

CORNERSTONE STRATEGIC VALUE FUND INC/ NEW  
 Form N-Q  
 May 20, 2005

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 811-05150

Cornerstone Strategic Value Fund, Inc.

(Exact name of registrant as specified in charter)

383 Madison Avenue, New York, NY 10179

(Address of principal executive offices) (Zip code)

Vincent L. Pereira

Cornerstone Strategic Value Fund, Inc., 383 Madison Avenue, New York, NY 10179

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 272-3550

Date of fiscal year end: December 31, 2005

Date of reporting period: January 1, 2005 through March 31, 2005

ITEM 1: SCHEDULE OF INVESTMENTS

CORNERSTONE STRATEGIC VALUE FUND, INC.  
 SCHEDULE OF INVESTMENTS - MARCH 31, 2005 (UNAUDITED)

DESCRIPTION	NO. OF SHARES	VALUE
EQUITY SECURITIES - 99.44%		
CLOSED-END DOMESTIC FUNDS - 2.17%		
Adams Express Co.	49,500	\$ 637,065
General American Investors Co., Inc.	3,000	92,610
Salomon Brothers Fund, Inc. (The)	11,900	150,535
Tri-Continental Corp.	77,000	1,370,600
Zweig Fund, Inc.	176,600	967,768
		3,218,578
CONSUMER DISCRETIONARY - 14.68%		
Bed Bath & Beyond Inc. +	4,200	153,468
Best Buy Co., Inc.	4,750	256,548

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

Carnival Corp.	11,800	611,358
Circuit City Stores, Inc.	1,000	16,050
Clear Channel Communications, Inc.	8,800	303,336
Comcast Corp., Class A +	31,537	1,065,320
Costco Wholesale Corp.	6,500	287,170
CVS Corp.	2,500	131,550
Delphi Corp.	7,600	34,048
Eastman Kodak Co.	1,400	45,570
Federated Department Stores, Inc.	1,000	63,640
Ford Motor Co.	26,300	297,979
Fortune Brands, Inc.	1,000	80,630
Furniture Brands International, Inc.	52,200	1,138,482
Gannett Co., Inc.	2,000	158,160
Gap, Inc. (The)	12,200	266,448
General Motors Corp.	6,500	191,035
Gildan Activewear Inc., Class A +	44,300	1,882,750
Goodyear Tire & Rubber Co. (The)	4,500	60,075
Harley-Davidson, Inc.	4,400	254,144
Hilton Hotels Corp.	3,200	71,520
Home Depot, Inc. (The)	30,600	1,170,144
J.C. Penney Co., Inc.	4,500	233,640
Kohl's Corp.	5,000	258,150
Lowe's Companies, Inc.	11,200	639,408
Marriott International, Inc., Class A	2,100	140,406
Mattel, Inc.	5,500	117,425
May Department Stores Co.	4,900	181,398
McDonald's Corp.	17,600	548,064
Monsanto Co.	580	37,410
News Corp., Class A	30,000	507,600
NIKE, Inc., Class B	2,300	191,613
Omnicom Group Inc.	4,100	362,932
Reebok International Ltd.	1,500	66,450
Rockwell Automation, Inc.	2,500	141,600
Sears Holdings Corp. +	503	66,984
Staples, Inc.	7,200	226,296
Starbucks Corp. +	5,400	278,964
Target Corp.	11,800	590,236
Time Warner Inc. +	41,000	719,550
TJX Companies, Inc. (The)	7,000	172,410
Toys "R" Us, Inc. +	1,000	25,760
United Natural Foods, Inc.	99,400	2,845,822
Viacom Inc., non-voting Class B	23,900	832,437
Wal-Mart Stores, Inc.	59,800	2,996,578
Walt Disney Co. (The)	29,200	838,916
Yum! Brands, Inc.	3,000	155,430

-----  
21,714,904  
-----

CONSUMER STAPLES - 6.35%

Altria Group, Inc.	29,300	1,915,927
Anheuser-Busch Companies, Inc.	8,700	412,293
Archer-Daniels-Midland Co.	5,460	134,207
Campbell Soup Co.	2,000	58,040
Coca-Cola Co. (The)	15,500	645,885
Coca-Cola Enterprises Inc.	6,500	133,380
Colgate-Palmolive Co.	2,100	109,557
ConAgra Foods, Inc.	4,400	118,888
General Mills, Inc.	2,500	122,875
Gillette Co. (The)	12,600	636,048
H.J. Heinz Co.	1,600	58,944

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

Kimberly-Clark Corp.	6,900	453,537
Kroger Co. (The) +	4,800	76,944
Pepsi Bottling Group, Inc. (The)	4,000	111,400
PepsiCo, Inc.	24,800	1,315,144
Procter & Gamble Co. (The)	37,600	1,992,800
Sara Lee Corp.	11,500	254,840
Sysco Corp.	5,800	207,640
Walgreen Co.	14,300	635,206
		-----
		9,393,555
		-----
ENERGY - 7.86%		
Anadarko Petroleum Corp.	900	68,490
Baker Hughes Inc.	1,100	48,939
CenterPoint Energy, Inc.	3,900	46,917
ChevronTexaco Corp.	19,330	1,127,132
ConocoPhillips	6,237	672,598
Exxon Mobil Corp.	71,000	4,231,600
FMC Technologies, Inc. +	93,300	3,095,694
Marathon Oil Corp.	1,500	70,380
Occidental Petroleum Corp.	4,000	284,680
Reliant Energy Inc. +	1,104	12,564
Schlumberger Ltd.	2,000	140,960
Unocal Corp.	1,200	74,028
Western Gas Resources, Inc.	50,800	1,750,060
		-----
		11,624,042
		-----
FINANCIALS - 18.30%		
Aetna Inc.	6,000	449,700
Affiliated Managers Group, Inc. +	30,300	1,879,509
AFLAC Inc.	7,000	260,820
Allstate Corp. (The)	9,300	502,758
American Express Co.	15,600	801,372
American International Group, Inc.	37,531	2,079,593
Aon Corp.	4,900	111,916
Bank of America Corp.	55,616	2,452,666
Bank of New York Co., Inc. (The)	8,400	244,020
Charles Schwab Corp. (The)	12,000	126,120
Citigroup Inc.	74,300	3,339,042
Fannie Mae	13,000	707,850
Fifth Third Bancorp	9,000	386,820
First Marblehead Corp. (The)	40,700	2,341,471
Franklin Resources, Inc.	3,700	254,005
Freddie Mac	9,500	600,400
Goldman Sachs Group, Inc. (The)	7,300	802,927
Hartford Financial Services Group, Inc. (The)	6,000	411,360
JPMorgan Chase & Co.	30,332	1,049,487
Lehman Brothers Holdings Inc.	3,600	338,976
Manulife Financial Corp.	2,963	141,987
Marsh & McLennan Companies, Inc.	4,100	124,722
MBNA Corp.	12,600	309,330
Merrill Lynch & Co., Inc.	10,700	605,620
MetLife, Inc.	10,200	398,820
Morgan Stanley	15,500	887,375
National City Corp.	9,700	324,950
Northern Trust Corp.	3,500	152,040
Piper Jaffray Companies, Inc. +	104	3,805

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

PNC Financial Services Group, Inc.	4,100	211,068
Prudential Financial, Inc.	8,200	470,680
State Street Corp.	3,500	153,020
St. Paul Travelers Companies, Inc. (The)	9,476	348,053
SunTrust Banks, Inc.	3,600	259,452
UnumProvident Corp.	1,100	18,722
U.S. Bancorp	25,401	732,057
Wachovia Corp.	17,600	896,016
Washington Mutual, Inc.	11,550	456,225
Wells Fargo & Co.	24,200	1,447,160
		-----
		27,081,914
		-----
HEALTHCARE - 11.91%		
Abbott Laboratories	21,000	979,020
Amgen Inc. +	18,900	1,100,169
Becton, Dickinson & Co.	3,900	227,838
Biogen Idec Inc. +	3,000	103,530
Boston Scientific Corp.	12,300	360,267
Bristol-Myers Squibb Co.	10,500	267,330
Cardinal Health, Inc.	5,450	304,110
Caremark Rx, Inc. +	6,500	258,570
Cooper Companies, Inc. (The)	40,500	2,952,450
Edwards Lifesciences Corp. +	39,200	1,694,224
Eli Lilly & Co.	14,500	755,450
Guidant Corp.	1,400	103,460
HCA, Inc.	3,500	187,495
Hospira, Inc. +	700	22,589
Johnson & Johnson	40,900	2,746,844
McKesson Corp.	2,300	86,825
Medco Health Solutions, Inc. +	1,687	83,625
Medtronic, Inc.	1,500	76,425
Merck & Co. Inc.	20,500	663,585
Pfizer Inc.	99,660	2,618,068
Schering-Plough Corp.	5,000	90,750
Tenet Healthcare Corp. +	2,250	25,941
UnitedHealth Group Inc.	11,500	1,096,870
Wyeth	19,200	809,856
		-----
		17,615,291
		-----
INDUSTRIALS - 12.28%		
3M Co.	10,400	891,176
Automatic Data Processing, Inc.	4,900	220,255
Boeing Co. (The)	11,700	683,982
Caterpillar Inc.	2,900	265,176
Cendant Corp.	14,000	287,560
CSX Corp.	1,000	41,650
Emerson Electric Co.	3,500	227,255
FedEx Corp.	4,500	422,775
General Dynamics Corp.	3,100	331,855
General Electric Co.	122,700	4,424,562
Heartland Express, Inc.	40,435	774,330
Honeywell International Inc.	12,500	465,125
Illinois Tool Works Inc.	2,400	214,872
IMS Health Inc.	1,400	34,146
Lockheed Martin Corp.	4,000	244,240
Masco Corp.	4,200	145,614

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

Northrop Grumman Corp.	5,000	269,900
Paychex, Inc.	4,200	137,844
PHH Corp. +	700	15,309
Shuffle Master, Inc. +	48,300	1,398,768
Southwest Airlines Co.	6,450	91,848
Transocean Inc. +	2,500	128,650
Tyco International Ltd.	33,397	1,128,819
Union Pacific Corp.	2,000	139,400
United Parcel Service, Inc., Class B	16,300	1,185,662
United Technologies Corp.	7,200	731,952
USF Corp.	65,100	3,141,726
Waste Management, Inc.	4,200	121,170

-----  
18,165,621  
-----

INFORMATION TECHNOLOGY - 14.42%

Adobe Systems Inc.	1,100	73,887
Agere Systems Inc., Class A +	240	343
Altera Corp. +	3,400	67,252
Analog Devices, Inc.	2,700	97,578
Apple Computer, Inc. +	3,000	125,010
Applied Materials, Inc. +	7,800	126,750
CACI International Inc., Class A +	9,800	541,254
Cisco Systems, Inc. +	96,400	1,724,596
Corning Inc. +	8,000	89,040
Dell Inc. +	29,700	1,141,074
eBay Inc. +	19,000	707,940
Electronic Arts Inc. +	2,000	103,560
Electronic Data Systems Corp.	1,000	20,670
EMC Corp. +	271,848	3,349,167
Fairchild Semiconductor International, Inc. +	201,600	3,090,528
First Data Corp.	7,324	287,907
Freescale Semiconductor Inc., Class B +	1,512	26,082
Hewlett-Packard Co.	27,900	612,126
Intel Corp.	65,500	1,521,565
International Business Machines Corp.	21,000	1,918,980
Linear Technology Corp.	2,500	95,775
Maxim Integrated Products, Inc.	2,300	94,001
Micron Technology, Inc. +	2,500	25,850
Microsoft Corp	142,100	3,434,557
Motorola, Inc.	25,700	384,729
Oracle Corp. +	26,100	325,728
QUALCOMM Inc.	17,000	623,050
Sanmina-SCI Corp. +	5,500	28,710
Siebel Systems, Inc. +	2,500	22,825
Solectron Corp. +	3,000	10,410
Sun Microsystems, Inc. +	7,500	30,300
Symantec Corp. +	10,000	213,300
Texas Instruments Inc.	4,900	124,901
Yahoo! Inc. +	8,800	298,320

-----  
21,337,765  
-----

MATERIALS - 6.67%

Air Products & Chemicals, Inc.	1,000	63,290
Alcoa Inc.	4,200	127,638
Dow Chemical Co. (The)	5,400	269,190
E.I. duPont de Nemours & Co.	3,800	194,712
Georgia-Pacific Corp.	2,000	70,980
International Paper Co.	4,500	165,555

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

Joy Global Inc.	93,000	3,260,580
Neenah Paper, Inc. + Packaging Corp. of America	209 70,700	7,027 1,717,303
Peabody Energy Corp.	34,400	1,594,784
Praxair, Inc.	3,000	143,580
Rohm & Haas Co.	1,000	48,000
Steel Dynamics, Inc.	61,900	2,132,455
Weyerhaeuser Co.	1,000	68,500
		----- 9,863,594 -----
REAL ESTATE INVESTMENT TRUSTS - 0.16%		
Simon Property Group, Inc.	4,000	242,320
		-----
TELECOMMUNICATION SERVICES - 2.38%		
ALLTEL Corp.	4,000	219,400
AT&T Corp.	9,320	174,750
BellSouth Corp.	14,000	368,060
Lucent Technologies Inc. + Nextel Communications, Inc., Class A + SBC Communications Inc.	10,700 15,500 23,100	29,425 440,510 547,239
Sprint Corp.	18,800	427,700
Verizon Communications Inc.	37,100	1,317,050
		----- 3,524,134 -----
UTILITIES - 2.26%		
American Electric Power Co., Inc.	2,700	91,962
Dominion Resources, Inc.	7,100	528,453
Duke Energy Corp.	13,300	372,533
Edison International	4,000	138,880
Exelon Corp.	11,000	504,790
FirstEnergy Corp.	5,000	209,750
FPL Group, Inc.	7,000	281,050
Progress Energy, Inc.	3,500	146,825
Public Service Enterprise Group Inc.	1,000	54,390
Scottish Power plc, ADR	4,000	124,800
Southern Co. (The)	11,900	378,777
TXU Corp.	4,700	374,261
Xcel Energy, Inc.	8,200	140,876
		----- 3,347,347 -----
TOTAL EQUITY SECURITIES (cost - \$121,128,370)		147,129,065 =====
	PRINCIPAL AMOUNT (000'S) -----	
SHORT-TERM INVESTMENTS - 7.79%		
REPURCHASE AGREEMENTS - 7.79%		
Bear, Stearns & Co. Inc. (Agreement dated 03/31/05 to be repurchased at \$861,193), 2.63%, 04/01/05, collateralized	\$ 861	\$ 861,130

## Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

by \$886,682 in U.S. Treasury Bonds

Bear, Stearns & Co. Inc.

(Agreement dated 03/31/05 to be repurchased at  
\$8,464,847), 2.88%\*, 04/01/05, collateralized  
by \$8,710,540 in U.S. Treasury Bonds\*\*

8,464            8,464,171

Bear, Stearns & Co. Inc.

(Agreement dated 03/31/05 to be repurchased at  
\$2,210,177), 1.44%\*, 04/01/05, collateralized  
by \$2,275,104 in U.S. Treasury Bonds\*\*

2,210            2,210,089

TOTAL SHORT-TERM INVESTMENTS

(cost - \$11,535,390)

11,535,390

TOTAL INVESTMENTS - 107.23%

(cost - \$132,663,760)

158,664,455

LIABILITIES IN EXCESS OF OTHER ASSETS - (7.23)%

(10,704,368)

NET ASSETS - 100.00%

\$147,960,087

-----  
+ Non-income producing security.

\* Stated interest rate, before rebate earned by borrower of securities on loan.

\*\* Represents investment purchased with cash collateral received for securities on loan.

ADR American Depositary Receipts.

At March 31, 2005, the Fund held no securities valued in good faith by the Board of Directors.

Federal Income Tax Cost - At March 31, 2005, the identified cost for federal income tax purposes, as well as the gross unrealized appreciation from investments for those securities having an excess of value over cost, gross unrealized depreciation from investments for those securities having an excess of cost over value and the net unrealized appreciation from investments were \$132,663,760, \$32,298,513, \$(6,297,818) and \$26,000,695, respectively.

Securities valuation policies and other investment related disclosures are hereby incorporated by reference to the Fund's annual report previously filed with the Securities and Exchange Commission on the Form N-CSR.

Other information regarding the Fund is available in the Fund's most recent annual report. This information is also available to registered shareholders by calling (800) 937-5449. For general inquiries, please call (212) 272-3550. This information is also available on the website of the Securities and Exchange Commission - <http://www.sec.gov>.

### ITEM 2: CONTROLS AND PROCEDURES

(a) As of a date within 90 days from the filing date of this report, the principal executive officer and principal financial officer concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c)

Edgar Filing: CORNERSTONE STRATEGIC VALUE FUND INC/ NEW - Form N-Q

under the Investment Company Act of 1940 (the "Act")), were effective based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the Act and Rules 13a-15(b) or 15d-15(b) under the Securities and Exchange Act of 1934.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 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

1. The certifications of the registrant as required by Rule 30a-2(a) under the Act are exhibits to this report.

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.

Cornerstone Strategic Value Fund, Inc.

/s/ Ralph W. Bradshaw

-----  
Name: Ralph W. Bradshaw  
Title: Principal Executive Officer  
Date: May 20, 2005

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.

/s/ Ralph W. Bradshaw

-----  
Name: Ralph W. Bradshaw  
Title: Principal Executive Officer  
Date: May 20, 2005

/s/ Vincent L. Pereira

-----  
Name: Vincent L. Pereira  
Title: Principal Financial Officer  
Date: May 20, 2005