

MORGAN STANLEY DEAN WITTER EMERGING MARKETS FUND INC  
Form N-CSRS  
August 31, 2004

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 811-06403  
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Morgan Stanley Emerging Markets Fund, Inc.  
-----

(Exact name of registrant as specified in charter)

1221 AVENUE OF THE AMERICAS 22ND FLOOR NEW YORK, NY 10020  
-----

(Address of principal executive offices)

(Zip code)

RONALD E. ROBISON  
1221 AVENUE OF THE AMERICAS 34TH FLOOR NEW YORK, NY 10020  
-----

(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-221-6726  
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Date of fiscal year end: 12/31  
-----

Date of reporting period: 6/30/04  
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Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR 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 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. Section 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

The Fund's semi-annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

SEMI-ANNUAL REPORT

MORGAN STANLEY EMERGING MARKETS FUND, INC.

JUNE 30, 2004

DIRECTORS

CHARLES A. FIUMEFREDDO	JOSEPH J. MCALINDEN
MICHAEL BOZIC	VICE PRESIDENT
EDWIN J. GARN	
WAYNE E. HEDIEN	BARRY FINK
JAMES F. HIGGINS	VICE PRESIDENT
DR. MANUEL H. JOHNSON	
JOSEPH J. KEARNS	STEFANIE V. CHANG
MICHAEL NUGENT	VICE PRESIDENT
FERGUS REID	

OFFICERS

CHARLES A. FIUMEFREDDO	AMY R. DOBERMAN
CHAIRMAN OF THE BOARD	VICE PRESIDENT
	JAMES W. GARRETT
	TREASURER AND CHIEF
MITCHELL M. MERIN	FINANCIAL OFFICER
PRESIDENT	

RONALD E. ROBISON	MICHAEL J. LEARY
EXECUTIVE VICE PRESIDENT	ASSISTANT TREASURER

AND PRINCIPAL EXECUTIVE  
OFFICER

MARY E. MULLIN  
SECRETARY

[MORGAN STANLEY LOGO]

MORGAN STANLEY  
EMERGING MARKETS FUND, INC.

INVESTMENT ADVISER

MORGAN STANLEY INVESTMENT MANAGEMENT INC.  
1221 AVENUE OF THE AMERICAS  
NEW YORK, NEW YORK 10020

ADMINISTRATOR

JPMORGAN INVESTOR SERVICES COMPANY  
73 TREMONT STREET  
BOSTON, MASSACHUSETTS 02108

CUSTODIAN

JPMORGAN CHASE BANK  
270 PARK AVENUE  
NEW YORK, NEW YORK 10017

STOCKHOLDER SERVICING AGENT

AMERICAN STOCK TRANSFER & TRUST COMPANY  
59 MAIDEN LANE  
NEW YORK, NEW YORK 10030  
1 (800) 278-4353

LEGAL COUNSEL

CLIFFORD CHANCE US LLP  
31 WEST 52ND STREET  
NEW YORK, NEW YORK 10019

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

ERNST & YOUNG LLP  
200 CLARENDON STREET  
BOSTON, MASSACHUSETTS 02116

FOR ADDITIONAL FUND INFORMATION,  
INCLUDING THE FUND'S NET ASSET VALUE PER

SHARE AND INFORMATION REGARDING THE  
INVESTMENTS COMPRISING THE FUND'S  
PORTFOLIO, PLEASE CALL 1-800-221-6726 OR  
VISIT OUR WEBSITE AT  
[www.morganstanley.com/im](http://www.morganstanley.com/im).

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MORGAN STANLEY  
INVESTMENT MANAGEMENT INC.  
INVESTMENT ADVISER

MORGAN STANLEY EMERGING MARKETS FUND, INC.

LETTER TO STOCKHOLDERS

Overview

#### PERFORMANCE

For the six months ended June 30, 2004, the Morgan Stanley Emerging Markets Fund, Inc. (the "Fund") had a total return, based on net asset value per share of -1.82%, compared to -0.97% for the Morgan Stanley Capital International (MSCI) Emerging Markets Free Net Index (the "Index"). On June 30, 2004, the closing price of the Fund's shares on the New York Stock Exchange was \$13.23, representing a 13.9% discount to the Fund's net asset value per share.

#### FACTORS AFFECTING PERFORMANCE

- Overall, stock selection was positive while country allocation detracted from performance.
- Stock selection in Russia, Israel, Brazil and Mexico coupled with country allocation scores in Russia, Egypt and China were all positive contributors to relative performance.
- Holdings in South Korea and Taiwan were among the strongest contributors last year, gave back gains in the severe market sell-off while our underweight stance in Israel (+19.1% Index return) and overweight position in the recently underperforming markets of Thailand (-13.7%) and Turkey added to overall declines. Thailand and Turkey were the best performing markets in 2003 and despite recent weakness we still remain overweight the market given attractive valuations and improving fundamentals.
- Emerging Markets had mixed results for the six months ended June 30, 2004, leading the world for the first half of the period while underperforming in the second. Emerging Markets finished the period in review down 1.0%, the asset class' worst performance in over twelve months after gaining 55.8% in 2003 and another 9.6% in the first three months of 2004.
- The asset class started the year strong as it continued to re-rate given a recovery in global growth, improved domestic economies, rising corporate earnings and attractive valuations. After many months of relative tranquility, volatility in the Emerging Markets spiked in the second quarter with the asset class coming under selling pressure in April and May before stabilizing in June.
- The recent difficulties in Emerging Markets were primarily due to exogenous factors, namely fears of future U.S. interest rate hikes, instability in Iraq and slower global growth. Concerns of a Chinese economic slowdown also put significant pressure on commodity prices and major cyclical markets in Asia.
- The recent sell-off, which saw stocks fall indiscriminately was not

driven by usual triggers such as political scandal, debt default or even devaluation but by markets anticipating a change in liquidity conditions and the subsequent rise in global risk aversion.

#### MANAGEMENT STRATEGIES

- Long-term, we remain positive on Emerging Markets as valuations and fundamentals remain attractive. We believe markets are in a better position than in past times to withstand the tough global environment.
- Balance of payment positions across many Emerging Market countries are superior and currently 9 of the top 10 Emerging Market countries are rated investment grade versus only 4 before the 1997 Asia crisis.
- Markets are significantly cheaper while stronger fiscal positions and lower interest rates could be a boost to growth prospects. Aggregate gross domestic product growth is expected to average above 6.0% in 2004.
- Emerging Market's growth has been both export-driven as well as consumer-led, which marks an improvement from foreign investment-led cycles of the late 1990s.

Sincerely,

/s/ Ronald E. Robison

Ronald E. Robison  
Executive Vice President--  
Principal Executive Officer

July 2004

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#### MORGAN STANLEY EMERGING MARKETS FUND, INC.

#### STATEMENT OF NET ASSETS

June 30, 2004 (unaudited)

	SHARES	VALUE (000)
-----		
COMMON STOCKS (96.8%) (UNLESS OTHERWISE NOTED)		
-----		
ARGENTINA (0.1%)		
ENERGY EQUIPMENT & SERVICES		
Tenaris SA ADR	9,300	\$ 305
-----		
BRAZIL (8.8%)		
AIRLINES		
Gol Linhas Aereas Inteligentes SA ADR	(a) 30,300	515
-----		
COMMERCIAL BANKS		
Banco Bradesco SA ADR	16,786	771
Banco Bradesco SA (Preference)	(a) 25,775	1,189
Banco Itau Holding Financeira SA ADR	45,110	2,104

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Banco Itau SA (Preference)	12,759,246	1,181
Unibanco GDR	42,100	832
		6,077
ELECTRIC UTILITIES		
CEMIG SA (Preference)	50,064,000	751
CEMIG SA ADR	51,200	769
		1,520
FOOD & DRUG RETAILING		
Cia Brasileira de Distribuicao		
Grupo Pao de Acucar ADR	26,200	453
METALS & MINING		
CSN ADR	54,400	661
CVRD (Preference) ADR	76,113	2,976
CVRD ADR	3,000	143
		3,780
OIL & GAS		
Petrobras SA (Preference)	9,153	228
Petrobras SA (Preference) ADR	147,956	3,728
Petrobras SA ADR	86,663	2,433
		6,389
PAPER & FOREST PRODUCTS		
Aracruz Celulose SA ADR	21,500	702
Votorantim Celulose e Papel SA		
ADR	45,600	1,450
		2,152
PHARMACEUTICALS		
Natura Cosmeticos SA	(a) 35,000	565
WIRELESS TELECOMMUNICATION SERVICES		
Telesp Celular Participacoes SA		
(Preference)	(a) 589,917,369	1,859
Telesp Celular Participacoes SA		
ADR	(a) 102,000	804
		2,663
		24,114
CHILE (0.7%)		
ELECTRIC UTILITIES		
Enersis SA ADR	311,400	\$ 1,856
CHINA/HONG KONG (6.4%)		
AUTO COMPONENTS		
Norstar Founders Group Ltd.	(a) 971,000	271
Shougang Concord Century		
Holdings Ltd.	3,415,000	319
		590
AUTOMOBILES		

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AviChina Industry & Technology Co., 'H'	2,963,000	346
-----		
BUILDING PRODUCTS		
Asia Aluminum Holdings Ltd.	7,698,000	750
-----		
COMPUTERS & PERIPHERALS		
TPV Technology Ltd.	2,038,000	1,447
-----		
ELECTRIC UTILITIES		
China Resources Power Holdings Co.	(a) 707,000	399
Huaneng Power International, Inc., 'H'	1,292,000	1,151
-----		
		1,550
-----		
ELECTRONIC EQUIPMENT & INSTRUMENTS		
Byd Co., Ltd., 'H'	147,000	434
Kingboard Chemicals Holdings Ltd	401,000	697
-----		
		1,131
-----		
ENERGY EQUIPMENT & SERVICES		
China Oilfield Services Ltd., 'H'	3,291,000	939
-----		
HEALTH CARE EQUIPMENT & SUPPLIES		
Moulin International Holdings Ltd	568,000	348
-----		
HOUSEHOLD DURABLES		
Grande Holdings Ltd.	536,000	522
-----		
INSURANCE		
Ping An Insurance Group Co. of China Ltd., 'H'	(a) 837,000	1,137
-----		
INTERNET SOFTWARE & SERVICES		
Sina Corp.	(a) 8,200	271
Tom Online, Inc.	(a) 948,000	160
-----		
		431
-----		
METALS & MINING		
Yanzhou Coal Mining Co., Ltd., 'H'	622,000	678
-----		
MULTILINE RETAIL		
Lianhua Supermarket Holdings Co., Ltd., 'H'	552,000	556

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. 3

MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

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	SHARES	VALUE (000)
-----		
CHINA/HONG KONG (CONT'D)		
MULTILINE RETAIL (CONT'D)		
Wumart Stores, Inc., 'H'	(a) 280,000	\$ 538
		1,094
-----		
OIL & GAS		
China Petroleum & Chemical Corp., 'H'	1,594,000	582
CNOOC Ltd.	4,525,000	1,915
Sinopec Zhenhai Refining & Chemical Co., Ltd., 'H'	1,182,000	1,137
		3,634
-----		
TEXTILES, APPAREL & LUXURY GOODS		
Fountain Set Holdings Ltd.	1,239,000	826
Victory City International Holdings Ltd.	1,051,000	381
		1,207
-----		
TRANSPORTATION INFRASTRUCTURE		
China Merchants Holdings International Co., Ltd.	500,000	673
Hainan Meilan International Airport Co., Ltd., 'H'	636,000	485
Hopewell Highway Infrastructure Ltd.	1,296,000	769
		1,927
		17,731
=====		
COLOMBIA (0.2%)		
COMMERCIAL BANKS		
BanColombia SA ADR	101,800	680
=====		
EGYPT (1.5%)		
CONSTRUCTION & ENGINEERING		
Orascom Construction Industries	(a) 156,035	2,315
-----		
WIRELESS TELECOMMUNICATION SERVICES		
MobiNil	148,552	1,788
		4,103
=====		
INDIA (4.6%)		
AUTOMOBILES		
Hero Honda Motors Ltd.	68,900	761
-----		
COMMERCIAL BANKS		
Industrial Development Bank of India Ltd.	456,000	415
Punjab National Bank Ltd.	70,000	429
State Bank of India Ltd.	(b) 70,550	696
-----		

		1,540
-----		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Mahanagar Telephone Nigam Ltd.	196,000	563
-----		
ELECTRICAL EQUIPMENT		
ABB Ltd.	35,929	\$ 525
Bharat Heavy Electricals Ltd.	138,700	1,514
-----		
		2,039
-----		
HOUSEHOLD PRODUCTS		
Hindustan Lever Ltd.	177,500	492
-----		
INDUSTRIAL CONGLOMERATES		
Grasim Industries Ltd.	31,500	693
Siemens India Ltd.	13,000	249
-----		
		942
-----		
INTERNET SOFTWARE & SERVICES		
IndiaInfo.com PCL	(b) 116,052	@--
-----		
INFORMATION TECHNOLOGY SERVICES		
Infosys Technologies Ltd.	10,227	1,229
-----		
METALS & MINING		
Hindalco Industries Ltd.	19,600	426
Steel Authority of India Ltd.	(a) 565,066	336
Tata Iron & Steel Co., Ltd.	52,000	340
-----		
		1,102
-----		
OIL & GAS		
Hindustan Petroleum Corp., Ltd.	120,500	881
Mahindra & Mahindra Ltd.	42,000	404
Oil & Natural Gas Corp., Ltd.	37,700	516
-----		
		1,801
-----		
PHARMACEUTICALS		
Cipla Ltd.	163,000	753
GlaxoSmithkline		
Pharmaceuticals Ltd.	34,000	440
-----		
		1,193
-----		
ROAD & RAIL		
Container Corp. of India Ltd.	45,600	560
-----		
THRIFTS & MORTGAGE FINANCE		
Housing Development Finance		
Corp., Ltd.	33,000	371
-----		
		12,593
=====		
INDONESIA (3.1%)		
AUTOMOBILES		
Astra International Tbk PT	2,062,538	1,207
-----		
COMMERCIAL BANKS		
Bank Central Asia Tbk PT	3,951,000	789

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Bank Internasional Indonesia		
Tbk PT	(a) 22,596,000	349
Bank Mandiri Persero Tbk PT	7,629,500	954

4 THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

	SHARES	VALUE (000)
-----		
INDONESIA (CONT'D)		
COMMERCIAL BANKS (CONT'D)		
Bank Rakyat Indonesia	(a) 4,627,500	\$ 825
		2,917
-----		
CONSTRUCTION MATERIALS		
Indocement Tunggul Prakarsa		
Tbk PT	(a) 3,667,000	556
-----		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Telekomunikasi Indonesia Tbk PT	(a) 1,241,000	978
-----		
METALS & MINING		
Bumi Resources Tbk PT	26,588,500	1,627
-----		
MULTILINE RETAIL		
Ramayana Lestari		
Sentosa Tbk PT	(a) 1,800,500	853
-----		
TOBACCO		
Gudang Garam Tbk PT	(a) 356,000	519
		8,657
=====		
ISRAEL (1.6%)		
AEROSPACE & DEFENSE		
Elbit Systems Ltd.	1	@--
-----		
SOFTWARE		
Check Point Software		
Technologies Ltd.	(a) 159,144	4,295
		4,295
=====		
JAPAN ( 0.0%)		
HOUSEHOLD DURABLES		
Sansui Electric Co., Ltd.	(a) 268,000	84
=====		
MALAYSIA (1.2%)		
COMMERCIAL BANKS		
Commerce Asset Holdings Bhd	532,000	681
-----		

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ELECTRIC UTILITIES		
YTL Corp. Bhd	419,000	518
-----		
HOTELS, RESTAURANTS & LEISURE		
Magnum Corp. Bhd	1,145,000	732
Resorts World Bhd	222,000	523
-----		
		1,255
-----		
REAL ESTATE		
SP Setia Bhd	733,500	764
-----		
		3,218
=====		
MEXICO (7.8%)		
BEVERAGES		
Coca-Cola Fems SA ADR	46,400	1,030
Fems ADR	15,800	724
-----		
		1,754
-----		
CONSTRUCTION MATERIALS		
Cemex SA de CV	28,194	164
Cemex SA de CV ADR	70,590	\$ 2,054
-----		
		2,218
-----		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Telmex, 'L' ADR	28,135	936
-----		
FOOD & STAPLES		
Wal-Mart de Mexico SA ADR	49,133	1,457
Wal-Mart de Mexico SA, 'V'	1,030,119	3,067
-----		
		4,524
-----		
MEDIA		
Grupo Televisa SA ADR	103,600	4,690
-----		
WIRELESS TELECOMMUNICATION SERVICES		
America Movil SA de CV, 'L'		
ADR	200,277	7,284
-----		
		21,406
=====		
PERU (0.7%)		
METALS & MINING		
Cia de Minas Buenaventura SA ADR	91,600	2,024
=====		
POLAND (1.1%)		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Telekomunikacja Polska SA	160,878	666
Telekomunikacja Polska SA GDR	601,400	2,442
-----		
		3,108
=====		
RUSSIA (8.1%)		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Uralsvyazinform ADR	100,700	775
-----		
METALS & MINING		
MMC Norilsk Nickel ADR	37,900	2,104

-----		
OIL & GAS		
Gazprom (Registered) ADR	134,100	3,848
LUKOIL ADR	47,719	5,020
Surgutneftegaz (Preferred) ADR	16,139	694
Surgutneftegaz ADR	71,372	2,334
YUKOS ADR	50,799	1,617
-----		
		13,513
-----		
PAPER & FOREST PRODUCTS		
Alliance Cellulose Ltd., 'B'	(b) 156,075	@--
-----		
WIRELESS TELECOMMUNICATION SERVICES		
Mobile Telesystems ADR	16,100	1,964
Mobile Telesystems GDR	(a) 17,400	2,132
Vimpel-Communications ADR	(a) 10,300	993
VolgaTelecom ADR	132,000	739
-----		
		5,828
-----		
		22,220
=====		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. 5

MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

	SHARES	VALUE (000)
-----		
SOUTH AFRICA (13.3%)		
COMMERCIAL BANKS		
Standard Bank Group Ltd.	330,380	\$ 2,307
-----		
DIVERSIFIED FINANCIAL SERVICES		
African Bank Investments Ltd.	1,915,700	3,670
-----		
DIVERSIFIED TELECOMMUNICATION SERVICES		
Telkom SA Ltd.	202,470	2,615
-----		
FOOD & STAPLES		
Massmart Holdings Ltd.	398,026	2,113
Shoprite Holdings Ltd.	1,430,800	2,184
-----		
		4,297
-----		
HOUSEHOLD DURABLES		
Steinhoff International Holdings Ltd.	1,459,300	1,979
-----		
INSURANCE		
African Life Assurance Co., Ltd.	640,800	1,373
-----		
METALS & MINING		

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Anglo American Platinum Corp., Ltd.	36,000	1,374
Anglo American plc	137,938	2,847
Anglo American plc (London Shares)	61,472	1,261
AngloGold Ashanti Ltd.	25,000	822
AngloGold Ashanti Ltd. ADR	14,492	466
Gold Fields Ltd.	44,300	470
Harmony Gold Mining Co., Ltd.	72,554	769
Harmony Gold Mining Co., Ltd. ADR	43,600	462
Impala Platinum Holdings Ltd.	22,535	1,723
Iskor Ltd.	206,100	1,292
Kumba Resources Ltd.	160,800	861
		12,347
PAPER & FOREST PRODUCTS		
Sappi Ltd.	136,800	2,103
Sappi Ltd. ADR	2,400	37
		2,140
SPECIALTY RETAIL		
Edgars Consolidated Stores Ltd.	60,600	1,456
WIRELESS TELECOMMUNICATION SERVICES		
MTN Group Ltd.	955,940	4,424
		36,608
=====		
SOUTH KOREA (15.2%)		
AIRLINES		
Korean Air Lines Co., Ltd.	(a) 111,900	1,454
AUTO COMPONENTS		
Hankook Tire Co., Ltd.	300,780	2,631
Hyundai Mobis	64,450	\$ 2,864
		5,495
CAPITAL MARKETS		
Daishin Securities Co., Ltd.	107,900	1,219
Daishin Securities Co., Ltd. (Preferred)	49,260	286
LG Investment & Securities Co., Ltd.	(a) 259,490	1,859
		3,364
COMMERCIAL BANKS		
Kookmin Bank	(a) 18,690	581
Pusan Bank	92,520	513
Shinhan Financial Group Co., Ltd	53,890	784
		1,878
ELECTRONIC EQUIPMENT & INSTRUMENTS		
Samsung SDI Co., Ltd.	79,270	8,342
FOOD PRODUCTS		
Orion Corp.	14,000	866

MACHINERY		
Daewoo Shipbuilding & Marine Engineering Co., Ltd.	92,580	1,119
STX Shipbuilding Co., Ltd.	71,290	747
		1,866
-----		
MULTILINE RETAIL		
Hyundai Department Store Co., Ltd	58,800	1,459
-----		
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT		
Samsung Electronics Co., Ltd.	28,632	11,830
Samsung Electronics Co., Ltd. (Preferred)	7,060	1,853
		13,683
-----		
SPECIALTY RETAIL		
Handsome Co., Ltd.	109,500	907
-----		
TEXTILES, APPAREL & LUXURY GOODS		
Cheil Industries, Inc.	91,620	1,063
-----		
TOBACCO		
KT&G Corp.	53,780	1,244
-----		
WIRELESS TELECOMMUNICATION SERVICES		
SK Telecom Co., Ltd.	1,310	216
		41,837
=====		
TAIWAN (10.7%)		
AUTO COMPONENTS		
Cheng Shin Rubber Industry Co., Ltd.	479,000	628
-----		
COMMERCIAL BANKS		
China Development Financial Holding Corp.	3,002,000	1,538

6 THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

	SHARES	VALUE (000)
-----		
TAIWAN (CONT'D)		
COMMERCIAL BANKS (CONT'D)		
Chinatrust Financial Holding Co., Ltd.	1,591,250	\$ 1,777
Taishin Financial Holdings Co., Ltd.	1,318,000	1,088
-----		

		4,403
-----		
COMPUTERS & PERIPHERALS		
Acer, Inc.	623,364	878
Infortrend Technology, Inc.	378,500	1,083
-----		
		1,961
-----		
CONSTRUCTION & ENGINEERING		
CTCI Corp.	1,532,000	757
-----		
CONSTRUCTION MATERIALS		
Taiwan Cement Corp.	3,498,360	1,584
-----		
DIVERSIFIED FINANCIAL SERVICES		
Fubon Financial Holding Co., Ltd.	1,060,000	925
Polaris Securities Co., Ltd.	(a) 1,987,520	1,048
-----		
		1,973
-----		
ELECTRICAL EQUIPMENT		
Catcher Technology Co., Ltd.	143,000	458
Phoenixtec Power Co., Ltd.	(a) 695,730	684
Richtek Technology Corp.	(a) 76,000	221
Waffer Technology Co., Ltd.	409,000	828
-----		
		2,191
-----		
ELECTRONIC EQUIPMENT & INSTRUMENTS		
Hon Hai Precision Industry Co., Ltd.	711,560	2,650
Ya Hsin Industrial Co., Ltd.	1,220,000	1,508
-----		
		4,158
-----		
INSURANCE		
Cathay Financial Holding Co., Ltd.	335,000	604
-----		
LEISURE EQUIPMENT & PRODUCTS		
Asia Optical Co., Inc.	380,200	2,310
Largan Precision Co., Ltd.	121,830	1,169
-----		
		3,479
-----		
MACHINERY		
Kaulin Manufacturing Co., Ltd.	287,000	393
-----		
MARINE		
Evergreen Marine Corp.	1,154,120	976
Taiwan Navigation Co., Ltd.	188,000	131
-----		
		1,107
-----		
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT		
Faraday Technology Corp.	122,000	229
MediaTek, Inc.	217,000	1,732
Novatek Microelectronics Corp., Ltd.	245,550	\$ 812
Sunplus Technology Co., Ltd.	459,000	800
-----		
		3,573

-----		
SOFTWARE		
Cyberlink Corp.	214,000	529
Springsoft, Inc.	344,000	789
-----		
		1,318
-----		
SPECIALTY RETAIL		
Tsann Kuen Enterprise Co., Ltd.	335,000	419
-----		
WIRELESS TELECOMMUNICATION SERVICES		
Taiwan Cellular Corp.	1,075,000	1,025
-----		
		29,573
=====		
THAILAND (6.5%)		
AIRLINES		
Thai Airways International		
PCL (Foreign)	636,100	878
-----		
CHEMICALS		
Thai Plastic & Chemicals		
PCL (Foreign)	66,100	299
-----		
COMMERCIAL BANKS		
Bangkok Bank PCL (Foreign)	(a) (b) 1,336,100	3,215
Kasikornbank PCL (Foreign)	(a) (b) 1,022,600	1,299
Kasikornbank PCL NVDR	(a) (b) 746,600	921
Krung Thai Bank PCL (Foreign)	4,472,200	1,202
Siam City Bank PCL (Foreign)	476,600	289
Siam Commercial Bank PCL		
(Foreign)	(b) 712,700	805
-----		
		7,731
-----		
CONSTRUCTION & ENGINEERING		
Italian-Thai Development PCL		
(Foreign)	4,820,000	1,189
Sino Thai Engineering &		
Construction PCL (Foreign)	1,619,200	439
-----		
		1,628
-----		
ELECTRIC UTILITIES		
Ratchaburi Electricity		
Generating Holding PCL	292,000	264
-----		
FOOD & STAPLES		
CP Seven Eleven PCL (Foreign)	512,200	770
-----		
HOUSEHOLD DURABLES		
Land & Houses PCL (Foreign)	3,789,300	903
-----		
METALS & MINING		
Banpu PCL (Foreign)	200,100	650
-----		
MULTILINE RETAIL		
Siam Makro PCL (Foreign)	118,400	153
-----		
OIL & GAS		
PTT PCL (Foreign)	448,000	1,685
-----		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. 7

## MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

	SHARES	VALUE (000)
-----		
THAILAND (CONT'D)		
REAL ESTATE		
Asian Property Development PCL	3,878,600	\$ 409
Lalin Property PCL (Foreign)	1,145,300	186
MBK PCL (Foreign)	207,300	256
		-----
		851
-----		
WIRELESS TELECOMMUNICATION SERVICES		
Advanced Info Service		
PCL (Foreign)	674,600	1,500
Total Access Communication		
PCL	(a) 228,000	590
		-----
		2,090
		-----
		17,902
=====		
TURKEY (4.9%)		
BUILDING PRODUCTS		
Trakya Cam Sanayii AS	343,481,777	786
		-----
COMMERCIAL BANKS		
Akbank TAS	548,075,115	2,011
Turkiye Garanti Bankasi AS	(a) 486,970,000	1,450
Turkiye Is Bankasi AS	338,005,600	1,229
Yapi ve Kredi Bankasi AS	(a) 452,614,000	1,082
		-----
		5,772
-----		
CONSTRUCTION MATERIALS		
Akcansa Cimento AS	483,468,125	976
		-----
HOUSEHOLD DURABLES		
Arcelik AS	(a) 260,310,000	1,288
		-----
INDUSTRIAL CONGLOMERATES		
Enka Insaat ve Sanayi AS	48,254,503	991
		-----
MEDIA		
Hurriyet Gazetecilik ve		
Matbaacilik AS	566,253,000	1,553
		-----
WIRELESS TELECOMMUNICATION SERVICES		
Turkcell Iletisim Hizmetleri AS	162,976,000	2,008
		-----

			13,374
=====			
VENEZUELA (0.3%)			
DIVERSIFIED TELECOMMUNICATION SERVICES			
CANTV, 'D' ADR	45,243		912
=====			
TOTAL COMMON STOCKS			
(Cost \$223,874)			266,600
=====			
INVESTMENT COMPANIES (1.1%)			
-----			
INDIA (0.5%)			
Morgan Stanley Growth Fund	(c) 4,694,400		1,365
=====			
POLAND (0.6%)			
Norodowy Fundusz			
Inwestycyjny Hetman SA	762,586	\$	1,786
=====			
TOTAL INVESTMENT COMPANIES			
(Cost \$2,299)			3,151
=====			
		FACE	
		AMOUNT	
		(000)	
-----			
DEBT INSTRUMENTS (0.0%)			
INDIA (0.0%)			
CONSTRUCTION MATERIALS			
DCM Shriram Industries			
Ltd. 0.00%, (expired			
maturity)	INR	(b) (d) 335	@--
DCM Shriram Investments Ltd.			
0.00%, (expired maturity)		(b) (d) 330	@--
-----			
			@--
=====			
METALS & MINING			
Shri Ishar Alloy Steels Ltd.			
15.00%		(b) (d) 581	@--
-----			
TOTAL DEBT INSTRUMENTS			
(Cost \$1,169)			@--
=====			
SHORT-TERM INVESTMENT (2.0%)			
UNITED STATES (2.0%)			
REPURCHASE AGREEMENT (2.0)			
J.P. Morgan Securities, Inc., 1.25%,			
dated 6/30/04, due 7/1/04,			
repurchase price \$5,547			
(Cost \$5,547)	\$	(e) 5,547	5,547
=====			

8 THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

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MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D)

June 30, 2004 (unaudited)

		VALUE (000)
-----		
TOTAL INVESTMENTS (99.9%)		
(Cost \$232,889)	\$	275,298
=====		
	AMOUNT (000)	
-----		
OTHER ASSETS (1.2%)		
Foreign Currency		
(Cost \$1,264)	\$	1,269
Receivable for Investments		
Sold	1,141	
Dividends Receivable	714	
Tax Reclaim Receivable	88	
Other	12	3,224
=====		
LIABILITIES (-1.1%)		
Payable For:		
Investments Purchased	(1,220)	
Bank Overdraft	(743)	
Dividends Declared	(404)	
Investment Advisory Fees	(276)	
Country Tax Expense	(163)	
Custodian Fees	(48)	
Directors' Fees and		
Expenses	(35)	
Administrative Fees	(12)	
Net Unrealized Depreciation		
On Foreign Currency		
Exchange Contracts	(2)	
Other Liabilities	(144)	(3,047)
=====		
NET ASSETS (100%)		
Applicable to 17,937,990, issued and		
outstanding \$ 0.01 par value shares		
(100,000,000 shares authorized)	\$	275,475
=====		
NET ASSET VALUE PER SHARE	\$	15.36
=====		
AT JUNE 30, 2004, NET ASSETS CONSISTED OF:		
Common Stock	\$	179
Paid-in Capital		284,361
Undistributed (Distributions in Excess of) Net		
Investment Income		(130)
Accumulated Net Realized Gain (Loss)		(52,624)
Unrealized Appreciation (Depreciation)		
on Investments, Foreign Currency Exchange		
Contracts and Translations		
(Net of \$163 Deferred Country Tax)		43,689
-----		

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TOTAL NET ASSETS \$ 275,475

- (a) Non-income producing.
- (b) Security was valued at fair value - At June 30, 2004, the Fund held \$6,936,000 of fair-valued securities, representing 2.5% of net assets.
- (c) The Morgan Stanley India Growth Fund, acquired at a cost of \$891,309, is advised by an affiliate of the Adviser. During the six months ended June 30, 2004, there were no purchases or sales of this security. The Fund derived \$155,444 of income from this security during the six months ended June 30, 2004.
- (d) Security is in default.
- (e) The repurchase agreement is fully collateralized by U.S. government and/or agency obligations based on market prices at the date of this statement of net assets. The investment in the repurchase agreement is through participation in a joint account with affiliated funds.

@ Value is less than \$500.

ADR American Depositary Receipt

GDR Global Depositary Receipt

INR Indian Rupee

NVDR Non-Voting Depositary Receipt

FOREIGN CURRENCY EXCHANGE CONTRACT INFORMATION:

The Fund had the following foreign currency exchange contract(s) open at period end:

CURRENCY TO DELIVER (000)	VALUE (000)	SETTLEMENT DATE	IN EXCHANGE FOR (000)	VALUE (000)	NET UNREALIZED APPRECIATION (DEPRECIATION) (000)
TRL 353,375,257	\$ 238	7/1/04	US\$ 236	\$236	\$ (2)
TRL 64,038,131	43	7/2/04	US\$ 43	43	@--
US\$ 45	45	7/1/04	BRL 139	45	@--
US\$ 1	1	7/2/04	HKD 8	1	@--
US\$ 64	64	7/2/04	THB 2,628	64	@--
US\$ 104	104	7/2/04	THB 4,235	104	@--
	\$ 495			\$493	\$ (2)

BRL -- Brazilian Real

HKD -- Hong Kong Dollar

THB -- Thai Baht

TRL -- Turkish Lira

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. 9

MORGAN STANLEY EMERGING MARKETS FUND, INC.

STATEMENT OF NET ASSETS (CONT'D) June 30, 2004 (unaudited)

SUMMARY OF TOTAL INVESTMENTS BY INDUSTRY

CLASSIFICATION - JUNE 30, 2004

INDUSTRY	VALUE (000)	PERCENT OF NET ASSETS
Commercial Banks	\$33,986	12.3%
Wireless Telecommunication Services	27,326	9.9
Oil & Gas	27,022	9.8
Metals & Mining	24,312	8.8
Semiconductors & Semiconductor Equipment	17,256	6.3
Electronic Equipment & Instruments	13,631	5.0
Diversified Telecommunication Services	9,887	3.6
Food & Staples	9,591	3.5
Auto Components	6,713	2.4
Media	6,243	2.3
Electric Utilities	5,708	2.1
Diversified Financial Services	5,643	2.1
Software	5,613	2.0
Construction Materials	5,334	1.9
Household Durables	4,776	1.7
Construction & Engineering	4,700	1.7
Paper & Forest Products	4,292	1.6
Electrical Equipment	4,230	1.5
Multiline Retail	3,559	1.3
Leisure Equipment & Products	3,479	1.3
Computers & Peripherals	3,408	1.2
Capital Markets	3,364	1.2
Insurance	3,114	1.1
Airlines	2,847	1.0
Specialty Retail	2,782	1.0
Other	36,482	13.3
	\$275,298	99.9%

10 THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

MORGAN STANLEY EMERGING MARKETS FUND, INC.

Financial Statements

SIX MONTHS ENDED  
JUNE 30, 2004  
(UNAUDITED)  
(000)

STATEMENT OF OPERATIONS

INVESTMENT INCOME

Dividends (net of \$172 of foreign taxes withheld) \$ 3,878

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EXPENSES

Investment Advisory Fees	1,811
Custodian Fees	252
Professional Fees	82
Administrative Fees	56
Stockholder Reporting Expenses	26
Stockholder Servicing Fees	8
Directors' Fees and Expenses	2
Other Expenses	61
<hr/>	
TOTAL EXPENSES	2,298
<hr/>	
NET INVESTMENT INCOME (LOSS)	1,580
<hr/>	
NET REALIZED GAIN (LOSS) ON:	
Investments	25,931
Foreign Currency Transactions	(86)
<hr/>	
NET REALIZED GAIN (LOSS)	25,845
<hr/>	
CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION) ON:	
Investments (Net of \$163 Deferred Country Tax)	(32,795)
Foreign Currency Exchange Contracts and Translations	(4)
<hr/>	
CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)	(32,799)
<hr/>	
TOTAL NET REALIZED GAIN (LOSS) AND CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)	(6,954)
<hr/>	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	\$ (5,374)
<hr/>	

SIX MONTHS E  
JUNE 30,  
(UNAUDI

STATEMENT OF CHANGES IN NET ASSETS

INCREASE (DECREASE) IN NET ASSETS

Operations:

Net Investment Income (Loss)	\$ 1
Net Realized Gain (Loss)	25
Change in Unrealized Appreciation (Depreciation)	(32)
<hr/>	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS	(5)
<hr/>	

Distributions from and/or in excess of:

Net Investment Income	
<hr/>	
Capital Share Transactions:	
Repurchase of Shares (62,267 and 499,537 shares, respectively)	
<hr/>	
TOTAL INCREASE (DECREASE)	(6)
<hr/>	

Net Assets:

Beginning of Period	282
<hr/>	
END OF PERIOD (INCLUDING UNDISTRIBUTED (DISTRIBUTIONS IN EXCESS OF)	
NET INVESTMENT INCOME OF \$(130) AND \$(1,306), RESPECTIVELY)	\$275
<hr/>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS. 11

MORGAN STANLEY EMERGING MARKETS FUND, INC.

Financial Highlights

SELECTED PER SHARE DATA AND RATIOS

	SIX MONTHS ENDED JUNE 30, 2004 (UNAUDITED)	2003	2002	2001
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 15.67	\$ 10.08	\$ 10.68	\$ 11.03
Net Investment Income (Loss)	0.09+	0.14+	0.03+	0.03
Net Realized and Unrealized Gain (Loss) on Investments	(0.39)	5.58	(0.65)	(0.43)
Total from Investment Operations	(0.30)	5.72	(0.62)	(0.40)
Distributions from and/or in excess of:				
Net Investment Income	(0.02)	(0.17)	(0.01)	--
Net Realized Gain	--	--	--	--
Total Distributions	(0.02)	(0.17)	(0.01)	--
Anti-Dilutive Effect of Share Repurchase Program	0.01	0.04	0.03	0.05
NET ASSET VALUE, END OF PERIOD	\$ 15.36	\$ 15.67	\$ 10.08	\$ 10.68
PER SHARE MARKET VALUE, END OF PERIOD	\$ 13.23	\$ 14.71	\$ 8.34	\$ 8.63
TOTAL INVESTMENT RETURN:				
Market Value	(9.91)%**	78.24%	(3.28)%	(1.37)
Net Asset Value (1)	(1.82)%**	57.02%	(5.49)%	(3.17)
RATIOS, SUPPLEMENTAL DATA:				
NET ASSETS, END OF PERIOD (THOUSANDS)	\$275,475	\$282,096	\$186,568	\$201,117
Ratio of Expenses to Average Net Assets	1.58% *	1.67%	1.75%	1.85
Ratio of Net Investment Income to Average Net Assets	1.09% *	1.17%	0.23%	0.21
Portfolio Turnover Rate	33% **	83%	75%	83

- (1) Total investment return based on net asset value per share reflects the effects of changes in net asset value on the performance of the Fund during each period, and assumes dividends and distributions, if any, were reinvested. This percentage is not an indication of the performance of a stockholder's investment in the Fund based on market value due to differences between the market price of the stock and the net asset value per share of the Fund.

- + Per share amounts are based on average shares outstanding.
- \* Annualized
- \*\* Not Annualized

12 THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE FINANCIAL STATEMENTS.

MORGAN STANLEY EMERGING MARKETS FUND, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2004 (unaudited)

The Morgan Stanley Emerging Markets Fund, Inc. (the "Fund") was incorporated on August 27, 1991 and is registered as a non-diversified, closed-end management investment company under the Investment Company Act of 1940 (the "1940 Act"), as amended. The Fund's investment objective is long-term capital appreciation through investments primarily in equity securities.

A. ACCOUNTING POLICIES: The following significant accounting policies are in conformity with accounting principles generally accepted in the United States. Such policies are consistently followed by the Fund in the preparation of its financial statements. Accounting principles generally accepted in the United States may require management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results may differ from those estimates.

1. SECURITY VALUATION: Equity securities listed on a U.S. exchange are valued at the latest quoted sales price on the valuation date. Equity securities listed or traded on NASDAQ, for which market quotations are available, are valued at the NASDAQ Official Closing Price. Securities listed on a foreign exchange are valued at their closing price. Unlisted securities and listed securities not traded on the valuation date for which market quotations are readily available are valued at the mean between the current bid and asked prices obtained from reputable brokers. Debt securities purchased with remaining maturities of 60 days or less are valued at amortized cost, if it approximates value.

All other securities and investments for which market values are not readily available, including restricted securities, and those securities for which it is inappropriate to determine prices in accordance with the aforementioned procedures, are valued at fair value as determined in good faith under procedures adopted by the Board of Directors, although the actual calculations may be done by others. Factors considered in making this determination may include, but are not limited to, information obtained by contacting the issuer, analysts, or the appropriate stock exchange (for exchange-traded securities), analysis of the issuer's financial statements or other available documents and, if necessary, available information concerning other securities in similar circumstances.

Most foreign markets close before the New York Stock Exchange (NYSE). Occasionally, developments that could affect the closing prices of securities and other assets may occur between the times at which valuations of such securities are determined (that is, close of the foreign market on which the securities trade) and the close of business on the NYSE. If these developments are expected to materially affect the value of the securities, the valuations may be adjusted to reflect the estimated fair value as of the close of the NYSE, as determined in good faith under procedures established by the Board of Directors.

2. REPURCHASE AGREEMENTS: The Fund may enter into repurchase agreements under which the Fund lends excess cash and takes possession of securities with an agreement that the counterparty will repurchase such securities. In

connection with transactions in repurchase agreements, a bank as custodian for the Fund takes possession of the underlying securities (collateral), with a market value at least equal to the amount of the repurchase transaction, including principal and accrued interest. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to determine the adequacy of the collateral. In the event of default on the obligation to repurchase, the Fund has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation. In the event of default or bankruptcy by the counterparty to the agreement, realization and/or retention of the collateral or proceeds may be subject to legal proceedings.

3. FOREIGN CURRENCY TRANSLATION: The books and records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the mean of the bid and asked prices of such currencies against U.S. dollars last quoted by a major bank as follows:
- investments, other assets and liabilities at the prevailing rates of exchange on the valuation date;
  - investment transactions and investment income at the prevailing rates of exchange on the dates of such transactions.

Although the net assets of the Fund are presented at the foreign exchange rates and market values at the close of the period, the Fund does not isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of the securities held at period end. Similarly, the Fund does not isolate the effect of changes in foreign exchange rates from the fluctuations

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MORGAN STANLEY EMERGING MARKETS FUND, INC.

June 30, 2004 (unaudited)

NOTES TO FINANCIAL STATEMENTS (CONT'D)

arising from changes in the market prices of securities sold during the period. Accordingly, realized and unrealized foreign currency gains (losses) due to securities transactions are included in the reported net realized and unrealized gains (losses) on investment transactions and balances.

Net realized gains (losses) on foreign currency transactions represent net foreign exchange gains (losses) from sales and maturities of foreign currency exchange contracts, disposition of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amount of investment income and foreign withholding taxes recorded on the Fund's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized currency gains (losses) from valuing foreign currency denominated assets and liabilities at period end exchange rates are reflected as a component of unrealized appreciation (depreciation) on investments and foreign currency translations in the Statement of Net Assets. The change in net unrealized currency gains (losses) on foreign currency translations for the period is reflected in the Statement of Operations.

A substantial portion of the Fund's net assets consist of securities of issuers located in emerging markets or which are denominated in foreign currencies. Changes in currency exchange rates will affect the value of and

investment income from such securities. Emerging market securities are often subject to greater price volatility, limited capitalization and liquidity, and higher rates of inflation than U.S. securities. In addition, emerging market issuers may be subject to substantial governmental involvement in the economy and greater social, economic and political uncertainty. Such securities may be concentrated in a limited number of countries and regions and may vary throughout the year. Accordingly, the price which the Fund may realize upon sale of securities in such markets may not be equal to its value as presented in the financial statements.

The Fund may use derivatives to achieve its investment objectives. The Fund may engage in transactions in futures contracts on foreign currencies, stock indices, as well as in options, swaps and structured notes. Consistent with the Fund's investment objectives and policies, the Fund may use derivatives for non-hedging as well as hedging purposes.

Following is a description of derivative instruments that the Fund has utilized and their associated risks:

4. FOREIGN CURRENCY EXCHANGE CONTRACTS: The Fund may enter into foreign currency exchange contracts generally to attempt to protect securities and related receivables and payables against changes in future foreign exchange rates and, in certain situations, to gain exposure to a foreign currency. A foreign currency exchange contract is an agreement between two parties to buy or sell currency at a set price on a future date. The market value of the contract will fluctuate with changes in currency exchange rates. The contract is marked-to-market daily and the change in market value is recorded by the Fund as unrealized gain or loss. The Fund records realized gains or losses when the contract is closed equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. Risk may arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts and is generally limited to the amount of unrealized gain on the contracts, if any, at the date of default. Risks may also arise from unanticipated movements in the value of a foreign currency relative to the U.S. dollar.
5. OTHER: Security transactions are accounted for on the date the securities are purchased or sold. Realized gains and losses on the sale of investment securities are determined on the specific identified cost basis. Interest income is recognized on the accrual basis. Dividend income is recorded on the ex-dividend date, (except for certain dividends that may be recorded as soon as the Fund is informed of such dividends) net of applicable withholding taxes. Distributions to stockholders are recorded on the ex-dividend date.

B. ADVISER: Morgan Stanley Investment Management Inc. (the "Adviser") provides investment advisory services to the Fund under the terms of an Investment Advisory Agreement (the "Agreement"). Under the Agreement, the Adviser is paid a fee computed weekly and payable monthly at an annual rate of 1.25% of the Fund's average weekly net assets.

C. ADMINISTRATOR: JPMorgan Chase Bank, through its corporate affiliate J.P. Morgan Investor Services Co. (the "Administrator"), provides administrative services to the Fund under an Administration Agreement. The Administrator is paid a fee computed weekly and payable monthly at an annual rate of 0.02435% of the Fund's average weekly net assets, plus \$24,000

June 30, 2004 (unaudited)

NOTES TO FINANCIAL STATEMENTS (CONT'D)

per annum. In addition, the Fund is charged for certain out-of-pocket expenses incurred by the Administrator on its behalf. An employee of the Administrator is an Officer of the Fund

D. CUSTODIAN: JPMorgan Chase Bank serves as custodian for the Fund. The Custodian holds cash, securities, and other assets of the Fund as required by the 1940 Act. Custody fees are payable monthly based on assets held in custody, investment purchases and sales activity and account maintenance fees, plus reimbursement for certain out-of-pocket expenses.

E. FEDERAL INCOME TAXES: It is the Fund's intention to continue to qualify as a regulated investment company and distribute all of its taxable income. Accordingly, no provision for Federal income taxes is required in the financial statements. Dividend income and distributions to stockholders are recorded on the ex-dividend date.

The Fund may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on income and/ or capital gains earned or repatriated. Taxes are accrued and applied to net investment income, net realized gains and net unrealized appreciation as such income and/or gains are earned.

The tax character of distributions paid may differ from the character of distributions shown on the Statement of Changes in Net Assets due to short-term capital gains being treated as ordinary income for tax purposes. The tax character of distributions paid during 2003 and 2002 were as follows:

2003 DISTRIBUTIONS		2002 DISTRIBUTIONS	
PAID FROM:		PAID FROM:	
(000)		(000)	
-----	-----	-----	-----
ORDINARY	LONG-TERM	ORDINARY	LONG-TERM
INCOME	CAPITAL	INCOME	CAPITAL
	GAIN		GAIN
-----	-----	-----	-----
\$2,982	\$--	\$137	\$--

The amount and character of income and capital gain distributions to be paid by the Fund are determined in accordance with Federal income tax regulations, which may differ from accounting principles generally accepted in the United States. The book/tax differences are considered either temporary or permanent in nature.

Temporary differences are attributable to differing book and tax treatments for the timing of the recognition of gains and losses on certain investment transactions and the timing of the deductibility of certain expenses.

Permanent book and tax basis differences may result in reclassifications among undistributed (distributions in excess of) net investment income (or accumulated net investment loss), accumulated net realized gain (loss) and paid-in capital.

At December 31, 2003, the components of distributable earnings on a tax basis were as follows:

UNDISTRIBUTED ORDINARY INCOME (000)	UNDISTRIBUTED LONG-TERM CAPITAL GAIN (000)
-----	-----
\$403	\$--
-----	-----

At June 30, 2004, the U.S. Federal income tax cost basis of investments was \$232,889,000 and, accordingly, net unrealized appreciation for U.S. Federal income tax purposes was \$42,409,000 of which \$57,458,000 related to appreciated securities and \$15,049,000 related to depreciated securities.

At December 31, 2003, the Fund had a capital loss carry-forward for U.S. Federal income tax purposes of approximately \$76,464,000 available to offset future capital gains of which \$58,682,000 will expire on December 31, 2009 and \$17,782,000 will expire on December 31, 2010.

To the extent that capital loss carryforwards are used to offset any future capital gains realized during the carryforward period as provided by U.S. Federal income tax regulations, no capital gains tax liability will be incurred by the Fund for gains realized and not distributed. To the extent that capital gains are offset, such gains will not be distributed to the stockholders.

Net currency losses incurred after October 31, and within the taxable year are deemed to arise on the first business day of the Fund's next taxable year. For the year ended December 31, 2003, the Fund deferred to January 1, 2004, for U.S. Federal income tax purposes, post-October currency losses of \$47,000.

F. CONTRACTUAL OBLIGATIONS: The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

G. OTHER: During the six months ended June 30, 2004, the Fund made purchases and sales totaling approximately \$94,487,000 and \$93,658,000, respectively, of investment securities other than long-term U.S. Government securities and short-term investments. There were no purchases or sales of long-term U.S. Government securities.

For the six months ended June 30, 2004, the Fund incurred \$625 of brokerage commissions with Morgan Stanley & Co., an affiliate of the Adviser.

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MORGAN STANLEY EMERGING MARKETS FUND, INC.

June 30, 2004 (unaudited)

#### NOTES TO FINANCIAL STATEMENTS (CONT'D)

On July 30, 1998, the Fund commenced a share repurchase program for purposes of enhancing stockholder value and reducing the discount at which the Fund's shares traded from their net asset value. For the six months ended June 30, 2004, the Fund repurchased 62,267 of its shares at an average discount of 14.51% from net asset value per share. Since the inception of the program, the Fund has repurchased 4,886,360 of its shares at an average discount of 19.69% from net asset value per share. The Fund expects to continue to repurchase its outstanding shares at such time and in such amounts as it believes will further

the accomplishment of the foregoing objectives, subject to review by the Board of Directors.

On June 21, 2004 the Officers of the Fund, pursuant to authority granted by the Board of Directors declared a distribution of \$0.0225 per share, derived from net investment income, payable on July 15, 2004, to stockholders of record on June 30, 2004.

#### H. SUPPLEMENTAL PROXY INFORMATION:

The Annual Meeting of the Stockholders of the Fund was held on June 22, 2004. The following is a summary of the proposal presented and the total number of shares voted:

#### PROPOSAL:

1. To elect the following Directors:

	VOTES IN FAVOR OF	VOTES AGAINST
Wayne E. Hedien	15,164,989	651,047
James F. Higgins	15,164,989	651,047
Dr. Manuel H. Johnson	15,144,509	671,527

#### PROXY VOTING POLICIES AND PROCEDURES AND PROXY VOTING RECORD

A copy of (1) the Fund's policies and procedures with respect to the voting of proxies relating to the Fund's portfolio securities; and (2) how the Fund voted proxies relating to portfolio securities during the most recent twelve-month period ended June 30, 2004 is available without charge, upon request, by calling 1-800-548-7786 or by visiting our website at [www.morganstanley.com/im](http://www.morganstanley.com/im). This information is also available on the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

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MORGAN STANLEY EMERGING MARKETS FUND, INC.

#### DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN

Pursuant to the Dividend Reinvestment and Cash Purchase Plan (the "Plan"), each stockholder will be deemed to have elected, unless American Stock Transfer & Trust Company (the "Plan Agent") is otherwise instructed by the stockholder in writing, to have all distributions automatically reinvested in Fund shares. Participants in the Plan have the option of making additional voluntary cash payments to the Plan Agent, annually, in any amount from \$100 to \$3,000, for investment in Fund shares.

Dividend and capital gain distributions will be reinvested on the reinvestment date in full and fractional shares. If the market price per share equals or exceeds net asset value per share on the reinvestment date, the Fund will issue shares to participants at net asset value. If net asset value is less than 95% of the market price on the reinvestment date, shares will be issued at 95% of the market price. If net asset value exceeds the market price on the reinvestment date, participants will receive shares valued at market price. The Fund may purchase shares of its Common Stock in the open market in connection

with dividend reinvestment requirements at the discretion of the Board of Directors. Should the Fund declare a dividend or capital gain distribution payable only in cash, the Plan Agent will purchase Fund shares for participants in the open market as agent for the participants.

The Plan Agent's fees for the reinvestment of dividends and distributions will be paid by the Fund. However, each participant's account will be charged a pro rata share of brokerage commissions incurred on any open market purchases effected on such participant's behalf. A participant will also pay brokerage commissions incurred on purchases made by voluntary cash payments. Although stockholders in the Plan may receive no cash distributions, participation in the Plan will not relieve participants of any income tax which may be payable on such dividends or distributions.

In the case of stockholders, such as banks, brokers or nominees, that hold shares for others who are the beneficial owners, the Plan Agent will administer the Plan on the basis of the number of shares certified from time to time by the stockholder as representing the total amount registered in the stockholder's name and held for the account of beneficial owners who are participating in the Plan.

Stockholders who do not wish to have distributions automatically reinvested should notify the Plan Agent in writing. There is no penalty for non-participation or withdrawal from the Plan, and stockholders who have previously withdrawn from the Plan may rejoin at any time. Requests for additional information or any correspondence concerning the Plan should be directed to the Plan Agent at:

Morgan Stanley Emerging Markets Fund, Inc.  
American Stock Transfer & Trust Company  
Dividend Reinvestment and Cash Purchase Plan  
59 Maiden Lane  
New York, New York 10030  
1-800-278-4353

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ITEM 2. CODE OF ETHICS. Not applicable for semi-annual reports.

ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT. Not applicable for semi-annual reports.

ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES. Not applicable for semi-annual reports.

ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS. Not applicable for semi-annual reports.

ITEM 6. [RESERVED.]

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES. Not applicable for semi-annual reports.

ITEM 8. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS MORGAN STANLEY CLOSED-END FUNDS SHARE REPURCHASE PROGRAM

Morgan Stanley Emerging Markets Fund, Inc.\*  
1/1/04-6/30/04

PERIOD	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	MAXIMUM NUMBER OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
-----	-----	-----	-----	-----
January	--	--	--	Unlimited
February	--	--	--	Unlimited
March	28,522	\$14.63	28,522	Unlimited
April	--	--	--	Unlimited
May	33,745	\$12.52	33,745	Unlimited
June	--	--	--	Unlimited

\* The Share Repurchase Program commenced on 7/30/1998

\*\* The Fund expects to continue to repurchase its outstanding shares at such time and in such amounts as it believes will further the accomplishment of the foregoing objectives, subject to review by the Board of Directors.

ITEM 9. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

Not Applicable.

ITEM 10. CONTROLS AND PROCEDURES.

(a) The Fund's principal executive officer and principal financial officer have concluded that the Fund's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the Fund in this Form N-CSR was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report.

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

ITEM 11. EXHIBITS.

(a) Code of Ethics - Not applicable for semi-annual reports.

(b) Certifications of Principal Executive Officer and Principal Financial Officer attached hereto as part of EX-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) Morgan Stanley Emerging Markets Fund, Inc.

By: /s/ Ronald E. Robison  
Name: Ronald E. Robison  
Title: Principal Executive Officer

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Date: August 19, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Ronald E. Robison  
Name: Ronald E. Robison  
Title: Principal Executive Officer  
Date: August 19, 2004

By: /s/ James W. Garrett  
Name: James W. Garrett  
Title: Principal Financial Officer  
Date: August 19, 2004