

EMERGING MARKETS TELECOMMUNICATIONS FUND INC/NEW

Form N-Q

September 29, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

|   |   |
|---|---|
| Investment Company Act file number:                 | 811-08076   |
| Exact name of registrant as specified in charter:   | The Emerging Markets Telecommunications Fund, Inc.  |
| Address of principal executive offices:             | c/o 1735 Market Street, 32nd Floor<br>Philadelphia, PA 19103  |
| Name and address of agent for service:              | Ms. Megan Kennedy<br>Aberdeen Asset Management Inc.<br>c/o 1735 Market Street, 32nd Floor<br>Philadelphia, PA 19103 |
| Registrant's telephone number, including area code: | 866-839-5205  |
| Date of fiscal year end:                            | October 31  |
| Date of reporting period:                           | 7/31/09   |



Item 1: Schedule of Investments

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The Emerging Markets Telecommunications Fund, Inc.

Schedule of Investments

July 31, 2009 (unaudited)

| Description  | No. of<br>Shares | Value      |
|--|------------------|------------|
| <b>EQUITY OR EQUITY-LINKED SECURITIES-96.06%</b>   |                  |            |
| Equity or Equity-Linked Securities of Telecommunication Companies in Emerging Countries-95.56% |                  |            |
| Asia-0.48%   |                  |            |
| Diversified Telecommunication Services-0.48%   |                  |            |
| TVG Asian Communications Fund II, L.P. #†‡   |                  |            |
| (Cost \$1,092,526)   | 3,622,118*\$     | 714,923    |
| Brazil-7.76%   |                  |            |
| Diversified Telecommunication Services-3.32%   |                  |            |
| Brasil Telecom Participações S.A., PN  |                  |            |
|  | 110,750          | 939,515    |
| Brasil Telecom S.A., PN  |                  |            |
|  | 81,637           | 582,920    |
| Tele Norte Leste Participações S.A., ADR   |                  |            |
|  | 97,037           | 1,493,399  |
| Tele Norte Leste Participações S.A., PN  |                  |            |
|  | 71,477           | 1,100,349  |
| Telemar Norte Leste S.A., PNA  |                  |            |
|  | 31,191           | 844,325    |
|  |                  | 4,960,508  |
| Media-1.06%  |                  |            |
| NET Servicos de Comunicacao S.A., ADR†   |                  |            |
|  | 155,927          | 1,584,218  |
| Wireless Telecommunication Services-3.38%  |                  |            |
| Tim Participações S.A.   |                  |            |
|  | 910,245          | 2,017,754  |
| Vivo Participações S.A., ADR   |                  |            |
|  | 132,762          | 3,022,991  |
|  |                  | 5,040,745  |
| Total Brazil   |                  |            |
| (Cost \$9,962,069)   |                  | 11,585,471 |
| Chile-1.13%  |                  |            |
| Diversified Telecommunication Services-1.13%   |                  |            |
| Empresa Nacional de Telecomunicaciones S.A.  |                  |            |
| (Cost \$1,339,857)   | 123,132          | 1,686,880  |

## China-16.30%

## Diversified Telecommunication Services-4.45%

|  |           |           |
|--|-----------|-----------|
| China Communications Services Corp. Ltd. | 2,860,173 | 1,811,483 |
| China Telecom Corp. Ltd.                 | 9,238,207 | 4,828,022 |
|  |           | 6,639,505 |

## Wireless Telecommunication Services-11.85%

|                        |           |            |
|------------------------|-----------|------------|
| China Mobile Ltd.      | 1,037,172 | 10,910,279 |
| China Mobile Ltd., ADR | 23,920    | 1,255,082  |
| China Unicom Ltd.      | 3,829,273 | 5,521,513  |
|                        |           | 17,686,874 |

## Total China

|                     |  |            |
|---------------------|--|------------|
| (Cost \$29,210,078) |  | 24,326,379 |
|---------------------|--|------------|

## Czech Republic-1.32%

## Diversified Telecommunication Services-1.32%

|                                 |        |           |
|---------------------------------|--------|-----------|
| Telefonica 02 Czech Republic AS |        |           |
| (Cost \$1,578,162)              | 73,055 | 1,971,903 |

## Egypt-1.98%

## Diversified Telecommunication Services-0.48%

|                   |         |         |
|-------------------|---------|---------|
| Telecom Egypt SAE | 225,185 | 718,015 |
|-------------------|---------|---------|

## Wireless Telecommunication Services-1.50%

|                              |         |           |
|------------------------------|---------|-----------|
| Orascom Telecom Holding SAE† | 338,846 | 2,243,048 |
|------------------------------|---------|-----------|

## Total Egypt

|                    |  |           |
|--------------------|--|-----------|
| (Cost \$4,640,314) |  | 2,961,063 |
|--------------------|--|-----------|

## India-0.90%

## Wireless Telecommunication Services-0.90%

|                    |         |           |
|--------------------|---------|-----------|
| Bharti Airtel Ltd. |         |           |
| (Cost \$1,362,009) | 155,994 | 1,344,751 |

## Indonesia-4.29%

## Diversified Telecommunication Services-4.29%

|                                 |           |           |
|---------------------------------|-----------|-----------|
| PT Indosat Tbk                  | 1,402,356 | 769,539   |
| PT Telekomunikasi Indonesia Tbk | 6,299,954 | 5,632,841 |

|  |            |           |
|--|------------|-----------|
|  | 6,402,380  |           |
| Total Indonesia<br>(Cost \$5,493,984)                                |            | 6,402,380 |
| Israel-5.83%   |            |           |
| Diversified Telecommunication Services-1.75%                         |            |           |
| Bezeq Israeli Telecommunication Corp. Ltd.                           | 1,311,772  | 2,608,254 |
| Technology-0.46%   |            |           |
| SVE Star Ventures Enterprises GmbH & Co. No. IX<br>KG†‡              | 2,001,470* | 687,045   |
| Venture Capital-2.24%  |            |           |
| BPA Israel Ventures LLC #†‡  | 1,674,587* | 653,881   |
| Concord Ventures Fund II, L.P. †‡                                    | 4,000,000* | 842,952   |
| Giza GE Venture Fund III L.P. †‡                                     | 2,750,000* | 662,832   |
| K.T. Concord Venture Fund L.P. †‡                                    | 2,000,000* | 221,346   |
| Neurone Ventures II, L.P. #†‡  | 686,184*   | 192,409   |
| Walden-Israel Ventures III, L.P.#†‡                                  | 1,249,188* | 780,930   |
|  |            | 3,354,350 |
| Wireless Telecommunication Services-1.38%                            |            |           |
| Cellcom Israel Ltd.  | 73,556     | 2,056,626 |
| Total Israel<br>(Cost \$14,144,561)                                  |            | 8,706,275 |
| Latin America-0.18%  |            |           |
| Venture Capital-0.18%  |            |           |
| JPMorgan Latin America Capital Partners L.P. #†‡<br>(Cost \$597,379) | 2,216,887* | 263,566   |
| Malaysia-0.39%   |            |           |
| Diversified Telecommunication Services-0.39%                         |            |           |
| Telekom Malaysia Bhd<br>(Cost \$503,997)                             | 678,361    | 575,708   |
| Mexico-12.69%  |            |           |
| Diversified Telecommunication Services-1.47%                         |            |           |
|  | 138,791    | 2,194,286 |

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Telefonos de Mexico S.A.B. de C.V., Series L,  
ADR

Wireless Telecommunication Services-11.22%

América Móvil S.A.B. de C.V., Series L, ADR 389,498 16,752,309

Total Mexico  
(Cost \$9,172,728) 18,946,595

Philippines-1.38%  
Diversified Telecommunication Services-1.38%

Philippine Long Distance Telephone Co.  
(Cost \$1,443,714) 39,086 2,058,999

Poland-1.62%  
Diversified Telecommunication Services-1.62%

Telekomunikacja Polska S.A.  
(Cost \$4,429,239) 473,012 2,411,104

Russia-10.27%  
Diversified Telecommunication Services-1.39%

Comstar United Telesystems OJSC, GDR† 414,210 2,071,050

Wireless Telecommunication Services-8.88%

Mobile Telesystems OJSC, ADR 168,907 7,092,405  
Vimpel-Communications, ADR† 456,759 6,170,814  
13,263,219

Total Russia  
(Cost \$14,968,602) 15,334,269

South Africa-13.98%  
Diversified Telecommunication Services-0.88%

Telkom South Africa Ltd. 267,605 1,319,108

Wireless Telecommunication Services-13.10%

MTN Group Ltd. 1,076,791 17,543,123  
Vodacom Group (Pty) Ltd.† 267,605 2,003,905  
19,547,028

Total South Africa

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|  |            |            |
|--|------------|------------|
| (Cost \$14,829,111)  |            | 20,866,136 |
| South Korea-5.74%  |            |            |
| Diversified Telecommunication Services-3.04%                 |            |            |
| KT Corp.   | 140,672    | 4,547,688  |
| Wireless Telecommunication Services-2.70%                    |            |            |
| SK Telecom Co., Ltd.   | 26,658     | 4,025,685  |
| Total South Korea<br>(Cost \$9,317,411)                      |            | 8,573,373  |
| Taiwan-4.44%   |            |            |
| Diversified Telecommunication Services-3.27%                 |            |            |
| Chunghwa Telecom Co., Ltd.                                   | 2,434,149  | 4,881,950  |
| Wireless Telecommunication Services-1.17%                    |            |            |
| Taiwan Mobile Co., Ltd.                                      | 1,138,340  | 1,741,491  |
| Total Taiwan<br>(Cost \$7,588,261)                           |            | 6,623,441  |
| Thailand-1.36%   |            |            |
| Wireless Telecommunication Services-1.36%                    |            |            |
| Advanced Info Service Public Co., Ltd.<br>(Cost \$2,484,013) | 796,765    | 2,025,277  |
| Turkey-2.25%   |            |            |
| Wireless Telecommunication Services-2.25%                    |            |            |
| Turkcell Iletisim Hizmet AS<br>(Cost \$3,663,338)            | 531,287    | 3,357,431  |
| Global-1.27%   |            |            |
| Diversified Telecommunication Services-0.62%                 |            |            |
| Telesoft Partners II QP, L.P. #†‡                            | 2,280,000* | 923,673    |
| Telesoft Partners L.P. †‡                                    | 1,250,000* | 0          |
|  |            | 923,673    |
| Venture Capital-0.65%  |            |            |
| Emerging Markets Ventures I, L.P.#†‡                         | 7,248,829* | 973,808    |
| Total Global<br>(Cost \$4,114,762)                           |            | 1,897,481  |



|  |                             |                    |
|--|-----------------------------|--------------------|
| Total Emerging Countries<br>(Cost \$141,936,115)   |                             | 142,633,405        |
| Equity Securities of Telecommunication Companies in Developed Countries-0.50%  |                             |                    |
| United States-0.50%  |                             |                    |
| Internet Software & Services-0.50%   |                             |                    |
| NetFlix, Inc. †  |                             | 1,321 58,045       |
| Technology Crossover Ventures IV, L.P.#†‡  |                             | 1,937,800* 681,528 |
| Total United States<br>(Cost \$614,791)  |                             | 739,573            |
| Equity Securities of Companies Providing Other Essential Services in the Development of an Emerging Country's Infrastructure-0.00% |                             |                    |
| Argentina-0.00%  |                             |                    |
| Investment & Holding Companies-0.00%   |                             |                    |
| Exxel Capital Partners V, L.P. †‡<br>(Cost \$380,481)  |                             | 1,897,761* 0       |
| Total Equity or Equity-Linked Securities-96.06%<br>(Cost \$142,931,387)  |                             | 143,372,978        |
|  |                             |                    |
|  | Principal<br>Amount (000's) |                    |
| SHORT-TERM INVESTMENT-2.80%  |                             |                    |
| Grand Cayman-2.80%   |                             |                    |
| Wells Fargo, overnight deposit, 0.03%, 08/03/09<br>(Cost \$4,185,000)  | \$                          | 4,185 4,185,000    |
| Total Investments-98.86%<br>(Cost \$147,116,387)   |                             | 147,557,978        |
| Cash and Other Assets, less Liabilities-1.14%  |                             | 1,705,252          |
| NET ASSETS-100.00%   |                             | \$ 149,263,230     |

† Non-income producing security.  
‡ Restricted security, not readily marketable; security is valued at fair value as determined in good faith by, or under the direction of, the Board of Directors under procedures established by the Board of Directors.

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As of July 31, 2009, the aggregate amount of  
open commitments for the Fund is  
\$2,809,014.

\* Represents contributed capital.  
ADR American Depositary Receipts.  
GDR Global Depositary Receipts.  
PN Preferred Shares.  
PNA Preferred Shares, Class A.

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Security Valuation - The net asset value of the Fund is determined daily as of the close of regular trading on the New York Stock Exchange, Inc. (the "Exchange") on each day the Exchange is open for business. Equity investments are valued at market value, which is generally determined using the closing price on the exchange or market on which the security is primarily traded at the time of valuation (the "Valuation Time"). If no sales are reported, equity investments are generally valued at the most recent bid quotation as of the Valuation Time or at the lowest ask quotation in the case of a short sale of securities. Debt securities with a remaining maturity greater than 60 days are valued in accordance with the price supplied by a pricing service, which may use a matrix, formula or other objective method that takes into consideration market indices, yield curves and other specific adjustments. Debt obligations that will mature in 60 days or less are valued on the basis of amortized cost, which approximates market value, unless it is determined that using this method would not represent fair value. Investments in mutual funds are valued at the mutual fund's closing net asset value per share on the day of valuation. Securities and other assets for which market quotations are not readily available, or whose values have been materially affected by events occurring before the Fund's Valuation Time, but after the close of the securities' primary market, are valued at fair value as determined in good faith by, or under the direction of, the Board of Directors under procedures established by the Board of Directors. The Fund may utilize a service provided by an independent third party which has been approved by the Board of Directors to fair value certain securities. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. At July 31, 2009, the Fund held 5.09% of its net assets in securities valued at fair value as determined in good faith under procedures established by the Board of Directors with an aggregate cost of \$16,168,128 and fair value of \$7,598,893. The Fund's estimate of fair value assumes a willing buyer and a willing seller neither acting under a compulsion to buy or sell. Although these securities may be resold in privately negotiated transactions, the prices realized on such sales could differ from the prices originally paid by the fund or the current carrying values, and the difference could be material.

Restricted Securities - Certain of the Fund's investments are restricted as to resale and are valued at fair value as determined in good faith by, or under the direction of, the Board of Directors under procedures established by the Board of Directors in the absence of readily ascertainable market values.

| Security                          | Acquisition Date(s) | Cost         | Fair Value At 7/31/09 | Percent of Net Assets | Distributions Received |
|-----------------------------------|---------------------|--------------|-----------------------|-----------------------|------------------------|
| BPA Israel Ventures LLC           | 10/05/00 - 12/09/05 | \$ 1,160,483 | \$ 653,881            | 0.44                  | \$ 97,2                |
| Concord Ventures Fund II, L.P.    | 03/29/00 - 12/15/06 | 2,633,194    | 842,952               | 0.56                  | 258,608                |
| Emerging Markets Ventures I, L.P. | 01/22/98 - 01/10/06 | 2,790,776    | 973,808               | 0.65                  | 7,129,731              |
| Exxel Capital Partners V, L.P.    | 05/11/98 - 12/03/98 | 380,481      | 0                     | 0.00                  | 205,185                |
|                                   |                     | 1,738,836    | 662,832               | 0.44                  | 724,175                |

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|  |                     |                      |                     |             |                    |  |
|--|---------------------|----------------------|---------------------|-------------|--------------------|--|
| Giza GE Venture Fund III, L.P.                     | 01/31/00 - 11/23/06 |                      |                     |             |                    |  |
| JPMorgan Latin America Capital Partners L.P.       | 04/10/00 - 03/20/08 | 597,379              | 263,566             | 0.18        | 2,217,354          |  |
| K.T. Concord Venture Fund L.P.                     | 12/08/97 - 09/29/00 | 1,260,856            | 221,346             | 0.15        | 1,320,492          |  |
| Neurone Ventures II, L.P.                          | 11/24/00 - 02/24/09 | 193,007              | 192,409             | 0.13        | 297,649            |  |
| SVE Star Ventures Enterprises GmbH & Co. No. IX KG | 12/21/00 - 08/12/08 | 1,624,685            | 687,045             | 0.46        | 380,279            |  |
| Technology Crossover Ventures IV, L.P.             | 03/08/00 - 03/30/09 | 612,003              | 681,528             | 0.46        | 1,772,839          |  |
| Telesoft Partners L.P.                             | 07/22/97 - 06/07/01 | 158,405              | 0                   | 0.00        | 7,203,101          |  |
| Telesoft Partners II QP, L.P.                      | 07/14/00 - 06/23/09 | 1,165,581            | 923,673             | 0.62        | 1,109,561          |  |
| TVG Asian Communications Fund II, L.P.             | 06/07/00 - 10/27/05 | 1,092,526            | 714,923             | 0.48        | 3,373,636          |  |
| Walden-Israel Ventures III, L.P.                   | 02/23/01 - 09/18/08 | 759,916              | 780,930             | 0.52        | 942,976            |  |
| <b>Total</b>                                       |                     | <b>\$ 16,168,128</b> | <b>\$ 7,598,893</b> | <b>5.09</b> | <b>\$ 27,032,8</b> |  |

The Fund may incur certain costs in connection with the disposition of the above securities.

The Fund adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (“FAS 157”), effective November 1, 2008. In accordance with FAS 157, fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. FAS 157 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the

assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of July 31, 2009 in valuing the Fund's investments carried at value:

| Investments, at value                        | Quoted Prices<br>in Active Markets<br>for Identical<br>Investments (Level<br>1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs (Level 3) | Balance as of<br>07/31/2009 |
|--|---|---|---|-----------------------------|
| Diversified<br>Telecommunication<br>Services | \$15,794,674  | \$29,252,664  | \$1,638,596                                     | \$46,685,934                |
| Internet Software &<br>Services              | 58,045  | -   | 681,528   | 739,573                     |
| Media  | 1,584,218   | -   | -   | 1,584,218                   |
| Wireless<br>Telecommunication<br>Services    | 42,397,163  | 46,687,321  | -   | 89,084,484                  |
| Technology                                   | -   | -   | 687,045   | 687,045                     |
| Venture Capital                              | -   | -   | 4,591,724                                       | 4,591,724                   |
| Short-Term Investments                       | -   | 4,185,000   | -   | 4,185,000                   |
| Total  | \$59,834,100  | \$80,124,985  | \$7,598,893                                     | \$147,557,978               |

Following is a reconciliation of investments in which significant unobservable inputs (Level 3) were used in determining value:

| Investments, at<br>value                     | Balance as of<br>10/31/2008 | Accrued discounts/<br>premiums | Realized gain/(loss) | Change in unrealized appreciation<br>(depreciation) |
|--|-----------------------------|--------------------------------|----------------------|---|
| Diversified<br>Telecommunication<br>Services | \$ 1,808,496                | \$ -                           | \$ -                 | (289,90)  |
| Venture Capital                              | 5,793,867                   | -                              | (253,485)            | (829,62)  |
| Technology                                   | 977,198                     | -                              | -                    | (290,15)  |
| Internet Software &<br>Services              | 701,743                     | -                              | -                    | (29,81)   |
|  | 9,216                       | -                              | (430,457)            | 422,55  |

Investment &  
Holding Companies

|       |    |           |   |    |           |    |           |
|-------|----|-----------|---|----|-----------|----|-----------|
| Total | \$ | 9,290,520 | - | \$ | (683,942) | \$ | (1,016,89 |
|-------|----|-----------|---|----|-----------|----|-----------|

Federal Income Tax Cost - At July 31, 2009, the identified cost for federal income tax purposes, as well as the gross unrealized appreciation from investments for those securities having an excess of value over cost, gross unrealized depreciation from investments for those securities having an excess of cost over value and the net unrealized appreciation from investments were \$147,116,387, \$25,522,799, \$(25,081,208) and \$441,591, respectively.

Other information regarding the Fund is available in the Fund's most recent Report to Shareholders. This information is also available on the website of the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

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Item 2: Controls and Procedures

(a) As of a date within 90 days from the filing date of this report, the principal executive officer and principal financial officer concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940 (the "Act")), were effective based on their evaluation of the disclosure controls and procedures required by Rule 30a-3(b) under the Act and Rules 13a-15(b) or 15d-15(b) under the Securities and Exchange Act of 1934.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 3: Exhibits

1. The certifications of the registrant as required by Rule 30a-2(a) under the Act are exhibits to this report.

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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.

The Emerging Markets Telecommunications Fund, Inc.

By: /s/ Christian Pittard \_\_\_\_\_  
Christian Pittard,  
President of  
The Emerging Markets Telecommunications Fund, Inc.

Date: September 29, 2009

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.

By: /s/ Christian Pittard \_\_\_\_\_  
Christian Pittard,  
President of  
The Emerging Markets Telecommunications Fund, Inc.

Date: September 29, 2009

By: /s/ Megan Kennedy \_\_\_\_\_  
Megan Kennedy,  
Treasurer of  
The Emerging Markets Telecommunications Fund, Inc.

Date: September 29, 2009

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