

EUROPEAN EQUITY FUND, INC / MD  
Form N-Q  
November 28, 2007  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

**FORM N-Q**

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY**

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Investment Company Act file number 811-4632

The European Equity Fund, Inc.

(Exact name of registrant as specified in charter)

345 Park Avenue

New York, NY 10154

(Address of principal executive offices) (Zip code)

Paul Schubert

345 Park Avenue

New York, NY 10154

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 454-7190

Date of fiscal year end: 12/31

Date of reporting period: 09/30/07

**ITEM 1. SCHEDULE OF INVESTMENTS**

## THE EUROPEAN EQUITY FUND, INC.

## SCHEDULE OF INVESTMENTS - SEPTEMBER 30, 2007

Shares	Description	Value(a)
<b>INVESTMENTS IN GERMAN SECURITIES - 24.8%</b>		
<b>COMMON STOCKS - 22.5%</b>		
<b>AUTOMOBILES - 2.5%</b>		
17,000	Continental	\$2,344,230
20,000	DaimlerChrysler	2,008,860
		4,353,090
<b>CHEMICALS - 2.4%</b>		
15,000	BASF	2,068,865
11,000	K + S	2,010,794
		4,079,659
<b>CONSTRUCTION MATERIALS - 0.8%</b>		
20,000	Bauer	1,305,304
<b>DIVERSIFIED FINANCIAL SERVICES - 0.9%</b>		
45,000	AWD Holding	1,499,180
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<b>ELECTRIC UTILITIES - 3.5%</b>		
32,000	E.ON	5,899,634
<b>ELECTRICAL EQUIPMENT - 1.1%</b>		
33,000	Solarworld	1,894,269
<b>ENERGY EQUIPMENT &amp; SERVICES - 1.0%</b>		
14,000	RWE	1,755,762
<b>INDUSTRIAL CONGLOMERATES - 4.4%</b>		
47,500	Siemens	6,512,231
34,325	Tognum*	1,073,748
		7,585,979
<b>INDUSTRIAL GASES - 1.4%</b>		
19,000	Linde	2,352,832
<b>INTERNET SOFTWARE &amp; SERVICES - 1.6%</b>		
45,000	D+S Online*	812,616
85,000	United Internet	1,908,403
		2,721,019
<b>SOFTWARE - 2.9%</b>		
60,000	SAP	3,502,140
16,000	Software	1,497,886
		5,000,026
	Total Common Stocks (cost \$27,314,180)	38,446,754
<b>PREFERRED STOCK - 2.3%</b>		
<b>AUTOMOBILES - 1.2%</b>		
1,000	Porsche	2,118,247
<b>HEALTHCARE PROVIDERS &amp; SERVICES - 1.1%</b>		
24,000	Fresenius	1,862,234
	Total Preferred Stock	

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(cost \$2,624,753)	3,980,481
Total Investments in German Securities	
(cost \$29,938,933)	42,427,235

**INVESTMENTS IN FRENCH COMMON STOCKS - 19.9%**

	<b>CHEMICALS - 0.8%</b>	
36,500	Rhodia*	1,324,471
	<b>COMMERCIAL BANKS - 2.4%</b>	
24,000	Societe Generale	4,015,901
	<b>CONSTRUCTION MATERIALS - 1.9%</b>	
42,000	Vinci	3,272,048
	<b>ENERGY EQUIPMENT &amp; SERVICES - 1.1%</b>	
6,000	Compagnie Generale de Geophysique*	1,954,970
	<b>FOOD &amp; STAPLES RETAILING - 1.6%</b>	
35,000	Groupe Danone	2,747,111
	<b>INDUSTRIAL CONGLOMERATES - 1.2%</b>	

14,000	Neopost	1,969,161
	<b>INSURANCE - 4.4%</b>	
170,100	AXA	7,589,730
	<b>OIL, GAS &amp; CONSUMABLE FUELS - 3.4%</b>	
71,600	Total	5,805,094
	<b>SPECIALITY RETAIL - 1.5%</b>	
41,400	Essilor International	2,590,133
	<b>TEXTILE, APPAREL &amp; LUXURY GOODS - 1.6%</b>	
23,000	LVMH Moet Hennessy Louis Vuitton	2,749,400
	Total Investments in French Common Stocks (cost \$27,261,328)	34,018,019

**INVESTMENTS IN SPANISH COMMON STOCKS - 10.9%**

	<b>BUILDING PRODUCTS - 1.0%</b>	
24,000	Tecnicas Reunidas	1,766,000
	<b>CHEMICALS - 0.9%</b>	
480,000	La Seda De Barcelona	1,522,002
	<b>COMMERCIAL BANKS - 2.5%</b>	
185,000	Banco Bilbao Vizcaya Argentaria	4,324,566
	<b>COMMUNICATIONS EQUIPMENT - 1.0%</b>	
61,000	Indra Sistemas	1,645,380
	<b>DIVERSIFIED TELECOMMUNICATION SERVICES - 3.8%</b>	
230,000	Telefonica	6,419,736
	<b>ELECTRIC UTILITIES - 1.7%</b>	
50,000	Iberdrola	2,929,114
	Total Investments in Spanish Common Stocks (cost \$15,856,453)	18,606,798

**INVESTMENTS IN SWISS COMMON STOCKS - 6.8%**

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	<b>CHEMICALS - 1.0%</b>	
15,000	Lonza GRP	1,630,574
	<b>DIVERSIFIED CONSUMER SERVICES - 0.9%</b>	
1,400	SGS	1,593,769
	<b>ELECTRONIC EQUIPMENT &amp; INSTRUMENTS - 0.9%</b>	
9,000	Inficon Holdings	1,541,471
	<b>HEALTHCARE EQUIPMENT &amp; SUPPLIES - 1.1%</b>	
4,500	Galenica	1,916,246
	<b>INSURANCE - 1.0%</b>	
5,500	Zurich Financial Services	1,644,162
	<b>PHARMACEUTICALS - 0.9%</b>	
29,000	Actelion, Ltd.*	1,601,044

	<b>TEXTILE, APPAREL &amp; LUXURY GOODS - 1.0%</b>	
25,000	Compagnie Financiere Richemont	1,650,903
	Total Investments in Swiss Common Stocks (cost \$10,063,482)	11,578,169

**INVESTMENTS IN ITALIAN COMMON STOCKS - 6.3%**

	<b>COMMERCIAL BANKS - 5.3%</b>	
730,000	Intesa Sanpaolo	5,620,699
400,000	Unicredito Italiano SpA	3,412,560
		9,033,259
	<b>DIVERSIFIED TELECOMMUNICATION SERVICES - 1.0%</b>	
60,000	Prismian SpA*	1,705,427
	Total Investments in Italian Common Stocks (cost \$8,445,369)	10,738,686

**INVESTMENTS IN FINNISH COMMON STOCKS - 4.8%**

	<b>DIVERSIFIED TELECOMMUNICATION SERVICES - 1.6%</b>	
70,000	Nokia	2,653,550
	<b>ELECTRIC UTILITIES - 2.0%</b>	
92,000	Fortum	3,367,173
	<b>PAPER &amp; FOREST PRODUCTS - 1.2%</b>	
31,000	Metso	2,129,011
	Total Investments in Finnish Common Stocks (cost \$4,857,118)	8,149,734

**INVESTMENTS IN DUTCH COMMON STOCKS - 4.6%**

	<b>BEVERAGES - 1.2%</b>	
31,000	Heineken Holdings	2,028,511
	<b>BUILDING PRODUCTS - 1.3%</b>	
43,000	Boskalis Westminster	2,161,970
	<b>ENERGY EQUIPMENT &amp; SERVICES - 2.1%</b>	
23,000	Fugro	1,861,822
20,000	Smit Internationale	1,740,690
		3,602,512
	Total Investments in Dutch	

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	Common Stocks (cost \$6,545,393)	7,792,993
<b>INVESTMENTS IN NORWEGIAN COMMON STOCKS - 4.1%</b>		
<b>ENERGY EQUIPMENT &amp; SERVICES - 2.1%</b>		
60,000	Aker Kvaerner	1,900,450
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60,000	Subsea 7, Inc.*	1,654,249
		3,554,699
<b>OIL, GAS &amp; CONSUMABLE FUELS - 2.0%</b>		
104,000	Statoil	3,524,270
	Total Investments in Norwegian Common Stocks (cost \$5,727,784)	7,078,969
<b>INVESTMENTS IN BELGIAN COMMON STOCKS - 4.1%</b>		
<b>COMMERCIAL BANKS - 3.0%</b>		
37,000	KBC Groep	5,075,842
<b>METALS &amp; MINING - 1.1%</b>		
8,000	Umicore	1,906,483
	Total Investments in Belgian Common Stocks (cost \$5,265,048)	6,982,325
<b>INVESTMENTS IN GREEK COMMON STOCKS - 3.9%</b>		
<b>COMMERCIAL BANKS - 1.4%</b>		
70,176	EFG Eurobank	2,460,655
<b>DIVERSIFIED FINANCIAL SERVICES - 1.2%</b>		
61,000	Hellenic Exchanges	1,951,558
<b>DIVERSIFIED TELECOMMUNICATION SERVICES - 1.3%</b>		
60,000	Hellenic Telecommunications Organization	2,218,164
	Total Investments in Greek Common Stocks (cost \$3,869,687)	6,630,377
<b>INVESTMENTS IN IRISH COMMON STOCKS - 2.4%</b>		
<b>COMMERCIAL BANKS - 2.4%</b>		
78,000	Anglo Irish Bank Corp.	1,441,807
140,000	Bank of Ireland	2,587,858
	Total Investments in Irish Common Stocks (cost \$4,180,443)	4,029,665
<b>INVESTMENTS IN AUSTRIAN SECURITIES - 2.2%</b>		
<b>COMMON STOCKS - 2.2%</b>		
<b>CONSTRUCTION MATERIALS - 1.0%</b>		
28,800	Wienerberger	1,796,099
<b>OIL, GAS &amp; CONSUMABLE FUELS - 1.2%</b>		
30,000	OMV	1,997,627
	Total Common Stocks	

	(cost \$2,653,427)	3,793,726
	<b>RIGHTS - 0.0%</b>	
	<b>CONSTRUCTION MATERIALS - 0.0%</b>	
28,800	Wienerberger	
	Expiration Date: 10/8/07*	
	(cost \$0)	0
	Total Investments in Austrian Securities	
	(cost \$2,653,427)	3,793,726
<b>INVESTMENTS IN SWEDISH COMMON STOCKS - 1.8%</b>		
	<b>COMMUNICATIONS EQUIPMENT - 1.8%</b>	
72,000	Axis Communications	1,545,041
390,000	Ericsson	1,553,377
		3,098,418
	Total Investments in Swedish Common Stocks	
	(cost \$2,927,814)	3,098,418
<b>INVESTMENTS IN DANISH COMMON STOCKS - 0.9%</b>		
	<b>BUILDING PRODUCTS - 0.9%</b>	
5,000	Rockwool International	
	(cost \$1,392,098)	1,621,457
<b>INVESTMENTS IN CYPRUS COMMON STOCKS - 0.5%</b>		
	<b>COMMERCIAL BANKS - 0.5%</b>	
50,000	Bank of Cyprus, Ltd.(b)	
	(cost \$822,859)	880,156
	Total Investments in Common and Preferred Stocks - 98.0%	
	(cost \$129,807,236)	167,426,727
<b>SECURITIES LENDING COLLATERAL - 4.9%</b>		
8,430,047	Daily Assets Fund Institutional, 5.38%(c)(d)	
	(cost \$8,430,047)	\$8,430,047
<b>CASH EQUIVALENTS - 0.0%</b>		
13,995	Cash Management QP Trust, 5.14%(c) (cost \$13,995)	\$13,995
	Total Investments - 102.9%	
	(cost \$138,251,278)	175,870,769
	Other Assets and Liabilities, Net - (2.9%)	(5,014,504)
	<b>NET ASSETS-100.0%</b>	<b>\$170,856,265</b>

\* Non-income producing securities.

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All or a portion of these securities were on loan. The value of all securities loaned at September 30, 2007 amounted to \$8,025,706 which is 4.7% of the net assets.

Represents collateral held in connection with securities lending. Daily Assets Fund Institutional, an affiliated fund, is managed by Deutsche Asset Management America Inc. The rate shown is the annualized seven-day yield at period end.

- (a) Values stated in US dollars.
  - (b) Security listed in country of incorporation significant business activities of company are in Greece.
  - (c) Affiliated fund managed by Deutsche Investment Americas Inc. The rate shown is the annualized seven-day yield at period end.
  - (d) Represents collateral held in connection with securities lending.
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### ITEM 2. CONTROLS AND PROCEDURES

(a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last half-year (the registrant's second fiscal half-year in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

### ITEM 3. EXHIBITS

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

### 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: The European Equity Fund, Inc.

By: /s/Michael G. Clark  
Michael G. Clark

President

Date: November 16, 2007

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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.

Registrant: The European Equity Fund, Inc.

By: /s/Michael G. Clark  
Michael G. Clark  
President

Date: November 16, 2007

By: /s/Paul Schubert  
Paul Schubert  
Chief Financial Officer and Treasurer

Date: November 16, 2007