

MALAYSIA FUND INC
Form N-Q
November 29, 2006

[Annotated Form N-Q]

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

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

Investment Company Act file number 811-05082
THE MALAYSIA FUND, INC.
(Exact name of registrant as specified in charter)
1221 AVENUE OF THE AMERICAS 5TH FLOOR NEW YORK, NY 10020
(Address of principal executive offices) (Zip code)

RONALD E. ROBISON
1221 AVENUE OF THE AMERICAS 5TH FLOOR NEW YORK, NY, 10020
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-221-6726

Date of fiscal year end: 12/31

Date of reporting period: 9/30/06

Item 1. Schedule of Investments.

The Fund's schedule of investment as of the close of the reporting period prepared pursuant to Rule 12-12 Regulation S-X is as follows:

The Malaysia Fund, Inc.**Third Quarter Report****September 30, 2006 (unaudited)****Portfolio of Investments**

	Shares	Value (000)
COMMON STOCKS (97.6%)		
(Unless Otherwise Noted)		
Automobiles (3.8%)		
DRB-Hicom Bhd	3,050,000	\$ 1,191
Proton Holdings Bhd	512,000	675
TAN Chong Motor Holdings Bhd	1,309,000	443
		2,309
Commercial Banks (23.2%)		
Bumiputra-Commerce Holdings Bhd	4,235,196	7,637
Malayan Banking Bhd	1,710,500	5,194
Public Bank Bhd	639,390	1,188
		14,019
Construction & Engineering (6.9%)		
Gamuda Bhd	1,633,000	1,780
Road Builder M Holdings Bhd	2,397,000	1,709
TRC Synergy Bhd	(a) 2,252,400	690
		4,179
Diversified Telecommunication Services (4.6%)		
Telekom Malaysia Bhd	1,122,000	2,784
Electric Utilities (5.6%)		
Tenaga Nasional Bhd	1,286,750	3,384
Food Products (9.5%)		
IOI Corp. Bhd	707,000	3,106
Kuala Lumpur Kepong Bhd	583,000	1,723
PPB Oil Palms Bhd	453,000	933
		5,762
Hotels, Restaurants & Leisure (7.9%)		
Genting Bhd	403,800	2,639
Resorts World Bhd	352,700	1,061
Tanjong plc	314,000	1,073
		4,773
Industrial Conglomerates (4.3%)		
MMC Corp. Bhd	913,000	753
Sime Darby Bhd	1,125,000	1,830
		2,583
Insurance (0.7%)		
MAA Holdings Bhd	1,174,000	446
Marine (2.9%)		
Malaysia International Shipping Corp. Bhd	740,000	1,726
Multi-Utilities (4.7%)		
YTL Corp. Bhd	1,955,733	2,810
Real Estate (12.0%)		
Bandar Raya Developments Bhd	1,050,000	296

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Glomac Bhd	1,763,000	483
IGB Corp. Bhd	3,024,000	1,189
IOI Properties Bhd	415,000	923
MK Land Holdings Bhd	2,460,000	310
Naim Cendera Holdings Bhd	1,404,000	1,142
SP Setia Bhd	2,826,499	2,897
		7,240
Tobacco (2.4%)		
British American Tobacco Bhd	126,000	1,460
Water Utilities (2.1%)		
Puncak Niaga Holding Bhd	1,643,000	1,261
Wireless Telecommunication Services (7.0%)		
Digi.Com Bhd	1,248,000	4,230
TOTAL COMMON STOCKS		
(Cost \$46,776)		58,966

		No. of Warrants	
WARRANTS (0.1%)			
Construction & Engineering (0.1%)			
IJM Corp. Bhd expiring 8/20/10 (Cost \$2)	(a)	148,600	55
		Face Amount (000)	
CORPORATE BOND (0.0%)			
Media (0.0%)			
Media Prima Bhd 2.00%, 7/18/08 (Cost \$26)	(a)	MYR 100	25
SHORT-TERM INVESTMENT (1.9%)			
Repurchase Agreement (1.9%)			
J.P. Morgan Securities, Inc., 5.25%, dated 9/29/06, due 10/2/06 repurchase price \$1,133 (Cost \$1,133)	(b)	\$ 1,133	1,133
TOTAL INVESTMENTS + (99.6%) (Cost \$47,937)			60,179
OTHER ASSETS IN EXCESS OF LIABILITIES (0.4%)			216
NET ASSETS (100%)		\$	60,395

(a) Non-income producing security.

(b) Represents the Fund's undivided interest in a joint repurchase agreement which has a total value of \$1,401,259,000. The repurchase agreement was fully collateralized by U.S. government agency securities at the date of this Portfolio of Investments as follows: Federal Farm Credit Bank, 0.00% to 7.43%, due 10/2/06 to 10/23/35; Federal Home Loan Bank, 0.00% to 7.38%, due 10/2/06 to 7/15/36; Federal Home Loan Mortgage Corporation, 0.00% to 6.94%, due 10/10/06 to 9/7/21; Federal National Mortgage Association, 0.00% to 10.35%, due 10/05/06 to 3/11/19; Tennessee Valley Authority, 5.38% to 7.13%, due 11/13/08 to 4/1/36 which had a total value of \$1,429,288,878. The investment in the repurchase agreement is through participation in a joint account with affiliated parties pursuant to exemptive relief received by the Fund from the SEC.

MYR Malaysian Ringgit

+ At September 30, 2006, the U.S. Federal income tax cost basis of investments was approximately \$47,937,000 and, accordingly, net unrealized appreciation for U.S. Federal income tax purposes was \$12,242,000 of which \$17,135,000 related to appreciated securities and \$4,893,000 related to depreciated securities.

Item 2. 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-Q 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 Fund's internal control over financial reporting that occurred during the registrant's fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Fund's internal control over financial reporting.

Item 3. Exhibits.
