

NEW GERMANY FUND INC  
Form N-Q  
November 25, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

**FORM N-Q**

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

---

Investment Company Act file number: 811-05983

The New Germany Fund, Inc.

(Exact name of registrant as specified in charter)

345 Park Avenue  
New York, NY 10154

(Address of principal executive offices) (Zip code)

Paul Schubert

60 Wall Street

New York, NY 10005

(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 250-3220

Date of fiscal year end: 12/31

Date of reporting period: 9/30/2016

**ITEM 1. SCHEDULE OF INVESTMENTS**

The New Germany Fund, Inc.

Schedule of Investments

as of September 30, 2016 (Unaudited)

	<b>Shares</b>	<b>Value (\$)</b>
<b>Germany 77.3%</b>		
<b>Common Stocks 73.8%</b>		
<b>Aerospace &amp; Defense 3.5%</b>		
MTU Aero Engines AG	90,252	<b>9,132,526</b>
<b>Chemicals 12.7%</b>		
Covestro AG 144A	182,781	10,809,729
Evonik Industries AG	160,583	5,430,556
K+S AG (Registered)†	177,074	3,359,744
Symrise AG	165,890	12,159,563
Wacker Chemie AG	15,994	1,347,934
		<b>33,107,526</b>
<b>Commercial Services &amp; Supplies 0.5%</b>		
Bilfinger SE*	36,695	<b>1,211,048</b>
<b>Communications Equipment 0.2%</b>		
ADVA Optical Networking SE*	43,828	<b>441,276</b>
<b>Diversified Financial Services 0.5%</b>		
GRENKE AG	6,074	<b>1,168,842</b>
<b>Diversified Telecommunication Services 1.1%</b>		
Telefonica Deutschland Holding AG	679,099	<b>2,732,674</b>
<b>Electrical Equipment 3.9%</b>		
OSRAM Licht AG	172,937	<b>10,155,649</b>
<b>Electronic Equipment, Instruments &amp; Components 0.9%</b>		
Jenoptik AG	122,743	<b>2,244,061</b>

<b>Food &amp; Staples Retailing 3.3%</b>		
METRO AG	290,878	<b>8,658,511</b>
<b>Food Products 0.8%</b>		
Suedzucker AG	78,382	<b>2,178,606</b>
<b>Health Care Equipment &amp; Supplies 0.2%</b>		
STRATEC Biomedical AG	10,473	<b>603,724</b>
<b>Health Care Technology 0.7%</b>		
CompuGroup Medical SE	41,161	<b>1,897,976</b>
<b>Household Durables 0.4%</b>		
HELMA Eigenheimbau AG <sup>†</sup>	14,378	<b>963,900</b>
<b>Industrial Conglomerates 1.5%</b>		
Rheinmetall AG	54,506	<b>3,794,950</b>
<b>Insurance 1.1%</b>		
Hannover Rueck SE	27,620	<b>2,959,029</b>
<b>Internet &amp; Catalog Retail 4.3%</b>		
Zalando SE 144A*	267,124	<b>11,151,213</b>
<b>Internet Software &amp; Services 4.9%</b>		
Scout24 AG 144A*	75,833	2,556,406
United Internet AG (Registered)	218,101	9,652,480
XING AG	3,163	664,825
		<b>12,873,711</b>
<b>IT Services 2.5%</b>		
Wirecard AG	125,655	<b>6,530,432</b>
<b>Life Sciences Tools &amp; Services 1.3%</b>		
Evotec AG*	125,975	711,047
Gerresheimer AG	17,149	1,457,415
MorphoSys AG*	26,540	1,110,161
		<b>3,278,623</b>
	<b>Shares</b>	<b>Value (\$)</b>
<b>Machinery 8.6%</b>		
GEA Group AG	197,888	10,987,141
KION Group AG	108,837	7,046,934
KUKA AG*	30,784	3,723,827
Pfeiffer Vacuum Technology AG	7,854	746,640
		<b>22,504,542</b>
<b>Media 1.2%</b>		
CTS Eventim AG & Co. KGaA	53,964	1,921,661
Stroer SE & Co. KGaA <sup>†</sup>	26,971	1,172,287
		<b>3,093,948</b>
<b>Metals &amp; Mining 2.5%</b>		

Edgar Filing: NEW GERMANY FUND INC - Form N-Q

Aurubis AG	78,295	4,388,007
Salzgitter AG	66,279	2,172,142
		<b>6,560,149</b>
<b>Pharmaceuticals 1.7%</b>		
STADA Arzneimittel AG	78,737	<b>4,376,061</b>
<b>Real Estate Management &amp; Development 9.9%</b>		
ADO Properties SA 144A	92,077	3,683,423
Deutsche Wohnen AG	239,914	8,722,628
LEG Immobilien AG*	94,162	9,013,940
TLG Immobilien AG	170,632	3,852,999
VIB Vermoegen AG	27,403	612,160
		<b>25,885,150</b>
<b>Semiconductors &amp; Semiconductor Equipment 0.4%</b>		
AIXTRON SE*†	118,504	723,075
Siltronic AG*	15,042	397,467
		<b>1,120,542</b>
<b>Software 1.4%</b>		
Software AG	88,243	<b>3,739,769</b>
<b>Textiles, Apparel &amp; Luxury Goods 0.5%</b>		
HUGO BOSS AG	21,603	<b>1,194,951</b>
<b>Trading Companies &amp; Distributors 3.3%</b>		
Brenntag AG	157,582	<b>8,606,725</b>
<b>Preferred Stocks 3.5%</b>		
<b>Auto Components 1.1%</b>		
Schaeffler AG (Cost \$ 2,622,395)	177,797	<b>2,813,050</b>
<b>Health Care Equipment &amp; Supplies 1.2%</b>		
Sartorius AG (Cost \$ 2,014,562)	38,939	<b>3,241,426</b>
<b>Machinery 1.2%</b>		
Jungheinrich AG (Cost \$ 2,157,430)	92,453	<b>3,127,592</b>
<b>Total Germany (Cost \$152,681,169)</b>		<b>J01,348,182</b>
<b>Netherlands 20.1%</b>		
<b>Common Stocks</b>		
<b>Aerospace &amp; Defense 10.2%</b>		
Airbus Group SE	439,591	<b>26,595,259</b>
<b>Household Durables 5.0%</b>		
Steinhoff International Holdings NV	2,277,006	<b>13,072,254</b>
<b>Life Sciences Tools &amp; Services 4.9%</b>		
QIAGEN NV*	464,706	<b>12,796,269</b>
<b>Total Netherlands (Cost \$35,744,354)</b>		<b>M2,463,782</b>

<b>Luxembourg 1.0%</b>		
<b>Common Stocks</b>		
<b>Machinery 0.5%</b>		
Stabilus SA*	24,784	<b>1,395,274</b>
<b>Media 0.5%</b>		
RTL Group SA	15,468	<b>1,285,006</b>
<b>Total Luxembourg</b> (Cost \$2,457,656)		<b>J,680,280</b>
	<b>Shares</b>	<b>Value (\$)</b>
<b>United Kingdom 1.0%</b>		
<b>Common Stocks</b>		
<b>Semiconductors &amp; Semiconductor Equipment 1.0%</b>		
Dialog Semiconductor PLC* (Cost \$1,223,329)	65,165	<b>2,512,747</b>
<b>Securities Lending Collateral 2.5%</b>		
Government & Agency Securities Portfolio "Deutsche Government Cash Institutional Shares"	6,421,419	<b>N,421,419</b>
0.63% (Cost \$6,421,419) (a) (b)		
<b>Cash Equivalents 0.5%</b>		
Deutsche Central Cash Management Government Fund, 0.42% (Cost \$1,200,964) (b)	1,200,964	<b>I,200,964</b>
	<b>% of Net Assets</b>	<b>Value (\$)</b>
<b>Total Investments Portfolio</b> (Cost \$199,728,891)**	102.4	<b>J66,627,374</b>
<b>Other Assets and Liabilities, Net</b>	(2.4)	<b>(6,154,649)</b>
<b>Net Assets</b>	100.0	<b>J60,472,725</b>

\* Non-income producing security.

The cost for federal income tax purposes was \$200,781,746. At September 30, 2016, net unrealized appreciation for all securities based on tax cost was \$65,845,628. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$79,258,672 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$13,413,044.

† All or a portion of these securities were on loan. The value of all securities loaned at September 30, 2016 amounted to \$6,152,515, which is 2.4% of net assets.

(a) Represents collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.

(b) Affiliated fund managed by Deutsche Investment Management Americas Inc. The rate shown is the annualized seven-day yield at period end.

144A: Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

For purposes of its industry concentration policy, the Fund classifies issuers of portfolio securities at the industry sub-group level. Certain of the categories in the above Schedule of Investments consist of multiple industry sub-groups or industries.

Securities are listed in the country of domicile. For purposes of the Fund's investment objective policy to invest in German companies, non-Germany domiciled securities may qualify as German companies as defined in the Fund's Statement of Investment Objectives, Policies and Investment Restrictions.

### Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of September 30, 2016 in valuing the Fund's investments.

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Common Stocks and/or Other Equity Investments (c)				
Germany	\$ 201,348,182	\$—	\$—	\$201,348,182
Netherlands	52,463,782	—	—	52,463,782
Luxembourg	2,680,280	—	—	2,680,280
United Kingdom	2,512,747	—	—	2,512,747
Short-Term Instruments (c)	7,622,383	—	—	7,622,383
<b>Total</b>	<b>\$266,627,374</b>	<b>\$—</b>	<b>\$—</b>	<b>\$266,627,374</b>

There have been no transfers between fair value measurement levels during the period ended September 30, 2016.

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

**ITEM**  
**2. CONTROLS AND PROCEDURES**

- (a) The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.
- (b) There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

**ITEM**  
**3. EXHIBITS**

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: The New Germany Fund, Inc.

/s/Brian E. Binder

By: Brian E. Binder

President

Date: November 18, 2016

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

/s/Brian E. Binder

By: Brian E. Binder

President

Date: November 18, 2016

/s/Paul Schubert

By: Paul Schubert

Chief Financial Officer and Treasurer

Date: November 18, 2016