

SWISS HELVETIA FUND, INC.
Form N-CSR
March 06, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-05128

THE SWISS HELVETIA FUND, INC.

1270 Avenue of the Americas, Suite 400

New York, NY 10020

Alexandre de Takacsy, President

Banque Hottinger & Cie SA

Schutzengasse 30

CH-8001 Zurich

Switzerland

Registrant's telephone number, including area code: 1-888-SWISS-00

Date of fiscal year end: December 31

Date of reporting period: December 31, 2013

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The

OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

Include a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270.30e-1).

THE SWISS HELVETIA FUND, INC.

Directors and Officers

Samuel B. Witt III, Esq.

Chairman (Non-executive)

Brian A. Berris¹

Director

David R. Bock²

Director

Jean-Marc Boillat

Director

Richard A. Brealey^{2,3}

Director

Alexandre de Takacsy

President

Director

Claus Helbig^{2,4}

Director

R. Clark Hooper²

Director

¹ *Audit Committee Chair*

² *Audit Committee Member*

³ *Pricing Committee Chair*

Investment Advisor

Hottinger Capital Corp.

1270 Avenue of the Americas, Suite 400

New York, NY 10020

(212) 332-7930

Paul Hottinguer

Director

Rudolf Millisits

Chief Executive Officer

Philippe R. Comby,

CFA, FRM

Chief Financial Officer

Vice President

Jennifer English

Secretary

Scott Rhodes

Assistant Treasurer

Patrick J. Keniston

Chief Compliance Officer

Director Emeritus

Eric R. Gabus⁵

Baron Hottinguer⁵

⁴ *Governance/Nominating*

Committee Chair

⁵ *Non-remunerated*

Administrator

Citi Fund Services Ohio, Inc.

Custodian

Citibank, N.A.

Transfer Agent

American Stock Transfer & Trust Company

59 Maiden Lane

Plaza Level

New York, NY 10038

Legal Counsel

Stroock & Stroock & Lavan LLP

Independent Registered Public Accounting Firm

Deloitte & Touche LLP

The Investment Advisor

The Swiss Helvetia Fund, Inc. (the Fund) is managed by Hottinger Capital Corp., which belongs to Groupe Banque Hottinger & Cie SA.

Groupe Banque Hottinger & Cie SA dates back to Banque Hottinguer, which was formed in Paris in 1786 and is one of Europe's oldest private banking firms. Groupe Banque Hottinger & Cie SA has remained under the control of the Hottinger family through seven generations. Its headquarters are in Zurich with offices in Geneva, Sion, Basel, Brig and New York.

Executive Offices

The Swiss Helvetia Fund, Inc.

1270 Avenue of the Americas, Suite 400

New York, NY 10020

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Fax: (212) 332-7931

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Website Address

www.swz.com

The Fund

The Fund is a non-diversified, closed-end investment company whose objective is to seek long-term capital appreciation through investment in equity and equity-linked securities of Swiss companies. The Fund also may acquire and hold equity and equity-linked securities of non-Swiss companies in limited instances.

The Fund is listed on the New York Stock Exchange under the symbol **SWZ**.

Net Asset Value is calculated daily by 6:15 P.M. (Eastern Time). The most recent calculation is available by calling 1-888-SWISS-00 or by accessing our Website. Net Asset Value is also published weekly in *Barron's*, the Monday edition of *The Wall Street Journal* and the Sunday edition of *The New York Times*.

THE SWISS HELVETIA FUND, INC.

Letter to Stockholders

Overall Investment Strategy and Process

The goal of the Fund is to provide shareholders with broad exposure to the Swiss equity market and to returns based on long term capital appreciation through investments in Swiss companies that have the potential to provide sustainable returns. Management looks to achieve these goals by investing in companies whose growth profile is underestimated by the market or whose recovery potential is overlooked by other investors. These investment opportunities exist across various market capitalizations. The Fund invests in Swiss companies ranging from some of the largest global businesses to mid- and smaller-size companies that are less represented in the major Swiss indices, including private equity investments in early stage companies.

The investment approach of the Fund's management is bottom-up driven by fundamental research on specific industries and companies' products, services and business models. As part of the portfolio construction process, Fund management considers the market capitalization and risk return characteristics of portfolio companies to determine the range of weightings for each position. As a result, the screening and weighting process of the Fund's holdings reflects the broader Swiss market.

In the recovery strategy, company-specific factors are the primary driver for stock selection. Positive industry trends can be a supporting factor that helps reduce

company-specific risk, thereby enabling possible larger asset allocations to these positions.

Similarly, in the undervalued growth strategy, an expected expansion in a specific company's market share is a primary driver for stock selection. However, if a company is active in an overall growing market, the risk-return profile of the investment is improved, and Fund management may consider a greater asset allocation to the company.

Management believes that its stock selection process, which is based on fundamental analysis of specific companies' business developments, will add value to the Fund's portfolio. This is a long term investment approach, especially when investing in mid- and smaller-size companies where it usually takes more time for a company's success to attract the attention of investors.

Investment Results

SWZ Performance

(U.S. Dollars as of December 31, 2013)

Market Value

Net Asset
Value

Performance

Performance

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1 Year	33.1%	28.2%
5 Years (annualized)	9.5%	8.4%
10 Years (annualized)	8.5%	7.8%

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Letter to Stockholders (continued)

Portfolio Composition

(All percentages are as of the year-ended December 31, 2013)

Strategies, sector and industry group exposure

During the last quarter of the year under review, there were no significant changes in the exposure of the Fund's portfolio to the different strategies or market capitalizations, with the exception of some profit taking in the recovery strategy for purposes of funding part of the payment of the Fund's annual distribution to stockholders. These transactions included trimming the Fund's positions in Weatherford, Panalpina, DKSH, Credit Suisse and the elimination of the Fund's position in Biotie.

The large pharmaceutical companies, Roche and Novartis, remain on the path of high single digit earnings growth. These companies should be able to offset upcoming patent expirations with recently approved products or product line extensions along with promising drug candidates. In Management's view, their valuations, which are in line with the broader Swiss or U.S market, does not give them full credit for their consistency and low expected volatility. Together with the food and beverage and luxury goods companies (e.g., Swatch and Richemont), the large capitalization pharmaceutical industry is the primary component of the Fund's undervalued growth strategy, which is the largest strategy exposure with 44.6% of the Fund's assets.

The second largest strategy exposure in the Fund has been to recovery mid- and small-capitalization companies, which comprise 21.2% of the portfolio. These holdings reach across multiple sectors like healthcare, industrials and financials, and include some of the best performers of the year (e.g., Nobel Biocare, Meyer Burger and Panalpina).

Some of the Fund's longer-term holdings, including Lindt, Belimo and Burckhardt Compression, are part of the Fund's undervalued growth mid- and small-capitalization strategy, which comprises 16.7% of the Fund's assets. The companies in this strategy have a relatively clear path to sustainable growth because of their ability to gain market share and their presence in growing end markets.

Finally, the smallest category in terms of percentage of Fund assets is the recovery large capitalization strategy with 11.0%. International banking institutions like UBS and Credit Suisse, as well as global industrial companies like ABB fit into this strategy. Due to their market positioning and the stage of development of their respective industries, these companies are focusing on improving profitability in order to increase their added market value. Their business strategy is to spend resources and management attention on increasing returns on capital. This approach is justified by the high level of competition in their respective industries, an environment that tends to push economic returns towards zero.

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Letter to Stockholders (continued)

Throughout the different strategies and on average during the year, the Fund's portfolio was comprised of fewer than thirty stocks outside of the Fund's investments in illiquid securities, including the two limited partnership investments. Management believes this portfolio composition reflects its investment approach to owning high conviction stocks based on a strong bottom-up investment process.

Macro factors exposure

Investment in the mid- and small-capitalization segment of the market entails higher exposure to trading liquidity risk. This factor tends to push the valuations of these stocks to a discount as investors become more risk adverse, such as during periods of rising concern over strong global deflationary forces. The recovery strategy also carries certain risk, as these companies are more vulnerable than the rest of the portfolio to the volatility of global economic growth. On the other side, Fund management believes stocks fitting into the recovery strategy should benefit over-proportionally from an increase in long term interest rates and a steepening of the yield curve brought on by economic expansion.

In terms of geographic exposure, the United States, as the biggest consumer of drugs and medical services, remains critical for the Swiss healthcare sector. The country spends USD 6,500 per person, which is the highest of all the member countries of the Organisation for Economic Co-operation and

Development (almost three times as much as Japan and twice as much as Germany). The United States spends 18% of its gross domestic product (GDP) on healthcare, compared to 11% in other high income countries. The good news for the Swiss pharmaceutical companies is that drug costs are only about 10% of that total spending while hospital care is about 30%. The Swiss players in this space are active mostly in high unmet medical needs, which are somewhat isolated against price deflation or consumer push back. Nonetheless, the evolution and implementation of the Affordable Healthcare Act and the sustainability of Medicare spending will have to be monitored closely.

Performance Analysis

(Returns are total returns in Swiss francs for the year ended December 31, 2013 for the days the sector or the stock was held in the portfolio, if not otherwise specified)

The Fund's net asset value total return in USD was 28.2%. The Fund's performance compares well with the broad Swiss market as reflected by a total return in USD of 26.4% by the iShares MSCI Switzerland. The Fund's total return, however, was hampered by the allocation to private equity, as this sector underperformed the rest of the portfolio as a result of negative adjustments to the valuation of certain direct holdings, despite certain positive developments in the two limited partnership investments.

After a strong showing during the first nine months of the year, the mid- and small-

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Letter to Stockholders (continued)

capitalization companies in the growth recovery areas of the market, not surprisingly, went through a profit taking phase in November, but regained most of the lost ground towards the end of December.

Looking at the individual total returns, the Fund's portfolio included most of the Swiss market outperformers for the year. The top seven total return performers in the Fund's portfolio were found in the recovery mid- and small-capitalization strategy. Some of the work that management (in most instances, new management) of these companies has implemented over the past two years is bearing fruit. A more stable economy in 2013 also helped accelerate these companies' recoveries. For example, Actelion produced a 76.31% return, contributing 1.9% to the performance of the Fund. Panalpina returned 58.1% for the year, contributing 1.39% to the Fund's performance.

The greatest contributors to the Fund's performance were in the pharmaceutical industry, which makes up the largest part of the Fund's undervalued growth strategy. Roche led this field by adding 5.6% to the Fund's performance, which is attributed in part to the large position weighting but also to an impressive 40.1% total return. Novartis had a more modest return of 28.5%, but its contribution of 2.7% to the Fund's performance was the second best in the portfolio due to the large size of the position (an average weight of 9.8% for the year).

The difference in performance for the year between these two blue chips is explained by the quality of Roche's fundamentals. The ability of Roche to develop first in class and best in class drugs has positioned the company as the leader in certain main disease areas, such as oncology, ophthalmology, infectious disease and neurosciences. The success rate in developing new classes of drugs with potential blockbuster opportunities has been increasingly important over the past years for the industry. Roche has been very innovative and has been able to protect its franchise and rejuvenate its product pipeline in several therapeutic indications. Roche's recent announcement to increase its manufacturing capacity also is a positive sign of management's optimistic view.

On the weaker side, returns on Holcim and Syngenta in the material sector underperformed compared to the Fund's overall portfolio return, with the sector only contributing 0.4% for the year. Holcim lagged its peers during the year mostly because of its less favorable geographical exposure. The company did not fully benefit from the U.S. recovery and was penalized by its significant activities in India, a market still plagued by overcapacity. Syngenta, after posting a strong return in 2012, underperformed its peers in the seed business and was negatively affected in crop protection sales by lower crop prices during 2013.

The financial sector provided a relatively strong contribution to the performance of the

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Letter to Stockholders (continued)

Fund. Swiss Life was the main contributor due to its strong return for the year (+57.3%) despite a lower average portfolio weighting than other members of the sector, including UBS and Credit Suisse.

In the large capitalization segment of the market, several holdings that fit into the recovery strategy underperformed during the year, including ABB, UBS and Credit Suisse. After a strong second quarter, the large Swiss banks were negatively affected by higher legal costs of their legacy businesses and a reduction in gross margins in wealth management. In addition, net new money flows and the overall cost-to-income ratio were negatively impacted by lower client activity. The higher than expected cyclicality of the wealth management business led investors, including Fund management, to view the long term potential of this business in a more critical way. Management will monitor closely the evolution of the gross margins of the wealth management segments of the Swiss banks to assess the change in business mix away from off-shore private banking, a premium priced business in decline due to the weakening of Swiss banking secrecy.

The ABB investment case is a good example of ways to identify triggers for inclusion in the Fund's recovery strategy, but also of how timing can be quite a challenge. ABB gave confidence to investors when the company's new CEO and CFO came on board recently and laid out a comprehensive business strategy, focused on synergies between divisions and elaborated clearly on

ways to increase return on invested capital. In addition, throughout the year, the trend in margins was improving and pricing pressure was clearly alleviating, explaining the strong performance of the stock (+29.3% for the year). However, the company recently disclosed that it had to take additional charges for the problem child in its portfolio: the power system division. The reasons were legacy issues and excess capacity created by even lower business activity than recently expected. In the ABB investment case, the recovery is now being clearly delayed. The sheer complexity of ABB's mix of businesses is a hurdle to a larger portfolio allocation to the stock, but the footprint of the company and the quality of the automation business partially offset this negative aspect.

Fund management focuses on identifying a set of company- and industry-specific factors that can drive stock returns. The results of the examination of periodic earnings releases are used to update the development of factors and their impact on where a company fits in the Fund's overall strategy. After the establishment of strong stock performance, the business developments of a company are monitored to assess the durability of those returns. Specifically for the recovery strategy, an analysis is done to determine if a company can transition from the recovery stage to a more stable profitable growth phase. If this transition is not taking place, Fund management will examine a potential sale of the position.

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The Fund's sector and industry performance is illustrated in the following table using contribution analysis. Each sector's total return is weighted by the Fund's average exposure to the sector in question for the period to derive the contribution of the sector to the Fund's overall performance.

GICS Sectors¹	SWZ Schedule of Investments by Industry Grouping²	Total Return % Year-to-date (12/31/2013)^{3,4}	Average Weight in % Year-to-date (12/31/2013)³	Performance Contribution in % Year-to-date (12/31/2013)³
Health Care	Pharmaceuticals, Biotechnology, Medical Technology	42.8	34.9	12.9
Industrials	Industrial Goods & Services	28.7	15.2	4.1
Financials	Banks, Insurance, Financial Services	26.2	12.5	3.7
Consumer Staples	Food & Beverage	17.1	13.1	2.6
Consumer Discretionary	Personal & Household Goods, Retailers	19.9	5.4	1.1
Energy	Energy	32.2	4.1	0.7
Information Technology	Technology	27.3	0.8	0.5
Materials	Chemical, Construction & Material	-1.2	5.1	0.4

¹ Industry sector group levels are provided by the Global Industry Classification Standard (GICS). All GICS data is provided as is with no warranties.

² Grouping by industry is used for portfolio management and compliance tests purposes.

³ Private equity investments are not included in this analysis.

⁴ Cumulative returns for the days held in the portfolio.

Private Equity

Zurmont Madison Private Limited Partnership, one of the Fund's two investments in private equity funds and its largest overall allocation to private equity, developed positively during the period. The buy-out investments in industrial and business services companies held by Zurmont continue to show progress and first exits are planned to be realized in 2014, depending on the level of deal activity and market conditions. Aravis Biotech II Limited Partnership, the Fund's other private equity fund investment, also developed positively during the period.

With regard to the Fund's private equity holdings, in some cases valuations have been impacted negatively as a consequence of the need to raise additional capital and company-specific events that have affected operations. The performance of these illiquid investments will also depend on overall market conditions and investors' appetite for riskier assets.

Macro-Economic Insights

2013 started off with the appearance of strengthening support from central banks, as the U.S. Federal Reserve had just inaugurated its third round of quantitative

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easing. A reinforcement of the ongoing dependency between the level of monetary interventions and global equity markets occurred. Moreover, none of the concerns related to the U.S. fiscal cliff or the political situations in Germany or Italy materialized, while China's economic growth surprised on the upside later in the year within the context of the worldwide inflation rate staying under control.

The economic recovery of the Eurozone accelerated at the end of 2013. The Eurozone PMI (Purchasing Managers' Index) continued to point to an expansionary environment, with a 53.2 composite reading in January driven by manufacturing activity as production advanced to its fastest pace since May 2011. Furthermore, new orders rose for a sixth successive month. Growth picked up in Germany and the rate of decline eased in France, while the rest of the region also saw a strengthening upturn. The economic downturn in the periphery countries of the Eurozone also seems to be coming to an end. Consumer confidence continued to improve, signaling a favorable environment for private consumption, which was reflected in the latest retail sales data and consistent with more spending in durable goods. Mario Draghi, President of the European Central Bank (ECB), also reiterated his dovish stance and noted that monetary policy will remain accommodative for as long as necessary, while the ECB's November interest rate cut showed his willingness to act on a data-driven basis. The region's framework towards implementing a fiscal union has also begun to take

shape after the approval of the Single Supervisory Mechanism (SSM) and recent approval of the Single Resolution Mechanism (SRM). The SSM gives the ECB supervisory authority over 130 systematically important banks, representing more than 85% of total European banking assets. The Asset Quality Review is a key component to the SSM/SRM mechanisms, and is required before the ECB will undertake supervisory banking authority in the fourth quarter of 2014. Despite improving macro-economic fundamentals and a more aligned political environment, the region's transmission mechanism continues to struggle as private loan growth remains on a declining trend. On the inflation front, the Eurozone's consumer price index (CPI) rate stabilized at very subdued levels caused by insufficient aggregate demand, rather than being caused by high productivity or positive supply-side shocks. Real GDP is projected to decline by 0.4% in 2013, increasing by slightly more than 1% in 2014 and 1.4% in 2015. A significant amount of slack in the economy is expected to persist and the recovery process will be gradual.

Swiss economic conditions continued to improve in the second half of 2013, with Swiss GDP exceeding its pre-crisis level by about 5%. Swiss economic growth continued to look robust when compared to Europe's economic development. This positive economic backdrop was driven by domestic demand, while the anticipated positive recovery in the export industry finally materialized. Services progressed significantly, helped by the sustained activity in the

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Letter to Stockholders (continued)

construction sector, where the growth of mortgage loans has outpaced GDP growth for several years. The housing market continued to move higher with prices rising 4.6% year-over-year in the last quarter of 2013. However, the Swiss National Bank (SNB) repeatedly stressed the real estate market's risk to financial stability. As a result, the Swiss government implemented countercyclical capital measures to curb real estate market development in 2013. Following the solid estimated GDP growth of 1.9% in 2013, the Swiss government expects growth to accelerate to 2.3% in 2014 and 2.7% in 2015, as there are good prospects for a strengthening economic upturn in Switzerland over the next two years. The SNB expects a growth rate of around 2.0% in 2014, while UBS revised upward its Swiss growth outlook for 2014 and 2015 to 2.1% and 2.4%, respectively, resulting from a more constructive assessment of Swiss consumer demand. From a business activity perspective, Swiss PMI continued to signal economic expansion, remaining at an elevated level in December (53.9), while correcting from the previous month (56.5) on the back of a weaker production's sub-index. On a positive note, the most forward-looking backlog of component orders remained very encouraging. Moreover, the Swiss Economic Institute (KOF) economic barometer (one or two quarters ahead of the GDP growth rate of the previous year) surprised positively, reaching a two-year high and confirming a solid business climate underlying the improved momentum with the key Swiss industries.

On the monetary front, the SNB's reserves remained around CHF 430 billion, largely unchanged at year-end. From a foreign exchange standpoint, the U.S. dollar is expected to strengthen against the Swiss franc in 2014 after the latter appreciated by 2.5% against the U.S. dollar, while depreciating by 1.6% versus the euro in 2013. After two years of negative inflation rates, the CPI rate is expected to move back to positive territory in 2014 driven by services prices generally as well as rent prices. However, December CPI contracted -0.2% month-over-month due to lower oil prices. Consequently, no inflation risks can be identified for Switzerland in the foreseeable future. Boding well for Switzerland's momentum of economic growth, M3 money supply grew 7.6% year-over-year in December. SNB President Thomas Jordan reaffirmed the necessity to preserve the Swiss franc/euro exchange rate floor in case renewed tension on the sovereign market in the Eurozone is expected to materialize. As a result, the exchange rate cap of 1.20 EUR/CHF is likely to remain in place in the coming months without inflationary pressures in Switzerland and disinflationary trends in the Eurozone.

Market outlook

While deflationary risks remain, as highlighted recently by the International Monetary Fund, they seem to be receding. The United States should have less fiscal drag into 2014 compared to 2013, as the budget situation is improving and financial assets should not be affected too adversely by the

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Letter to Stockholders (concluded)

Federal Reserve's limited slowdown in debt purchases. In addition, the U.S. real estate market is expected to stay strong. Europe, despite a less favorable liquidity situation than the United States (central bank balance sheet shrinkage, increase in current account surplus and tepid credit growth), is showing signs of recovery from a very low base. If the global economic situation continues to improve, the potential for higher interest rates should provide a good environment for value investing, encompassing small caps and higher risk assets. This scenario is supportive for the equity asset class, but expanded stock valuations and the length of the current bull market could result in high selectivity from investors and therefore a decrease in stock returns cross correlations. This should be a good environment for active management of an investment portfolio.

On the other side, this consensus view of better global economic growth is challenged by China's transformation towards more balanced development triggered, in part, by the diminishing returns of capital stock. The need for China to reduce its excess credit expansion is creating an increase in bond yields for Chinese issuers and a reduction in monetary expansion. It is also interesting to observe how the U.S. current account deficit

is shrinking since 2006, both in absolute

terms and in percentage of GDP. This development is reducing the liquidity the United States produces for the rest of the world. This trend could be exacerbated by the phasing out of the Federal Reserve's quantitative easing program and merits close monitoring.

In a scenario of disappointing global growth, lower risk free yields in developed economies are to be expected which, in the equity markets, would favor high quality growth stocks. Fund management believes the Fund's portfolio is well positioned to face these uncertainties through exposure to companies in both the recovery and undervalued growth strategies.

Sincerely,

Alexandre de Takacsy

President

Rudolf Millisits

Chief Executive Officer

 THE SWISS HELVETIA FUND, INC.

Certain Information Concerning Directors

The following tables set forth certain information about each person currently serving as a Director of the Fund, including his or her beneficial ownership of Common Stock of the Fund. All information presented in the tables is as of December 31, 2013. Information is presented separately with respect to Directors who have been determined to be non-interested Directors and Directors who are interested Directors under the Investment Company Act of 1940, as amended.

Class I Non-Interested Directors
(Terms Will Expire in 2016)

Name, Address & Age ¹	Position(s) with Fund (Since)	Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Director During at Least the Past Five Years	Shares and Dollar Range of Common Stock
				Beneficially Owned ²
Jean-Marc Boillat Age: 71	Director (2005); and Member of the Governance/ Nominating Committee (2005) and the Pricing Committee (2009 to 2011 and since 2012)	Former CEO, Tornos-Bechler S.A., Moutier; Former Ambassador of Switzerland in various countries, including Lebanon, Cyprus, Angola, Mozambique and Argentina	None	3,000 \$10,001-\$50,000
R. Clark Hooper Age: 67	Director (2007); and Member of the Audit Committee (2007) and the Governance/ Nominating Committee (2007)	President of Dumbarton Group LLC (regulatory consulting) from 2003 to 2007; Various positions, including Executive Vice President of Regulatory Policy and Oversight (2002-2003) and Strategic Programs (1992-2002) of the National Association of Securities Dealers, Inc. (currently, Financial Industry Regulatory Authority, Inc.) from 1972 to 2003	Director (71 funds) and Chair (65 funds) of certain funds in the American Funds fund complex; Director of JP Morgan Value Opportunities Fund since 2005; Member of the Executive Committee and Board of Trustees of Hollins University (VA); and Trustee of Children s Hospital of Philadelphia (PA)	1,485 \$10,001-\$50,000

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Certain Information Concerning Directors (continued)

*Class II Non-Interested Directors**(Terms Will Expire in 2014)*

Name, Address & Age ¹	Position(s) with Fund (Since)	Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Director During at Least the Past Five Years	Shares and Dollar Range of Common Stock Beneficially
				Owned ²
Samuel B. Witt, III, Esq. Age: 78	Director (1987) and Chairman of the Board of Directors (2006); and Member of the Governance/ Nominating Committee (2002)	Samuel B. Witt, III, Attorney-at-Law	Trustee of The Williamsburg Investment Trust (11 funds)	6,396 \$50,001-\$100,000
Claus Helbig Age: 72	Director (2008); Member (2008) and Chair (2013) of the Governance/ Nominating Committee; and Member of the Audit Committee (2009) and the Pricing Committee (2009)	Attorney-at-Law; Member of the Supervisory Board of: Audi AG (Ingolstadt) from 1998 to 2008, Bankhaus August Lenz & Co. AG (Munich) (Chairman) since 2002, GLL Real Estate Partners GmbH (Munich) (Chairman) since 2001, and HCM Capital Management AG (Munich) (Vice-Chairman) from 2004 to 2010; Member of the European Advisory Board of Booz Allen Hamilton from 2003 to 2011; and Member of the Global Advisory Board of Millennium Associates, Zug/CH from 2007 to 2010; Director of Leo Capital Growth SPC (Ireland) since 2007; Director of Soci�t� Horlog�re Reconvilier AG, Zug/Suisse since 2011	None	1,000 \$10,001-\$50,000
Richard Brealey Age: 77	Director (1987 to 1996 and since 2009); Member (2009) and Chair (2012) of the Pricing Committee; and Member of the Governance/ Nominating Committee (2009) and the Audit Committee (2012)	Emeritus Professor London Business School (LBS); Full-time faculty member LBS from 1968 to 1998; Special Advisor to the Governor of the Bank of England 1998-2001	Director of the HSBC Investor Funds from 2004 to 2008	14,628 Over \$100,000

THE SWISS HELVETIA FUND, INC.

Certain Information Concerning Directors (continued)

*Class III Non-Interested Directors**(Terms Will Expire in 2015)*

Name, Address & Age ¹	Position(s) with Fund (Since)	Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Director During at Least the Past Five Years	Shares and Dollar Range of Common Stock
				Beneficially Owned ²
Brian A. Berris Age: 69	Director (2012); Member and Chair (2013) of the Audit Committee; and Member of the Governance/ Nominating Committee (2012)	Partner, Brown Brothers Harriman & Co. since 1991; Member of the Audit Committee of Brown Brothers Harriman & Co.; Director and Member of the Audit Committee of Brown Brothers Harriman Trust Company (Cayman) Limited; Member of the Pension Investment Committee of Brown Brothers Harriman & Co.	None	5,000 \$50,001-\$100,000
David R. Bock Age: 70	Director (2010); and Member of the Governance/ Nominating Committee (2010), the Pricing Committee (2010) and the Audit Committee (2012)	Managing Partner, Federal City Capital Advisors since 1997; Interim CEO, Oxford Analytical, January to June 2010; Executive Vice President and Chief Financial Officer of I-trax, Inc. (health care services) from 2004 to 2008; Managing Director of Lehman Brothers from 1992 to 1995; Executive at The World Bank from 1974 to 1992	Director of the Pioneer Funds (53 portfolios) since 2005; Director and Member of the International Advisory Board of Oxford Analytica (political and economic consulting) since 2008; Director of Enterprise Community Investment (private investment company) from 1985 to 2010; Director of New York Mortgage Trust from 2004 to 2008 and since 2012; Director of I-trax, Inc. from 2000 to 2004	5,389 \$50,001-\$100,000

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Certain Information Concerning Directors (concluded)

*Class I Interested Director**(Term Will Expire in 2016)*

Name, Address & Age ¹	Position(s) with Fund (Since)	Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Director During at Least the Past Five Years	Shares and Dollar Range of Common Stock
				Beneficially Owned ²
Alexandre de Takacsy ³ Age: 84	Director (1987 to 1994 and since 1998); and President (2009)	Vice Chairman of the Board, Director, Secretary and Member of the Investment Committee of HCC; Senior Advisor to the Hottinger Group and President of Hottinger U.S., Inc. (HUS) until December 2004; Retired Senior Executive, Royal Bank of Canada	None	1,143 \$10,001-\$50,000

*Class III Interested Director**(Term Will Expire in 2015)*

Name, Address & Age ¹	Position(s) with Fund (Since)	Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Director During at Least the Past Five Years	Shares and Dollar Range of Common Stock
				Beneficially Owned ²
Paul Hottinguer ³ Age: 71	Director (1989)	Vice Chairman of the Board and Director of HCC; AXA International Obligations (finance) since 1996; Managing Director: Intercom (holding company) since 1984; Administrator: Investissement Provence SA (holding company) since 1996; Permanent Representative: Credit Suisse Hottinguer to Provence International (publicly held French mutual fund), Credit Suisse Hottinguer to CS Oblig Euro Souverain (mutual fund); Censor Provence Europe (mutual fund); Credit Suisse Hottinguer to PPC; Credit Suisse Hottinguer to Croissance Britannia (investment fund); Credit Suisse Hottinguer to Harwanne Allemagne; General Partner: Hottinger et Cie (Zurich) until December 2007; President: Gaspee (real estate) from 1992 to 2006; Financière Hottinguer (holding company) from 1990 to 2002; Financière Provence Participations (venture capital firm) from 1990 to 2002; Finaxa (finance) from 1982 to 2004; Financière Hottinguer to CS Institutions Monétaire (mutual fund) from 1990 to 2002; Financière Hottinguer to CS Court Terme (mutual fund) from 1990 to 2002	Director of HUS until December 2004	11,433 Over \$100,000

THE SWISS HELVETIA FUND, INC.

Certain Information Concerning Executive Officers

The following table sets forth certain information about each person currently serving as an Executive Officer of the Fund, including his beneficial ownership of Common Stock of the Fund. All information presented in the table is as of December 31, 2013.

Name, Address & Age ¹	Position(s) with Fund (Since)	<i>Executive Officers⁴</i>		Shares and Dollar Range of Common Stock Beneficially Owned ²
		Principal Occupation(s) During at Least the Past Five Years	Other Directorships Held by Officer During at Least the Past Five Years	
Rudolf Millisits Age: 55	Chief Executive Officer (2009); Senior Vice President (2000); and Treasurer and Chief Financial Officer (2002 to 2012)	Chief Executive Officer and President (since June 2011), Chief Compliance Officer (since October 2004), Chief Operating Officer (since December 1998), Assistant Secretary (since August 1995) and Portfolio Manager and Member of Investment Committee (since September 1994) of HCC; Chairman, Chief Executive Officer and Director (since December 2004) of HUS; Manager (since 2012), President, Chief Financial Officer and Chief Compliance Officer of Hottinger Brothers LLC (since 2004); Director of Hottinger Investment Managers S.A. (from April 2008 to July 2011); Director of Hottinger Asset Management AG (Zurich) (from February 2008 to November 2012)	N/A	13,101 Over \$100,000
Philippe R. Comby, CFA, FRM Age: 47	Chief Financial Officer (2012) and Vice President (2000)	Senior Vice President (since 2002), Treasurer (since 1997) and Portfolio Manager and Member of Investment Committee (since 1996) of HCC; Manager (since 2012), Chief Investment Officer and Senior Vice President of Hottinger Brothers LLC (since 2004); Director, President and Secretary (since December 2004) and Vice President (until December 2004) of HUS; Director of Spineart SA (since 2011); Director of Hottinger Investment Managers S.A. (from April 2008 to July 2011)	N/A	4,965 \$50,001-\$100,000
Jennifer English Citi Fund Services 100 Summer Street 15th Floor Boston, Massachusetts 02110 Age: 41	Secretary (2013)	Senior Vice President, Citi Fund Services Ohio, Inc. (since 2005)	N/A	None

THE SWISS HELVETIA FUND, INC.

Certain Information Concerning Executive Officers (concluded)

Name, Address & Age ¹	Position(s) with Fund (Since)	Executive Officers ⁴		Other Directorships Held by Officer During at Least the Past Five Years	Shares and Dollar Range of Common Stock
		Principal Occupation(s) During at Least the Past Five Years			Beneficially Owned ²
Patrick J. Keniston Foreside Compliance Services, LLC Three Canal Plaza, Suite 100 Portland, Maine 04101	Chief Compliance Officer (2008)	Director, Foreside Compliance Services since October 2008		N/A	None

Age: 50

¹ The Address for each Director and executive officer, unless otherwise noted, is c/o Hottinger Capital Corp., 1270 Avenue of the Americas, Suite 400, New York, New York 10020.

² All Directors and executive officers as a group (13 persons) owned 67,540 shares which constitutes less than 1.00% of the outstanding Common Stock of the Fund. Share numbers in this Annual Report have been rounded to the nearest whole share.

³ Indicates Interested Person, as defined in the 1940 Act. Alexandre de Takacsy and Paul Hottinguer are Interested Persons because of their current positions with HCC.

⁴ Each executive officer serves on a year-to-year basis for an indefinite term, until his or her successor is elected and qualified.

THE SWISS HELVETIA FUND, INC.

Review of Operations

Trading activity for the year ended December 31, 2013 involved changes in the following positions:

New Investments by the Fund

Basilea Pharmaceutica AG

DKSH Holding, Ltd.

Emmi AG

Evolva Holding SA

Galenica AG

Lonza Group AG

Meyer Burger Technology AG

Nobel Biocare Holding AG

Panalpina Welttransport Holding AG

Schweizerische National-Versicherungs-Gesellschaft AG

Swatch Group AG

Tecan Group AG

Weatherford International, Ltd.

Additions to Existing Investments

ABB, Ltd.

Actelion, Ltd.

Aravis Biotech II Limited Partnership

Belimo Holding AG

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Burckhardt Compression Holding AG

Lindt & Sprungli AG

Novartis AG

SelFrag AG, Class A

UBS AG

Zurmont Madison Private Equity, Limited Partnership

Securities Disposed of

Addex Pharmaceuticals, Ltd.

Adecco SA

Allreal Holding AG

Biotie Therapies Oyj

Dufry AG

Geberit AG

Givaudan SA

Holcim, Ltd.

OC Oerlikon Corp. AG

SGS SA

Sulzer AG

Swiss Re AG

Transocean, Ltd.

Xstrata PLC

Zurich Financial Services AG

Reductions in Existing Investments

Compagnie Financiere Richemont SA

Credit Suisse Group AG

Nestle SA

Roche Holding AG

Schindler Holding AG

Swiss Life Holding AG

Syngenta AG

THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry

December 31, 2013

No. of Shares	Security	Fair Value	Percent of Net Assets
Common Stocks 95.76%			
Banks 7.56%			
343,000	Credit Suisse Group AG <i>Registered Shares</i> A global diversified financial services company with significant activity in private banking, investment banking and asset management. (Cost \$7,879,963)	\$ 10,517,355	2.23%
1,322,750	UBS AG¹ <i>Registered Shares</i> A global diversified financial service company with significant activity in private banking, investment banking, and asset management. (Cost \$17,930,433)	25,165,492	5.33%
		35,682,847	7.56%
Biotechnology 12.54%			
291,000	Actelion, Ltd.¹ <i>Registered Shares</i> Focuses on the discovery, development and commercialization of treatments to serve critical, unmet medical needs. (Cost \$15,686,198)	24,654,916	5.22%
63,800	Basilea Pharmaceutica AG <i>Registered Shares</i> Conducts research into the development of drugs for the treatment of infectious diseases and dermatological problems. (Cost \$4,406,681)	7,561,163	1.60%
No. of Shares	Security	Fair Value	Percent of Net Assets
Biotechnology (continued)			
3,457,000	Evolva Holding SA² <i>Registered Shares</i> Discovers and provides innovative, sustainable ingredients for health, nutrition and wellness. (Cost \$2,760,399)	\$ 3,848,237	0.82%
10,650	Galenica AG <i>Registered Shares</i> Manufactures and distributes pharmaceutical products for the treatment of iron deficiency worldwide. Operates drug stores and drug distribution in Switzerland. (Cost \$10,665,953)	10,753,584	2.28%
105,900	Lonza Group AG <i>Registered Shares</i> Produces organic fine chemicals, biocides, active ingredients, and biotechnology products. Operates production sites in Europe, the United States, and China. (Cost \$7,799,793)	10,073,807	2.13%
3,029	NovImmune SA^{2,3} <i>Common Shares</i> Discovers and develops therapeutic monoclonal antibodies (mAbs) to treat patients suffering from immune-related disorders.	2,309,172	0.49%

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(Cost \$1,551,109)

59,200,879

12.54%

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry (continued)

December 31, 2013

No. of Shares	Security	Fair Value	Percent of Net Assets
Common Stocks (continued)			
Chemicals 2.83%			
33,405	Syngenta AG <i>Registered Shares</i> Produces herbicides, insecticides and fungicides, and seeds for field crops, vegetables, and flowers. (Cost \$11,470,773)	\$ 13,341,717	2.83%
		13,341,717	2.83%
Construction & Materials 0.84%			
1,435	Belimo Holding AG <i>Registered Shares</i> World market leader in damper and volume control actuators for ventilation and air-conditioning equipment. (Cost \$2,075,165)	3,969,303	0.84%
		3,969,303	0.84%
Energy 1.32%			
402,655	Weatherford International, Ltd.² <i>Registered Shares</i> Provides equipment and services used for the drilling, completion, and production of oil and natural gas wells. Offers drilling and intervention services, completion systems, artificial lift systems, and compression services. (Cost \$4,641,323)	6,247,978	1.32%
		6,247,978	1.32%
Food & Beverages 15.14%			
12,050	Emmi AG <i>Registered Shares</i> Swiss producer of dairy products and a variety of fruit juices. (Cost \$3,492,370)	3,705,712	0.79%
		3,705,712	0.79%
		71,431,692	15.14%
Food & Beverages (continued)			
344	Lindt & Sprungli AG¹ <i>Registered Shares</i> Major manufacturer of premium Swiss chocolates. (Cost \$10,344,918)	\$ 18,605,049	3.94%
669,000	Nestle SA¹ <i>Registered Shares</i> Largest food and beverage processing company in the world. (Cost \$13,040,757)	49,120,931	10.41%
		71,431,692	15.14%
Industrial Goods & Services 15.58%			

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639,700	ABB, Ltd.¹ <i>Registered Shares</i>	16,888,914	3.58%
	One of the largest electrical engineering firms in the world. Active in industrial automation and in power transmission and distribution. (Cost \$13,633,538)		
8,160	Bucher Industries AG <i>Registered Shares</i>	2,376,387	0.50%
	Manufactures food processing machinery, vehicles, and hydraulic components. Produces fruit and vegetable juice processing machinery, farming machinery and outdoor equipment. (Cost \$1,616,237)		
29,100	Burckhardt Compression Holding AG <i>Registered Shares</i>	12,793,726	2.71%
	Produces compressors for oil refining and the chemical and petrochemical industries, industrial gases, and gas transport and storage. (Cost \$8,805,565)		

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry (continued)

December 31, 2013

No. of Shares	Security	Fair Value	Percent of Net Assets
Common Stocks (continued)			
Industrial Goods & Services (continued)			
162,270	DKSH Holding, Ltd. <i>Registered Shares</i> An international marketing and services group. The company offers a comprehensive package of services that includes organizing and running the entire value chain for any product. (Cost \$13,230,373)	\$ 12,644,416	2.68%
408,000	Meyer Burger Technology AG² <i>Registered Shares</i> Supplies systems and produces equipment to the photovoltaic, semiconductor and optoelectronic industries. Produces equipment to build integrated solar systems. (Cost \$2,386,608)	4,862,877	1.03%
109,890	Panalpina Welttransport Holding AG¹ <i>Registered Shares</i> One of the largest transporters of freight by air and ship, and offers warehousing and distribution services. (Cost \$12,163,543)	18,472,542	3.91%
37,263	Schindler Holding AG <i>Registered Shares</i> Manufactures, installs, and maintains elevators used in airports, subway stations, railroad terminals, shopping centers, cruise ships, hotels and office buildings. (Cost \$5,162,813)	5,501,357	1.17%
		73,540,219	15.58%
No. of Shares	Security	Fair Value	Percent of Net Assets
Insurance 3.18%			
30,400	Schweizerische National-Versicherungs-Gesellschaft AG <i>Registered Shares</i> Offers insurance products in Europe, including reinsurance, health, transport, legal, technical, accident, travel, automobile, fire and theft insurance. (Cost \$2,087,343)	\$ 2,196,211	0.47%
61,300	Swiss Life Holding AG <i>Registered Shares</i> Provides life insurance and institutional investment management. (Cost \$7,687,987)	12,765,233	2.71%
		14,961,444	3.18%
Medical Technology 4.88%			
168,000	Kuros Biosurgery AG^{2,3} <i>Common Shares</i> Develops biomaterials and bioactive biomaterial combination products for trauma, wound and spine indications. (Cost \$2,516,639)	755,608	0.16%
965,000	Nobel Biocare Holding AG¹ <i>Registered Shares</i>	15,082,363	3.20%

Develops and produces dental implants and prosthetics.
(Cost \$9,527,681)

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry (continued)

December 31, 2013

No. of Shares	Security	Fair Value	Percent of Net Assets
Common Stocks (continued)			
Medical Technology (continued)			
3,731	Spineart SA^{2,3} <i>Common Shares</i> Designs and markets an innovative full range of spine products, including fusion and motion preservation devices, focusing on easy to implant high-end products to simplify the surgical act. (Cost \$2,623,329)	\$ 1,999,600	0.42%
43,700	Tecan Group AG <i>Registered Shares</i> Manufactures and distributes laboratory automation components and systems. The products are mainly used by research and diagnostic laboratories. (Cost \$4,028,079)	5,183,955	1.10%
		23,021,526	4.88%
Personal & Household Goods 5.34%			
151,850	Compagnie Financiere Richemont SA¹ <i>Bearer Shares</i> Manufactures and retails luxury goods. Produces jewelry, watches, leather goods, writing instruments, and men's and women's wear. (Cost \$9,157,841)	15,161,950	3.21%
89,100	Swatch Group AG <i>Registered Shares</i> Manufactures finished watches, movements and components. Produces components necessary to its eighteen watch brand companies. Also operates retail boutiques. (Cost \$8,559,519)	10,058,627	2.13%
		25,220,577	5.34%
No. of Shares	Security	Fair Value	Percent of Net Assets
Pharmaceuticals 26.55%			
606,750	Novartis AG¹ <i>Registered Shares</i> One of the leading manufacturers of branded and generic pharmaceutical products. (Cost \$15,606,446)	\$ 48,575,476	10.29%
273,700	Roche Holding AG¹ <i>Non-voting equity securities</i> Develops and manufactures pharmaceutical and diagnostic products. Produces prescription drugs to treat cardiovascular, infectious, autoimmune, and for other areas including dermatology and oncology. (Cost \$30,915,768)	76,692,011	16.26%
		125,267,487	26.55%
	Total Common Stocks (Cost \$263,455,144)	451,885,669	95.76%
Preferred Stocks 1.28%			
Biotechnology 0.78%			

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8,400	Ixodes AG, Series B^{2,3,4} <i>Preferred Shares</i>	1,291,901	0.27%
	Develops and produces a topical product for the treatment of borreliosis infection and the prevention of lyme disease after a tick bite. (Cost \$2,252,142)		

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry (continued)

December 31, 2013

No. of Shares	Security	Fair Value	Percent of Net Assets
Preferred Stocks (continued)			
Biotechnology (continued)			
3,162	NovImmune SA, Series B^{2,3} <i>Preferred Shares</i> Discovers and develops therapeutic monoclonal antibodies (mAbs) to treat patients suffering from immune-related disorders. (Cost \$2,062,307)	\$ 2,410,565	0.51%
		3,702,466	0.78%
Industrial Goods & Services 0.20%			
442,617	SelfFrag AG, Class A^{2,3,4} <i>Preferred Shares</i> Designs, manufactures and sells industrial machines and processes using selective fragmentation technology. (Cost \$1,838,064)	935,650	0.20%
		935,650	0.20%
Medical Technology 0.30%			
83,611	EyeSense AG, Series C^{2,3,4} <i>Preferred Shares</i> A spin-out from Ciba Vision AG. Develops novel ophthalmic self-diagnostic systems for glucose monitoring of diabetes patients. (Cost \$3,007,048)	1,411,990	0.30%
		1,411,990	0.30%
	Total Preferred Stocks (Cost \$9,159,561)	6,050,106	1.28%
No. of Shares	Security	Fair Value	Percent of Net Assets
Private Equity Limited Partnerships 3.85%			
Biotechnology Venture 0.50%			
	Aravis Biotech II - Limited Partnership^{2,3,4} (Cost \$2,750,654)	\$ 3,084,787	0.65%
Industrial Buy-Out 2.95%			
	Zurmont Madison Private Equity, Limited Partnership^{2,3,4} (Cost \$13,357,849)	15,067,184	3.20%
	Total Private Equity Limited Partnerships (Cost \$16,108,503)	18,151,971	3.85%
	Total Investments* (Cost \$288,723,208)	476,087,746	100.89%
	Other Assets Less Other Liabilities, net	(4,199,310)	-0.89%
	Net Assets	\$ 471,888,436	100.00%



See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Schedule of Investments (continued)

December 31, 2013

¹ One of the ten largest portfolio holdings.² Non-income producing security.³ Illiquid. There is not a public market for these securities. Securities are priced at Fair Value in accordance with the Fund's valuation policy and procedures. Restricted Securities are not registered under the Securities Act of 1933, as amended. At the end of the period, the aggregate Fair Value of these securities amounted to \$29,266,457 or 6.20% of the Fund's net assets. Additional information on these securities is as follows:

Security	Acquisition Date		Acquisition Cost
Aravis Biotech II, LP	July 31, 2007	November 25, 2013	\$ 2,750,654
EyeSense AG Preferred Shares C	July 22, 2010	October 3, 2011	3,007,048
Ixodes AG Preferred Shares B	April 7, 2011	June 1, 2012	2,252,142
Kuros Biosurgery AG Common Shares	August 10, 2009	August 28, 2009	2,516,639
Novimmune SA Common Shares	October 7, 2009	December 11, 2009	1,551,109
Novimmune SA Preferred Shares B	October 7, 2009	December 11, 2009	2,062,307
Selfrag AG Class A	December 15, 2011	September 13, 2013	1,838,064
Spineart SA Common Shares	December 22, 2010		2,623,329
Zurmont Madison Private Equity, LP	September 13, 2007	July 8, 2013	13,357,849
			\$ 31,959,141

⁴ Affiliated Company. An affiliated company is a company in which the Fund has ownership of at least 5% of the company's outstanding voting securities. Details related to affiliated company holdings are as follows:

Name of Issuer	Value as of 12/31/12	Gross Additions	Gross Reductions	Income	Value as of 12/31/13
Aravis Biotech II, LP	\$ 2,001,689	\$ 368,693	\$ 37,909	\$	\$ 3,084,787
EyeSense AG Preferred Shares C	1,973,579				1,411,990
Ixodes AG Preferred Shares B	2,294,204				1,291,901
Selfrag AG Class A	1,062,871	259,189			935,650
Zurmont Madison Private Equity, LP	12,319,963	876,496			15,067,184

⁵ The Fund has a fundamental investment policy that prohibits it from investing 25% or more of its total assets in a particular industry. As of December 31, 2013, the Fund had more than 25% of its total assets invested in the pharmaceuticals industry as a result of the appreciation of the value of its existing investments. The Fund will not invest in any additional companies in the industry until such time that the percentage of the Fund's total assets invested in that industry is below 25%.

* Cost for Federal income tax purposes is \$287,488,688 and net unrealized appreciation (depreciation) consists of:

Gross Unrealized Appreciation	\$ 195,491,718
Gross Unrealized Depreciation	(6,892,659)
Net Unrealized Appreciation (Depreciation)	\$ 188,599,059

See Notes to Financial Statements.

 THE SWISS HELVETIA FUND, INC.

Schedule of Investments by Industry (concluded)

December 31, 2013

PORTFOLIO HOLDINGS**% of Net Assets as of 12/31/2013**

Common Stocks	
Pharmaceuticals	26.55%
Industrial Goods & Services	15.58%
Food & Beverages	15.14%
Biotechnology	12.54%
Banks	7.56%
Personal & Household Goods	5.34%
Medical Technology	4.88%
Insurance	3.18%
Chemicals	2.83%
Energy	1.32%
Construction & Materials	0.84%
Retailers	0.00%
Technology	0.00%
Preferred Stocks	
Biotechnology	0.78%
Medical Technology	0.30%
Industrial Goods & Services	0.20%
Private Equity Limited Partnerships	3.85%
Other Assets and Liabilities	-0.89%
	100.00%

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Statement of Assets and Liabilities

December 31, 2013

Assets:	
Unaffiliated investments, at value (cost \$265,517,451)	\$ 454,296,234
Affiliated investments, at value (cost \$23,205,757)	21,791,512
	<u>476,087,746</u>
Total investments, at value (cost \$288,723,208)	476,087,746
Cash	410,567
Foreign currency (cost \$26,504,283)*	27,134,763
Tax reclaims receivable	113,073
Prepaid expenses	25,209
	<u>503,771,358</u>
Total assets	503,771,358
Liabilities:	
Income distributions payable	1,007,486
Capital gains distributions payable	30,010,860
Advisory fees payable	294,025
Directors fees payable	163,316
Other fees payable	407,235
	<u>31,882,922</u>
Total liabilities	31,882,922
Net assets	<u>\$ 471,888,436</u>
Composition of Net Assets:	
Paid-in capital	277,843,472
Distributable earnings	
Accumulated net investment income	2,070,025
Accumulated net realized gain from investment and foreign currency transactions	3,982,775
Net unrealized appreciation on investments and foreign currency	187,992,164
	<u>194,044,964</u>
Total distributable earnings	194,044,964
Net assets	<u>\$ 471,888,436</u>
Net Asset Value Per Share:	
(\$471,888,436 / 30,529,868 shares outstanding, \$0.001 par value; 50 million shares authorized)	<u>\$ 15.46^(a)</u>

* Consists of 22,736,048 Swiss francs, 1,121,829 euros and 14,584 British pounds.

^(a) The net asset value for financial reporting purposes, \$15.46, differs from the net asset value reported on December 31, 2013, \$15.39, due to adjustments made in accordance with accounting principles generally accepted in the United States of America.

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Statement of Operations

For the Year Ended December 31, 2013

Investment Income:	
Dividends (less foreign tax withheld of \$1,106,205)	\$ 8,528,970
	<u>8,528,970</u>
Total income	8,528,970
Expenses:	
Investment advisory fees (Note 2)	3,461,057
Directors' fees and expenses	778,854
Professional fees	545,531
Administration fees	313,245
Custody fees	81,155
Printing and shareholder reports	128,914
Accounting fees	113,307
Transfer agency fees	25,213
Compliance services fees	102,758
Insurance fees	83,390
Miscellaneous expenses	306,098
	<u>5,939,522</u>
Total expenses	5,939,522
Net investment income	2,589,448
Realized and Unrealized Gain (Loss) on Investments and Foreign Currency:	
Net realized gain (loss) from:	
Investment transactions	34,673,977
Foreign currency transactions	(402,261)
Net change in unrealized appreciation/depreciation from:	
Investments	70,931,196
Foreign Currency	640,018
	<u>105,842,930</u>
Net Realized and Unrealized Gain on Investments and Foreign Currency	105,842,930
Net Increase in Net Assets from Operations	\$ 108,432,378

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Statements of Changes in Net Assets

	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012
Increase (Decrease) in Net Assets:		
Operations:		
Net investment income	\$ 2,589,448	\$ 4,974,162
Net realized gain (loss) from:		
Investment transactions	34,673,977	1,522,811
Foreign currency transactions	(402,261)	(358,095)
Net change in unrealized appreciation/depreciation from:		
Investments	70,931,196	41,863,570
Foreign currency translations	640,018	205,436
	<u>108,432,378</u>	<u>48,207,884</u>
Net increase (decrease) in net assets from operations	<u>108,432,378</u>	<u>48,207,884</u>
Distributions to Stockholders from:		
Net investment income and net realized gain from foreign currency transactions	(2,111,695)	(1,951,063)
Net realized capital gain	(31,145,742)	(185,815)
	<u>(33,257,437)</u>	<u>(2,136,878)</u>
Total distributions to stockholders	<u>(33,257,437)</u>	<u>(2,136,878)</u>
Capital Share Transactions:		
Value of shares issued in reinvestment of dividends and distributions		12,344,320
Value of shares repurchased through stock buyback	(5,566,067)	
	<u>(5,566,067)</u>	<u>12,344,320</u>
Total increase (decrease) from capital share transactions	<u>(5,566,067)</u>	<u>12,344,320</u>
Total increase (decrease) in net assets	69,608,874	58,415,326
Net Assets:		
Beginning of year	<u>402,279,562</u>	<u>343,864,236</u>
End of year (including accumulated net investment income of \$2,070,026 and \$1,994,533, respectively)	<u>\$ 471,888,436</u>	<u>\$ 402,279,562</u>

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Financial Highlights

	For the Years Ended December 31,				
	2013	2012	2011	2010	2009
Per Share Operating Performance:					
Net asset value at the beginning of the year	\$ 12.99	\$ 11.54	\$ 15.42	\$ 13.39	\$ 14.45
Income from Investment Operations:					
Net investment income ¹	0.08	0.16	0.17	0.09	0.06
Net realized and unrealized gain (loss) on investments ²	3.45	1.42	(2.04)	2.31	(0.53)
Total from investment activities	3.53	1.58	(1.87)	2.40	(0.47)
Gain from capital share repurchases	0.03		0.02	0.12	*
Gain from tender offer			0.02		
Capital change resulting from the issuance of fund shares		(0.06)	(0.07)		
Less Distributions:					
Dividends from net investment income and net realized gains from foreign currency transactions	(0.07)	(0.06)	(0.18)	(0.23)	(0.22)
Distributions from net realized capital gains	(1.02)	(0.01)	(1.80)	(0.26)	(0.37)
Total distributions	(1.09)	(0.07)	(1.98)	(0.49)	(0.59)
Net asset value at end of year	\$ 15.46 ³	\$ 12.99	\$ 11.54	\$ 15.42	\$ 13.39
Market value per share at the end of year	\$ 13.95	\$ 11.29	\$ 9.95	\$ 13.54	\$ 11.62
Total Investment Return⁴:					
Based on market value per share	33.10%	14.17%	(13.03)%	20.79%	(1.20)%
Based on net asset value per share	28.18% ³	13.26%	(11.43)%	19.38%	(2.07)%
Ratios to Average Net Assets:					
Net expenses	1.30%	1.44%	1.32%	1.34%	1.23%
Gross expenses	1.30%	1.44%	1.33% ⁵	1.38% ⁵	1.23%
Net investment income	0.57%	1.32%	1.19%	0.66%	0.47%
Supplemental Data:					
Net assets at end of year (000 \$)	\$ 471,888	\$ 402,280	\$ 343,864	\$ 467,309	\$ 433,926
Average net assets during the year (000 \$)	\$ 456,196	\$ 376,713	\$ 439,369	\$ 424,627	\$ 404,535
Stockholders of record ⁶	507	540	579	621	662
Portfolio turnover rate	45%	61%	55%	61%	123%

* Amount is less than \$0.01.

¹ Calculated using the average shares method.

² Includes net realized and unrealized currency gain and losses.

³ The net asset value for financial reporting purposes, \$15.46, differs from the net asset value reported on December 31, 2013, \$15.39, due to adjustments made in accordance with accounting principles generally accepted in the United States of America.

⁴ Total investment return based on market value differs from total investment return based on net assets value due to changes in relationship between Fund's market price and its net asset value (NAV) per share.

⁵ Reflects the expense ratio excluding any waivers and/or expense reimbursements.

⁶ Unaudited.

See Notes to Financial Statements.

THE SWISS HELVETIA FUND, INC.

Notes to Financial Statements

Note 1 Organization and Significant Accounting Policies

A. Organization

The Swiss Helvetia Fund, Inc. (the Fund) is registered under the Investment Company Act of 1940, as amended (the Act), as a non-diversified, closed-end management investment company. The Fund is organized as a corporation under the laws of the State of Delaware.

The investment objective of the Fund is to seek long-term growth of capital through investment in equity and equity-linked securities of Swiss companies. The Fund may also acquire and hold equity and equity-linked securities of non-Swiss companies in limited instances.

B. Securities Valuation

The Fund values its investments at fair value in accordance with accounting principles generally accepted in the United States (GAAP).

When valuing listed equity securities, the Fund uses the last sale price on the securities exchange or national securities market on which such securities primarily are traded (the Primary Market) prior to the calculation of the Fund's net asset value (NAV). When valuing equity securities that are not listed (except privately-held companies and private equity limited partnerships) or that are listed but have not traded on a day on which the Fund calculates its NAV, the Fund uses the mean between the bid and asked prices for that day. If there are no asked quotations for such a security, the value of such security will be the most recent bid quotation on the Primary Market on that day. On any day when a security's Primary Market is closed because of a local holiday or other scheduled closure, but the New York Stock Exchange is open, the Fund may use the prior day's closing prices to value such security regardless of the length of the scheduled closing.

When valuing fixed-income securities, the Fund uses the last bid price prior to the calculation of the Fund's NAV. If there is no current bid price for a fixed-income security, the value of such security will be the mean between the last quoted bid and asked prices on that day. Overnight and certain other short-term fixed-income securities with maturities of less than sixty days will be valued by the amortized cost method, unless it is determined that the amortized cost method would not represent the fair value of such security.

It is the responsibility of the Fund's Board of Directors (the Board) to establish procedures to provide for the valuation of the Fund's portfolio holdings. When valuing securities for which market quotations are not readily available, or for which the market quotations that are available are considered unreliable, the Fund determines a fair value in good faith in accordance with these procedures (a Fair Value). The Fund may use these procedures to establish the Fair Value of securities when, for example, a significant event occurs between the time the market closes and the time the Fund values its investments. After consideration of various factors, the Fund may value the securities at their last reported price or at some other value.

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Swiss exchange-listed options, including Eurex-listed options, are valued at their most recent sale price (latest bid for long options and the latest ask for short options) on the Primary Market, or if there are no such sales, at the average of the most recent bid and asked quotations on such Primary Market, or if such quotations are not available, at the last bid quotation (in the case of purchased options) or the last asked quotation (in the case of written options). If, however, there are no such quotations, such options will be valued using the implied volatilities observed for similar options or from aggregated data as an input to a model. Options traded in the over-the-counter market are valued at the price communicated by the counterparty to the option, which typically is the price at which the counterparty would close out the transaction. Option contracts that are neither exchange-listed nor traded in the over-the-counter market are valued using implied volatilities as input into widely accepted models (e.g., Black-Scholes). The implied volatilities are obtained through several means and are cross-checked. For valuations where divergent information is received, the Fund uses the most conservative volatility (the lowest volatility in the case of long positions and the highest volatility in the case of short positions).

 THE SWISS HELVETIA FUND, INC.

Notes to Financial Statements (continued)

The Fund is permitted to invest in investments that do not have readily available market quotations. For such investments, the Act requires the Board to determine their Fair Value. The aggregate value of these investments amounted to \$29,266,457, or 6.20% of the Fund's net assets at December 31, 2013, and are listed in Note 3 to the Schedule of Investments.

Various inputs are used to determine the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 unadjusted quoted prices in active markets for identical assets and liabilities

Level 2 other significant observable inputs (including quoted prices of similar securities, 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 inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the Fund's investments categorized in the fair value hierarchy as of December 31, 2013:

	Level 1 Quoted Prices	Level 2 Other Significant Observable Inputs	Level 3 Significant Unobservable Inputs	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Investments in Securities				
Common Stock*	\$ 446,821,289	\$	\$ 5,064,380	\$ 451,885,669
Preferred Stock*			6,050,106	6,050,106
Private Equity Limited Partnerships			18,151,971	18,151,971
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Investments in Securities	\$ 446,821,289	\$	\$ 29,266,457	\$ 476,087,746