

MORGAN STANLEY EMERGING MARKETS DEBT FUND INC

Form N-Q

November 26, 2008

**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: 811-07694

MORGAN STANLEY EMERGING MARKETS DEBT FUND, INC.
(Exact name of registrant as specified in charter)

522 FIFTH AVENUE NEW YORK, NY
(Address of principal executive offices)

10036
(Zip code)

RANDY TAKIAN

522 FIFTH AVENUE NEW YORK, NY, 10036
(Name and address of agent for service)

Registrant's telephone number, including area code: 1-800-231-2608

Date of fiscal year end: 12/31

Date of reporting period: 9/30/08

Item 1. Schedule of Investments.

The Fund's schedule of investment as of the close of the reporting period prepared pursuant to Rule 12-12 Regulation S-X is as follows:

Third Quarter Report

September 30, 2008 (unaudited)

Portfolio of Investments

(Showing percentage of Total Value of Investments)

Morgan Stanley Emerging Markets Debt Fund, Inc.

	Face Amount (000)	Value (000)
Debt Instruments (95.3%)		
Argentina (0.4%)		
Sovereign (0.4%)		
Republic of Argentina, 8.28%, 12/31/33	\$ 1,706	\$ 979
Brazil (17.1%)		
Corporate (1.0%)		
Banco ABN Amro Real S.A., 16.20%, 2/22/10	BRL 4,240	2,195
Sovereign (16.1%)		
Banco Nacional de Desenvolvimento Economico e Social, 6.37%, 6/16/18(a)	\$ 5,000	4,425
Brazil Notas do Tesouro Nacional, Series F, 10.00%, 1/1/14	BRL 5,613	2,473
Federative Republic of Brazil, 6.00%, 1/17/17	\$ 6,850	6,628
8.00%, 1/15/18	6,403	6,883
8.88%, 10/14/19 - 4/15/24	4,688	5,530
10.50%, 7/14/14	1,740	2,197
11.00%, 8/17/40	5,250	6,595
		34,731
		36,926
Bulgaria (0.6%)		
Sovereign (0.6%)		
Republic of Bulgaria, 8.25%, 1/15/15(a)	1,149	1,270
Chile (1.5%)		
Corporate (1.5%)		
Empresa Nacional de Petroleo, 6.75%, 11/15/12(a)	3,090	3,174
Colombia (1.8%)		
Sovereign (1.8%)		
Republic of Colombia, 7.38%, 1/27/17	960	1,008
11.75%, 2/25/20	2,025	2,810
		3,818

Edgar Filing: MORGAN STANLEY EMERGING MARKETS DEBT FUND INC - Form N-Q

Ecuador (2.1%)		
Sovereign (2.1%)		
Republic of Ecuador,		
9.38%, 12/15/15	3,113	2,622
10.00%, 8/15/30	2,500	1,819
		4,441
Ghana (0.8%)		
Sovereign (0.8%)		
Republic of Ghana,		
8.50%, 10/4/17(a)	1,916	1,820
Indonesia (6.6%)		
Corporate (1.5%)		
Pindo Deli Finance Mauritius,		
Tranche A, 4.83%, 4/28/15(a)(b)	484	351
Tranche B, 4.83%, 4/28/18(a)(b)	1,707	606
Tranche C, Zero Coupon, 4/28/25(b)	6,884	516
Tjiwi Kimia Finance Mauritius Ltd.,		
Tranche A, 4.83%, 4/28/15(a)(b)	1,596	1,125
Tranche B, 4.83%, 4/28/18(a)(b)	1,477	495
Tranche C, Zero Coupon, 4/28/27(a)(b)	3,352	235
		3,328
Sovereign (5.1%)		
Republic of Indonesia,		
6.88%, 1/17/18(a)	2,452	2,243
7.75%, 1/17/38(a)	9,561	8,655
		10,898
		14,226
Ivory Coast (0.3%)		
Sovereign (0.3%)		
Ivory Coast,		
Zero Coupon, 3/31/18(c)	2,045	705