

LIBERTY ALL STAR GROWTH FUND INC.
Form N-Q
May 26, 2011

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: 811-04537

LIBERTY ALL-STAR GROWTH FUND, INC.

(Exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado 80203

(Address of principal executive offices) (Zip code)

Tané T. Tyler

ALPS Fund Services, Inc.

1290 Broadway, Suite 1100

Denver, Colorado 80203

(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: December 31

Date of reporting period: January 1 - March 31, 2011

Item 1 Schedule of Investments.

Liberty All-Star Growth Fund, Inc.**Schedule of Investments****March 31, 2011 (Unaudited)**

| | SHARES | MARKET VALUE |
|--|--------|--------------|
| COMMON STOCKS (97.91%) | | |
| CONSUMER DISCRETIONARY (11.92%) | | |
| Automobiles (0.47%) | | |
| Thor Industries, Inc. | 20,370 | \$679,747 |
| Distributors (1.26%) | | |
| LKQ Corp. ^(a) | 76,135 | 1,834,853 |
| Diversified Consumer Services (1.56%) | | |
| Capella Education Co. ^(a) | 17,246 | 858,678 |
| Global Education & Technology Group Ltd. ^{(a)(b)} | 55,044 | 337,420 |
| Strayer Education, Inc. ^(a) | 6,400 | 835,136 |
| Xueda Education Group ^{(a)(b)} | 26,234 | 250,797 |
| | | 2,282,031 |
| Hotels, Restaurants & Leisure (1.11%) | | |
| BJ's Restaurants, Inc. ^(a) | 20,711 | 814,564 |
| Ctrip.com International Ltd. ^{(a)(b)} | 19,466 | 807,644 |
| | | 1,622,208 |
| Household Durables (0.63%) | | |
| Harman International Industries, Inc. | 19,704 | 922,541 |
| Internet & Catalog Retail (2.47%) | | |
| Amazon.com, Inc. ^(a) | 9,140 | 1,646,388 |
| E-Commerce China Dangdang, Inc. ^{(a)(b)} | 28,873 | 595,650 |
| priceline.com, Inc. ^(a) | 2,700 | 1,367,388 |
| | | 3,609,426 |
| Specialty Retail (2.69%) | | |
| CarMax, Inc. ^(a) | 29,200 | 937,320 |
| Monro Muffler Brake, Inc. | 10,702 | 352,952 |
| Rue21, Inc. ^(a) | 66,232 | 1,907,482 |
| Ultra Salon, Cosmetics & Fragrance, Inc. ^(a) | 15,340 | 738,314 |
| | | 3,936,068 |
| Textiles, Apparel & Luxury Goods (1.73%) | | |
| Fossil, Inc. ^(a) | 8,900 | 833,485 |
| Gildan Activewear, Inc. | 23,400 | 766,818 |
| Under Armour, Inc., Class A ^(a) | 13,510 | 919,356 |
| | | 2,519,659 |
| CONSUMER STAPLES (3.17%) | | |

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Food & Staples Retailing (1.17%)

| | | |
|------------------------|--------|-----------|
| Costco Wholesale Corp. | 12,500 | 916,500 |
| CVS Caremark Corp. | 23,100 | 792,792 |
| | | 1,709,292 |

Food Products (2.00%)

| | | |
|---|--------|-----------|
| Green Mountain Coffee Roasters, Inc. ^(a) | 28,100 | 1,815,541 |
| Mead Johnson Nutrition Co. | 19,100 | 1,106,463 |
| | | 2,922,004 |

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (continued) | | |
| ENERGY (10.21%) | | |
| Energy Equipment & Services (7.36%) | | |
| CARBO Ceramics, Inc. | 6,000 | \$846,720 |
| Core Laboratories N.V. ^(a) | 23,757 | 2,427,253 |
| Dril-Quip, Inc. ^(a) | 11,114 | 878,339 |
| FMC Technologies, Inc. ^(a) | 25,000 | 2,362,000 |
| Oceaneering International, Inc. ^(a) | 26,800 | 2,397,260 |
| Schlumberger Ltd. | 19,795 | 1,846,082 |
| | | 10,757,654 |
| Oil, Gas & Consumable Fuels (2.85%) | | |
| Brigham Exploration Co. ^(a) | 29,800 | 1,107,964 |
| Occidental Petroleum Corp. ^(a) | 15,600 | 1,630,044 |
| Plains Exploration & Production Co. ^(a) | 17,800 | 644,894 |
| Ultra Petroleum Corp. ^(a) | 15,700 | 773,225 |
| | | 4,156,127 |
| FINANCIALS (11.01%) | | |
| Capital Markets (4.05%) | | |
| Affiliated Managers Group, Inc. ^(a) | 13,383 | 1,463,699 |
| The Charles Schwab Corp. | 49,100 | 885,273 |
| Duff & Phelps Corp., Class A | 25,383 | 405,620 |
| FXCM, Inc., Class A | 15,186 | 197,874 |
| Janus Capital Group, Inc. | 76,400 | 952,708 |
| SEI Investments Co. | 40,100 | 957,588 |
| T. Rowe Price Group, Inc. ^(a) | 15,800 | 1,049,436 |
| | | 5,912,198 |
| Commercial Banks (1.18%) | | |
| Signature Bank ^(a) | 30,509 | 1,720,707 |
| Consumer Finance (0.51%) | | |
| Green Dot Corp., Class A ^(a) | 17,300 | 742,343 |
| Diversified Financial Services (2.34%) | | |
| MSCI, Inc., Class A ^(a) | 47,024 | 1,731,424 |
| Portfolio Recovery Associates, Inc. ^(a) | 19,856 | 1,690,341 |
| | | 3,421,765 |
| Insurance (2.00%) | | |
| ACE Ltd. ^(a) | 31,600 | 2,044,520 |
| Greenlight Capital Re Ltd., Class A ^(a) | 31,311 | 883,283 |
| | | 2,927,803 |
| Real Estate Management & Development (0.93%) | | |
| China Real Estate Information Corp. ^{(a)(b)} | 32,941 | 257,269 |
| FirstService Corp. ^(a) | 29,097 | 1,106,559 |
| | | 1,363,828 |

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (continued) | | |
| HEALTH CARE (14.33%) | | |
| Biotechnology (3.01%) | | |
| BioMarin Pharmaceutical, Inc. ^(a) | 58,305 | \$1,465,205 |
| Dendreon Corp. ^(a) | 25,100 | 939,493 |
| Human Genome Sciences, Inc. ^(a) | 27,488 | 754,545 |
| Ironwood Pharmaceuticals, Inc. ^(a) | 20,000 | 280,000 |
| Vertex Pharmaceuticals, Inc. ^(a) | 19,900 | 953,807 |
| | | 4,393,050 |
| Health Care Equipment & Supplies (4.34%) | | |
| Accuray, Inc. ^(a) | 54,634 | 493,345 |
| Intuitive Surgical, Inc. ^(a) | 7,300 | 2,434,258 |
| Masimo Corp. | 26,750 | 885,425 |
| ResMed, Inc. ^(a) | 10,467 | 314,010 |
| Varian Medical Systems, Inc. ^(a) | 22,600 | 1,528,664 |
| Volcano Corp. ^(a) | 26,700 | 683,520 |
| | | 6,339,222 |
| Health Care Providers & Services (2.06%) | | |
| IPC The Hospitalist Co., Inc. ^(a) | 12,017 | 545,692 |
| Lincare Holdings, Inc. | 25,565 | 758,258 |
| PSS World Medical, Inc. ^(a) | 34,110 | 926,086 |
| VCA Antech, Inc. ^(a) | 31,121 | 783,627 |
| | | 3,013,663 |
| Health Care Technology (1.82%) | | |
| athenahealth, Inc. ^(a) | 22,583 | 1,019,171 |
| Cerner Corp. ^(a) | 14,700 | 1,634,640 |
| | | 2,653,811 |
| Life Sciences Tools & Services (0.84%) | | |
| Life Technologies Corp. ^(a) | 23,500 | 1,231,870 |
| Pharmaceuticals (2.26%) | | |
| Allergan, Inc. | 18,000 | 1,278,360 |
| Mylan, Inc. ^(a) | 38,900 | 881,863 |
| Teva Pharmaceutical Industries Ltd. ^(b) | 22,710 | 1,139,361 |
| | | 3,299,584 |
| INDUSTRIALS (17.38%) | | |
| Aerospace & Defense (2.70%) | | |
| Aerovironment, Inc. ^(a) | 27,200 | 951,184 |
| HEICO Corp. | 14,499 | 906,478 |
| Precision Castparts Corp. | 8,200 | 1,206,876 |
| TransDigm Group, Inc. ^(a) | 10,570 | 886,083 |
| | | 3,950,621 |
| Air Freight & Logistics (3.50%) | | |
| C.H. Robinson Worldwide, Inc. ^(a) | 40,200 | 2,980,026 |

| | SHARES | MARKET VALUE |
|---|--------|--------------|
| COMMON STOCKS (continued) | | |
| Air Freight & Logistics (continued) | | |
| Expeditors International of Washington, Inc. | 42,500 | \$2,130,950 |
| | | 5,110,976 |
| Commercial Services & Supplies (2.20%) | | |
| American Reprographics Co. ^(a) | 66,379 | 687,023 |
| Ritchie Bros. Auctioneers, Inc. | 13,305 | 374,536 |
| Stericycle, Inc. ^(a) | 13,035 | 1,155,813 |
| Waste Connections, Inc. | 34,717 | 999,502 |
| | | 3,216,874 |
| Electrical Equipment (2.39%) | | |
| II-VI, Inc. ^(a) | 14,974 | 744,957 |
| Rockwell Automation, Inc. ^(a) | 29,100 | 2,754,315 |
| | | 3,499,272 |
| Machinery (0.81%) | | |
| Graco, Inc. | 20,394 | 927,723 |
| Watts Water Technologies, Inc., Class A | 6,528 | 249,304 |
| | | 1,177,027 |
| Professional Services (4.85%) | | |
| Huron Consulting Group, Inc. ^(a) | 29,942 | 829,094 |
| ICF International, Inc. ^(a) | 18,196 | 373,746 |
| IHS, Inc., Class A ^(a) | 25,713 | 2,282,029 |
| Resources Connection, Inc. | 99,400 | 1,927,366 |
| Robert Half International, Inc. | 32,700 | 1,000,620 |
| Stantec, Inc. ^(a) | 22,249 | 667,692 |
| | | 7,080,547 |
| Road & Rail (0.93%) | | |
| Knight Transportation, Inc. | 24,846 | 478,286 |
| Landstar System, Inc. | 19,133 | 873,995 |
| | | 1,352,281 |
| INFORMATION TECHNOLOGY (25.94%) | | |
| Communications Equipment (3.59%) | | |
| Aruba Networks, Inc. ^(a) | 31,300 | 1,059,192 |
| F5 Networks, Inc. ^(a) | 3,800 | 389,766 |
| InterDigital, Inc. | 5,587 | 266,556 |
| Polycom, Inc. ^(a) | 18,968 | 983,491 |
| QUALCOMM, Inc. | 46,365 | 2,542,193 |
| | | 5,241,198 |
| Computers & Peripherals (2.04%) | | |
| Apple, Inc. ^(a) | 8,560 | 2,982,732 |
| Electronic Equipment & Instruments (1.48%) | | |
| FARO Technologies, Inc. ^(a) | 19,267 | 770,680 |
| FLIR Systems, Inc. | 18,857 | 652,641 |

| | SHARES | MARKET VALUE |
|--|--------|--------------|
| COMMON STOCKS (continued) | | |
| Electronic Equipment & Instruments (continued) | | |
| National Instruments Corp. | 22,455 | \$735,850 |
| | | 2,159,171 |
| Internet Software & Services (5.11%) | | |
| Baidu, Inc. ^{(a)(b)} | 16,200 | 2,232,522 |
| comScore, Inc. ^(a) | 12,327 | 363,770 |
| Cornerstone OnDemand, Inc. ^(a) | 2,091 | 38,119 |
| Google, Inc., Class A ^(a) | 3,575 | 2,095,701 |
| Monster Worldwide, Inc. ^(a) | 55,194 | 877,584 |
| Qihoo 360 Technology Co. Ltd. ^{(a)(b)} | 1,100 | 32,549 |
| VistaPrint Ltd. ^(a) | 15,832 | 821,681 |
| Youku.com, Inc. ^{(a)(b)} | 21,164 | 1,005,501 |
| | | 7,467,427 |
| IT Services (4.09%) | | |
| Alliance Data Systems Corp. ^(a) | 10,100 | 867,489 |
| Cognizant Technology Solutions Corp., Class A ^(a) | 20,100 | 1,636,140 |
| FleetCor Technologies, Inc. ^(a) | 9,327 | 304,620 |
| ServiceSource International, Inc. ^(a) | 1,000 | 12,180 |
| VeriFone Systems, Inc. ^(a) | 40,376 | 2,218,661 |
| Visa, Inc., Class A | 12,715 | 936,078 |
| | | 5,975,168 |
| Semiconductors & Semiconductor Equipment (2.75%) | | |
| ARM Holdings PLC ^(b) | 72,750 | 2,049,368 |
| Cavium Networks, Inc. ^(a) | 21,588 | 969,949 |
| Hittite Microwave Corp. ^(a) | 15,642 | 997,490 |
| | | 4,016,807 |
| Software (6.88%) | | |
| ANSYS, Inc. ^(a) | 23,330 | 1,264,253 |
| Concur Technologies, Inc. ^(a) | 12,781 | 708,707 |
| QLIK Technologies, Inc. ^(a) | 38,077 | 990,002 |
| RealPage, Inc. ^(a) | 24,727 | 685,680 |
| Salesforce.com, Inc. ^(a) | 22,000 | 2,938,760 |
| Solera Holdings, Inc. | 23,363 | 1,193,849 |
| SuccessFactors, Inc. ^(a) | 22,800 | 891,252 |
| VMware, Inc., Class A ^(a) | 16,860 | 1,374,764 |
| | | 10,047,267 |
| MATERIALS (2.05%) | | |
| Chemicals (1.61%) | | |
| CF Industries Holdings, Inc. | 6,200 | 848,098 |
| Praxair, Inc. ^(a) | 14,800 | 1,503,680 |
| | | 2,351,778 |
| Metals & Mining (0.44%) | | |
| Silver Wheaton Corp. | 14,700 | 637,392 |

| | SHARES | MARKET VALUE |
|--|-------------|---------------|
| COMMON STOCKS (continued) | | |
| TELECOMMUNICATION SERVICES (1.23%) | | |
| Wireless Telecommunication Services (1.23%) | | |
| American Tower Corp., Class A ^(a) | 34,600 | \$1,792,972 |
| UTILITIES (0.67%) | | |
| Electric Utilities (0.67%) | | |
| ITC Holdings Corp. ^(a) | 13,953 | 975,315 |
| TOTAL COMMON STOCKS | | |
| (COST OF \$107,192,024) | | 143,006,279 |
| PAR VALUE | | |
| SHORT TERM INVESTMENT (2.27%) | | |
| REPURCHASE AGREEMENT (2.27%) | | |
| Repurchase agreement with State Street Bank & Trust Co., dated 03/31/11, due 04/01/11 at 0.01%, collateralized by several Fannie Mae and Freddie Mac instruments with various maturity dates, market value of \$3,383,019 (Repurchase proceeds of \$3,309,001) | | |
| | \$3,309,000 | 3,309,000 |
| TOTAL SHORT TERM INVESTMENT | | |
| (COST OF \$3,309,000) | | 3,309,000 |
| TOTAL INVESTMENTS (100.18%) | | |
| (COST OF \$110,501,024) ^(c) | | 146,315,279 |
| LIABILITIES IN EXCESS OF OTHER ASSETS (-0.18%) | | |
| | | (258,445) |
| NET ASSETS (100.00%) | | |
| | | \$146,056,834 |
| NET ASSET VALUE PER SHARE | | |
| (30,080,350 SHARES OUTSTANDING) | | \$4.86 |

(a) Non-income producing security.

(b) American Depositary Receipt.

(c) Cost of investments for federal income tax purposes is \$110,840,294.

Gross unrealized appreciation and depreciation at March 31, 2011 based on cost of investments for federal income tax purposes is as follows:

| | |
|------------------------------------|---------------------|
| Gross unrealized appreciation | \$38,863,758 |
| Gross unrealized depreciation | (3,388,773) |
| Net unrealized appreciation | \$35,474,985 |

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

Notes to Schedule of Investments

Security Valuation

Equity securities are valued at the last sale price at the close of the principal exchange on which they trade, except for securities listed on the National Association of Securities Dealers Automated Quotations (NASDAQ) exchange, which are valued at the NASDAQ official closing price. Unlisted securities or listed securities for which there were no sales during the day are valued at the closing bid price on such exchanges or over-the-counter markets.

Short-term debt obligations maturing in more than 60 days for which market quotations are readily available are valued at current market value. Short-term debt obligations maturing within 60 days are valued at amortized cost, which approximates market value.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith under consistently applied procedures approved by and under the general supervision of the Liberty All-Star® Growth Fund s (the Fund) Board of Directors (the Board).

Foreign Securities

The Fund invests in foreign securities including American Depositary Receipts, which may involve a number of risk factors and special considerations not present with investments in securities of U.S. corporations.

Security Transactions

Security transactions are accounted for on the trade date. Cost is determined and gains/(losses) are based upon the specific identification method for both financial statement and federal income tax purposes.

Repurchase Agreements

The Fund may engage in repurchase agreement transactions with institutions that the Fund s investment advisor has determined are creditworthy. The Fund, through its custodian, receives delivery of underlying securities collateralizing a repurchase agreement. Collateral is at least equal, at all times, to the value of the repurchase obligation including interest. A repurchase agreement transaction involves certain risks in the event of default or insolvency of the counterparty. These risks include possible delays or restrictions upon a Fund s ability to dispose of the underlying securities and a possible decline in the value of the underlying securities during the period while the Fund seeks to assert its rights.

Income Recognition

Interest income is recorded on the accrual basis. Corporate actions and dividend income are recorded on the ex-date.

Fair Value Measurements

The Fund discloses the classification of its fair value measurements following the three-tier hierarchy based on the inputs used to measure fair value. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity s own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Various inputs are used in determining the value of the Fund s investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:

Level 1 Unadjusted quoted prices in active markets for identical investments

Level 2 Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 Significant unobservable inputs (including the Fund s own assumptions in determining the fair value of investments)

The following is a summary of the inputs used to value the Fund s investments as of March 31, 2011:

Valuation Inputs

Investments in Securities at

| Value* | Level 1 | Level 2 | Level 3 | Total |
|-----------------------|----------------|--------------|---------|----------------|
| Common Stocks | \$ 143,006,279 | \$ | \$ | \$ 143,006,279 |
| Short Term Investment | | 3,309,000 | | 3,309,000 |
| Total | \$ 143,006,279 | \$ 3,309,000 | \$ | \$ 146,315,279 |

*See Schedule of Investments for industry classifications

For the three months ended March 31, 2011, the Fund did not have any significant transfers between Level 1 and Level 2 securities. The Fund did not have any securities which used significant unobservable inputs (Level 3) in determining fair value.

Indemnification

In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnities. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims against the Fund. Also, under the Fund's organizational documents and by contract, the Directors and Officers of the Fund are indemnified against certain liabilities that may arise out of their duties to the Fund. However, based on experience, the Fund expects the risk of loss due to these warranties and indemnities to be minimal.

Maryland Statutes

By resolution of the Board of Directors, the Fund has opted into the Maryland Control Share Acquisition Act and the Maryland Business Combination Act. In general, the Maryland Control Share Acquisition Act provides that control shares of a Maryland corporation acquired in a control share acquisition may not be voted except to the extent approved by shareholders at a meeting by a vote of two-thirds of the votes entitled to be cast on the matter (excluding shares owned by the acquiror and by officers or directors who are employees of the corporation). Control shares are voting shares of stock which, if aggregated with all other shares of stock owned by the acquiror or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing directors within certain statutorily-defined ranges (one-tenth but less than one-third, one-third but less than a majority, and more than a majority of the voting power). In general, the Maryland Business Combination Act prohibits an interested shareholder (a shareholder that holds 10% or more of the voting power of the outstanding stock of the corporation) of a Maryland corporation from engaging in a business combination (generally defined to include a merger, consolidation, share exchange, sale of a substantial amount of assets, a transfer of the corporation's securities and similar transactions to or with the interested shareholder or an entity affiliated with the interested shareholder) with the corporation for a period of five years after the most recent date on which the interested shareholder became an interested shareholder. At the time of adoption, March 19, 2009, the Board and the Fund were not aware of any shareholder that held control shares or that was an interested shareholder under the statutes.

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) within 90 days of this filing and have concluded that the registrant's disclosure controls and procedures were effective, as of that date.

- (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) during 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.

Separate certifications for the registrant's Principal Executive Officer and Principal Financial Officer, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and Rule 30a-2(a) under the Investment Company Act of 1940, are attached as Ex99.CERT.

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.

LIBERTY ALL-STAR GROWTH FUND,
INC.

By: /s/ William Parmentier
William Parmentier
President (principal executive officer)

Date: May 26, 2011

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/ William Parmentier
William Parmentier
President (principal executive officer)

Date: May 26, 2011

By: /s/ Jeremy O. May
Jeremy O. May
Treasurer (principal financial officer)

Date: May 26, 2011