

LIBERTY ALL STAR EQUITY FUND
Form N-Q
May 31, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL
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response.....20.00

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-4809
Liberty All Star Equity Fund
(Exact name of registrant as specified in charter)
One Financial Center, Boston, Massachusetts 02111
(Address of principal executive offices) (Zip code)
Vincent Pietropaolo, Esq.
Columbia Management Group, Inc.
One Financial Center
Boston, MA 02111
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-617-772-3698

Date of fiscal year end: 12/31/05

Date of reporting period: 3/31/05

Item 1. Schedule of Investments.

Schedule of Investments as of March 31, 2005 (Unaudited)

| | SHARES | MARKET VALUE |
|-------------------------------------------------|-----------|---------------|
| COMMON STOCKS (97.6%) | | |
| CONSUMER DISCRETIONARY (17.7%) | | |
| Auto Components (1.0%) | | |
| Johnson Controls, Inc. | 190,775 | \$ 10,637,614 |
| Visteon Corp. (a) | 445,850 | 2,545,804 |
| | | 13,183,418 |
| Automobiles (0.9%) | | |
| Harley-Davidson, Inc. | 87,700 | 5,065,552 |
| Honda Motor Co., Ltd. (b) | 254,050 | 6,361,412 |
| | | 11,426,964 |
| Hotels, Restaurants & Leisure (3.1%) | | |
| Carnival Corp. | 139,025 | 7,202,885 |
| GTECH Holdings Corp. | 37,200 | 875,316 |
| Marriott International, Inc., Class A | 90,000 | 6,017,400 |
| MGM Mirage (a) | 92,000 | 6,515,440 |
| Starbucks Corp. (a) | 195,705 | 10,110,121 |
| Starwood Hotels & Resorts Worldwide, Inc. | 155,175 | 9,315,155 |
| | | 40,036,317 |
| Household Durables (1.1%) | | |
| Newell Rubbermaid, Inc. | 139,750 | 3,066,115 |
| Whirlpool Corp. | 165,375 | 11,200,849 |
| | | 14,266,964 |
| Internet & Catalog Retail (2.0%) | | |
| Amazon.com, Inc. (a) | 373,495 | 12,799,674 |
| eBay, Inc. (a) | 364,425 | 13,578,475 |
| | | 26,378,149 |
| Leisure Equipment & Products (0.1%) | | |
| Brunswick Corp. | 12,725 | 596,166 |
| Media (5.0%) | | |
| Comcast Corp., Class A (a) | 270,000 | 9,018,000 |
| Interpublic Group of Companies, Inc. (a) | 460,000 | 5,648,800 |
| Liberty Media Corp., Class A (a) | 1,248,992 | 12,952,047 |
| Liberty Media International, Inc., Class A (a) | 158,487 | 6,932,221 |
| Pixar, Inc. (a) | 112,800 | 11,003,640 |
| Time Warner, Inc. (a) | 125,000 | 2,193,750 |
| The Walt Disney Co. | 224,000 | 6,435,520 |
| XM Satellite Radio Holdings, Inc., Class A (a) | 327,880 | 10,328,220 |
| | | 64,512,198 |

See Notes to Schedule of Investments.

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| | SHARES | MARKET VALUE |
|-----------------------------------------------|---------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| Multi-line Retail (1.6%) | | |
| J.C. Penney Co., Inc. | 137,250 | \$ 7,126,020 |
| Kohl's Corp. (a) | 56,600 | 2,922,258 |
| Wal-Mart Stores, Inc. | 224,400 | 11,244,684 |
| | | 21,292,962 |
| Specialty Retail (2.9%) | | |
| Circuit City Stores, Inc. | 53,450 | 857,873 |
| Foot Locker, Inc. | 24,000 | 703,200 |
| The Gap, Inc. | 410,000 | 8,954,400 |
| The Home Depot, Inc. | 143,000 | 5,468,320 |
| RadioShack Corp. | 240,525 | 5,892,862 |
| Ross Stores, Inc. | 150,000 | 4,371,000 |
| TJX Companies, Inc. | 448,175 | 11,038,550 |
| | | 37,286,205 |
| CONSUMER STAPLES (3.8%) | | |
| Food & Staples Retailing (1.0%) | | |
| CVS Corp. | 119,000 | 6,261,780 |
| Walgreen Co. | 146,000 | 6,485,320 |
| | | 12,747,100 |
| Food Products (2.4%) | | |
| Archer-Daniels-Midland Co. | 17,725 | 435,680 |
| Dean Foods Co. (a) | 43,300 | 1,485,190 |
| General Mills, Inc. | 128,700 | 6,325,605 |
| Sara Lee Corp. | 478,900 | 10,612,424 |
| Smithfield Foods, Inc. (a) | 95,900 | 3,025,645 |
| Tate & Lyle PLC (b) | 241,275 | 9,692,765 |
| | | 31,577,309 |
| Tobacco (0.4%) | | |
| Altria Group, Inc. | 68,950 | 4,508,641 |
| ENERGY (3.4%) | | |
| Energy Equipment & Services (1.5%) | | |
| Halliburton Co. | 150,000 | 6,487,500 |
| Schlumberger Ltd. | 85,000 | 5,990,800 |
| Tidewater, Inc. | 176,000 | 6,839,360 |
| | | 19,317,660 |

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| | SHARES | MARKET VALUE |
|----------------------------------------------|---------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| Oil & Gas (1.9%) | | |
| BP PLC (b) | 88,200 | \$ 5,503,680 |
| Burlington Resources, Inc. | 120,000 | 6,008,400 |
| ConocoPhillips | 62,000 | 6,686,080 |
| Premcor, Inc. | 102,650 | 6,126,152 |
| | | 24,324,312 |
| FINANCIALS (20.5%) | | |
| Capital Markets (3.8%) | | |
| The Goldman Sachs Group, Inc. | 60,000 | 6,599,400 |
| Merrill Lynch & Co., Inc. | 269,000 | 15,225,400 |
| Morgan Stanley | 483,925 | 27,704,706 |
| | | 49,529,506 |
| Commercial Banks (2.3%) | | |
| Bank of America Corp. (c) | 228,912 | 10,095,019 |
| Bank of New York Co., Inc. | 291,000 | 8,453,550 |
| Comerica, Inc. | 41,225 | 2,270,673 |
| Commerce Bancorp, Inc. | 176,130 | 5,718,941 |
| Fifth Third Bancorp | 80,000 | 3,438,400 |
| | | 29,976,583 |
| Diversified Financial Services (3.6%) | | |
| CIT Group, Inc. | 247,200 | 9,393,600 |
| Citigroup, Inc. | 464,575 | 20,878,001 |
| J.P. Morgan Chase & Co. | 466,175 | 16,129,655 |
| | | 46,401,256 |
| Insurance (8.0%) | | |
| AFLAC, Inc. | 66,200 | 2,466,612 |
| Allstate Corp. | 102,275 | 5,528,987 |
| American International Group, Inc. | 214,450 | 11,882,674 |
| Aon Corp. | 562,625 | 12,850,355 |
| Genworth Financial, Inc., Class A | 178,125 | 4,902,000 |
| Loews Corp. | 152,525 | 11,216,688 |
| Marsh & McLennan Companies, Inc. | 136,700 | 4,158,414 |
| MBIA, Inc. | 69,250 | 3,620,390 |
| MetLife, Inc. | 330,900 | 12,938,190 |
| The Progressive Corp. | 232,105 | 21,297,955 |
| Torchmark Corp. | 97,575 | 5,093,415 |
| XL Capital Ltd., Class A | 95,300 | 6,896,861 |
| | | 102,852,541 |

See Notes to Schedule of Investments.

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|----------------------------------------------------|---------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| Real Estate (0.8%) | | |
| CB Richard Ellis Group, Inc., Class A (a) | 126,375 | \$ 4,421,861 |
| Host Marriott Corp. | 5,650 | 93,564 |
| HRPT Properties Trust | 12,600 | 150,066 |
| The St. Joe Co. | 38,250 | 2,574,225 |
| Trizec Properties, Inc. | 175,550 | 3,335,450 |
| | | 10,575,166 |
| Thriffs & Mortgage Finance (2.0%) | | |
| Fannie Mae | 161,350 | 8,785,507 |
| Freddie Mac | 205,425 | 12,982,860 |
| The PMI Group, Inc. | 37,700 | 1,432,977 |
| Radian Group, Inc. | 51,525 | 2,459,804 |
| | | 25,661,148 |
| HEALTH CARE (13.8%) | | |
| Biotechnology (6.1%) | | |
| Affymetrix, Inc. (a) | 160,000 | 6,854,400 |
| Amgen, Inc. (a) | 268,100 | 15,606,101 |
| Cephalon, Inc. (a) | 110,000 | 5,151,300 |
| Charles River Laboratories International, Inc. (a) | 105,000 | 4,939,200 |
| Genentech, Inc. (a) | 405,930 | 22,979,697 |
| Genzyme Corp. (a) | 120,000 | 6,868,800 |
| Invitrogen Corp. (a) | 87,000 | 6,020,400 |
| MedImmune, Inc. (a) | 424,000 | 10,095,440 |
| | | 78,515,338 |
| Health Care Equipment & Supplies (2.0%) | | |
| Alcon, Inc. | 74,000 | 6,607,460 |
| Baxter International, Inc. | 225,000 | 7,645,500 |
| Boston Scientific Corp. (a) | 160,000 | 4,686,400 |
| Fisher Scientific International, Inc. (a) | 120,000 | 6,830,400 |
| | | 25,769,760 |
| Health Care Providers & Services (2.5%) | | |
| AmerisourceBergen Corp. | 67,325 | 3,857,049 |
| CIGNA Corp. | 105,175 | 9,392,128 |
| HCA, Inc. | 83,375 | 4,466,399 |
| McKesson Corp. | 272,750 | 10,296,312 |
| Tenet Healthcare Corp. (a) | 269,450 | 3,106,759 |
| Triad Hospitals, Inc. (a) | 40,600 | 2,034,060 |
| | | 33,152,707 |

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| | SHARES | MARKET VALUE |
|--------------------------------------------------|-----------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| Pharmaceuticals (3.2%) | | |
| Bristol-Myers Squibb Co. | 288,575 | \$ 7,347,120 |
| Merck & Co., Inc. | 194,000 | 6,279,780 |
| Pfizer, Inc. | 537,650 | 14,124,065 |
| Teva Pharmaceutical Industries Ltd. (b) | 165,000 | 5,115,000 |
| Wyeth | 216,000 | 9,110,880 |
| | | 41,976,845 |
| INDUSTRIALS (12.9%) | | |
| Aerospace & Defense (2.6%) | | |
| The Boeing Co. | 485,575 | 28,386,714 |
| Bombardier, Inc., Class B | 1,131,150 | 2,524,575 |
| Goodrich Corp. | 54,250 | 2,077,233 |
| | | 32,988,522 |
| Air Freight & Logistics (0.4%) | | |
| Ryder System, Inc. | 123,000 | 5,129,100 |
| Airlines (0.1%) | | |
| Southwest Airlines Co. | 119,700 | 1,704,528 |
| Commercial Services & Supplies (1.5%) | | |
| Apollo Group, Inc., Class A (a) | 121,565 | 9,003,104 |
| Cendant Corp. | 198,100 | 4,068,974 |
| Monster Worldwide, Inc. (a) | 215,000 | 6,030,750 |
| PHH Corp. (a) | 13,791 | 301,609 |
| | | 19,404,437 |
| Electrical Equipment (1.8%) | | |
| ABB Ltd. (a)(b) | 87,900 | 544,980 |
| American Power Conversion Corp. | 640,000 | 16,710,400 |
| Emerson Electric Co. | 92,000 | 5,973,560 |
| | | 23,228,940 |
| Industrial Conglomerates (2.1%) | | |
| General Electric Co. | 421,200 | 15,188,472 |
| Tyco International Ltd. | 370,525 | 12,523,745 |
| | | 27,712,217 |
| Machinery (2.4%) | | |
| Caterpillar, Inc. | 70,000 | 6,400,800 |
| Danaher Corp. | 110,000 | 5,875,100 |

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| | SHARES | MARKET VALUE |
|------------------------------------------------------|-----------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| Machinery (continued) | | |
| Illinois Tool Works, Inc. | 63,000 | \$ 5,640,390 |
| Navistar International Corp. (a) | 191,475 | 6,969,690 |
| Pall Corp. | 230,000 | 6,237,600 |
| | | 31,123,580 |
| Road & Rail (1.9%) | | |
| CSX Corp. | 177,275 | 7,383,504 |
| Norfolk Southern Corp. | 175,000 | 6,483,750 |
| Swift Transportation Co., Inc. (a) | 89,675 | 1,985,404 |
| Union Pacific Corp. | 127,600 | 8,893,720 |
| | | 24,746,378 |
| Trading Companies & Distributors (0.1%) | | |
| Hughes Supply, Inc. | 38,550 | 1,146,863 |
| INFORMATION TECHNOLOGY (20.9%) | | |
| Communications Equipment (2.5%) | | |
| Cisco Systems, Inc. (a) | 647,100 | 11,576,619 |
| Nokia Oyj (b) | 470,000 | 7,252,100 |
| QUALCOMM, Inc. | 354,400 | 12,988,760 |
| | | 31,817,479 |
| Computers & Peripherals (3.7%) | | |
| Dell, Inc. (a) | 268,900 | 10,331,138 |
| EMC Corp. (a) | 547,500 | 6,745,200 |
| Hewlett-Packard Co. | 606,775 | 13,312,643 |
| Network Appliance, Inc. (a) | 627,200 | 17,348,352 |
| | | 47,737,333 |
| Electronic Equipment & Instruments (2.7%) | | |
| Agilent Technologies, Inc. (a) | 374,950 | 8,323,890 |
| Avnet, Inc. (a) | 235,075 | 4,330,082 |
| Sanmina-SCI Corp. (a) | 1,209,325 | 6,312,676 |
| Symbol Technologies, Inc. | 620,000 | 8,983,800 |
| Vishay Intertechnology, Inc. (a) | 580,000 | 7,209,400 |
| | | 35,159,848 |
| Internet Software & Services (1.3%) | | |
| Yahoo!, Inc. (a) | 498,100 | 16,885,590 |

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|------------------------------------------------------------|---------|--------------|
| COMMON STOCKS (CONTINUED) | | |
| IT Services (0.6%) | | |
| BearingPoint, Inc. (a) | 591,605 | \$ 5,188,376 |
| Electronic Data Systems Corp. | 112,600 | 2,327,442 |
| | | 7,515,818 |
| Semiconductors & Semiconductor Equipment (5.4%) | | |
| Analog Devices, Inc. | 155,000 | 5,601,700 |
| Applied Materials, Inc. (a) | 543,015 | 8,823,994 |
| Intel Corp. | 649,000 | 15,076,270 |
| Maxim Integrated Products, Inc. | 259,900 | 10,622,113 |
| Novellus Systems, Inc. (a) | 479,300 | 12,811,689 |
| Teradyne, Inc. (a) | 192,400 | 2,809,040 |
| Texas Instruments, Inc. | 240,000 | 6,117,600 |
| Xilinx, Inc. | 297,900 | 8,707,617 |
| | | 70,570,023 |
| Software (4.7%) | | |
| Adobe Systems, Inc. | 115,000 | 7,724,550 |
| Computer Associates International, Inc. | 455,208 | 12,336,137 |
| Electronic Arts, Inc. (a) | 171,100 | 8,859,558 |
| Microsoft Corp. | 522,475 | 12,628,221 |
| Oracle Corp. (a) | 550,000 | 6,864,000 |
| Symantec Corp. (a) | 559,600 | 11,936,268 |
| | | 60,348,734 |
| MATERIALS (2.3%) | | |
| Chemicals (1.3%) | | |
| Bayer AG (b) | 91,235 | 3,018,966 |
| Dow Chemical Co. | 20,875 | 1,040,619 |
| The Mosaic Co. (a) | 478,550 | 8,164,063 |
| Praxair, Inc. | 100,000 | 4,786,000 |
| | | 17,009,648 |
| Containers & Packaging (0.1%) | | |
| Pactiv Corp. (a) | 28,750 | 671,312 |
| Metals & Mining (0.4%) | | |
| Freeport-McMoRan Copper & Gold, Inc., Class B | 128,511 | 5,090,321 |

See Notes to Schedule of Investments.

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| | SHARES | MARKET VALUE |
|-------------------------------------------------------|---------|----------------------|
| COMMON STOCKS (CONTINUED) | | |
| Paper & Forest Products (0.5%) | | |
| Abitibi Consolidated, Inc. | 495,400 | \$ 2,293,702 |
| International Paper Co. | 140,640 | 5,174,146 |
| | | 7,467,848 |
| TELECOMMUNICATION SERVICES (0.4%) | | |
| Wireless Telecommunication Services (0.4%) | | |
| Telephone & Data Systems, Inc. | 58,325 | 4,759,320 |
| UTILITIES (1.9%) | | |
| Electric Utilities (0.6%) | | |
| Wisconsin Energy Corp. | 234,475 | 8,323,862 |
| Multi-Utilities & Unregulated Power (1.3%) | | |
| NRG Energy, Inc. (a) | 105,425 | 3,600,264 |
| Reliant Energy, Inc. (a) | 909,925 | 10,354,946 |
| SCANA Corp. | 67,725 | 2,588,450 |
| | | 16,543,660 |
| TOTAL COMMON STOCKS (COST OF \$1,146,282,874) | | 1,262,950,576 |

| | INTEREST RATE | MATURITY DATE | PAR VALUE | |
|------------------------------------------------|------------------|------------------|--------------|---------|
| CONVERTIBLE BONDS (0.1%) | | | | |
| INDUSTRIALS (0.1%) | | | | |
| Airlines (0.1%) | | | | |
| Delta Air Lines, Inc. (Cost of \$1,425,473) | 8.00% | 06/03/23 | \$ 1,988,000 | 814,464 |

See Notes to Schedule of Investments.

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| | PAR VALUE | MARKET VALUE |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------|
| SHORT-TERM INVESTMENT (2.3%) | | |
| REPURCHASE AGREEMENT (2.3%) | | |
| Repurchase agreement with State Street Bank & Trust Co., dated 03/31/05, due 04/01/05 at 2.45%, collateralized by U.S. Treasury Bonds with various maturities to 02/01/25, market value of \$30,659,024 (repurchase proceeds \$30,047,045) (Cost of \$30,045,000) | | |
| | \$ 30,045,000 | \$ 30,045,000 |
| TOTAL INVESTMENTS (100.0%) (COST OF \$1,177,753,347) | | 1,293,810,040 |
| OTHER ASSETS & LIABILITIES, NET (0.0%) | | 121,821 |
| NET ASSETS (100.0%) | | \$ 1,293,931,861 |
| NET ASSET VALUE PER SHARE (149,262,421 SHARES OUTSTANDING) | | \$ 8.67 |

NOTES TO SCHEDULE OF INVESTMENTS:

- (a) Non-income producing security.
- (b) Represents an American Depositary Receipt.
- (c) Investments in affiliates during the three months ended March 31, 2005:

| Security name: | Bank of America Corp. | |
|---------------------------|-----------------------|------------|
| Shares as of 12/31/04: | | 228,912 |
| Shares purchased: | | |
| Shares sold: | | |
| Shares as of 03/31/05: | | 228,912 |
| Net realized gain (loss): | | |
| Dividend income earned: | \$ | 103,010 |
| Value at end of period: | \$ | 10,095,019 |

| | | |
|------------------------------------------------------------------------------------------------|----|--------------|
| Gross unrealized appreciation and depreciation of investments at March 31, 2005 is as follows: | | |
| Gross unrealized appreciation | \$ | 215,445,291 |
| Gross unrealized depreciation | | (99,388,598) |
| Net unrealized appreciation | \$ | 116,056,693 |

Item 2. Controls and Procedures.

(a) The registrant's principal executive officer and principal financial officer, based on their evaluation of the registrant's disclosure controls and procedures as of a date within 90 days of the filing of this report, have concluded that such controls and procedures are adequately designed to ensure that information required to be disclosed by the registrant in Form N-Q is accumulated and communicated to the registrant's management, including the principal executive officer and principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

(b) There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3. Exhibits.

Certifications pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) attached hereto as Exhibit 99.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.

| | |
|--------------------------|-------------------------------------------------------------------------|
| (registrant) | Liberty All-Star Equity Fund |
| By (Signature and Title) | /S/ William R. Parmentier, Jr. William R. Parmentier, Jr., President |
| Date | May 26, 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.

| | |
|--------------------------|-------------------------------------------------------------------------|
| By (Signature and Title) | /S/ William R. Parmentier, Jr. William R. Parmentier, Jr., President |
| Date | May 26, 2005 |
| By (Signature and Title) | /S/ J. Kevin Connaughton J. Kevin Connaughton, Treasurer |
| Date | May 26, 2005 |
