### LATIN AMERICAN DISCOVERY 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

811-06574

THE LATIN AMERICAN DISCOVERY FUND, INC.

(Exact name of registrant as specified in charter)

1221 AVENUE OF THE AMERICAS 5th FLOOR NEW YORK, NY

10020 (Zip code)

(Address of principal executive offices)

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

Itom 1	I C	hadula	of Inv	estments.
nem i	. 50	·neame	OI INV	esimenis.

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 Latin American Discovery Fund, Inc. Third Quarter Report September 30, 2006 (unaudited)

### **Portfolio of Investments**

COMMON STOCK 99.2%    CURIES NOTERVIS			Shares	Value (000)
Argentina (2.7%) Energy Equipment & Services Tenaris SA ADR 126,950 \$ 4,491 Metals & Mining Ternium SA ADR 5,800 \$ 1,385 Enzil (55.5%)  Brazil (55.5%)  Arithes Tam SA ADR (a) 203,330 \$ 6,486 Tam SA ADR (a) 143,800 \$ 2,983 Tam SA ADR (a) 100,710 \$ 3,016 Tam Sanco Bradesco SA ADR (a) 100,710 \$ 3,016 Tam Sanco Bradesco SA (Preference) \$ 245,805 \$ 7,374 Tam SA ADR (a) 100,710 \$ 3,016 Tam Sanco Itau Holding Financeira SA ADR (Preference) \$ 245,805 \$ 7,374 Tam SA ADR (a) 100,710 \$ 3,016 Tam Sanco Nacional SA (Preference) \$ 245,805 \$ 7,374 Tam Sanco Nacional SA (Preference) \$ 100,710 \$ 3,016 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 \$ 20,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional SA (Preference) \$ 139,310 \$ 10,300 Tam Sanco Nacional Sa	COMMON STOCKS (99.2%)			
Energy Equipment & Services	(Unless Otherwise Noted)			
Tenaris SÁ ÁDR         126,950         \$ 4,401           Metals & Mining         3         59,800         1,385           Brazil (55.5%)         5,876           Brazil (55.5%)         5,876           Airlines         3         203,330         6,486           Automobiles         4         43,800         2,933           Localiza Rent A Car SA         143,800         2,933           Banco Bradesco SA ADR         10,100         2,041           Banco Bradesco SA (Preference)         68,372         2,267           Banco Inau Holding Financeira SA ADR         10,101         3,016           Banco Inau Holding Financeira SA ADR (Preference)         (a)(c)         95,420,000         ©           Banco Nacional SA (Preference)         (a)(c)         95,420,000         ©         ©           Investimentos Itau SA (Preference)         (a)(c)         95,420,000         ©         ©           Investinentos Itau SA (Preference)         (a)(c)         95,420,000         ©         ©           Investinentos Itau SA (Preference)         (a)(c)         95,420,000         ©         ©           Investinentos Itau SA (Preference)         (a)(c)         95,420,000         ©         ©           Divestifical Financial Sev	Argentina (2.7%)			
Metals & Mining   Fernium SA ADR   3   59,800   1,385   5,876   5,87	Energy Equipment & Services			
Ternium SA ADR         6,80         1,385         5,876           Brazil (55.5%)         5,876         5,876         5,876         6,486         4,486         4,480         6,486         4,480         203,330         6,486         4,480         203,330         6,486         4,480         2,093         2,083         2,246         3,083         2,246         3,083         2,246         3,016	Tenaris SA ADR		126,950	\$ 4,491
Parall (55.5%)   Para	Metals & Mining			
Brazil (55.5%)         Autrines         Autrines           Tam SA ADR         (a) 203,330         6,486           Automobiles         143,800         2,983           Commercial Banks         61,200         2,041           Banco Bradesco SA ADR         61,202         2,067           Banco Bradesco SA (Preference)         68,372         2,267           Banco Ilau Holding Financeira SA ADR         100,710         3,016           Banco Ilau Holding Financeira SA ADR (Preference)         (a)(c) 95,420,000         ©           Banco Nacional SA (Preference)         (a)(c) 95,420,000         ©           Investimentos Itau SA (Preference)         (a)(c) 95,420,000         ©           Investimentos Itau SA (Preference)         (a)(c) 95,420,000         ©           Investified Financial Services         139,310         10,309           Diversified Financial Services         332,80         1,113           Diversified Financial Services         332,80         1,113           Brackepar SA (Preference)         68,000         2,120           Tele Norte Leste Participacce SA (Preference)         68,000         2,120           Tele Norte Leste Participacce SA (Preference)         68,000         2,120           Tele Norte Leste Participacce SA (Preference)	Ternium SA ADR	(a)	59,800	1,385
Airlines         (a)         20,330         6,486           Tam SA ADR         (a)         20,330         6,486           Automobiles         143,800         2,983           Commercial Banks         143,800         2,041           Banco Bradesco SA ADR         61,200         2,041           Banco Bradesco SA (Preference)         68,372         2,267           Banco Itau Holding Financeira SA ADR         100,710         3,016           Banco Itau Holding Financeira SA ADR (Preference)         (a) (c)         95,400         (a)           Banco Nacional SA (Preference)         (a) (c)         95,400         (a)           Banco Itau Holding Financeira SA ADR (Preference)         471,429         1,936           Banco Nacional SA (Preference)         (a) (c)         95,400         (a)           Banco Itau Holding Financeira SA ADR         (a) (a) (a) (a) (a) (a)         1,936           Unibanco SA GDR         133,81         1,134           Unibanco SA GDR         33,280         1,114           Unibanco SA GDR         33,280         1,113           Diversified Financial Services         33,280         1,113           Teadsepar SA (Preference)         33,280         1,212           Tele Norte Leste Participacoe SA (Pre				5,876
Tam SA ADR         (a)         203,330         6,86           Automotibles         143,800         2,983           Commercial Banks         3143,800         2,047           Banco Bradesco SA ADR         61,200         2,047           Banco Inatesco SA (Preference)         68,372         2,267           Banco Ital Holding Financeira SA ADR         100,710         3,016           Banco Ital Holding Financeira SA ADR (Preference)         (a)(c)         95,420,000         ©           Investimentos Ital SA (Preference)         (a)(c)         95,420,000         ©           Investimentos Ital SA (Preference)         (a)(c)         95,420,000         ©           Investified Financial Services         139,310         1,936           Unibanco SA GDR         139,310         10,309           Diversified Financial Services         33,280         1,113           Diversified Financial Services         33,280         1,113           Diversified Financial Services         33,280         1,113           Diversified Financial Services         33,280         1,212           Tele Norte Leste Participace SA (Preference)         68,000         2,124           Tele Norte Leste Participace SA (Preference)         2,000         3,23           El	Brazil (55.5%)			
Automobiles	Airlines			
Localiza Rent A Car SA         143,800         2,983           Commercia Banks         5,100         2,041           Banco Bradesco SA ADR         61,200         2,267           Banco Ida Holding Financeira SA ADR         100,710         3,016           Banco Ilau Holding Financeira SA ADR         100,710         3,016           Banco Ilau Holding Financeira SA ADR (Preference)         415,805         7,374           Banco Nacional SA (Preference)         40(c)         95,420,000         ©           Investimentos Itau SA (Preference)         411,429         1,336         1,141           Unibanco SA ADR         139,310         10,309         28,08           Diversified Financial Services         139,310         10,309         28,08           Diversified Financial Services         33,280         1,113         113           Diversified Telecommunication Services         33,280         1,113         120         2,00	Tam SA ADR	(a)	203,330	6,486
Commercial Banks         61,200         2,041           Banco Bradesco SA ADR         61,200         2,026           Banco Itau Holding Financeira SA ADR         100,710         3,016           Banco Itau Holding Financeira SA ADR (Preference)         245,805         7,374           Banco Nacional SA (Preference)         (a)(c)         95,420,000         ©           Investimentos Itau SA (Preference)         471,429         19,36           Unibanco SA ADR         153,872         1,141           Unibanco SA GDR         139,310         10,309           Diversified Financial Services         33,280         1,113           Bradespar SA (Preference)         33,280         1,113           Diversified Telecommunication Services         33,280         1,210           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,00         206           Electric Utilities         2         2,20         2,32           Electric Utilities         22,700         87         2,32           Electric Utilities         2,20         87         2,32         2,34           CPFL Energia SA ADR         2,30         1,32         4,83         3,32         2,33	Automobiles			
Banco Bradesco SA ADR         61,200         2,041           Banco Ital Holding Financeira SA ADR         100,710         3,016           Banco Ital Holding Financeira SA ADR         245,805         7,374           Banco Nacional SA (Preference)         (a)(c)         95,420,000         ⊕           Burestimentos Ital SA (Preference)         471,429         19,36           Unibanco SA ADR         153,872         1,141           Unibanco SA GDR         139,310         10,309           Unibanco SA GDR         33,280         1,113           Diversified Financial Services         33,280         1,113           Bradespar SA (Preference)         33,280         1,113           Diversified Flecommunication Services         33,280         1,113           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Porte Leste Participacoe SA (Preference)         25,000         206           Electric Utilities         22,700         87           CPFL Energia SA         63,400         817           Energias SA DR         23,00         2,30           Electric Utilities         185,900         2,30           Energias SA Bra	Localiza Rent A Car SA		143,800	2,983
Banco Bradesco SA (Preference)         68,372         2,267           Banco Itau Holding Financeira SA ADR         100,710         3,016           Banco Itau Holding Financeira SA ADR (Preference)         424,805         7,374           Banco Nacional SA (Preference)         (a)(c)         95,420,000         ©           Investimentos Itau SA (Preference)         471,429         1936           Invisioneo SA ADR         153,872         1,141           Unibanco SA GDR         139,310         10,309           Diversified Financial Services         28,084           Diversified Financial Services         33,280         1,113           Diversified Telecommunication Services         88,000         2,120           Tele Norte Leste Participacoe SA (Preference)         30,00         2,00           Tele Norte Leste Participacoe SA (Preference)         86,000         2,120           Tele Norte Leste Participacoe SA (Preference)         66,3400         817           Tele Norte Leste Participacoe SA (Preference)         2,200         82           Electric Utilities         22,700         87           CPFL Energia SA         66,3400         817           CPFL Energia SA ADR         185,900         2,394           Health Care Providers & Services         22,700 </td <td>Commercial Banks</td> <td></td> <td></td> <td></td>	Commercial Banks			
Banco Itau Holding Financeira SA ADR         100,710         3,016           Banco Itau Holding Financeira SA ADR (Preference)         245,805         7,374           Banco Nacional SA (Preference)         (a)(c)         95,420,000         ⊕           Investimentos Itau SA (Preference)         471,429         1,936           Unibanco SA ADR         133,872         1,141           Unibanco SA GDR         139,310         10,309           Versified Financial Services         33,280         1,113           Diversified Telecommunication Services         86,000         2,120           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Tele Norte Leste Participacoe SA (Preference)         20,000         206           Tele Norte Leste Participacoe SA (Preference)         36,000         2,120           Tele Norte Leste Participacoe SA (Preference)         20,000         206           Electric Utilities         22,700         87           Electric Utilities         30,300         2,900           Electric Utilities         30,000         1,900           Energias A DR	Banco Bradesco SA ADR		61,200	2,041
Banco Itau Holding Financeira SA ADR (Preference)         245,805         7,374           Banco Nacional SA (Preference)         (a)(c)         95,420,000         @           Investimentos Itau SA (Preference)         471,429         1,936           Unibanco SA ADR         153,872         1,141           Unibanco SA GDR         139,310         10,309           Diversified Financial Services         8         8,808         1,113           Diversified Flocommunication Services         33,280         1,113           Tele Norte Leste Participace SA         68,000         2,120           Tele Norte Leste Participace SA (Preference)         15,000         206           Electric Utilities         36,400         817           CPFL Energia SA         63,400         817           CPFL Energia SA ADR         63,400         817           Energias do Brasil SA         185,900         2,936           Energias do Brasil SA         185,900         2,326           Energia SA ADR         185,900         2,336           Energia SA Mareira ADR         (a)         100,100         1,878           Medial Saude SA         (a)         120,000         3,214           Household Durables         (a)         129,600         <	Banco Bradesco SA (Preference)		68,372	2,267
Banco Nacional SA (Preference)         (a)(c)         95,420,000         @           Investimentos Itau SA (Preference)         471,429         1,936         153,872         1,141           Unibanco SA ADR         153,872         1,141         10,009         28,084           Unibanco SA GDR         139,310         10,309         28,084           Diversified Financial Services         33,280         1,113           Bradespar SA (Preference)         33,280         2,120           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Electric Utilities         2,326         2,326           Electric Utilities         3,400         817           CPFL Energia SA         63,400         817           CPFL Energia SA ADR         22,700         872           Energias do Brasil SA         185,900         2,394           Health Care Providers & Services         3,204         3,304           Diagnosticos da America ADR         (a)         100,100         1,878           Medial Saude SA         (a)         122,000         1,336           Gafisa SA         (a)         129,600         1,672	Banco Itau Holding Financeira SA ADR		100,710	3,016
Banco Nacional SA (Preference)         (a)(c)         95,420,000         @           Investimentos Itau SA (Preference)         471,429         1,936         153,872         1,141           Unibanco SA ADR         153,872         1,141         10,009         28,084           Unibanco SA GDR         139,310         10,309         28,084           Diversified Financial Services         33,280         1,113           Bradespar SA (Preference)         33,280         2,120           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Electric Utilities         2,326         2,326           Electric Utilities         3,400         817           CPFL Energia SA         63,400         817           CPFL Energia SA ADR         22,700         872           Energias do Brasil SA         185,900         2,394           Health Care Providers & Services         3,204         3,304           Diagnosticos da America ADR         (a)         100,100         1,878           Medial Saude SA         (a)         122,000         1,336           Gafisa SA         (a)         129,600         1,672	Banco Itau Holding Financeira SA ADR (Preference)		245,805	7,374
Unibanco SA ADR         153,872         1,141           Unibanco SA GDR         139,310         10,309           Diversified Financial Services         33,280         1,113           Bradespar SA (Preference)         33,280         1,113           Diversified Telecommunication Services	Banco Nacional SA (Preference)	(a)(c)	95,420,000	@
Unibanco SA GDR       139,310       10,309         28,084         Diversified Financial Services       33,280       1,113         Bradespar SA (Preference)       33,280       1,113         Diversified Telecommunication Services         Tele Norte Leste Participacoe SA       68,000       2,120         Tele Norte Leste Participacoe SA (Preference)       15,000       206         CPE Leste Participacoe SA (Preference)       40,000       206         Electric Utilities         CPFL Energia SA       63,400       817         CPFL Energia SA ADR       63,400       817         Energias ob Brasil SA       185,900       2,394         Health Care Providers & Services         Diagnosticos da America ADR       (a)       100,100       1,878         Medial Saude SA       (a)       122,000       1,336         Household Durables         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders         Tractebel Energia SA       301,300       2,439         Metals & Mining <td>Investimentos Itau SA (Preference)</td> <td></td> <td>471,429</td> <td>1,936</td>	Investimentos Itau SA (Preference)		471,429	1,936
Diversified Financial Services	Unibanco SA ADR		153,872	1,141
Diversified Financial Services         33,280         1,113           Diversified Telecommunication Services         33,280         1,113           Tele Norte Leste Participacoe SA         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Electric Utilities         2,326           CPFL Energia SA         63,400         817           CPFL Energia SA ADR         22,700         872           Energias ob Brasil SA         185,900         2,394           Health Care Providers & Services         312,000         1,878           Diagnosticos da America ADR         (a) 100,100         1,878           Medal Saude SA         (a) 122,000         1,336           Household Durables         3,214           Gafisa SA         (a) 129,600         1,672           Independent Power Producers & Energy Traders         301,300         2,439           Metals & Mining         2         2           CVRD ADR         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Unibanco SA GDR		139,310	10,309
Bradespar SA (Preference)       33,280       1,113         Diversified Telecommunication Services       2         Tele Norte Leste Participacoe SA (Preference)       15,000       206         Tele Norte Leste Participacoe SA (Preference)       15,000       206         Electric Utilities       2       2         CPFL Energia SA       63,400       817         CPFL Energia SA ADR       22,700       872         Energias do Brasil SA       185,900       2,394         Health Care Providers & Services       2       2         Diagnosticos da America ADR       (a) 100,100       1,878         Medial Saude SA       (a) 122,000       1,336         Medial Saude SA       (a) 122,000       1,336         Touchehold Durables       301,300       2,439         Independent Power Producers & Energy Traders       301,300       2,439         Inceptional Energia SA       301,300       2,439         Wetals & Mining       2       400         CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				28,084
Diversified Telecommunication Services         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Tele Norte Leste Participacoe SA (Preference)         15,000         206           Electric Utilities         2,326           CPFL Energia SA         63,400         817           CPFL Energia SA ADR         22,700         872           Energias do Brasil SA         185,900         2,394           Health Care Providers & Services         301,000         1,878           Diagnosticos da America ADR         (a) 100,100         1,878           Medial Saude SA         (a) 122,000         1,336           Household Durables         3,214           Household Durables         301,300         1,672           Independent Power Producers & Energy Traders         301,300         2,439           Tractebel Energia SA         301,300         2,439           Metals & Mining         2         2           CVRD ADR         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Diversified Financial Services			
Tele Norte Leste Participacoe SA (Preference)         68,000         2,120           Tele Norte Leste Participacoe SA (Preference)         15,000         206           2,326           Electric Utilities         ************************************	Bradespar SA (Preference)		33,280	1,113
Tele Norte Leste Participacoe SA (Preference)         15,000         206           2,326           Electric Utilities         Tele Design SA         63,400         817           CPFL Energia SA ADR         63,400         817           Energias do Brasil SA         185,900         2,394           Health Care Providers & Services         Teles Providers & Services           Diagnosticos da America ADR         (a)         100,100         1,878           Medial Saude SA         (a)         122,000         1,336           Medial Saude SA         (a)         129,600         1,672           Household Durables         Tractebel Energia SA         (a)         129,600         1,672           Independent Power Producers & Energy Traders         Tractebel Energia SA         301,300         2,439           Metals & Mining         CVRD ADR         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Diversified Telecommunication Services			
Tele Norte Leste Participacoe SA (Preference)         15,000         206           2,326           Electric Utilities         Tele Design SA         63,400         817           CPFL Energia SA ADR         63,400         817           Energias do Brasil SA         185,900         2,394           Health Care Providers & Services         Teles Providers & Services           Diagnosticos da America ADR         (a)         100,100         1,878           Medial Saude SA         (a)         122,000         1,336           Medial Saude SA         (a)         129,600         1,672           Household Durables         Tractebel Energia SA         (a)         129,600         1,672           Independent Power Producers & Energy Traders         Tractebel Energia SA         301,300         2,439           Metals & Mining         CVRD ADR         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Tele Norte Leste Participacoe SA		68,000	2,120
Electric Utilities       CPFL Energia SA       63,400       817         CPFL Energia SA ADR       22,700       872         Energias do Brasil SA       185,900       2,394         Health Care Providers & Services       Temperature of the services         Diagnosticos da America ADR       (a)       100,100       1,878         Medial Saude SA       (a)       122,000       1,336         Household Durables       301,300       2,439         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders       Tractebel Energia SA       301,300       2,439         Metals & Mining       CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999			15,000	206
CPFL Energia SA       63,400       817         CPFL Energia SA ADR       22,700       872         Energias do Brasil SA       185,900       2,394         Health Care Providers & Services       V       4,083         Health Care Providers & Services       V       100,100       1,878         Medial Saude SA       (a) 122,000       1,336         Medial Saude SA       (a) 129,600       1,672         Household Durables       V       1,672         Gafisa SA       (a) 129,600       1,672         Independent Power Producers & Energy Traders       301,300       2,439         Metals & Mining       VRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				2,326
CPFL Energia SA ADR       22,700       872         Energias do Brasil SA       185,900       2,394         Health Care Providers & Services       4,083         Diagnosticos da America ADR       (a)       100,100       1,878         Medial Saude SA       (a)       122,000       1,336         Household Durables       3,214         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders       301,300       2,439         Tractebel Energia SA       301,300       2,439         Metals & Mining       87,900       1,895         CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999	Electric Utilities			
Energias do Brasil SA       185,900       2,394         4,083         Health Care Providers & Services       V         Diagnosticos da America ADR       (a) 100,100       1,878         Medial Saude SA       (a) 122,000       1,336         Household Durables       V       3,214         Gafisa SA       (a) 129,600       1,672         Independent Power Producers & Energy Traders       301,300       2,439         Metals & Mining       VRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999	CPFL Energia SA		63,400	817
Health Care Providers & Services   Service	CPFL Energia SA ADR		22,700	872
Health Care Providers & Services         Diagnosticos da America ADR       (a)       100,100       1,878         Medial Saude SA       (a)       122,000       1,336         Household Durables         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders         Tractebel Energia SA       301,300       2,439         Metals & Mining       87,900       1,895         CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999	Energias do Brasil SA		185,900	2,394
Diagnosticos da America ADR       (a)       100,100       1,878         Medial Saude SA       (a)       122,000       1,336         3,214         Household Durables         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders       Tractebel Energia SA       301,300       2,439         Metals & Mining       CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				4,083
Medial Saude SA       (a)       122,000       1,336         3,214         Household Durables         Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders         Tractebel Energia SA       301,300       2,439         Metals & Mining         CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999	Health Care Providers & Services			
Household Durables   Gafisa SA   (a) 129,600   1,672   Independent Power Producers & Energy Traders   301,300   2,439   Metals & Mining   CVRD ADR   87,900   1,895   CVRD ADR (Preference)   864,332   15,999	Diagnosticos da America ADR	(a)	100,100	1,878
Household Durables         Gafisa SA       (a) 129,600       1,672         Independent Power Producers & Energy Traders       301,300       2,439         Tractebel Energia SA       301,300       2,439         Metals & Mining       87,900       1,895         CVRD ADR       87,900       15,999         CVRD ADR (Preference)       864,332       15,999	Medial Saude SA	(a)	122,000	1,336
Gafisa SA       (a)       129,600       1,672         Independent Power Producers & Energy Traders       301,300       2,439         Tractebel Energia SA       301,300       2,439         Metals & Mining       CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				3,214
Independent Power Producers & Energy Traders           Tractebel Energia SA         301,300         2,439           Metals & Mining         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Household Durables			
Independent Power Producers & Energy Traders           Tractebel Energia SA         301,300         2,439           Metals & Mining         87,900         1,895           CVRD ADR (Preference)         864,332         15,999	Gafisa SA	(a)	129,600	1,672
Tractebel Energia SA       301,300       2,439         Metals & Mining       CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				
Metals & Mining       87,900       1,895         CVRD ADR (Preference)       864,332       15,999			301,300	2,439
CVRD ADR       87,900       1,895         CVRD ADR (Preference)       864,332       15,999				
CVRD ADR (Preference) 864,332 15,999			87,900	1,895
CVRD, A (Preterence) 33,606 621	CVRD, A (Preference)		33,606	621

Gerdau SA	143,647	1,617
Gerdau SA (Preference)	162,297	2,195
Gerdau SA ADR	113,122	1,533
		23,860
Multiline Retail		
Lojas Americanas SA (Preference)	74,256,720	3,005
Oil, Gas & Consumable Fuels		
Petroleo Brasileiro SA (Preference)	118,712	2,214
Petroleo Brasileiro SA ADR	65,041	5,452
Petroleo Brasileiro SA ADR (Preference)	322,011	24,099
		31,765
Paper & Forest Products		
Votorantim Celulose e Papel SA ADR	49,900	845

Personal Products			
Natura Cosmeticos SA		222,140	2,728
Road & Rail		,	_,,
All America Latina Logistica SA		284,000	2,220
Specialty Retail			
Lojas Renner SA		32,700	1,895
Transportation Infrastructure			
Cia de Concessoes Rodoviarias		231,340	2,234
			120,952
Chile (2.3%)			
Airlines			
Lan Airlines SA ADR		28,800	1,098
Electric Utilities			
Enersis SA ADR		288,600	3,809
			4,907
Colombia (1.1%)			
Commercial Banks			
BanColombia SA ADR		84,250	2,410
Mexico (35.2%)			
Beverages		20.000	2 000
Fomento Economico Mexicano SA de CV ADR		30,000	2,909
Commercial Banks		1 447 700	4.501
Grupo Financiero Banorte SA de CV, O		1,447,700	4,531
Food & Staples Retailing		22 447	707
Wal-Mart de Mexico SA de CV ADR		23,447	797 16,862
Wal-Mart de Mexico SA de CV, V		4,956,657	17,659
Household Durables			17,039
Corp. Geo SA de CV, B	(a)	1,367,800	5,754
Media	(a)	1,507,600	3,734
Grupo Televisa SA ADR		768,000	16,328
Metals & Mining		700,000	10,320
		1.328.400	4.160
Grupo Mexico SA de CV, B		1,328,400	4,160
Grupo Mexico SA de CV, B Multiline Retail		1,328,400 535,800	4,160 1,077
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services		535,800	1,077
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV			
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services		535,800	1,077 24,321
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR		535,800	1,077 24,321
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)		535,800	1,077 24,321
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines		535,800 617,757	1,077 24,321 76,739
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks		535,800 617,757 34,800	1,077 24,321 76,739 1,195
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)		535,800 617,757	1,077 24,321 76,739
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining		535,800 617,757 34,800 72,630	1,077 24,321 76,739 1,195 3,049
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.		535,800 617,757 34,800	1,077 24,321 76,739 1,195 3,049
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630	1,077 24,321 76,739 1,195 3,049
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630	1,077 24,321 76,739 1,195 3,049
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630	1,077 24,321 76,739 1,195 3,049
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B  Multiline Retail  Controladora Comercial Mexicana SA de CV  Wireless Telecommunication Services  America Movil SA de CV, L ADR  Panama (0.6%)  Airlines  Copa Holdings SA  Peru (1.8%)  Commercial Banks  Credicorp Ltd.  Metals & Mining  Cia de Minas Buenaventura SA ADR		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)  SHORT-TERM INVESTMENT (0.9%) United States (0.9%)		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)  SHORT-TERM INVESTMENT (0.9%) United States (0.9%) Repurchase Agreement		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)  SHORT-TERM INVESTMENT (0.9%) United States (0.9%) Repurchase Agreement J.P. Morgan Securities, Inc., 5.25%		535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981
Grupo Mexico SA de CV, B Multiline Retail Controladora Comercial Mexicana SA de CV Wireless Telecommunication Services America Movil SA de CV, L ADR  Panama (0.6%) Airlines Copa Holdings SA Peru (1.8%) Commercial Banks Credicorp Ltd. Metals & Mining Cia de Minas Buenaventura SA ADR  TOTAL COMMON STOCKS (Cost \$137,602)  SHORT-TERM INVESTMENT (0.9%) United States (0.9%) Repurchase Agreement	(b)	\$ 535,800 617,757 34,800 72,630 34,530	1,077 24,321 76,739 1,195 3,049 932 3,981

TOTAL INVESTMENTS + (100.1%)	
(Cost \$139,492)	217,950
LIABILITIES IN EXCESS OF OTHER ASSETS (-0.1%)	(140)
NET ASSETS (100%)	\$ 217,810

<sup>(</sup>a) Non-income producing security.

<sup>(</sup>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.

(c) Security has been deemed illiquid at September 30, 2006.

@ Face Amount/Value is less than \$500.

ADR American Depositary Receipt
GDR Global Depositary Receipt

At September 30, 2006, the U.S. Federal income tax cost basis of investments was approximately \$139,492,000 and, accordingly, net unrealized appreciation for U.S. Federal income tax purposes was \$78,458,000 of which \$79,006,000 related to appreciated securities and \$548,000 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.

### **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 Latin American Discovery Fund, Inc.

By: /s/ Ronald E. Robison

Name: Ronald E. Robison

Title: Principal Executive Officer
Date: November 21, 2006

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: November 21, 2006

By: /s/ James Garrett

Name: James Garrett

Title: Principal Financial Officer
Date: November 21, 2006