

CORNERSTONE STRATEGIC VALUE FUND INC/ NEW
Form N-30D
August 29, 2001

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CORNERSTONE STRATEGIC
VALUE FUND, INC.

SEMI-ANNUAL REPORT
JUNE 30, 2001

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LETTER TO SHAREHOLDERS

August 2, 2001

Dear Fellow Shareholders:

Our report for Cornerstone Strategic Value Fund, Inc. (the "Fund"), formerly the Clemente Strategic Value Fund, Inc., covering the six months ended June 30, 2001, follows. At the end of the period, the Fund's net assets were \$38.4 million. Net Asset Value ("NAV") per share was \$9.68, as compared to \$11.31 at December 31, 2000. Following the direction of the Board of Directors (the "Board") and a vote of the shareholders at the Fund's annual meeting in April, the Fund replaced its investment adviser and the portfolio composition changed under the new management by Cornerstone Advisors, Inc. Individual holdings were spread across a much broader range of U.S. and non-U.S. equities.

ECONOMIC AND MARKET SUMMARY

The economic revival, that started way back in 1991 and grew into the longest peacetime expansion in the history of the U.S., stalled alarmingly in the first quarter. One industry after another found itself with excess capacity and withering profits, leading to decreases in capital spending and significant layoffs.

The market downturn was broader and heavier than most expected, with few industry segments spared. The Dow Jones Industrial Average dropped 8%, the S&P 500 declined 12% and the NASDAQ Composite dove 25% for the first quarter. Financials, capital goods, and health care were particularly weak and technology staged a major retreat. Outside the U.S., the picture was not pretty either, with many stock markets around the world plunging to depths not seen for years. The Morgan Stanley Capital International Europe Australasia Far East Index was down 14% in U.S. dollar terms by quarter's end.

As we ended the second quarter, the Federal Reserve had just completed the sixth interest rate cut of 2001. The three cuts made during this latest quarter slashed an additional 1.25% from rates, following up on the three made in the first quarter that totaled 1.5%. But the latest 1/4 point cut in late June, which brought the Fed funds rate down to a seven year low of only 3.75%, was treated with general disappointment by the market, even though the pace and depth of the Fed's reductions has been historically fast and deep. There has generally been a lag of at least six months before the impact of any rate cut is fully felt. As we approached the six-month point since the first of these cuts, most analysts remained mildly optimistic that growth would pick up soon, at least by the latter half of the year. However, as more economic data and corporate profit reports continued to roll in, doubts increased that the U.S. economy will indeed be able to get back on its feet by the end of 2001.

Happily, all major U.S. stock indices did enjoy a rebound in the second quarter - the Dow Jones Industrial Average bounced back 6%; the S&P 500 was up 5%; the NASDAQ Composite was up 17%. However, even after these rebounds, all these same indices remained mired in negative territory for the year, still down 3%, 7% and 13%, respectively, with almost all of the rebound occurring only in April. Unfortunately, many global developed markets continued to deteriorate, as the dollar remained strong.

LETTER TO SHAREHOLDERS (CONTINUED)

PORTFOLIO PERFORMANCE

Portfolio performance reflected these market moves with a steep drop in the first quarter that recovered somewhat in the second. Damage to the Fund's portfolio in the first quarter was significant. Although returns were helped by the positive moves of AOL Time Warner Inc. and WorldCom, Inc., many of the other larger positions declined. The substantial drop in the value of Analog Devices, Inc. ("ADI") and Morgan Stanley Dean Witter & Co. ("MWD") reflected the broader retreat in Technology and Financials. (Both of these issues recovered much of their loss with strong gains in the second quarter). Internationally, first quarter performance was hurt by major declines in Korea Telecom Corporation, Vodafone Group plc, and STMicroelectronics N.V. (none of which recovered through the end of the half). The transition into a broader range of holdings allowed the domestic markets to lift returns for the second quarter. In addition to recoveries by ADI and MWD, performance was also helped by Tyco International Ltd.'s strong move. The portfolio's international exposure was reduced as telecom issues continued to retreat, Europe showed few signs of recovery, and Asia's initial out-performance began to slow.

OUTLOOK

It is already apparent that early optimism on third quarter recovery was premature. As the second half of 2001 unfolds, equities will remain under pressure from earnings disappointments. Continuing threats to the U.S. economy remain, such as the possibility of decline in consumer spending, lack of recovery in business capital expenditures, or emerging weakness in other parts of the world. Globally, Europe will continue to face lower growth with little hope of significant central bank rate reduction. Japan's new Prime Minister faces the daunting task of cleaning up a banking mess without further damaging a burdened economy entering its fourth recession in a decade. Asia's other export-driven economies will continue to feel the effects of cooling demand.

But indications are indeed growing that the U.S. economic downturn is nearing a bottom and we may see a return of more acceptable growth in 2002, possibly even by the earlier part of the year. Much about today's economic outlook for the U.S. remains positive. Inflation is still under control, the unemployment rate remains low and the positive effects of past interest rate cuts are beginning to be felt. Furthermore, additional reduction in interest rates can now be expected, the impact of recent tax rate cuts will start to be felt soon, and energy costs have been dropping, all of which should provide a further boost to economic growth.

We believe there is an increasing feeling that the worst may be behind us. The stock market record of the past few years suggests that there are some eternal truths in equity investing, and that our consistent, more conservative strategies did not go out of style with the "new economy". We continue to believe that our more conservative approach involving a long-term perspective, with an emphasis on broad diversification, balanced asset allocation and liquidity, and our current U.S. equity focus, are appropriate for our shareholders in this environment.

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LETTER TO SHAREHOLDERS (CONCLUDED)

The Board continues to emphasize using the Fund's unique advantages to enhance long-term capital appreciation.

- The investment flexibility recently given by the stockholders has enabled substantial change in the Fund's holdings. This has allowed the portfolio to be much more diversified; thus moderating the negative volatility that often accompanies narrowly focused objectives.

- The program of repurchasing the Fund's shares has continued. Through June 30, 2001, a total of 1,926,340 shares have been bought by the Fund, representing 32.05% of the shares outstanding at the start of the program. (Prior to the repurchase program, the Fund held 117,600 in treasury.) In effect, this repurchasing of shares at a discount allows the Fund to purchase its portfolio at below market prices. It has provided a direct benefit to those remaining as shareholders by increasing the Fund's NAV per share. This program has also provided additional liquidity for those shareholders desiring to sell their shares in the Fund.

- The expense ratio has been substantially reduced. Working with the new investment adviser, the Board has overseen changes in and by a number of providers to improve the scope and cost of services to the Fund. In addition, the investment management agreement recently approved by shareholders provides for a waiver of management fees if Fund expenses exceed certain limits.

We believe that we have positioned Cornerstone Strategic Value Fund, Inc. to produce excellent returns for the long-term investor. We know you have a choice, we thank you for your support, and we look forward to continuing to serve you in the future.

Sincerely,

/s/ RALPH W. BRADSHAW

Ralph W. Bradshaw
Chairman

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CORNERSTONE STRATEGIC VALUE FUND, INC.
 PORTFOLIO SUMMARY - AS OF JUNE 30, 2001 (UNAUDITED)

TOP TEN, BY SECTOR

	SECTOR	PERCENT OF NET ASSETS
1	Drugs (Major Pharmaceuticals)	12.5
2	Manufacturing (Diversified)	7.9
3	Insurance (Property-Casualty)	6.2
4	Foods	5.3
5	Computers (Software & Services)	5.3
6	Electronics (Semiconductors)	5.1
7	Retail (Home Shopping)	5.0
8	Financial (Diversified)	3.8
9	Telephone	3.8
10	Computers (Hardware)	3.5

TOP TEN HOLDINGS, BY ISSUER

	Holding	Sector	Percent of Net Assets
1	Pfizer Inc.	Drugs (Major Pharmaceuticals)	6.5
2	Home Depot, Inc. (The)	Retail (Home Shopping)	5.0
3	Sysco Corp.	Foods	4.7
4	General Electric Co.	Manufacturing (Diversified)	4.4
5	American International Group, Inc.	Insurance (Property-Casualty)	3.6
6	Microsoft Corp.	Computers (Software & Services)	3.3
7	Exxon Mobil Corp.	Oil (Domestic Integrated)	2.8
8	Analog Devices, Inc.	Electronics (Semiconductors)	2.5
9	Citigroup Inc.	Insurance (Property-Casualty)	2.4
10	Tyco International Ltd.	Manufacturing (Diversified)	2.3

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CORNERSTONE STRATEGIC VALUE FUND, INC.
SCHEDULE OF INVESTMENTS - JUNE 30, 2001 (UNAUDITED)

Description	No. of Shares	Value (Note A)

EQUITY SECURITIES - 99.00%		
BERMUDA - 2.27%		
BASIC MATERIALS - 2.27%		
Manufacturing (Diversified) - 2.27%		
Tyco International Ltd. (cost - \$602,800)	16,000	\$ 872,000

CANADA - 0.22%		
TECHNOLOGY - 0.22%		
COMMUNICATION EQUIPMENT - 0.22%		
Nortel Networks Corp. (cost - \$146,546)	9,400	85,446

NETHERLANDS - 1.72%		
CONSUMER STAPLES - 0.31%		
FOODS - 0.31%		
Unilever NV, NY Shares	2,000	119,140

ENERGY - 1.41%		
OIL (INTERNATIONAL INTEGRATED) - 1.14%		
Royal Dutch Petroleum Co., NY Shares	7,500	437,025

OIL & GAS (EXPLORATION & PRODUCTION) - 0.27%		
Schlumberger Ltd.	2,000	105,300

Total Energy		542,325

Total Netherlands (cost - \$658,515)		661,465

PANAMA - 0.17%		
CONSUMER STAPLES - 0.17%		
ENTERTAINMENT - 0.17%		
Carnival Corp. (cost - \$58,107)	2,100	64,470

UNITED STATES - 94.62%		
BASIC MATERIALS - 1.52%		
ALUMINUM - 0.32%		
Alcoa Inc.	3,100	122,140

CHEMICALS (DIVERSIFIED) - 0.74%		
Dow Chemical Co. (The)	3,200	106,400
E.I. du Pont de Nemours & Co.	3,700	178,488

		284,888

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PAPER & FOREST PRODUCTS - 0.46%		
International Paper Co.	2,000	71,400
Kimberly-Clark Corp.	1,900	106,210

		177,610

Total Basic Materials		584,638

Description	No. of Shares	Value (Note A)

CAPITAL GOODS - 6.82%		
AEROSPACE/DEFENSE - 0.43%		
Boeing Co. (The)	3,000	\$ 166,800

ELECTRICAL EQUIPMENT - 0.39%		
Motorola, Inc.	6,600	109,296
Soletron Corp.+	2,200	40,260

		149,556

MACHINERY (DIVERSIFIED) - 0.17%		
Caterpillar Inc.	1,300	65,065

MANUFACTURING (DIVERSIFIED) - 5.59%		
Dover Corp.	700	26,355
General Electric Co.	34,500	1,681,875
Honeywell International Inc.	2,800	97,972
Masco Corp.	1,700	42,432
Minnesota Mining & Manufacturing Company (3M) ...	1,500	171,150
United Technologies Corp.	1,700	124,542

		2,144,326

OFFICE EQUIPMENT & SUPPLIES - 0.06%		
Xerox Corp.	2,400	22,968

WASTE MANAGEMENT - 0.18%		
Waste Management, Inc.	2,200	67,804

Total Capital Goods		2,616,519

COMMUNICATION SERVICES - 5.90%		
TELECOMMUNICATIONS (CELLULAR) - 0.41%		
Nextel Communications, Inc., Class A+	2,800	49,000
Palm, Inc.+	2,000	12,140
Sprint Corp. (PCS Group)+	3,400	82,110
WorldCom, Inc. (MCI Group)+	900	14,490

		157,740

TELECOMMUNICATIONS (LONG DISTANCE) - 1.72%		
AT&T Corp.	12,500	275,000
Sprint Corp.	3,100	66,216
WorldCom, Inc. (WorldCom Group)	22,500	319,500

		660,716

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
SCHEDULE OF INVESTMENTS - JUNE 30, 2001 (UNAUDITED) (CONTINUED)

Description	No. of Shares	Value (Note A)
TELEPHONE - 3.77%		
BellSouth Corp.	6,600	\$ 265,782
Qwest Communications International Inc.	5,700	181,659
SBC Communications Inc.	12,400	496,744
Verizon Communications Inc.	9,400	502,900
		1,447,085
Total Communication Services		2,265,541
CONSUMER CYCLICALS - 8.57%		
AUTO PARTS & EQUIPMENT - 0.08%		
Delphi Automotive Systems Corp.	2,000	31,860
AUTOMOBILES - 0.75%		
Ford Motor Co.	6,700	164,485
General Motors Corp.	1,900	122,265
		286,750
RETAIL (DISCOUNTERS) - 2.30%		
Target Corp.	3,200	110,720
Wal-Mart Stores, Inc.	15,800	771,040
		881,760
RETAIL (HOME SHOPPING) - 4.99%		
Home Depot, Inc. (The)	41,100	1,913,205
RETAIL (SPECIALTY-APPAREL) - 0.23%		
Gap, Inc. (The)	3,100	89,900
SERVICES (ADVERTISING/MARKETING) - 0.08%		
Interpublic Group of Companies Inc. (The)	1,100	32,285
SERVICES (COMMERCIAL & CONSUMER) - 0.14%		
Cendant Corp.+	2,700	52,650
Total Consumer Cyclicals		3,288,410
CONSUMER STAPLES - 14.55%		
BEVERAGES (ALCOHOLIC) - 0.34%		
Anheuser-Busch Companies, Inc.	3,200	131,840
BEVERAGES (NON-ALCOHOLIC) - 1.64%		
Coca-Cola Co. (The)	9,000	405,000

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PepsiCo., Inc.	5,100	225,420

		630,420

Description	No. of Shares	Value (Note A)

BROADCASTING (TV, CABLE, RADIO) - 2.76%		
AOL Time Warner Inc.+	14,700	\$ 779,100

CLEAR CHANNEL		
Communications, Inc.+	2,100	131,670
Comcast Corp., Special Class A+	3,300	143,220

		1,053,990

ENTERTAINMENT - 1.35%		
Viacom Inc., non-voting Class B+	6,000	310,500
Walt Disney Co. (The)	7,200	208,008

		518,508

FOODS - 4.98%		
Archer-Daniels-Midland Co.	2,300	29,900
ConAgra Foods, Inc.	1,900	37,639
Sara Lee Corp.	2,800	53,032
Sysco Corp.	65,800	1,786,470

		1,907,041

PERSONAL CARE - 1.39%		
Colgate-Palmolive Co.	2,000	117,980
Gillette Co. (The)	3,800	110,162
Procter & Gamble Co. (The)	4,800	306,240

		534,382

RESTAURANTS- 0.32%		
McDonald's Corp.	4,600	124,476

RETAIL (DRUG STORES) - 0.32%		
Walgreen Co.	3,600	122,940

RETAIL (FOOD CHAINS) - 0.41%		
Kroger Co. (The)+	2,900	72,500
Safeway Inc.+	1,800	86,400

		158,900

TOBACCO - 1.04%		
Philip Morris Companies Inc.	7,900	400,925

Total Consumer Staples		5,583,422

ENERGY - 5.79%		
OIL (DOMESTIC INTEGRATED) - 2.78%		
Exxon Mobil Corp.	12,200	1,065,670

OIL (INTERNATIONAL INTEGRATED) - 0.71%		

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Chevron Corp.	2,300	208,150
Conoco Inc., Class B	2,200	63,580

		271,730

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
SCHEDULE OF INVESTMENTS - JUNE 30, 2001 (UNAUDITED) (CONTINUED)

Description	No. of Shares	Value (Note A)

OIL & GAS (EXPLORATION & PRODUCTION) - 0.82%		
Anadarko Petroleum Corp.	900	\$ 48,627
Enron Corp.	2,700	132,300
Texaco Inc.	2,000	133,200

		314,127

OIL & GAS (REFINING & MINING) - 1.48%		
Halliburton Co.	16,000	569,600

Total Energy		2,221,127

FINANCIAL - 17.65%		
Banks (Major Regional) - 1.49%		
Bank One Corp.	4,100	146,780
Fifth Third Bancorp	2,000	120,100
Mellon Financial Corp.	1,800	82,800
National City Corp.	2,200	67,716
U.S. Bancorp	6,700	152,693

		570,089

BANKS (MONEY CENTER) - 3.30%		
Bank of America Corp.	5,400	324,162
Bank of New York Co., Inc. (The)+	2,600	124,800
First Union Corp.	3,600	125,784
FleetBoston Financial Corp.	3,900	153,855
J.P. Morgan Chase & Co.	6,000	267,600
Wells Fargo & Co.	5,800	269,294

		1,265,495

CONSUMER FINANCE - 1.04%		
American Express Co.	4,600	178,480
Household International, Inc.	1,800	120,060
MBNA Corp.	3,000	98,850

		397,390

DIVERSIFIED - 3.79%		

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Fannie Mae	2,500	175,000
Freddie Mac	3,700	315,055
Morgan Stanley Dean Witter & Co.	15,000	963,450

		1,453,505

INSURANCE (BROKERS) - 0.26%		
Marsh & McLennan Companies, Inc.	1,000	101,000

Description	No. of Shares	Value (Note A)
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INSURANCE (LIFE & HEALTH) - 0.59%		
AFLAC Inc.	1,900	\$ 59,831
American General Corp.	1,800	83,610
MetLife, Inc.	2,700	83,646

		227,087

INSURANCE (PROPERTY-CASUALTY) - 6.25%		
Allstate Corp. (The)	2,700	118,773
American International Group, Inc.	16,000	1,376,000
Citigroup Inc.	17,100	903,564

		2,398,337

INVESTMENT BANKING & BROKERAGE - 0.62%		
Charles Schwab Corp. (The)	4,700	71,910
Merrill Lynch & Co., Inc.	2,800	165,900

		237,810

SAVINGS & LOANS - 0.31%		
Washington Mutual, Inc.	3,150	118,283

Total Financial		6,768,996

HEALTH CARE - 13.90%		
BIOTECHNOLOGY - 0.55%		
Amgen Inc.+	3,500	212,380

DRUGS (MAJOR PHARMACEUTICALS) - 12.50%		
Abbott Laboratories	5,300	254,453
American Home Products Co.	4,800	280,512
Bristol-Myers Squibb Co.	7,100	371,330
Eli Lilly & Co.	4,000	296,000
Johnson & Johnson	9,200	460,000
Merck & Co., Inc.	3,800	242,858
Pfizer Inc.	62,000	2,483,100
Pharmacia Corp.	4,800	220,560
Schering-Plough Corp.	5,200	188,448

		4,797,261

HOSPITAL MANAGEMENT - 0.24%		
HCA Inc.	2,000	90,380

MEDICAL PRODUCTS - 0.61%		
Guidant Corp.+	1,000	36,000

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Medtronic, Inc.	4,300	197,843

		233,843

Total Health Care		5,333,864

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
SCHEDULE OF INVESTMENTS - JUNE 30, 2001 (UNAUDITED) (CONTINUED)

Description	No. of Shares	Value (Note A)

TECHNOLOGY - 17.88%		
COMMUNICATION EQUIPMENT - 0.89%		
ADC Telecommunications, Inc.+	2,700	\$ 17,820
Corning Inc	6,200	103,602
Lucent Technologies Inc.	10,700	66,340
Qualcomm Inc.+	2,600	152,048

		339,810

COMPUTERS (HARDWARE) - 3.44%		
Compaq Computer Corp.	5,300	82,097
Dell Computer Corp.+	8,300	217,045
Hewlett-Packard Co.	6,300	180,180
International Business Machines Corp.	5,900	666,700
Sun Microsystems, Inc.+	11,400	179,208

		1,325,230

COMPUTERS (NETWORKING) - 1.16%		
Cisco Systems, Inc+	24,400	444,080

COMPUTERS (SOFTWARE & SERVICES) - 5.27%		
Computer Associates International, Inc.	2,100	75,600
Emc Corp+	7,600	220,780
McDATA Corp., Class A+	1,111	19,498
Microsoft Corp.+	17,600	1,284,800
Oracle Corp.+	20,300	385,700
Yahoo! Inc.+	1,900	37,981

		2,024,359

ELECTRONICS (COMPONENT DISTRIBUTION) - 0.24%		
Emerson Electric Co.	1,500	90,750

ELECTRONICS (SEMICONDUCTORS) - 5.08%		
Analog Devices, Inc.+	22,000	951,500
Intel Corp.	26,000	760,500
Micron Technology, Inc.+	2,000	82,200
Texas Instruments Inc.	4,900	154,350

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Description	No. of Shares	Value (Note A)
		1,948,550

EQUIPMENT (SEMICONDUCTORS) - 0.50%		
Agilent Technologies, Inc.+	1,800	58,500
Applied Materials, Inc.+	2,700	132,570
		191,070

SERVICES (DATA PROCESSING) - 1.30%		
Automatic Data Processing, Inc.	10,000	\$ 497,000
		6,860,849

TRANSPORTATION - 0.21%		
AIRLINES - 0.13%		
Southwest Airlines Co.	2,700	49,923
		28,980
RAILROADS - 0.08%		
Norfolk Southern Corp.	1,400	28,980
		78,903

UTILITIES - 1.83%		
ELECTRIC COMPANIES - 1.36%		
AES Corp. (The)+	1,900	81,795
American Electric Power Co., Inc.	1,200	55,404
Dominion Resources, Inc.	1,000	60,130
Duke Energy Corp.	2,800	109,228
Exelon Corp.	1,200	76,944
Reliant Energy, Inc.	1,100	35,431
Southern Co. (The)	2,400	55,800
TXU Corp.	1,000	48,190
		522,922

NATURAL GAS - 0.25%		
El Paso Corp.	1,800	94,572
		41,580
POWER PRODUCTS (INDEPENDENT) - 0.22%		
Calpine Corp.+	1,100	41,580
Mirant Corp.+	1,300	44,720
		86,300

Total Utilities		703,794

Total United States		
(cost - \$30,730,057)		36,306,063

Total Equity Securities		
(cost - \$32,196,025)		37,989,444

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.

SCHEDULE OF INVESTMENTS - JUNE 30, 2001 (UNAUDITED) (CONCLUDED)

Description	Principal Amount (000's)	Value (Note A)

SHORT-TERM INVESTMENT - 1.08%		
REPURCHASE AGREEMENT - 1.08%		
Bear, Stearns & Co. Inc.		
(Agreement dated 06/29/01 to		
be repurchased at \$423,637),		
3.97%, 07/02/01		
(cost - \$414,531) (Note F)	\$415	\$ 414,531

TOTAL INVESTMENTS - 100.08%		
(cost - \$32,610,556) (Notes A, C)		38,403,975
LIABILITIES IN EXCESS OF CASH AND		
OTHER ASSETS - (0.08)%		(29,523)

NET ASSETS - 100.00%		\$38,374,452
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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES - JUNE 30, 2001 (UNAUDITED)

ASSETS	
Investments, at value (Cost \$32,610,556) (Note A)	\$ 38,403,975
Cash collateral received for securities loaned (Note E)	588,747
Receivables:	
Dividends	20,182
Interest	1,988
Prepaid expenses	23,379

Total Assets	39,038,271

LIABILITIES	
Payables:	

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Upon return of securities loaned (Note E)	588,747
Investment management fees (Note B)	27,157
Capital stock repurchased (Note D)	4,970
Other accrued expenses	42,945

Total Liabilities	663,819

NET ASSETS (applicable to 3,966,060 shares of common stock outstanding)	\$ 38,374,452
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NET ASSET VALUE PER SHARE (\$38,374,452 / 3,966,060)	\$ 9.68
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NET ASSETS CONSISTS OF	
Capital stock, \$0.01 par value; 3,966,060 shares outstanding (25,000,000 shares authorized)	\$ 39,661
Paid-in capital	48,561,038
Cost of 2,043,940 shares repurchased	(25,555,396)
Accumulated net investment loss	(370,481)
Accumulated net realized gain on investments	9,906,211
Net unrealized appreciation in value of investments	5,793,419

Net assets applicable to shares outstanding	\$ 38,374,452
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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
STATEMENT OF OPERATIONS - FOR THE SIX MONTHS ENDED JUNE 30, 2001 (UNAUDITED)

INVESTMENT LOSS Income (Note A):

Dividends	\$ 167,335
Interest	22,782
Less: Foreign taxes withheld	(1,250)

Total Investment Income	188,867

Expenses:

Investment management fees (Note B)	202,576
Audit and legal fees (Note B)	94,834
Administration fees	36,148
Directors' fees	25,123
Printing	18,316
Custodian fees	16,977
NYSE listing fees	11,201
Accounting fees	5,395
Transfer agent fees	4,870
Insurance	2,562

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Other	12,466

Total Expenses	430,468
Less: Fees paid indirectly (Note B)	(38,872)
Less: Management fee waivers (Note B)	(8,510)

Net Expenses	383,086

Net Investment Loss	(194,219)

NET REALIZED AND UNREALIZED LOSS ON INVESTMENTS	
Net realized gain from investments	2,268,834
Net change in unrealized appreciation in value of investments ..	(8,744,460)

Net realized and unrealized loss on investments	(6,475,626)

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$(6,669,845)
	=====

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
STATEMENT OF CHANGES IN NET ASSETS

	For the Six Months Ended June 30, 2001 (unaudited)	For the Year Ended December 31, 2000
	-----	-----
DECREASE IN NET ASSETS		
Operations:		
Net investment loss	\$ (194,219)	\$ (645,795)
Net realized gain on investments and foreign currency related transactions	2,268,834	7,637,069
Net change in unrealized appreciation in value of investments and translation of other assets and liabilities denominated in foreign currency	(8,744,460)	(15,452,439)
Federal income tax on undistributed realized gains	--	(3,177,964)
	-----	-----
Net decrease in net assets resulting from operations	(6,669,845)	(11,639,129)
	-----	-----
Distributions to shareholders (Note A):		
Net realized gain on investments and foreign currency related transactions	--	(4,351,786)
	-----	-----

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Capital stock transactions (Note D):

Cost of 101,200 and 361,800 shares repurchased, respectively	(936,078)	(4,232,705)
	-----	-----
Total decrease in net assets	(7,605,923)	(20,223,620)
	-----	-----
NET ASSETS		
Beginning of period	45,980,375	66,203,995
	-----	-----
End of period	\$ 38,374,452	\$ 45,980,375
	=====	=====

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See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.

FINANCIAL HIGHLIGHTS

Contained below is per share operating performance data for a share of common stock outstanding, total investment return, ratios to average net assets and other supplemental data for each period indicated. This information has been derived from information provided in the financial statements and market price data for the Fund's shares.

	For the Six Months Ended June 30, 2001 (unaudited)	2000	For the Years Ended De 1999	1
	-----	----	----	---
PER SHARE OPERATING PERFORMANCE				
Net asset value, beginning of period ...	\$ 11.31	\$ 14.95	\$ 14.52	\$
Net investment income/(loss)	(0.05)#	(0.94)#	(0.19)#	
Net realized and unrealized gain/(loss) on investments and foreign currency related translations	(1.61)	(1.81)	4.39	
Net increase/(decrease) in net assets from operations	(1.66)	(2.75)	4.20	
Dividends and distributions to shareholders:				
Net investment income	--	--	--	
Net realized gain on investments and foreign currency related				

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transactions	--	(1.01)	(3.87)	
Total dividends and distributions to shareholders	--	(1.01)	(3.87)	
Anti-dilutive effect due to capital shares repurchased	0.03	0.12	0.10	
Net asset value, end of period	\$ 9.68	\$ 11.31	\$ 14.95	\$
Market value, end of period	\$ 8.350	\$ 10.590	\$ 14.250	\$
Total investment return (a)	(21.15)%	(28.10)%	40.74%	
RATIOS/SUPPLEMENTA DATA				
Net assets, end of period (000 omitted)	\$ 38,374	\$ 45,980	\$ 66,204	\$
Ratio of expenses to average net assets, net of fee waivers, if any	1.89% (b) (c)	1.72% (c)	1.55% (c)	
Ratio of expenses to average net assets, excluding fee waivers, if any ..	2.13% (b) (d)	1.83% (d)	1.64% (d)	
Ratio of net investment income/(loss) to average net assets	(0.96)% (b)	(1.12)%	(0.59)%	
Portfolio turnover rate	49.33%	28.26%	101.54%	

	For the Years Ended De			
	1996	1995	1994	19
	----	----	----	----
Net asset value, beginning of period ...	\$ 10.65	\$ 10.73	\$ 12.36	\$
Net investment income/(loss)	(0.03)	--	(0.03)	
Net realized and unrealized gain/(loss) on investments and foreign currency related translations	0.41	0.42	(0.64)	
Net increase/(decrease) in net assets from operations	0.38	0.42	(0.67)	
Dividends and distributions to shareholders:				
Net investment income	--	--	--	--
Net realized gain on investments and foreign currency related transactions	(0.93)	(0.50)	(0.96)	
Total dividends and distributions to shareholders	(0.93)	(0.50)	(0.96)	
Anti-dilutive effect due to capital shares repurchased	--	--	--	--
Net asset value, end of period	\$ 10.10	\$ 10.65	\$ 10.73	\$
Market value, end of period	\$ 7.500	\$ 8.375	\$ 8.500	\$ 1
Total investment return (a)	0.64%	4.59%	(15.91)%	

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RATIOS/SUPPLEMENTAL DATA

Net assets, end of period (000 omitted)	\$ 59,520	\$ 62,781	\$ 63,216	\$ 7
Ratio of expenses to average net assets, net of fee waivers, if any	1.53%	1.58%	1.75%	
Ratio of expenses to average net assets, excluding fee waivers, if any ..	--	--	--	
Ratio of net investment income/(loss) to average net assets	(0.25)%	(0.02)%	(0.25)%	
Portfolio turnover rate	120.66%	84.98%	81.73%	1

See accompanying notes to financial statements.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

NOTE A. SIGNIFICANT ACCOUNTING POLICIES

The Cornerstone Strategic Value Fund, Inc. (the "Fund") was incorporated in Maryland on May 1, 1987 and commenced investment operations on June 30, 1987. As a result of an Annual Meeting of Stockholders held on April 19, 2001, the Fund, formerly known as the Clemente Strategic Value Fund, Inc., changed its name. The Fund is registered under the Investment Company Act of 1940, as amended, as a closed-end, diversified management investment company.

The following is a summary of significant accounting policies consistently followed by the Fund:

MANAGEMENT ESTIMATES: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that may affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

PORTFOLIO VALUATION: Investments are stated at value in the accompanying financial statements. All equity securities shall be valued at the closing price on the exchange or market on which the security is primarily traded ("Primary Market"). If the security did not trade on the Primary Market, it shall be valued at the closing price on another exchange where it trades. If there are no such sale prices, the value shall be the most recent bid, and if there is no bid, the security shall be valued at the most recent asked. If no pricing service is available and there are more than two dealers, the value shall be the mean of the highest bid and lowest ask. If there is only one dealer, then the value shall be the mean if bid and ask are available, otherwise the value shall be the bid. All other securities and assets are valued as determined in good faith by the Board of Directors. Short-term investments having a maturity of 60 days or less are valued on the basis of amortized cost. The Board of Directors has established general guidelines for calculating fair value of not readily marketable securities. At June 30, 2001, the Fund held no securities valued in good faith by the Board of Directors. The net asset value per share of the Fund is calculated weekly and on the last business day of the month with the

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exception of those days on which the New York Stock Exchange is closed.

REPURCHASE AGREEMENTS: The Fund has agreed to purchase securities from financial institutions subject to the sellers agreement to repurchase them at an agreed-upon time and price ("repurchase agreements"). The financial institutions with whom the Fund enters into repurchase agreements are banks and broker/dealers, which Cornerstone Advisors, Inc. (the Fund's "Adviser" or "Cornerstone") considers creditworthy. The seller under a repurchase agreement will be required to maintain the value of the securities as collateral, subject to the agreement at not less than the repurchase price plus accrued interest. Cornerstone marks to market daily the value of the collateral, and, if necessary, requires the seller to maintain additional securities, so that the value of the collateral is not less than the repurchase price. Default by or bankruptcy of the seller would, however, expose the Fund to possible loss because of adverse market action or delays in connection with the disposition of the underlying securities.

INVESTMENT TRANSACTIONS AND INVESTMENT INCOME: Investment transactions are accounted for on the trade date. The cost of investments sold is determined by use of the specific identification method for both financial reporting and income tax purposes. Interest income is recorded on an accrual basis; dividend income is recorded on the ex-dividend date.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

TAXES: No provision is made for U.S. federal income or excise taxes as it is the Fund's intention to continue to qualify as a regulated investment company and to make the requisite distributions to its shareholders which will be sufficient to relieve it from all or substantially all U.S. federal income and excise taxes. For U.S. federal income tax purposes, realized capital or foreign exchange losses incurred after October 31, 2000 within the prior fiscal year are deemed to arise on the first day of the current fiscal year. The Fund elected to defer such capital loss of \$1,500,693.

DISTRIBUTIONS OF INCOME AND GAINS: The Fund distributes at least annually to shareholders, substantially all of its net investment income and net realized short-term capital gains, if any. The Fund determines annually whether to distribute any net realized long-term capital gains in excess of net realized short-term capital losses, including capital loss carryovers, if any. An additional distribution may be made to the extent necessary to avoid the payment of a 4% U.S. federal excise tax. Dividends and distributions to shareholders are recorded by the Fund on the ex-dividend date.

The character of distributions made during the year from net investment income or net realized gains may differ from their ultimate characterization for U.S. federal income tax purposes due to U.S. generally accepted accounting principles/tax differences in the character of income and expense recognition.

NOTE B. AGREEMENTS

At the Annual Meeting of Stockholders of the Fund held on April 19, 2001, stockholders approved a new investment management agreement by and between

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Cornerstone and the Fund. As a result, Cornerstone commenced its performance of the investment management services with respect to the Fund's portfolio securities.

Effective April 19, 2001, Cornerstone serves as the Fund's investment adviser with respect to all investments. As compensation for its advisory services, Cornerstone receives from the Fund an annual fee, calculated weekly and paid monthly, equal to 1.00% of the Fund's average weekly net assets. Cornerstone has voluntarily agreed to limit the Fund's annual operating expenses (excluding interest, taxes, brokerage commissions, legal fees, expenditures which are capitalized in accordance with generally accepted accounting principles, and other extraordinary expenses not incurred in the ordinary course of such Fund's business) to 1.65% (on an annualized basis) of the Fund's average net assets for the fiscal period from April 19, 2001 through December 31, 2001. For the period April 19, 2001 through June 30, 2001, Cornerstone earned \$97,689 for investment advisory services, of which Cornerstone waived \$8,510.

For the period January 1, 2001 through April 18, 2001, portfolio securities were managed by Clemente Capital, Inc. ("Clemente"). Clemente engaged Wilmington Trust Co. ("Wilmington") as the Fund's sub-investment adviser. As compensation for its advisory services, Clemente received from the Fund an annual fee, calculated weekly and paid monthly, equal to 1.00% of the Fund's average weekly net assets. For this period, Clemente earned \$78,665. As compensation for its sub-advisory services, Wilmington was paid an annual fee calculated weekly and paid monthly equal to 25% of the net fees payable to the former investment adviser, Clemente. For this period, Wilmington earned \$26,222.

Included in the Statement of Operations, under the caption Fees paid indirectly, are expense offsets of \$38,872 arising from credits earned on portfolio transactions executed with a broker, pursuant to a directed brokerage arrangement. Of this amount, \$34,921 was used to offset administration fees.

The Fund paid or accrued approximately \$67,400 for the six months ended June 30, 2001 for legal services to Spitzer & Feldman P.C., counsel to the Fund. Mr. Westle, a partner of the firm, serves as secretary of the Fund.

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CORNERSTONE STRATEGIC VALUE FUND, INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONCLUDED)

NOTE C. INVESTMENT IN SECURITIES

For U.S. federal income tax purposes, the cost of securities owned at June 30, 2001 was \$32,610,556. Accordingly, the net unrealized appreciation of investments (including investments denominated in foreign currency) of \$5,793,419 was composed of gross appreciation of \$6,652,540 for those investments having an excess of value over cost and gross depreciation of \$859,121 for those investments having an excess of cost over value.

For the six months ended June 30, 2001, purchases and sales of securities, other than short-term investments, were \$20,188,615 and \$24,474,555, respectively.

NOTE D. SHARE REPURCHASE PROGRAM

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On October 5, 1998, the Fund commenced a share repurchase program for purposes of enhancing shareholder value and reducing the discount at which the Fund's shares traded from their net asset value. For the six months ended June 30, 2001, the Fund repurchased 101,200 of its shares for a total cost of \$936,078 at a weighted average discount of 13.47% from net asset value. The discount of individual repurchases ranged from 6.22% - 21.29%. For the year ended December 31, 2000, the Fund repurchased 361,800 of its shares for a total cost of \$4,232,705 at a weighted average discount of 10.67% from net asset value. The discount of the individual repurchases ranged from 2.78% - 21.29%. The Fund expects to continue to repurchase its outstanding shares at such time and in such amounts as it believes will further the accomplishment of its foregoing objectives, subject to review by the Board of Directors. No limit has been placed on the number of shares to be purchased by the Fund other than those imposed by federal securities laws. All purchases will be made in accordance with federal securities laws, with shares repurchased held in treasury.

NOTE E. SECURITIES LENDING

To generate additional income, the Fund may lend up to 10% of it's portfolio's assets. The Fund receives payments from borrowers equivalent to the dividends and interest that would have been earned on securities lent while simultaneously seeking to earn interest on the investment of cash collateral. Loans are subject to termination by the Fund or the borrower at any time, and are, therefore, not considered to be illiquid investments. Loans of securities are required at all times to be secured by collateral equal to at least 100% of the market value of securities on loan. However, in the event of default or bankruptcy of the other party to the agreement, realization and/or retention of the collateral may be subject to legal proceedings. In the event that the borrower fails to return securities, and collateral maintained by the lender is insufficient to cover the value of loaned securities, the borrower is obligated to pay the amount of the shortfall (and interest thereon) to the Fund. However, there can be no assurance the Fund can recover this amount. The value of securities on loan to brokers and the related collateral received at June 30, 2001 was \$568,452 and \$588,747, respectively. Any cash collateral received is reinvested into repurchase agreements, which in turn are collateralized by various U.S. Government and Agency securities.

During the period ended June 30, 2001, the Fund earned \$200 in securities lending income which is included under the caption Interest in the Statement of Operations.

NOTE F. COLLATERAL FOR REPURCHASE AGREEMENT

Listed below is the collateral associated with the repurchase agreement with Bear, Stearns & Co. Inc. outstanding at June 30, 2001.

Issuer	Principal Amount (000's)	Yield	Maturity	Total Market Value
-----	-----	-----	-----	-----
United States Treasury Bond, Interest Only	\$1,925	5.43%	11/15/26	\$423,500

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RESULTS OF ANNUAL MEETING OF STOCKHOLDERS (UNAUDITED)

On April 19, 2001, the Annual Meeting of Stockholders of Cornerstone Strategic Value Fund, Inc. (the "Fund") was held and the following matters were voted upon:

- (1) To elect two Class I Directors until the year 2002 Annual Meeting, two Class II Directors until the year 2003 Annual Meeting and two Class III Directors until the year 2004 Annual Meeting.

NAME OF CLASS I DIRECTORS	FOR	ABSTAIN
Ralph W. Bradshaw	3,029,773	612,600
Edwin Meese III	3,028,124	614,249

NAME OF CLASS II DIRECTORS	FOR	ABSTAIN
Thomas H. Lenagh	3,029,173	613,200
Scott B. Rogers	3,028,913	613,460

NAME OF CLASS III DIRECTORS	FOR	ABSTAIN
Andrew A. Strauss	3,029,773	612,600
Glenn W. Wilcox, Sr.	3,029,373	613,000

- (2) To approve a new investment management agreement between Cornerstone Advisors, Inc. and the Fund.

FOR	AGAINST	ABSTAIN
2,101,840	615,542	33,973

- (3) To ratify the selection of PricewaterhouseCoopers LLP as independent accountants for the year ending December 31, 2001.

FOR	AGAINST	ABSTAIN
3,507,302	113,289	21,781

DESCRIPTION OF DIVIDEND REINVESTMENT & CASH PURCHASE PLAN (UNAUDITED)

Shareholders who have Shares registered directly in their own names automatically participate in the Fund's Dividend Reinvestment & Cash Purchase Plan (the "Plan"), unless and until an election is made to withdraw from the Plan on behalf of such participating shareholders. Shareholders who do not wish to have distributions automatically reinvested should so notify American Stock Transfer & Trust Co. (the "Agent") at 59 Maiden Lane, New York, NY 10038. Under

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the Plan, all of the Fund's dividends and other distributions to shareholders are reinvested in full and fractional Shares as described below.

When the Fund declares an income dividend or a capital gain or other distribution (each, a "Dividend" and collectively, "Dividends"), the Agent, on the shareholders' behalf, will: (i) receive additional authorized shares from the Fund either newly issued or repurchased from shareholders by the Fund and held as treasury stock ("Newly Issued Shares") or, (ii) at the sole discretion of the Board of Directors, be authorized to purchase outstanding shares on the open market, on the NYSE or elsewhere, with cash allocated to it by the Fund ("Open Market Purchases").

Shares acquired by the Agent in Open Market Purchases will be allocated to the reinvesting shareholders based on the average cost of such Open Market Purchases. Alternatively, the Agent will allocate Newly Issued Shares to the reinvesting shareholders at a price equal to the average closing price of the Fund over the five trading days preceding the payment date of such dividend.

Registered shareholders who acquire their shares through Open Market Purchases and who do not wish to have their Dividends automatically reinvested should so notify the Fund in writing. If a Shareholder has not elected to receive cash Dividends and the Agent does not receive notice of an election to receive cash Dividends prior to the record date of any Dividend, the shareholder will automatically receive such Dividends in additional Shares.

Participants in the Plan may withdraw from the Plan by providing written notice to the Agent at least 30 days prior to the applicable Dividend payment date. When a participant withdraws from the Plan, or upon termination of the Plan as provided below, certificates for whole shares credited to his/her account under the Plan will, upon request, be issued. Whether or not a participant requests that certificates for whole shares be issued, a cash payment will be made for any fraction of a Share credited to such account.

The Agent will maintain all shareholder accounts in the Plan and furnish written confirmations of all transactions in the accounts, including information needed by shareholders for personal and tax records. The Agent will hold shares in the account of each Plan participant in non-certificated form in the name of the participant, and each shareholder's proxy will include those shares purchased pursuant to the Plan. Each participant, nevertheless, has the right to receive certificates for whole shares owned. The Agent will distribute all proxy solicitation materials to participating shareholders.

In the case of shareholders, such as banks, brokers or nominees, that hold shares for others who are beneficial owners participating in the Plan, the Agent will administer the Plan on the basis of the number of shares certified from time to time by the record shareholder as representing the total amount of shares registered in the Shareholder's name and held for the account of beneficial owners participating in the Plan.

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DESCRIPTION OF DIVIDEND REINVESTMENT & CASH PURCHASE PLAN (UNAUDITED) (CONCLUDED)

There will be no charge to participants for reinvesting Dividends other than their share of brokerage commissions as discussed below. The Agent's fees for administering the Plan and handling the reinvestment of Dividends will be paid by the Fund. Each participant's account will be charged a pro-rata share of brokerage commissions incurred with respect to the Agent's Open Market Purchases in connection with the reinvestment of Dividends. Brokerage charges for purchasing small amounts of shares for individual accounts through the Plan are expected to be less than the usual brokerage charges for such transactions because the Agent will be purchasing shares for all the participants in blocks and pro-rating the lower commission that may be attainable.

The automatic reinvestment of Dividends will not relieve participants of any income tax that may be payable on such Dividends. Participants who receive shares pursuant to the Plan as described above will recognize taxable income in the amount of the fair market value of those shares. In the case of non-U.S. participants whose Dividends are subject to U.S. income tax withholding and in the case of participants subject to 30.5% federal backup withholding, the Agent will reinvest Dividends after deduction of the amount required to be withheld.

The Fund reserves the right to amend or terminate the Plan by written notice to participants. All correspondence concerning the Plan should be directed to the Agent at the address referred to in the first paragraph of this section.

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PRIVACY POLICY NOTICE

The following is a description of Cornerstone Strategic Value Fund, Inc.'s (the "Fund") policies regarding disclosure of nonpublic personal information that you provide to the Fund or that the Fund collects from other sources. In the event that you hold shares of the Fund through a broker-dealer or other financial intermediary, the privacy policy of the financial intermediary would govern how your nonpublic personal information would be shared with unaffiliated third parties.

CATEGORIES OF INFORMATION THE FUND COLLECTS. The Fund collects the following nonpublic personal information about you:

1. Information from the Consumer: this category includes information the Fund receives from you on or in applications or other forms, correspondence, or conversations (such as your name, address, phone number, social security number, assets, income and date of birth); and
2. Information about the Consumer's transactions: this category includes information about your transactions with the Fund, its affiliates, or others (such as your account number and balance, payment history, parties to transactions, cost basis information, and other financial information).

CATEGORIES OF INFORMATION THE FUND DISCLOSES. The Fund does not disclose any nonpublic personal information about their current or former shareholders to unaffiliated third parties, except as required or permitted by law. The Fund is permitted by law to disclose all of the information it collects, as described above, to its service providers (such as the Fund's custodian, administrator and transfer agent) to process your transactions and otherwise provide services to you.

CONFIDENTIALITY AND SECURITY. The Fund restricts access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Fund maintains physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

May 2001

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SUMMARY OF GENERAL INFORMATION

The Fund - Cornerstone Strategic Value Fund, Inc. is a closed-end, diversified investment company whose shares trade on the New York Stock Exchange. Its investment objective is to seek long-term capital appreciation primarily through investment in equity securities of companies listed in the United States. The Fund is managed by Cornerstone Advisors, Inc.

SHAREHOLDER INFORMATION

The Fund is listed on the New York Stock Exchange (symbol "CLM"). The share price is published in: The New York Times (daily) under the designation "CornerStrt" and The Wall Street Journal (daily) and Barron's (each Monday) under the designation "CornstnStrat." The net asset value per share is published under "Closed-End Funds" each Sunday in The New York Times and each Monday in The Wall Street Journal and Barron's under the designation "CrnstnStrV."

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that Cornerstone Strategic Value Fund, Inc. may from time to time purchase shares of its capital stock in the open market.

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DIRECTORS AND CORPORATE OFFICERS

Ralph W. Bradshaw

Chairman of the Board of
Directors and President

Thomas H. Lenagh

Director

Edwin Meese III

Director

Scott B. Rogers

Director

Andrew A. Strauss

Director

Glenn W. Wilcox, Sr.

Director

Gary A. Bentz

Vice President and Treasurer

Thomas R. Westle

Secretary

INVESTMENT ADVISER

Cornerstone Advisors, Inc.
One West Pack Square
Suite 1650
Asheville, NC 28801

SHAREHOLDER SERVICING AGENT

American Stock Transfer & Trust Co.
59 Maiden Lane
New York, NY 10038

ADMINISTRATOR

Bear Stearns Funds
Management Inc.
575 Lexington Avenue
New York, NY 10022

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
Two Commerce Square
Philadelphia, PA 19103

CUSTODIAN

Custodial Trust Company
101 Carnegie Center
Princeton, NJ 08540

LEGAL COUNSEL

Spitzer & Feldman P.C.
405 Park Avenue
New York, NY 10022

EXECUTIVE OFFICES

575 Lexington Avenue
New York, NY 10022

For shareholder inquiries, registered shareholders should call (800) 937-5449.
For general inquiries, please call (212) 272-2093.

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This report, including the financial statements herein, is sent to the shareholders of the Fund for their information. The financial information included herein is taken from the records of the Fund without examination by independent accountants who do not express an opinion thereon. It is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Fund or of any securities mentioned in this report.

CORNERSTONE STRATEGIC VALUE FUND, INC.