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Madison/Claymore Covered Call & Equity Strategy Fund  
Form N-Q  
November 24, 2009

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

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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)

J. Thomas Futrell

Madison/Claymore Covered Call & Equity Strategy Fund

2455 Corporate West Drive, Lisle, IL 60532

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(Name and address of agent for service)

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

Date of fiscal year end: December 31

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Date of reporting period: July 1, 2009 - September 30, 2009

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Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 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, 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. ss. 3507.

ITEM 1. SCHEDULE OF INVESTMENTS.  
Attached hereto.

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MCN | MADISON/CLAYMORE COVERED CALL & EQUITY STRATEGY FUND  
 PORTFOLIO OF INVESTMENTS  
 SEPTEMBER 30, 2009 (UNAUDITED)

NUMBER OF SHARES	DESCRIPTION	VALUE
	LONG-TERM INVESTMENTS 110.1%	
	COMMON STOCKS (A) 106.7%	
	COMPUTERS 2.2%	
265,800	Dell, Inc. (b)	\$ 4,056,108
	CONSUMER DISCRETIONARY 19.6%	
332,300	American Eagle Outfitters, Inc.	5,602,578
180,000	Bed Bath & Beyond, Inc. (b)	6,757,200
80,000	Best Buy Co., Inc.	3,001,600
80,000	Coach, Inc.	2,633,600
140,000	Home Depot, Inc.	3,729,600
210,000	Lowe's Cos., Inc.	4,397,400
140,000	Starbucks Corp. (b)	2,891,000
55,000	Target Corp.	2,567,400
232,000	Williams-Sonoma, Inc.	4,693,360
		36,273,738
	CONSUMER SERVICES 7.8%	
293,400	eBay, Inc. (b)	6,927,174
100,000	Garmin, Ltd. (Cayman Islands)	3,774,000
130,000	Intuit, Inc. (b)	3,705,000
		14,406,174
	ENERGY 9.7%	
68,000	Apache Corp.	6,244,440
32,000	Schlumberger, Ltd. (Netherlands Antilles)	1,907,200
47,000	Transocean, Ltd. (Switzerland) (b)	4,019,910
10,000	Unit Corp. (b)	412,500
70,000	Valero Energy Corp.	1,357,300
96,000	XTO Energy, Inc.	3,966,720
		17,908,070
	FINANCIALS 18.9%	
55,000	Affiliated Managers Group, Inc. (b)	3,575,550
300	American Express Co.	10,170
205,278	Bank of America Corp.	3,473,304
160,000	Capital One Financial Corp.	5,716,800
420,000	Citigroup, Inc.	2,032,800
260,000	Marshall & Ilsley Corp.	2,098,200
150,000	Morgan Stanley	4,632,000
110,000	State Street Corp.	5,786,000
255,000	Synovus Financial Corp.	956,250
240,000	Wells Fargo & Co.	6,763,200
		35,044,274

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	HEALTH CARE 20.8%	
60,000	Biogen Idec, Inc. (b)	3,031,200
85,000	Community Health Systems, Inc. (b)	2,714,050
85,045	Genzyme Corp. (b)	4,824,603
102,000	Gilead Sciences, Inc. (b)	4,751,160
310,000	Mylan, Inc. (b)	4,963,100
270,000	Pfizer, Inc.	4,468,500
199,800	UnitedHealth Group, Inc.	5,002,992
70,000	Varian Medical Systems, Inc. (b)	2,949,100
50,000	Waters Corp. (b)	2,793,000
57,500	Zimmer Holdings, Inc. (b)	3,073,375
		-----
		38,571,080
		-----
	INDUSTRIAL 1.5%	
50,000	United Parcel Services, Inc. - Class B	2,823,500
		-----
	INSURANCE 0.4%	
108,800	MGIC Investment Corp.	806,208
		-----
	SOFTWARE 3.1%	
75,000	Check Point Software Technologies (Israel) (b)	2,126,250
220,000	Symantec Corp. (b)	3,623,400
		-----
		5,749,650
		-----
	TECHNOLOGY 22.7%	
80,000	Adobe Systems, Inc. (b)	2,643,200
130,000	Altera Corp.	2,666,300
90,000	Applied Materials, Inc.	1,206,000
357,600	Cisco Systems, Inc. (b)	8,417,904
440,000	EMC Corp. (b)	7,497,600
600,000	Flextronics International Ltd. (Singapore) (b)	4,476,000
3,000	Google, Inc. - Class A (b)	1,487,550
190,000	Microsoft Corp.	4,919,100
157,300	QLogic Corp. (b)	2,705,560
164,000	Yahoo!, Inc. (b)	2,920,840
122,000	Zebra Technologies Corp. - Class A (b)	3,163,460
		-----
		42,103,514
		-----
	TOTAL COMMON STOCKS - 106.7%	
	(Cost \$278,259,728)	197,742,316
		-----
	EXCHANGE-TRADED FUNDS - 3.4%	
150,000	Powershares QQQ	6,337,500
		-----
	(Cost \$6,442,707)	
	TOTAL LONG-TERM INVESTMENTS 110.1%	
	(Cost \$284,702,435)	204,079,816
		-----
	SHORT-TERM INVESTMENTS 1.9%	
	MONEY MARKET FUNDS 1.9%	

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3,425,371	AIM Liquid Assets Money Market Fund	3,425,371
	(Cost \$3,425,371)	
	TOTAL INVESTMENTS 112.0%	
	(Cost \$288,127,806)	207,505,187
	Other Assets in excess of Liabilities - 1.0%	1,878,927
	Borrowings - (1.6%)	(3,000,000)
	Total Value of Options Written - (11.4%)	(21,063,465)
	NET ASSETS 100.0%	\$ 185,320,649

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

CONTRACTS (100 SHARES PER CONTRACT)	CALL OPTIONS WRITTEN (B)	EXPIRATION DATE
200	Adobe Systems, Inc.	January 2010
450	Adobe Systems, Inc.	January 2010
150	Adobe Systems, Inc.	October 2009
300	Affiliated Managers Group, Inc.	January 2010
250	Affiliated Managers Group, Inc.	December 2009
400	Altera Corp.	December 2009
400	Altera Corp.	January 2010
300	Altera Corp.	January 2010
200	Altera Corp.	March 2010
2	American Express Co.	October 2009
1,300	American Eagle Outfitters, Inc.	January 2010
1,000	American Eagle Outfitters, Inc.	January 2010
365	Apache Corp.	October 2009
315	Apache Corp.	January 2010
300	Applied Materials, Inc.	January 2010
600	Applied Materials, Inc.	January 2010
1,500	Bed Bath & Beyond, Inc.	January 2010

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300	Bed Bath & Beyond, Inc.	November 2009
400	Best Buy Co., Inc.	January 2010
200	Best Buy Co., Inc.	December 2009
200	Biogen Idec, Inc.	April 2010
400	Biogen Idec, Inc.	January 2010
300	Capital One Financial Corp.	December 2009
600	Capital One Financial Corp.	January 2010
400	Capital One Financial Corp.	January 2010
750	Check Point Software Technologies (Israel)	January 2010
300	Cisco Systems, Inc.	October 2009
1,899	Cisco Systems, Inc.	January 2010
500	Cisco Systems, Inc.	January 2010
400	Cisco Systems, Inc.	April 2010
400	Coach, Inc.	November 2009
400	Coach, Inc.	November 2009
200	Community Health Systems, Inc.	January 2010
450	Community Health Systems, Inc.	March 2010
700	Dell, Inc.	January 2010
1,600	Dell, Inc.	January 2010
358	Dell, Inc.	February 2010
1,000	eBay, Inc.	January 2010
400	eBay, Inc.	January 2010
234	eBay, Inc.	January 2010
800	eBay, Inc.	January 2010
500	eBay, Inc.	April 2010
1,700	EMC Corp.	January 2010
1,200	EMC Corp.	January 2010
400	EMC Corp.	April 2010
500	EMC Corp.	January 2010
400	Flextronics International Ltd. (Singapore)	October 2009
1,500	Flextronics International Ltd. (Singapore)	April 2010

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600	Garmin, Ltd. (Cayman Islands)	October 2009
200	Garmin, Ltd. (Cayman Islands)	January 2010
300	Genzyme Corp.	January 2010
550	Genzyme Corp.	January 2010
215	Gilead Sciences, Inc.	January 2010
125	Gilead Sciences, Inc.	November 2009
30	Google, Inc.	December 2009
200	Home Depot, Inc.	November 2009
1,000	Home Depot, Inc.	February 2010
600	Intuit, Inc.	January 2010
300	Intuit, Inc.	April 2010
300	Lowe's Cos., Inc.	January 2010
800	Lowe's Cos., Inc.	January 2010
1,000	Lowe's Cos., Inc.	January 2010
182	MGIC Investment Corp.	January 2010
500	Microsoft Corp.	October 2009
800	Microsoft Corp.	January 2010
600	Microsoft Corp.	January 2010
340	Mylan, Inc.	January 2010
1,460	Mylan, Inc.	January 2010
700	Mylan, Inc.	October 2009
500	Powershares QQQ	December 2009
1,000	Powershares QQQ	December 2009
400	QLogic Corp.	January 2010
1,173	QLogic Corp.	January 2010
320	Schlumberger, Ltd. (Netherlands Antilles)	January 2010
1,000	Starbucks Corp.	January 2010
200	Starbucks Corp.	October 2009
200	Starbucks Corp.	January 2010
300	State Street Corp.	November 2009
600	State Street Corp.	November 2009

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700	Symantec Corp.	October 2009
700	Symantec Corp.	January 2010
350	Target Corp.	October 2009
100	Target Corp.	January 2010
100	Target Corp.	January 2010
270	Transocean, Ltd. (Switzerland)	January 2010
100	Unit Corp.	December 2009
150	United Parcel Services, Inc.	January 2010
200	United Parcel Services, Inc.	October 2009
150	United Parcel Services, Inc.	January 2010
533	Varian Medical Systems, Inc.	January 2010
167	Varian Medical Systems, Inc.	November 2009
100	Waters Corp.	January 2010
400	Waters Corp.	January 2010
600	Wells Fargo & Co.	October 2009
900	Wells Fargo & Co.	January 2010
820	Williams-Sonoma, Inc.	November 2009
600	Williams-Sonoma, Inc.	November 2009
500	Williams-Sonoma, Inc.	February 2010
100	XTO Energy, Inc.	November 2009
860	XTO Energy, Inc.	January 2010
540	Yahoo!, Inc.	October 2009
800	Yahoo!, Inc.	January 2010
600	Zebra Technologies Corp. - Class A	November 2009
220	Zebra Technologies Corp. - Class A	February 2010
200	Zebra Technologies Corp. - Class A	November 2009
275	Zebra Technologies Corp. - Class A	December 2009
150	Zimmer Holdings, Inc.	March 2010

TOTAL VALUE OF CALL OPTIONS WRITTEN  
(Premiums received \$12,500,822)

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(b) Non-income producing security.

### Country Allocation\*

United States	92.2%
Singapore	2.2%
Switzerland	1.9%
Cayman Islands	1.8%
Israel	1.0%
Netherlands Antilles	0.9%

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

On July 17, 2009, Claymore Group Inc., the parent company of Claymore Advisors, LLC (the "Adviser"), entered into an Agreement and Plan of Merger between and among Claymore Group Inc., Claymore Holdings, LLC and GuggClay Acquisition, Inc., (with the latter two entities being wholly-owned, indirect subsidiaries of Guggenheim Partners, LLC ("Guggenheim")) whereby GuggClay Acquisition, Inc. will merge into Claymore Group Inc. which will be the surviving entity. This transaction was completed on October 14, 2009 (the "Effective Date") and resulted in a change-of-control whereby Claymore Group Inc. and its subsidiaries, including the Adviser, became indirect, wholly-owned subsidiaries of Guggenheim. The transaction is not expected to affect the daily operations of the Fund or the investment management activities of the Adviser.

Under the Investment Company Act of 1940, the consummation of this transaction resulted in the automatic termination of the Advisory Agreement. Accordingly, on September 28, 2009, the Board of Trustees approved an interim investment advisory agreement between Madison/Claymore Covered Call & Equity Strategy Fund (the "Fund") and the Adviser (the "Interim Advisory Agreement"). The Interim Advisory Agreement takes effect as of the Effective Date and will terminate upon the earlier of: (a) 150 calendar days after the Effective Date or (b) the approval of a new investment advisory agreement by the shareholders of the Fund. In addition, the advisory fees earned by the Adviser pursuant to the Interim Advisory Agreement will be held in an interest-bearing escrow account with the Fund's custodian during the term of the Interim Advisory Agreement. If the Fund's shareholders approve a new advisory agreement with the Adviser prior to the expiration of the term of the Interim Advisory Agreement, the amount in the escrow account (including any interest earned) with respect to the Fund shall be paid to the Adviser. If the Fund's shareholders do not approve a new advisory agreement with the Adviser prior to the expiration of the term of the Interim Advisory Agreement, the Adviser shall be paid, out of the escrow account with respect to the Fund, the lesser of (i) the Adviser's costs incurred in providing the services under the Interim Advisory Agreement (including any interest earned on that amount while in escrow) with respect to the Fund; or (ii) the total amount in the escrow account (including any interest earned) with respect to the Fund. Other than the effective dates and the provisions set forth above regarding the advisory fees' placement into an escrow account, the terms and conditions of the Interim Advisory Agreement are substantively identical to those of the Advisory Agreement.

See previously submitted notes to financial statements for the period ending June 30, 2009.

In September, 2006, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 157, "Fair Valuation Measurements" ("FAS 157"). The Fund adopted FAS 157 effective on January 1, 2008. This standard clarifies the definition of fair value for financial



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reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 establishes 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). In April 2009, the FASB issued FSP FAS 157-4, "Determining Fair Value When Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" (FSP 157-4). FSP 157-4 provides guidance on how to determine the fair value of assets and liabilities when the volume and level of activity for the asset/liability has significantly decreased. FSP 157-4 requires disclosure in interim and annual periods of the inputs and valuation techniques used to measure fair value and a discussion of changes in valuation techniques. FSP 157-4 is effective for interim and annual reporting periods ending June 15, 2009. The Fund adopted FSP 157-4 effective on June 30, 2009. 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, 2009:

Description	Level 1	Level 2	Level 3
	-----	-----	-----
(value in \$000s)			
Assets:			
Common Stocks:			
Computers	\$ 4,056	\$ -	\$ -
Consumer Discretionary	36,274	-	-
Consumer Services	14,406	-	-
Energy	17,908	-	-
Financials	35,044	-	-
Health Care	38,571	-	-
Industrials	2,823	-	-
Insurance	806	-	-
Software	5,750	-	-
Technology	42,104	-	-
Exchange-Traded Funds	6,338	-	-
Money Market Fund	3,425	-	-
	-----	-----	-----
Total	\$ 207,505	\$ -	\$ -
	=====	=====	=====
Liabilities:			
Written Options	\$ 21,063	\$ -	\$ -
	-----	-----	-----
Total	\$ 21,063	\$ -	\$ -
	=====	=====	=====

### 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

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that date, in ensuring that information required to be disclosed by the registrant in 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 of 1940, as amended (17 CFR 270.30a-2(a)), is attached hereto.

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  
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By: /s/ J. Thomas Futrell  
-----

J. Thomas Futrell  
Chief Executive Officer

Date: November 24, 2009  
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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/ J. Thomas Futrell  
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J. Thomas Futrell  
Chief Executive Officer

Date: November 24, 2009  
-----

By: /s/ Steven M. Hill  
-----

Steven M. Hill  
Treasurer and Chief Financial Officer

Date: November 24, 2009  
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