

# 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)

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### FILER

#### **DREYFUS INTERNATIONAL EQUITY FUND INC**

CIK: **897469** | IRS No.: **133718039** | State of Incorporation: **MD** | Fiscal Year End: **0531**  
Type: **N-30D** | Act: **40** | File No.: **811-07502** | Film No.: **94504162**

Mailing Address  
*DREYFUS CORP  
200 PARK AVENUE  
NEW YORK NY 10166*

Business Address  
*200 PARK AVENUE  
C/O DREYFUS  
CORPORATION  
NEW YORK NY 10166  
2129226838*

PRESIDENT'S LETTER

Dear Shareholder:

In welcoming you as a shareholder of this recently formed mutual fund, it is with pleasure that we are able to report that a total return of 14.48% was achieved for the period from the Fund's inception on June 29, 1993 through November 30, 1993.\* This compares extremely favorably with the total return for the Standard & Poor's 500 Composite Stock Price Index of 3.70%\*\* or the total return of 0.42% for the Morgan Stanley Capital International Europe, Australasia, Far East (EAFE) Index \*\*\* for the period June 30, 1993 through November 30, 1993. The latter index is, however, heavily weighted towards Japanese investment and declined severely during the last few weeks of the period under review.

The world's major equity markets were generally strong, especially those in the Far East, with the exception of Japan. A general move toward lower interest rates helped either to accelerate growth forecasts for the stronger economies or to heighten the prospects for recovery in the case of those still in recession.

The allocation of funds geographically has been fairly consistent over the period with the exception of Japan. Investments in the latter area comprised nearly 30% of the portfolio in the early months, only to be dramatically reduced around October as it became apparent that the several stimulatory packages which had so far been introduced were having little beneficial effect on the ailing Japanese economy. On November 30th, Japanese stocks represented only 14% of the Fund's invested assets or slightly less than the amount invested in the growing markets of Hong Kong, Singapore and Malaysia. While the progress of events in China will continue to influence sentiment in this region, we remain enthusiastic about the growth prospects for the Far East (outside of Japan). However, further stimulation by way of a tax cut could shortly be forthcoming in Japan, which we believe could lead to a turnaround in that economy as 1994 unfolds.

The Fund's exposure in continental Europe has been gradually built up to around 30% of the portfolio. In addition, the Fund has about 14% of its assets in UK stocks. Though the state of economic activity varies widely from country to country, with the UK recovering nicely while Germany still struggles with recession, we expect improvement in 1994 against a background of potential further interest-rate reductions. Europe, including the UK, represents, therefore, around 44% of the Fund's assets and rewarding investment opportunities are still to be found, particularly among smaller and medium-sized companies.

Another improving stock market was that of Mexico which, even before the successful passage of the North American Free Trade Agreement (NAFTA) through Congress, was moving ahead in anticipation of re-expansion of the economy next year and better inflation figures. We believe that foreign capital should continue to flow into Mexico and indeed other Latin American countries as improved political stability and economic management enhance the prospects for substantial wealth creation. As of November 30th, 4.7% of the portfolio was invested in Mexican securities.

Lastly, we should touch on the Fund's investments in Australia and in various gold shares. These two areas of investment are somewhat linked since the Australian economy is heavily commodity-oriented and the nation is a large gold producer. In general terms, however, we believe that Australia is a country that is well on the road to recovery from a long and deep recession, and we expect that this situation will further improve if metal prices rebound. Gold shares, on the other hand, provide a hedge against the kind of economic, financial or monetary upsets that are always possible in the heavily indebted and politically volatile world in which we live.

The Fund has held approximately 5% to 15% of total assets in cash and cash equivalents during the period under review. On the currency front, some hedging has been introduced against a possible fall in the value of the Japanese yen and to a lesser extent the German mark and the French franc. This has been effected through the forward sales of these foreign currencies against the dollar. Though the Fund has no actual investment in the United States, it does have around a quarter of its assets currently denominated in U.S. dollars through a combination of cash instruments, hedged currencies and dollar-priced non-U.S. securities.

It can be seen from the structure of this Fund's portfolio of around 125 stocks spread across 17 countries that wide diversification is sought in order to provide a core international investment with modest volatility. We are confident that this vehicle should provide the long-term investor with a rewarding investment and hope that you are pleased by the results of the initial reporting period.

We look forward to serving your investment needs.

Sincerely,

(Joseph S. DiMartino Signature Logo)

December 14, 1993

New York, N.Y.

\*\*\* Total return represents the change during the period in a hypothetical account with dividends reinvested.

\*\*\* SOURCE: LIPPER ANALYTICAL SERVICES, INC. - Reflects the reinvestment of income dividends and, where applicable, capital gain distributions. The Standard & Poor's 500 Composite Stock Price Index is a widely accepted unmanaged index of stock market performance.

\*\*\* SOURCE: LIPPER ANALYTICAL SERVICES, INC. - The Morgan Stanley Capital International Europe, Australasia, Far East (EAFE) Index is an unmanaged index composed of a sample of companies representative of the market structure of 16 European and Pacific Basin countries. The return indicated includes gross dividends reinvested. The Index is the property of Morgan Stanley & Co., Incorporated.

DREYFUS INTERNATIONAL EQUITY FUND, INC. NOVEMBER 30, 1993  
DIVERSIFICATION OF FOREIGN INVESTMENTS\*

[Exhibit A]

(Foreign Securities equal 87.3% of Total Net Assets)

ASSET ALLOCATION\*

Common Stock.....	87.3%
Cash Equivalents.....	12.7
	-----
	100.0%

TEN LARGEST HOLDINGS\*

Plettac AG.....	1.6%
Baloise Holdings.....	1.6
Banque Nationale de Paris.....	1.5
Edison S.P.A.....	1.4
Placer Dome.....	1.4
Zeneca Group PLC.....	1.4
Grupo Carso S.A., A.D.R.....	1.3
SIP.....	1.3
Commonwealth Bank of Australia..	1.3
Commercial Union PLC.....	1.2

\* As a percentage of Total Net Assets.

<TABLE>

<CAPTION>

DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF INVESTMENTS  
COMMON STOCKS--87.3%

		NOVEMBER 30, 1993 (UNAUDITED)	
		SHARES	VALUE
		-----	-----
<S>		<C>	<C>
ARGENTINA - 1.0%	YPF S.A., A.D.R. CI. D.....	40,000	\$ 990,000
AUSTRALIA - 4.5%	AAPC.....	700,000	397,380
	Brambles Industries.....	90,000	714,096
	Commonwealth Bank of Australia.....	200,000	1,243,628
	Newcrest Mining.....	300,000	1,023,816
	News.....	70,000	455,139
	Queensland Metals.....	200,000	607,292
			-----
			4,441,351
			-----
AUSTRIA - .8%	Bank fuer Oberoesterreich und Salzburg.....	5,650	315,087
	Bau Holding.....	5,000	448,548
			-----
			763,635
			-----
CANADA - 2.8%	Franco Nevada Mining.....	7,000	465,530
	Franco Nevada Mining (Warrants).....	7,000	47,209
	Placer Dome.....	60,000	1,382,540
	TVX Gold.....	150,000	913,264
			-----
			2,808,543
			-----
FRANCE - 8.1%	Assurance Generale de France.....	9,000	999,662
	Banque Nationale de Paris.....	31,400	1,504,440
	Compagnie Signaux et		
	Equipements Electronique.....	7,500	704,987

	Groupe Zannier.....	2,700	415,385
	Imetal.....	9,000	849,028
	Louis Vuitton.....	1,200	747,591
	Roussel-Uclaf.....	9,050	1,017,456
	Sidel S.A. ....	10,000	929,839
	Societe Generale d'Enterprise.....	15,100	617,785
	Vilmorin et Cie S.A.....	3,700	240,828
			-----
			8,027,001
GERMANY - 7.9%	Allianz AG Holding (Warrants).....	700	606,123
	AVA Allgemeine Handelsgesellschaft der Verbraucher AG.....	2,000	1,008,746
	Bayerische Vereinsbank AG.....	3,400	1,072,537
	Deutsche Bank AG (Warrants).....	4,000	706,706
	Etienne Aigner AG.....	628	172,105
	Felten & Guillaume Energietechnik.....	4,200	1,053,061
	Plettac AG.....	4,000	1,562,682
	Veba AG.....	3,250	863,761
	Weru AG.....	900	721,574
			-----
			7,767,295
HONG KONG - 8.5%	B & B Asia.....	915,000	539,002
	Champion Technology Holdings.....	535,000	484,852
	Cheung Kong Holdings.....	152,000	698,602
	China Light and Power.....	105,600	622,061
	Dah Sing Financial Holdings.....	178,000	743,203
	Dairy Farm International Holdings.....	254,000	430,787
	HSBC Holdings PLC.....	46,800	518,048
	Hongkong Electric Holdings.....	115,000	388,594
	Lamex Holdings.....	1,546,000	610,474

</TABLE>

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<CAPTION>

DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)

NOVEMBER 30, 1993 (UNAUDITED)

COMMON STOCKS (CONTINUED)

		SHARES	VALUE
		-----	-----
<S>		<C>	<C>
HONG KONG (CONTINUED)	New Island Printing Holdings.....	3,648,000	\$ 547,861
	Shaw Brothers.....	359,000	608,869
	Sun Hung Kai Properties.....	100,100	622,061
	Swire Pacific, Cl. A. ....	80,000	554,117
	Tsingtao Brewery.....	572,000	529,492
	Vtech Holdings.....	437,000	495,048
			-----
			8,393,071
ITALY - 3.7%	Edison S.P.A. ....	340,000	1,407,316
	Parmalat Finanziaria S.P.A. ....	800,000	960,310
	SIP .....	720,000	1,300,642
			-----
			3,668,268
JAPAN - 14.0%	Amway Japan.....	10,000	312,213
	Asahi Concrete Works.....	26,000	489,440
	Canon.....	50,000	629,017
	DDI.....	12	611,570
	Enix.....	21,000	696,143
	Hitachi Credit.....	20,000	348,944
	Hogy Medical.....	6,000	388,981
	Honda Motor.....	40,000	503,214
	JCR Pharmaceutical.....	10,000	560,147
	Jusco.....	4,000	76,400
	Kandenko.....	23,000	477,319
	Kissei Pharmaceutical.....	14,000	714,784
	Mitsubishi Bank.....	15,000	358,127
	Nippon Express.....	37,000	315,978
	Nippon Steel.....	110,000	304,040
	Nippon Telegraph & Telephone.....	66	414,545
	Nissan Chemical Industries.....	130,000	574,197
	Pioneer Electronic.....	25,000	528,007
	Rinnai.....	21,000	551,515
	Secom.....	12,000	697,521
	Seven Eleven Japan.....	10,000	780,533
	Sharp.....	52,000	649,403
	Sony.....	15,000	643,251
	Sumitomo Bank.....	30,000	490,358
	Sumitomo Metal Mining.....	30,000	202,204

	Tokio Marine & Fire Insurance.....	50,000	509,642
	Tokyo Electron.....	20,000	442,608
	Toshoku.....	75,000	540,634
			-----
			13,810,735
MALAYSIA - 3.4%	Bedford Berhad.....	105,000	205,303
	Berjaya Singer Berhad.....	251,400	663,597
	Berjaya Singer Berhad - T.S.R. ....	28,000	31,534
	Leader Universal Holdings Berhad.....	133,000	665,728
	Malaysian Helicopter Services.....	100,000	633,505
	Multi-Purpose Holdings Berhad.....	440,000	1,118,411
			-----
			3,318,078
MEXICO - 4.7%	Cifra S.A. de C.V., A.D.R. ....	280,000	865,200
	Grupo Carso S.A., A.D.R. Ser. B..... (a)	75,000	1,331,250

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DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)

NOVEMBER 30, 1993 (UNAUDITED)

COMMON STOCKS (CONTINUED)

		SHARES	VALUE
		-----	-----
<S>	<C>	<C>	<C>
MEXICO (CONTINUED)	Panamerican Beverages, Cl. A.....	15,000	\$ 545,625
	Telefonos De Mexico S.A., A.D.R. ....	19,000	1,059,250
	Transportacion Maritima Mexicana S.A., A.D.R. ....	75,000	825,000
			-----
			4,626,325
NETHERLANDS - 1.7%	Akzo N.V.....	8,570	795,099
	Internationale Nederlanden Groep N.V. ....	20,900	917,747
			-----
			1,712,846
NEW ZEALAND - 1.0%	Brierley Investments.....	1,500,000	960,336
SINGAPORE - 2.6%	Fraser and Neave.....	55,300	529,137
	Haw Par Brothers International.....	220,000	465,040
	IPCO International.....	101,000	636,300
	Keppel.....	79,600	490,344
	Robinson & Co. ....	101,000	505,316
			-----
			2,626,137
SPAIN - 3.2%	Centros Commercial Pryca.....	58,250	629,225
	Hidroelectrica del Cantabrico S.A. ....	26,600	635,365
	Iberdrola S.A. ....	125,000	813,725
	Repsol S.A. ....	18,200	513,882
	Viscofan Industria Navarra De Envolturas Celulosicas S.A. ....	36,000	545,455
			-----
			3,137,652
SWITZERLAND - 4.7%	Ateliers De Charmilles S.A., Cl. A. ....	165	402,115
	Baloise Holdings.....	900	1,534,743
	Hilti AG.....	1,600	949,580
	SBC Bank Basket (Warrants).....	10,000	90,635
	Sece Cortaillod Holdings S.A. ....	180	592,145
	Winterthur Schweiz Vers (Warrants).....	8,000	226,922
	Zurich Versicherungs.....	900	862,840
			-----
			4,658,980
UNITED KINGDOM - 14.7%	BAT Industries PLC.....	135,000	1,055,032
	BBA Group.....	300,000	786,720
	Bemrose PLC.....	22,000	120,958
	Blue Circle Industries PLC.....	113,000	540,468
	Booker PLC.....	50,000	300,235
	British Gas PLC.....	165,000	802,700
	Commercial Union PLC.....	135,000	1,219,975
	Cookson Group PLC.....	200,000	596,000
	Hammerson Property Investment & Development, Cl. A. ....	175,000	983,028
	Johnson, Matthey PLC.....	120,000	892,212
	Lloyds Bank PLC.....	100,000	883,570
	Lucas Industries PLC.....	450,000	1,176,727
	Saatchi & Saatchi.....	300,000	800,130

Storehouse PLC.....	300,000	934,230
Welsh Water PLC.....	95,000	900,258
Westland Group PLC.....	300,000	1,054,920

</TABLE>

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DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF INVESTMENTS (CONTINUED)

NOVEMBER 30, 1993 (UNAUDITED)

COMMON STOCKS (CONTINUED)	SHARES	VALUE
	-----	-----
<S>	<C>	<C>
UNITED KINGDOM (CONTINUED)		
Wolstenholme Rink PLC.....	7,500	\$ 60,121
Zeneca Group PLC.....	120,000	1,366,032
		-----
		14,473,316
		-----
TOTAL COMMON STOCKS		\$ 86,183,569
(cost \$83,959,002)		=====
PREFERRED STOCK - .0%		
AUSTRIA - .0% Bank fuer Oberoesterreich und Salzburg		
(cost \$5,945).....	154	\$ 7,924
		=====

</TABLE>

<TABLE>  
<CAPTION>  
SHORT-TERM INVESTMENTS - 9.1%

PRINCIPAL  
AMOUNT

	-----	-----
<S>	<C>	<C>
UNITED STATES - 9.1%		
U.S. TREASURY BILLS:		
3.06%, 1/20/1994.....	\$ 1,478,000	\$ 1,471,718
3.04%, 1/27/1994.....	476,000	473,709
3.104%, 2/10/1994.....	3,493,000	3,471,615
3.093%, 2/17/1994.....	3,576,000	3,552,033
		-----
TOTAL SHORT-TERM INVESTMENTS		\$ 8,969,075
(cost \$8,969,075).....		=====
TOTAL INVESTMENTS (cost \$92,934,022).....	96.4%	\$ 95,160,568
		=====
CASH AND RECEIVABLES (NET).....	3.6%	\$ 3,538,091
		=====
NET ASSETS.....	100.0%	\$ 98,698,659
		=====

</TABLE>

NOTE TO STATEMENT OF INVESTMENTS;  
(a) Security Exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At November 30, 1993, this security amounted to \$1,331,250, or 1.4% of net assets.

See notes to financial statements.

<TABLE>  
<CAPTION>  
DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF ASSETS AND LIABILITIES NOVEMBER 30, 1993 (UNAUDITED)

ASSETS:	<C>	<C>
<S>		
Investments in securities, at value (cost \$92,934,022)-see statement.....		\$ 95,160,568
Cash.....		2,758,989
Receivable for investment securities sold.....		908,109
Net unrealized appreciation on forward currency exchange contracts-Note 3(a).....		470,817
Dividends and interest receivable.....		354,762
Receivable for subscriptions to Common Stock.....		281,353
Prepaid expenses-Note 1(e).....		105,710
		-----
		100,040,308
 LIABILITIES:		
Due to The Dreyfus Corporation.....	\$ 73,980	
Payable for investment securities purchased.....	1,151,978	
Payable for Common Stock redeemed.....	3,006	
Accrued expenses.....	112,685	
	-----	1,341,649
		-----
NET ASSETS.....		\$ 98,698,659
 REPRESENTED BY:		
Paid-in capital.....		\$ 95,566,359
Accumulated undistributed investment income-net.....		249,619
Accumulated undistributed net realized gain on investments.....		185,318
Accumulated net unrealized appreciation on investments and forward currency exchange contracts-Note 3(b).....		2,697,363
		-----
NET ASSETS at value applicable to 6,894,917 outstanding shares of Common Stock, equivalent to \$14.31 per share (300 million shares of \$.001 par value authorized).....		\$ 98,698,659
		=====

</TABLE>

See notes to financial statements.

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DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF OPERATIONS  
FROM JUNE 29, 1993 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1993 (UNAUDITED)

INVESTMENT INCOME:		
INCOME:		
<S>	<C>	<C>
Cash dividends (net of \$71,228 foreign taxes withheld at source).....	\$ 460,682	
Interest.....	120,875	
	-----	
TOTAL INCOME.....		\$ 581,557
 EXPENSES:		
Management fee-Note 2(a).....	145,054	
Shareholder servicing costs-Note 2(b,c).....	158,742	
Custodian fees.....	55,695	
Registration fees.....	33,373	
Professional fees.....	20,414	
Prospectus and shareholders' reports-Note 2(b).....	13,994	
Organization expenses-Note 1(e).....	8,925	
Directors' fees and expenses-Note 2(d).....	6,110	
Miscellaneous.....	968	
	-----	
		443,275

Less-reduction in management fee due to undertakings-Note 2(a).....	111,337	
	-----	
TOTAL EXPENSES.....		331,938
		-----
INVESTMENT INCOME-NET.....		249,619
REALIZED AND UNREALIZED GAIN ON INVESTMENTS:		
Net realized gain on investments-Note 3(a).....	\$ 185,318	
Net unrealized appreciation on investments and forward currency exchange contracts.....	2,697,363	
	-----	
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS.....		2,882,681
		-----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....		\$3,132,300
		=====

</TABLE>

See notes to financial statements.

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DREYFUS INTERNATIONAL EQUITY FUND, INC.  
STATEMENT OF CHANGES IN NET ASSETS  
FROM JUNE 29, 1993 (COMMENCEMENT OF OPERATIONS) TO NOVEMBER 30, 1993 (UNAUDITED)

OPERATIONS:		
<S>		<C>
Investment income-net.....	\$ 249,619	
Net realized gain on investments.....	185,318	
Net unrealized appreciation on investments for the period.....	2,697,363	
	-----	
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	3,132,300	
	-----	
CAPITAL STOCK TRANSACTIONS:		
Net proceeds from shares sold.....	126,021,140	
Cost of shares redeemed.....	(30,554,781)	
	-----	
INCREASE IN NET ASSETS FROM CAPITAL STOCK TRANSACTIONS.....	95,466,359	
	-----	
TOTAL INCREASE IN NET ASSETS.....	98,598,659	
NET ASSETS:		
Beginning of period-Note 1.....	100,000	
	-----	
End of period (including undistributed investment income-net of \$249,619).....	\$ 98,698,659	
	-----	
		SHARES
		-----
CAPITAL SHARE TRANSACTIONS:		
Shares sold.....	9,040,642	
Shares redeemed.....	(2,153,725)	
	-----	
NET INCREASE IN SHARES OUTSTANDING.....	6,886,917	
	=====	

</TABLE>

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FINANCIAL HIGHLIGHTS (UNAUDITED)

Contained below is per share operating performance data for a share of Common Stock outstanding, total investment return, ratios to average net assets and other supplemental data for the period June 29, 1993



(commencement of operations) to November 30, 1993. This information has been derived from information provided in the Fund's financial statements.

PER SHARE DATA:

<S>	<C>
Net asset value, beginning of period.....	\$ 12.50%*
	-----
INVESTMENT OPERATIONS:	
Investment income-net.....	.04
Net realized and unrealized gain on investments.....	1.77
	-----
TOTAL FROM INVESTMENT OPERATIONS.....	1.81
	-----
Net asset value, end of period.....	\$ 14.31
	=====
TOTAL INVESTMENT RETURN	14.48%*
RATIOS/SUPPLEMENTAL DATA:	
Ratio of expenses to average net assets.....	.73%*
Ratio of net investment income to average net assets.....	.55%*
Decrease reflected in above expense ratio due to undertakings by Dreyfus.....	.24%*
Portfolio Turnover Rate.....	17.65%*
Net Assets, end of period (000's Omitted).....	\$98,699

\*Not Annualized.

</TABLE>

See notes to financial statements.

DREYFUS INTERNATIONAL EQUITY FUND, INC.  
 NOTES TO FINANCIAL STATEMENTS (UNAUDITED)  
 NOTE 1-SIGNIFICANT ACCOUNTING POLICIES:

Dreyfus International Equity Fund, Inc. (the "Fund") was incorporated on January 27, 1993 and had no operations until June 29, 1993 (commencement of operations) other than matters relating to its organization and registration as a non-diversified open-end management investment company under the Investment Company Act of 1940 ("Act") and the Securities Act of 1933 and the sale and issuance of 8,000 shares of Common Stock ("Initial Shares") to The Dreyfus Corporation ("Dreyfus"), the Fund's investment adviser. M&G Investment Management Limited ("M&G") serves as the Fund's sub-investment adviser. Dreyfus Service Corporation ("Distributor"), a wholly-owned subsidiary of Dreyfus, acts as the distributor of the Fund's shares, which are sold to the public without a sales load. As of November 30, 1993, the Manager held 408,000 shares. The Fund's fiscal year ends on May 31.

(A) PORTFOLIO VALUATION: Investments in securities (including options and financial futures) are valued at the last sales price on the securities exchange on which such securities are primarily traded or at the last sales price on the national securities market. Securities not listed on an exchange or the national securities market, or securities for which there were no transactions, are valued at the average of the most recent bid and asked prices, except for open short positions, where the asked price is used for valuation purposes. Bid price is used when no asked price is available. Short-term investments are carried at amortized cost, which approximates value. Investments traded in foreign currencies are translated to U.S. dollars at the prevailing rates of exchange.

(B) SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Dividend income is recognized on the ex-dividend date and interest income, including, where applicable, amortization of discount on investments, is recognized on the accrual basis.

(C) DIVIDENDS TO SHAREHOLDERS: Dividends are recorded on the ex-dividend date. Dividends from investment income-net and dividends from net realized capital gain are normally declared and paid annually, but the Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code. To the extent that net realized capital gain can be offset by capital loss carryovers, if any, it is the policy of the Fund not to distribute such gain.

(D) FEDERAL INCOME TAXES: It is the policy of the Fund to qualify as a regulated investment company, if such qualification is in the best interests of its shareholders, by complying with the provisions available to certain investment companies, as defined in applicable sections of the Internal Revenue Code, and to make distributions of taxable income sufficient to relieve it from all, or substantially all, Federal income taxes.

(E) OTHER: Organization expenses paid by the Fund are included in prepaid expenses and are being amortized to operations from June 29, 1993, the date operations commenced, over the period during which it is expected that a benefit will be realized, not to exceed five years. At November 30, 1993, the unamortized balance of such expenses amounted

to \$102,195. In the event that any of the Initial Shares are redeemed during the amortization period, the redemption proceeds will be reduced by any unamortized organization expenses in the same proportion as the number of such shares being redeemed bears to the number of such shares outstanding at the time of such redemption.

DREYFUS INTERNATIONAL EQUITY FUND, INC.  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)  
NOTE 2-INVESTMENT ADVISORY FEE, SUB-INVESTMENT ADVISORY FEE AND  
OTHER TRANSACTIONS WITH AFFILIATES:

(A) Pursuant to a Management Agreement with Dreyfus, the management fee is computed at the annual rate of .75 of 1% of the average daily value of the Fund's net assets and is payable monthly. Dreyfus and M&G have agreed that if in any full fiscal year the Fund's aggregate expenses, exclusive of interest, taxes, brokerage and extraordinary expenses, exceed the expense limitation of any state having jurisdiction over the Fund, Dreyfus and M&G will bear the excess expense in proportion to their management fee and sub-advisory fee to the extent required by state law. The most stringent state expense limitation applicable to the Fund presently requires reimbursement of expenses in any full fiscal year that such expenses (exclusive of distribution expenses and certain expenses as described above) exceed 2 1/2% of the first \$30 million, 2% of the next \$70 million and 1 1/2% of the excess over \$100 million of the average value of the Fund's net assets in accordance with California "blue sky" regulations.

However, Dreyfus had undertaken from June 29, 1993 through January 12, 1994, to reduce the management fee paid by the Fund, by certain specified annual percentages of the Fund's average net assets. The reduction in management fee pursuant to the undertakings amounted to \$111,337 for the period ended November 30, 1993.

Pursuant to a Sub-Investment Advisory Agreement between Dreyfus and M&G, the sub-advisory fee is computed at the annual rate of .30 of 1% of the average daily value of the Fund's net assets and is payable monthly by Dreyfus.

(B) Under the Distribution Plan (the "Plan") adopted pursuant to Rule 12b-1 under the Act, the Fund pays the Distributor, at an annual rate of .50 of 1% of the value of the Fund's average daily net assets, for costs and expenses in connection with advertising, marketing and distributing the Fund's shares and for servicing shareholder accounts. The Distributor may make payments to one or more Service Agents (a securities dealer, financial institution, or other industry professional) based on the value of the Fund's shares owned by clients of the Service Agent. The Plan also separately provides for the Fund to bear the costs of preparing, printing and distributing certain of the Fund's prospectuses and statements of additional information and costs associated with implementing and operating the Plan, not to exceed the greater of \$100,000 or .005 of 1% of the Fund's average daily net assets for any full fiscal year. During the period ended November 30, 1993, the Fund was charged \$108,096 pursuant to the Plan.

(C) Pursuant to the Fund's Shareholder Services Plan, the Fund pays the Distributor an annual rate of .25 of 1% of the value of the Fund's average daily net assets for servicing shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts. During the period ended November 30, 1993, the Fund was charged an aggregate of \$48,351 pursuant to the Shareholder Services Plan.

(D) Certain officers and directors of the Fund are "affiliated persons," as defined in the Act, of Dreyfus and/or the Distributor. Each director who is not an "affiliated person" receives an annual fee of \$1,000 and an attendance fee of \$250 per meeting.

DREYFUS INTERNATIONAL EQUITY FUND, INC.  
NOTES TO FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

(E) On December 5, 1993, Dreyfus entered into an Agreement and Plan of Merger providing for the merger of Dreyfus with a subsidiary of Mellon Bank Corporation ("Mellon").

Upon closing of the merger, it is planned that Dreyfus will retain its New York headquarters and will be a separate subsidiary within the Mellon organization. It is expected that Dreyfus' management team and mutual fund managers will remain in place, and the Dreyfus mutual funds will be operated in the same manner as they are currently.

Following the merger, Dreyfus will be either a direct or indirect subsidiary of Mellon, whose principal banking subsidiary is Mellon Bank, N.A. Closing of this merger is subject to a number of contingencies, including the receipt of certain regulatory approvals and the approvals of the stockholders of Dreyfus and of Mellon. The merger is expected to occur in mid-1994, but could occur significantly later.

Because the merger will constitute an "assignment" of the Fund's Management Agreement with Dreyfus under the Investment Company Act of

1940, and thus a termination of such Agreement, Dreyfus will seek prior approval from the Fund's Board and shareholders.

NOTE 3-SECURITIES TRANSACTIONS:

(A) The aggregate amount of purchases and sales of investment securities, excluding short-term securities and forward currency exchange contracts, during the period ended November 30, 1993 amounted to \$90,817,515 and \$7,223,205, respectively.

In addition, the following summarizes open forward currency exchange contracts at November 30, 1993:

FORWARD CURRENCY SALE CONTRACTS	PROCEEDS	U.S. DOLLAR VALUE	UNREALIZED APPRECIATION
-----	-----	-----	-----
Deutsche Marks, expiring 4/12/94...	\$ 1,987,353	\$ 1,901,763	\$ 85,590
French Francs, expiring 4/12/94....	3,306,131	3,225,537	80,594
Japanese Yen, expiring 4/12/94.....	12,654,863	12,350,230	304,633
			-----
			\$470,817
			=====

When executing forward currency exchange contracts, the Fund is obligated to buy or sell a foreign currency at a specified rate on a certain date in the future. With respect to sales of forward currency exchange contracts, the Fund would incur a loss if the value of the contract increases between the date the forward contract is opened and the date the forward contract is closed. The Fund realizes a gain if the value of the contract decreases between those dates. With respect to purchases of forward currency exchange contracts, the Fund would incur a loss if the value of the contract decreases between the date the forward contract is opened and the date the forward contract is closed.

(B) At November 30, 1993, accumulated net unrealized appreciation on investments was \$2,697,363, consisting of \$6,351,831 gross unrealized appreciation and \$3,654,468 gross unrealized depreciation.

At November 30, 1993, the cost of investments for Federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

(Dreyfus Logo)

International  
Equity  
Fund, Inc.  
Semi-Annual  
Report  
November 30, 1993

DREYFUS INTERNATIONAL EQUITY FUND, INC.

144 Glenn Curtiss Boulevard

Uniondale, NY 11556

INVESTMENT ADVISER

The Dreyfus Corporation

200 Park Avenue

New York, NY 10166

SUB-INVESTMENT ADVISER

M&G Investment Management Limited

Three Quays, Tower Hill

London, EC3R 6BQ, England

DISTRIBUTOR

Dreyfus Service Corporation

200 Park Avenue

New York, NY 10166

CUSTODIAN

The Bank of New York

110 Washington Street

New York, NY 10286

TRANSFER AGENT &

DIVIDEND DISBURSING AGENT

The Shareholder Services Group, Inc.

P.O. Box 9671

Providence, RI 02940

Further information is contained in the Prospectus,  
which must precede or accompany this report.

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International  
Equity

Fund, Inc.  
Semi-Annual  
Report

November 30, 1993

(Dreyfus Lion Logo)

## Exhibit A:

## Diversification of Foreign Investments \*

-----			
United Kingdom	14.7	%	
Japan	14.0	%	
Hong Kong	8.5	%	
France	8.1	%	
Germany	7.9	%	
Switzerland	4.7	%	
Mexico	4.7	%	
Australia	4.5	%	
Italy	3.7	%	
Malaysia	3.4	%	
Spain	3.2	%	
Canada	2.8	%	
Singapore	2.6	%	
Netherlands	1.7	%	
Argentina	1.0	%	
New Zealand	1.0	%	
Austria	0.8	%	
-----			

(Foreign Securities equal 87.3% of Total Net Assets)