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ADAMS EXPRESS CO
Form N-Q
April 30, 2008

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: 811-00248

THE ADAMS EXPRESS COMPANY

(Exact name of registrant as specified in charter)

7 Saint Paul Street, Suite 1140, Baltimore, Maryland 21202

(Address of principal executive offices) (Zip code)

Lawrence L. Hooper, Jr.
The Adams Express Company
7 Saint Paul Street
Suite 1140
Baltimore, Maryland 21202

Registrant's telephone number, including area code: 410-752-5900

Date of fiscal year end: December 31, 2008

Date of reporting period: March 31, 2008

Item 1: SCHEDULE OF INVESTMENTS.

SCHEDULE OF INVESTMENTS

March 31, 2008
(unaudited)

	Shares	Value (A)
-----	-----	-----
Stocks and Convertible Securities -- 94.9%		
Consumer -- 18.0%		
Consumer Discretionary -- 5.3%		
Comcast Corp.	525,000	\$ 10,153,500
Gannett Co., Inc. (B)	112,500	3,268,125
Harley-Davidson, Inc.	130,000	4,875,000
Lowe's Companies, Inc.	600,000	13,764,000

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Newell Rubbermaid Inc.	400,000	9,148,000
Ryland Group Inc. (B)	343,500	11,297,715
Target Corp.	290,000	14,697,200

		67,203,540

Consumer Staples -- 12.7%		
Avon Products, Inc.	402,400	15,910,896
BJ's Wholesale Club, Inc. (C)	400,000	14,276,000
Bunge Ltd.	100,000	8,688,000
Coca-Cola Co.	200,000	12,174,000
CVS/Caremark Corp.	250,000	10,127,500
Dean Foods Co.	340,000	6,830,600
Del Monte Foods Co.	1,300,000	12,389,000
PepsiCo, Inc.	360,000	25,992,000
Procter & Gamble Co.	340,000	23,823,800
Safeway Inc.	390,000	11,446,500
Unilever plc ADR	550,000	18,546,000

		160,204,296

Energy -- 14.3%		
ConocoPhillips	295,000	22,481,950
ENSCO International, Inc.	209,150	13,096,973
Exxon Mobil Corp.	215,000	18,184,700
Marathon Oil Co.	240,000	10,944,000
Petroleum & Resources Corporation (D)	2,186,774	79,664,177
Schlumberger Ltd.	380,000	33,060,000
Transocean Inc. (C)	20,000	2,704,000

		180,135,800

Financials -- 14.4%		
Banking -- 11.7%		
Bank of America Corp.	730,000	27,674,300
Bank of New York Mellon Corp.	403,775	16,849,531
Fifth Third Bancorp	280,000	5,857,600
Morgan Stanley	200,000	9,140,000
PNC Financial Services Group, Inc. (The)	200,000	13,114,000
Prosperity Bancshares, Inc.	250,000	7,165,000
State Street Corp.	260,000	20,540,000
Visa Inc. (C)	20,000	1,247,200
Wachovia Corp. (B)	570,000	15,390,000
Wells Fargo & Co.	665,000	19,351,500
Wilmington Trust Corp.	363,000	11,289,300

		147,618,431

	Shares	Value (A)
	-----	-----
Insurance -- 2.7%		
American International Group, Inc.	500,000	\$ 21,625,000
Prudential Financial, Inc.	170,000	13,302,500

		34,927,500

Health Care -- 11.5%		
Abbott Laboratories	320,000	17,648,000
Bristol-Myers Squibb Co.	345,000	7,348,500

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Genentech, Inc. (C)	220,000	17,859,600
Johnson & Johnson	255,000	16,541,850
Medtronic, Inc.	310,000	14,994,700
Pfizer Inc.	1,120,000	23,441,600
Senomyx, Inc. (B) (C)	984,400	5,807,960
Teva Pharmaceutical Industries Ltd. ADR	370,000	17,090,300
Wyeth Co.	325,000	13,572,000
Zimmer Holdings, Inc. (C)	140,000	10,900,400

		145,204,910

Industrials -- 15.4%		
Cintas Corp.	300,000	8,562,000
Curtiss-Wright Corp.	360,000	14,932,800
Emerson Electric Co.	400,000	20,584,000
General Electric Co.	1,388,000	51,369,880
Illinois Tool Works Inc.	250,000	12,057,500
Masco Corp. (B)	450,000	8,923,500
Oshkosh Corp. (B)	295,000	10,702,600
3M Co.	160,000	12,664,000
Spirit AeroSystems Holdings, Inc. (C)	525,000	11,644,500
Tata Motors Ltd. ADR	750,000	11,715,000
United Parcel Service, Inc.	155,000	11,318,100
United Technologies Corp.	300,000	20,646,000

		195,119,880

Information Technology -- 10.6%		
Communication Equipment -- 1.0%		
Corning Inc.	500,000	12,020,000

Computer Related -- 7.9%		
Automatic Data Processing Inc.	300,000	12,717,000
Cisco Systems, Inc. (C)	850,000	20,476,500
Dell Inc. (C)	585,000	11,653,200
Microsoft Corp.	1,180,000	33,488,400
Oracle Corp. (C)	1,100,000	21,516,000

		99,851,100

Electronics -- 1.7%		
Broadcom Corp. (C)	400,000	7,708,000
Intel Corp.	640,000	13,555,200

		21,263,200

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SCHEDULE OF INVESTMENTS (CONTINUED)

 March 31, 2008
 (unaudited)

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	Shares/ Prin. Amt	Value (A)
	-----	-----
Materials -- 5.3%		
Air Products and Chemicals, Inc.	230,000	\$ 21,160,000
du Pont (E.I.) de Nemours and Co.	360,000	16,833,600
Lubrizol Corp	220,000	12,212,200
Rohm & Haas Co.	300,000	16,224,000

		66,429,800

Telecom Services -- 1.5%		
AT&T Corp.	400,000	15,320,000
Windstream Corp.	310,178	3,706,627

		19,026,627

Utilities -- 3.9%		
Aqua America, Inc. (B)	499,000	9,371,220
Duke Energy Corp.	611,560	10,916,346
MDU Resources Group, Inc.	562,500	13,809,375
Northeast Utilities	350,000	8,589,000
Spectra Energy Corp.	305,780	6,956,494

		49,642,435

Total Stocks and Convertible Securities (Cost \$907,793,071) (E)		
		1,198,647,519

Short-Term Investments -- 4.9%		
U.S. Government Obligations -- 1.6%		
U.S. Treasury Bills, 2.18%, due 5/15/08	\$20,000,000	19,946,711

Time Deposit -- 0.0%		
Wachovia Bank, 1.70%, due 4/1/08		565,897

Commercial Paper -- 3.3%		
AIG Funding, Inc., 2.85%, due 4/22/08	\$3,600,000	3,594,015

	Prin. Amt.	Value (A)
	-----	-----
Chevron Funding Corp., 2.25%, due 4/3/08	\$ 7,500,000	\$ 7,499,063
General Electric Capital Corp., 2.27-2.30%, due 4/8/08-4/10/08	15,000,000	14,992,604
Toyota Motor Credit Corp., 1.84-2.44%, due 4/1/08-4/17/08	15,000,000	14,991,464

		41,077,146

Total Short-Term Investments		

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(Cost \$61,589,754)	61,589,754

Total Securities Lending Collateral -- 4.4%	
(Cost \$55,479,892)	
Brown Brothers Investment	
Trust, 3.02%, due 4/1/08	55,479,892

Total Investments -- 104.2%	
(Cost \$1,024,862,717)	1,315,717,165
Cash, receivables, prepaid pension cost,	
prepaid expenses and other assets, less	
liabilities -- (4.2)%	(53,419,500)

Net Assets -- 100%	\$1,262,297,665
	=====

Notes:

- (A) See note 1 to financial statements. Securities are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ.
- (B) Some of the shares of this company are on loan. See note 8 to financial statements.
- (C) Presently non-dividend paying.
- (D) Non-controlled affiliate, a closed-end sector fund, registered as an investment company under the Investment Company Act of 1940.
- (E) The aggregate market value of stocks held in escrow at March 31, 2008 covering open call option contracts written was \$17,931,100. In addition, the aggregate market value of securities segregated by the Company's custodian required to collateralize open put option contracts written was \$13,112,500.

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SCHEDULE OF OUTSTANDING OPTION CONTRACTS

March 31, 2008
(unaudited)

Contracts (100 shares each)	Security	Strike Price	Contract Expiration Date	Appreciation/ (Depreciation)
COVERED CALLS				
200	Air Products and Chemicals, Inc...	\$ 115	Sep 08	\$ (3,600)
200	American International Group, Inc.	60	Aug 08	13,499
150	Avon Products, Inc.....	45	Jul 08	3,675
250	BJ's Wholesale Club, Inc.....	40	Jun 08	(4,410)
200	BJ's Wholesale Club, Inc.....	45	Sep 08	(1,700)
100	ENSCO International, Inc.....	65	Apr 08	(5,290)
100	Genentech, Inc.....	100	Sep 08	1,200
100	Marathon Oil Co.....	55	Apr 08	19,780
100	Marathon Oil Co.....	60	Apr 08	9,200
250	PepsiCo, Inc.....	75	Jul 08	(17,625)

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200	Rohm & Haas Co.....	55	Apr	08	(3,600)
200	Rohm & Haas Co.....	60	Apr	08	24,399
250	Ryland Group Inc.....	50	Jul	08	8,220
200	Ryland Group Inc.....	50	Oct	08	(3,600)
100	State Street Corp.....	90	Apr	08	5,700
100	State Street Corp.....	95	Apr	08	11,450
150	State Street Corp.....	105	Aug	08	(2,700)
200	Target Corp.....	65	Jul	08	12,199
200	Target Corp.....	67.50	Jul	08	11,200
150	Wells Fargo & Co.....	35	Apr	08	13,049
-----					-----
3,400					91,046
-----					-----

COLLATERALIZED PUTS

50	Bunge Ltd.....	75	Apr	08	(1,900)
100	Bunge Ltd.....	80	Apr	08	(12,800)
100	Bunge Ltd.....	65	May	08	(6,300)
100	Oshkosh Corp.....	35	Apr	08	2,344
100	Oshkosh Corp.....	40	Apr	08	(21,300)
150	Procter & Gamble Co.....	57.50	Jul	08	8,550
100	Prudential Financial, Inc.....	60	Apr	08	7,700
100	Prudential Financial, Inc.....	65	Apr	08	7,700
250	Prudential Financial, Inc.....	55	Jun	08	5,499
250	Spirit AeroSystems Holdings, Inc..	20	Jul	08	(3,250)
200	Target Corp.....	40	Apr	08	14,374
100	Transocean Inc.....	115	Apr	08	8,269
200	Transocean Inc.....	120	Apr	08	19,399
100	Transocean Inc.....	105	May	08	6,700
100	Transocean Inc.....	115	May	08	2,700
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2,000					37,685
-----					-----
					\$128,731
					=====

(SELECTED) NOTES TO FINANCIAL STATEMENTS (Unaudited)

1. Significant Accounting Policies

The Adams Express Company (the Company) is registered under the Investment Company Act of 1940 as a diversified investment company. The Company is an internally-managed fund whose investment objectives are preservation of capital, the attainment of reasonable income from investments, and an opportunity for capital appreciation.

Affiliated Companies -- Investments in companies 5% or more of whose outstanding voting securities are held by the Company are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940.

Security Transactions and Investment Income -- Investment transactions are accounted for on the trade date. Gain or loss on sales of securities and options is determined on the basis of identified cost. Dividend income and distributions

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to stockholders are recognized on the ex-dividend date, and interest income is recognized on the accrual basis.

Security Valuation -- Investments in securities traded on a national security exchange are valued at the last reported sale price on the day of valuation. Over-the-counter and listed securities for which a sale price is not available are valued at the last quoted bid price. Short-term investments (excluding purchased options) are valued at amortized cost which approximates fair value. Purchased and written options are valued at the last quoted asked price.

The Company adopted Financial Accounting Standard Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements ("FAS 157"), effective January 1, 2008. There was no impact on the fair value of assets individually or in aggregate upon adoption. In accordance with FAS 157, fair value is defined as the price that the Company would receive upon selling an investment in an orderly transaction to an independent buyer. FAS 157 established a three-tier hierarchy to establish classification of fair value measurements, summarized as follows:

- . Level 1 -- fair value is determined based on market data obtained from independent sources; for example, quoted prices in active markets for identical investments,
- . Level 2 -- fair value is determined using other assumptions obtained from independent sources; for example, quoted prices for similar investments,
- . Level 3 -- fair value is determined using the Company's own assumptions, developed based on the best information available in the circumstances.

The Company's investments at March 31, 2008 as classified as follows:

	Investment in securities	Written options
	-----	-----
Level 1	\$1,198,647,519	\$545,700
Level 2	117,069,646*	--
Level 3	--	--
	-----	-----
Total	\$1,315,717,165	\$545,700

 *Comprised of short-term investments and securities lending collateral.

8. PORTFOLIO SECURITIES LOANED

The Company makes loans of securities to brokers, secured by cash deposits, U.S. Government securities, or bank letters of credit. The Company accounts for securities lending transactions as secured financing and receives compensation in the form of fees or retains a portion of interest on the investment of any cash received as collateral. The Company also continues to receive interest or dividends on the securities loaned. The loans are secured at all times by

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collateral of at least 102% of the fair value of the securities loaned plus accrued interest. Gain or loss in the fair value of the securities loaned that may occur during the term of the loan will be for the account of the Company. At March 31, 2008, the Company had securities on loan of \$54,040,100 and held collateral of \$55,479,892, consisting of an investment trust fund which may invest in money market instruments, commercial paper, repurchase agreements, U.S. Treasury Bills, and U.S. agency obligations.

Item 2. CONTROLS AND PROCEDURES.

Conclusions of principal officers concerning controls and procedures:

(a) As of April 30, 2008, an evaluation was performed under the supervision and with the participation of the officers of The Adams Express Company (the "Company"), including the principal executive officer ("PEO") and principal financial officer ("PFO"), of the effectiveness of the Company's disclosure controls and procedures. Based on that evaluation, the Company's officers, including the PEO and PFO, concluded that, as of April 30, 2008, the Company's disclosure controls and procedures were reasonably designed so as to ensure: (1) that information required to be disclosed by the Company on Form N-Q is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Securities and Exchange Commission; and (2) that material information relating to the Company is made known to the PEO and PFO as appropriate to allow timely decisions regarding required disclosure.

(b) There have been no significant changes in the Company's internal control over financial reporting (as defined in Rule 30 a-3(d) under the Investment Company Act of 1940 (17 CFR 270.30a-3(d)) that occurred during the Company's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 3. EXHIBITS.

The certifications of the principal executive officer and principal financial officer pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 are attached hereto as Form N-Q Certifications.

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.

THE ADAMS EXPRESS COMPANY

BY: /s/ Douglas G. Ober

Douglas G. Ober
Chief Executive Officer

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Date: April 30, 2008

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

BY: /s/ Douglas G. Ober

Douglas G. Ober
Chief Executive Officer
(Principal Executive Officer)

Date: April 30, 2008

BY: /s/ Maureen A. Jones

Maureen A. Jones
Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: April 30, 2008