

EUROPEAN EQUITY FUND, INC / MD

Form N-Q

November 29, 2017

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: 811-04632

The European Equity Fund, Inc.

(Exact name of registrant as specified in charter)

345 Park Avenue
New York, NY 10154-0004

(Address of principal executive offices) (Zip code)

Paul Schubert

345 Park Avenue
New York, NY 10154-0004

(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: 9/30/2017

ITEM 1. SCHEDULE OF INVESTMENTS

The European Equity Fund, Inc.

Schedule of Investments

as of September 30, 2017 (Unaudited)

	Shares	Value (\$)
Common Stocks 98.0%		
Germany 20.1%		
Aerospace & Defense 3.0%		
MTU Aero Engines AG	16,000	2,551,743
Capital Markets 1.2%		
Deutsche Boerse AG	9,790	1,061,068
Chemicals 2.0%		
LANXESS AG	22,000	1,735,733
Construction & Engineering 1.8%		
HOCHTIEF AG	9,000	1,518,318
Health Care Providers & Services 2.6%		
Fresenius SE & Co KGaA	28,000	2,258,420
Insurance 2.9%		
Allianz SE (Registered)	11,000	2,469,312
Internet & Direct Marketing Retail 2.3%		
Zalando SE 144A*	39,000	1,954,224
Pharmaceuticals 1.0%		
Merck KGaA	7,786	866,045
Software 3.3%		
SAP SE	26,000	2,848,067
Total Germany (Cost \$12,914,947)		17,262,930
France 13.6%		
Commercial Services & Supplies 1.9%		
Edenred	60,000	1,630,884
Construction & Engineering 2.2%		
Vinci SA	20,000	1,900,335

Health Care Equipment & Supplies 3.7%		
BioMerieux	23,000	1,871,983
Essilor International SA	10,340	1,280,025
		3,152,008
Insurance 2.7%		
AXA SA	77,000	2,328,654
Media 3.1%		
Lagardere SCA	80,000	2,677,959
Total France (Cost \$8,887,655)		11,689,840
United Kingdom 11.8%		
Aerospace & Defense 2.2%		
BAE Systems PLC	222,000	1,880,549
Household Products 2.8%		
Reckitt Benckiser Group PLC	26,000	2,376,129
Metals & Mining 2.0%		
Randgold Resources Ltd (ADR)	18,000	1,766,221
Trading Companies & Distributors 2.5%		
Ashtead Group PLC	90,000	2,171,861
Wireless Telecommunication Services 2.3%		
Vodafone Group PLC	700,000	1,960,590
Total United Kingdom (Cost \$9,842,349)		10,155,350
	Shares	Value (\$)
Switzerland 10.3%		
Building Products 1.1%		
Geberit AG (Registered)	2,000	946,683
Capital Markets 2.3%		
Partners Group Holding AG	2,841	1,928,639
Life Sciences Tools & Services 1.7%		
Lonza Group AG (Registered)*	5,600	1,469,725
Metals & Mining 2.8%		
Glencore PLC*	530,000	2,431,422
Specialty Retail 2.4%		
Dufry AG (Registered)*	13,000	2,065,923
Total Switzerland (Cost \$5,911,663)		8,842,392
Netherlands 10.2%		
Banks 3.0%		
ING Groep NV	141,000	2,599,487
Beverages 2.0%		

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Heineken NV	17,000	1,680,579
Oil, Gas & Consumable Fuels 2.9%		
Royal Dutch Shell PLC "B"	82,000	2,523,831
Semiconductors & Semiconductor Equipment 2.3%		
ASML Holding NV	11,500	1,957,740
Total Netherlands (Cost \$6,596,217)		8,761,637
Sweden 9.8%		
Commercial Services & Supplies 2.9%		
Securitas AB "B"	147,000	2,455,761
Household Products 2.3%		
Essity AB "B"*	74,000	2,008,426
Machinery 4.6%		
SKF AB "B"	105,000	2,282,665
Volvo AB "B"	88,000	1,692,142
		3,974,807
Total Sweden (Cost \$6,927,975)		8,438,994
Denmark 6.6%		
Chemicals 1.6%		
Chr Hansen Holding A/S	16,000	1,372,038
Marine 2.6%		
AP Moller - Maersk A/S "B"	1,200	2,279,108
Pharmaceuticals 2.4%		
Novo Nordisk A/S "B"	43,000	2,055,358
Total Denmark (Cost \$4,946,483)		M,706,504
Ireland 5.3%		
Airlines 2.3%		
Ryanair Holdings PLC*	100,000	1,922,789
Food Products 3.0%		
Kerry Group PLC "A"	27,000	2,610,123
Total Ireland (Cost \$3,900,703)		L,532,912
Italy 4.9%		
Banks 2.0%		
Intesa Sanpaolo SpA	500,000	1,767,973
Diversified Telecommunication Services 2.9%		
Telecom Italia SpA*	2,650,000	2,481,928
Total Italy (Cost \$3,943,853)		L,249,901
	Shares	Value (\$)
Belgium 3.3%		

Banks 3.3%

KBC Groep NV (Cost \$1,908,100)	33,000	2,796,257
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Luxembourg 2.1%

Multiline Retail 2.1%

B&M European Value Retail SA (Cost \$1,622,177)	340,000	1,767,751
Total Common Stocks (Cost \$67,402,122)		84,204,468

Contracts	Value (\$)
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Put Options Purchased 0.1%

Exchange-Traded Index Options Contracts

Deutsche Boerse AG German Stock Index, Counterparty RBS,

Expiration Date 3/16/2018, Strike Price EUR 10,200.00,	400	123,143
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Notional Amount EUR 20,400,000 (Cost \$181,304)

Shares	Value (\$)
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Cash Equivalents 1.4%

Deutsche Central Cash Management Government Fund, 1.05% (Cost \$1,228,396) (a)	1,228,396	1,228,396
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% of Net	
Assets	Value (\$)
99.5	85,556,007
0.5	16,982
100.0	85,972,989

Total Investment Portfolio (Cost \$68,811,822)

Other Assets and Liabilities, Net

Net Assets

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies,

please refer to the Fund's most recent semi-annual or annual financial statements.

* Non-income producing security.

(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.

ADR : American Depositary Receipt

RBS : The Royal Bank of Scotland Plc

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.

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, 2017 in valuing the Fund's investments.

Assets	Level 1	Level 2	Level 3	Total
Common Stocks (b)				
Germany	\$ 17,262,930	\$ —	\$ —	\$ 17,262,930
France	11,689,840	—	—	11,689,840
United Kingdom	10,155,350	—	—	10,155,350
Switzerland	8,842,392	—	—	8,842,392
Netherlands	8,761,637	—	—	8,761,637
Sweden	8,438,994	—	—	8,438,994
Denmark	5,706,504	—	—	5,706,504
Ireland	4,532,912	—	—	4,532,912
Italy	4,249,901	—	—	4,249,901
Belgium	2,796,257	—	—	2,796,257
Luxembourg	1,767,751	—	—	1,767,751
Short-Term Instruments (b)	1,228,396	—	—	1,228,396
Derivatives (c)				
Purchased Options	123,143	—	—	123,143
Total	\$ 85,556,007	\$ —	\$ —	\$ 85,556,007

There have been no transfers between fair value measurement levels during the period ended September 30, 2017.

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

(c) Derivatives include value of options purchased.

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 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 22, 2017

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 22, 2017

/s/Paul Schubert

By: Paul Schubert

Chief Financial Officer and Treasurer

Date: November 22, 2017