

Bancroft Convertible Fund, Inc.

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Second Quarter Update - April 30, 2001 (unaudited)

Financial Highlights

Market value 4/30/01	\$20.45
Net asset value (NAV) 4/30/01	\$22.25
Market discount to NAV	(8.09)%
12-Month income distribution	\$1.049
Yield on market value	5.13%
Capital gains distribution 12/28/00 *	\$3.096
Ratio of expenses to avg. net assets †	1.10%
Ratio of net income to avg. net assets †	6.03%
Portfolio turnover	37.85%
Shares outstanding	4,625,918
* Includes \$1.80 short-term gains.	
† Annualized.	

Change in Net Asset Value (NAV)

	Per Share
Beginning NAV (10/31/00)	\$27.09
Changes in NAV from Operations:	
Net Investment Income	0.68
Realized Gain	(0.01)
Decrease in Unrealized Gain	(1.78)
Total Change from Operations	(1.11)
Distributions:	
Net Investment Income	(0.63)
Capital Gains	(3.10)
Total Change from Distributions	(3.73)
Total Change	(4.84)
Ending NAV (4/30/01)	\$22.25

Major Industry Exposure as of 4/30/01

	% of Net Assets
Energy	11.91
Telecommunications	10.27
Entertainment	9.12
Health Care & Drugs	8.42
Technology	8.42
Banking	7.22
Cable	6.12
Financial & Insurance	5.90
Retail	4.47
Utilities	4.19

The portfolio holdings and industry exposure are as of April 30, 2001 and subject to change without notice.

Detailed portfolio information is available to any shareholder. Visit our website (www.bancroftfund.com) to download the data, e-mail us at info@bancroftfund.com or call us at (973)631-1177.

Performance through 4/30/01 *with dividends reinvested*

	4 Months	1 Year	5 Years	10 Years
Bancroft market value *	8.36%	18.51%	103.81%	306.50%
Bancroft net asset value †	(0.29)	(3.82)	73.23	234.38
Closed-end conv. fund avg. †	2.69	(5.46)	52.69	211.46
S&P 500 *	(5.01)	(12.97)	106.07	313.04
Russell 2000 *	0.81	(2.76)	49.38	184.46‡
Lehman Aggregate Bond Total Return Index †	2.61	12.39	43.64	112.33

Performance data represent past results and do not reflect future performance.

* From Bloomberg L.P. pricing service.

† From Lipper, Inc. Closed-End Fund Performance Analysis, April 30, 2001.

‡ Simple appreciation of index.

Quarterly History of NAV and Market Price

Qtr. Ended	Net Asset Values			Market Prices		
	High	Low	Close	High	Low	Close
Jul. 00	\$29.01	\$25.93	\$27.48	\$22.63	\$20.00	\$22.63
Oct. 00	29.37	26.36	27.09	24.63	21.63	22.63
Jan. 01	27.27	21.85	23.16	23.38	18.38	21.24
Apr. 01	23.14	20.72	22.25	21.99	19.10	20.45

Total Fund Investments as of 4/30/01

	(000's)	% of Net Assets
Convertible Bonds and Notes	\$ 79,646	77.4
Convertible Preferred Stocks	18,155	17.6
Common Stock	27	0.0
Short-term Investments	4,198	4.1
Other Assets	890	0.9
Net Assets	\$102,916	100.0%

Largest Investment Holdings as of 4/30/01

	% of Net Assets
AOL Time Warner, Inc.	2.98
Apache Corp.	2.14
National Data Corp.	1.98
Telecom Corp. of New Zealand	1.94
American Express Company	1.89
Calpine Corp.	1.87
Costco Companies, Inc.	1.87
ACE Limited	1.81
The Walt Disney Corp.	1.80
General Electric Corp.	1.79

Portfolio of Investments April 30, 2001 (unaudited)

Principal Amount or Shares		Value
	ADVERTISING — 2.8%	
\$1,500,000	Interpublic Group Cos., Inc. 1.87% 2006 cv. sub. deb. 144A (Baa1)	\$ 1,282,500
1,600,000	Young & Rubicam, Inc. 3% 2005 cv. sub. notes (Baa1)	1,583,280
		<u>2,865,780</u>
	AEROSPACE — 1.6%	
1,000,000	L-3 Communications Holdings, Inc. 5.25% 2009 cv. sub. notes 144A (B1)	1,182,500
705,000	SPACEHAB, Inc. 8% 2007 cv. sub. notes 144A (NR)	440,625
		<u>1,623,125</u>
	BANKING — 7.2%	
30,000 shs	CNB Capital Trust I 6% SPuRS (A1) (exch. for Fifth Third Bancorp common stock)	1,050,000
1,000,000	Deutsche Bank Financial, Inc. 1.25% 2007 medium-term exch. notes (Aa3) (exch. for CitiGroup, Inc. common stock)	1,068,125
1,000,000	JMH Finance, Ltd. 4.75% 2007 guaranteed bonds 144A (NR) (exch. for J.P. Morgan Chase & Co. common stock)	1,071,875
40,000 shs	National Australia Bank Ltd. 7.875% exch. capital units (A1)	1,144,000
25,000 shs	Sovereign Capital Trust II 7.50% PIERS (B1) (exch. for Sovereign Bancorp, Inc. common stock)	1,569,000
30,000 shs	Washington Mutual Capital Trust PIERS Units 144A (A3) (exch. for Washington Mutual, Inc. common stock)	1,530,000
		<u>7,433,000</u>
	CABLE — 6.1%	
2,500 shs	Adelphia Communications Corp. 5.50% cv. pfd. (Caa)	290,625
800,000	Adelphia Communications Corp. 6% 2006 cv. sub. notes (B)	738,500
2,000,000	Bell Atlantic Financial Services, Inc. 4.25% 2005 euro. cv. sub. deb. (A1) (exch. for cash equiv. of Cable & Wireless Communications plc & NTL, Inc. common stocks)	2,016,250
1,300,000	Comcast Corp. cv. sub. notes 0% 2020 (Baa3)	1,088,750
20,000 shs	Cox Communications, Inc. 7% FELINE PRIDES * (Baa2)	1,220,000
750,000	Cox Communications, Inc. 0.35% 2021 cv. sub. deb. (Baa2)	541,965
1,060 shs	UnitedGlobalCom common stock	16,990
19,000 shs	UnitedGlobalCom dep. shs. representing 7% series D sr. cum. cv. pfd. (Caa2) . .	382,375
		<u>6,295,455</u>
	CAPITAL GOODS — 3.9%	
1,050,000	Advanced Energy Industries, Inc. 5.25% 2006 cv. sub. notes (NR)	1,038,844
1,500,000	CS First Boston, Inc. 2% 2010 sr. medium-term exch. notes 144A (A1) (exch. for General Electric Corp. common stock)	1,357,500
500,000	Exchangeable Certificate Corp. 1.25% 2004 sr. medium-term exch. notes 144A (Aaa)(exch. for General Electric Corp. common stock)	488,750
1,000,000	Hanover Compressor Co. 4.75% 2008 cv. notes (Ba3)	1,095,625
		<u>3,980,719</u>
	DATA-PROCESSING SERVICES — 4.0%	
1,000,000	Bisys Group, Inc. 4% 2006 cv. sub. notes 144A (NR)	992,500
500,000	NCO Group, Inc. 4.75% 2006 cv. sub. notes 144A (NR)	529,688
2,000,000	National Data Corp. 5% 2003 cv. sub. notes (B1)	2,035,000
875,000	Online Resources & Communications Corp. 8% 2005 cv. sub. notes 144A (NR) .	542,500
		<u>4,099,688</u>

Portfolio of Investments April 30, 2001 (continued)

Principal Amount or Shares		Value
	DISTRIBUTION — 1.2%	
\$1,000,000	Fleming Companies, Inc. 5.25% 2009 cv. sr. sub. notes 144A (B2)	\$ 1,195,625
	ENERGY — 11.9%	
40,800 shs	Apache Corp. \$2.015 dep. shs. representing ACES pfd. * (Baa2)	2,205,750
500,000	Devon Energy Corp. 4.90% 2008 cv. sub. deb. (Baa1) (conv. into Chevron Corp. common stock)	515,938
1,000,000	Devon Energy Corp. 4.95% 2008 cv. sub. deb. (Baa1) (conv. into Chevron Corp. common stock)	1,033,125
3,300,000	El Paso Corp. 0% sr. cv. 144A (Baa2)	1,505,625
30,000	Enron Corp. 7% 2002 exch. notes * (Baa1) (conv. into EOG Resources, Inc. common stock)	1,221,000
1,000,000	Exchangeable Certificate Corp. 2% 2005 medium-term exch. notes 144A (Aaa)(exch. for Exxon Mobil Corp. common stock)	1,002,500
750,000	Kerr-McGee Corp. 5.25% 2010 cv. sub. deb. (Baa2)	1,000,313
500,000	Kerr-McGee Corp. 7.50% 2014 cv. sub. deb. (Baa2)	500,000
30,000	Kerr-McGee Corp. 5.50% 2004 DECS * (Baa1) (exch. for Devon Energy Corp. common stock)	1,616,250
1,000,000	Loews Corp. 3.125% 2007 cv. sub. deb. (A2) (conv. into Diamond Offshore Drilling, Inc. common stock)	950,000
1,000,000	Pride International, Inc. 0% 2021 cv. sr. notes (Ba3)	709,820
		<u>12,260,321</u>
	ENTERTAINMENT — 9.1%	
1,750,000	AOL Time Warner, Inc. 0% 2019 cv. sub. deb. (Baa2)	950,469
1,500,000	Clear Channel Communications, Inc. 2.625% 2003 sr. cv. notes (Baa3)	1,580,625
2,000,000	Deutsche Bank Financial, Inc. 1% 2007 sr. medium-term exch. notes (Aa3) (exch. for cash value of The Walt Disney Corp. common stock)	1,852,500
2,000,000	Merrill Lynch & Co., Inc. 0.25% 2006 series B medium-term notes (Aa3) (exch. for AOL Time Warner, Inc. common stock)	2,115,000
3,000,000	News America, Inc. 0% 2021 LYONs (Baa3) (exch. for ADSs representing The News Corp. Limited common stock)	1,550,625
1,000 shs	Radio One Inc. 6.50% HIGH TIDES 144A (Caa2)	1,072,500
250 shs	Radio One Inc. 6.50% HIGH TIDES (Caa2)	268,125
		<u>9,389,844</u>
	FINANCIAL & INSURANCE — 5.9%	
25,000 shs	ACE Limited 8.25% FELINE PRIDES * (A2)	1,867,188
2,150,000	Exchangeable Certificate Corp. 0.625% 2005 medium-term exch. notes 144A (Aaa)(exch. for American Express Company common stock)	1,940,375
125,000	First American Corp. 4.50% 2008 cv. sub. notes 144A (Baa2)	129,063
25,000	HFI Trust I 7% MEDS units (Baa1) (exch. for Heller Financial, Inc. class A common stock)	631,250
15,000	MetLife Capital Trust I 8% equity security units * (A1) (exch. for MetLife, Inc. common stock)	1,372,500
575,000	Penn Treaty American Corp. 6.25% 2003 cv. sub. notes (B-)	129,375
		<u>6,069,751</u>

Portfolio of Investments April 30, 2001 (continued)

Principal Amount or Shares		Value
	HEALTH CARE & DRUGS — 8.4%	
\$ 815,000	Allergan 0% LYONs 144A (Baa1)	\$ 511,413
1,000,000	Amerisource Health Corp. 5% 2007 cv. sub. notes 144A (Ba3)	1,281,250
1,500,000	Elan Finance Corp. 0% 2018 LYONs 144A (Baa3) (exch. for ADRs representing Elan Corp., plc common stock)	1,162,500
500,000	Ivax Corp. 5.50% 2007 cv. senior sub. notes 144A (NR)	665,938
500,000	Ivax Corp. 5.50% 2007 cv. senior sub. notes (NR)	665,938
1,000,000	Merrill Lynch & Co., Inc. 2% 2005 medium-term notes (Aa3) (exch. for Johnson & Johnson common stock)	997,500
1,125,000	Roche Holdings, Inc. 0% 2015 LYONs 144A (NR) (exch. for Genentech, Inc. common stock)	839,531
1,000,000	Sepracor, Inc. 7% 2005 cv. notes 144A (CCC+)	708,750
250,000	Sepracor, Inc. 7% 2005 cv. notes (CCC+)	177,188
1,692,000	Sunrise Assisted Living, Inc. 5.50% 2002 cv. sub. notes (B2)	<u>1,651,815</u>
		<u>8,661,823</u>
	INSTRUMENTS — 0.9%	
1,000,000	Thermo Electron Corp. 4.25% 2003 cv. sub. deb. (Baa3)	<u>975,000</u>
	MULTI-INDUSTRY — 2.6%	
1,500,000	Cendant Corp. 0% 2021 sr. cv. CODES (Baa1)	1,062,188
2,000,000	Lehman Brothers Holdings, Inc. 0% 2003 BASES notes (A2) (based on the value of the performance of the 10 Uncommon Values Index) . . .	<u>1,645,000</u>
		<u>2,707,188</u>
	RETAIL — 4.5%	
1,000,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes 144A (A3)	855,625
1,250,000	Costco Wholesale Corp. 0% 2017 cv. sub. notes (A3)	1,069,531
12,300 shs	Estee Lauder Trust \$5.40 TRACES II * (NR) (conv. into Estee Lauder Companies, Inc. common stock)	945,563
2,000,000	Jones Apparel Group, Inc. 0% 2002 cv. sr. notes (Baa2)	1,056,980
1,000,000	Lowe's Companies, Inc. 0% 2021 LYONs (A3)	<u>676,875</u>
		<u>4,604,574</u>
	TECHNOLOGY — 8.4%	
1,000,000	Affiliated Computer Services, Inc. 3.50% 2006 cv. sub. notes 144A (BB+)	1,080,625
1,250,000	Analog Devices, Inc. 4.75% 2005 cv. sub. notes 144A (BBB)	1,142,188
1,500,000	CS First Boston, Inc. 1% 2006 medium-term exch. notes (A1) (exch. for Microsoft Corp. common stock)	1,335,000
51,000	CS First Boston, Inc. 10% 2002 equity-linked notes 144A * (A1) (exch. for Sun Microsystems, Inc. common stock)	898,875
1,200,000	Cypress Semiconductor Corp. 4% 2005 cv. sub. deb. (B1)	1,098,000
1,000,000	Exodus Communications, Inc. 5.25% 2008 cv. sub. notes (Caa1)	666,250
1,000,000	The Goldman Sachs Group, Inc. 0.25% 2007 medium-term notes (A1) (exch. for EMC Corp. common stock)	832,640
2,000,000	Hewlett-Packard Co. 0% 2017 LYONs (Aa3)	1,066,250
1,150,000	Solelectron Corp. 0% 2020 LYONs (Baa3)	<u>549,844</u>
		<u>8,669,672</u>

Portfolio of Investments April 30, 2001 (continued)

Principal Amount or Shares		Value
	TELECOMMUNICATIONS — 10.3%	
\$ 700,000	American Tower Corp. 2.25% 2009 cv. sub. deb. (Caa1)	\$ 687,750
4,000,000	Anixter International, Inc. 0% 2020 LYONs 144A (Ba3)	1,075,000
2,000,000	Bell Atlantic Financial Services, Inc. 5.75% 2003 cv. sub. deb. 144A (A1) (exch. for cash equiv. Telecom Corp. of New Zealand common stock)	1,998,750
1,000,000	CIENA Corp. 3.75% 2008 cv. sr. notes (Ba3)	876,875
1,000,000	Corning, Inc. 0% 2015 cv. deb. (A2)	599,375
425 shs	Crown Castle International Corp. common stock	10,013
15,000 shs	Crown Castle International Corp. 6.25% 2012 cv. pfd. (Caa1)	650,625
1,000,000	Exchangeable Certificate Corp. 0.25% 2006 medium-term exch. notes 144A (Aaa)(exch. for specific telephone and cable common stocks **)	907,500
1,000,000	Liberty Media Corp. 3.75% 2030 sr. exch. deb. 144A (Baa3) (exch. for Sprint Corporation (PCS Group) common stock)	648,840
25,000	MediaOne Group, Inc. 7% 2002 PIES * (Baa1) (exch. for ADRs representing Vodafone AirTouch plc common stock)	806,250
1,000,000	Nextel Communications, Inc. 4.75% 2007 cv. sr. notes (B1)	970,000
1,500,000	Tecnost International, N.V. 1% 2005 ADBs 144A (Baa2) (exch. for ADRs representing Telecom Italia S.p.A. common stock)	1,340,400
		10,571,378
	TRANSPORTATION — 2.0%	
20,000 shs	Continental Airlines Finance Trust II 6% cv. pfd. TIDES 144A (B2) (exch. for Continental Airlines, Inc. common stock)	1,052,500
1,000,000	United Parcel Service, Inc. 1.75% 2007 cash-settled cv. sr. notes (Aaa)	1,048,750
		2,101,250
	UTILITIES — 4.2%	
16,000 shs	AES Trust VII \$3 trust cv. pfd. securities 144A (Ba3) (conv. into AES Corp. common stock)	985,000
17,500 shs	Calpine Capital Trust III 5% HIGH TIDES 144A (Ba2) (exch. for Calpine Corp. common stock)	1,305,938
8,250 shs	Calpine Capital Trust III 5% HIGH TIDES (Ba2) (exch. for Calpine Corp. common stock)	615,656
1,000,000	International Power (Cayman) Limited 2% 2005 sr. cv. notes 144A (Ba3) (exch. for ADSs representing International Power plc common stock)	1,167,500
250,000	Ogden Corp. 6% 2002 cv. sub. deb. (Baa3) (conv. into Covanta Energy Corp. common stock)	238,750
		4,312,844
	U.S. TREASURY NOTES — 0.0%	
11,000	6.50% 3/31/02 †	11,241
	CORPORATE SHORT-TERM NOTES — 4.1%	
4,200,000	American Express Credit Corp. (P1) (4.60 maturing 5/3/01)	4,198,390
	Total Convertible Bonds and Notes — 77.4%	79,646,430
	Total Convertible Preferred Stocks — 17.6%	18,154,845
	Total Common Stocks — 0.0%	27,003
	Total Corporate Short-Term Notes — 4.1%	4,198,390
	Total Investments — 99.1%	102,026,668
	Other assets and liabilities, net — 0.9%	888,975
	Total Net Assets — 100.0%	\$102,915,643

Portfolio of Investments April 30, 2001 (continued)

* See Note 1(e) Annual Report to Shareholders, dated October 31, 2000.

** Ticker symbols: CSCO, CMCSK, TWX, IBM, LMGa and WCOM.

† Collateral for a letter of credit.

ACES	Automatically Convertible Equity Securities.
ADBs	American Depositary Bonds.
ADRs	American Depositary Receipts.
ADSs	American Depositary Shares.
BASES	Basket Adjusting Structured Equity Securities.
CODES	Contingent Debt Securities.
DECS	Debt Exchangeable for Common Stock.
FELINE	Family of Equity-Linked Income Securities.
HIGH TIDES	Remarketable Term Income Deferrable Equity Securities.
LYONs	Liquid Yield Option Notes.
MEDS	Mandatory Enhanced Securities.
PIERS	Preferred Income Equity Redeemable Securities.
PIES	Premium Income Exchangeable Securities.
PRIDES	Preferred Redeemable Increased Dividend Equity Securities.
SPuRS	Shared Preference Redeemable Securities.
TIDES	Term Income Deferrable Equity Securities.
TRACES	Trust Automatic Common Exchange Securities.

Ratings in parentheses by Moody's Investors Service, Inc. or Standard & Poor's, a division of McGraw-Hill Companies.