

FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Form N-Q
May 27, 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 811-21905

First Trust/Aberdeen Emerging Opportunity Fund

(Exact name of registrant as specified in charter)

120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Address of principal executive offices) (Zip code)

W. Scott Jardine, Esq.
First Trust Portfolios L.P.
120 East Liberty Drive, Suite 400
Wheaton, IL 60187

(Name and address of agent for service)

Registrant's telephone number, including area code: (630) 765-8000

Date of fiscal year end: December 31

Date of reporting period: March 31, 2011

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (ss.ss. 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q 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 the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. ss. 3507.

ITEM 1. SCHEDULE OF INVESTMENTS.

The Schedule(s) of Investments is attached herewith.

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
 Portfolio of Investments (a) (b)
 March 31, 2011 (Unaudited)

| SHARES | DESCRIPTION | VALUE |
|-----------------------|--|--------------|
| ----- | | |
| COMMON STOCKS - 45.7% | | |
| BRAZIL - 8.6% | | |
| 94,924 | Banco Bradesco S.A., ADR | \$ 1,969,673 |
| 28,000 | Lojas Renner S.A. | 911,353 |
| 33,000 | Multiplan Empreendimentos Imobiliarios S.A. | 674,088 |
| 58,000 | Petroleo Brasileiro S.A., ADR | 2,061,320 |
| 96,500 | Souza Cruz S.A. | 1,004,808 |
| 84,000 | Ultrapar Participacoes S.A., Preference Shares . | 1,391,725 |
| 78,100 | Vale S.A., Preference Shares, ADR | 2,305,512 |
| | | ----- |
| | | 10,318,479 |
| | | ----- |
| CHILE - 0.8% | | |
| 11,600 | Banco Santander Chile S.A., ADR | 1,006,300 |
| | | ----- |
| CHINA - 5.1% | | |
| 185,000 | China Mobile Ltd. | 1,704,082 |
| 200,000 | Hang Lung Group Ltd. | 1,238,023 |
| 920,000 | PetroChina Co., Ltd., H Shares | 1,393,271 |
| 640,000 | Swire Pacific Ltd., B Shares | 1,764,858 |
| | | ----- |
| | | 6,100,234 |
| | | ----- |
| HONG KONG - 0.6% | | |
| 229,600 | Aia Group Ltd. | 706,936 |
| | | ----- |
| HUNGARY - 1.0% | | |
| 5,500 | Richter Gedeon Nyrt | 1,143,315 |
| | | ----- |
| INDIA - 4.7% | | |
| 32,000 | Bharti Airtel Ltd. | 256,459 |
| 20,000 | GlaxoSmithKline Pharmaceuticals Ltd. | 925,194 |
| 13,000 | Grasim Industries Ltd. | 716,217 |
| 29,000 | Hero Honda Motors Ltd. | 1,033,615 |
| 59,000 | Hindustan Unilever Ltd. | 379,839 |
| 57,500 | Housing Development Finance Corp., Ltd. | 904,115 |
| 20,000 | ICICI Bank Ltd. | 500,594 |
| 10,000 | Infosys Technologies Ltd. | 726,830 |
| 7,428 | UltraTech Cement Ltd. | 188,469 |
| | | ----- |
| | | 5,631,332 |
| | | ----- |
| INDONESIA - 1.3% | | |
| 230,000 | PT Astra International Tbk | 1,505,599 |
| | | ----- |

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| | | |
|-----------|--|-----------|
| | ITALY - 1.0% | |
| 23,600 | Tenaris S.A., ADR | 1,167,256 |
| | | ----- |
| | KAZAKHSTAN - 0.0% | |
| 1,219,876 | BTA Bank JSC (c)..... | 50,268 |
| | | ----- |
| | MALAYSIA - 1.8% | |
| 70,300 | British American Tobacco Malaysia Berhad | 1,115,516 |
| 249,000 | Public Bank Berhad | 1,080,267 |
| | | ----- |
| | | 2,195,783 |
| | | ----- |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Portfolio of Investments (a) (b) - (Continued)
March 31, 2011 (Unaudited)

| SHARES | DESCRIPTION | VALUE |
|-----------------------------|--|--------------|
| ----- | ----- | ----- |
| COMMON STOCKS - (CONTINUED) | | |
| | MEXICO - 3.6% | |
| 27,900 | Fomento Economico Mexicano, S.A.B. de C.V., ADR | \$ 1,637,730 |
| 40,000 | Grupo Aeroportuario del Centro Norte, S.A.B. de C.V., ADR | 602,400 |
| 316,000 | Grupo Financiero Banorte, S.A.B. de C.V., O Shares | 1,487,753 |
| 92,000 | Kimberly-Clark de Mexico, S.A.B. de C.V., A Shares | 572,290 |
| | | ----- |
| | | 4,300,173 |
| | | ----- |
| | PHILIPPINES - 1.3% | |
| 1,188,602 | Bank of the Philippine Islands | 1,567,914 |
| | | ----- |
| | POLAND - 0.8% | |
| 16,000 | Bank Pekao S.A. | 959,008 |
| | | ----- |
| | RUSSIA - 1.4% | |
| 23,500 | LUKOIL, ADR | 1,677,665 |
| | | ----- |
| | SOUTH AFRICA - 2.6% | |
| 89,000 | Massmart Holdings Ltd. | 1,844,727 |
| 119,729 | Truworths International Ltd. | 1,247,730 |
| | | ----- |

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| | | |
|---------|--|------------|
| | | 3,092,457 |
| | | ----- |
| | SOUTH KOREA - 2.8% | |
| 27,008 | BS Financial Group, Inc. (c)..... | 391,474 |
| 4,600 | Samsung Electronics Co., Ltd., Preference Shares | 2,620,903 |
| 1,700 | Shinsegae Co., Ltd. | 404,485 |
| | | ----- |
| | | 3,416,862 |
| | | ----- |
| | TAIWAN - 2.4% | |
| 569,450 | Taiwan Mobile Co., Ltd. | 1,340,042 |
| 643,953 | Taiwan Semiconductor Manufacturing Co., Ltd. ... | 1,546,021 |
| | | ----- |
| | | 2,886,063 |
| | | ----- |
| | THAILAND - 2.8% | |
| 250,000 | PTT Exploration and Production Public Co., Ltd. | 1,487,849 |
| 107,000 | Siam Cement Public (The) Co., Ltd. | 1,340,817 |
| 160,600 | Siam Commercial Bank PCL | 562,857 |
| | | ----- |
| | | 3,391,523 |
| | | ----- |
| | TURKEY - 2.0% | |
| 73,635 | Akbank TAS | 357,670 |
| 253,000 | Aksigorta AS | 319,517 |
| 27,220 | Bim Birlesik Magazalar AS | 916,706 |
| 181,150 | Haci Omer Sabanci Holding AS | 842,366 |
| | | ----- |
| | | 2,436,259 |
| | | ----- |
| | UNITED KINGDOM - 1.1% | |
| 51,408 | Standard Chartered PLC | 1,333,527 |
| | | ----- |
| | TOTAL COMMON STOCKS | 54,886,953 |
| | (Cost \$34,571,097) | ----- |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
 Portfolio of Investments (a) (b) - (Continued)
 March 31, 2011 (Unaudited)

| PRINCIPAL VALUE (LOCAL CURRENCY) | DESCRIPTION | STATED COUPON | STATED MATURITY | VALUE (US DOLLARS) |
|---|-------------|------------------|--------------------|-----------------------|
| ----- | ----- | ----- | ----- | ----- |

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FOREIGN SOVEREIGN BONDS AND NOTES - 37.3%

| | | | | |
|---------------------------|--|--------|----------|--------------|
| ARGENTINA - 2.1% | | | | |
| 2,606,524 | Republic of Argentina (ARS) (d) | 5.16% | 02/04/18 | \$ 1,352,208 |
| 1,250,000 | Republic of Argentina (USD) | 7.00% | 04/17/17 | 1,124,158 |
| | | | | ----- |
| | | | | 2,476,366 |
| | | | | ----- |
| BELARUS - 0.3% | | | | |
| 130,000 | Republic of Belarus (USD) | 8.75% | 08/03/15 | 116,188 |
| 230,000 | Republic of Belarus (USD) | 8.95% | 01/26/18 | 201,100 |
| | | | | ----- |
| | | | | 317,288 |
| | | | | ----- |
| BRAZIL - 4.3% | | | | |
| 730,000 | Brazil Notas do Tesouro Nacional Series F (BRL) | 10.00% | 01/01/13 | 428,857 |
| 4,070,000 | Brazil Notas do Tesouro Nacional Series F (BRL) | 10.00% | 01/01/17 | 2,211,624 |
| 4,910,000 | Brazil Notas do Tesouro Nacional Series F (BRL) | 10.00% | 01/01/21 | 2,551,284 |
| | | | | ----- |
| | | | | 5,191,765 |
| | | | | ----- |
| DOMINICAN REPUBLIC - 0.5% | | | | |
| 528,000 | Dominican Republic (USD) | 8.63% | 04/20/27 | 558,360 |
| | | | | ----- |
| EL SALVADOR - 1.0% | | | | |
| 740,000 | Republic of El Salvador (USD) | 7.65% | 06/15/35 | 741,110 |
| 520,000 | Republic of El Salvador (USD) | 7.63% | 02/01/41 | 513,500 |
| | | | | ----- |
| | | | | 1,254,610 |
| | | | | ----- |
| HUNGARY - 3.4% | | | | |
| 227,370,000 | Hungary Government Bond (HUF) | 6.00% | 10/24/12 | 1,209,084 |
| 87,000,000 | Hungary Government Bond (HUF) | 5.50% | 02/12/16 | 439,123 |
| 332,000,000 | Hungary Government Bond (HUF) | 6.50% | 06/24/19 | 1,702,722 |
| 700,000 | Republic of Hungary (USD) | 7.63% | 03/29/41 | 704,200 |
| | | | | ----- |
| | | | | 4,055,129 |
| | | | | ----- |
| INDONESIA - 3.3% | | | | |
| 11,230,000,000 | Indonesian Government Bond (IDR) | 10.75% | 05/15/16 | 1,456,449 |
| 9,600,000,000 | Indonesian Government Bond (IDR) | 10.00% | 07/15/17 | 1,222,753 |
| 9,500,000,000 | Indonesian Government Bond (IDR) | 10.50% | 08/15/30 | 1,209,938 |
| 900,000,000 | Indonesian Government Bond (IDR) | 9.50% | 07/15/31 | 105,080 |
| | | | | ----- |
| | | | | 3,994,220 |
| | | | | ----- |
| IVORY COAST - 1.2% | | | | |
| 2,980,000 | Ivory Coast Government Bond (USD) | 2.50% | 12/31/32 | 1,408,050 |
| | | | | ----- |
| LITHUANIA - 1.2% | | | | |

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| | | | | |
|-----------|-----------------------------|-------|----------|-----------|
| 1,140,000 | Republic of Lithuania (USD) | 7.38% | 02/11/20 | 1,275,375 |
| 180,000 | Republic of Lithuania (USD) | 6.13% | 03/09/21 | 184,041 |
| | | | | ----- |
| | | | | 1,459,416 |
| | | | | ----- |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
 Portfolio of Investments (a) (b) - (Continued)
 March 31, 2011 (Unaudited)

| PRINCIPAL VALUE (LOCAL CURRENCY) | DESCRIPTION | STATED COUPON | STATED MATURITY | VALUE (US DOLLARS) |
|---|---|------------------|--------------------|-----------------------|
| ----- | ----- | ----- | ----- | ----- |
| FOREIGN SOVEREIGN BONDS AND NOTES - (CONTINUED) | | | | |
| | MALAYSIA - 1.1% | | | |
| 2,500,000 | Malaysia Government Bond (MYR) | 3.21% | 05/31/13 | \$ 825,411 |
| 1,700,000 | Malaysia Government Bond (MYR) | 4.01% | 09/15/17 | 567,427 |
| | | | | ----- |
| | | | | 1,392,838 |
| | | | | ----- |
| | MEXICO - 4.0% | | | |
| 36,850,000 | Mexican Bonos Desarr Fixed Rate Bond (MXN) | 8.00% | 06/11/20 | 3,215,501 |
| 5,200,000 | Mexican Bonos Desarr Fixed Rate Bond (MXN) | 8.00% | 12/07/23 | 444,654 |
| 12,800,000 | Mexican Bonos Desarr Fixed Rate Bond (MXN) | 7.50% | 06/03/27 | 1,017,268 |
| 1,840,000 | Mexican Bonos Desarr Fixed Rate Bond (MXN) | 10.00% | 11/20/36 | 179,461 |
| | | | | ----- |
| | | | | 4,856,884 |
| | | | | ----- |
| | PAKISTAN - 0.1% | | | |
| 100,000 | Islamic Republic of Pakistan (USD) | 6.88% | 06/01/17 | 82,250 |
| | | | | ----- |
| | POLAND - 1.3% | | | |
| 2,600,000 | Poland Government Bond (PLN) | 5.50% | 10/25/19 | 875,729 |
| 2,140,000 | Poland Government Bond (PLN) | 5.75% | 09/23/22 | 716,246 |
| | | | | ----- |
| | | | | 1,591,975 |
| | | | | ----- |
| | QATAR - 0.4% | | | |
| 450,000 | State of Qatar (USD) | 5.25% | 01/20/20 | 469,350 |
| | | | | ----- |

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| | | | | | |
|------------|--|--------|----------|-----------|--|
| | SOUTH AFRICA - 6.5% | | | | |
| 520,000 | Eskom Holdings Ltd. (USD) | 5.75% | 01/26/21 | 529,100 | |
| 34,900,000 | Republic of South Africa (ZAR) | 8.25% | 09/15/17 | 5,117,856 | |
| 12,870,000 | Republic of South Africa (ZAR) | 10.50% | 12/21/26 | 2,144,049 | |
| | | | | ----- | |
| | | | | 7,791,005 | |
| | | | | ----- | |
| | TURKEY - 3.1% | | | | |
| 80,000 | Republic of Turkey (USD) | 7.25% | 03/05/38 | 88,700 | |
| 360,000 | Republic of Turkey (USD) | 6.75% | 05/30/40 | 375,300 | |
| 4,700,000 | Turkey Government Bond (TRY) | 16.00% | 03/07/12 | 3,235,711 | |
| | | | | ----- | |
| | | | | 3,699,711 | |
| | | | | ----- | |
| | UKRAINE - 0.1% | | | | |
| 80,000 | Ukraine Government Bond (USD) | 6.58% | 11/21/16 | 81,520 | |
| | | | | ----- | |
| | URUGUAY - 1.0% | | | | |
| 14,600,000 | Republic Orient Uruguay, Inflation Adjusted Bond (UYU) (e)..... | 5.00% | 09/14/18 | 1,250,672 | |
| | | | | ----- | |
| | VENEZUELA - 2.4% | | | | |
| 900,000 | Republic of Venezuela (USD) | 8.50% | 10/08/14 | 825,300 | |
| 2,150,000 | Republic of Venezuela (USD) | 5.75% | 02/26/16 | 1,601,750 | |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Portfolio of Investments (a) (b) - (Continued)
March 31, 2011 (Unaudited)

| PRINCIPAL VALUE (LOCAL CURRENCY) | DESCRIPTION | STATED COUPON | STATED MATURITY | VALUE (US DOLLARS) |
|---|---|------------------|--------------------|-----------------------|
| ----- | ----- | ----- | ----- | ----- |
| FOREIGN SOVEREIGN BONDS AND NOTES - (CONTINUED) | | | | |
| | VENEZUELA - (CONTINUED) | | | |
| 600,000 | Republic of Venezuela (USD) | 7.75% | 10/13/19 | \$ 414,900 |
| | | | | ----- |
| | | | | 2,841,950 |
| | | | | ----- |
| | TOTAL FOREIGN SOVEREIGN BONDS AND NOTES.. | | | 44,773,359 |
| | (Cost \$42,628,733) | | | ----- |

FOREIGN CORPORATE BONDS AND NOTES (F) - 20.1%

BRAZIL - 2.0%

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| | | | | |
|-----------|---|--------|----------|-----------|
| 550,000 | Gerdau Trade, Inc. (USD) | 5.75% | 01/30/21 | 559,625 |
| 350,000 | Odebrecht Finance Ltd. (USD) | 7.50% | 09/14/15 | 356,125 |
| 100,000 | Petrobras International Finance Co. (USD) | 5.38% | 01/27/21 | 100,285 |
| 630,000 | Rearden G Holdings Eins GmbH (USD) | 7.88% | 03/30/20 | 685,503 |
| 600,000 | Virgolino de Oliveira Finance Ltd. (USD) | 10.50% | 01/28/18 | 628,500 |
| | (Cost \$42,628,733) | | | ----- |
| | | | | 2,330,038 |
| | (Cost \$42,628,733) | | | ----- |
| | CHINA - 2.5% | | | |
| 550,000 | China Forestry Holdings Ltd. (USD) | 7.75% | 11/17/15 | 376,750 |
| 750,000 | China Overseas Finance Cayman II Ltd. (USD) | 5.50% | 11/10/20 | 731,185 |
| 1,400,000 | Sinochem Overseas Capital Co. Ltd. (USD) | 4.50% | 11/12/20 | 1,336,252 |
| 200,000 | West China Cement Ltd. (USD) | 7.50% | 01/25/16 | 203,240 |
| 300,000 | Yanlord Land Group Ltd. (USD) | 10.63% | 03/29/18 | 301,500 |
| | (Cost \$42,628,733) | | | ----- |
| | | | | 2,948,927 |
| | (Cost \$42,628,733) | | | ----- |
| | COLOMBIA - 0.6% | | | |
| 600,000 | TGI International Ltd. (USD) | 9.50% | 10/03/17 | 675,000 |
| | (Cost \$42,628,733) | | | ----- |
| | DOMINICAN REPUBLIC - 0.7% | | | |
| 350,000 | AES Andres Dominicana/Itabo Dominicana (USD) | 9.50% | 11/12/20 | 374,500 |
| 505,000 | Cerveceria Nacional Dominicana (USD) (d) | 16.00% | 03/27/12 | 472,175 |
| | (Cost \$42,628,733) | | | ----- |
| | | | | 846,675 |
| | (Cost \$42,628,733) | | | ----- |
| | EL SALVADOR - 0.6% | | | |
| 650,000 | Telemovil Finance Co. Ltd. (USD) | 8.00% | 10/01/17 | 677,625 |
| | (Cost \$42,628,733) | | | ----- |
| | HONG KONG - 0.7% | | | |
| 620,000 | CFG Investment S.A.C. (USD) | 9.25% | 12/19/13 | 650,380 |
| 200,000 | Texhong Textile Group Ltd. (USD) | 7.63% | 01/19/16 | 203,020 |
| | (Cost \$42,628,733) | | | ----- |
| | | | | 853,400 |
| | (Cost \$42,628,733) | | | ----- |
| | INDONESIA - 1.8% | | | |
| 250,000 | Indosat Palapa Co. B.V. (USD) | 7.38% | 07/29/20 | 275,950 |
| 810,000 | Majapahit Holding B.V. (USD) | 7.75% | 10/17/16 | 913,754 |
| 150,000 | PT Adaro Indonesia (USD) | 7.63% | 10/22/19 | 166,500 |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Portfolio of Investments (a) (b) - (Continued)
March 31, 2011 (Unaudited)

PRINCIPAL

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| VALUE (LOCAL CURRENCY) | DESCRIPTION | STATED COUPON | STATED MATURITY | VALUE (US DOLLARS) |
|---|---|------------------|--------------------|-----------------------|
| FOREIGN CORPORATE BONDS AND NOTES (F) - (CONTINUED) | | | | |
| INDONESIA - (CONTINUED) | | | | |
| 650,000 | Star Energy Geothermal (Wayang Windu) Ltd. (USD) | 11.50% | 02/12/15 | \$ 747,500 |
| | (Cost \$42,628,733) | | | ----- |
| | (Cost \$42,628,733) | | | 2,103,704 |
| | | | | ----- |
| KAZAKHSTAN - 1.8% | | | | |
| 504,153 | BTA Bank JSC (USD) (g) | 10.75% | 07/01/18 | 537,553 |
| 1,541,530 | BTA Bank JSC (USD) (d) (h) | 0.00% | 07/01/20 | 133,583 |
| 114,233 | BTA Bank JSC (USD) | 7.20% | 07/01/25 | 77,964 |
| 200,000 | Development Bank of Kazakhstan (USD) | 5.50% | 12/20/15 | 209,000 |
| 350,000 | Halyk Savings Bank of Kazakhstan (USD)... | 7.25% | 01/28/21 | 355,250 |
| 200,000 | Kazakhstan Temir Zholy (USD) | 6.38% | 10/06/20 | 209,480 |
| 650,000 | Kazmunaygas National Co. (USD) | 6.38% | 04/09/21 | 672,750 |
| | (Cost \$42,628,733) | | | ----- |
| | (Cost \$42,628,733) | | | 2,195,580 |
| | | | | ----- |
| MEXICO - 1.9% | | | | |
| 450,000 | Axtel S.A.B. de C.V. (USD) | 9.00% | 09/22/19 | 434,250 |
| 525,000 | Corp. Geo S.A. de C.V. (USD) | 8.88% | 09/25/14 | 584,062 |
| 320,000 | Corp. Geo S.A. de C.V. (USD) | 9.25% | 06/30/20 | 357,600 |
| 150,000 | Corporativo Javer S.A. de C.V. (USD) | 13.00% | 08/04/14 | 181,500 |
| 660,000 | Desarrolladora Homex S.A. (USD) | 9.50% | 12/11/19 | 742,500 |
| | (Cost \$42,628,733) | | | ----- |
| | (Cost \$42,628,733) | | | 2,299,912 |
| | | | | ----- |
| PERU - 0.5% | | | | |
| 650,000 | Banco de Credito del Peru (USD) | 4.75% | 03/16/16 | 645,515 |
| | (Cost \$42,628,733) | | | ----- |
| PHILIPPINES - 0.2% | | | | |
| 250,000 | Alliance Global Group, Inc. (USD) | 6.50% | 08/18/17 | 248,614 |
| | (Cost \$42,628,733) | | | ----- |
| QATAR - 1.1% | | | | |
| 1,350,000 | Qatari Diar Finance Qsc (USD) | 5.00% | 07/21/20 | 1,337,267 |
| | (Cost \$42,628,733) | | | ----- |
| RUSSIA - 1.7% | | | | |
| 450,000 | Alfa Bank (USD) | 7.88% | 09/25/17 | 478,125 |
| 500,000 | Novatek Finance Ltd. (USD) | 6.60% | 02/03/21 | 525,675 |
| 200,000 | Russian Railways (USD) | 5.74% | 04/03/17 | 209,190 |
| 550,000 | Severstal Steel Capital (USD) | 6.70% | 10/25/17 | 562,375 |
| 200,000 | Vimpelcom Ltd. (USD) | 6.49% | 02/02/16 | 207,500 |
| | (Cost \$42,628,733) | | | ----- |
| | (Cost \$42,628,733) | | | 1,982,865 |
| | | | | ----- |
| TURKEY - 1.0% | | | | |
| 700,000 | Akbank T.A.S. (USD) | 6.50% | 03/09/18 | 713,685 |
| 500,000 | Yasar Holdings (USD) | 9.63% | 10/07/15 | 528,125 |
| | (Cost \$42,628,733) | | | ----- |

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| | | | | |
|---------|-----------------------------------|-------|----------|-----------|
| | | | | 1,241,810 |
| | (Cost \$42,628,733) | | | ----- |
| 740,000 | UKRAINE - 0.6% | | | |
| | EX-IM Bank of Ukraine (USD) | 7.65% | 09/07/11 | 751,055 |
| | (Cost \$42,628,733) | | | ----- |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Portfolio of Investments (a) (b) - (Continued)
March 31, 2011 (Unaudited)

| PRINCIPAL VALUE (LOCAL CURRENCY) | DESCRIPTION | STATED COUPON | STATED MATURITY | VALUE (US DOLLARS) |
|---|---|------------------|--------------------|-----------------------|
| ----- | ----- | ----- | ----- | ----- |
| FOREIGN CORPORATE BONDS AND NOTES (F) - (CONTINUED) | | | | |
| 750,000 | UNITED ARAB EMIRATES - 0.6% | | | |
| | Dubai Electricity & Water Authority (USD) | 7.38% | 10/21/20 | \$ 728,722 |
| | (Cost \$42,628,733) | | | ----- |
| 3,100,000 | VENEZUELA - 1.8% | | | |
| | Petroleos de Venezuela S.A. (USD) | 8.50% | 11/02/17 | 2,207,200 |
| | (Cost \$42,628,733) | | | ----- |
| | TOTAL FOREIGN CORPORATE BONDS AND NOTES | | | 24,073,909 |
| | (Cost \$42,628,733) | | | ----- |
| | (Cost \$23,661,528) | | | |
| | TOTAL INVESTMENTS - 103.1% | | | 123,734,221 |
| | (Cost \$100,861,358) (i) | | | |
| | OUTSTANDING LOAN - (4.8%) | | | (5,800,000) |
| | NET OTHER ASSETS AND LIABILITIES - 1.7% | | | 2,111,260 |
| | (Cost \$42,628,733) | | | ----- |
| | NET ASSETS - 100.0% | | | \$ 120,045,481 |
| | | | | ===== |

-
- (a) All percentages shown in the Portfolio of Investments are based on net assets.
 - (b) All of these securities are available to serve as collateral for the outstanding loan.
 - (c) Non-income producing security.
 - (d) Variable rate security. The interest rate shown reflects the rate in effect at March 31, 2011.
 - (e) Security whose principal value is adjusted in accordance with changes to the country's Consumer Price Index. Interest is calculated on the basis of the current adjusted principal value.

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- (f) Portfolio securities are included in a country based upon their underlying credit exposure as determined by Aberdeen Asset Management Inc., the Fund's investment sub-advisor.
- (g) Security is a "step-up" bond where the coupon increases or steps up at a predetermined date. The interest rate shown reflects the rate in effect at March 31, 2011.
- (h) Recovery units issued under BTA Bank's restructuring plan. Recovery payments are dependent on future performance.
- (i) Aggregate cost for financial reporting purposes, which approximates the aggregate cost for federincome tax purposes. As of March 31, 2011, the aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost was \$24,424,957 and the aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value was \$1,552,094.

ADR American Depositary Receipt

Currency Abbreviations

| | | | |
|-----|----------------------|-----|--------------------|
| ARS | Argentine Peso | UYU | Uruguayan Peso |
| BRL | Brazilian Real | ZAR | South African Rand |
| HUF | Hungarian Forint | | |
| IDR | Indonesian Rupiah | | |
| MXN | Mexican Peso | | |
| MYR | Malaysian Ringgit | | |
| PLN | Polish Zloty | | |
| TRY | Turkish Lira | | |
| USD | United States Dollar | | |

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
 Portfolio of Investments (a) (b) - (Continued)
 March 31, 2011 (Unaudited)

VALUATION INPUTS

A summary of the inputs used to value the Fund's investments as of March 31, 2011 is as follows (see Note A - Portfolio Valuation in the Notes to Quarterly Portfolio of Investments):

ASSETS TABLE

| | TOTAL VALUE AT 3/31/2011 | LEVEL 1 QUOTED PRICES | LEVEL 2 SIGNIFICANT OBSERVABLE INPUTS | LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS |
|---|--------------------------------|-----------------------------|--|--|
| Common Stocks*..... | \$ 54,886,953 | \$ 54,886,953 | \$ -- | \$ -- |
| Foreign Sovereign Bonds and Notes*..... | 44,773,359 | -- | 44,773,359 | -- |
| Foreign Corporate Bonds and Notes*..... | 24,073,909 | -- | 24,073,909 | -- |

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| | | | |
|---|----------------|---------------|---------------|
| Total Investments..... | 123,734,221 | 54,886,953 | 68,847,268 |
| Forward Foreign Currency Contracts**..... | 18,303 | -- | 18,303 |
| | ----- | ----- | ----- |
| Total..... | \$ 123,752,524 | \$ 54,886,953 | \$ 68,865,571 |
| | ===== | ===== | ===== |

LIABILITIES TABLE

| | TOTAL VALUE AT 3/31/2011 | LEVEL 1 QUOTED PRICES | LEVEL 2 SIGNIFICANT OBSERVABLE INPUTS | LEVEL 3 SIGNIFICANT UNOBSERVABLE INPUTS |
|---|--------------------------------|-----------------------------|--|--|
| | ----- | ----- | ----- | ----- |
| Forward Foreign Currency Contracts**..... | \$ (196,434) | \$ -- | \$ (196,434) | \$ -- |
| | ===== | ===== | ===== | ===== |

* See the Portfolio of Investments for country breakout.

** See the Schedule of Forward Foreign Currency Contracts for contract and currency detail.

See Notes to Quarterly Portfolio of Investments

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
Portfolio of Investments (a) (b) - (Continued)
March 31, 2011 (Unaudited)

| Industry Classification | % of Total Investments |
|--|---------------------------|
| ----- | ----- |
| Government Bonds and Notes | 36.2% |
| Commercial Banks | 10.5 |
| Oil, Gas & Consumable Fuels | 9.4 |
| Real Estate Management & Development | 4.9 |
| Semiconductors & Semiconductor Equipment | 3.4 |
| Wireless Telecommunication Services | 2.8 |
| Metals & Mining | 2.8 |
| Food & Staples Retailing | 2.6 |
| Diversified Financial Services | 2.3 |
| Electric Utilities | 2.2 |
| Construction Materials | 2.1 |
| Automobiles | 2.1 |
| Tobacco | 1.7 |
| Beverages | 1.7 |
| Pharmaceuticals | 1.7 |
| Household Durables | 1.4 |
| Diversified Telecommunication Services | 1.1 |
| Diversified Operations | 1.1 |
| Food Products | 1.0 |

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| | |
|----------------------------------|--------|
| Transportation Infrastructure | 1.0 |
| Specialty Retail | 1.0 |
| Energy Equipment & Services | 0.9 |
| Insurance | 0.8 |
| Household Products | 0.8 |
| Multiline Retail | 0.7 |
| Thrifts & Mortgage Finance | 0.7 |
| Import/Export Bank | 0.6 |
| IT Services | 0.6 |
| Chemicals | 0.6 |
| Road & Rail | 0.3 |
| Paper & Forest Products | 0.3 |
| Construction & Engineering | 0.3 |
| Special Purpose Banks | 0.2 |
| Textiles, Apparel & Luxury Goods | 0.2 |
| ----- | |
| Total | 100.0% |
| ===== | |

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FORWARD FOREIGN CURRENCY CONTRACTS

| SETTLEMENT DATE | COUNTERPARTY | AMOUNT PURCHASED (a) | AMOUNT SOLD (a) | PURCHASE VALUE AS OF MARCH 31, 2011 | SALE VALUE AS OF MARCH 31, 2011 |
|-----------------|--------------|----------------------|-------------------|-------------------------------------|---------------------------------|
| 04/21/11 | CIT | PLN 2,470,000 | USD 849,966 | \$ 868,269 | \$ 849,966 |
| 06/03/11 | JPM | USD 2,259,947 | BRL 3,834,000 | 2,259,947 | 2,315,800 |
| 04/21/11 | CIT | USD 70,225 | HUF 14,420,000 | 70,225 | 76,650 |
| 06/03/11 | JPM | USD 748,070 | IDR 6,734,876,000 | 748,070 | 764,890 |
| 04/21/11 | CIT | USD 1,502,829 | PLN 4,383,000 | 1,502,829 | 1,540,730 |
| 04/21/11 | CIT | USD 2,086,416 | ZAR 14,578,000 | 2,086,416 | 2,148,490 |
| 04/21/11 | JPM | USD 338,757 | ZAR 2,409,000 | 338,757 | 356,090 |

Net Unrealized Appreciation (Depreciation).....

(a) Please see page 7 for currency descriptions.

Counterparty Abbreviations:

CIT Citibank, NA
JPM JPMorgan Chase

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FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
MARCH 31, 2011 (UNAUDITED)

A. PORTFOLIO VALUATION:

The net asset value ("NAV") of the Common Shares of First Trust/Aberdeen Emerging Opportunity Fund (the "Fund") is determined daily as of the close of regular trading on the New York Stock Exchange ("NYSE"), normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. If the NYSE closes early on a valuation day, the NAV is determined as of that time. Domestic debt securities and foreign securities are priced using data reflecting the earlier closing of the principal markets for those securities. The NAV per Common Share is calculated by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses, dividends declared but unpaid and any borrowings of the Fund), by the total number of Common Shares outstanding.

The Fund's investments are valued daily in accordance with valuation procedures adopted by the Fund's Board of Trustees and in accordance with provisions of the Investment Company Act of 1940, as amended (the "1940 Act"). All securities of the Fund initially expressed in foreign currencies will be converted to U.S. dollars using exchange rates in effect at the time of valuation. The Fund's securities will be valued as follows:

Bond, notes and other debt securities are valued on the basis of valuations provided by dealers who make markets in such securities or by an independent pricing service approved by the Fund's Board of Trustees, which may use the following valuation inputs when available:

- 1) benchmark yields;
- 2) reported trades;
- 3) broker/dealer quotes;
- 4) issuer spreads;
- 5) benchmark securities;
- 6) bids and offers; and
- 7) reference data including market research publications.

Common stocks, and other securities listed on any national or foreign exchange (excluding the NASDAQ National Market ("NASDAQ") and the London Stock Exchange Alternative Investment Market ("AIM")) are valued at the last sale price on the exchange on which they are principally traded. If there are no transactions on the valuation day, the securities are valued at the mean between the most recent bid and asked prices.

Securities listed on the NASDAQ or the AIM are valued at the official closing price. If there is no official closing price on the valuation day, the securities are valued at the mean between the most recent bid and asked prices.

Securities traded in the over-the-counter market are valued at their closing bid prices.

Currency linked notes, credit linked notes, interest rate swaps and credit default swaps, if any, are valued using a pricing service or, if the

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pricing service does not provide a value, by quotes provided by the selling dealer or financial institution.

Forward foreign currency contracts are valued at the current day's interpolated foreign exchange rate, as calculated using the current day's spot rate, and the thirty, sixty, ninety and one-hundred eighty day forward rates provided by an independent pricing service.

Debt securities having a remaining maturity of sixty days or less when purchased or valued at cost adjusted for amortization of premiums and accretion of discounts.

In the event that market quotations are not readily available, the pricing service does not provide a valuation for a particular asset, or the valuations are deemed unreliable, the Fund's Board of Trustees has designated First Trust Advisors L.P. ("First Trust") to use a fair value method to value the Fund's securities and other investments. Additionally, if events occur after the close of the principal market for particular securities (e.g., domestic debt and foreign securities), but before the Fund values its assets, that could materially affect NAV, First Trust may use a fair value method to value the Fund's securities and other investments. The use of fair value pricing by the Fund is governed by valuation procedures adopted by the Fund's Board of Trustees, and in accordance with the provisions of the 1940 Act. As a general principle, the fair value of a security is the amount which the Fund might reasonably expect to receive for the security upon its current sale. However, in light of the judgment involved in fair valuations, there can be no assurance that a fair value assigned to a particular security will be the amount which the Fund might be able to receive upon its current sale. Fair valuation of a security will be based on the consideration of all available information, including, but not limited to, the following:

- 1) the fundamental business data relating to the issuer, or economic data relating to the country of issue;
- 2) an evaluation of the forces which influence the market in which these securities are purchased and sold;
- 3) the type, size and cost of security;
- 4) the financial statements of the issuer, or the financial condition of the country of issue;
- 5) the credit quality and cash flow of the issuer, or country of issue, based on the Sub-Advisor's or external analysis;

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NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS - (Continued)

FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
MARCH 31, 2011 (UNAUDITED)

- 6) the information as to any transactions in or offers for the security;
- 7) the price and extent of public trading in similar securities (or

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equity securities) of the issuer/borrower, or comparable companies;

- 8) the coupon payments;
- 9) the quality, value and salability of collateral, if any, securing the security;
- 10) the business prospects of the issuer, including any ability to obtain money or resources from a parent or affiliate and an assessment of the issuer's management (for corporate debt only);
- 11) the economic, political and social prospects/developments of the country of issue and the assessment of the country's governmental leaders/officials (for sovereign debt only);
- 12) the prospects for the issuer's industry, and multiples (of earnings and/or cash flows) being paid for similar businesses in that industry (for corporate debt only); and
- 13) other relevant factors.

Fair valuation of an equity security will be based on the consideration of all available information, including, but not limited to, the following:

- 1) the type of security;
- 2) the size of the holding;
- 3) the initial cost of the security;
- 4) transactions in comparable securities;
- 5) price quotes from dealers and/or pricing services;
- 6) relationships among various securities;
- 7) information obtained by contacting the issuer, analysts, or the appropriate stock exchange;
- 8) an analysis of the issuer's financial statements; and
- 9) the existence of merger proposals or tender offers that might affect the value of the security.

If the equity security in question is a foreign securities, the following additional information may be considered:

- 1) the value of similar foreign securities traded on other foreign markets;
- 2) ADR trading of similar securities;
- 3) foreign currency exchange activity;
- 4) the trading prices of financial products that are tied to baskets of foreign securities;
- 5) factors relating to the event that precipitated the pricing problem;
- 6) whether the event is likely to recur; and

- 7) whether the effects of the event are isolated or whether they affect entire markets, countries or regions.

The Fund is subject to fair value accounting standards that define fair value, establish the framework for measuring fair value and provide a three-level hierarchy for fair valuation based upon the inputs to the valuation as of the measurement date. The three levels of the fair value hierarchy are as follows:

- o Level 1 - Level 1 inputs are quoted prices in active markets for identical securities. An active market is a market in which transactions for the security occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- o Level 2 - Level 2 inputs are observable inputs, either directly or indirectly, and include the following:
 - o Quoted prices for similar securities in active markets.
 - o Quoted prices for identical or similar securities in markets that are non-active. A non-active market is a market where there are few transactions for the security, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
 - o Inputs other than quoted prices that are observable for the security (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
 - o Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- o Level 3 - Level 3 inputs are unobservable inputs. Unobservable inputs may reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the security.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. A summary of the inputs used to value the Fund's investments as of March 31, 2011, is included with the Fund's Portfolio of Investments.

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NOTES TO QUARTERLY PORTFOLIO OF INVESTMENTS - (Continued)

FIRST TRUST/ABERDEEN EMERGING OPPORTUNITY FUND
MARCH 31, 2011 (UNAUDITED)

B. SECURITIES TRANSACTIONS:

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis.

Securities purchased on a when-issued, delayed-delivery or forward purchase commitment basis may have extended settlement periods. The value of the security so purchased is subject to market fluctuations during this period. The Fund maintains liquid assets with a current value at least equal to the amount of its when-issued, delayed-delivery or forward purchase commitments until payment is made. At March 31, 2011, the Fund had no when-issued, delayed-delivery or forward purchase commitments.

C. CREDIT LINKED NOTES:

The Fund invests in credit linked notes. Credit linked notes are securities that are collateralized by one or more designated securities that are referred to as "reference securities." Through the purchase of a credit linked note, the buyer assumes the risk of the default or, in some cases, other declines in credit quality of the reference securities. The buyer also takes on exposure to the issuer of the credit linked note in the full amount of the purchase price of the note. The issuer of a credit linked note normally will have hedged its risk on the reference securities without acquiring any additional credit exposure. The Fund has the right to receive periodic interest payments from the issuer of the credit linked note at an agreed-upon interest rate, and, if there has been no default or, if applicable, other declines in credit quality, a return of principal at the maturity date.

Credit linked notes are subject to credit risk of the reference securities underlying the credit linked notes. If one of the underlying reference securities defaults, or suffers certain other declines in credit quality, the Fund may, instead of receiving repayment of principal in whole or in part, receive the security that has defaulted.

Credit linked notes typically are privately negotiated transactions between two or more parties. The Fund bears the risk that the issuer of the credit linked note will default or become bankrupt. The Fund bears the risk of loss of the principal amount it invested, and the periodic interest payments expected to be received for the duration of its investment in the credit linked note.

The market for credit linked notes may suddenly become illiquid. The other parties to the transaction may be the only investors with sufficient understanding of the derivative to be interested in bidding for it. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for credit linked notes. In certain cases, a market price for a credit linked note may not be available.

D. FORWARD FOREIGN CURRENCY CONTRACTS:

The Fund is subject to foreign currency risk in the normal course of pursuing its investment objectives. Forward foreign currency contracts are agreements to exchange one currency for another at a future date and at a specified price. The Fund may use forward foreign currency contracts to facilitate transactions in foreign securities and to manage the Fund's foreign currency exposure. These contracts are valued daily, and the Fund's net equity therein, representing unrealized gain or loss on the contracts as measured by the difference between the forward foreign exchange rates at the dates of entry into the contracts and the forward rates at the reporting date, is included on the Schedule of Forward Foreign Currency Contracts. Risks arise from the possible inability of counterparties to meet the terms of their contracts and from movement in currency and securities values and interest rates. Due to the risks, the Fund could incur losses in excess of the net unrealized value shown on the Schedule of Forward Foreign Currency Contracts.

During the period ended March 31, 2011, the open and close notional values of forward foreign currency contracts were \$17,662,364 and \$20,010,665,

respectively.

E. FOREIGN CURRENCY:

The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments and other assets and liabilities are translated into U.S. dollars at the exchange rates prevailing at the end of the period. Purchases and sales of investment securities and items of income and expense are translated on the respective dates of such transactions. Net realized foreign currency gains and losses include the effect of changes in exchange rates between trade date and settlement date on investment security transactions, foreign currency transactions and interest and dividends received.

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ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).
- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.

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) First Trust/Aberdeen Emerging Opportunity Fund

By (Signature and Title)* /s/ James A. Bowen

James A. Bowen, Chairman of the Board,
President and
Chief Executive Officer
(principal executive officer)

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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 (Signature and Title)* /s/ James A. Bowen

James A. Bowen, Chairman of the Board,
President and
Chief Executive Officer
(principal executive officer)

Date: May 26, 2011

By (Signature and Title)* /s/ Mark R. Bradley

Mark R. Bradley, Treasurer,
Chief Financial Officer and
Chief Accounting Officer
(principal financial officer)

Date: May 26, 2011

* Print the name and title of each signing officer under his or her signature.