

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

DNP SELECT INCOME FUND INC
Form N-Q
November 12, 2004

=====

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 811-4915

DNP Select Income Fund Inc.

(Exact name of registrant as specified in charter)

55 East Monroe Street, Chicago, Illinois 60603

(Address of principal executive offices) (Zip code)

| | |
|-----------------------------|------------------------------|
| Nathan I. Partain | John R. Sagan |
| DNP Select Income Fund Inc. | Mayer, Brown, Rowe & Maw LLP |
| 55 East Monroe Street | 190 South LaSalle Street |
| Chicago, Illinois 60603 | Chicago, Illinois 60603 |

(Name and address of agents for service)

Registrant's telephone number, including area code: (312) 368-5510

Date of fiscal year end: December 31

Date of reporting period: September 30, 2004

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (Sections 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 Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. Section 3507.

=====

ITEM 1. SCHEDULE OF INVESTMENTS.

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS
(UNAUDITED)
September 30, 2004

COMMON STOCKS--85.9%

| Shares | Company | Market Value (Note 1) |
|---------------------|---|--------------------------|
| ----- | ----- | ----- |
| [] ELECTRIC--50.5% | | |
| 1,501,000 | Ameren Corp..... | \$ 69,271,150 |
| 800,000 | Cinergy Corp..... | 31,680,000 |
| 796,000 | Dominion Resources Inc..... | 51,939,000 |
| 1,000,000 | DTE Energy Co..... | 42,190,000 |
| 352,770 | Duke Energy Corp..... | 8,074,905 |
| 1,100,000 | Energy East Corp..... | 27,698,000 |
| 2,000,000 | Exelon Corp..... | 73,380,000 |
| 2,000,000 | FirstEnergy Corp..... | 82,160,000 |
| 579,400 | FPL Group Inc..... | 39,584,608 |
| 1,080,000 | Iberdrola S.A. (Spain)..... | 22,400,711 |
| 215,000 | National Grid Transco PLC ADR..... | 9,208,450 |
| 770,000 | National Grid Transco PLC (United Kingdom)..... | 6,496,506 |
| 1,200,000 | NiSource, Inc..... | 25,212,000 |
| 1,318,600 | NSTAR..... | 64,743,260 |
| 690,000 | Pinnacle West Capital Corp..... | 28,635,000 |
| 1,375,000 | Progress Energy Inc..... | 58,217,500 |
| 1,000,000 | Public Service Enterprise Group Inc..... | 42,600,000 |
| 1,000,000 | Scottish & Southern Energy ADR..... | 14,096,500 |
| 850,000 | Scottish & Southern Energy PLC (United Kingdom) | 11,974,236 |
| 368,700 | Scottish Power PLC ADR..... | 11,370,708 |
| 2,300,000 | Southern Co..... | 68,954,000 |
| 1,500,000 | Vectren Corp..... | 37,770,000 |
| 581,000 | WPS Resources Corp..... | 26,139,190 |
| 2,999,304 | Xcel Energy Inc..... | 51,947,945 |
| | | ----- |
| | | 905,743,669 |
| [] GAS--7.5% | | |
| 926,000 | AGL Resources Inc..... | 28,493,020 |
| 1,000,000 | Keyspan Corp..... | 39,200,000 |
| 900,000 | Peoples Energy Corp..... | 37,512,000 |
| 1,000,000 | WGL Holdings Inc..... | 28,260,000 |
| | | ----- |
| | | 133,465,020 |

The accompanying note is an integral part of this financial statement.

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS--(Continued)
(UNAUDITED)
September 30, 2004

| Shares | Company | Market Value (Note 1) |
|------------------------------|--------------------------------------|-----------------------------|
| ----- | ----- | ----- |
| [] TELECOMMUNICATION--16.3% | | |
| 1,600,000 | BCE Inc..... | \$ 34,640,000 |
| 565,000 | BT Group PLC ADR..... | 18,616,750 |
| 1,730,000 | BellSouth Corp..... | 46,917,600 |
| 1,250,000 | Chunghwa Telecom Co. Ltd..... | 22,012,500 |
| 1,620,000 | Citizens Communications Co..... | 21,691,800 |
| 1,642,230 | SBC Communications, Inc..... | 42,615,868 |
| 856,250 | Telecom Corp of New Zealand Ltd. ADR | 27,237,313 |
| 1,068,400 | Telstra Corp. Ltd. ADR..... | 18,088,012 |
| 1,519,000 | Verizon Communications Inc..... | 59,818,220 |
| | | ----- |
| | | 291,638,063 |
| [] NON-UTILITY--11.6% | | |
| 51,194 | Alexandria Real Estate Equities Inc. | 3,364,470 |
| 64,478 | AMB Property Corp..... | 2,386,975 |
| 251,692 | Archstone Smith Trust..... | 7,963,535 |
| 66,534 | Arden Realty Inc..... | 2,167,678 |
| 218,408 | Boston Properties Inc..... | 12,097,619 |
| 77,653 | Camden Property Trust..... | 3,587,569 |
| 78,453 | CBL & Associates Properties Inc..... | 4,781,710 |
| 327,320 | CenterPoint Properties Trust..... | 14,264,606 |
| 208,999 | Corporate Office Properties Trust... | 5,354,554 |
| 229,309 | Developers Diversified Realty Corp.. | 8,977,447 |
| 145,828 | Duke Realty Corp..... | 4,841,490 |
| 72,914 | Equity Office Properties Trust..... | 1,986,907 |
| 248,610 | Equity Residential..... | 7,706,910 |
| 53,774 | Essex Property Trust Inc..... | 3,863,662 |
| 45,000 | Extra Space Storage Inc..... | 573,750 |
| 334,291 | General Growth Properties Inc..... | 10,363,021 |
| 84,130 | Health Care Property Investors Inc.. | 2,187,380 |
| 63,800 | Health Care REIT Inc..... | 2,245,760 |
| 53,526 | Healthcare Realty Trust Inc..... | 2,089,655 |
| 72,914 | Home Properties Inc..... | 2,884,478 |
| 69,268 | Hospitality Properties Trust..... | 2,943,197 |

The accompanying note is an integral part of this financial statement.

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

(UNAUDITED)
September 30, 2004

| Shares | Company | Market Value (Note 1) |
|---------|---|--------------------------|
| 99,193 | iStar Financial Inc..... | \$ 4,089,727 |
| 78,994 | Kilroy Realty Corp..... | 3,004,142 |
| 67,968 | Kimco Realty Corp..... | 3,486,758 |
| 72,720 | LaSalle Hotel Properties..... | 2,007,072 |
| 139,226 | The Macerich Co..... | 7,419,354 |
| 116,597 | Pan Pacific Retail Properties Inc..... | 6,307,898 |
| 265,662 | ProLogis..... | 9,361,929 |
| 78,538 | Public Storage, Inc..... | 3,891,558 |
| 45,571 | Realty Income Corp..... | 2,052,062 |
| 84,355 | Reckson Associates Realty Corp..... | 2,425,206 |
| 67,231 | Regency Centers Corp..... | 3,125,569 |
| 55,140 | Shurgard Storage Centers Inc. Class A..... | 2,139,432 |
| 259,811 | Simon Property Group Inc..... | 13,933,664 |
| 187,571 | S.L. Green Realty Corp..... | 9,718,053 |
| 97,070 | Starwood Hotels & Resorts Worldwide, Inc.. | 4,505,989 |
| 127,119 | United Dominion Realty Trust Inc..... | 2,520,770 |
| 229,679 | Vornado Realty Trust..... | 14,396,280 |
| 183,350 | Weingarten Realty Investors..... | 6,052,384 |
| | | 207,070,220 |
| | Total Common Stocks (Cost--\$1,405,830,973) | 1,537,916,972 |

PREFERRED STOCKS--18.8%

[_] UTILITY--18.8%

| | | |
|-----------|---|------------|
| 200,000 | Alltel Corp. 7 3/4% due 5/17/05..... | 10,352,000 |
| 750,000 | Ameren Corp. 9 3/4% due 5/15/05..... | 20,595,000 |
| 1,200,000 | Centurytel Inc. 6 7/8% due 5/15/05..... | 31,704,000 |
| 626,200 | Cinergy Corp. 9 1/2% due 2/16/05..... | 38,235,772 |
| 450,000 | Dominion Resources Inc. 9 1/2% due 11/16/04..... | 25,506,195 |

The accompanying note is an integral part of this financial statement.

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| Shares | Company | Market Value (Note 1) |
|--|--|--------------------------|
| 986,700 | DTE Energy Co. 8 3/4% due 8/16/05..... | \$ 24,547,500 |
| 223,500 | EIX Trust II Series B 8.60% due 10/29/29..... | 5,670,195 |
| 500,000 | FPL Group Inc. 8 1/2% due 2/16/05..... | 28,450,000 |
| 1,200,000 | Great Plains Energy Inc. 8% due 2/16/07..... | 30,132,000 |
| 412,000 | Keyspan Corp. 8 3/4% due 5/16/05..... | 21,836,000 |
| 775,000 | Oneok Inc. 8 1/2% due 2/16/06..... | 25,513,000 |
| 500,000 | Sempra Energy 8 1/2% due 5/17/05..... | 15,480,000 |
| 172,700 | Southern Union Co. 5 3/4% due 8/16/06..... | 11,057,981 |
| 400,000 | TXU Corp. 8 3/4% due 11/16/05..... | 20,840,000 |
| 500,000 | TXU Corp. 8 1/8% due 5/16/06..... | 25,955,000 |
| Total Preferred Stocks (Cost--\$306,441,093) | | 335,874,643 |

BONDS--31.2%

| Par Value | Ratings | | | | |
|---------------------|--|-----------|---------------------|------|------------|
| | Fitch | Moody's | Standard and Poor's | | |
| [_] ELECTRIC--11.3% | | | | | |
| \$18,050,000 | Comed Financing II 8 1/2%, due 1/15/27..... | Not Rated | Baa2 | BBB | 20,817,895 |
| 7,500,000 | Commonwealth Edison Co. 9 7/8%, due 6/15/20..... | A- | A3 | A- | 8,005,740 |
| 24,000,000 | Dominion Resources Capital Trust 7.83%, due 12/01/27..... | Not Rated | Baa2 | BBB- | 26,363,544 |

The accompanying note is an integral part of this financial statement.

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| Par Value | Company | Ratings | | | Market Value (Note 1) |
|--------------|--|-----------|---------|---------------------|--------------------------|
| | | Fitch | Moody's | Standard and Poor's | |
| \$ 5,000,000 | El Paso Electric Co., Series E 9.40%, due 5/01/11..... | Not Rated | Baa2 | BBB | \$ 5,616,895 |
| 5,000,000 | Illinois Power Co. 7 1/2%, due 7/15/25..... | CCC+ | B1 | B | 5,150,000 |
| 15,825,000 | Niagara Mohawk Power Corp. 8 7/8%, due 5/15/07..... | Not Rated | Baa3 | A- | 17,898,708 |
| 5,000,000 | Progress Energy Inc. 7 3/4%, due 3/01/31..... | BBB- | Baa2 | BBB- | 5,929,550 |
| 9,000,000 | PSEG Power LLC 8 5/8%, due 4/15/31..... | BBB | Baa1 | BBB | 11,559,726 |
| 22,750,000 | Puget Capital Trust 8.231%, due 6/01/27..... | Not Rated | Ba1 | BB | 21,967,127 |
| 29,860,000 | Southern California Edison Co. 8%, due 2/15/07..... | BBB+ | A3 | BBB | 33,069,682 |
| 13,000,000 | Southern Co. Capital Trust II 8.14%, due 2/15/27..... | Not Rated | Baa1 | BBB+ | 14,926,405 |
| 11,750,000 | Virginia Electric & Power Co. 8 5/8%, due 10/01/24..... | A- | A2 | A- | 12,249,880 |
| 17,700,000 | Virginia Electric & Power Co. 8 1/4%, due 3/01/25..... | A- | A2 | A- | 18,682,102 |
| | | | | | ----- 202,237,254 |
| | [_] GAS--4.4% | | | | |
| 5,000,000 | KN Energy Inc. 7 1/4%, due 3/01/28..... | BBB | Baa2 | BBB | 5,579,640 |
| 10,000,000 | Northern Border Partners LP 8 7/8%, due 6/15/10..... | BBB+ | Baa2 | BBB+ | 11,984,440 |
| 15,000,000 | Panhandle Eastern 8 5/8%, due 4/15/25..... | BBB- | Baa3 | BBB- | 15,893,310 |
| 6,488,000 | Southern Union Co. 7.60%, due 2/01/24..... | BBB | Baa3 | BBB | 7,370,070 |
| 8,850,000 | Southern Union Co. 8 1/4%, due 11/15/29..... | BBB | Baa3 | BBB | 10,925,236 |

The accompanying note is an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS--(Continued)
(UNAUDITED)
September 30, 2004

| Ratings | |
|----------|--------|
| Standard | Market |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| Par Value | Company | Fitch | Moody's | and Poor's | Value (Note 1) |
|--------------|---|-----------|---------|---------------|-------------------|
| \$10,000,000 | TE Products Pipeline Co. 7.51%, due 1/15/28..... | Not Rated | Baa3 | BBB | \$ 10,828,040 |
| 15,500,000 | Trans-Canada Pipeline 9 1/8%, due 4/20/06..... | Not Rated | A3 | BBB+ | 16,891,962 |
| | | | | | 79,472,698 |
| | [] TELECOMMUNICATION--8.5% | | | | |
| 4,200,000 | AT&T Wireless Services Inc. 7 1/2%, due 5/01/07..... | BBB | Baa2 | BBB | 4,629,925 |
| 22,000,000 | British Telecom PLC 8 3/8%, due 12/15/10..... | A | Baa1 | A- | 26,561,832 |
| 15,000,000 | Centurytel Inc. 8 3/8%, due 10/15/10..... | BBB+ | Baa2 | BBB+ | 17,717,565 |
| 5,000,000 | Centurytel Inc. 6 7/8%, due 1/15/28..... | BBB+ | Baa2 | BBB+ | 5,182,315 |
| 5,645,000 | Comcast Cable Communications Inc. 8 3/8%, due 5/01/07..... | BBB | Baa3 | BBB | 6,309,580 |
| 10,000,000 | France Telecom SA 7 3/4%, due 3/01/11..... | A- | Baa2 | BBB+ | 11,986,010 |
| 17,625,000 | GTE Corp. 7.90%, due 2/01/27..... | A+ | A3 | A+ | 19,353,537 |
| 5,000,000 | GTE North Inc., Series C 7 5/8%, due 5/15/26..... | A+ | A1 | A+ | 5,323,140 |
| 10,000,000 | Sprint Capital Corp. 8 3/8%, due 3/05/12..... | BBB | Baa3 | BBB- | 12,128,720 |
| 10,000,000 | TCI Communications Inc. 8 3/4%, due 8/01/15..... | BBB | Baa3 | BBB | 12,487,730 |
| 6,724,000 | 360 Communications Co. 7 1/2% due 3/01/06..... | A | A2 | A | 7,161,248 |
| 4,314,000 | Tritel PCS Inc. 10 3/8%, due 1/15/11..... | BBB | Baa2 | BBB | 4,923,961 |
| 10,500,000 | Verizon Global Funding Corp. 7 3/4%, due 12/01/30..... | A+ | A2 | A+ | 12,613,881 |

The accompanying note is an integral part of this financial statement.

8

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS--(Continued)
(UNAUDITED)
September 30, 2004

| Par Value | Company | Ratings | | | Market Value (Note 1) |
|--------------|--------------------|---------|---------|---------------------------|-----------------------------|
| | | Fitch | Moody's | Standard and Poor's | |
| \$ 5,000,000 | Vodafone Group PLC | | | | |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| | | | | |
|--------------------------|---|----|---|--------------|
| 7 7/8%, due 2/15/30..... | A | A2 | A | \$ 6,332,335 |
| | | | | ----- |
| | | | | 152,711,779 |

[_] NON-UTILITY--7.0%

| | | | | | |
|--|--------------------------------|-----------|-----------|-----|-------------|
| #25,000,000 | Belford U.S. Capital Co. LLC | | | | |
| | 1.85%, due 3/08/05..... | AAA | Not Rated | AAA | 25,005,900 |
| 7,361,000 | Continental Cablevision Inc. | | | | |
| | 9.50%, due 8/01/13..... | Not Rated | Baa3 | BBB | 8,062,577 |
| #45,000,000 | Countrywide Home Loans Inc. | | | | |
| | 1.67%, Series L, due 1/18/05.. | A | A3 | A | 45,000,135 |
| 8,000,000 | Dayton Hudson Corp. | | | | |
| | 9 7/8%, due 7/01/20..... | A | A2 | A+ | 11,706,808 |
| #15,000,000 | Sigma Finance Inc. | | | | |
| | 1.98%, due 1/28/05..... | AAA | Aaa | AAA | 15,007,530 |
| #20,000,000 | Stanfield Victoria Funding LLC | | | | |
| | 1.955%, due 6/01/05..... | Not Rated | Aaa | AAA | 20,004,280 |
| | | | | | ----- |
| | | | | | 124,787,230 |
| | | | | | ----- |
| Total Bonds (Cost--\$546,122,899)..... | | | | | 559,208,961 |
| | | | | | ----- |

U.S. TREASURY OBLIGATION--0.1%

| | | | | | |
|--|---------------------------|--|--|--|-----------|
| 2,000,000 | U.S. Treasury Bond | | | | |
| | 10 3/4%, due 8/15/05..... | | | | 2,148,204 |
| | | | | | ----- |
| Total U.S. Treasury Obligation (Cost--\$2,394,375) | | | | | 2,148,204 |
| | | | | | ----- |

U.S. GOVERNMENT AGENCY OBLIGATIONS--9.3%

| | | | | | |
|------------|----------------------------------|--|--|--|------------|
| 25,000,000 | Federal Home Loan Mortgage Corp. | | | | |
| | 9%, due 11/15/13..... | | | | 25,191,400 |
| 84,500,000 | Federal National Mortgage Assn. | | | | |
| | 8 1/2%, due 5/26/05..... | | | | 85,307,060 |

The accompanying note is an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
 STATEMENT OF NET ASSETS--(Continued)
 (UNAUDITED)
 September 30, 2004

| Par Value/ Shares | Company | Market Value (Note 1) |
|----------------------|---|-----------------------------|
| ----- | ----- | ----- |
| # \$ 13,223,842 | Overseas Private Investment Corp., Series A | |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| | | | |
|-------------|--|----|-------------|
| | 1 1/2%, due 12/16/06..... | \$ | 13,205,024 |
| # 8,408,828 | Overseas Private Investment Corp., Series B | | |
| | 1 1/2%, due 12/16/06..... | | 8,396,862 |
| # 2,206,105 | Overseas Private Investment Corp., Series C | | |
| | 1 1/2%, due 12/16/06..... | | 2,202,952 |
| # 910,147 | Overseas Private Investment Corp., Series D | | |
| | 1 1/2%, due 12/16/06..... | | 908,852 |
| # 8,910,723 | Overseas Private Investment Corp., Series E | | |
| | 1 1/2%, due 12/16/06..... | | 8,898,043 |
| # 4,418,734 | Overseas Private Investment Corp., Series F | | |
| | 1 1/2%, due 12/16/06..... | | 4,412,446 |
| # 4,030,911 | Overseas Private Investment Corp., Series G | | |
| | 1 1/2%, due 12/16/06..... | | 4,025,175 |
| # 2,904,433 | Overseas Private Investment Corp., Series H | | |
| | 1 1/2%, due 12/16/06..... | | 2,900,300 |
| # 6,705,421 | Overseas Private Investment Corp., Series I | | |
| | 1 1/2%, due 12/16/06..... | | 6,695,879 |
| # 2,903,447 | Overseas Private Investment Corp., Series J | | |
| | 1 1/2%, due 12/16/06..... | | 2,899,315 |
| #1,279,885 | Overseas Private Investment Corp., Series K | | |
| | 1 1/2%, due 12/16/06..... | | 1,278,064 |
| | | | ----- |
| | Total U.S. Government Agency Obligations (Cost--\$173,006,926) | | 166,321,372 |
| | | | ----- |

MONEY MARKET INSTRUMENTS--24.5%

| | | | |
|--------------|---------------------------------------|--|------------|
| # 13,837,200 | AIM STIC Liquid Assets Portfolio..... | | 13,837,200 |
| # 25,000,000 | Chesham Finance LLC | | |
| | 1.935%, due 10/25/04..... | | 25,000,000 |

The accompanying note is an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
 STATEMENT OF NET ASSETS--(Continued)
 (UNAUDITED)
 September 30, 2004

| Par Value/ Shares | Market Value (Note 1) |
|----------------------|--|
| ----- | ----- |
| # \$ 25,000,000 | Credit Suisse First Boston LLC Repurchase Agreement |
| | 1.925%, dated 9/30/04, due 10/01/04, with a repurchase price of |
| | \$25,001,337 and collateralized by |
| | \$20,610,000 ABSN 2004-HE5 A1 144A 5.00% ABS due 8/27/34; |
| | \$5,000,000 ABSN 2004-HE5 A2 144A 7.00% ABS due 8/27/34; |
| | \$299,625 CSFB 2004-6 B3 4.76% CMO due 9/25/19; and |
| | \$1,284,208 INDX 2004-AR9 5M5 4.34% CMO due 11/25/34..... |
| | \$ 25,000,000 |
| #50,000,000 | Dresdner Kleinwort Wasserstein Securities LLC Repurchase Agreement |
| | 1.925%, dated 9/30/04, due 10/01/04, with a repurchase price of |
| | \$50,002,674 and collateralized by |
| | \$1,288,000 BAYV 2003-E M3 3.84% ABS due 10/28/34; |
| | \$1,000,000 BAYV 2003-F M4 3.94% ABS due 9/28/43; |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

| | | |
|-------------|---|------------|
| | \$10,182,000 CWALT 2004-16CB B1 5.66% CMO due 8/25/34; | |
| | \$5,000,000 FRENT 2004-C A 144A 5.25% ABS due 8/25/34; | |
| | \$3,550,000 MSAC-NC5 M2 3.09% ABS due 7/25/34; | |
| | \$2,000,000 RAMP 2004-RS1 MII2 3.29% ABS due 1/25/34; | |
| | \$25,000,000 Scana Corp. 2.16% Senior Note due 11/15/06; | |
| | \$1,691,590 SBA 505301 4.63% ABS due 2/25/26; | |
| | \$500,000 SBA 505309 3.88% ABS due 1/25/26; and | |
| | \$435,000 SBA 505374 3.88% ABS due 4/25/26..... | 50,000,000 |
| 50,000,000 | General Electric Capital Corp. 1.74%, due 10/01/04..... | 50,000,000 |
| #50,000,000 | Goldman Sachs & Co. Repurchase Agreement 1.945%, dated 9/30/04, due 10/01/04, with a repurchase price of \$50,002,701 and collateralized by \$50,915,481 Merrill Lynch & Co. 2.11% Medium Term Note due 9/18/06 | 50,000,000 |
| #50,000,000 | Greenwich Capital Markets Inc. Repurchase Agreement, 1.955%, dated 9/30/04, due 10/01/04, with a repurchase price of \$50,002,715 and collateralized by \$3,624,750 CWALT 2004-18CB 2A9 5.70% CMO due 9/25/34; \$1,000,000 CWALT 2004-18CB 5A2 6.25% CMO due 9/25/34; \$5,968,000 GMAC 2004-HE2 A2 2.88% ABS due 10/25/33; \$19,495,500 RALI 2004-QS12 A4 2.24% CMO due 9/25/34; \$14,885,000 RAMP 2004-RZ3 AI2 3.42% ABS due 10/25/27; and \$6,000,000 WAMU 2004-AR7 A6 3.96% CMO due 7/25/34..... | 50,000,000 |

The accompanying note is an integral part of this financial statement.

DNP SELECT INCOME FUND INC.
STATEMENT OF NET ASSETS--(Continued)
(UNAUDITED)
September 30, 2004

| Par Value/ Shares ----- | | Market Value (Note 1) ----- |
|-------------------------------|--|--------------------------------------|
| # \$ 18,301,498 | Janus Institutional Cash Reserves Fund..... | \$ 18,301,498 |
| #28,000,000 | Lehman Brothers Inc. Repurchase Agreement, 1.925%, dated 9/30/04, due 10/01/04, with a repurchase price of \$28,001,497 and collateralized by \$1,000,000 GT 1995-3 B1 7.85% ABS due 8/15/25; \$3,620,000 GT 1995-5 B1 7.30% ABS due 9/15/26; \$12,975,000 GT 1995-6 M1 8.10% ABS due 9/15/26; \$655,000 INHEL 2003-A MV4 4.59% ABS due 12/25/32; \$10,000,000 MSAC 2004-HE2 B3 5.34% ABS due 3/25/34; and \$125,000 Northwest Airlines Corp. 7.58% Pass-Thru Certificates due 3/01/19..... | 28,000,000 |
| #50,000,000 | Merrill Lynch Government Securities Inc. Repurchase Agreement, 1.955%, dated 9/30/04, due 10/01/04, with a repurchase price of \$50,02,715 and collateralized by \$5,250,000 BSCMS 2004-ESA J 5.82% 144A CMO due 5/14/16; \$5,000,000 BSCMS 2004-HS2A J 3.97% 144A CMO due 1/14/16; \$1,264,000 BSARM 2004-7 B3 4.36% CMO due 10/25/34; \$4,545,000 BSABS 2004-AC4 B 3.74% CMO due 8/25/34; \$4,000,000 CWRT 2004-1R A 5.75% 144A CMO due 4/27/34; | |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

\$150,000 DLJCM 1998-CF2 B1 7.29% CMO due 11/12/31;
 \$4,000,000 EQIFP 1997-1 B 7.37% CMO due 12/20/15;
 \$11,354,000 FCLT 1997-CHL1 D 7.85% 144A CMO due 4/29/39;
 \$1,000,000 FUNBC 2001-C2 J 7.85% 144A CMO due 1/12/43;
 \$2,750,000 FHLT 2004-C M6 3.74% ABS due 8/25/34;
 \$200,000 GMACC 1998-C1 F 7.09% CMO due 5/15/30;
 \$1,528,000 MLMI 2004-A2 M3 3.96% CMO due 7/25/34;
 \$2,000,000 NCHET 2004-A MI2 5.65% ABS due 8/25/34;
 \$1,000,000 RAMP 2004-RS1 MII6 6.34% ABS due 1/25/34;
 \$8,705,000 SBM7 1997-HUD2 B2 7.00% CMO due 7/25/24;
 \$12,020,000 SUNOT 2004-1A D 4.93% 144A ABS due 10/20/20; and
 \$745,000 WFMBS 2004-R B3 4.46% CMO due 9/25/34..... 50,000,000

The accompanying note is an integral part of this financial statement.

12

DNP SELECT INCOME FUND INC.
 STATEMENT OF NET ASSETS--(Continued)
 (UNAUDITED)
 September 30, 2004

| Par Value/ Shares ----- | | Market Value (Note 1) ----- |
|-------------------------------|--|--------------------------------------|
| #\$50,000,000 | Nomura Securities International Inc. Repurchase Agreement, 1.925%, dated 9/30/04, due 10/01/04, with a repurchase price of \$50,002,674 and collateralized by \$36,521,739 AMAC 2002-9 A2 5.75% CMO due 12/25/32; \$49,895,682 BOAA 2003-2 CB6 6.16% CMO due 4/25/33; \$2,550,384 CWHL 2002-16 1A14 6.50% CMO due 9/25/32; \$43,855,000 CWHL 2003-J3 1A2 5.61% CMO due 5/25/33; \$27,000,000 CWALT 2002-17 A6 6.21% CMO due 1/25/33; \$34,543,797 CWHL 2002-31 A11 6.00% CMO due 1/25/33; \$20,746,666 CWHL 2003-41 A2 5.25% CMO due 12/25/33; \$7,288,331 CSFB 2002-22 4X 7.50% CMO due 7/25/32; \$22,362,549 FNT 1999-2 4X 6.50% CMO due 4/25/29; \$4,615,000 FNW 2002-W1 2A10 0.55% CMO due 4/25/42; \$33,580,000 FHASI 2003-9 1A9 5.76% CMO due 11/25/33; \$25,000,000 GECCM 2001-1 X2 0.95% 144A CMO due 5/15/33; \$150,000 GMACC 2002-C3 A2 CMO 4.93% due 7/10/39; \$880,000 JPMCC 2004-C2 A2 5.26% CMO due 5/15/41; \$101,338,619 JPMCC 2004-FL1A XFL 0.11% 144A CMO due 4/16/19; \$33,330,000 MASTR 2003-7 4A36 5.26% CMO due 9/25/33; \$41,266,071 MASTR 2003-7 4A46 5.71% CMO due 9/25/33; \$37,452,188 MASTR 2003-2 2A7 6.26% CMO due 3/25/18; \$76,418,250 MSSTR 2003-1 3A3 6.26% CMO due 2/25/33; \$2,075,000 MSC 1997-C1 B 7.69% CMO due 2/15/20; \$1,780,192 NAA 2003-A1 APO 0.00% CMO due 5/25/33; \$11,731,677 PNCMS 1999-5 2X 6.75% CMO due 7/25/29; \$11,795,857 PRIME 2003-1 A9 6.09% CMO due 6/25/33; \$4,442,200 PHMS 1993-61 A14 18.13% CMO due 12/25/08; \$44,596,331 RALI 2002-QS19 A3 6.16% CMO due 12/25/32; \$50,000,000 RALI 2002-QS12 A3 6.16% CMO due 9/25/32; \$26,500,000 RALI 2003-QS15 A5 5.50% CMO due 8/25/33; | |

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

\$20,000,000 RFMSI 2002-S19 A9 6.11% CMO due 12/25/32;
 \$74,799,662 RFMSI 2003-S4 A11 5.71% CMO due 3/25/33;
 \$1,500,000 SBM7 2001-C2 A2 6.17% CMO due 2/13/10;
 \$138,474,267 SASC 2002-26 1A17 5.60% CMO due 1/25/33;
 \$32,381,630 SASC 2003-1 1A7 5.25% CMO due 2/25/18;
 \$385,530 SAMI 2004-AR1 2A1 3.37% CMO due 3/19/34;
 \$12,934,000 WAMU 2002-S8 2A3 5.25% CMO due 1/25/18;
 \$41,666,000 WAMMS 2003-MS5 1A5 5.66% CMO due 3/25/18;
 \$25,833,333 WFMB 2002-18 1A6 6.00% CMO due 12/25/32;
 \$452,391,709 WFMB 2002-18 2AIO 0.65% CMO due 12/25/32; and
 \$39,651,000 WFMB 2004-4 A6 5.16% CMO due 5/25/34..... \$ 50,000

The accompanying note is an integral part of this financial statement.

13

DNP SELECT INCOME FUND INC.
 STATEMENT OF NET ASSETS--(Continued)
 (UNAUDITED)
 September 30, 2004

| Par Value/ Shares ----- | | Mark Valu (Note ----- |
|-------------------------------|--|--------------------------------|
| \$30,000,000 | Toyota Motor Credit Corp. 1.65%, due 10/01/04..... | \$ 30,0 |
| | Total Money Market Instruments (Amortized Cost--\$440,138,698)..... | 440,1 |
| | CASH AND OTHER ASSETS LESS LIABILITIES (40.1%)..... | (750,3 |
| | REMARKETED PREFERRED STOCK (\$.001 par value per share; 100,000,000 shares authorized and 5,000 shares issued and outstanding; liquidation preference \$100,000 per share)..... | (500,0 |
| | NET ASSETS APPLICABLE TO COMMON STOCK (equivalent to \$8.12 per share of common stock based on 220,730,830 shares of common stock outstanding; authorized 250,000,000 shares)..... | \$ 1,791,2 ===== |

This security was purchased with the cash proceeds from securities loans.

The percentage shown for each investment category is the total value of that category as a percentage of the net assets applicable to common shares of the Fund.

 SIGNIFICANT ACCOUNTING POLICIES:

(1)The market values for securities are determined as follows: Equity securities traded on a national securities exchange or traded over-the-counter and quoted on the NASDAQ System are valued at last sales prices. Fixed income securities and any other securities for which it is determined that market prices are unavailable or inappropriate are valued at a fair value using a procedure determined in good faith by the Board of Directors which includes the use of a pricing service. Each money market

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

instrument having a maturity of 60 days or less is valued on an amortized cost basis, which approximates market value.

(2)At December 31, 2003, the Fund's most recent fiscal tax year end, based on a tax cost of investments of \$2,712,873,413, the Fund had gross unrealized appreciation of \$253,248,708 and unrealized depreciation of \$92,979,901.

14

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer 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 (the "1940 Act")) are effective, based on an evaluation of those controls and procedures made as of a date within 90 days of the filing date of this report as required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Exchange Act.

(b) There has been no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act 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.

Exhibit 99.CERT Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

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.

(Registrant) DNP SELECT INCOME FUND INC.
By (Signature and Title) /s/ Nathan I. Partain

Nathan I. Partain
President and Chief Executive Officer
Date November 12, 2004

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 (Signature and Title) /s/ Nathan I. Partain

Nathan I. Partain
President and Chief Executive Officer

Edgar Filing: DNP SELECT INCOME FUND INC - Form N-Q

Date November 12, 2004

By (Signature and Title)

/s/ Joseph C. Curry, Jr.

Joseph C. Curry, Jr.
Vice President and Treasurer

Date November 12, 2004