

SunAmerica Focused Alpha Large-Cap Fund, Inc.

Form N-CSR

March 07, 2008

**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 811-21805

SunAmerica Focused Alpha Large-Cap Fund, Inc.

(Exact name of registrant as specified in charter)
Harborside Financial Center, 3200 Plaza 5 Jersey City, NJ 07311

(Address of principal executive offices) (Zip code)

John T. Genoy
Senior Vice President
AIG SunAmerica Asset Management Corp.
Harborside Financial Center,
3200 Plaza 5
Jersey City, NJ 07311

(Name and address of agent for service)

Registrant's telephone number, including area code: (201) 324-6414

Date of fiscal year end: December 31

Date of reporting period: December 31, 2007

Item 1. Reports to Stockholders

December 31, 2007

ANNUAL REPORT

SUNAMERICA FOCUSED ALPHA LARGE-CAP FUND, INC.

SunAmerica Focused Alpha Large-Cap Fund (FGI)

Table of Contents

SHAREHOLDERS LETTER

1

STATEMENT OF ASSETS AND LIABILITIES

3

STATEMENT OF OPERATIONS

4

STATEMENT OF CHANGES IN NET ASSETS

5

FINANCIAL HIGHLIGHTS

6

PORTFOLIO OF INVESTMENTS

7

NOTES TO FINANCIAL STATEMENTS

9

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

14

BOARD OF DIRECTORS APPROVAL OF INVESTMENT ADVISORY AND MANAGEMENT AGREEMENT AND SUBADVISORY AGREEMENTS

15

DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

20

RESULTS OF SPECIAL SHAREHOLDER MEETING

21

DIRECTORS AND OFFICERS INFORMATION

22

SHAREHOLDER TAX INFORMATION

24

December 31, 2007

ANNUAL REPORT

Shareholders Letter

Dear Shareholders:

We are pleased to present the annual report for the SunAmerica Focused Alpha Large-Cap Fund (the Fund) and thank you for including this strategic investment solution in your investment plan.

In the year ended December 31, 2007, the Fund's Net Asset Value (NAV) returned 17.4% outperforming its benchmark, the Russell 1000 Index¹, which returned 5.8% for the same period. The Fund's market price returned 16.2% during the same period. As of December 31, 2007, the Fund's NAV was \$21.16 and its market price was \$18.84.

The past twelve months have been a volatile period for equities as markets reacted to a variety of rapidly-unfolding news developments. In the first half of 2007, U.S. stocks recorded strong overall results despite a variety of challenges that included: a slowdown in U.S. growth following tightening by the Federal Reserve Board (Fed); rising oil prices; and the beginning of concerns around credit and a slowdown in U.S. consumer spending. The scenario changed considerably in the second half, however, as equities were beset by a growing malaise fueled by mortgage finance problems, credit market pressures and further downdrafts in the U.S. housing market. Market woes were further exacerbated by sharply higher oil prices and nascent signs of decelerating global economic growth. The combination of these factors led to questions about the sustainability of the business cycle.

Market prices moved considerably in response. Government bond yields declined, the value of the dollar plummeted and equities turned trendless and volatile. A broad-based market sell-off in November hurt value stocks more than growth stocks, as both large- and small-cap issues underperformed their respective growth counterparts.

What sets the Fund apart from its competitors in the marketplace is its multi-managed, focused approach in a closed-end fund structure. Two of Wall Street's best known value equity managers, Marsico Capital Management LLC (Marsico) and BlackRock Investment Management (BlackRock) and their respective teams each contribute their favorites stock picks to the portfolio. Marsico emphasizes large-cap growth investing while BlackRock's Bob Doll and his team favor a large-cap value investment style. Together, their stock picks, blending large growth and large value, are designed to generate strong, consistent results over the long-term.

We value your ongoing confidence in us and look forward to serving your investment needs in the future.

Sincerely,

Peter A. Harbeck
President and CEO
AIG SunAmerica Asset Management Corp.

¹ The Russell 1000 Index offers investors access to the extensive large-cap segment of the U.S. equity universe representing approximately 92% of the U.S. market. The Russell 1000 is constructed to provide a

comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. The Russell 1000 includes the largest 1000 securities in the Russell 3000.

Indices are not managed and an investor cannot invest directly into an index.

SunAmerica Focused Alpha Large-Cap Fund, Inc.

FUND REVIEW (unaudited)

Below: Tom Marsico and team, portfolio managers at Marsico Capital Management, LLC (Marsico), discuss the SunAmerica Focused Alpha Large-Cap Fund s (the Fund) performance over the reporting period. Marsico manages the large-cap growth portion of the Fund s portfolio.

Overall, stock selection had the largest impact on the performance of the portion of the Fund run by Marsico. Positions in Wynn Resorts, Ltd., Las Vegas Sands and McDonald s Corp. posted strong results. Information Technology positions MasterCard, Inc. and Apple Inc. rose sharply. Railroad operator Burlington Northern Santa Fe Corp., aerospace/defense companies General Dynamics Corp. and Lockheed Martin Corp. also posted strong results. Energy company Petroleo Brasileiro S/ A benefited from a recent discovery of fields off the coast of Brazil and Latin American wireless telecommunications company America Movil S.A.B. lent strength to the Fund s performance.

On the flip side, Biotechnology company Genentech Inc. fell 17%, creating a drag on performance. Toyota Motor Corp. and Coach Inc. also fell prior to being sold from the portfolio during the period, as did Cisco Systems.

Although industry and sector allocations are a minor consideration compared to our belief in the stories behind the companies that are owned in the portfolio, the portion of the Fund run by Marsico did benefit by a significant underweight in the weak-performing Financials sector during the year. On the flip side, performance was tempered by an overweight in the Consumer Discretionary sector, and little or no exposure to the Energy sector. Consumer Discretionary was among the weakest-performing sectors of the benchmark index, while the Energy sector was the strongest-performing sector.

Below: Bob Doll and team, portfolio managers at BlackRock Investment Management (BlackRock), discuss the Fund s performance over the reporting period. BlackRock manages the large-cap value portion of the Fund s portfolio.

The portion of the Fund run by BlackRock benefited from our deep underweight to Financials and overweight to Energy, particularly to big, integrated energy companies such as Marathon Oil and Chevron that benefited from rising oil prices. Within financials, underweights and outright avoidance of thrifts and mortgage companies and the big diversified financial services companies were the most significant contributions.

Security selection was the main driver of performance. Medco Health Solutions, Marathon Oil Corp. and McKesson Corp. were the top three contributors for the year. Managed care company Medco Health s mail order business benefited as many drugs went off patent and generics became marketable. Pharmaceutical distributor McKesson was also boosted by the growth in the markets for generic drugs and Medicare Part D. The largest detractor was Quest Communications International, which has so far failed to adequately strengthen its balance sheet.

Investors should carefully consider the SunAmerica Focused Alpha Large-Cap Fund s investment objective, strategies, risks, charges, expenses and the Fund s dividend distribution policy before investing. The SunAmerica Focused Alpha Large-Cap Fund should be considered as only one element of a complete investment program. The Fund s equity exposure and derivative investments involve special risks. An investment in the Fund should be considered speculative. There is no assurance that the SunAmerica Focused Alpha Large-Cap Fund will achieve its investment objective. The Fund is actively managed and its portfolio composition will vary. Investing in the Fund is subject to several risks, including: Non-Diversified Status Risk, Growth and Value Stock Risk, Key Adviser Personnel Risk, Investment and Market Risk, Issuer Risk, Foreign Securities Risk, Emerging Markets Risk, Income Risk, Hedging Strategy Risk, Derivatives Risk, Preferred Securities Risk, Debt

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Securities Risk, Small and Medium Capitalization Company Risk, Leverage Risk, Liquidity Risk, Market Price of Shares Risk, Management Risk, Anti-Takeover Provisions Risk, Portfolio Turnover Risk and Non-Investment Grade Securities Risk. The price of shares of the Fund traded on the New York Stock Exchange will fluctuate with market conditions and may be worth more or less than their original offering price. Shares of closed-end funds often trade at a discount to their net asset value, but may also trade at a premium.

Securities listed may or may not be a part of the current portfolio construction.

2

SunAmerica Focused Alpha Large-Cap Fund, Inc.
STATEMENT OF ASSETS AND LIABILITIES *December 31, 2007*

ASSETS:

Long-term investment securities, at
market value (unaffiliated)*
\$210,727,751

Short-term investment securities, at
market value (unaffiliated)*
1,755,000

Total investments
212,482,751

Receivable for:

Dividends and interest
161,799

Prepaid expenses and other assets
2,832

Total assets
212,647,382

LIABILITIES:

Payable for:

Investment advisory and management
fees
186,929

Administration fees
7,478

Directors' fees and expenses
464

Other accrued expenses
113,689

Due to custodian
5,653,411

Dividends payable
2,384,732

Total liabilities
8,346,703

Net Assets
\$204,300,679

NET ASSETS REPRESENTED BY:

Common stock, \$0.001 par value
(200,000,000 shares authorized)
\$9,655

Additional paid-in capital
163,634,677 163,644,332

Accumulated undistributed net
investment income (loss) (unaffiliated)

Accumulated undistributed net realized
gain (loss) on investments (unaffiliated)
(60,744)

Unrealized appreciation (depreciation) on
investments (unaffiliated)

40,717,091

Net Assets

\$204,300,679

NET ASSET VALUES:

Net assets

\$204,300,679

Shares outstanding

9,655,236

Net asset value per share

\$21.16

*Cost

Long-term investment securities
(unaffiliated)

\$170,010,660

Short-term investment securities

(unaffiliated)

\$1,755,000

See Notes to Financial Statements

SunAmerica Focused Alpha Large-Cap Fund, Inc.

STATEMENT OF OPERATIONS *For the year ended December 31, 2007*

INVESTMENT INCOME:

Dividends (unaffiliated)
\$2,602,049
Interest (unaffiliated)
112,236
Total investment income*
2,714,285

EXPENSES:

Investment advisory and
management fees
2,084,702
Administration fees
83,388
Transfer agent fees and
expenses
22,014
Custodian and accounting fees
59,042
Reports to shareholders
72,265
Audit and tax fees
43,840
Legal fees
49,925
Directors' fees and expenses
45,885
Other expenses
31,732
Total expenses before custody
credits
2,492,793
Custody credits earned on cash
balances
(52)
Fees paid indirectly (Note 4)
(2,546)
Net expenses
2,490,195
Net investment income (loss)
224,090

**NET REALIZED AND
UNREALIZED GAIN (LOSS) ON
INVESTMENTS AND FOREIGN
CURRENCIES:**

Net realized gain (loss) on
investments (unaffiliated)
13,702,281
Change in unrealized
appreciation (depreciation) on
investments (unaffiliated)
18,949,293
Net realized and unrealized gain
(loss) on investments and foreign
currencies
32,651,574
**NET INCREASE
(DECREASE) IN NET ASSETS
RESULTING FROM
OPERATIONS**
\$32,875,664

* Net of foreign withholding taxes on interest and dividends of
\$3,794

See Notes to Financial Statements

SunAmerica Focused Alpha Large-Cap Fund, Inc.
STATEMENT OF CHANGES IN NET ASSETS

	For the year ended December 31, 2007	For the year ended December 31, 2006
INCREASE (DECREASE) IN NET ASSETS		
Operations:		
Net investment income (loss)		
\$224,090	\$1,070	
Net realized gain (loss) on investments and foreign currencies		
13,702,281	957,618	
Net unrealized gain (loss) on investments and foreign currencies		
18,949,293	21,767,798	
Net increase (decrease) in net assets resulting from operations		
32,875,664	22,726,486	
Distributions to shareholders from:		
Net investment income		
(225,994)	(9,064)	
Net realized gain on investments		
(13,318,014)	(1,402,629)	
Return of capital		
(10,207,872)	(10,174,590)	
Total distributions to shareholders		
(23,751,880)	(11,586,283)	
Total increase (decrease) in net assets		
9,123,784	11,140,203	
NET ASSETS:		
Beginning of period		
\$195,176,895	\$184,036,692	
End of period		
\$204,300,679	\$195,176,895	

Includes accumulated undistributed net investment income
(loss)
\$ \$

See Notes to Financial Statements

SunAmerica Focused Alpha Large-Cap Fund, Inc.
FINANCIAL HIGHLIGHTS

	For the Year Ended December 31, 2007	For the Year Ended December 31, 2006	For the Period December 28, 2005 to December 31, 2005
Net Asset Value, Beginning of period	\$ 20.21	\$ 19.06	\$ 19.10(1)
Investment Operations:			
Net investment income (loss) @ 0.02 (0.00) 0.00			
Net realized and unrealized gain (loss) on investments 3.39 2.35			
Total from investment operations 3.41 2.35			
Distributions From:			
Net investment income (0.02) (0.00)			
Net realized gains on investments (1.38) (0.15)			
Return of capital (1.06) (1.05)			
Total distributions (2.46) (1.20)			
Capital Share Transactions:			
Offering costs for common shares charged to additional paid-in capital (0.04)			
Net Asset Value, End of period	\$21.16	\$20.21	\$19.06
Net Asset Value Total Return #(2)	17.40%	12.77%(4)	(0.21)%
Market Value, End of Period	\$18.84	\$18.40	\$20.00
Market Value Total Return #(3)	16.15%	(1.53)%	0.00%
Ratios/ Supplemental Data			
Net Assets, end of period (\$000 s)			
\$204,301 \$195,177 \$184,037			
Ratio of expenses to average net assets(5)			

1.21%	1.23%	0.03%
Ratio of net investment income (loss) to average net assets(5)		
0.11%	0.00%	0.00%
Portfolio turnover rate		
57%	91%	0%

Commencement of operations

@ Calculated based upon average shares outstanding

Total return is not annualized.

Due to commencing operations on December 28, 2005, the ratio of expenses and ratio of net investment income are not annualized. If the ratios were annualized, the ratio of expenses and the ratio of net investment income would have been 3.07% and 0.38%, respectively. The ratios are not representative of a full year of operations.

- (1) Net asset value, beginning of the period, reflects a deduction of \$0.90 per share sales charge from the initial offering price if \$20.00.
- (2) Based on the net asset value per share, dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. NAV performance reflects performance without imposition of initial sales charge in connection with the initial public offering of the Fund and would be lower if included.
- (3) Based on market value per share, dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan.
- (4) The Fund's performance figure was increased by 0.11% from gains on the disposal of investments in violation of investment restrictions.
- (5) Excludes expense reductions. If expense reductions had been applied, the ratio of expenses and net investment income to average net assets would have remained the same.

See Notes to Financial Statements

SunAmerica Focused Alpha Large-Cap Fund, Inc.
PORTFOLIO PROFILE *December 31, 2007 (unaudited)*

Industry Allocation*

Computers	19.2%
Oil Companies-Integrated	13.9
Aerospace/ Defense	8.6
Finance-Investment Banker/ Broker	6.0
Retail-Restaurants	5.7
Casino Hotels	5.7
Insurance-Property/ Casualty	5.5
Telephone-Integrated	5.2
Medical-HMO	5.2
Health Care Cost Containment	5.1
Pharmacy Services	5.0
Office Automation & Equipment	4.1
Data Processing/ Management	3.7
Cellular Telecom	3.4
Oil & Gas Drilling	2.7
Medical-Biomedical/ Gene	2.6
Real Estate Investment Trusts	1.5
Time Deposit	0.9 104.0%

* Calculated as a percentage of net assets

SunAmerica Focused Alpha Large-Cap Fund, Inc.
PORTFOLIO OF INVESTMENTS *December 31, 2007*

Security Description	Shares	Value (Note 2)
COMMON STOCK 103.1%		
Aerospace/ Defense 8.6%		
Lockheed Martin Corp.		
68,705		\$7,231,888
Raytheon Co.		
170,000	10,319,000	17,550,888
Casino Hotels 5.7%		
Las Vegas Sands Corp.		
50,723		5,227,005
Wynn Resorts, Ltd.		
56,413	6,325,590	11,552,595
Cellular Telecom 3.4%		
America Movil SAB de CV, Series L ADR		
112,529		6,908,155
Computers 19.2%		
Apple, Inc.		
69,520		13,770,521
Hewlett-Packard Co.		
290,243		14,651,467
International Business Machines Corp.		
100,000	10,810,000	39,231,988
Data Processing/ Management 3.7%		
Mastercard, Inc., Class A		
35,073		7,547,710