

NASDAQ Premium Income & Growth Fund Inc.
Form N-Q
November 17, 2009

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 811-21983

Name of Fund: NASDAQ Premium Income & Growth Fund Inc. (QQQX)

Fund Address: 4 World Financial Center, 6th Floor, New York, New York 10080.

Name and address of agent for service: Justin C. Ferri, Chief Executive Officer, NASDAQ Premium Income &

Growth Fund Inc., 4 World Financial Center, 6th Floor, New York, New York 10080.

Registrant's telephone number, including area code: (877) 449-4742

Date of fiscal year end: 12/31/2009

Date of reporting period: 09/30/2009

Item 1 Schedule of Investments

NASDAQ Premium Income & Growth Fund Inc.

(Percentages shown are

Schedule of Investments as of September 30, 2009 (Unaudited)

| Industry | Common Stocks | based on Net Assets | |
|--|--|---------------------|------------|
| | | Shares | Value |
| Aerospace & Defense - 2.5% | Boeing Co. | 7,506 | \$ 406,450 |
| | Ceradyne, Inc. (a) | 21,583 | 395,616 |
| | General Dynamics Corp. | 4,841 | 312,729 |
| | L-3 Communications Holdings, Inc. | 37,820 | 3,037,702 |
| | Lockheed Martin Corp. | 6,743 | 526,493 |
| | Precision Castparts Corp. | 11,432 | 1,164,578 |
| | United Technologies Corp. | 5,834 | 355,466 |
| | | | 6,199,034 |
| Airlines - 0.4% | SkyWest, Inc. | 55,634 | 922,412 |
| Biotechnology - 11.0% | Amgen, Inc. (a) | 98,219 | 5,915,730 |
| | Biogen Idec, Inc. (a) | 65,468 | 3,307,443 |
| | Celgene Corp. (a) | 66,640 | 3,725,176 |
| | Crucell NV (a)(b) | 29,009 | 664,016 |
| | Genzyme Corp. (a) | 82,392 | 4,674,098 |
| | Gilead Sciences, Inc. (a) | 167,905 | 7,821,015 |
| | OSI Pharmaceuticals, Inc. (a) | 25,445 | 898,208 |
| | | | |
| Capital Markets - 0.5% | Affiliated Managers Group, Inc. (a) | 7,276 | 473,013 |
| | Northern Trust Corp. | 14,318 | 832,735 |
| | | | 1,305,748 |
| Commercial Banks - 0.4% | East-West Bancorp, Inc. | 29,989 | 248,909 |
| | SVB Financial Group (a) | 18,740 | 810,880 |
| | | | 1,059,789 |
| Communications Equipment - 13.8% | ADC Telecommunications, Inc. (a) | 42,679 | 355,943 |
| | Cisco Systems, Inc. (a) | 494,400 | 11,638,176 |
| | Comtech Telecommunications Corp. (a) | 23,666 | 786,184 |
| | JDS Uniphase Corp. (a) | 75,832 | 539,166 |
| | QUALCOMM, Inc. | 317,319 | 14,273,009 |
| | Research In Motion Ltd. (a) | 95,929 | 6,480,004 |
| | | | 34,072,482 |
| Computers & Peripherals - 17.8% | Apple, Inc. (a) | 216,171 | 40,071,618 |
| | Dell, Inc. (a) | 122,928 | 1,875,881 |
| | International Business Machines Corp. | 9,113 | 1,090,006 |
| | NCR Corp. (a) | 17,402 | 240,496 |
| | Teradata Corp. (a) | 20,117 | 553,620 |
| | | | 43,831,621 |
| Diversified Consumer Services - 0.3% | ITT Educational Services, Inc. (a) | 5,590 | 617,192 |
| Diversified Financial Services - 0.3% | The NASDAQ Stock Market, Inc. (a) | 40,824 | 859,345 |
| Electronic Equipment, Instruments & Components - 0.9% | Electro Scientific Industries, Inc. (a) | 36,620 | 490,342 |
| | National Instruments Corp. | 23,327 | 644,525 |
| | Smart Modular Technologies WWH, Inc. (a) | 71,146 | 338,655 |
| | Trimble Navigation Ltd. (a) | 27,904 | 667,185 |
| | | | 2,140,707 |
| Energy Equipment & Services - 0.2% | Hercules Offshore, Inc. (a) | 82,575 | 405,443 |
| Food & Staples Retailing - 0.6% | The Kroger Co. | 15,762 | 325,328 |
| | Walgreen Co. | 27,865 | 1,044,102 |
| | | | 1,369,430 |
| Health Care Equipment & Supplies - 0.3% | ArthroCare Corp. (a) | 19,028 | 387,981 |
| | Kinetic Concepts, Inc. (a) | 10,784 | 398,792 |
| | | | 786,773 |
| Health Care Providers & Services - 1.6% | Express Scripts, Inc. (a) | 40,046 | 3,106,769 |
| | Lincare Holdings, Inc. (a) | 28,150 | 879,687 |
| | | | 3,986,456 |
| Health Care Technology - 0.4% | Quality Systems, Inc. | 17,733 | 1,091,821 |

NASDAQ Premium Income & Growth Fund Inc.

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Schedule of Investments as of September 30, 2009 (Unaudited)

| Industry | Common Stocks | based on Net Assets | |
|--|--|---------------------|------------|
| | | Shares | Value |
| Hotels, Restaurants & Leisure - 0.3% | Darden Restaurants, Inc. | 12,764 | \$ 435,635 |
| | McDonald's Corp. | 7,249 | 413,700 |
| | | | 849,335 |
| Household Durables - 0.1% | Mohawk Industries, Inc. (a) | 5,638 | 268,876 |
| IT Services - 1.3% | Affiliated Computer Services, Inc., Class A (a) | 23,159 | 1,254,523 |
| | CSG Systems International, Inc. (a) | 35,364 | 566,178 |
| | Computer Sciences Corp. (a) | 25,014 | 1,318,488 |
| Insurance - 1.1% | Arch Capital Group Ltd. (a) | 32,719 | 2,209,841 |
| | CNA Financial Corp. | 15,895 | 383,705 |
| | | | 2,593,546 |
| Internet & Catalog Retail - 1.9% | Amazon.com, Inc. (a) | 50,503 | 4,714,960 |
| Internet Software & Services - 6.9% | eBay, Inc. (a) | 198,426 | 4,684,838 |
| | Google, Inc., Class A (a) | 23,758 | 11,780,404 |
| | Sohu.com, Inc. (a) | 8,531 | 586,762 |
| | | | 17,052,004 |
| Life Sciences Tools & Services - 1.4% | Life Technologies Corp. (a) | 74,906 | 3,486,874 |
| Machinery - 1.0% | Eaton Corp. | 24,371 | 1,379,155 |
| | Middleby Corp. (a) | 16,835 | 926,093 |
| | Terex Corp. (a) | 10,253 | 212,545 |
| | | | 2,517,793 |
| Media - 1.4% | Cablevision Systems Corp., Class A | 23,687 | 562,566 |
| | Central European Media Enterprises Ltd., Class A (a) | 6,777 | 232,112 |
| | Liberty Media Corp. - Entertainment, Class A (a) | 41,839 | 1,301,611 |
| | Liberty Media Holding Corp. - Capital (a) | 27,929 | 584,275 |
| | Omnicom Group Inc. | 8,847 | 326,808 |
| | Scholastic Corp. | 20,352 | 495,368 |
| | | | 3,502,740 |
| Metals & Mining - 0.6% | Freeport-McMoRan Copper & Gold, Inc., Class B | 12,975 | 890,215 |
| | Nucor Corp. | 13,556 | 637,268 |
| | | | 1,527,483 |
| Oil, Gas & Consumable Fuels - 0.1% | Chevron Corp. | 4,866 | 342,712 |
| Personal Products - 0.6% | Chattem, Inc. (a) | 9,759 | 648,095 |
| | USANA Health Sciences, Inc. (a) | 21,952 | 748,783 |
| | | | 1,396,878 |
| Pharmaceuticals - 3.1% | Forest Laboratories, Inc. (a) | 12,280 | 361,523 |
| | GlaxoSmithKline Plc (b) | 9,678 | 382,378 |
| | Teva Pharmaceutical Industries Ltd. (b) | 135,673 | 6,859,627 |
| | | | 7,603,528 |
| Real Estate Investment | Boston Properties, Inc. | 8,441 | 553,308 |
| Trusts (REITs) - 0.3% | ProLogis | 11,397 | 135,852 |
| | | | 689,160 |
| Road & Rail - 0.1% | CSX Corp. | 6,832 | 285,988 |
| Semiconductors & Semiconductor Equipment - 9.6% | ASML Holding NV (b) | 138,211 | 4,086,899 |
| | Cabot Microelectronics Corp. (a) | 31,895 | 1,111,860 |
| | Diodes, Inc. (a) | 48,631 | 879,735 |
| | Integrated Device Technology, Inc. (a) | 90,965 | 614,923 |
| | Intel Corp. | 495,630 | 9,699,479 |
| | International Rectifier Corp. (a) | 18,894 | 368,244 |
| | Intersil Corp., Class A | 54,615 | 836,156 |
| | MEMC Electronic Materials, Inc. (a) | 16,786 | 279,151 |
| | Microsemi Corp. (a) | 40,888 | 645,621 |
| | Texas Instruments, Inc. | 106,940 | 2,533,409 |

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Schedule of Investments as of September 30, 2009 (Unaudited)

| Industry | Common Stocks | based on Net Assets) | |
|--|--|----------------------|------------------|
| | | Shares | Value |
| | Varian Semiconductor Equipment Associates, Inc. (a) | 11,714 | \$ 384,688 |
| | Xilinx, Inc. | 62,205 | 1,456,841 |
| | Zoran Corp. (a) | 62,924 | 724,884 |
| | | | 23,621,890 |
| Software - 17.2% | Adobe Systems, Inc. (a) | 209,990 | 6,938,070 |
| | Ansys, Inc. (a) | 17,096 | 640,587 |
| | Factset Research Systems, Inc. | 15,624 | 1,034,934 |
| | McAfee, Inc. (a) | 26,561 | 1,163,106 |
| | Microsoft Corp. | 601,028 | 15,560,615 |
| | Oracle Corp. | 511,182 | 10,653,033 |
| | SAP AG (b) | 27,934 | 1,365,135 |
| | SPSS, Inc. (a) | 25,222 | 1,259,839 |
| | Symantec Corp. (a) | 184,386 | 3,036,837 |
| | Synopsys, Inc. (a) | 27,205 | 609,936 |
| | | | 42,262,092 |
| Specialty Retail - 2.3% | Jos. A. Bank Clothiers, Inc. (a) | 53,929 | 2,414,401 |
| | Ross Stores, Inc. | 12,648 | 604,195 |
| | Staples, Inc. | 92,165 | 2,140,071 |
| | Tiffany & Co. | 14,496 | 558,531 |
| | | | 5,717,198 |
| Textiles, Apparel & Luxury Goods - 0.7% | Nike, Inc., Class B | 19,177 | 1,240,752 |
| | Phillips-Van Heusen Corp. | 10,183 | 435,731 |
| | | | 1,676,483 |
| Trading Companies & Distributors - 0.1% | Houston Wire & Cable Co. | 24,528 | 271,034 |
| | Total Investments Before Options Written | | 249,173,702 |
| | (Cost - \$236,887,527*) - 101.1% | | |
| | Options Written | Number of | Contracts |
| Call Options Written | NASDAQ Index 100, expiring | | |
| | October 2009 at USD 1,600 NASDAQ Index 100, expiring | 100 | (1,256,000) |
| | October 2009 at USD 1,750 NASDAQ Index 100, expiring | 100 | (183,000) |
| | October 2009 at USD 1,800 NASDAQ Index 100, expiring | 100 | (50,500) |
| | November 2009 at USD 1,775 NASDAQ Index 100, expiring | 150 | (499,500) |
| | December 2009 at USD 1,650 NASDAQ Index 100, expiring | 100 | (1,187,000) |
| | December 2009 at USD 1,675 NASDAQ Index 100, expiring | 100 | (1,020,500) |
| | December 2009 at USD 1,800 | 20 | (76,200) |
| | Total Options Written | | |
| | (Premiums Received - \$2,827,160) - (1.7%) | | (4,272,700) |
| | Total Investments, Net of Options Written | | |

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| | |
|--------------------------------------|----------------|
| (Net Cost - \$234,060,367) - 99.4% | 244,901,002 |
| Other Assets Less Liabilities - 0.6% | 1,470,052 |
| Net Assets - 100.0% | \$ 246,371,054 |

* The cost and unrealized appreciation (depreciation) of investments as of September 30, 2009, as computed for federal income tax purposes, were as follows:

| | |
|-------------------------------|----------------|
| Aggregate cost | \$ 237,053,126 |
| Gross unrealized appreciation | \$ 42,123,967 |
| Gross unrealized depreciation | (30,003,391) |
| Net unrealized appreciation | \$ 12,120,576 |

- (a) Non-income producing security.
- (b) Depositary receipts.

NASDAQ Premium Income & Growth Fund Inc.

Schedule of Investments as of September 30, 2009 (Unaudited)

For Fund portfolio compliance purposes, the Fund's industry classifications refer to any one or more of the industry sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by Fund management. This definition may not apply for purposes of this report, which may combine industry sub-classifications for reporting ease.

Fair Value Measurements - Various inputs are used in determining the fair value of investments, which are as follows:

Level 1 - price quotations in active markets/exchanges for identical securities

Level 2 - other observable inputs (including, but not limited to: quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Fund's own assumptions used in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. For information about the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to Note 1(a) of the Notes to Financial Statements.

The following table summarizes the inputs used as of September 30, 2009 in determining the fair valuation of the Fund's investments:

| Valuation | |
|--|---|
| Inputs | Investments in Securities Assets |
| Level 1 - Long-Term Investments ¹ | \$ 249,173,702 |
| Level 2 | - |
| Level 3 | - |
| Total | \$ 249,173,702 |

¹See above Schedule of Investments for values in each industry.

| Valuation | |
|------------------|---|
| Inputs | Other Financial Instruments Assets |
| Level 1 | (4,272,700) |
| Level 2 | - |
| Level 3 | - |

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| | | |
|--------------|----|-------------|
| Total | \$ | (4,272,700) |
|--------------|----|-------------|

Other financial instruments are options.

Item 2 Controls and Procedures

- 2(a) The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the 1940 Act)) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended.
- 2(b) There were no changes 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 have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3 Exhibits

Certifications Attached hereto

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.

NASDAQ Premium Income & Growth Fund Inc.

By: /s/ Justin C. Ferri
Justin C. Ferri

Chief Executive Officer (principal executive officer) of

NASDAQ Premium Income & Growth Fund Inc.

Date: November 13, 2009

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/ Justin C. Ferri
Justin C. Ferri

Chief Executive Officer (principal executive officer) of

NASDAQ Premium Income & Growth Fund Inc.

Date: November 13, 2009

By: /s/ James E. Hillman
James E. Hillman

Chief Financial Officer (principal financial officer) of

NASDAQ Premium Income & Growth Fund Inc.

Date: November 13, 2009