

EUROPEAN EQUITY FUND, INC / MD

Form N-Q

November 25, 2015

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: 811-04632

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

60 Wall Street

New York, NY 10005

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 250-3220

Date of fiscal year end: 12/31

Date of reporting period: 9/30/2015

**ITEM 1. SCHEDULE OF INVESTMENTS**

The European Equity Fund, Inc.

Schedule of Investments as of September 30, 2015 (Unaudited)

	Shares	Value (\$)
<b>Common Stocks 90.7%</b>		
<b>Germany 19.6%</b>		
<b>Automobiles 2.1%</b>		
Daimler AG (Registered)	22,000	1,591,769
<b>Chemicals 2.1%</b>		
Evonik Industries AG	48,000	1,602,056
<b>Diversified Telecommunication Services 2.7%</b>		
Telefonica Deutschland Holding AG	342,000	2,083,750
<b>Electrical Equipment 2.5%</b>		
OSRAM Licht AG	38,000	1,959,359
<b>Insurance 2.6%</b>		
Allianz SE (Registered)	12,902	2,018,865
<b>Multi-Utilities 2.0%</b>		
E.ON SE	180,000	1,541,741
<b>Pharmaceuticals 0.9%</b>		
Merck KGaA	8,000	705,926
<b>Software 2.4%</b>		
SAP SE	29,000	1,874,990
<b>Thriffs &amp; Mortgage Finance 2.3%</b>		
Aareal Bank AG	50,000	1,771,732
<b>Total Germany (Cost \$16,042,920)</b>		<b>15,150,188</b>
<b>France 18.4%</b>		
<b>Banks 3.1%</b>		
BNP Paribas SA	41,000	2,399,714
<b>Commercial Services &amp; Supplies 3.2%</b>		
Societe BIC SA	16,000	2,477,747
<b>Diversified Telecommunication Services 3.0%</b>		

Orange SA	152,000	<b>2,292,808</b>
<b>Health Care Equipment &amp; Supplies 3.0%</b>		
Essilor International SA	19,000	<b>2,308,495</b>
<b>Insurance 2.1%</b>		
AXA SA	66,000	<b>1,593,119</b>
<b>Media 4.0%</b>		
Lagardere SCA	58,000	1,600,940
Vivendi SA	64,000	1,508,784
		<b>3,109,724</b>
<b>Total France</b> (Cost \$13,015,677)		<b>14,181,607</b>
<b>United Kingdom 12.6%</b>		
<b>Airlines 2.2%</b>		
easyJet PLC	63,000	<b>1,695,386</b>
<b>Banks 2.4%</b>		
Lloyds Banking Group PLC	1,600,000	<b>1,821,157</b>
<b>Household Products 2.9%</b>		
Reckitt Benckiser Group PLC	25,000	<b>2,266,678</b>
<b>Media 2.3%</b>		
ITV PLC	470,000	<b>1,750,949</b>
		<b>Shares Value (\$)</b>
<b>Wireless Telecommunication Services 2.8%</b>		
Vodafone Group PLC	687,000	<b>2,168,699</b>
<b>Total United Kingdom</b> (Cost \$9,739,469)		<b>9,702,869</b>
<b>Netherlands 12.1%</b>		
<b>Banks 1.8%</b>		
ING Groep NV (CVA)	98,000	<b>1,383,133</b>
<b>Oil, Gas &amp; Consumable Fuels 2.4%</b>		
Royal Dutch Shell PLC "B"	79,000	<b>1,869,936</b>
<b>Personal Products 2.9%</b>		
Unilever NV (CVA)	56,000	<b>2,242,379</b>
<b>Semiconductors &amp; Semiconductor Equipment 2.0%</b>		
ASML Holding NV	18,000	<b>1,569,656</b>
<b>Specialty Retail 3.0%</b>		
GrandVision NV 144A	90,000	<b>2,302,470</b>

<b>Total Netherlands</b> (Cost \$10,581,794)		<b>9,367,574</b>
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**Switzerland 10.0%****Capital Markets 2.9%**

Partners Group Holding AG	6,600	<b>2,229,821</b>
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**Chemicals 2.1%**

Syngenta AG (Registered)	5,000	<b>1,596,419</b>
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**Life Sciences Tools & Services 1.2%**

Lonza Group AG (Registered)*	7,000	<b>915,192</b>
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**Pharmaceuticals 1.9%**

Novartis AG (Registered)	16,000	<b>1,463,325</b>
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**Specialty Retail 1.9%**

Dufry AG (Registered)*	13,000	<b>1,516,112</b>
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<b>Total Switzerland</b> (Cost \$8,426,198)		<b>7,720,869</b>
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**Spain 5.4%****Construction & Engineering 2.6%**

Ferrovial SA	83,000	<b>1,976,150</b>
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**Electric Utilities 2.8%**

Red Electrica Corp SA	26,000	<b>2,150,668</b>
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<b>Total Spain</b> (Cost \$3,634,976)		<b>4,126,818</b>
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**Denmark 3.2%****Chemicals 3.2%**

Chr Hansen Holding A/S (Cost \$1,976,325)	44,000	<b>2,454,755</b>
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**Czech Republic 2.8%****Banks 2.8%**

Komerčni banka A/S (Cost \$2,207,705)	10,000	<b>2,161,963</b>
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**Belgium 2.4%****Banks 2.4%**

KBC Groep NV (Cost \$1,624,222)	30,000	<b>1,886,760</b>
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	<b>Shares</b>	<b>Value (\$)</b>
<b>Sweden 2.4%</b>		
<b>Household Products 2.4%</b>		
Svenska Cellulosa AB SCA "B" (Cost \$1,623,141)	65,000	<b>1,811,280</b>

**Norway 1.8%**

<b>Diversified Telecommunication Services 1.8%</b>		
Telenor ASA (Cost \$1,764,518)	75,000	<b>1,397,062</b>
<b>Total Common Stocks 90.7%</b> (Cost \$70,636,945)		<b>69,961,745</b>
<b>Cash Equivalents 2.6%</b>		
Central Cash Management Fund, 0.12% (Cost \$2,029,723) <sup>(a)</sup>	2,029,723	<b>2,029,723</b>
	<b>% of Net Assets</b>	<b>Value (\$)</b>
<b>Total Investments Portfolio</b> (Cost \$72,666,668)**	<b>93.3</b>	<b>71,991,468</b>
<b>Other Assets and Liabilities, Net</b>	<b>6.7</b>	<b>5,208,443</b>
<b>Net Assets</b>	<b>100.0</b>	<b>77,199,911</b>

\*Non-income producing security.

\*\* The cost for federal income tax purposes was \$72,821,930. At September 30, 2015, net unrealized depreciation for all securities based on tax cost was \$830,462. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$7,253,237 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$8,083,699.

(a) Affiliated fund managed by Deutsche Investment Management Americas Inc. The rate shown is the annualized seven-day yield at period end.

144A - Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

CVA - Certificaten Van Aandelen (Certificate of Stock).

For purposes of its industry concentration policy, the Fund classifies issuers of portfolio securities at the industry sub-group level. Certain of the categories in the above Schedule of Investments consist of multiple industry sub-groups or industries.

At September 30, 2015, open futures contracts sold were as follows:

<b>Futures</b>	<b>Currency</b>	<b>Expiration Date</b>	<b>Contracts</b>	<b>Notional Value (\$)</b>	<b>Unrealized Appreciation (\$)</b>
Dax Index Future	EUR	12/18/2015	(18)	(5,139,193)	299,287

#### Currency Abbreviation

EUR Euro

**Fair Value Measurements**

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of September 30, 2015 in valuing the Fund's investments.

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Common Stocks and/or Other Equity Investments (b)</b>				
Germany	\$ 15,150,188	\$ —	\$ —	\$ 15,150,188
France	14,181,607	—	—	14,181,607
United Kingdom	9,702,869	—	—	9,702,869
Netherlands	9,367,574	—	—	9,367,574
Switzerland	7,720,869	—	—	7,720,869
Spain	4,126,818	—	—	4,126,818
Denmark	2,454,755	—	—	2,454,755
Czech Republic	2,161,963	—	—	2,161,963
Belgium	1,886,760	—	—	1,886,760
Sweden	1,811,280	—	—	1,811,280
Norway	1,397,062	—	—	1,397,062
Short-Term Instruments (b)	2,029,723	—	—	2,029,723
<b>Derivatives (c)</b>				
Futures Contracts	299,287	—	—	299,287
<b>Total</b>	<b>\$ 72,290,755</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 72,290,755</b>

There have been no transfers between fair value measurement levels during the period ended September 30, 2015.

(b) See Schedule of Investments for additional detailed categorizations.

(c) Derivatives include unrealized appreciation (depreciation) on open futures contracts.

**ITEM 2. CONTROLS AND PROCEDURES**

The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and (a) 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.

There have been no changes in the registrant's internal control over financial reporting that occurred during (b) the registrant's last fiscal quarter 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.

/s/Brian E. Binder

By: Brian E. Binder

President

Date: November 20, 2015

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.

/s/Brian E. Binder

By: Brian E. Binder

President

Date: November 20, 2015

/s/Paul Schubert

By: Paul Schubert

Chief Financial Officer and Treasurer

Date: November 20, 2015