

JAPAN EQUITY FUND INC  
Form N-Q  
August 23, 2007

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

811-06142

THE JAPAN EQUITY FUND, INC.  
(Exact name of registrant as specified in charter)

c/o Daiwa Securities Trust Company

One Evertrust Plaza

Jersey City, New Jersey  
(Address of principal executive offices)

07302  
(Zip code)

John J. O. Keefe

The Japan Equity Fund, Inc.

c/o Daiwa Securities Trust Company

One Evertrust Plaza

Jersey City, New Jersey 07302  
(Name and address of agent for service)

Registrant's telephone number, including area code:

(201) 915-3054

Date of fiscal year end: October 31

Date of reporting period: July 31, 2007

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Item 1. Schedule of Investments. The schedule of investments for the three-month period ended July 31, 2007 is filed herewith.

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*The Japan Equity Fund, Inc.***Portfolio of Investments**

July 31, 2007 (unaudited)

**COMMON STOCKS 99.16%**

Shares		Value
<b>Banks 10.22%</b>		
110,000	Fukuoka Financial Group, Inc.	701,500
454	Mitsubishi UFJ Financial Group, Inc.	4,831,811
615	Mizuho Financial Group, Inc.	4,339,479
140,000	The Bank of Yokohama, Ltd.	976,117
258,000	The Sumitomo Trust & Banking Co., Ltd.	2,181,530
		13,030,437
<b>Chemicals 6.10%</b>		
199,000	Asahi Kasei Corp.	1,422,501
160,000	Daice Chemical Industries Ltd.	1,069,974
42,000	Hitachi Chemical Co., Ltd.	892,232
21,000	Nihon Parkerizing Co., Ltd.	364,284
26,000	Shin-Etsu Chemical Co., Ltd.	1,923,908
102,000	Sumitomo Chemical Co., Ltd.	762,457
93,000	Toyo Ink Manufacturing Co., Ltd.	342,915
330,000	Ube Industries, Ltd.	995,558
		7,773,829
<b>Commerce 0.79%</b>		
56,000	Canon Marketing Japan Inc.	1,011,313
<b>Communication 2.50%</b>		
80	KDDI Corp.	529,624
337	NTT Corp.	1,454,412
600	NTT DoCoMo, Inc.	829,632
6,400	Obic Business Consultants Co., Ltd.	371,139
		3,184,807
<b>Construction 1.27%</b>		
67,000	Daiwa House Industry Co., Ltd.	879,821
80,000	Sumitomo Forestry Co., Ltd.	738,792
		1,618,613
<b>Electric Appliances 13.84%</b>		
55,800	Canon Inc.	2,931,920
16,700	Fanuc Ltd.	1,809,528
180,000	Fujitsu Ltd.	1,188,637
34,000	Hamamatsu Photonics K.K.	1,071,315
21,000	Kyocera Corp.	2,023,800
108,000	Matsushita Electric Industrial Co., Ltd.	1,968,491
130,000	Mitsubishi Electric Corp.	1,382,469
37,700	Omron Corp.	1,004,659
43,000	Sony Corp.	2,273,779
27,000	Star Micronics Co., Ltd.	794,184
16,500	Tokyo Electron Ltd.	1,191,905



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<b>Electric Power &amp; Gas 2.21%</b>			
14,500	Kansai Electric Power Co., Inc.		321,399
27,000	Kyushu Electric Power Co., Inc.		639,194
22,000	Tohoku Electric Power Co., Inc.		486,717
51,000	Tokyo Electric Power Co., Inc.		1,367,636
			2,814,946
<b>Foods 0.56%</b>			
76,000	Nisshin Seifun Group Inc.		707,584
<b>Glass &amp; Ceramic Products 0.54%</b>			
38,000	NGK Spark Plug Co., Ltd.		694,209
<b>Insurance 2.27%</b>			
218,000	Aioi Insurance Co., Ltd.		1,287,941
139,000	Mitsui Sumitomo Insurance Co., Ltd.		1,607,475
			2,895,416
<b>Iron &amp; Steel 5.26%</b>			
25,500	JFE Holdings, Inc.		1,754,420
380,000	Nippon Steel Corp.		2,866,002
360,000	Sumitomo Metal Industries, Ltd.		2,087,656
			6,708,078
<b>Land Transportation 2.17%</b>			
374	East Japan Railway Co.		2,770,602
<b>Machinery 9.00%</b>			
25,000	Daikin Industries Ltd.		976,284
73,000	JTEKT Corp.		1,269,379
95,000	Komatsu Ltd.		3,025,224
40,000	Makita Corp.		1,843,627
333,000	Mitsubishi Heavy Industries Ltd.		2,380,365
77,000	Nippon Thompson Co., Ltd.		731,735
48,000	Ricoh Co., Ltd.		1,039,806
9,000	THK Co., Ltd.		