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TAIWAN FUND INC
Form N-Q
January 26, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-4893

THE TAIWAN FUND, INC.
(Exact name of registrant as specified in charter)

2 AVENUE DE LAFAYETTE
BOSTON, MA 02111
(Address of principal executive offices) (Zip code)

(Name and Address of Agent for Service)

Copy to:

The Taiwan Fund, Inc.
c/o State Street Bank and Trust Company
Attention: Mary Moran Zeven, Assistant
Secretary
P.O. Box 5049
Boston, MA 02206-5049

Leonard B. Mackey, Jr., Esq.
Clifford Chance U.S. LLP
31 West 52nd Street
New York, New York 10019

Registrant's telephone number, including area code: (800) 636-9242

Date of fiscal year end: August 31, 2007

Date of reporting period: November 30, 2006

ITEM 1: SCHEDULE OF INVESTMENTS

THE TAIWAN FUND, INC.

Investments/November 30, 2006 (Showing Percentage of Total Value of Investment
in Securities) (unaudited)

	SHARES	US\$ VALUE (NOTE C)
	-----	-----
COMMON STOCKS -- 98.3%		
BASIC INDUSTRIES -- 10.9%		
CONSTRUCTION -- 4.1%		
Cathay Real Estate Development Co. Ltd. (a)	8,000,000	\$ 6,144,336
Goldsun Development & Construction Co. Ltd.	11,271,000	6,026,528
Highwealth Construction Corp.	600,000	875,290

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		-----	13,046,154	-----
IRON & STEEL -- 2.7%				
China Steel Corp.	8,280,000		8,393,880	-----
PAPER -- 1.8%				
Chung Hwa Pulp Corp.	5,400,000		2,904,033	
Long Chen Paper Co. Ltd.	6,000,000		2,828,002	-----
			5,732,035	-----
PLASTICS -- 2.1%				
Nan Ya Plastics Corp.	2,266,000		3,648,852	
Taiwan Hon Chuan Enterprise Co. Ltd.	3,570,000		2,852,248	-----
			6,501,100	-----
RETAIL GROCERY -- 0.2%				
Great Wall Enterprise Co. Ltd	1,000,000		559,419	-----
TOTAL BASIC INDUSTRIES			34,232,588	-----
FINANCE -- 7.2%				
FINANCIAL SERVICES -- 7.2%				
Cathay Financial Holding Co. Ltd.	5,248,593		11,841,981	
KGI Securities Co. Ltd. (a)	8,000,000		2,868,181	
Masterlink Securities Corp.	7,000,000		2,845,001	
Polaris Securities Co. Ltd. (a)	5,000,000		2,418,482	
Yuanta Core Pacific Securities Co.	3,500,000		2,715,191	-----
TOTAL FINANCE			22,688,836	-----
TECHNOLOGY -- 80.2%				
ELECTRONIC COMPONENTS -- 12.6%				
Cyntec Co. Ltd.	4,404,025		5,662,415	
E-Ton Solar Tech Co. Ltd.	87,000		1,610,663	
G Shank Enterprise Co. Ltd.	1,580,000		1,841,014	
Kinsus Interconnect Technology Corp.	2,488,209		6,952,066	
Motech Industries Inc.	214,614		3,227,004	
Nan Ya Printed Circuit Board Corp.	600,000		4,218,822	
Tripod Technology Corp.	2,331,000		8,068,985	
Unimicron Technology Corp.	6,180,000		8,175,058	-----
			39,756,027	-----
ELECTRONICS -- 10.0%				
Delta Electronics Inc.	2,325,000		7,142,791	
Largan Precision Co. Ltd.	425,000		8,091,485	
Pan-International Industrial Co. Ltd.	2,000,000		5,569,464	
Synnex Technology International Corp.	9,500,000		10,731,726	

	US\$
-----	-----
SHARES	VALUE (NOTE C)
-----	-----
	\$ 31,535,466

IC DESIGN -- 6.3%

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MediaTek, Inc.	1,320,000	13,503,941
Novatek Microelectronics Corp. Ltd.	1,442,851	6,466,184

		19,970,125

MEMORY IC -- 3.9%		
Inotera Memories Inc.	6,800,000	8,017,926
Powerchip Semiconductor Corp.	6,312,289	4,096,989

		12,114,915

PC & PERIPHERALS -- 13.5%		
Asia Vital Components Co. Ltd. (a)	5,500,000	3,212,796
Asustek Computer, Inc.	3,000,000	8,242,930
Catcher Technology Co. Ltd.	777,921	6,912,449
Foxconn Technology Co. Ltd.	570,000	5,707,928
Hon Hai Precision Industry Co. Ltd.	2,524,800	18,377,079

		42,453,182

SEMICONDUCTOR MANUFACTURING -- 15.3%		
Advanced Semiconductor Engineering Inc. (a)	6,500,000	7,473,343
Ardentec Corp.	2,693,749	2,389,448
King Yuan Electronics Co. Ltd.	9,354,000	7,979,304
Siliconware Precision Industries Co.	9,865,556	16,008,088
Taiwan Semiconductor Manufacturing Co. Ltd.	7,003,000	14,176,990

		48,027,173

TELECOMMUNICATIONS -- 13.0%		
Cheng Uei Precision Industry Co. Ltd.	2,335,761	8,302,040
D-Link Corp.	9,900,000	11,933,241
High Tech Computer Corp.	720,000	16,645,341
Merry Electronics Co. Ltd.	1,432,000	4,160,346

		41,040,968

TFT-LCD -- 5.6%		
Wellypower Optronics Corp.	2,350,000	9,115,284
Au Optronics Corp.	6,399,390	8,603,723

		17,719,007

TOTAL TECHNOLOGY		252,616,863

TOTAL COMMON STOCKS		
(Identified Cost -- \$219,000,748)		309,538,287

PRINCIPAL
AMOUNT
NT\$

COMMERCIAL PAPER -- 1.5%		
Chinese Lease 1.60%, 1/25/2007 (b)	49,827,988	1,540,040
E. Sun Bank 1.60%, 1/8/2007 (b)	100,475,520	3,105,409

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See Notes to Schedule of Investments.

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INVESTMENTS/ November 30, 2006 (unaudited) (continued)

Taiwan Business Bank 1.60%, 1/8/2007 (b)	51,225	1,583

TOTAL COMMERCIAL PAPER (Identified Cost -- \$4,586,783)		4,647,032

MATURITY
AMOUNT
US\$

REPURCHASE AGREEMENT -- 0.2% State Street Bank and Trust Co. 1.50% dated 11/27/06 due 12/04/06 (collateralized by U.S. Treasury Note 4.375%, 8/15/12, market value \$647,028) (d)	\$ 631,184	\$ 631,000

TOTAL INVESTMENTS -- 100% (Cost -- \$224,218,531)*		\$ 314,816,319
		=====

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See Notes to Schedule of Investments.

NOTES TO SCHEDULE OF INVESTMENTS

- (a) Non-income producing
- (b) Certificates of Deposit and Commercial Paper that are traded through Bills Finance Corporations must be guaranteed by either a bank, a trust company or a Bills Finance Corporation. Since there is no recognized credit rating system in the Republic of China, the guarantee may not be comparable to a guarantee issued by a U.S. institution.
- (c) All securities, including those traded over-the-counter for which market quotations are readily available, are valued at the last sales price prior to the time of determination of the Fund's net asset value per share or, if there were no sales on such date, at the closing price quoted for such securities (but if bid and asked quotations are available, at the mean between the last current bid and asked prices, rather than such quoted closing price). In certain instances where the price determined above may not represent fair market value, the value is determined in such manner as the Board of Directors may prescribe. Short-term investments, having a maturity of 60 days or less, are valued at amortized cost, which approximates market value, with accrued interest or discount earned included in interest receivable.

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(d) In connection with transactions in repurchase agreements, it is the Fund's policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the Fund may be delayed or limited by legal proceedings.

* At November 30, 2006, aggregate gross unrealized appreciation for all securities for which there was an excess of value over financial reporting cost was \$90,597,788 and aggregate gross unrealized depreciation for all securities for which there was an excess of financial reporting cost over value was \$4,423,832 and net appreciation for financial reporting purposes was \$95,021,620. At November 30, 2006, aggregate cost for financial reporting purposes was \$224,218,531.

ITEM 2. CONTROLS AND PROCEDURES

(a) The registrant's principal executive and principal financial officers have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30a-3(c))) are effective, as of a date within 90 days of the filing date of this Form N-Q based on their evaluation of the controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (17 CFR 240.13a-15(b) or 240.15d-15(b)).

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d))) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 3. EXHIBITS

The certification required by Rule 30a-2(a) of the Investment Company Act of 1940 (17 CFR 270.30a-2(a)), as amended, is attached as an exhibit to this filing.

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.

THE TAIWAN FUND, INC.

By: /s/ Benny T. Hu

Benny T. Hu
President of The Taiwan Fund, Inc.

Date: January 15, 2007

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

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dates indicated.

By: /s/ Adelina Louie

Adelina Louie
Treasurer of The Taiwan Fund, Inc.

Date: January 12, 2007

By: /s/ Benny T. Hu

Benny T. Hu
President of The Taiwan Fund, Inc.

Date: January 15, 2007