

Sequoia Fund, Inc.

767 Fifth Avenue, Suite 4701
New York, NY 10153
(800) 686-6884

QUARTERLY REPORT

For the Period Ended March 31, 2000

Dear Stockholder:

Sequoia Fund's results for the first quarter of 2000 are as shown below with the usual comparable data for the leading market indexes:

	Sequoia Fund	Dow Jones Industrials	Standard & Poor's 500
3 months to 3/31/00	+0.1%	-4.7%	+2.3%

As we write, Sequoia is up 5.5% compared to year-to-date returns on the S&P 500 of -2.8%.

The annual meeting of Sequoia was held on April 14th in New York. *Outstanding Investor Digest* has prepared a summary of our comments at the meeting. We thought it would be useful to provide all of our stockholders with this review, which *Outstanding Investor Digest* kindly provided to us this year in the form of the enclosed reprint.

Sincerely,

Carley Cunniff
Executive Vice President

Richard T. Cunniff
Vice Chairman

Robert D. Goldfarb
President

William J. Ruane
Chairman

May 30, 2000

SEQUOIA FUND, INC.**STATEMENT OF INVESTMENTS****MARCH 31, 2000 (UNAUDITED)**

COMMON STOCKS (76.3%)		
Shares		Value (a)
	BANK HOLDING COMPANIES (13.5%)	
5,958,662	Fifth Third Bancorp	\$375,395,706
323,700	Mercantile Bankshares Corporation	9,893,081
1,145,900	National Commerce Bancorp	21,199,150
4,142,300	US Bancorp	90,612,812
		497,100,749
	DIVERSIFIED COMPANIES (31.4%)	
20,175	Berkshire Hathaway Inc. ClassA (c)	1,154,010,000
	INSURANCE (7.9%)	
3,800,900	Progressive Corporation-Ohio (b)	289,105,956
	MANUFACTURING—MOTORCYCLES (4.0%)	
1,848,900	Harley Davidson, Inc.	146,756,438
	PERSONAL CREDIT (1.8%)	
1,765,000	Household International Inc.	65,856,563
	SERVICES (13.1%)	
10,874,300	Freddie Mac	480,508,131
	Miscellaneous Securities (4.6%)	168,785,350
	TOTAL COMMON STOCKS	\$2,802,123,187

Principal Amount		Value (a)
U.S. GOVERNMENT OBLIGATIONS (22.5%)		
\$36,500,000	U.S. Treasury Bills due 4/13/00 through 5/11/00	\$36,344,522
242,000,000	U.S. Treasury Notes, 5 1/2% due 8/31/2001	238,937,188
553,000,000	U.S. Treasury Notes, 6 1/8% due 12/31/2001	549,802,968
	TOTAL U.S. GOVERNMENT OBLIGATIONS	\$825,084,678
SUMMARY		
Common Stocks	76.3%	\$2,802,123,187
U.S. Government Obligations	22.5%	825,084,678
Net Cash & Receivable	1.2%	43,895,168
Net Assets		\$3,671,103,033
Number of Shares Outstanding		28,817,103
Net Asset Value Per Share		\$127.39

- (a) Securities traded on a national securities exchange are valued at the last reported sales price on the principal exchange on which the security is listed on the last business day of the period; securities traded in the over-the-counter market are valued at the last reported sales price on the NASDAQ National Market System on the last business day of the period; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the last reported bid and asked prices; U.S. Treasury Bills with remaining maturities of sixty days or less are valued at their amortized cost. U.S. Treasury Bills that when purchased have a remaining maturity in excess of sixty days are stated at their discounted value based upon the mean between the bid and asked discount rates until the sixtieth day prior to maturity, at which point they are valued at amortized cost.
- (b) **Affiliated Companies:** Investment in portfolio companies 5% or more of whose outstanding voting securities are held by the Fund are defined in the Investment Company Act of 1940 as "affiliated companies."
- (c) Non-income producing.

SEQUOIA FUND, INC.
767 Fifth Avenue, Suite 4701
New York, New York 10153-4798
Website : www.sequoiafund.com

DIRECTORS

William J. Ruane
Richard T. Cunniff
Robert D. Goldfarb
Carol L. Cunniff
John M. Harding
Roger Lowenstein
Francis P. Matthews
C. William Neuhauser
Robert L. Swiggett

OFFICERS

William J. Ruane — Chairman of the Board
Richard T. Cunniff — Vice Chairman
Robert D. Goldfarb — President
Carol L. Cunniff — Executive Vice President
Joseph Quinones, Jr. — Vice President, Secretary & Treasurer

INVESTMENT ADVISER & DISTRIBUTOR

Ruane, Cunniff & Co., Inc.
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CUSTODIAN

The Bank of New York
MF Custody Administration Department
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New York, New York 10286

REGISTRAR AND SHAREHOLDER SERVICING AGENT

DST Systems, Inc.
P.O. Box 219477
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LEGAL COUNSEL

Seward & Kissel
One Battery Park Plaza
New York, New York 10004

This report has been prepared for the information of shareholders of Sequoia Fund, Inc.