

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-21515

TS&W/Claymore Tax-Advantaged Balanced Fund

(Exact name of registrant as specified in charter)

2455 Corporate West Drive Lisle, IL 60532

(Address of principal executive offices) (Zip code)

J. Thomas Futrell

2455 Corporate West Drive Lisle, IL 60532

(Name and address of agent for service)

Registrant's telephone number, including area code: (630) 505-3700

Date of fiscal year end: December 31

Date of reporting period: September 30, 2008

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, 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. ss. 3507.

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ITEM 1. SCHEDULE OF INVESTMENTS.
Attached hereto.

TS&W/CLAYMORE TAX-ADVANTAGED BALANCED FUND
PORTFOLIO OF INVESTMENTS
SEPTEMBER 30, 2008 (UNAUDITED)

PRINCIPAL AMOUNT		OPTIONAL CALL PROVISIONS	VALUE
\$ 4,500,000	LONG-TERM MUNICIPAL BONDS -- 92.4% ARIZONA -- 2.3% Maricopa County Pollution Control Corp., Pollution Control Revenue Refunding Public Service Co-A-RMK, BB+, Baa3 5.75%, 11/1/2022	5/1/09 @ 100	\$ 3,946,095
4,810,000	CALIFORNIA -- 10.5% Alhambra Certificates of Participation Police Facilities 91-1-RMK, AMBAC Insured, AA, Aa3 6.75%, 9/1/2023	N/A	5,201,919
8,250,000	California Health Facilities Financing Authority Revenue Series 1755, NR, Aaa (Underlying Obligor: Sutter Health) (a) 8.48%, 11/15/2046	11/15/16 @ 100	6,986,430
2,180,000	California Statewide Communities Development Authority Revenue Sub-Wildwood Elementary School, NR, NR 7.00%, 11/1/2029	11/1/09 @ 102	2,030,452
5,000,000	Golden State Tobacco Securitization Corporation Tobacco Settlement Asset-Backed Bonds, Series 2007A-1, BBB, Baa3 5.75%, 6/1/2047	6/1/17 @ 100	3,729,900
			17,948,701
1,355,000	COLORADO -- 2.8% Denver Health & Hospital Authority Health Care Revenue Series 1998A, ACA Insured (Prerefunded), BBB, NR 5.375%, 12/1/2028	12/1/08 @ 101	1,373,916
1,000,000	Denver Health & Hospital Authority Health Care Revenue Series 2004A (Prerefunded), BBB, NR 6.00%, 12/1/2031	12/1/11 @ 100	1,086,760
2,000,000	Denver Health & Hospital Authority Health Care Revenue Series 2004A (Prerefunded), AAA, NR 6.25%, 12/1/2033	12/1/14 @ 100	2,278,060
			4,738,736
1,000,000	FLORIDA -- 0.5% St. Johns County Industrial Development Authority Health Care Glenmoor Project, Series 2006A, NR, NR 5.25% 1/1/2026	1/1/16 @ 100	778,050
5,000,000	ILLINOIS -- 3.7% Illinois Finance Authority Revenue OSF Healthcare System, Series 2007A, A, A2 5.75%, 11/15/2037	11/15/17 @ 100	4,320,750
2,000,000	Metropolitan Pier and Exposition Authority McCormick Place Expansion Project, Series 2004A, AAA, A1 5.50%, 6/15/2027	6/15/09 @ 100	1,918,640
			6,239,390
1,820,000	MASSACHUSETTS -- 0.9% Massachusetts Development Finance Agency Revenue Evergreen Center, BBB-, NR 5.50%, 1/1/2035	1/1/15 @ 100	1,466,192
5,000,000	MICHIGAN -- 3.0% City of Detroit Water Supply System Revenue, Rols RR II R 11448, BHAC/FGIC Insured, AAA, NR (Underlying Obligor: City of Detroit Water Supply System) (a) 3.07%, 7/1/2026	7/1/18 @ 100	5,110,598
4,690,000	MISSOURI -- 3.9% Cole County Industrial Development Authority Senior Living Facilities Revenue Lutheran Senior Services Heisinger Project, NR, NR 5.50%, 2/1/2035	2/1/14 @ 100	4,107,174
3,000,000	Missouri State Health & Educational Facilities Authority Revenue Senior Living Facilities Revenue Lutheran Senior, Series A, NR, NR 5.375%, 2/1/2035	2/1/15 @ 100	2,517,480
			6,624,654
1,450,000	NEW JERSEY -- 0.9% New Jersey Educational Facilities Authority Stevens Institute of Technology (Prerefunded), Series 2004B, BBB+, Baa2 5.375%, 7/1/2034	7/1/14 @ 100	1,579,427

4,500,000	NEW YORK -- 2.5% New York State Dormitory Authority Revenue Cabrinini of Westchester, Series 2006, GNMA Collateralized, AA, NR (b) 8.40%, 2/15/2041	2/15/17 @ 103	4,219,290
2,760,000	OHIO -- 2.8% Akron, Bath & Copley Joint Township Hospital District Revenue Hospital Facilities-Summa Health Systems, Series A, RADIANT Insured, NR, A3 5.50%, 11/15/2034	11/15/14 @ 100	2,344,841
3,000,000	Buckeye Tobacco Settlement Financing Authority Tobacco Settlement Asset-Backed Bonds, Series 2007A-2, BBB, Baa3 6.50%, 6/1/2047	6/1/17 @ 100	2,434,470
			4,779,311
7,500,000	PENNSYLVANIA -- 4.7% Allegheny County Hospital Development Authority Health System Revenue West Penn, Series 2007A, BB, Ba3 5.375%, 11/15/2040	11/15/17 @ 100	5,179,200
3,250,000	Pennsylvania Higher Educational Facilities Authority Widener University Series 2003, BBB+, NR 5.375%, 7/15/2029	7/15/13 @ 100	2,914,275
			8,093,475
5,000,000	PUERTO RICO - 7.3% Puerto Rico Electric Power Authority Power Revenue Revenue Bonds, Series WW, BBB+, A3 5.50%, 7/1/2038	7/1/18 @ 100	4,654,600
8,500,000	Puerto Rico Housing Finance Authority Capital Fund Modernization Program Subordinate Bonds, Series 2008, AA-, NR 5.125%, 12/1/2027	12/1/18 @ 100	7,785,490
			12,440,090
3,000,000	RHODE ISLAND -- 2.2% Rhode Island State Health & Educational Building Corporation Revenue Hospital Financing Lifespan, A-, A3 6.375%, 8/15/2021 (Prerefunded)	8/15/12 @ 100	3,297,540
500,000	6.375%, 8/15/2021	8/15/12 @ 100	506,010
			3,803,550
1,430,000	SOUTH CAROLINA -- 0.9% Lexington County Health Services District, Inc., Hospital Revenue Lexington Medical Center, Series 2004 (Prerefunded), A+, A2 5.50%, 5/1/2032	5/1/14 @ 100	1,541,869
12,615,000	TEXAS -- 41.1% Aledo Independent School District Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 2/15/2039	2/15/18 @ 100	11,566,567
5,000,000	Beaumont Independent School District Unlimited Tax School Building Bonds, Series 2008A, PSF Guaranteed, AAA, Aaa 5.00%, 2/15/2033	2/15/17 @ 100	4,640,950
5,000,000	Burleson Independent School District Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, NR, Aaa 5.00%, 8/1/2038	8/1/18 @ 100	4,594,100
8,535,000	Calallen Independent School District Revenue Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 2/15/2038	2/15/18 @ 100	7,846,482
5,870,000	Eagle Mountain - Saginaw Independent School District Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 8/15/2033	8/15/18 @ 100	5,422,060
2,780,000	Grand Prairie Independent School District Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 2/15/2034	2/15/18 @ 100	2,562,354
1,240,000	5.00%, 2/15/2037	2/15/18 @ 100	1,133,137
5,000,000	Livingston Independent School District Unlimited Tax School Building Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 8/15/2033	8/15/18 @ 100	4,631,150
5,000,000	5.00%, 8/15/2038	8/15/18 @ 100	4,593,950
6,740,000	McKinney Independent School District School Building Unlimited Tax Bonds, Series 2008, PSF Guaranteed, AAA, Aaa 5.00%, 2/15/2033	2/15/18 @ 100	6,230,591
5,000,000	North Texas Tollway Authority Revenue Rols RR II R-11392-1, BHAC Insured, NR, Aaa (Underlying Obligor: North Texas Tollway Authority) (a) 3.17%, 1/1/2040	1/1/18 @ 100	5,127,800
7,000,000	Prosper Independent School District Unlimited Tax School Building and Refunding Bonds, Series 2008, PSF Guaranteed, AAA, NR 5.00%, 2/15/2033	2/15/17 @ 100	6,488,510
5,495,000	Sequin Independent School District		

Unlimited Tax School Building Bonds, Series 2008, PSF
 Guaranteed, AAA, Aaa
 5.00%, 8/15/2035

8/15/18 @ 100 5,075,127

69,912,778

3,350,000 WISCONSIN -- 2.4%
 Wisconsin State Health & Educational Facilities Authority Revenue
 Aurora Health Care, Series A, BBB+, NR
 5.60%, 2/15/2029
 Wisconsin State Health & Educational Facilities Authority Revenue
 Blood Center Southeastern Project, A-, NR
 500,000 5.50%, 6/1/2024
 750,000 5.75%, 6/1/2034

2/15/09 @ 101

2,923,210

6/1/14 @ 100

462,825

6/1/14 @ 100

678,413

4,064,448

TOTAL LONG-TERM MUNICIPAL BONDS - 92.4%
 (Cost \$173,728,267)

157,286,654

NUMBER OF SHARES

VALUE

17,500 COMMON STOCKS -- 61.3%
 AEROSPACE & DEFENSE -- 0.5%
 Rockwell Collins, Inc.

841,575

47,500 CAPITAL MARKETS -- 0.6%
 Morgan Stanley

1,092,500

90,000 CHEMICALS -- 1.7%
 Dow Chemical Co. (The)

2,860,200

25,000 COMMERCIAL BANKS -- 1.2%
 HSBC Holdings PLC, ADR (United Kingdom)

2,020,750

90,000 COMMERCIAL SERVICES & SUPPLIES -- 1.8%
 Pitney Bowes, Inc.

2,993,400

107,500 COMMUNICATIONS EQUIPMENT -- 3.2%
 Cisco Systems, Inc. (c)
 125,000 Corning, Inc.
 25,000 Harris Corp.

2,425,200

1,955,000

1,155,000

5,535,200

125,000 COMPUTERS & PERIPHERALS -- 0.9%
 Seagate Technology (Cayman Islands)

1,515,000

115,000 DIVERSIFIED FINANCIAL SERVICES -- 5.6%
 Bank of America Corp.
 92,500 ING Groep N.V., ADR (Netherlands)
 75,000 JPMorgan Chase & Co.

4,025,000

1,979,500

3,502,500

9,507,000

110,000 DIVERSIFIED TELECOMMUNICATION -- 6.2%
 AT&T, Inc.
 90,000 Deutsche Telekom AG, ADR (Germany)
 60,000 Embarq Corp.
 115,000 Verizon Communications, Inc.

3,071,200

1,370,700

2,433,000

3,690,350

10,565,250

100,000 ELECTRIC UTILITIES -- 2.5%
 Progress Energy, Inc.

4,313,000

37,500 FOOD PRODUCTS -- 1.1%
 H.J. Heinz Co.

1,873,875

67,500 HOTELS, RESTAURANTS & LEISURE - 1.4%
 Carnival Corp. (Panama)

2,386,125

30,000 HOUSEHOLD PRODUCTS -- 2.7%
 Kimberly-Clark Corp.
 37,500 Procter & Gamble Co.

1,945,200

2,613,375

4,558,575

45,000 INDUSTRIAL CONGLOMERATES -- 4.0%
 3M Co.
 150,000 General Electric Co.

3,073,950

3,825,000

6,898,950

INSURANCE - 0.7%

17,500	PartnerRe Ltd. (Bermuda)	1,191,575
20,000	MACHINERY - 0.7% Caterpillar, Inc.	1,192,000
57,500	MEDIA - 1.0% Walt Disney Co. (The)	1,764,675
30,000	MULTILINE RETAIL - 1.0% Wal-Mart Stores, Inc.	1,796,700
237,500	MULTI-UTILITIES -- 3.6% Centerpoint Energy, Inc.	3,460,375
67,500	DTE Energy Co.	2,708,100
		6,168,475
75,000	OIL, GAS & CONSUMABLE FUELS -- 9.1% BP PLC, ADR (United Kingdom)	3,762,750
40,000	Chevron Corp.	3,299,200
21,500	ConocoPhillips	1,574,875
31,000	Exxon Mobil Corp.	2,407,460
60,719	Royal Dutch Shell PLC, Class B, ADR (United Kingdom)	3,466,448
30,000	Valero Energy Corp.	909,000
		15,419,733
55,000	PHARMACEUTICALS -- 7.5% Eli Lilly & Co.	2,421,650
50,000	GlaxoSmithKline PLC, ADR (United Kingdom)	2,173,000
40,000	Johnson & Johnson	2,771,200
67,500	Merck & Co., Inc.	2,130,300
175,000	Pfizer, Inc.	3,227,000
		12,723,150
52,500	REAL ESTATE INVESTMENT TRUSTS -- 1.5% Rayonier, Inc.	2,485,875
32,500	SPECIALTY RETAIL -- 1.6% Best Buy Co., Inc.	1,218,750
60,000	Lowe's Cos., Inc.	1,421,400
		2,640,150
100,000	TOBACCO -- 1.2% Altria Group, Inc.	1,984,000
	TOTAL COMMON STOCKS - 61.3% (Cost \$117,570,323)	104,327,733

PRINCIPAL AMOUNT		OPTIONAL CALL PROVISIONS	VALUE
\$ 1,000,000	CORPORATE BONDS -- 9.1% AEROSPACE/DEFENSE -- 1.0% DRS Technologies, Inc., B, B3 6.875%, 11/1/2013	11/1/08 @ 103.44	990,000
700,000	L-3 Communications Corp., BB+, Ba3 7.625%, 6/15/2012	6/15/09 @ 101.27	689,500
			1,679,500
1,000,000	APPAREL -- 0.6% Phillips-Van Heusen Corp., BB+, Ba3 7.25%, 2/15/2011	2/15/09 @ 101.81	982,500
476,000	AUTO MANUFACTURERS -- 0.3% Navistar International Corp., NR, NR 7.50%, 6/15/2011	6/15/09 @ 101.88	468,860
600,000	AUTO PARTS & EQUIPMENT -- 0.3% Goodyear Tire & Rubber Co. (The), BB-, B2 7.86%, 8/15/2011	N/A	583,500
400,000	BANKS -- 0.5% Capital One Financial Corp., BBB, Baal 6.15%, 9/1/2016	N/A	300,192
100,000	FCB/NC Capital Trust I, BB+, A3 8.05%, 3/1/2028	3/1/09 @ 103.62	94,347
500,000	First Tennessee Bank NA, BBB+, A3 2.87%, 5/18/2009 (d)	N/A	473,750
			868,289

350,000	COMMERCIAL SERVICES -- 0.2% Rent-A-Center, Inc., B+, B2 7.50%, 5/1/2010	5/1/09 @ 100.00	342,125
1,750,000	DIVERSIFIED FINANCIAL SERVICES -- 1.0% Citigroup, Inc., A, A2 8.40%, 4/29/49 (e)	4/30/18 @ 100.00	1,191,155
1,000,000	General Motors Acceptance Corp. LLC, B-, B3 6.875%, 9/15/2011	N/A	446,187
			1,637,342
700,000	ELECTRONICS -- 0.4% IMAX Corp. (Canada), CCC, Caa2 9.625%, 12/1/2010	12/1/08 @ 102.41	696,500
1,465,000	FOOD -- 1.2% Dean Foods Co., B, B3 7.00%, 6/1/2016	N/A	1,274,550
935,000	Smithfield Foods, Inc., BB-, Ba3 7.00%, 8/1/2011	N/A	813,450
			2,088,000
239,000	FOREST PRODUCTS & PAPER -- 0.4% Boise Cascade LLC, BB-, B2 7.125%, 10/15/2014	10/15/09 @ 103.56	163,715
500,000	Domtar Corp., BB-, Ba3 7.875%, 10/15/2011	N/A	497,500
			661,215
740,000	HEALTH CARE -- 0.4% DaVita, Inc., B, B2 7.25%, 3/15/2015	3/15/10 @ 103.63	703,000
500,000	INSURANCE -- 0.6% Odyssey Re Holdings Corp., BBB-, Baa3 7.65%, 11/1/2013	N/A	530,776
500,000	Presidential Life Corp., B+, B1 7.875%, 2/15/2009	N/A	497,500
			1,028,276
455,000	IRON/STEEL -- 0.3% Allegheny Technologies, Inc., BBB-, Baa3 8.375%, 12/15/2011	N/A	483,616
750,000	MEDIA - 0.4% DirecTV Holdings LLC/DirecTV Financing Co., BB, Ba3 8.375%, 3/15/2013	3/15/09 @ 102.79	740,625
1,000,000	OFFICE/BUSINESS EQUIPMENT -- 0.5% Xerox Capital Trust I, BB+, Baa3 8.00%, 2/1/2027	2/1/09 @ 101.96	909,331
700,000	RETAIL -- 0.5% Dillards, Inc., BB-, B2 7.13%, 8/1/2018	N/A	444,500
475,000	Pantry, Inc. (The), B-, Caa1 7.75%, 2/15/2014	2/15/09 @ 103.88	366,938
			811,438
850,000	TRANSPORTATION -- 0.5% Overseas Shipholding Group, Inc., BB, Ba1 8.75%, 12/1/2013	N/A	841,500
	TOTAL CORPORATE BONDS -- 9.1% (Cost \$17,718,782)		15,525,617

NUMBER OF SHARES

VALUE

	PREFERRED STOCKS -- 6.4%		
	DIVERSIFIED FINANCIAL SERVICES -- 1.6%		
60,000	ABN Amro Capital Funding Trust VII, Series G, 6.08%, A, A1		489,000
31,650	Deutsche Bank Contingent Capital Trust II, 6.55%, A, Aa3		458,925
50,000	Merrill Lynch & Co., Inc., Series 3, 6.375%, BBB+, Baa1		684,500
61,000	Merrill Lynch & Co., Inc., Series MER, 8.625%, BBB+, Baa1		1,158,390
			2,790,815
	INSURANCE -- 1.9%		
50,000	Aegon NV (Netherlands), 6.50%, A-, A3		405,000
31,200	Allianz SE (Germany), 8.375%, A+, A3		628,680
25,000	Aspen Insurance Holdings, Ltd. (Bermuda), 7.40%, BBB-, Ba1 (d)		355,000
33,200	ING Groep NV (Netherlands), 7.375%, A, A1		464,800

50,000	Metlife, Inc., Series B, 6.50%, BBB-, Baa1	776,000
48,600	Prudential PLC (United Kingdom), 6.50%, A-, Baa1	524,880

		3,154,360

	REAL ESTATE INVESTMENT TRUSTS -- 2.9%	
20,000	Apartment Investment & Management Co., Series U, 7.75%, B+, Ba3	348,000
20,000	Brandywine Realty Trust, Series C, 7.50%, NR, NR	313,600
11,000	Capital Automotive REIT, Series A, 7.50%, NR, B1	136,125
20,000	CBL & Associates Properties, Inc., Series C, 7.75%, NR, NR	306,000
25,000	CBL & Associates Properties, Inc., Series D, 7.375%, NR, NR	360,000
12,500	Duke Realty Corp., Series L, 6.60%, BBB-, Baa2	193,000
15,000	First Industrial Realty Trust, Inc., Series J, 7.25%, BB+, Baa3	247,500
20,000	Health Care REIT, Inc., Series D, 7.875%, BB, Baa3	429,800
15,500	Kimco Realty Corp., Series G, 7.75%, BBB, Baa2	316,355
12,000	PS Business Parks, Inc., Series H, 7.00%, BBB+, Baa3	208,560
16,000	Public Storage, Inc., Series M, 6.625%, BBB, Baa1	280,000
20,000	Realty Income Corp., Series D, 7.375%, BB+, Baa2	423,600
18,500	Regency Centers Corp., Series D, 7.25%, BBB-, Baa3	337,810
25,000	Taubman Centers, Inc., Series G, 8.00%, NR, B1	537,500
25,000	Vornado Realty Trust, Series E, 7.00%, BBB-, Baa3	442,500

		4,880,350

	TOTAL PREFERRED STOCKS -- 6.4%	
	(Cost \$17,978,449)	10,825,525

	TOTAL LONG-TERM INVESTMENTS -- 169.2%	
	(Cost \$326,995,821)	287,965,529

PRINCIPAL AMOUNT

VALUE

	SHORT-TERM INVESTMENTS -- 0.8%	
\$ 1,300,000	County of Cuyahoga, Ohio	
	Cleveland Clinic Health System Obligated Group, Series 2004B, AA-, Aa2 (f)	
	4.250%, 1/1/2039	1,300,000

	(Cost \$1,300,000)	
	TOTAL INVESTMENTS -- 170.0%	
	(Cost \$328,295,821)	289,265,529

	FLOATING RATE NOTE OBLIGATIONS -- (1.4%)	
(2,250,000)	A note with an interest rate of 2.22% on September 30, 2008, and contractual maturity of collateral in 2041.	
	(Cost (\$2,250,000))	(2,250,000)

	TOTAL NET INVESTMENTS -- 168.6%	
	(Cost \$326,045,821)	287,015,529
	Other Assets in excess of Liabilities - 1.9%	3,182,018
	Preferred Shares, at Liquidation Value - (-70.5% of Net Assets	
	Applicable to Common Shareholders or -41.8% of Total Investments)	(120,000,000)

	NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS -- 100.0%	\$ 170,197,547
		=====

ACA	ACA Financial Guaranty Corporation
ADR	American Depositary Receipt
AMBAC	Ambac Assurance Corporation
BHAC	Bershire Hathaway Assurance Corp.
FGIC	Financial Guaranty Insurance Company
GNMA	Ginnie Mae
LLC	Limited Liability Corporation
N/A	Not Applicable
PLC	Public Limited Company
PSF	Permanent School Fund (Texas)
RADIAN	Radian Asset Assurance, Inc
REIT	Real Estate Investment Trust

- (a) Inverse floating rate investment. Interest rate shown is that in effect at September 30, 2008.
- (b) Underlying security related to inverse floating rate investments entered into by the Fund.
- (c) Non-income producing security
- (d) Floating or variable rate coupon
- (e) Security has a fixed rate coupon which will convert to a floating or variable rate coupon on a future
- (f) Security has a maturity of more than one year, but has variable rate and demand features which qualify it as a short-term security. The

rate shown is as of September 30, 2008.

Ratings shown are per Standard & Poor's and Moody's. Securities classified as NR are not rated.

All percentages shown in the Portfolio of Investments are based on Net Assets Applicable to Common Shareholders unless otherwise noted.

COUNTRY ALLOCATION*

United States	92.2%
United Kingdom	4.1%
Netherlands	1.0%
Panama	0.8%
Germany	0.7%
Bermuda	0.5%
Cayman Islands	0.5%
Canada	0.2%

* Based on Total Long-Term Investments. Subject to change daily.

See previously submitted notes to the financial statements for the period ended June 30, 2008.

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The Fund entered into interest rate swap agreements during the period ended September 30, 2008. Details of the swap agreements outstanding as of September 30, 2008 were as follows:

INTEREST RATE SWAP AGREEMENTS

COUNTERPARTY	TERMINATION DATE	NOTIONAL AMOUNT (000)	FIXED RATE	FLOATING RATE	UNREALIZED APPRECIATION/DEPRECIATION
JPMorgan Chase & Co.*	12/18/2038	\$ 20,000	4.556%	30-Yr LIBOR	\$ 474,670
					\$ 474,670

LIBOR - London Inter Bank Offering Rate

* For each swap noted, the Fund pays a fixed rate and receives a floating rate.

In September, 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Valuation Measurements" ("FAS 157"). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of fair value measurements. FAS 157 establishes three different categories for valuations. Level 1 valuations are those based upon quoted prices in active markets. Level 2 valuations are those based upon quoted prices in inactive markets or based upon significant observable inputs (i.e. yield curves; benchmark interest rates; indices). Level 3 valuations are those based upon unobservable inputs (i.e. discounted cash flow analysis; non-market based methods used to determine fair valuation).

Valuations at September 30, 2008

Description	Securities	Derivatives	Total
(value in \$000s)			
Assets:			
Level 1	\$ 130,679	\$ -	\$ 130,679
Level 2	158,587	475	159,062
Level 3	-	-	-
Total	\$ 289,266	\$ 475	\$ 289,741

Liabilities:

Level 1	\$ -	\$ -	\$ -
Level 2	-	-	-
Level 3	-	-	-
Total	\$ -	\$ -	\$ -

Level 3 holdings

	Securities	Derivatives	Total
Beginning Balance at 6/30/08	\$ -	\$ -	\$ -
Total Realized Gain/Loss	-	-	-
Change in Unrealized Gain/Loss	-	-	-
Net Purchases and Sales	-	-	-
Net Transfers In/Out	-	-	-
Ending Balance at 9/30/08	\$ -	\$ -	\$ -

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ITEM 2. CONTROLS AND PROCEDURES.

- (a) The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended) as of a date within 90 days of this filing and have concluded, based on such evaluation, that the registrant's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.
- (b) There was no change in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940, as amended) that occurred during the registrant's last fiscal quarter that may have materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS.

Separate certifications for each principal executive officer and principal financial officer of the registrant as required by Rule 30a-2(a) under the Investment Company Act (17 CFR 270.30a-2(a)), are attached hereto.

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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.

TS&W/Claymore Tax-Advantaged Balanced Fund

By: /s/ J. Thomas Futrell

J. Thomas Futrell
Chief Executive Officer

Date: November 21, 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/ J. Thomas Futrell

J. Thomas Futrell
Chief Executive Officer

Date: November 21, 2008

By: /s/ Steven M. Hill

Steven M. Hill
Treasurer and Chief Financial Officer

Date: November 21, 2008

CERTIFICATIONS

I, J. Thomas Futrell, certify that:

1. I have reviewed this report on Form N-Q of TS&W/Claymore Tax-Advantaged Balanced Fund;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the schedule of investments included in this report fairly presents, in all material respects, the investments of the registrant as of the end of the fiscal quarter for which the report is filed;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 21, 2008

/s/ J. Thomas Futrell

J. Thomas Futrell
Chief Executive Officer

CERTIFICATIONS

I, Steven M. Hill, certify that:

1. I have reviewed this report on Form N-Q of TS&W/Claymore Tax-Advantaged Balanced Fund;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the schedule of investments included in this report fairly presents, in all material respects, the investments of the registrant as of the end of the fiscal quarter for which the report is filed;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report, based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 21, 2008

/s/ Steven M. Hill

Steven M. Hill
Treasurer and Chief Financial Officer