

TEMPLETON EMERGING MARKETS FUND
Form N-Q
January 26, 2007

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-04985

TEMPLETON EMERGING MARKETS FUND

(Exact name of registrant as specified in charter)

500 EAST BROWARD BLVD., SUITE 2100, FORT LAUDERDALE, FL 33394-3091

(Address of principal executive offices) (Zip code)

CRAIG S. TYLE, ONE FRANKLIN PARKWAY, SAN MATEO, CA 94403-1906

(Name and address of agent for service)

Registrant's telephone number, including area code: (954) 527-7500

Date of fiscal year end: 08/31

Date of reporting period: 11/30/06

ITEM 1. SCHEDULE OF INVESTMENTS.

Templeton Emerging Markets Fund

QUARTERLY STATEMENT OF INVESTMENTS
NOVEMBER 30, 2006

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[LOGO] (R)
FRANKLIN TEMPLETON
INVESTMENTS

Franklin o TEMPLETON o Mutual Series

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Templeton Emerging Markets Fund

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2006 (UNAUDITED)

| | INDUSTRY |
|---|--|
| LONG TERM INVESTMENTS 99.4% | |
| COMMON STOCKS AND RIGHTS 88.7% | |
| AUSTRIA 0.7% | |
| OMV AG | Oil, Gas & Consumable Fuels |
| BRAZIL 2.2% | |
| Centrais Eletricas Brasileiras SA | Electric Utilities |
| Centrais Eletricas Brasileiras SA (Non - Taxable) | Electric Utilities |
| Souza Cruz SA | Tobacco |
| CHINA 12.5% | |
| Aluminum Corp. of China Ltd., H | Metals & Mining |
| China Mobile Ltd. | Wireless Telecommunication Services |
| China Petroleum and Chemical Corp., H | Oil, Gas & Consumable Fuels |
| Chongqing Changan Automobile Co. Ltd., B | Automobiles |
| CNOOC Ltd. | Oil, Gas & Consumable Fuels |
| Denway Motors Ltd. | Automobiles |
| PetroChina Co. Ltd., H | Oil, Gas & Consumable Fuels |
| a PetroChina Co. Ltd., H, 144A | Oil, Gas & Consumable Fuels |
| Yanzhou Coal Mining Co. Ltd., H | Oil, Gas & Consumable Fuels |
| HONG KONG 0.5% | |
| Dairy Farm International Holdings Ltd. | Food & Staples Retailing |
| HUNGARY 3.6% | |
| b Magyar Telekom PLC | Diversified Telecommunication Services |
| MOL Magyar Olaj-es Gazipari Rt. | Oil, Gas & Consumable Fuels |
| Richter Gedeon Nyrt. | Pharmaceuticals |
| INDIA 2.4% | |
| Gail India Ltd. | Gas Utilities |
| Indian Oil Corp. Ltd. | Oil, Gas & Consumable Fuels |
| Oil & Natural Gas Corp. Ltd. | Oil, Gas & Consumable Fuels |
| a Oil & Natural Gas Corp. Ltd., 144A | Oil, Gas & Consumable Fuels |
| INDONESIA 0.9% | |
| PT Astra International Tbk | Automobiles |
| PT Bank Internasional Indonesia Tbk | Commercial Banks |

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MALAYSIA 2.1%

| | |
|--------------------------------|--|
| Maxis Communications Bhd. | Wireless Telecommunication Services |
| Sime Darby Bhd. | Industrial Conglomerates |
| Tanjong PLC | Independent Power Producers & Energy Traders |

MEXICO 2.9%

| | |
|---|--|
| Kimberly Clark de Mexico SAB de CV, A | Household Products |
| Telefonos de Mexico SA de CV, L, ADR | Diversified Telecommunication Services |

Quarterly Statement of Investments | 3

Templeton Emerging Markets Fund

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2006 (UNAUDITED) (CONTINUED)

INDUSTRY

LONG TERM INVESTMENTS (CONTINUED) COMMON STOCKS AND RIGHTS (CONTINUED)

PAKISTAN 0.5%

| | |
|--|--|
| Pakistan Telecommunications Corp., A | Diversified Telecommunication Services |
|--|--|

PANAMA 0.3%

| | |
|---|------------------|
| Banco Latinoamericano de Exportaciones SA, E | Commercial Banks |
|---|------------------|

POLAND 1.6%

| | |
|---------------------------------------|-----------------------------|
| b Grupa Lotos SA | Oil, Gas & Consumable Fuels |
| Polski Koncern Naftowy Orlen SA | Oil, Gas & Consumable Fuels |

RUSSIA 9.8%

| | |
|---|-------------------------------------|
| Gazprom | Oil, Gas & Consumable Fuels |
| Gazprom, ADR | Oil, Gas & Consumable Fuels |
| LUKOIL, ADR | Oil, Gas & Consumable Fuels |
| LUKOIL, ADR (London Exchange) | Oil, Gas & Consumable Fuels |
| Mining and Metallurgical Co. Norilsk Nickel | Metals & Mining |
| Mobile Telesystems, ADR | Wireless Telecommunication Services |
| b ZAO Polyus Gold Co. | Metals & Mining |

SOUTH AFRICA 7.4%

| | |
|--------------------------------------|--------------------------|
| Edgars Consolidated Stores Ltd. | Specialty Retail |
| b Imperial Holdings Ltd. | Air Freight & Logistics |
| JD Group Ltd. | Specialty Retail |
| Massmart Holdings Ltd. | Food & Staples Retailing |

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| | |
|---|--|
| MTN Group Ltd. | Wireless Telecommunication Services |
| Old Mutual PLC | Insurance |
| Remgro Ltd. | Diversified Financial Services |
| | |
| SOUTH KOREA 16.7% | |
| Hana Financial Group Inc. | Commercial Banks |
| Hyundai Development Co. | Construction & Engineering |
| Kangwon Land Inc. | Hotels, Restaurants & Leisure |
| LG Card Co. Ltd. | Consumer Finance |
| Lotte Shopping Co. Ltd. | Multiline Retail |
| Samsung Electronics Co. Ltd. | Semiconductors & Semiconductor Equipment |
| Shinhan Financial Group Co. Ltd. | Commercial Banks |
| SK Corp. | Oil, Gas & Consumable Fuels |
| SK Telecom Co. Ltd. | Wireless Telecommunication Services |
| | |
| SWEDEN 1.0% | |
| Oriflame Cosmetics SA, SDR | Personal Products |
| | |
| TAIWAN 8.7% | |
| Asustek Computer Inc. | Computers & Peripherals |
| Lite-On Technology Corp. | Computers & Peripherals |
| MediaTek Inc. | Semiconductors & Semiconductor Equipment |
| Mega Financial Holding Co. Ltd. | Commercial Banks |
| Siliconware Precision Industries Co. | Semiconductors & Semiconductor Equipment |

4 | Quarterly Statement of Investments

Templeton Emerging Markets Fund

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2006 (UNAUDITED) (CONTINUED)

| | INDUSTRY |
|--|--|
| LONG TERM INVESTMENTS (CONTINUED) | |
| COMMON STOCKS AND RIGHTS (CONTINUED) | |
| TAIWAN (CONTINUED) | |
| Sunplus Technology Co. Ltd. | Semiconductors & Semiconductor Equipment |
| Taiwan Mobile Co. Ltd. | Wireless Telecommunication Services |
| Taiwan Semiconductor Manufacturing Co. Ltd. | Semiconductors & Semiconductor Equipment |
| | |
| THAILAND 5.9% | |
| Bangkok Bank Public Co. Ltd., fgn. | Commercial Banks |
| Kasikornbank Public Co. Ltd., fgn. | Commercial Banks |
| Kiatnakin Bank Public Co. Ltd., fgn. | Consumer Finance |
| Land and Houses Public Co. Ltd., fgn. | Household Durables |
| PTT Exploration and Production Public Co. Ltd., fgn. | Oil, Gas & Consumable Fuels |

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| | |
|--|--|
| PTT Public Co. Ltd., fgn. | Oil, Gas & Consumable Fuels |
| Siam Cement Public Co. Ltd., fgn. | Construction Materials |
| Siam Commercial Bank Public Co. Ltd., fgn. | Commercial Banks |
| b True Corp. Public Co. Ltd., rts., 3/28/08 | Diversified Telecommunication Services |
| | |
| TURKEY 7.7% | |
| Akbank TAS | Commercial Banks |
| Arcelik AS, Br. | Household Durables |
| Tupras-Turkiye Petrol Rafineleri AS | Oil, Gas & Consumable Fuels |
| Turkcell Iletisim Hizmetleri AS | Wireless Telecommunication Services |
| Turkiye Vakiflar Bankasi T.A.O. | Commercial Banks |
| | |
| UNITED KINGDOM 1.3% | |
| HSBC Holdings PLC | Commercial Banks |
| Provident Financial PLC | Consumer Finance |
| | |
| TOTAL COMMON STOCKS AND RIGHTS | |
| (COST \$214,051,240) | |
| | |
| PREFERRED STOCKS 10.7% | |
| BRAZIL 10.7% | |
| Banco Bradesco SA, ADR, pfd. | Commercial Banks |
| Companhia Vale do Rio Doce, ADR, pfd., A | Metals & Mining |
| Petroleo Brasileiro SA, ADR, pfd. | Oil, Gas & Consumable Fuels |
| Unibanco - Uniao de Bancos Brasileiros SA, GDR, pfd. | Commercial Banks |
| | |
| TOTAL PREFERRED STOCKS | |
| (COST \$20,090,627) | |
| | |
| TOTAL LONG TERM INVESTMENTS | |
| (COST \$234,141,867) | |

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Templeton Emerging Markets Fund

STATEMENT OF INVESTMENTS, NOVEMBER 30, 2006 (UNAUDITED) (CONTINUED)

| | |
|--|------|
| SHORT TERM INVESTMENTS (COST \$4,063,006) 1.2% | |
| MONEY MARKET FUND 1.2% | |
| UNITED STATES 1.2% | |
| c Franklin Institutional Fiduciary Trust | |
| Money Market Portfolio, 4.97% | 4,06 |

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TOTAL INVESTMENTS
(COST \$238,204,873) 100.6%
OTHER ASSETS, LESS LIABILITIES (0.6)%

NET ASSETS 100.0%

SELECTED PORTFOLIO ABBREVIATIONS

ADR - American Depository Receipt
GDR - Global Depository Receipt
SDR - Swedish Depository Receipt

- a Security was purchased pursuant to Rule 144A under the Securities Act of 1933 and may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. These securities have been deemed liquid under guidelines approved by the Fund's Board of Trustees. At November 30, 2006, the aggregate value of these securities was \$3,244,365 representing 0.93% of net assets.
- b Non-income producing for the twelve months ended November 30, 2006.
- c The Franklin Institutional Fiduciary Trust Money Market Portfolio is managed by an affiliate of the Fund's investment manager. The rate shown is the annualized seven-day yield at period end.

6 | Quarterly Statement of Investments

Templeton Emerging Markets Fund

NOTES TO STATEMENT OF INVESTMENTS (UNAUDITED)

Templeton Emerging Markets Fund (the Fund) is registered under the Investment Company Act of 1940 as a diversified, closed-end investment company.

1. INCOME TAXES

At November 30, 2006, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

| | |
|--|----------------|
| Cost of investments | \$ 245,108,781 |
| | ===== |
| Unrealized appreciation | \$ 105,499,463 |
| Unrealized depreciation | (608,339) |
| | ----- |
| Net unrealized appreciation (depreciation) | \$ 104,891,124 |
| | ===== |

For information on the Fund's policy regarding valuation of investments and other significant accounting policies, please refer to the Fund's most recent semiannual or annual shareholder report.

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ITEM 2. CONTROLS AND PROCEDURES.

(a) EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES. The Registrant maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Registrant's filings under the Securities Exchange Act of 1934 and the Investment Company Act of 1940 is recorded, processed, summarized and reported within the periods specified in the rules and forms of the Securities and Exchange Commission. Such information is accumulated and communicated to the Registrant's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. The Registrant's management, including the principal executive officer and the principal financial officer, recognizes that any set of controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Within 90 days prior to the filing date of this Quarterly Schedule of Portfolio Holdings on Form N-Q, the Registrant had carried out an evaluation, under the supervision and with the participation of the Registrant's management, including the Registrant's principal executive officer and the Registrant's principal financial officer, of the effectiveness of the design and operation of the Registrant's disclosure controls and procedures. Based on such evaluation, the Registrant's principal executive officer and principal financial officer concluded that the Registrant's disclosure controls and procedures are effective.

(b) CHANGES IN INTERNAL CONTROLS. There have been no significant changes in the Registrant's internal controls or in other factors that could significantly affect the internal controls subsequent to the date of their evaluation in connection with the preparation of this Quarterly Schedule of Portfolio Holdings on Form N-Q.

ITEM 3. EXHIBITS.

(a) Certifications pursuant to Section 30a-2 of the Investment Company Act of 1940 of Jimmy D. Gambill, Chief Executive Officer - Finance and Administration, and Galen G. Vetter, Chief Financial Officer.

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.

TEMPLETON EMERGING MARKETS FUND

By /s/JIMMY D. GAMBILL

Jimmy D. Gambill
Chief Executive Officer -

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Finance and Administration
Date January 25, 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 dates indicated.

By /s/JIMMY D. GAMBILL

Jimmy D. Gambill
Chief Executive Officer -
Finance and Administration
Date January 25, 2007

By /s/GALEN G. VETTER

Galen G. Vetter
Chief Financial Officer
Date January 25, 2007