

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

Filing Date: **1994-12-27** | Period of Report: **1994-10-31**
SEC Accession No. **0000950123-94-002099**

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FILER

DEAN WITTER SHORT-TERM BOND FUND

CIK: **913534** | State of Incorporation: **MA** | Fiscal Year End: **0430**
Type: **N-30D** | Act: **40** | File No.: **811-07117** | Film No.: **94566278**

Business Address
*DEAN WITTER INTERCAPITAL
72ND FLOOR 2 WORLD
TRADE CENTER
NEW YORK NY 10048*

DEAN WITTER SHORT-TERM BOND FUND
Two World Trade Center
New York, New York 10048

DEAR SHAREHOLDER:

The six months ended October 31, 1994 were difficult for many fixed-income investors as interest rates continued to rise and bond prices declined. After three months of relative stability, interest rates resumed their upward trend in August. This move was fueled by an additional 1.0 percentage point increase in the federal-funds rate to 4.75 percent. This Federal Reserve Board action was in response to economic reports reaffirming a strong economy which were perceived as a precursor to higher inflation. Although higher prices have yet to be passed on to the consumer, signs of a potential increase in inflation are beginning to emerge in the form of higher raw materials prices, an improved labor market, increases in personal income and a higher rate of capacity usage by factories and mines. (Following the end of the reporting period, the Federal Reserve Board increased the federal-funds rate to 5.50 percent.)

The Federal Reserve Board's moves and the subsequent rise in interest rates have impacted the bond markets. Interest rates on 2-year Treasury securities rose by almost 2.6 percentage points to yield 6.82 percent at the end of the reporting period. Similarly, by October 31, 1994, 5-year Treasury securities were yielding 7.48 percent, an increase of 2.29 percentage points from December 31, 1993.

Despite the volatility in the fixed-income market, Dean Witter Short-Term Bond Fund provided a total return of 1.82 percent for the six months ended October 31, 1994, compared to a return of 1.61 percent for U.S. government securities, maturing in one to three years, and a return of 1.95 percent for comparable-maturity corporate bonds, as measured by Salomon Brothers. The Fund's performance during the period under review was reflective of the management's conservative strategy within the rising interest rate environment.

At the end of the reporting period, the Fund's net assets totaled \$35.2 million. The Fund distributed income dividends in the amount of \$0.30 per share during the six months ended October 31, 1994.

INVESTMENT STRATEGY

In reaction to rising interest rates, funds from new subscriptions were invested gradually in U.S. government and corporate securities with an emphasis on maturities of less than three years. Attention was placed on preserving or improving quality with the majority of new purchases in the corporate market rated A or better.

At the end of the reporting period, the Fund's portfolio was diversified among 47 issues with an average quality rating of A3. The Fund's average maturity was 2.50 years and the average duration (the weighted average life of the portfolio) was 2.11 years. The Fund's assets were allocated among investment-grade corporate securities (48 percent), U.S. government securities (27 percent), foreign government securities (16 percent), non-investment-grade corporate securities (4 percent) and cash equivalents (4 percent).

The Fund's U.S. government sector was diversified with 13 percent in mortgage-backed securities issued by the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA) and 14 percent in U.S. Treasuries. Rising interest rates have affected mortgage-

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backed securities to the same degree as the U.S. Treasury security market. Recognizing this market environment, the Fund has not added additional current coupon mortgages in recent months. Until market conditions warrant a more aggressive approach, this sector of the Fund will continue to pursue a defensive strategy when making new investments, those which would enhance both the Fund's current yield and total return potential.

As of October 31, 1994, 100 percent of the Fund's foreign government component consisted of twenty-eight-day Mexican government treasury bills (Cetes) denominated in Mexican pesos. Over the course of the past six months, the Fund has purchased these investments at yields ranging from a high in excess

of 17.00 percent to a current 13.50 percent. Due to the vagaries of the Mexican political system and its economy, the currency component of this position has ranged from approximately 3.11 pesos to 3.43 pesos to the U.S. dollar. This fluctuation in currency has partially offset the income obtained by the Fund's Mexican exposure.

During the past six months, the Fund has maintained several positions in the Canadian treasury bill market, denominated in Canadian dollars. At the time of purchase, these investments provided attractive yield premiums over their U.S. counterparts. However, with the recent contraction in yield spreads between Canadian and U.S. investments, the Fund has either sold these investments or allowed them to mature.

LOOKING AHEAD

As long as the economy stays strong and further rises in interest rate hikes remain a possibility, we will continue to manage the portfolio with a conservative strategy. While more interest rate hikes are likely before year-end, much of the rate increase for the current cycle is probably behind us. Although 1994 will likely end without inflationary expectations subsiding, we would expect 1995 to be a friendlier year to fixed income markets with higher positive rates of return from the Fund, as interest rates begin falling later that year.

We would like to thank you for your support of Dean Witter Short-Term Bond Fund and look forward to continuing to serve your investment needs.

Very truly yours,

/s/ C. FIUMEFREDDO

Charles A. Fiumefreddo
Chairman of the Board

DEAN WITTER SHORT-TERM BOND FUND
PORTFOLIO OF INVESTMENTS October 31, 1994 (unaudited)

<TABLE>
<CAPTION>
Principal
Amount (in
thousands)

		Coupon Rate	Maturity Date	Value
<C>	<S>	<C>	<C>	<C>
	CORPORATE BONDS (51.6%)			
	AUTOMOTIVE FINANCE (4.2%)			
\$ 500	Ford Motor Credit Corp.	6.25 %	2/26/98	\$ 479,690
1,000	General Motors Acceptance Corp.	7.75	4/15/97	1,000,860

				1,480,550

	BANK HOLDING COMPANIES (9.3%)			
593	Bank of Boston Corp.	10.30	9/ 1/00	609,284
1,000	Bankers Trust N.Y. Corp.	7.25	11/ 1/96	999,390
500	Home Savings America Co.	6.00	11/ 1/00	446,945
625	Integra Financial Corp.	6.50	4/15/00	578,594
608	Midlantic Corp.	9.25	9/ 1/99	631,651

				3,265,864

	BANKS - COMMERCIAL (1.4%)			
500	Chase Manhattan Bank.....	7.50	12/ 1/97	496,435

	BANKS - INTERNATIONAL (2.7%)			
1,000	Kansalis-Osake Pankki.....	6.125	5/15/98	941,250

	BROKERAGE (2.7%)			
500	Lehman Brothers Holdings, Inc.	7.625	7/15/99	481,855
500	Smith Barney Shearson, Inc.	6.00	3/15/97	482,120

				963,975

CHEMICALS (1.5%)				
500	Georgia Gulf Corp.	15.00	4/15/00	520,000
COMPUTER EQUIPMENT (1.5%)				
500	Unisys Corp.	13.50	7/ 1/97	540,000
FINANCIAL SERVICES (1.4%)				
500	Golden West Financial Corp.	7.875	1/15/02	485,470
FOOD & TOBACCO (1.5%)				
500	RJR Nabisco, Inc.	10.50	4/15/98	526,100
FOREST & PAPER PRODUCTS (1.5%)				
500	Boise Cascade Corp.	9.625	7/15/98	515,190
INDUSTRIALS (11.0%)				
1,000	Chrysler Corp.	10.40	8/ 1/99	1,065,420
500	Comdisco, Inc.	9.75	1/15/97	516,075
500	Grand Metropolitan Investment Corp.	8.125	8/15/96	508,190
500	Hertz Corp.	9.50	5/15/98	523,475

</TABLE>

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DEAN WITTER SHORT-TERM BOND FUND
 PORTFOLIO OF INVESTMENTS October 31, 1994 (unaudited) (continued)

<TABLE>					
<CAPTION>					
Principal					
Amount (in					
thousands)					
		Coupon	Maturity	Value	
		Rate	Date		
<C>	<S>	<C>	<C>	<C>	
\$	500	Mitchell Energy & Development Co.	5.10 %	2/15/97	\$ 473,115
	500	Reynolds Metals, Inc.	9.375	6/15/99	517,055
	250	USX-Marathon Corp.	9.80	7/ 1/01	260,827
				3,864,157	
INSURANCE (2.8%)					
1,000	Continental Corp.	8.25	4/15/99	984,310	
PUBLISHING (1.3%)					
500	Time Warner, Inc.	0.00	8/15/02	468,125	
TRANSPORTATION (0.8%)					
300	AMR Corp.	8.10	11/ 1/98	292,824	
UTILITIES - ELECTRIC (8.0%)					
500	Commonwealth Edison Co.	6.50	4/15/00	457,270	
500	Consolidated Edison Co.	5.90	12/15/96	487,349	
370	Consumers Power Co.	8.875	11/15/99	379,602	
500	Long Island Lighting Co.	6.25	7/15/01	403,115	
500	Ohio Edison Co.	8.75	2/15/98	508,545	
575	Public Service Co. of New Hampshire.....	8.875	5/15/96	588,581	
				2,824,462	
TOTAL CORPORATE BONDS					
(IDENTIFIED COST \$19,422,980)				18,168,712	
U.S. GOVERNMENT AGENCIES & OBLIGATIONS (27.0%)					
MORTGAGE PASS-THROUGH CERTIFICATES (13.0%)					
500	Federal Home Loan Mortgage Corp.	5.65	6/20/96	496,875	
726	Federal Home Loan Mortgage Corp.	6.50	5/ 1/99	501,011	
1,274	Federal Home Loan Mortgage Corp.	6.50	6/ 1/99	1,410,781	
500	Federal National Mortgage Association.....	6.90	11/12/96	498,750	
2,000	Federal National Mortgage Association (principal strip).....	0.00	12/20/01	1,651,250	
TOTAL MORTGAGE PASS-THROUGH					
CERTIFICATES (IDENTIFIED COST \$4,686,529)				4,558,667	

	U.S. GOVERNMENT OBLIGATIONS (14.0%)			
1,000	U.S. Treasury Note.....	4.00	1/31/96	971,563
2,000	U.S. Treasury Note.....	4.625	2/29/96	1,953,750
2,000	U.S. Treasury Note.....	7.50	2/29/96	2,025,313
	TOTAL U.S. GOVERNMENT OBLIGATIONS (IDENTIFIED COST \$5,042,196).....			4,950,626
	TOTAL U.S. GOVERNMENT AGENCIES & OBLIGATIONS (IDENTIFIED COST \$9,728,725).....			9,509,293

</TABLE>

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DEAN WITTER SHORT-TERM BOND FUND
 PORTFOLIO OF INVESTMENTS October 31, 1994 (unaudited) (continued)

Principal Amount (in thousands)		Coupon Rate	Maturity Date	Value
<C>	<S>	<C>	<C>	<C>
	SHORT-TERM INVESTMENTS (17.6%)			
	MEXICAN GOVERNMENT SECURITIES (A) (15.6%)			
MXF 18,881	Cetes (AMORTIZED COST \$5,506,002).....	13.10%- 14.05	11/ 3/94- 11/24/94	\$ 5,473,050
	REPURCHASE AGREEMENT (2.0%)			
\$ 691	The Bank of New York (dated 10/31/94; proceeds \$691,178; collateralized by \$687,278 U.S. Treasury Note 7.50% due 2/28/96 valued at \$704,908) (IDENTIFIED COST \$691,086).....	4.8125	11/ 1/94	691,086
	TOTAL SHORT-TERM INVESTMENTS (IDENTIFIED COST \$6,197,088).....			6,164,136
	TOTAL INVESTMENTS (IDENTIFIED COST \$35,348,793) (B).....		96.2%	33,842,141
	CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES.....		3.8	1,344,792
	NET ASSETS.....		100.0%	\$35,186,933

</TABLE>

(a) Securities were purchased on a discount basis. The rates shown have been adjusted to reflect a bond equivalent yield. The bond equivalent yield for Mexican Cetes does not reflect the effect of exchange rates.

(b) The aggregate cost for federal income tax purposes is \$35,348,793; the aggregate gross unrealized appreciation is \$10,000 and the aggregate gross unrealized depreciation is \$1,516,652, resulting in net unrealized depreciation of \$1,506,652.

See Notes to Financial Statements

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DEAN WITTER SHORT-TERM BOND FUND
 FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES October 31, 1994 (unaudited)	<C>
ASSETS:	
Investments in securities, at value (identified cost \$35,348,793) (Note 1)....	\$ 33,842,141
Cash.....	179

Receivable for:	
Investments sold.....	1,065,916
Interest.....	462,929
Shares of beneficial interest sold.....	205,836
Deferred organizational expenses (Note 1)...	134,361

TOTAL ASSETS.....	35,711,362

LIABILITIES:	
Payable for:	
Shares of beneficial interest	
repurchased.....	361,522
Dividends to shareholders.....	28,546
Organizational expenses payable (Note 1)....	134,361

TOTAL LIABILITIES.....	524,429

NET ASSETS:	
Paid-in-capital.....	37,291,501
Accumulated net realized loss on	
investments.....	(1,047,145)
Net unrealized depreciation on	
investments.....	(1,506,651)
Accumulated undistributed net investment	
income.....	449,228

NET ASSETS.....	\$ 35,186,933
	=====
NET ASSET VALUE PER SHARE,	
3,708,697 shares outstanding (unlimited	
authorized shares of \$.01 par value).....	\$9.49
	=====

STATEMENT OF OPERATIONS For the six months
ended October 31, 1994 (unaudited)

INVESTMENT INCOME:	
INTEREST INCOME.....	\$ 1,759,066

EXPENSES	
Investment management fee (Note 2).....	156,175
Professional fees.....	29,500
Custodian fees.....	17,079
Trustees' fees and expenses.....	9,450
Transfer agent fees (Note 3).....	7,519
Registration fees.....	5,997
Shareholder reports and notices.....	4,500
Organizational expenses (Note 1).....	16,000

TOTAL EXPENSES BEFORE FEES	
WAIVED/ASSUMED.....	246,220
LESS: Expenses Waived/Assumed by	
Investment Manager (Note 2).....	(246,220)

TOTAL EXPENSES AFTER FEES	
WAIVED/ASSUMED.....	--

NET INVESTMENT INCOME.....	1,759,066

NET REALIZED AND UNREALIZED GAIN (LOSS)	
(Note 1):	
Net realized gain (loss) on:	
Investments.....	(272,700)
Foreign exchange transactions.....	(723,672)

	(996,372)
Net change in unrealized depreciation on	
investments.....	7,877

NET LOSS ON INVESTMENTS.....	(988,495)

NET INCREASE IN NET ASSETS RESULTING	
FROM OPERATIONS.....	\$ 770,571
	=====

</TABLE>

DEAN WITTER SHORT-TERM BOND FUND
FINANCIAL STATEMENTS (continued)

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>
<CAPTION>

	For the six months ended October 31, 1994 (unaudited)	For the period January 10, 1994 through April 30, 1994 (Note 1)
<S>	<C>	<C>
INCREASE (DECREASE) IN NET ASSETS:		
Operations:		
Net investment income.....	\$ 1,759,066	\$ 666,656
Net realized loss.....	(996,372)	(50,773)
Net change in unrealized depreciation on investments.....	7,877	(1,514,528)
Net increase (decrease) in net assets resulting from operations.....	770,571	(898,645)
Dividends to shareholders from net investment income.....	(1,393,294)	(583,200)
Net increase (decrease) from shares of beneficial interest (Note 4).....	(7,592,981)	44,784,482
Total increase (decrease).....	(8,215,704)	43,302,637
NET ASSETS:		
Beginning of period.....	43,402,637	100,000
END OF PERIOD (including undistributed net investment income of \$449,228 and \$83,456, respectively).....	\$ 35,186,933	\$ 43,402,637

</TABLE>

See Notes to Financial Statements

DEAN WITTER SHORT-TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (unaudited)

1. ORGANIZATION AND ACCOUNTING POLICIES -- Dean Witter Short-Term Bond Fund (the "Fund") is registered under the Investment Company Act of 1940, as amended, as a diversified, open-end management investment company. The Fund was organized as a Massachusetts business trust on October 22, 1993 and had no operations other than those relating to organizational matters and the issuance of 10,000 shares of beneficial interest for \$100,000 to Dean Witter InterCapital Inc. (the "Investment Manager"). The Fund commenced operations January 10, 1994.

The following is a summary of significant accounting policies:

A. Valuation of Investments -- (1) all portfolio securities for which over-the-counter market quotations are readily available are valued at the latest available bid price prior to the time of valuation; (2) when market quotations are not readily available, portfolio securities are valued at their fair value as determined in good faith under procedures established by and under the general supervision of the Trustees (valuation of securities for which market quotations are not readily available may be based upon current market prices of securities which are comparable in coupon, rating and maturity or an appropriate matrix utilizing similar factors); (3) certain of the portfolio securities may be valued by an outside pricing service approved by the Trustees. The pricing service utilizes a matrix system incorporating security quality, maturity and coupon as the evaluation model parameters, and/or research and evaluation by its staff, including review of broker-dealer market price quotations, in determining what it believes is the fair valuation of the portfolio securities valued by such pricing service; (4) short-term debt securities having a maturity date of more than sixty days at time of purchase are valued on a mark-to-market basis until sixty days prior to maturity and

thereafter at amortized cost based on their value on the 61st day. Short-term debt securities having a maturity date of sixty days or less at the time of purchase are valued at amortized cost; and (5) all other securities and other assets are valued at their fair value as determined in good faith under procedures established by and under the general supervision of the Trustees.

B. Accounting for Investments -- Security transactions are accounted for on the trade date (date the order to buy or sell is executed). Realized gains and losses on security transactions are determined on the identified cost method. Discounts on securities purchased are amortized over the life of the respective securities. The Fund does not amortize premiums on securities. Interest income is accrued daily.

C. Foreign Currency Translation -- The books and records of the Fund are maintained in U.S. dollars as follows: (1) the foreign currency market value of investment securities, other assets and liabilities and forward contracts are translated at the exchange rates prevailing at the end of the period; and (2) purchases, sales, income and expenses are translated at the exchange rates prevailing on the respective dates of such transactions. The resultant exchange gains and losses are included in the Statement of Operations as realized and unrealized gain/loss on foreign exchange transactions. Pursuant to U.S. Federal income tax regulations, certain foreign exchange gains/losses included in realized and unrealized gain/loss are included in or are a reduction of ordinary income for federal income tax purposes. The Fund does not isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the changes in the market prices of the securities.

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DEAN WITTER SHORT-TERM BOND FUND
NOTES TO FINANCIAL STATEMENTS (unaudited) (continued)

D. Federal Income Tax Status -- It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income to its shareholders. Accordingly, no federal income tax provision is required.

E. Dividends and Distributions to Shareholders -- The Fund records dividends and distributions to its shareholders on the record date. The amount of dividends and distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations which may differ from generally accepted accounting principles. These "book/tax" differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences do not require reclassification. Dividends and distributions which exceed net investment income and net realized capital gains for financial reporting purposes but not for tax purposes are reported as dividends in excess of net investment income or distributions in excess of net realized capital gains. To the extent they exceed net investment income and net realized capital gains for tax purposes, they are reported as distributions of paid-in-capital.

F. Organizational Expenses -- The Investment Manager paid the organizational expenses of the Fund in the amount of approximately \$160,000. The Fund will reimburse the Investment Manager for these expenses, exclusive of any amounts assumed by the Investment Manager. Such expenses have been deferred and are being amortized on the straight-line method over a period not to exceed five years from the commencement of operations.

2. INVESTMENT MANAGEMENT AGREEMENT -- Pursuant to an Investment Management Agreement, the Fund pays its Investment Manager a management fee, accrued daily and payable monthly, by applying the annual rate of 0.70% to the net assets of the Fund determined as of the close of each business day.

Under the terms of the Agreement, in addition to managing the Fund's investments, the Investment Manager maintains certain of the Fund's books and records and furnishes, at its own expense, office space, facilities, equipment, clerical, bookkeeping and certain legal services and pays the salaries of all personnel, including officers of the Fund who are employees of the Investment Manager. The Investment Manager also bears the cost of telephone services, heat,

light, power and other utilities provided to the Fund.

The Investment Manager has undertaken to assume all expenses (except for brokerage fees) and waive the compensation provided for in the Agreement until such time as the Fund has \$50 million of net assets or until December 31, 1994, whichever comes first.

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DEAN WITTER SHORT-TERM BOND FUND
 NOTES TO FINANCIAL STATEMENTS (unaudited) (continued)

3. SECURITY TRANSACTIONS AND TRANSACTIONS WITH AFFILIATES -- The cost of purchases and proceeds from sales of portfolio securities, excluding short-term investments, for the six months ended October 31, 1994 were \$14,197,067 and \$9,867,506, respectively. Included in the aforementioned are purchases and sales of U.S. Government securities of \$8,559,977 and \$4,523,559, respectively.

Dean Witter Trust Company, an affiliate of the Investment Manager, is the Fund's transfer agent.

4. SHARES OF BENEFICIAL INTEREST -- Transactions in shares of beneficial interest were as follows:

<TABLE>
 <CAPTION>

	For the six months ended October 31, 1994		For the period January 10, 1994* through April 30, 1994	
	Shares	Amount	Shares	Amount
Sold.....	1,208,581	\$ 11,547,199	5,562,083	\$ 55,179,598
Reinvestment of dividends.....	128,102	1,224,451	52,040	505,222
Repurchased.....	1,336,683 (2,138,641)	12,771,650 (20,364,631)	5,614,123 (1,113,468)	55,684,820 (10,900,338)
Net increase (decrease).....	(801,958)	\$ (7,592,981)	4,500,655	\$ 44,784,482

</TABLE>

* Commencement of operations.

5. FEDERAL INCOME TAX STATUS -- Any net capital losses incurred after October 31 ("post-October losses") within the taxable year are deemed to arise on the first business day of the Fund's next taxable year. The Fund incurred and will elect to defer net capital losses of approximately \$51,000 during fiscal 1994. To the extent that these losses are used to offset future capital gains, it is probable that the gains so offset will not be distributed to shareholders.

At April 30, 1994, the Fund had temporary book/tax differences primarily attributable to post-October losses.

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DEAN WITTER SHORT-TERM BOND FUND
 FINANCIAL HIGHLIGHTS

Selected ratios and per share data for a share of beneficial interest outstanding throughout each period:

<TABLE>
 <CAPTION>

	For the six months ended October 31, 1994 (unaudited)	For the period January 10, 1994* through April 30, 1994
PER SHARE OPERATING PERFORMANCE:		
Net asset value, beginning of period.....	\$ 9.62	\$ 10.00

Net investment income.....	0.38	0.21
Net realized and unrealized loss on investments.....	(0.21)	(0.40)
Total from investment operations.....	0.17	(0.19)
Less dividends and distributions from net investment income.....	(0.30)	(0.19)
Net asset value, end of period.....	\$ 9.49	\$ 9.62
TOTAL INVESTMENT RETURN.....	1.82% (1)	(2.01) % (1)
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period (in thousands).....	\$ 35,187	\$43,403
Ratios to average net assets:		
Expenses.....	0.00% (2) (4)	0.00% (2) (3)
Net investment income.....	7.88% (2) (4)	6.36% (2) (3)
Portfolio turnover rate.....	34% (1)	9% (1)

</TABLE>

* Commencement of Operations.

(1) Not annualized.

(2) Annualized.

(3) If the Fund had borne all expenses that were assumed or waived by the Investment Manager, the above annualized expense and net investment income ratios would have been 1.55% and 4.81%, respectively.

(4) If the Fund had borne all expenses that were assumed or waived by the Investment Manager, the above annualized expense and net investment income ratios would have been 1.11% and 6.77%, respectively.

See Notes to Financial Statements

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TRUSTEES

Jack F. Bennett
Michael Bozic
Charles A. Fiumefreddo
Edwin J. Garn
John R. Haire
Dr. Manuel H. Johnson
Paul Kolton
Michael E. Nugent
Philip J. Purcell
John L. Schroeder

OFFICERS

Charles A. Fiumefreddo
Chairman and Chief Executive Officer

Sheldon Curtis
Vice President, Secretary and General Counsel

Peter Avelar
Vice President

Rajesh K. Gupia
Vice President

Rochelle G. Siegel
Vice President

Thomas F. Caloia
Treasurer

TRANSFER AGENT

Dean Witter Trust Company
Harborside Financial Center - Plaza Two
Jersey City, New Jersey 07311

INDEPENDENT ACCOUNTANTS
Price Waterhouse LLP
1177 Avenue of the Americas
New York, New York 10036

INVESTMENT MANAGER
Dean Witter InterCapital Inc.
Two World Trade Center
New York, New York 10048

The financial statements included herein have been taken from the records of the Fund without examination by the independent accountants and accordingly they do not express an opinion thereon.

This report is submitted for the general information of shareholders of the Fund. For more detailed information about the Fund, its officers and trustees, fees, expenses and other pertinent information, please see the prospectus of the Fund.

This report is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

DEAN WITTER
SHORT-TERM
BOND FUND

[PHOTO]

SEMIANNUAL REPORT
OCTOBER 31, 1994

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APPENDIX TO ELECTRONIC FORMAT DOCUMENT

The back cover of the Semiannual Report in the printed version contains a picture of financial magazines.

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EXHIBIT INDEX

Exhibit No. -----	Description -----
27	Financial Data Schedule

<TABLE> <S> <C>

<ARTICLE> 6

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Article 6 FDS for Short-Term Bond Fund

</LEGEND>

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<PERIOD-END>	OCT-31-1994
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<EXPENSES-NET>	0
<NET-INVESTMENT-INCOME>	1,759,066
<REALIZED-GAINS-CURRENT>	(996,372)
<APPREC-INCREASE-CURRENT>	7,877
<NET-CHANGE-FROM-OPS>	770,571
<EQUALIZATION>	0
<DISTRIBUTIONS-OF-INCOME>	(1,393,294)
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<DISTRIBUTIONS-OTHER>	0
<NUMBER-OF-SHARES-SOLD>	1,208,581
<NUMBER-OF-SHARES-REDEEMED>	2,138,641
<SHARES-REINVESTED>	128,102
<NET-CHANGE-IN-ASSETS>	(8,215,704)
<ACCUMULATED-NII-PRIOR>	0
<ACCUMULATED-GAINS-PRIOR>	0

<OVERDISTRIB-NII-PRIOR>	0
<OVERDIST-NET-GAINS-PRIOR>	0
<GROSS-ADVISORY-FEES>	156,175
<INTEREST-EXPENSE>	0
<GROSS-EXPENSE>	246,220
<AVERAGE-NET-ASSETS>	44,257,575
<PER-SHARE-NAV-BEGIN>	9.62
<PER-SHARE-NII>	.38
<PER-SHARE-GAIN-APPREC>	(.21)
<PER-SHARE-DIVIDEND>	(.30)
<PER-SHARE-DISTRIBUTIONS>	0
<RETURNS-OF-CAPITAL>	0
<PER-SHARE-NAV-END>	9.49
<EXPENSE-RATIO>	0
<AVG-DEBT-OUTSTANDING>	0
<AVG-DEBT-PER-SHARE>	0

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