

SOURCE CAPITAL INC /DE/
Form N-Q
May 23, 2013

**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 811-1731

Source Capital, Inc.
(Exact name of registrant as specified in charter)

11400 West Olympic Boulevard, Suite 1200, Los Angeles, California
(Address of principal executive offices)

90064
(Zip code)

J. Richard Atwood, Treasurer, Source Capital, Inc.,
11400 West Olympic Boulevard, Suite 1200, Los Angeles, California 90064
(Name and address of agent for service)

Registrant's telephone number, including area code: (310) 473-0225

Date of fiscal year end: December 31

Date of reporting period: March 31, 2013

ITEM 1. Schedule of Investments.

Source Capital, Inc.

Portfolio of Investments

March 31, 2013 (unaudited)

COMMON STOCKS	Shares or Principal Amount	Fair Value
PRODUCER DURABLE GOODS 24.4%		
Actuant Corporation (Class A)	315,700	\$ 9,666,734
Franklin Electric Co., Inc.	451,200	15,146,784
Graco Inc.	395,800	22,968,274
HNI Corporation	513,733	18,232,384
IDEX Corporation	427,100	22,815,682
Rotork plc (Great Britain)	72,200	3,186,338
WABCO Holdings Inc.*	383,000	27,035,970
Zebra Technologies Corporation (Class A)*	384,400	18,116,772
		\$ 137,168,938
RETAILING 20.4%		
CarMax, Inc.*	762,200	\$ 31,783,740
L Occitane International S.A. (Luxembourg)	1,875,000	5,700,375
O Reilly Automotive, Inc.*	425,900	43,676,045
Signet Jewelers Limited (Bermuda)	498,200	33,379,400
		\$ 114,539,560
BUSINESS SERVICES & SUPPLIES 17.8%		
Aggreko plc (Great Britain)	270,000	\$ 7,311,897
Clarcor, Inc.	252,700	13,236,426
Copart, Inc.*	687,100	23,553,788
Domino Printing Sciences plc (Great Britain)	710,400	6,898,623
Halma PLC (Great Britain)	1,325,000	10,430,400
ManpowerGroup Inc.	126,200	7,158,064
ScanSource Inc.*	679,263	19,168,802
Spirax-Sarco Engineering plc (Great Britain)	306,506	12,515,958
		\$ 100,273,958
HEALTH CARE 11.9%		
Bio-Rad Laboratories, Inc.*	147,700	\$ 18,610,200
bioMerieux S.A. (France)	118,887	11,213,029
Life Technologies Corporation*	279,198	18,044,567
Sonova Holding AG (Switzerland)	53,500	6,417,068
Varian Medical Systems, Inc.*	42,000	3,024,000
VCA Antech, Inc.*	413,300	9,708,417
		\$ 67,017,281
ENERGY 6.5%		
FMC Technologies, Inc.*	307,800	\$ 16,741,242
Noble Corporation (Switzerland)	529,200	20,188,980
		\$ 36,930,222
TECHNOLOGY 6.4%		
EVS Broadcast Equipment S.A. (Belgium)	187,150	\$ 12,010,707
Maxim Integrated Products, Inc.	309,600	10,108,440
Microchip Technology Incorporated	374,951	13,783,199
		\$ 35,902,346
TRANSPORTATION 4.0%		
Heartland Express, Inc.	825,800	\$ 11,016,172

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Knight Transportation, Inc.	700,600		11,279,660
		\$	22,295,832
OTHER COMMON STOCKS 0.0%		\$	80,110
TOTAL COMMON STOCKS 91.4% (Cost \$284,755,564)		\$	514,208,247
PREFERRED STOCKS 0.5% (Cost \$3,011,454)			
REAL ESTATE INVESTMENT TRUST			
ProLogis (Series S)	120,000	\$	3,008,400
NON-CONVERTIBLE BONDS AND DEBENTURES			
CORPORATE			
Helix Energy Solutions Group, Inc. 9.5% 2016	\$ 1,158,000	\$	1,189,845
OMNOVA Solutions Inc. 7.875% 2018	275,000		292,188
Quality Distribution LLC 9.875% 2018	3,000,000		3,240,000
Stanadyne Corporation 10% 2014	3,000,000		2,981,250
TOTAL NON- CONVERTIBLE BONDS AND DEBENTURES 1.4% (Cost \$7,096,333)		\$	7,703,283
TOTAL INVESTMENT SECURITIES 93.3% (Cost \$294,863,351)		\$	524,919,930
SHORT-TERM INVESTMENTS			
Federal Home Loan Bank Discount Note 0.02% 04/02/13	\$ 10,000,000	\$	9,999,994
Federal National Mortgage Association 0.095% 04/17/13	21,931,000		21,930,074
State Street Bank Repurchase Agreement 0.01% 04/01/13			
(Dated 3/28/13, repurchase price of \$5,516,000, collateralized by \$6,020,000 principal amount U.S. Treasury Bond 2.75% 2042, fair value \$5,628,700)	5,516,000		5,516,006
TOTAL SHORT-TERM INVESTMENTS 6.7% (Cost \$37,446,074)		\$	