

ADAMS DIVERSIFIED EQUITY FUND, INC.
Form N-Q
October 21, 2016

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT
INVESTMENT COMPANY**

Investment Company Act file number: 811-00248

ADAMS DIVERSIFIED EQUITY FUND, INC.

(Exact name of registrant as specified in charter)

500 East Pratt Street, Suite 1300, Baltimore, Maryland 21202

(Address of principal executive offices)

**Lawrence L. Hooper, Jr.
Adams Diversified Equity Fund, Inc.
500 East Pratt Street, Suite 1300
Baltimore, Maryland 21202**

(Name and address of agent for service)

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

Date of fiscal year end: December 31

Date of reporting period: September 30, 2016

Item 1. Schedule of Investments.

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September 30, 2016 (unaudited)

	Shares	Value (A)
Common Stocks 97.5%		
Consumer Discretionary 11.8%		
Amazon.com, Inc. (B)	50,000	\$ 41,865,500
Comcast Corp. (Class A)	559,800	37,137,132
Dollar General Corp.	149,637	10,473,093
Hanesbrands Inc.	316,700	7,996,675
Lowe's Companies, Inc.	405,000	29,245,050
Magna International Inc.	252,000	10,823,400
Consumer Discretionary Select Sector SPDR Fund (G)	129,105	10,333,564
Starbucks Corporation	251,300	13,605,382
Walt Disney Co.	184,800	17,160,528
		178,640,324
Consumer Staples 9.4%		
Coca-Cola Co.	465,000	19,678,800
CVS Health Corp.	265,600	23,635,744
Kroger Co.	282,900	8,396,472
PepsiCo, Inc. (F)	230,400	25,060,608
Philip Morris International Inc.	323,300	31,431,226
Procter & Gamble Co.	131,850	11,833,537
Spectrum Brands Holdings, Inc. (G)	88,100	12,130,489
Walmart Stores, Inc.	156,800	11,308,416
		143,475,292
Energy 7.9%		
Adams Natural Resources Fund, Inc. (C)	2,186,774	43,582,406
Chevron Corp.	218,000	22,436,560
Concho Resources Inc. (B)	57,500	7,897,625
EOG Resources, Inc.	151,200	14,622,552
Exxon Mobil Corp. (F)	101,000	8,815,280
Halliburton Co.	354,400	15,905,472
Marathon Petroleum Corp.	166,000	6,737,940
		119,997,835
Financials 13.5%		
Allstate Corp.	162,800	11,262,504
American International Group, Inc.	263,000	15,606,420
Bank of America Corp.	1,140,500	17,848,825
BlackRock, Inc.	58,200	21,095,172
Chubb Ltd.	171,600	21,561,540
Goldman Sachs Group, Inc.	120,300	19,400,781
Intercontinental Exchange, Inc.	83,200	22,410,752
JPMorgan Chase & Co.	241,200	16,061,508
Prudential Financial, Inc.	189,100	15,440,015
Raymond James Financial, Inc.	205,000	11,933,050
Wells Fargo & Co.	719,000	31,837,320
		204,457,887

SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2016 (unaudited)

	Shares	Value (A)
Health Care 14.4%		
AbbVie, Inc.	380,000	\$ 23,966,600
Aetna Inc.	183,900	21,231,255
Allergan plc (B)	107,096	24,665,280
Biogen Inc. (B)	47,000	14,712,410
Cigna Corp.	145,800	19,000,656
Edwards Lifesciences Corp. (B)	194,800	23,485,088
Gilead Sciences, Inc.	55,500	4,391,160
Health Care Select Sector SPDR Fund (G)	145,800	10,513,638
Johnson & Johnson	64,000	7,560,320
Merck & Co., Inc.	351,500	21,937,115
Pfizer Inc.	702,940	23,808,578
Thermo Fisher Scientific Inc.	145,400	23,127,324
		218,399,424
Industrials 9.3%		
Boeing Co.	205,000	27,006,700
Delta Air Lines, Inc.	311,900	12,276,384
Dover Corp.	176,000	12,960,640
FedEx Corp.	80,000	13,974,400
General Electric Co.	246,500	7,301,330
Honeywell International Inc.	209,400	24,413,946
Industrial Select Sector SPDR Fund (G)	152,900	8,926,302
Robert Half International Inc.	202,500	7,666,650
Union Pacific Corp.	278,000	27,113,340
		141,639,692
Information Technology 21.6%		
Adobe Systems Inc.	176,000	19,103,040
Alphabet Inc. (Class A) (B)	35,500	28,544,130
Alphabet Inc. (Class C) (B)	35,597	27,669,192
Apple Inc. (F)	480,500	54,320,525
Cisco Systems, Inc.	446,000	14,147,120
Citrix Systems, Inc. (B)	107,800	9,186,716
Facebook, Inc. (Class A) (B)	303,300	38,904,291
Hewlett Packard Enterprise Co.	485,600	11,047,400
Lam Research Corp.	127,600	12,084,996
MasterCard, Inc. (Class A)	230,000	23,407,100
Microsoft Corp.	836,800	48,199,680
NXP Semiconductors N.V. (B)	62,200	6,345,022
Oracle Corp.	221,000	8,680,880
Visa Inc. (Class A)	322,000	26,629,400
		328,269,492
Materials 2.1%		
Dow Chemical Co.	154,700	8,018,101
LyondellBasell Industries N.V. (Class A)	186,000	15,002,760
PPG Industries, Inc.	85,000	8,785,600
		31,806,461

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Real Estate 2.6%

American Tower Corp.	105,000	11,899,650
Boston Properties, Inc.	85,300	11,625,537
Simon Property Group, Inc.	77,000	15,939,770

39,464,957

Telecommunication Services 2.0%

SBA Communications Corp. (Class A) (B)	90,000	10,094,400
Verizon Communications Inc.	389,000	20,220,220

30,314,620

SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2016 (unaudited)

	Shares	Value (A)
Utilities 2.9%		
DTE Energy Company	121,400	\$ 11,371,538
Edison International	149,800	10,823,050
NextEra Energy, Inc.	111,800	13,675,376
Pinnacle West Capital Corp.	107,500	8,168,925
		44,038,889
Total Common Stocks		
(Cost \$1,090,948,412)		1,480,504,873
Other Investments 0.0%		
Financial 0.0%		
Adams Funds Advisers, LLC (B) (D)		
(Cost \$150,000)		93,000
Short-Term Investments 2.2%		
Money Market Funds 2.2%		
Fidelity Institutional Money Market Money Market Portfolio (Institutional Class), 0.44% (E)	17,787,019	17,787,019
Northern Institutional Treasury Portfolio, 0.26% (E)	15,410,081	15,410,081
Total Short-Term Investments		
(Cost \$33,197,100)		33,197,100
Securities Lending Collateral 2.6%		
(Cost \$39,614,944)		
Money Market Funds 2.6%		
Northern Institutional Funds Liquid Assets Portfolio, 0.45% (E)	39,614,944	39,614,944
Total Investments 102.3% of Net Assets		
(Cost \$1,163,910,456)		\$ 1,553,409,917

					Unrealized Appreciation (Assets)	Unrealized Depreciation (Liabilities)
Total Return Swap Agreements (0.1)%	Type of Contract	Counterparty	Termination Date	Notional Amount		
Receive positive total return (pay negative total return) on 200,200 shares of Salesforce.com Inc. common stock and pay financing amount based on Notional Amount and daily U.S. Federal Funds rate plus 0.55%.	Long	Morgan Stanley	10/13/2017	\$ 15,020,742	\$	\$ (748,794)
Receive negative total return (pay positive total return) on 322,100 shares of Technology Select Sector SPDR Fund and pay financing amount based on Notional Amount and daily U.S. Federal Funds rate less 0.45%.	Short	Morgan Stanley	10/13/2017	(15,001,196)		(452,174)

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Gross Unrealized Loss on Open Total Return Swap Agreements	\$	\$ (1,200,968)
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