

SECURITIES AND EXCHANGE COMMISSION

FORM N-30D

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FILER

DEAN WITTER INTERNATIONAL SMALLCAP FUND

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TWO WORLD TRADE CENTER
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LETTER TO THE SHAREHOLDERS

DEAR SHAREHOLDER:

We are pleased to present the first annual report for Dean Witter International SmallCap Fund for the fiscal year ended May 31, 1995. The Fund commenced operations on July 29, 1994.

During the period under review, small non-U.S. companies underperformed their larger counterparts significantly. Almost all world markets, with the exception of the U.S., produced negative returns in local currency terms during the reporting period. This reflected continued concerns about the U.S. interest rate cycle (and therefore, global liquidity) and the substantial currency volatility which typified the period. As a result of these factors, sentiment in international equity markets was at a low ebb. This weighed heavily on small capitalization stocks which underperformed steadily, in low volume, without regard to their significant fundamental attractions. With growth steadily returning in the global economy, small companies are currently producing earnings growth superior to that of their larger counterparts and are trading at significant discounts in terms of price/earnings ratio.

SLOW RECOVERY IN JAPAN

During 1994, investors in the Japanese equity market focused on cyclical recovery stocks. This reflected the fact that, by mid-year, the economy began a tentative recovery from what has been the most prolonged recession since World War II. Industrial production had declined steadily for almost three years. This cyclical theme was particularly strong in the small arena, with small growth stocks significantly underperforming small cyclical stocks.

The Fund's portfolio is heavily skewed towards long-term growth stocks, which is where the portfolio manager sees the best value. For example, at the end of the reporting period, the Fund's Japanese position is trading at 25x March 1996 earnings, by comparison with 47x for the market as a whole. In addition, the portfolio is showing earnings growth of 14 percent compared to 9 percent for the market.

DEAN WITTER INTERNATIONAL SMALLCAP FUND
LETTER TO THE SHAREHOLDERS, CONTINUED

Unfortunately, these attractive portfolio characteristics were no defense against the indiscriminate nature of the market in 1994. Many of the cyclical stocks which performed strongly were already at premium multiples based even on a recovery to peak cycle earnings, which the Fund viewed as highly unlikely. The portfolio was substantially overweighted in the specialty retail sector, which would normally be expected to lead any cyclical recovery. However, during the past twelve months, this sector remained out of favor because the Japanese consumer remained subdued due to concerns about the increasing threat to "lifetime employment".

With respect to currencies, the Fund's investment adviser believes that the Japanese yen is significantly overvalued on a purchasing power parity basis. As the Japanese domestic recovery gathers momentum and the trade surplus falls, a significant correction in the yen is anticipated. However, the timing of this is difficult to assess as sentiment, rather than fundamentals, currently appears to hold sway in the markets. When the correction does occur, it will be a significant boost to Japanese profitability and its stock market. As a result, the Fund has retained its hedging strategy out of the yen into the U.S. dollar.

UNCERTAINTY IN EUROPE

Small cap equity markets in continental Europe were negatively impacted by poor liquidity, political uncertainty in France, Spain and Italy and currency concerns in early 1995 (most notably the surge of the deutschmark and the devaluation of the Spanish peseta and Portuguese escudo in the European Monetary System.) However, there are signs that a re-rating of small companies is now underway as investors recognize the sector's higher growth potential and lower valuations. In the United Kingdom, the Fund's exposure to the smallest companies in the investment universe proved to be particularly vulnerable to overheating risk and political uncertainty. While inflation appears to have subsided, political concerns remain.

EMERGING ECONOMIES AND THE MEXICAN CURRENCY CRISIS

The Mexican stock market was particularly turbulent in December 1994 and January 1995, as a result of the dramatic devaluation of the peso against the U.S. dollar. The devaluation was in response to sustained pressure on the currency and dwindling foreign exchange reserve, resulting from increased capital outflows. Selling in the stock market was indiscriminate. As a result, the Fund shifted exposure in favor of exporters and dollar-earning companies. The Mexican market recouped some of its previous losses, following the announcement of an international rescue package and the much improved current account.

DEAN WITTER INTERNATIONAL SMALLCAP FUND LETTER TO THE SHAREHOLDERS, CONTINUED

The Far Eastern markets (excluding Japan) were adversely impacted by the uncertainty of U.S. interest rates and the spillover of the Mexican crisis. However, the Fund's investment adviser believes that much of the concern about the Pacific Basin economies is unfounded given that many countries in the region run current account surpluses and, those in deficit in the current account, tend to finance it through long-term capital inflows from foreign direct investment, rather than the short-term capital market flows which typified the Mexican experience. Thus, the Fund remains bullish on the region given the sustainable strong economic growth.

PERFORMANCE AND PORTFOLIO

[GRAPHIC]

Against this difficult investment climate, Dean Witter International Small Cap Fund posted a total return of -14.60 percent for the period from inception through May 31, 1995. This compares to a return of -5.25 percent for the NatWest Market Small Cap Euro-Pacific Index and a return of 2.70 percent for the Morgan Stanley Capital International EAFE Index. As of May 31, 1995, the Fund's net assets totaled \$93.7 million.

[GRAPHIC]

The accompanying chart illustrates the performance of a \$10,000 investment in the Fund from inception through May 31, 1995, versus a similar investment in NatWest Market Small Cap Euro-Pacific Index and the Morgan Stanley Capital International EAFE Index. The Fund's underperformance relative to the index was largely attributable to negative

stock selection, particularly in Japan.

[GRAPHIC]

Reflecting the attractive fundamentals mentioned above, and after a period of poor relative performance, the Fund's weighting in Continental Europe was increased to broadly be in line with that of its benchmark index. This reweighting was funded from

DEAN WITTER INTERNATIONAL SMALLCAP FUND
LETTER TO THE SHAREHOLDERS, CONTINUED

all other regions. The Fund remains slightly underweight in Japan, reflecting the poor sentiment and technical position in that market at present. The Fund remains optimistic about the economic outlook for the Pacific Rim (excluding Japan) and Latin America, and has therefore retained an overweighting in these markets. The Fund's portfolio is slightly overweighted in the United Kingdom, given the relative cheapness of that market on a global basis. On May 31, 1995, the Fund's portfolio was allocated as follows: 24.2 percent in Continental Europe, 39.5 percent in Japan, 6.8 percent in the Pacific Rim nations, 1.9 percent in Latin America, 18.3 percent in the United Kingdom, 1.7 percent in Austral-Asia and the remaining 7.6 percent in cash, short term investment and the value of currency hedges.

LOOKING AHEAD

Non-U.S. small cap stocks are, in the view of Fund management, particularly attractive at present. The underperformance of the last twelve months, taken together with the generally superior earnings growth being generated by small cap companies at this stage of the economic cycle, has given rise to significant valuation discounts in most areas of the non-U.S. world (e.g. 35-40 percent in Japan, 15-20 percent in Continental Europe, 10 percent in the Pacific Basin and 5 percent in the United Kingdom). Historically, small companies have traded at premiums to larger stocks, reflecting their superior long-term growth potential. The poor sentiment in the international equity markets should improve now that the U.S. interest rate and global liquidity outlook is becoming more benign. A more stable currency environment would also significantly boost investor sentiment.

We appreciate your support of Dean Witter International Small Cap Fund and look forward to continuing to serve your investment needs.

Very truly yours,

[SIGNATURE]

CHARLES A. FIUMEFREDDO
CHAIRMAN OF THE BOARD

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995

<TABLE>

<CAPTION>

NUMBER OF
SHARES

VALUE

<C> <S> <C>

COMMON AND PREFERRED STOCKS (91.8%)

ARGENTINA (0.6%)

	AUTOMOTIVE		
40,000	Ciadea S.A.*.....	\$	208,041

	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS		
115,000	Nobleza Piccardo S.A.....		346,219

	TOTAL ARGENTINA.....		554,260

	AUSTRALIA (1.1%)		
	BUILDING & CONSTRUCTION		
700,000	Macmahon Holdings Ltd.....		210,798

	MANUFACTURING		
230,000	Pacific BBA Ltd.....		445,257

	METALS & MINING		
350,000	QCT Resources Ltd.....		341,292

	TOTAL AUSTRALIA.....		997,347

	AUSTRIA (0.6%)		
	CONSUMER PRODUCTS		
6,495	Wolford AG.....		333,512

	ELECTRONIC COMPONENTS		
1,600	Austria Mikro Systeme International AG.....		209,585

	TOTAL AUSTRIA.....		543,097

	BELGIUM (0.4%)		
	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS		
4,050	Quick Restaurants S.A.....		353,278

	DENMARK (0.2%)		
	MANUFACTURING		
2,494	Oticon Holding AS.....		193,392

	FINLAND (0.7%)		
	TELECOMMUNICATIONS		
11,390	Benefon Oy.....		410,071

	TRANSPORTATION		
31,000	Finnair Oy.....		228,941

	TOTAL FINLAND.....		639,012

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NUMBER OF
SHARES

VALUE

<C>

<S>

<C>

	FRANCE (5.1%)		
	AUTO PARTS		
4,000	Bertr Faure.....	\$	169,338
3,199	MGI Coutier.....		303,100

3,983	Sylea.....	411,910

		884,348

	CONSUMER PRODUCTS	
3,000	Hermes International.....	410,039

	FINANCIAL SERVICES	
1,250	But S.A.	260,306
2,534	Union Financiere de Banque S.A.	257,461

		517,767

	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS	
944	Brioche Pasquier S.A.	107,521

	INSURANCE	
4,500	Cardif S.A.	598,730

	MACHINERY & MACHINE TOOLS	
2,666	Sidel S.A.	785,746

	OFFICE EQUIPMENT	
2,669	Airfeu S.A.	130,262
4,850	Guilbert S.A.	482,018

		612,280

	PUBLISHING	
1,430	Filipacchi Medias.....	206,983

	RETAIL - SPECIALTY	
4,600	Grand Optical Photoservice.....	394,114

	TEXTILES	
2,650	Deveaux S.A.	309,314

	TOTAL FRANCE.....	4,826,842

	GERMANY (4.8%)	
	BUILDING MATERIALS	
807	Sto AG (Preferred).....	530,959

	DISTRIBUTION	
550	Hach AG (Preferred).....	243,191

	INSURANCE BROKERS	
445	Marschollek, Lautenschlaeger & Partner AG.....	278,617

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

<CAPTION>

NUMBER OF

SHARES		VALUE
<C>	<S>	<C>
	MACHINERY & MACHINE TOOLS	
1,898	Doerries Scharmann AG.....	\$ 190,673
1,000	Jungheinrich AG (Preferred).....	219,314

		409,987

	MULTI-INDUSTRY	
595	Hugo Boss AG (Preferred).....	437,778

	PHOTOGRAPHY	
815	Cewe Color Holding AG.....	288,291

	RETAIL - SPECIALTY	
12,500	Fielmann AG (Preferred).....	526,176
1,240	Moebel Walther AG.....	617,588

		1,143,764

	TEXTILES	
1,190	Adolf Ahlers AG.....	294,659
2,850	Stoehr & Co. AG.....	468,783

		763,442

	TEXTILES - APPAREL MANUFACTURERS	
1,909	Puma AG (Preferred)*.....	455,134

	TOTAL GERMANY.....	4,551,163

	HONG KONG (1.4%)	
	AEROSPACE & DEFENSE	
40,000	Hong Kong Aircraft Engineering Co. Ltd.....	103,943

	ELECTRONICS & ELECTRICAL	
77,000	ASM Pacific Technology.....	60,724
650,000	Gold Peak Industries.....	277,311

		338,035

	HOTELS/MOTELS	
200,000	Grand Hotel Holdings Ltd. (Series A).....	71,752
1,050,000	Regal Hotels International.....	219,910

		291,662

	MACHINERY & MACHINE TOOLS	
300,000	Chen Hsong Holdings.....	187,136

	MULTI-INDUSTRY	
372,000	TVE Holdings Ltd.....	144,279

	TEXTILES	
150,000	Winsor Industrial Corp. Ltd.....	201,681

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NUMBER OF
SHARES

VALUE

<C>	<S>	<C>
	TRANSPORTATION	
50,000	Kowloon Motor Bus Co. Ltd.....	\$ 94,699

	TOTAL HONG KONG.....	1,361,435

	INDONESIA (0.9%)	
	CHEMICALS	
60,000	PT Aneka Kimia Raya.....	154,987

	DISTRIBUTION	
100,000	PT Wicaksana Overseas International*.....	269,542

	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS	
142,000	PT Fast Food Indonesia.....	153,100

	MACHINERY & MACHINE TOOLS	
80,000	PT United Tractors.....	160,826

	PHARMACEUTICALS	
50,000	PT Enseval Putera Megatrading...	123,539

	TOTAL INDONESIA.....	861,994

	ITALY (1.7%)	
	ELECTRONICS & ELECTRICAL	
76,000	Gewiss SpA.....	663,087

	FINANCIAL SERVICES	
16,800	Banca Popolare Di Bergamo.....	217,303

	MACHINERY & MACHINE TOOLS	
7,500	Industria Macchine Automatic....	28,371

	MANUFACTURING	
10,802	Industrie Natuzzi SpA (ADR).....	365,918
30,000	Saes Getters Di Risp (ADR).....	179,561
9,000	Saes Getters SpA.....	121,080

		666,559

	TOTAL ITALY.....	1,575,320

	JAPAN (39.3%)	
	AUTO RELATED	
40,000	Mitsuba Electric Mfg. Co.....	388,442

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
 PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

<CAPTION>

NUMBER OF SHARES		VALUE
<C>	<S>	<C>
	BUILDING & CONSTRUCTION	
25,000	C-Cube Corp.....	\$ 174,977
30,000	Fuji PS Corp.....	508,054
20,500	Higashi Nihon House.....	388,442
10,000	Hosoda Corp.....	107,178
40,000	Ichiken Co., Ltd.....	427,760
30,000	Kaneshita Construction.....	401,469
18,000	Sankyo Frontier Co., Ltd.....	490,290
40,000	Takada Kiko.....	483,184
35,000	Tohoku Misawa Homes Co.....	382,580
		3,363,934
	BUILDING MATERIALS	
10,000	Maezawa Kaisei Industries.....	493,842
	BUSINESS SERVICES	
25,000	Chuo Warehouse.....	334,557
14,400	Nippon Kanzai.....	428,044
10,000	Takashimaya Kosakusho.....	65,135
40,000	Tanseisha.....	454,287
		1,282,023
	CHEMICALS	
13,000	SK Kaken Co., Ltd.....	441,852
	COMPUTER SERVICES	
20,000	Enix Corp.....	620,559
25,000	Meitec Corp.....	316,793
		937,352
	COMPUTERS	
10,000	I-O Data Device, Inc.....	460,682
	COMPUTERS - SYSTEMS	
25,000	Daiwabo Information Systems Co.....	532,923
22,000	Japan Digital Laboratory.....	461,156
11,000	TKC Corp.....	283,989
		1,278,068
	ELECTRONIC & ELECTRICAL EQUIPMENT	
30,000	Aiwa Co.....	710,564
25,000	Mitsui High-Tec.....	500,355
40,000	Mitsumi Electric Co. Ltd.....	658,456
20,000	Nihon Dempa Kogyo.....	601,611
18,000	Nitto Electric Works.....	245,144
		2,716,130
	ENGINEERING & CONSTRUCTION	

20,900	Meiden Engineering Co.....	264,839

	ENTERTAINMENT	
10,000	H.I.S. Co. Ltd.....	450,024

	FINANCIAL SERVICES	
12,000	Nichiei Co., Ltd. (Kyoto).....	753,198
10,000	Nissin Co., Ltd.....	639,507

<CAPTION>

NUMBER OF
SHARES

VALUE

<C>	<S>	<C>
7,000	Sanyo Shinpan Finance Co., Ltd.....	\$ 547,134

		1,939,839

	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS	
9,000	Plenus Co., Ltd.....	457,248
30,000	Sanyo Coca Cola Bottling.....	476,078
30,000	Stamina Foods.....	333,965
20,000	Steak Miya Co., Ltd.....	246,329
16,500	Yonkyu Co., Ltd.....	381,040
400	Yoshinoya D & C Co., Ltd.....	540,028
20,100	Yukiguni Maitake Co., Ltd.....	395,144

		2,829,832

	HEALTH & PERSONAL CARE	
22,000	Hitachi Medical Corp.....	304,832
30,000	Kawasumi Laboratories, Inc.....	387,257

		692,089

	HOUSEHOLD FURNISHINGS & APPLIANCES	
14,000	Beltecno Corp.....	281,857
25,000	Noritz Corp.....	518,119

		799,976

	MACHINERY & MACHINE TOOLS	
45,000	Aichi Corp.....	456,182
45,000	Comson Corp.....	470,038
20,000	Fuji Machine Manufacturing Co.....	594,505
85,000	Nippon Thompson Co.....	533,515
13,000	Sankyo Engineering.....	352,558
33,000	Sansei Yusoki Co., Ltd.....	322,418
60,000	Sintokogio.....	481,052

		3,210,268

	MANUFACTURING	
25,000	Bridgestone Metalpha Corp.....	355,282
50,000	Itoki Crebio Corp.....	479,631
30,000	Nichiha Corp.....	639,507

		1,474,420

	MISCELLANEOUS	

10,000	Maruco Co., Ltd.....	657,271
22,000	Misumi Corp.....	630,507
11,000	Y.A.C. Company, Ltd.....	241,000
11,000	Yagi Corp.....	195,405

		1,724,183

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

<CAPTION>

NUMBER OF SHARES		VALUE
<C>	<S>	<C>
	MULTI-INDUSTRY	
27,000	Trusco Nakayama Corp.....	\$ 645,902
30,000	Yamae Hisano.....	408,574

		1,054,476

	PHARMACEUTICALS	
22,000	Santen Pharmaceutical Co.....	534,107
15,000	Seikagaku Corp.....	621,743
7,700	Towa Pharmaceutical Co., Ltd....	379,346

		1,535,196

	REAL ESTATE	
20,000	Chubu Sekiwa Real Estate, Ltd.....	225,012
24,000	Fuso Lexel, Inc.....	198,958
30,000	Kansai Sekiwa Real Estate.....	401,468
50,000	Sekiwa Real Estate.....	467,788

		1,293,226

	RETAIL	
25,000	Arcland Sakamoto.....	423,378
15,600	Belluna Co., Ltd.....	362,103
5,000	Fast Retailing Co., Ltd.....	393,771
18,700	Home Wide Corp.....	210,165
25,000	Izumi Co., Ltd.....	615,822
56,000	Juntendo.....	364,756
11,700	Kahma Co., Ltd.....	243,865
33,000	Kuroganeya Co.....	468,972
27,000	Ministop Co., Ltd.....	601,137
18,000	Nissen Co., Ltd.....	569,161
20,000	Shimachu Co., Ltd.....	542,397
10,000	Sumiya Co., Ltd.....	144,481
3,000	Sundrug Co., Ltd.....	119,730
10,000	Tsutsumi Jewelry Co., Ltd.....	435,812
21,000	Xebio Co. Ltd.....	651,587

		6,147,137

	RETAIL - DRUG STORES	
12,000	Seijo Corp.....	457,603

	TELECOMMUNICATIONS	
25,000	Uniden Corp.....	438,181
	TRANSPORTATION	
10,000	Kanto Seino Transportation.....	396,731
	WHOLESALE DISTRIBUTOR	
21,000	Catena.....	261,132
30,000	Wakita & Co.....	465,419
		726,551
	TOTAL JAPAN.....	36,796,896

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NUMBER OF
SHARES

VALUE

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	MALAYSIA (2.2%)	
	AUTOMOTIVE	
30,000	Cycle & Carriage Bintang Berhad.....	\$ 127,789
	BANKS - COMMERCIAL	
100,000	Hock Hua Bank Berhad.....	344,828
	BUILDING & CONSTRUCTION	
60,000	Muhibbah Engineering Berhad.....	243,408
40,000	Road Builder Berhad.....	130,629
		374,037
	BUILDING MATERIALS	
30,000	CI Holdings Berhad.....	115,619
	FINANCIAL SERVICES	
73,333	Arab Malaysian Finance Berhad...	254,360
50,000	Public Finance Berhad.....	127,789
		382,149
	INSURANCE	
105,000	Malaysia Assurance.....	372,718
	MANUFACTURING	
40,000	George Kent Berhad.....	76,268
	REAL ESTATE	
30,000	IOI Properties Berhad.....	104,665
160,000	Tan & Tan Development Berhad....	186,288
		290,953
	TOTAL MALAYSIA.....	2,084,361

	MEXICO (1.3%)	
	BANKS - COMMERCIAL	
25,000	Grupo Financiero GBM Atlantico S.A. (GDS)*.....	43,750

	ENERGY TECHNOLOGY & EQUIPMENT	
90,000	Tubos de Acero de Mexico (ADR)*.....	438,750

	INDUSTRIALS	
25,000	Grupo Industrial Saltillo S.A. de C.V. (Series A).....	296,191

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SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

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NUMBER OF SHARES		VALUE

<C>	<S>	<C>
	TRANSPORTATION	
60,000	Transportacion Maritima Mexicana S.A. de C.V. (ADR).....	\$ 405,000

	TOTAL MEXICO.....	1,183,691

	NETHERLANDS (1.9%)	
	BUILDING MATERIALS	
6,600	Koninklijke Sphinx.....	233,211

	BUSINESS SERVICES	
3,600	Randstad Holdings NV.....	223,464

	ELECTRONICS & ELECTRICAL	
1,469	Otra NV.....	291,571

	OFFICE EQUIPMENT	
6,307	Samas-Groep NV.....	263,124

	PHARMACEUTICALS	
9,540	OPG Apothecker Coop UA.....	253,274

	PUBLISHING	
400	Verenigde Nederlandse Uitgevbedri Verigd Bezit.....	47,510

	TRANSPORTATION	
16,500	IHC Caland NV.....	441,182

	TOTAL NETHERLANDS.....	1,753,336

	NEW ZEALAND (0.6%)	
	CHEMICALS	
150,000	Fernz Corp. Ltd.....	567,720

	NORWAY (2.7%)	
	ENERGY TECHNOLOGY & EQUIPMENT	
66,000	Tomra Systems AS.....	252,269

	MISCELLANEOUS	
7,300	Multisoft AS.....	130,212
28,000	Sagatex.....	423,634

		553,846

	OIL RELATED	
50,000	Transocean Drilling AS.....	585,284

	RETAIL - SPECIALTY	
31,010	System Etikettering AS.....	543,255

	TRANSPORTATION	
12,900	Storli AS.....	254,754

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NUMBER OF
SHARES

VALUE

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	TRANSPORTATION - SHIPPING	
38,325	Awilco AS (Series B).....	\$ 366,221

	TOTAL NORWAY.....	2,555,629

	PHILIPPINES (0.3%)	
	CONGLOMERATES	
93,079	First Philippine Holdings Corp. (B Shares).....	268,010

	SINGAPORE (1.1%)	
	BUILDING MATERIALS	
60,000	Ssang Yong Cement Ltd.....	176,052

	COMPUTER SERVICES	
467,000	Flextech Holdings Ltd.....	184,718

	ENGINEERING & CONSTRUCTION	
40,000	Jurong Engineering, Ltd.....	230,133

	HOUSEHOLD FURNISHINGS & APPLIANCES	
120,000	Courts Ltd.....	183,818

	SHIPBUILDING	
100,000	Singapore Technologies Shipbuilding & Engineering Ltd.....	241,640

	TOTAL SINGAPORE.....	1,016,361

	SPAIN (1.8%)	
	BUILDING MATERIALS	

52,000	Energia e Indust Aragonesas.....	286,648
	ELECTRONICS & ELECTRICAL	
11,150	Electricas Reunidas de Zaragoza S.A.....	234,473
	FINANCIAL SERVICES	
5,000	Banco Pastor S.A.....	242,140
	PAPER & FOREST PRODUCTS	
12,900	Empresa Nacional de Celulosas S.A.....	334,483
	RETAIL	
21,000	Cortefiel S.A.....	626,827
	TOTAL SPAIN.....	1,724,571

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SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

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NUMBER OF SHARES		VALUE
<C>	<S>	<C>
	SWEDEN (1.3%)	
	ELECTRONIC & ELECTRICAL EQUIPMENT	
14,300	Kanthal Hoganas AB (Series B)...	\$ 230,724
	MISCELLANEOUS	
45,568	Assa Abloy AB (Series B).....	208,467
25,000	Kalmar Industries.....	350,602
	TOTAL SWEDEN.....	559,069
	PHARMACEUTICALS	
18,000	Elekta Instrument (Series B)....	446,048
	TOTAL SWEDEN.....	1,235,841
	SWITZERLAND (2.8%)	
	BUILDING MATERIALS	
181	Sarna Kunststoff Holding AG.....	229,743
	ELECTRONIC & ELECTRICAL EQUIPMENT	
1,500	Swisslog Holding AG.....	450,257
	HOUSEHOLD FURNISHINGS & APPLIANCES	
1,604	Fust SA AG.....	515,866
	MACHINERY & MACHINE TOOLS	
172	Bossard Holding AG.....	287,650
	MISCELLANEOUS	

1,745	Kardex AG.....	478,902
232	Phonak Holding AG (Series B)....	127,938
173	Zehnder Holdings.....	139,468

		746,308

	PUBLISHING	
1,700	Edipresse S.A.....	393,654

	TOTAL SWITZERLAND.....	2,623,478

	THAILAND (0.8%)	
	ELECTRONICS & ELECTRICAL	
30,000	KCE Electronics Co., Ltd.....	111,269

	HOUSEHOLD PRODUCTS	
40,000	Srithai Superware Co. Ltd.....	309,688

	INDUSTRIALS	
30,000	Thai Glass Industries.....	133,766

	MANUFACTURING	
150,000	Pan Asia Footwear Co.....	127,685

<CAPTION>

NUMBER OF SHARES		VALUE

<C>	<S>	<C>
	PUBLISHING	
10,000	Matichon Newspaper Group.....	\$ 50,668

	TOTAL THAILAND.....	733,076

	UNITED KINGDOM (18.2%)	
	ADVERTISING	
300,000	Shandwick PLC.....	178,650

	AUTO PARTS - ORIGINAL EQUIPMENT	
20,000	Avon Rubber PLC.....	160,388
167,000	BBA Group PLC.....	628,515
33,500	Laird Group PLC.....	191,513

		980,416

	BUILDING & CONSTRUCTION	
75,000	Barratt Developments PLC.....	229,863
100,000	Havelock Europa PLC.....	338,244

		568,107

	BUILDING MATERIALS	
110,000	Hepworth PLC.....	532,774
340,000	Ibstock PLC.....	415,738
65,000	Lilleshall PLC.....	92,898
255,000	Rugby Group PLC.....	485,928
60,000	SIG PLC.....	238,200

		1,765,538

	CHEMICALS	
90,000	Albright & Wilson PLC.....	265,831
130,000	Allied Colloids Group PLC.....	270,436

		536,267

	COMPUTER SERVICES	
170,000	ISA International PLC.....	278,059

	CONTAINERS	
100,000	Parkside International PLC.....	130,216

	CONTAINERS - PAPER	
52,200	David S. Smith PLC.....	476,638

	DISTRIBUTION	
23,000	Tibbett and Britten Group PLC...	191,751

	ELECTRONIC & ELECTRICAL EQUIPMENT	
56,000	Diploma PLC.....	439,304
50,000	Fairey Group PLC.....	353,330

		792,634

	FINANCIAL SERVICES	
90,000	MAI PLC.....	378,738

	FOOD PROCESSING	
95,000	Devro International PLC.....	351,504

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
 PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

<CAPTION>

NUMBER OF SHARES		VALUE

<C>	<S>	<C>
	FOOD, BEVERAGE, TOBACCO & HOUSEHOLD PRODUCTS	
60,000	Boddington Group PLC.....	\$ 263,926
82,500	Dalgety PLC.....	580,374

		844,300

	HEALTH & PERSONAL CARE	
35,000	Community Hospitals Group PLC...	135,615

	HOTELS/MOTELS	
250,000	Stakis PLC.....	345,390

	HOUSEHOLD FURNISHINGS & APPLIANCES	
245,000	MFI Furniture PLC.....	490,216
188,400	Walker Greenbank PLC.....	284,220

		774,436

	INDUSTRIALS	
120,000	Staveley Industries PLC.....	352,536

	INSURANCE	
10,000	Domestic & General Group PLC....	222,320

	MACHINERY & MACHINE TOOLS	
50,000	Crabtree Group PLC.....	285,840
155,000	Metalrax Group PLC.....	285,522
60,000	Spirax-Sarco Engineering PLC....	502,126

		1,073,488

	MANUFACTURING	
45,000	Bluebird Toys PLC.....	155,783
150,000	Bunzl PLC.....	471,636
87,000	Glynwed International PLC.....	479,401
50,000	Halma PLC.....	165,152
54,000	IMI PLC.....	267,546
83,000	Protean PLC.....	309,739

		1,849,257

	MISCELLANEOUS	
80,000	Christies International PLC.....	204,534

	OIL RELATED	
35,000	Charter PLC.....	491,883

	PHARMACEUTICALS	
18,000	Amersham International PLC.....	256,684

	PUBLISHING	
29,800	Daily Mail & General Trust.....	556,038

<CAPTION>

NUMBER OF
SHARES

VALUE

<C>	<S>	<C>
	REAL ESTATE	
70,000	Bradford Property Trust PLC.....	\$ 197,865
50,000	Capital Shopping Centers PLC....	170,710
63,000	Great Portland Estates PLC.....	186,082
40,000	Helical Bar PLC.....	201,994

		756,651

	RESTAURANTS	
130,000	City Centre Restaurants PLC.....	179,603
66,000	Compass Group PLC.....	366,828

		546,431

	RETAIL	
100,000	Goldsmiths Group.....	230,260
77,000	William Morrison Supermarkets PLC.....	173,632

		403,892

	RETAIL - SPECIALTY	
20,000	Cowie Group PLC.....	88,610
20,000	Pendragon PLC.....	82,576

		171,186

	TELECOMMUNICATIONS	
42,500	Security Services PLC.....	593,912

	TEXTILES	
57,500	Courtaulds Textiles PLC.....	454,724

	TRANSPORTATION	
90,000	GRT Bus Group PLC.....	383,026

	TOTAL UNITED KINGDOM.....	17,044,821

	TOTAL COMMON AND PREFERRED STOCKS	
	(IDENTIFIED COST \$94,927,829)...	86,044,931

</TABLE>

<TABLE>

<CAPTION>

	PRINCIPAL AMOUNT IN THOUSANDS		VALUE

<C>	<S>		<C>
		SHORT-TERM INVESTMENT (a) (6.7%)	
		U.S. GOVERNMENT AGENCY	
US\$	6,300	Federal Home Loan Mortgage Corp.	
		6.10% due 06/01/95 (Amortized	
		Cost \$6,300,000).....	6,300,000

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
PORTFOLIO OF INVESTMENTS MAY 31, 1995, CONTINUED

<TABLE>

<CAPTION>

	CURRENCY AMOUNT IN THOUSANDS	EXPIRATION DATE/ EXERCISE PRICE	VALUE

<C>	<S>		<C>
		PURCHASED PUT OPTIONS ON FOREIGN CURRENCY (0.8%)	
Y	2,525,700	June 10, 1995/Y 84.19.....	\$ 603,000
FRF	19,492	November 28, 1995/FRF 4.87.....	148,000

		TOTAL PURCHASED PUT OPTIONS ON FOREIGN CURRENCY	
		(IDENTIFIED COST \$963,400).....	751,000

TOTAL INVESTMENTS (IDENTIFIED COST \$102,191,229) (B)	99.3 %	93,095,931
CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES.....	0.7	633,348
NET ASSETS.....	100.0 %	\$93,729,279

<FN>

- ADR American Depository Receipt.
GDS Global Depository Shares.
* Non-income producing security.
(a) The U.S. Government agency was purchased on a discount basis. The interest rate shown has been adjusted to reflect a money market equivalent yield.
(b) The aggregate cost for federal income tax purposes is \$102,471,309; the aggregate gross unrealized appreciation is \$5,293,352 and the aggregate gross unrealized depreciation is \$14,668,730, resulting in net unrealized depreciation of \$9,375,378.

</TABLE>

FORWARD FOREIGN CURRENCY CONTRACTS OPEN AT MAY 31, 1995:

<TABLE>

<CAPTION>

CONTRACTS TO DELIVER	IN EXCHANGE FOR	DELIVERY DATE	UNREALIZED APPRECIATION/ (DEPRECIATION)
<S>	<C>	<C>	<C>
US\$ 20,979	HKD 162,270	06/01/95	-\$-
US\$ 30,292	ITL 48,891,227	06/02/95	(462)
US\$ 28,301	ITL 46,500,000	06/08/95	70

			Net unrealized depreciation.....
			\$ (392)

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
SUMMARY OF INVESTMENTS MAY 31, 1995

<TABLE>

<CAPTION>

INDUSTRY	VALUE	PERCENT OF NET ASSETS
<S>	<C>	<C>
Advertising.....	\$ 178,650	0.2%
Aerospace & Defense.....	103,943	0.1
Auto Parts.....	884,348	0.9
Auto Parts - Original Equipment.....	980,416	1.1
Auto Related.....	388,442	0.4
Automotive.....	335,830	0.4
Banks - Commercial.....	388,578	0.4

Building & Construction.....	4,516,876	4.8
Building Materials.....	3,831,612	4.1
Business Services.....	1,505,487	1.6
Chemicals.....	1,700,826	1.8
Computer Services.....	1,400,129	1.5
Computers.....	460,682	0.5
Computers - Systems.....	1,278,068	1.4
Conglomerates.....	268,010	0.3
Consumer Products.....	743,551	0.8
Containers.....	130,216	0.1
Containers - Paper.....	476,638	0.5
Distribution.....	704,484	0.7
Electronic & Electrical Equipment.....	4,189,745	4.5
Electronic Components.....	209,585	0.2
Electronics & Electrical.....	1,638,435	1.7
Energy Technology & Equipment.....	691,019	0.7
Engineering & Construction.....	494,972	0.5
Entertainment.....	450,024	0.5
Financial Services.....	3,677,936	3.9
Food Processing.....	351,504	0.4
Food, Beverage, Tobacco & Household Products.....	4,634,250	4.9
Foreign Currency Put Options.....	751,000	0.8
Health & Personal Care.....	827,704	0.9
Hotels/Motels.....	637,052	0.7
Household Furnishings & Appliances.....	2,274,096	2.4
Household Products.....	309,688	0.3
Industrials.....	782,493	0.8

<CAPTION>

INDUSTRY	VALUE	PERCENT OF NET ASSETS
<S>	<C>	<C>
Insurance.....	\$ 1,193,768	1.3%
Insurance Brokers.....	278,617	0.3
Machinery & Machine Tools.....	6,143,472	6.6
Manufacturing.....	4,832,838	5.2
Metals & Mining.....	341,292	0.4
Miscellaneous.....	3,787,940	4.0
Multi-Industry.....	1,636,533	1.7
Office Equipment.....	875,404	0.9
Oil Related.....	1,077,167	1.2
Paper & Forest Products.....	334,483	0.4
Pharmaceuticals.....	2,614,741	2.8
Photography.....	288,291	0.3
Publishing.....	1,254,853	1.3
Real Estate.....	2,340,830	2.5
Restaurants.....	546,431	0.6
Retail.....	7,177,856	7.7
Retail - Drug Stores.....	457,603	0.5
Retail - Specialty.....	2,252,319	2.4
Shipbuilding.....	241,640	0.3
Telecommunications.....	1,442,164	1.5
Textiles.....	1,729,161	1.8
Textiles - Apparel Manufacturers.....	455,134	0.5
Transportation.....	2,204,333	2.4
Transportation - Shipping.....	366,221	0.4
U.S. Government Agency.....	6,300,000	6.7
Wholesale Distributor.....	726,551	0.8
	-----	---
	\$ 93,095,931	99.3%

</TABLE>

<TABLE>
<CAPTION>

TYPE OF INVESTMENT	VALUE	PERCENT OF NET ASSETS
<S>	<C>	<C>
Common Stocks.....	\$ 83,632,379	89.2%
Foreign Currency Put Options.....	751,000	0.8
Preferred Stocks.....	2,412,552	2.6
U.S. Government Agency.....	6,300,000	6.7
	-----	---
	\$ 93,095,931	99.3%
	-----	---
	-----	---

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES
MAY 31, 1995

<TABLE>

<S>	<C>
ASSETS:	
Investments in securities, at value (identified cost \$102,191,229).....	\$ 93,095,931
Cash (including \$345,148 in foreign currency).....	448,016
Receivable for:	
Shares of beneficial interest sold.....	430,353
Dividends.....	200,408
Foreign withholding taxes reclaimed.....	40,314
Investments sold.....	25,765
Deferred organizational expenses.....	143,412
Prepaid expenses and other assets.....	64,158

TOTAL ASSETS.....	94,448,357

LIABILITIES:

Payable for:	
Investments purchased.....	243,592
Investment management fee.....	106,689
Plan of distribution fee.....	85,351
Shares of beneficial interest repurchased.....	24,913
Accrued expenses and other payables.....	258,533

TOTAL LIABILITIES.....	719,078

NET ASSETS:

Paid-in-capital.....	108,269,985
Net unrealized depreciation.....	(9,093,543)
Net investment loss.....	(259,957)

Net realized loss.....	(5,187,206)

NET ASSETS.....	\$ 93,729,279

NET ASSET VALUE PER SHARE, 10,980,289 SHARES OUTSTANDING (UNLIMITED SHARES AUTHORIZED OF \$.01 PAR VALUE).....	\$8.54

</TABLE>

STATEMENT OF OPERATIONS
FOR THE PERIOD JULY 29, 1994* THROUGH MAY 31, 1995

<TABLE>

<S>	<C>
NET INVESTMENT INCOME:	
INCOME	
Dividends (net of \$131,578 foreign withholding tax).....	\$ 946,711
Interest.....	444,779

TOTAL INCOME.....	1,391,490

EXPENSES

Investment management fee.....	977,193
Plan of distribution fee.....	781,755
Transfer agent fees and expenses.....	169,490
Custodian fees.....	126,814
Professional fees.....	85,892
Registration fees.....	39,722
Shareholder reports and notices.....	39,521
Organizational expenses.....	28,876
Trustees' fees and expenses.....	18,010
Other.....	3,413

TOTAL EXPENSES.....	2,270,686

NET INVESTMENT LOSS.....	(879,196)

NET REALIZED AND UNREALIZED GAIN (LOSS):

Net realized loss on:	
Investments.....	(3,952,364)
Foreign exchange transactions.....	(1,310,064)

TOTAL LOSS.....	(5,262,428)

Net unrealized appreciation (depreciation) on:

Investments.....	(9,095,298)
Translation of forward foreign currency contracts, other assets and liabilities denominated in foreign currencies.....	1,755

TOTAL DEPRECIATION.....	(9,093,543)

NET LOSS.....	(14,355,971)

NET DECREASE.....	\$(15,235,167)

<FN>

* Commencement of operations.

</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
FINANCIAL STATEMENTS, CONTINUED

STATEMENT OF CHANGES IN NET ASSETS

<TABLE>

<CAPTION>

FOR THE
PERIOD
JULY 29,
1994*
THROUGH MAY
31, 1995

<S>	<C>
INCREASE (DECREASE) IN NET ASSETS:	
OPERATIONS:	
Net investment loss.....	\$ (879,196)
Net realized loss.....	(5,262,428)
Net unrealized depreciation.....	(9,093,543)

NET DECREASE.....	(15,235,167)
Net increase from transactions in shares of beneficial interest.....	108,864,446

TOTAL INCREASE.....	93,629,279
NET ASSETS:	
Beginning of period.....	100,000

END OF PERIOD (INCLUDING NET INVESTMENT LOSS OF \$259,957).....	\$ 93,729,279

<FN>

* Commencement of operations.

</TABLE>

DEAN WITTER INTERNATIONAL SMALLCAP FUND
NOTES TO FINANCIAL STATEMENTS MAY 31, 1995

1. ORGANIZATION AND ACCOUNTING POLICIES

Dean Witter International SmallCap Fund (the "Fund") is registered under the Investment Company Act of 1940, as amended (the "Act"), as a non-diversified, open-end management investment company. The Fund was organized as a Massachusetts business trust on April 21, 1994 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 on July 29, 1994.

The following is a summary of significant accounting policies:

A. VALUATION OF INVESTMENTS -- (1) an equity security listed or traded on the New York Stock Exchange, American Stock Exchange or other domestic or foreign stock exchange is valued at its latest sale price on that exchange prior to the time when assets are valued; if there were no sales that day, the security is valued at the latest bid price (in cases where securities are traded on more than one exchange, the securities are valued on the exchange designated as the primary market by the Trustees); (2) all other 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; (3) when market quotations are not readily available, including circumstances under which it is determined by the Investment Manager that sale and bid prices are not reflective of a security's market value, 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; (4) certain of the Fund's 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 evaluations by its staff, including review of broker-dealer market price quotations, if available, in determining what it believes is the fair valuation of the portfolio securities valued by such pricing service; and (5) 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.

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 by the identified cost method. Dividend income and other distributions are recorded on the ex-

DEAN WITTER INTERNATIONAL SMALLCAP FUND
NOTES TO FINANCIAL STATEMENTS MAY 31, 1995, CONTINUED

dividend date except certain dividends from foreign securities which are recorded as soon as the Fund is informed after the ex-dividend date. Interest income is accrued daily and includes amortization of discounts of certain short-term securities.

C. OPTION ACCOUNTING PRINCIPLES -- When the Fund writes a call option, an amount equal to the premium received is included in the Statement of Assets and Liabilities as a liability which is subsequently marked-to-market to reflect the current market value of the option written. If a written option either expires or the Fund enters into a closing purchase transaction, the Fund realizes a gain

or loss without regard to any unrealized gain or loss on the underlying security or currency and the liability related to such option is extinguished. If a written call option is exercised, the Fund realizes a gain or loss from the sale of the underlying security or currency and the proceeds from such sale are increased by the premium originally received.

When the Fund purchases a call or put option, the premium paid is recorded as an investment and is subsequently marked-to-market to reflect the current market value. If a purchased option expires, the Fund will realize a loss to the extent of the premium paid. If the Fund enters into a closing sale transaction, a gain or loss is realized for the difference between the proceeds from the sale and the cost of the option. If a put option is exercised, the cost of the security or currency sold upon exercise will be increased by the premium originally paid. If a call option is exercised, the cost of the security purchased upon exercise will be increased by the premium originally paid.

D. 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.

E. FORWARD FOREIGN CURRENCY CONTRACTS -- The Fund may enter into forward foreign currency contracts which are valued daily at the appropriate exchange rates. The resultant unrealized exchange gains and losses are included in the Statement of Operations as unrealized foreign

DEAN WITTER INTERNATIONAL SMALLCAP FUND
NOTES TO FINANCIAL STATEMENTS MAY 31, 1995, CONTINUED

currencies gain or loss. The Fund records realized gains or losses on delivery of the currency or at the time the forward contract is extinguished (compensated) by entering into a closing transaction prior to delivery.

F. 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.

G. 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.

H. ORGANIZATIONAL EXPENSES -- The Investment Manager paid the organizational expenses of the Fund in the amount of approximately \$172,000 which have been reimbursed for the full amount thereof. Such expenses have been deferred and are being amortized by the Fund on the straight-line method over a period not to exceed five years from the commencement of operations.

2. INVESTMENT MANAGEMENT AND SUB-ADVISORY AGREEMENTS

Pursuant to an Investment Management Agreement, the Fund pays its Investment Manager a management fee, calculated daily and payable monthly, by applying the annual rate of 1.25% 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

DEAN WITTER INTERNATIONAL SMALLCAP FUND NOTES TO FINANCIAL STATEMENTS MAY 31, 1995, CONTINUED

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.

Under a Sub-Advisory Agreement between Morgan Grenfell Investment Services Limited (the "Sub-Advisor") and the Investment Manager, the Sub-Advisor provides the Fund with investment advice and portfolio management relating to the Fund's investments in securities, subject to the overall supervision of the Investment Manager. As compensation for its services provided pursuant to the Sub-Advisory Agreement, the Investment Manager pays the Sub-Advisor monthly compensation equal to 40% of its monthly compensation.

3. PLAN OF DISTRIBUTION

Shares of the Fund are distributed by Dean Witter Distributors Inc. (the "Distributor"), an affiliate of the Investment Manager. The Fund has adopted a Plan of Distribution (the "Plan") pursuant to Rule 12b-1 under the Act pursuant to which the Fund pays the Distributor compensation, accrued daily and payable monthly, at an annual rate of 1.0% of the lesser of: (a) the average daily aggregate gross sales of the Fund's shares since the Fund's inception (not including reinvestment of dividend or capital gain distributions) less the average daily aggregate net asset value of the Fund's shares redeemed since the Fund's inception upon which a contingent deferred sales charge has been imposed or upon which such charge has been waived; or (b) the Fund's average daily net assets. Amounts paid under the Plan are paid to the Distributor to compensate it for the services provided and the expenses borne by it and others in the distribution of the Fund's shares, including the payment of commissions for sales of the Fund's shares and incentive compensation to, and expenses of, the account executives of Dean Witter Reynolds Inc. ("DWR"), an affiliate of the Investment Manager and Distributor, and other employees or selected broker-dealers who engage in or support distribution of the Fund's shares or who service shareholder accounts, including overhead and telephone expenses, printing and distribution of prospectuses and reports used in connection with the offering of the Fund's shares to other than current shareholders and preparation, printing and distribution of sales literature and advertising materials. In addition, the Distributor may be compensated under the Plan for its opportunity costs in advancing such amounts which compensation would be in the form of a carrying charge on any unreimbursed expenses incurred by the Distributor.

Provided that the Plan continues in effect, any cumulative expenses incurred but

not yet recovered by the Distributor, may be recovered through future distribution fees from the Fund and contingent deferred sales charges from the Fund's shareholders.

DEAN WITTER INTERNATIONAL SMALLCAP FUND
 NOTES TO FINANCIAL STATEMENTS MAY 31, 1995, CONTINUED

The Distributor has informed the Fund that for the period ended May 31, 1995, it received approximately \$241,000 in contingent deferred sales charges from certain redemptions of the Fund's shares. The Fund's shareholders pay such charges which are not an expense of the Fund.

4. SECURITY TRANSACTIONS AND TRANSACTIONS WITH AFFILIATES

The cost of purchases and proceeds from sales of portfolio securities, excluding short-term investments, for the period ended May 31, 1995 aggregated \$133,894,661 and \$35,083,015, respectively.

For the period ended May 31, 1995, the Fund incurred \$815 in brokerage commissions with affiliates of Morgan Grenfell Investment Services Limited for portfolio transactions executed on behalf of the Fund.

Dean Witter Trust Company, an affiliate of the Investment Manager and Distributor, is the Fund's transfer agent. At May 31, 1995, the Fund had transfer agent fees and expenses payable of approximately \$21,000.

5. SHARES OF BENEFICIAL INTEREST

Transactions in shares of beneficial interest were as follows:

<TABLE>
 <CAPTION>

	FOR THE PERIOD JULY 29, 1994* THROUGH MAY 31, 1995	
	SHARES	AMOUNT
<S>	<C>	<C>
Sold.....	12,935,998	\$ 126,064,242
Repurchased.....	(1,965,709)	(17,199,796)
Net increase.....	10,970,289	\$ 108,864,446

</TABLE>

<TABLE>
 <S> <C>
 <FN>

* Commencement of operations.

</TABLE>

6. FEDERAL INCOME TAX STATUS

Capital and foreign currency 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 and foreign currency losses of approximately \$3,935,000 and \$1,232,000, respectively during fiscal 1995. As of May 31, 1995, the Fund had temporary

operations.....	(1.46)

Net asset value, end of period...	\$ 8.54

TOTAL INVESTMENT RETURN+.....	(14.60)%(1)
RATIOS TO AVERAGE NET ASSETS:	
Expenses.....	2.90% (2)
Net investment loss.....	(1.12)%(2)
SUPPLEMENTAL DATA:	
Net assets, end of period, in thousands.....	\$93,729
Portfolio turnover rate...	41% (1)
<FN>	

- -----

* Commencement of operations.
+ Does not reflect the deduction of sales charge.
(1) Not annualized.
(2) Annualized.
</TABLE>

SEE NOTES TO FINANCIAL STATEMENTS

DEAN WITTER INTERNATIONAL SMALLCAP FUND
REPORT OF INDEPENDENT ACCOUNTANTS

TO THE SHAREHOLDERS AND TRUSTEES
OF DEAN WITTER INTERNATIONAL SMALLCAP FUND

In our opinion, the accompanying statement of assets and liabilities, including the portfolio of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Dean Witter International SmallCap Fund (the "Fund") at May 31, 1995, and the results of its operations, the changes in its net assets and the financial highlights for the period July 29, 1994 (commencement of operations) through May 31, 1995, in conformity with generally accepted accounting principles. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Fund's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit, which included confirmation of securities at May 31, 1995 by

correspondence with the custodian and brokers and the application of alternative auditing procedures where confirmations from brokers were not received, provides a reasonable basis for the opinion expressed above.

PRICE WATERHOUSE LLP
NEW YORK, NEW YORK
JULY 13, 1995

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

DEAN WITTER
INTERNATIONAL
SMALLCAP FUND

OFFICERS

Charles A. Fiumefreddo
Chairman and Chief Executive Officer

Sheldon Curtis
Vice President, Secretary and General Counsel

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

SUB-ADVISOR

Morgan Grenfell Investment Services Limited

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.

[GRAPHIC]

ANNUAL REPORT
MAY 31, 1995

<TABLE>
<CAPTION>

DEAN WITTER INTERNATIONAL SMALL CAP FUND

GROWTH OF \$10,000

DATE	TOTAL	MSCI EAFE IX	NATWEST IX
<S> July 29, 1994	<C> \$10000	<C> \$10000	<C> \$10000
August 31, 1994	\$ 9940	\$10225	\$10142
September 30, 1994	\$ 9670	\$ 9891	\$ 9818
October 31, 1994	\$ 9620	\$10207	\$10065
November 30, 1994	\$ 8920	\$ 9704	\$ 9456
December 31, 1994	\$ 8980	\$ 9752	\$ 9539
January 31, 1995	\$ 8600	\$ 9365	\$ 9268
February 28, 1995	\$ 8210	\$ 9326	\$ 9048
March 31, 1995	\$ 8490	\$ 9894	\$ 9382
April 30, 1995	\$ 8580	\$10252	\$ 9747
May 31, 1995	\$ 8113 (3)	\$10116	\$ 9477

CUMULATIVE TOTAL RETURNS
LIFE OF FUND

-14.60 (1)

-18.87 (2)

Fund MSCI EAFE IX (4) NATWEST MKTS EURO PACIFIC SMALL CAP IX (5)

<FN>

Past performance is not predictive of future returns.

(1) Figure shown does not reflect the deduction of any sales charges.

(2) Figure shown assumes the deduction of the maximum applicable contingent deferred sales charge (CDSC) (Since inception 5%). See the Fund's current prospectus for complete details on fees and sales charges.

(3) Closing value after the deduction of a 5% CDSC, assuming a complete redemption on May 31, 1995.

(4) The Morgan Stanley Capital International (MSCI) EAFE Index measures performance for a diverse range of global stock markets not including the U.S., Canada, and the South African gold mining component. The index does not include any expenses, fees or charges or reinvestment of dividends.

(5) The NatWest Markets Euro-Pacific Small Cap Index was specifically designed for use as a benchmark for non-US small cap portfolios. The index does not include any expenses, fees or charges or reinvestment of dividends.

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