

SECURITIES AND EXCHANGE COMMISSION

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MERRILL LYNCH PACIFIC FUND INC

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Business Address
P O BOX 9011
PRINCETON NJ 08543
6092823319

MERRILL
LYNCH
PACIFIC
FUND, INC.

Quarterly Report March 31, 1994

This report is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of the Fund unless accompanied or preceded by the Fund's current prospectus. Past performance results shown in this report should not be considered a representation of future performance. Investment return and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost.

Merrill Lynch
Pacific Fund, Inc.
Box 9011
Princeton, NJ
08543-9011

MERRILL LYNCH PACIFIC FUND, INC.

TO OUR SHAREHOLDERS

Although Merrill Lynch Pacific Fund, Inc. underperformed the +9.76% total return of the unmanaged Market-Weighted Index during the three months ended March 31, 1994, the +3.87% and +3.63% total returns for the Fund's Class A and Class B Shares, respectively, were achieved within a turbulent market environment. (See the "Recent Performance Results" table on page 5 of this report to shareholders. Complete performance information, including average annual total returns, can be found on pages 3 and 4.)

The Fund's underperformance relative to the Market-Weighted Index is attributable to three factors. First, we believed that the yen was likely to weaken relative to the US dollar, so we hedged a significant portion of the Fund's yen-denominated investments. However, this strategy hedged away much of the appreciation that occurred as the yen rose relative to the US dollar. Thus the Tokyo Stock Exchange Index was up 8.61% in the local currency and 18.20% in US dollars. As a result, the Fund's Japanese investments did not appreciate as much as the Japanese component of the Market-Weighted Index in US-dollar terms. Second, we are always underweighted in Japan compared to the Market-Weighted Index because of the overwhelming dominance of its stock market in the total Pacific Basin market capitalization. The Japanese stock market was the only market to provide a positive total return among Pacific Basin stock markets during the quarter. As a result, we did not benefit as much from the positive performance of Japanese stocks. (The section "A Closer Look at Market Weightings" outlines another reason why we are typically underweighted in Japanese stocks relative to the Market-Weighted Index.) Finally, most of the best-performing Japanese stocks were those of companies that currently earn very little (or even negative) net incomes. Therefore, even though these stocks have performed well, they do not meet our value-oriented investment criteria.

Japanese Currency Appreciates

We did not anticipate the strengthening of the yen relative to the US dollar which occurred during the March quarter and therefore we sold much of our yen exposure forward. As a manufacturer, Japan is not internationally competitive with the yen at current levels, and we believe that if the yen were to continue to strengthen, many Japanese manufacturers would be forced to substantially expand output of their

products outside of Japan to remain competitive in world markets. However, Japan still runs a trade account surplus, especially with the United States, along with a significant current account surplus, even as the yen appreciates. Nevertheless, since we believe there continues to be a risk to the US-dollar value of our yen-denominated investments if the yen were to weaken significantly, we have now hedged some of these investments with yen put options, rather than selling the yen forward as we had previously. We still believe that over the longer term the yen must weaken; however, we now take a more conservative strategy of buying yen puts rather than selling yen forward.

A Closer Look at Market Weightings

One of the reasons for our less-than-market weighting in Japan is because of the effect of corporate cross-ownership on market valuations. Since many large Japanese corporations own significant portions of each other's shares, which therefore are not available for sale on the open market, the amount of money needed to purchase the entire Japanese stock market is actually much lower than the Japanese stock market capitalization. For example, Jeff Bahenburg, Merrill Lynch's Senior Japan Equity Strategist, estimates that adjusting for cross-ownership would decrease the Japanese stock market's capitalization, as defined by Morgan Stanley Capital International, by about one-third. Using this estimate, we view a neutral Japanese stock market weighting for Merrill Lynch Pacific Fund, Inc. as more in the 60%-70% range rather than the 80%-90% range. The Fund's Japanese weighting at the end of the quarter was 66.22%.

Share Prices Anticipate Cyclical Upturn

The rise in Japanese share prices during the March quarter reflects the widespread belief that the economy is turning upward, since the best-performing issues were those of companies with cyclically depressed businesses. Some of our holdings--such as Sumitomo Electric Industries, Ltd., Murata Manufacturing Co., Ltd., and Matsushita Electric Industrial Co., Ltd.--participated in the rally. However, many of our large Japanese investments, such as those in Toyo Seikan Kaisha, Ltd., Chudenko Corp., and the property and casualty insurance companies, provided below-market returns. We expect that they will catch up eventually.

We share the view that the Japanese recession is ending. Furthermore, the unduly bearish posture of Japanese institutional investors may also be changing for the better. However, we still believe that the economic improvement in Japan will be insufficient to provide adequate economic benefit to companies comprising large sectors of the Japanese stock market. Many of these companies lack the control over their cost structuring necessary to enable them to become and remain viable economic entities. Their long-term returns on invested capital will not be enough to justify investing in their shares, except at large discounts to book value. We do not plan on committing assets to them, despite interim improvement in their businesses and share prices. In contrast, we continue to invest only in those issues where we perceive clear undervaluation relative to the Japanese market.

Nevertheless, the outlook for the Japanese stock market overall has improved somewhat in recent months. The economy is beginning to recover slowly, and although the stock market has risen from its recent lows, it is further below its historic high than any other major stock market. With an improving domestic economy and continued growth in intra-Asian trade, the Japanese stock market has a reasonable chance to appreciate, especially if the yen weakens sufficiently to permit Japanese blue-chip exporting companies to post good business results. By conventional measures of profitability our Japanese investments are more profitable than the average Japanese company, with better managements and stronger businesses. At the same time, their shares

are much more reasonably valued than the average Japanese stock, although they are not sharply undervalued.

Our Other Markets

We trimmed some positions in Malaysia and slightly decreased some Hong Kong holdings at the beginning of the March quarter. However, those investments that we retained fell along with their overall stock markets, although to a slightly lesser degree.

Even with the smaller Southeast Asian stock markets substantially lower than at the end of 1993, we are still not increasing our weightings, since we believe caution is warranted during periods of extreme market volatility. We continue to maintain that over the long term these stock markets will provide higher investment returns than the Japanese stock market. However, in the near term, significant risks remain, such as an overheating economy in the People's Republic of China and reduced foreign cash inflows into emerging Asian markets. If share prices continue to decline significantly, we are likely to become aggressive buyers of shares in the smaller Asian markets. However, for the near term, we believe the largest Asian market will provide more reasonable and stable returns.

During the March quarter we increased our investments in Australia, since we identified several companies as attractive long-term investment opportunities. In upcoming reports to shareholders, we will highlight some of these holdings, along with selected issues in other markets, as we establish our full positions.

In Conclusion

We thank you for your investment in Merrill Lynch Pacific Fund, Inc., and we look forward to reviewing our outlook and strategy with you again in our next report to shareholders.

Sincerely,

(Arthur Zeikel)
Arthur Zeikel
President

(Stephen I. Silverman)
Stephen I. Silverman
Vice President and Portfolio Manager

April 29, 1994

PERFORMANCE DATA

None of the past results shown should be considered a representation of future performance. Investment return and principal value of Class A and Class B Shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. "Results of a \$1,000 Investment Since Inception" chart measures performance since inception and may not reflect results of investments made at any other time.

Results of a \$1,000 Investment Since Inception--Class A Shares

GRAPHIC MATERIAL APPEAR HERE. SEE APPENDIX GRAPHIC AND IMAGE MATERIALS ITEM 1.

Average Annual Total Return

	% Return Without Sales Charge	% Return With Sales Charge**
Class A Shares*		
Year Ended 3/31/94	+25.76%	+17.58%
Five Years Ended 3/31/94	+10.27	+ 8.80
Ten Years Ended 3/31/94	+18.46	+17.67

[FN]

*Maximum sales charge is 6.5%.

**Assuming maximum sales charge.

	% Return Without CDSC	% Return With CDSC**
Class B Shares*		
Year Ended 3/31/94	+24.48%	+20.48%
Five Years Ended 3/31/94	+ 9.15	+ 9.15
Inception (10/21/88) through 3/31/94	+10.02	+10.02
[FN]		
*Maximum contingent deferred sales charge is 4% and is reduced to 0% after 4 years.		
**Assuming payment of applicable contingent deferred sales charge.		

PERFORMANCE DATA (continued)

<TABLE>

Performance Summary--Class A Shares

<CAPTION>

Period Covered <C>	Net Asset Value		Capital Gains	Dividends Paid*	% Change**
	Beginning <C>	Ending <C>	Distributed <C>	<C>	<C>
9/23/76--12/31/76	\$ 9.30	\$ 9.81	--	--	+ 5.48%
1977	9.81	9.20	--	\$0.050	- 5.73
1978	9.20	14.48	\$0.070	0.020	+58.87
1979	14.48	8.96	3.340	0.120	-23.40
1980	8.96	12.11	--	0.220	+38.49
1981	12.11	12.78	1.460	0.230	+22.22
1982	12.78	12.07	0.420	0.320	+ 0.46
1983	12.07	16.04	0.180	0.290	+38.54
1984	16.04	15.43	0.950	0.090	+ 2.92
1985	15.43	19.59	1.380	0.160	+40.96
1986	19.59	34.32	0.190	0.110	+77.78
1987	34.32	16.15	22.154	0.183	+10.77
1988	16.15	19.11	2.064	0.196	+34.38
1989	19.11	20.65	1.042	0.061	+14.49
1990	20.65	16.52	1.668	0.766	- 8.39
1991	16.52	18.34	0.521	0.433	+17.04
1992	18.34	15.80	0.221	0.741	- 8.75
1993	15.80	21.21	--	0.027	+34.41
1/1/94--3/31/94	21.21	22.03	--	--	+ 3.87
			-----	-----	
			Total \$35.660	Total \$4.017	

Cumulative total return as of 3/31/94: +1,611.36%**

<FN>

*Figures may include short-term capital gains distributions.

**Figures assume reinvestment of all dividends and capital gains distributions at net asset value on the ex-dividend date, and do not include sales charge; results would be lower if sales charge was included.

</TABLE>

<TABLE>

Performance Summary--Class B Shares

<CAPTION>

Period Covered <C>	Net Asset Value		Capital Gains	Dividends Paid*	% Change**
	Beginning <C>	Ending <C>	Distributed <C>	<C>	<C>
10/21/88--12/31/88	\$17.93	\$19.09	\$1.034	\$0.171	+13.37%
1989	19.09	20.49	1.042	--	+13.39
1990	20.49	16.30	1.668	0.653	- 9.29
1991	16.30	18.01	0.521	0.322	+15.87
1992	18.01	15.34	0.221	0.726	- 9.72
1993	15.34	20.41	--	--	+33.05
1/1/94--3/31/94	20.41	21.15	--	--	+ 3.63
			-----	-----	
			Total \$4.486	Total \$1.872	

Cumulative total return as of 3/31/94: +68.16%**

<FN>

*Figures may include short-term capital gains distributions.

**Figures assume reinvestment of all dividends and capital gains distributions at net asset value on the ex-dividend date, and do not reflect deduction of any sales charge; results would be lower if sales charge was deducted.

</TABLE>

PERFORMANCE DATA (concluded)

<TABLE>

Recent Performance Results*

<CAPTION>

Market Performance		Market Capitalization	
In Local Currency/In US Dollars		(as of 12/31/93)	
3 Month	12 Month	In US Dollars	% of Total

	% Change	% Change	(Billions)	(100.0%)
<S>	<C>	<C>	<C>	<C>
ML Pacific Fund, Inc. Class A Shares	+3.87%	+25.60%		
ML Pacific Fund, Inc. Class B Shares	+3.63	+24.48		
ML Pacific Fund, Inc. Class A Shares--Total Investment Return	+3.87	+25.76(1)		
ML Pacific Fund, Inc. Class B Shares--Total Investment Return	+3.63	+24.48		
Market-Weighted Index**	+9.76(2)	+20.30(3)		
Japan**	+8.61/+18.20	+6.25/+18.27	\$2,885	76.7%
Australia**	-5.54/-2.41	+23.03/+23.81	196	5.2
Singapore**	-13.41/-11.15	+29.13**/+34.98***	95	2.5
Malaysia**	-25.30/-25.00	--	202	5.4
Hong Kong**	-24.04/-24.09	+40.90/+40.97	383	10.2

<FN>

(1) Percent change includes reinvestment of \$0.027 per share ordinary income dividends.

(2) 12/31/93 market weights used in this computation. The Market-Weighted Index return and individual country returns do not include dividends.

(3) 3/31/93 market weights used in this computation. The Market-Weighted Index return and individual country returns do not include dividends.

*Investment results shown for the 3-month and 12-month periods are before the deduction of any sales charges.

**Unmanaged. The Market-Weighted Index weights the US dollar-adjusted Pacific Basin stock market returns by the relative market capitalization of each individual country on the appropriate date.

***The Index is for Singapore and Malaysia combined.

</TABLE>

<TABLE>

SCHEDULE OF INVESTMENTS

<CAPTION>

Industry	Shares Held/ Face Amount	Investments	Cost	Value	Percent of Net Assets
<S>	<C>	<S>	<C>	<C>	<C>
Japanese Securities					
Automobile	2,376,000	Suzuki Motor Corp.	\$ 21,327,772	\$ 28,947,368	2.50%
	840,000	Toyota Motor Corp.	10,216,818	16,128,655	1.39
			-----	-----	-----
			31,544,590	45,076,023	3.89
Beverage	363,000	Chukyo Coca-Cola Bottling Co., Ltd.	5,223,326	5,130,117	0.44
	421,000	Hokkaido Coca-Cola Bottling Co., Ltd.	6,354,142	7,385,965	0.64
	381,000	Kinki Coca-Cola Bottling Co., Ltd.	7,350,583	7,464,035	0.64
	433,000	Mikuni Coca-Cola Bottling Co., Ltd.	7,892,009	7,258,869	0.63
	428,000	Sanyo Coca-Cola Bottling Co., Ltd.	7,040,767	7,967,641	0.69
			-----	-----	-----
			33,860,827	35,206,627	3.04
Capital Goods	4,242,000	Mitsubishi Heavy Industries, Ltd.	27,136,351	26,915,614	2.32
	36,000	Mitsubishi Heavy Industries, Ltd. #3 US\$ (Warrants) (a)	588,000	360,000	0.03
			-----	-----	-----
			27,724,351	27,275,614	2.35
Chemicals	694,000	Shin-Etsu Chemical Co., Ltd.	8,673,108	12,987,135	1.12
Construction	135,000	Daiwa House #4 US\$ (Warrants) (a)	2,201,890	556,875	0.05
Consumer Electronics	1,894,000	Matsushita Electric Industrial Co., Ltd.	23,636,780	31,382,066	2.71
	YEN 409,000,000	Matsushita Electric Works, Ltd.--C.E.W. #8, 2.70% due 5/31/2002	4,543,869	4,907,203	0.43
	489,000	Sony Corp.	26,242,474	27,881,579	2.41
			-----	-----	-----
			54,423,123	64,170,848	5.55
Containers	1,419,000	Toyo Seikan Kaisha, Ltd.	20,237,079	40,246,491	3.47
Electric Construction	610,000	Chudenko Corp.	17,010,002	21,046,784	1.82
	539,000	Sanki Engineering Co., Ltd.	6,161,337	7,197,174	0.62
	713,000	Taihei Dengyo Kaisha, Ltd.	17,365,061	21,334,405	1.84
			-----	-----	-----
			40,536,400	49,578,363	4.28
Electric Equipment	1,749,000	Hitachi, Ltd.	15,658,533	15,853,509	1.37
	744,000	Murata Manufacturing Co., Ltd.	19,570,980	35,169,591	3.04
	470,000	Rohm Co., Ltd.	15,551,738	17,865,497	1.54
	2,045,000	Sumitomo Electric Industries, Ltd.	23,549,160	29,897,661	2.58
	169,000,000	Sumitomo Electric Industries, Ltd. #1 Yen (Warrants) (a)	185,351	324,493	0.03
	923,000	The Nippon Signal Co., Ltd.	13,935,321	12,324,659	1.06
			-----	-----	-----
			88,451,083	111,435,410	9.62
Iron & Steel	470,000	Maruichi Steel Tube, Ltd.	5,931,543	8,428,850	0.73
Leisure	200,000	Heiwa Corp.	9,445,110	4,775,828	0.41

Office Equipment	1,563,000	Canon, Inc.	19,004,087	24,678,947	2.13
	14,250	Canon, Inc. #2 DM (Warrants) (a)	1,741,131	1,597,093	0.14
	112,500	Canon, Inc. #4 US\$ (Warrants) (a)	2,434,375	2,165,625	0.19
			-----	-----	-----
			23,179,593	28,441,665	2.46
Pharmaceuticals	1,164,000	Sankyo Co., Ltd.	28,615,316	25,866,667	2.23
	672,000	Taisho Pharmaceutical Co., Ltd.	9,783,498	13,361,404	1.16
			-----	-----	-----
			38,398,814	39,228,071	3.39

</TABLE>

<TABLE>
SCHEDULE OF INVESTMENTS (continued)
<CAPTION>

Industry <S>	Shares Held/ Face Amount <C>	Investments <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
Japanese Securities (concluded)					
Photography	885,000	Fuji Photo Film Co., Ltd.	\$ 20,866,376	\$ 19,752,924	1.71%
Property & Casualty Insurance	4,495,000 4,492,000 4,633,000 4,623,000 2,559,000	Dai-Tokyo Fire & Marine Insurance Co., Ltd. Fuji Fire & Marine Insurance Co., Ltd. Koa Fire & Marine Insurance Co., Ltd. Nichido Fire & Marine Insurance Co., Ltd. Tokio Marine & Fire Insurance Co., Ltd.	22,835,890 16,261,457 27,152,420 21,014,425 22,166,312	32,376,267 27,275,984 31,157,602 38,750,292 30,678,070	2.79 2.35 2.69 3.35 2.65
			-----	-----	-----
			109,430,504	160,238,215	13.83
Retailing	554,000 362,000 389,400 208,000	Ito-Yokado Co., Ltd. Sangetsu Co., Ltd. Senshukai Co., Ltd. Shimachu Co., Ltd.	17,758,652 8,312,345 6,286,430 3,046,441	29,319,883 13,407,407 13,017,953 9,447,174	2.53 1.16 1.12 0.82
			-----	-----	-----
			35,403,868	65,192,417	5.63
Telecommunications	410,000	Nippon Telegraph & Telephone Corp.	3,693,947	3,624,464	0.31
Textile	603,000	Nisshinbo Industries, Inc.	3,301,761	5,935,965	0.51
Transportation	540,000	Nippon Express Co., Ltd.	5,349,181	5,368,421	0.46
		Total Investments in Japan	562,653,148	727,520,206	62.81
Australian Securities					
Diversified	2,250,000	BTR Nylex Ltd.	4,919,240	4,717,323	0.40
Food & Beverage	5,141,989 2,680,220 7,965,000	Burns Philp & Co., Ltd. Coca-Cola Amatil, Ltd. Goodman Fielder Ltd.	14,772,915 11,722,254 9,848,229	15,576,031 19,921,325 8,656,840	1.34 1.72 0.75
			-----	-----	-----
			36,343,398	44,154,196	3.81
Paper & Packaging	1,599,415	AMCOR Ltd.	11,900,695	10,643,128	0.92
Property	1,061,222 1,500,000	Lend Lease Corp. Lend Lease Finance International, 4.75% due 6/01/2003	13,885,549 1,736,250	12,665,073 1,702,500	1.09 0.15
			-----	-----	-----
		Total Investments in Australia	15,621,799	14,367,573	1.24
			-----	-----	-----
		Total Investments in Australia	68,785,132	73,882,220	6.37
Hong Kong Securities					
Construction	8,634,000	Paul Y-ITC Construction Holdings, Inc.	2,991,704	2,145,287	0.19
Diversified	7,736,000	Citic Pacific, Ltd.	19,732,726	21,724,432	1.88
Property	4,407,000 400,000	Hang Lung Development Co., Ltd. Hang Lung Development Co., Ltd. (Warrants) (a)	3,560,209 0	8,440,671 199,293	0.73 0.02
			-----	-----	-----
			3,560,209	8,639,964	0.75
Service	917,400	Hong Kong Aircraft Engineering	5,499,090	4,986,321	0.43

</TABLE>

<TABLE>
SCHEDULE OF INVESTMENTS (continued)
<CAPTION>

Industry <S>	Shares Held/ Face Amount <C>	Investments <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
Hong Kong Securities (concluded)					
Utilities	6,623,800	China Light & Power Co., Ltd.	\$ 7,321,120	\$ 34,073,486	2.94%
	8,686,000	Hong Kong & China Gas Co.	18,409,415	21,694,486	1.88
	6,446,800	Hong Kong Telecommunications, Ltd.	11,199,792	10,678,897	0.92
	223,500	Hong Kong Telecommunications, Ltd. (ADR) (b)	4,896,660	11,370,563	0.98
			-----	-----	-----
			41,826,987	77,817,432	6.72
		Total Investments in Hong Kong	73,610,716	115,313,436	9.97
Indian Securities					
Banking	250,000	SCICI, Ltd.	1,345,257	1,195,505	0.10
Fertilizer	222,000	Indo Gulf Fertilizer (GDR) (d)	1,001,220	854,700	0.07
Insurance	56,000	Indian Rayon & Industries, Ltd. (GDR) (d)	1,260,560	1,064,000	0.09
Non-Ferrous Metals	\$ 545,000	Sterlite Industries, 3.50% due 6/30/1999	552,800	610,400	0.05
Shipping	179,500	Great Eastern Shipping (ADR)	2,861,230	2,154,000	0.19
	250,000	Great Eastern Shipping (Foreign)	1,057,768	597,752	0.05
	100,000	Great Eastern Shipping (New)	31,880	239,101	0.02
			-----	-----	-----
			3,950,878	2,990,853	0.26
		Total Investments in India	8,110,715	6,715,458	0.57
Indonesian Securities					
Food	200,000	PT Charoen Pokphand Indonesian	914,709	928,505	0.08
Pharmaceuticals	817,000	PT Kalbe Farma	5,525,626	4,399,814	0.38
		Total Investments in Indonesia	6,440,335	5,328,319	0.46
Malaysian Securities					
Building & Construction	80,000	Malayan Cement Bhd	129,334	128,263	0.01
	1,600,000	Sungei Way Holdings Bhd	5,728,884	6,621,924	0.57
			-----	-----	-----
			5,858,218	6,750,187	0.58
Building Materials	1,030,000	Aokam Perdana Bhd (Ordinary)	8,985,868	9,985,086	0.87
Diversified	3,000,000	Sime Darby Bhd	7,022,934	6,823,266	0.59
Leisure	750,000	Genting Bhd	1,759,320	7,227,186	0.62
	1,450,000	Resorts World Bhd	2,382,084	6,974,273	0.60
			-----	-----	-----
			4,141,404	14,201,459	1.22
Retail	2,700,000	Berjaya Singer Bhd	7,369,730	4,167,785	0.36
	MYR 1,387,000	Berjaya Singer Bhd, 5.00% due 9/15/1998	437,534	434,407	0.04
	1,000,000	Berjaya Singer Bhd (Rights) (e)	0	0	0.00
	295,000	Berjaya Singer TSR	326,647	155,090	0.01
			-----	-----	-----
			8,133,911	4,757,282	0.41
		Total Investments in Malaysia	34,142,335	42,517,280	3.67

</TABLE>

<TABLE>
SCHEDULE OF INVESTMENTS (continued)
<CAPTION>

Industry <S>	Shares Held <C>	Investments <S>	Cost <C>	Value <C>	Percent of Net Assets <C>
Singaporean Securities					
Airlines	1,260,000	Singapore Airlines, Ltd.--Foreign Registered	\$ 6,673,879	\$ 9,086,152	0.78%
Banking	317,500	Development Bank of Singapore, Ltd.-- Foreign Registered	2,411,221	2,816,369	0.24
Electronics	305,000	Creative Technology, Ltd.	7,609,990	7,853,750	0.68
Food	3,600,000	Cerebos Pacific Ltd.	5,153,632	16,885,769	1.46
Property	888,000	City Development	4,164,079	3,910,147	0.34
	905,000	First Capital Corp. Ltd.	3,465,885	2,795,278	0.24

			7,629,964	6,705,425	0.58
Publishing	200,000	Times Publishing, Ltd.	334,576	479,898	0.04
Transportation	300,000	Singapore Bus Co. Ltd.--Foreign Registered	1,060,285	2,278,239	0.20
		Total Investments in Singapore	30,873,547	46,105,602	3.98
South Korean Securities					
Automobile	63,086	Kia Motors Corp. (GDS) (c)	2,034,000	1,592,922	0.14
Banking	294,660	Hanil Bank	4,295,682	3,596,086	0.31
	410,000	Korea First Bank	6,491,192	5,537,108	0.48
	58,040	Shin Han Bank	1,020,073	1,121,824	0.10
			11,806,947	10,255,018	0.89
Textiles	3,080	Taekwang Industries Co.	716,353	1,393,270	0.12
		Total Investments in South Korea	14,557,300	13,241,210	1.15
Taiwanese Securities					
Steel	135,000	China Steel Corp. (ADR) (b)	2,457,000	2,649,375	0.23
		Total Investments in Taiwan	2,457,000	2,649,375	0.23
Thai Securities					
Banking	822,100	Bangkok Bank Co., Ltd.	5,873,326	5,802,292	0.50
	509,400	Thai Farmers Bank Limited	2,262,452	2,484,385	0.22
			8,135,778	8,286,677	0.72
		Total Investments in Thailand	8,135,778	8,286,677	0.72

</TABLE>

<TABLE>
SCHEDULE OF INVESTMENTS (concluded)
<CAPTION>

	Face Amount	Short-Term Securities	Cost	Value	Percent of Net Assets
<S>	<C>	<S>	<C>	<C>	<C>
Commercial	\$10,000,000	American General Finance Corp., 3.57% due 4/28/1994	\$ 9,973,225	\$ 9,973,225	0.86%
Paper*	10,000,000	B.A.T. Capital Corp., 3.50% due 4/15/1994	9,986,389	9,986,389	0.86
	45,000,000	Corporate Asset Funding Co., 3.52% due 4/19/1994	44,920,800	44,920,800	3.88
	28,134,000	General Electric Capital Corp., 3.53% due 4/04/1994	28,125,724	28,125,724	2.43
	15,000,000	Goldman Sachs & Co., 3.63% due 4/29/1994	14,957,650	14,957,650	1.29
			107,963,788	107,963,788	9.32
US Government & Agency Obligations*	4,000,000	US Treasury Bills, 3.49% due 6/16/1994	3,970,529	3,969,884	0.34
		Total Investments in Short-Term Securities	111,934,317	111,933,672	9.66
<CAPTION>					
	Par Value	Issue			
<S>	<C>	<S>	<C>	<C>	<C>
Put Options Purchased	480,000,000	Japanese Yen Expiring March 1995 at YEN 106.5		11,808,000	1.01
		Total Put Options Purchased (Cost \$13,344,000)		11,808,000	1.01
Total Investments			\$935,044,323	1,165,301,455	100.60
Unrealized Depreciation on Forward Foreign Exchange Contracts**				(242,969)	(0.02)
Variation Margin on Stock Index Futures Contracts***				1,254,196	0.11
Liabilities in Excess of Other Assets				(8,025,210)	(0.69)
Net Assets				\$1,158,287,472	100.00%
Net Asset Value:	Class A--Based on net assets of \$531,714,777 and 24,137,404 shares outstanding			\$ 22.03	
	Class B--Based on net assets of \$626,572,695 and 29,626,796 shares outstanding			\$ 21.15	

<FN>

(a) Warrants entitle the Fund to purchase a predetermined number of shares of Common Stock. The purchase price and number of shares are subject to adjustment under certain conditions until

the expiration date.
 (b)ADR--American Depository Receipts.
 (c)GDS--Global Depository Shares.
 (d)GDR--Global Depository Receipts.
 (e)The rights may be exercised until April 11, 1994.
 *Commercial Paper and certain US Government & Agency
 Obligations are traded on a discount basis; the interest rates
 shown are the discount rates paid at the time of purchase by
 the Fund.

**Forward foreign exchange contracts as of March 31, 1994 are as follows:

Foreign Currency Sold	Expiration Date	Unrealized Depreciation
YEN 94,747,817,300	May 1994	(\$41,038,485)
Total (US\$ Commitment--\$883,400,000)		(\$41,038,485)
Foreign Currency Purchased	Expiration Date	Unrealized Appreciation
YEN 121,319,664,100	May 1994	\$40,795,516
Total (US\$ Commitment--\$1,142,900,000)		\$40,795,516
Total Unrealized Depreciation on Forward Foreign Exchange Contracts--Net		(\$242,969) =====

***Stock index futures contracts as of March 31, 1994 are as follows:

Number of Contracts	Issue	Expiration Date	Value
423	Simex Nikkei	June 1994	\$38,351,244
Total Stock Index Futures Contracts Purchased (Total Contract Price--\$40,308,762)			\$38,351,244 =====

</TABLE>

PORTFOLIO INFORMATION

For the Quarter Ended March 31, 1994

Ten Largest Equity Holdings	Percent of Net Assets
Toyo Seikan Kaisha, Ltd.	3.47%
Nichido Fire & Marine Insurance Co., Ltd.	3.35
Murata Manufacturing Co., Ltd.	3.04
China Light & Power Co., Ltd.	2.94
Dai-Tokyo Fire & Marine Insurance Co., Ltd.	2.79
Matsushita Electric Industrial Co., Ltd.	2.71
Koa Fire & Marine Insurance Co., Ltd.	2.69
Tokio Marine & Fire Insurance Co., Ltd.	2.65
Sumitomo Electric Industries, Ltd.	2.58
Ito Yokado Co., Ltd.	2.53

Additions

AMCOR Ltd.
 BTR Nylex Ltd.
 Berjaya Singer Bhd (Rights)
 Goodman Fielder Ltd.
 Great Eastern Shipping (ADR)
 Great Eastern Shipping (Foreign)
 Great Eastern Shipping (New)
 Indian Rayon & Industries, Ltd. (GDR)
 Indo Gulf Fertilizer (GDR)
 Lend Lease Finance International, 4.75% due 6/01/2003
 Nippon Express Co., Ltd.
 Nippon Telegraph & Telephone Corp.
 PT Charoen Pokphand Indonesian
 Rohm Co., Ltd.
 SCICI, Ltd.
 Sony Corp.

Deletions

The Australian Gas Light Company
 Consolidated Electric Power, Ltd.

Granite Industries Bhd
Kyudenko Corp.
Magnum Corp. Bhd
Nintendo Co., Ltd.
TelecomAsia Corp.

OFFICERS AND DIRECTORS

Arthur Zeikel, President and Director
Donald Cecil, Director
Edward H. Meyer, Director
Charles C. Reilly, Director
Richard R. West, Director
Terry K. Glenn, Executive Vice President
Norman R. Harvey, Executive Vice President
Donald C. Burke, Vice President
Stephen I. Silverman, Vice President and Portfolio Manager
Gerald M. Richard, Treasurer
Robert Harris, Secretary

Custodian
Brown Brothers Harriman & Co.
40 Water Street
Boston, Massachusetts 02109

Transfer Agent
Financial Data Services, Inc.
4800 Deer Lake Drive East
Jacksonville, Florida 32246-6484
(800) 637-3863

APPENDIX: GRAPHIC AND IMAGE MATERIALS.

ITEM 1:

Results of a \$1,000 Investment Since Inception--Class A Shares

(6.5% sales charge--\$935 net amount invested; assuming reinvestment of all dividends and capital gains distributions)

A mountain chart depicting the growth of an investment in the Fund's Class A Shares from \$935 on September 23, 1976 to \$16,001.22 on March 31, 1994.