

CENTRAL EUROPE & RUSSIA FUND, INC.  
Form N-Q  
March 31, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANY

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Investment Company Act file number 811-06041

The Central Europe and Russia Fund, Inc.  
(Exact name of registrant as specified in charter)

345 Park Avenue  
New York, NY 10154  
(Address of principal executive offices) (Zip code)

Paul Schubert  
345 Park Avenue  
New York, NY 10154-0004  
(Name and address of agent for service)

Registrant's telephone number, including area code: (212) 454-7190

Date of fiscal year end: 10/31

Date of reporting period: 1/31/10

ITEM 1. SCHEDULE OF INVESTMENTS

THE CENTRAL EUROPE AND RUSSIA FUND, INC.

SCHEDULE OF INVESTMENTS — JANUARY 31, 2010 (unaudited)

Shares	Description	Value(a)
INVESTMENTS IN RUSSIAN SECURITIES – 67.2%		
	COMMON STOCKS – 66.1%	
	COMMERCIAL BANKS – 9.7%	
18,500,000	Sberbank	\$53,927,500
	CONSTRUCTION MATERIALS – 0.7%	
	LSR Group (GDR) Reg	
504,000	S*	4,132,800
	DIVERSIFIED TELECOMMUNICATION – 3.2%	
800,000		4,776,000

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	Comstar United Telesystems (GDR) Reg S Vimpel Communications (ADR)	13,018,810 17,794,810
700,000		
	ELECTRIC-INTEGRATED – 1.5% OJSC Enel OGK-5 (GDR)*	893,394
216,633		
1,750,000	RusHydro (ADR)*	7,630,000 8,523,394
	ENERGY EQUIPMENT & SERVICES – 0.8% Integra Group Holdings (GDR)*	4,382,780
1,270,371		
	FOOD & STAPLES RETAILING – 0.7% Magnit (GDR) (144A)*	4,054,959
297,710		
	FOOD PRODUCTS – 0.9% Wimm Bill Dann Foods (ADR)*†	4,877,808
240,000		
	MEDIA – 0.8% CTC Media*	4,749,500
350,000		
	METALS & MINING – 8.8% Evraz Group S.A. (GDR)*	3,320,000
100,000		
	Magnitogorsk Iron & Steel Works (GDR)*	3,495,426
276,100		
300,000	Mechel Steel Group	6,324,000
	MMC Norilsk Nickel (ADR)*	28,767,500
1,850,000		
1,300,000	Raspadskaya*	7,169,500 49,076,426
	OIL, GAS & CONSUMABLE FUELS – 34.9% Gazprom	19,188,000
3,198,000		
2,133,774	Gazprom (ADR)	52,512,178
	LUKOIL	16,200,000
300,000		
540,000	LUKOIL (ADR)†	29,889,000

Shares

	Description	Value(a)
	NovaTek OAO (GDR) Reg S	\$ 28,600,000
400,000		
300,000	Rosneft Oil	2,295,000
	Rosneft Oil (GDR) Reg S	31,160,000
4,000,000		
1,000,000	Surgutneftegaz (ADR)†	8,477,000
	Tatneft (ADR)*	6,240,000
200,000		
52,000	Vostok Gas*†	1,558 194,562,736
	WIRELESS TELECOMMUNICATION SERVICES – 4.1% Mobile Telesystems	9,180,000
1,200,000		
130,000		6,258,265

	Mobile Telesystems (ADR)	
100,000	Mobile Telesystems (GDR) Reg S	4,814,050
100,000	Sistema JSFC (GDR) Reg S*	2,500,000
		22,752,315
	Total Common Stocks (cost \$265,675,686)	368,835,028
	PREFERRED STOCKS – 1.1% OIL, GAS & CONSUMABLE FUELS – 1.1% Surgutneftegaz (ADR)† (cost \$6,310,195)	6,226,427
1,320,000	Total Investments in Russian Securities (cost \$271,985,881)	375,061,455
INVESTMENTS IN TURKISH COMMON STOCKS – 17.7%		
	AUTOMOBILES – 0.9% Tofas Turk Otomobil Fabrikasi	5,015,096
1,300,000	COMMERCIAL BANKS – 7.2% Sekerbank TAS*	4,360,953
2,500,000	Turkiye Garanti Bankasi	14,911,103
3,500,000	Turkiye Halk Bankasi	6,910,433
1,000,000	Turkiye IS Bankasi	8,142,402
1,825,000	Yapi ve Kredi Bankasi*	6,105,334
2,500,000		40,430,225
	COMMERCIAL SERVICES & SUPPLIES – 0.3% Koza Anadolu Metal Madencilik Isletmeleri*	1,569,943
450,000	CONSTRUCTION & ENGINEERING – 1.2% Tekfen Holding*	6,633,680
1,750,000		

THE CENTRAL EUROPE AND RUSSIA FUND, INC.

SCHEDULE OF INVESTMENTS — JANUARY 31, 2010 (unaudited) (continued)

Shares	Description	Value(a)
INVESTMENTS IN TURKISH COMMON STOCKS – (continued)		
650,000	CONSTRUCTION MATERIALS – 0.6% Akcansa Cimento	\$ 3,248,910
	DIVERSIFIED FINANCIAL SERVICES – 0.7%	

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	Haci Omer Sabanci Holding*	4,027,989
930,809	FOOD & STAPLES RETAILING – 0.6%	
	Bim Birlesik Magazalar	3,446,830
75,000	HOUSEWARES – 0.6%	
	Turk Sise ve Cam Fabrikalari*	3,270,714
2,500,000	INDUSTRIAL CONGLOMERATES – 0.9%	
	Enka Insaat ve Sanayi	5,202,952
1,100,000	INSURANCE – 0.8%	
	Anadolu Hayat Emeklilik	4,308,621
1,300,000	OIL, GAS & CONSUMABLE FUELS – 0.6%	
	Turcas Petrolculuk	3,230,459
900,000	TELECOM SERVICES – 1.6%	
	Turk Telekomunikasyon	9,070,782
2,600,000	TRANSPORTATION INFRASTRUCTURE – 0.8%	
	TAV Havalimanlari Holding*	4,159,678
1,000,000	WIRELESS TELECOMMUNICATION SERVICES – 0.9%	
	Turkcell Iletism Hizmetleri	5,166,052
700,000	Total Investments in Turkish Common Stocks (cost \$65,348,280)	98,781,931
INVESTMENTS IN POLISH COMMON STOCKS – 7.7%		
	COMMERCIAL BANKS – 4.7%	
	Bank Pekao*	11,784,976
200,000	Powszechna Kasa Oszczednosci Bank Polski	14,539,542
1,075,000		26,324,518
Shares		
	Description	Value(a)
	DIVERSIFIED TELECOMMUNICATION – 0.9%	
	Telekomunikacja Polska	\$ 5,039,628
900,000	ELECTRIC UTILITIES – 0.9%	
	Polska Grupa Energetyczna*†	4,879,393
600,000	METALS & MINING – 1.2%	
	KGHM Polska Miedz	6,685,045
200,000	Total Investments in Polish Common Stocks (cost \$25,160,805)	42,928,584
INVESTMENTS IN CZECH REPUBLIC COMMON STOCKS – 3.4%		

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		COMMERCIAL BANKS – 0.4%	
	10,000	Komerčni Banka	2,028,284
		ELECTRIC UTILITIES – 2.2%	
		Ceske Energeticke	
	255,000	Zavody	12,472,753
		MINING SERVICES – 0.8%	
		New World	
	400,000	Resources†	4,234,143
		Total Investments	
		in Czech Republic	
		Common	
		Stocks (cost	
		\$4,062,401)	18,735,180
INVESTMENTS IN HUNGARIAN COMMON STOCKS –			
3.2%			
		COMMERCIAL BANKS – 2.7%	
	500,000	OTP Bank*†	14,984,114
		OIL, GAS & CONSUMABLE FUELS – 0.5%	
		MOL Hungarian	
	30,000	Oil & Gas NyRt*	2,804,909
		Total Investments	
		in	
		Hungarian Common	
		Stocks (cost	
		\$11,381,453)	17,789,023
		Total Investments	
		in Common and	
		Preferred Stocks –	
		99.2% (cost	
		\$377,938,820)	553,296,173

THE CENTRAL EUROPE AND RUSSIA FUND, INC.

SCHEDULE OF INVESTMENTS — JANUARY 31, 2010 (unaudited) (continued)

Shares	Description	Value(a)
SECURITIES LENDING COLLATERAL – 6.0%		
	Daily Assets	
	Fund Institutional,	
	0.17% (cost	
33,816,103	\$33,816,103)(b)(c)	\$ 33,816,103
CASH EQUIVALENTS – 0.1%		
734,754	Central Cash	734,754
	Management Fund,	
	0.17% (cost	

\$734,754)(c)	
Total Investments –	
105.3% (cost	
\$412,489,677)**	587,847,030
Other Assets and	
Liabilities, Net –	
(5.3%)	(29,753,913)
NET ASSETS –	
100.0%	\$558,093,117

For information on the Fund's policies regarding the valuation of investments and other significant accounting policies, please refer to the Fund's most recent semi-annual or annual financial statements.

\* Non-income producing securities.

\*\* The cost for federal income tax purposes was \$412,645,387. At January 31, 2010, net unrealized appreciation for all securities based on tax cost was \$175,201,643. This consisted of aggregate gross unrealized appreciation for all securities in which there was an excess of value over tax cost of \$191,506,589 and aggregate gross unrealized depreciation for all securities in which there was an excess of tax cost over value of \$16,304,946.

† All or a portion of these securities were on loan. The value of all securities loaned at January 31, 2010 amounted to \$32,357,225 which is 5.8% of the net assets.

(a) Value stated in US dollars.

(b) Represents collateral held in connection with securities lending. Income earned by the fund is net of borrower rebates.

(c) Affiliated fund managed by Deutsche Investment Management Americas Inc. The rate shown is the annualized seven-day yield at period end.

ADR – American Depositary Receipt

GDR – Global Depositary Receipt

Reg S – Securities sold under Regulation S may not be offered, sold or delivered within the United States or to, or for the account or benefit of, US persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.

144A – 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.

## THE CENTRAL EUROPE AND RUSSIA FUND, INC.

## SCHEDULE OF INVESTMENTS — JANUARY 31, 2010 (unaudited) (continued)

## Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant unobservable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of January 31, 2010 in valuing the Fund's investments.

Category	Level 1	Level 2	Level 3	Total
Common Stocks and/or Other Equity Investments(d)				
Russia	\$375,061,455	\$ 0	\$ 0	\$375,061,455
Turkey	98,781,931	0	0	98,781,931
Poland	42,928,584	0	0	42,928,584
Czech Republic	18,735,180	0	0	18,735,180
Hungary	17,789,023	0	0	17,789,023
Short-Term Investments	34,550,857	0	0	34,550,857
Total	\$587,847,030	\$ 0	\$ 0	\$587,847,030

(d) See Schedule of Investments for additional detailed categorizations

## ITEM 2. CONTROLS AND PROCEDURES

(a)The Chief Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on the evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b)There have been no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting.

ITEM 3. EXHIBITS

Certification pursuant to Rule 30a-2(a) under the Investment Company Act of 1940 (17 CFR 270.30a-2(a)) is filed and attached hereto as Exhibit 99.CERT.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Registrant: The Central Europe and Russia Fund, Inc.

By: /s/Michael G. Clark  
Michael G. Clark  
President

Date: March 25, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Registrant: The Central Europe and Russia Fund, Inc.

By: /s/Michael G. Clark  
Michael G. Clark  
President

Date: March 25, 2010

By: /s/Paul Schubert  
Paul Schubert  
Chief Financial Officer and Treasurer

Date: March 25, 2010