 2011

By: /s/ John Sullivan  
John Sullivan  
Chief Financial Officer, Chief Accounting Officer and Treasurer

Date: November 15, 2011