INTERNET GROWTH FUND, INC.

SEMI-ANNUAL REPORT
June 30, 2003

American Stock
Exchange Symbol:

FND

11 Hanover Square
New York, NY 10005

Tel 1-800-278-4353

www.internetgrowthfund.com

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11 Hanover Square, New York, NY 10005
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Fellow Shareholders:

We are very pleased to submit this Semi-Annual Report for the period ending June 30, 2003, and to welcome our shareholders who have made their investment since the Fund's last Report.

We are also very pleased to have announced on July 14, 2003 that the Fund's name was changed with the approval of the Fund's Board of Directors from Internet Growth Fund, Inc. to Foxby Corp. In this connection the Fund's symbol on the American Stock Exchange was changed to FXX (formerly FND) and its CUSIP was changed to 351645 10 6 (formerly 46062H 10 0). As a result, the Fund's non-fundamental investment policy that so long as the word "internet" is included in its name, the Fund will under normal market conditions seek to achieve its investment objective by investing at least 80% of its total assets in companies that directly or indirectly support, utilize, deal or market over, connect through, benefit by, or are otherwise involved in the Internet will be discontinued in 60 days from July 14, 2003. The Fund also announced that in a proxy statement for a meeting scheduled for September 2003, the Board of Directors of the Fund has recommended that shareholders approve: (1) changing the Fund's fundamental investment objective to make it a non-fundamental policy of seeking total return; (2) modifying the Fund's fundamental investment restriction on concentration, which currently requires the Fund to invest, under normal market conditions, more than 25% of its total assets in the securities of issuers in the "information technology industry"; and (3) modifying certain of the Fund's other fundamental investment restrictions in order to provide for maximum investment flexibility.

Review and Outlook

The second quarter of this year was good for stocks, and is mostly the reason for the overall gains in the first half. For example, the S&P 500 was up 15.4% in the second quarter, but up only 11.8% in the first half; the Russell 2000 was up 23.4% in the second quarter, but up only 17.9% in the first half; somewhat differently, the Nasdaq Composite was up 21.1% in the second quarter, and up 21.9% in the first half. The second quarter market rally was the best quarter for the S&P 500 since 1998 and, for the first time since 1989, all 10 industry sectors in the S&P 500 showed gains greater than 5%. Interestingly, since World War II the S&P 500 gained in more than 80% of the quarters that followed the 27 quarters in which it had gained at least 10%.

Yet in the current post-bubble stock market cycle, normal equity valuations are still elusive. The price/earnings multiple and dividend yield of the S&P 500, of approximately 22 and 1.6% respectively, are at levels more often seen at bull market peaks. Also troubling, in June the ratio of insider sales to buys reached six-year highs. Junk bonds and housing seem to be having their own valuation bubbles, probably as a result of the extremely accommodative approach of the Federal Reserve in cutting its target Federal Funds rate to only 1% on June 25, 2003. We became concerned about these developing conditions in the early part of March and adopted a defensive position, by selling some stocks and shorting S&P 500 futures, and thus did not fully participate in the second quarter rally, leading to a first half net asset value total return of -0.39%.

Looking ahead, we believe that equity markets may have overreacted to the initial outcome in Iraq and falling interest rates, and have overlooked real economic conditions. Industrial activity has remained subdued. The economy's apparent strength seems to be largely the result of the record low interest rates, which encourage the consumer to support the U.S. economy through new home and automobile purchases, re-financing of mortgages, and other new household debt, notwithstanding stubborn unemployment. Accordingly, we remain cautious about the short term outlook, but optimistic about the future of the overall markets.

Corporate Governance

In July 2003 the Fund's Board of Directors adopted amended and restated bylaws to enhance corporate governance and "anti-takeover" provisions, including bylaws with respect to the qualification of directors and procedural provisions with respect to the conduct of stockholder meetings, and the Board of Directors determined to be generally subject to the provisions of the Maryland Control Share Acquisition Act. Any stockholder who would like a copy of the Fund's new bylaws may obtain a copy from the Securities and Exchange Commission ("SEC") by calling the SEC at (202) 942-8090 or e-mailing the SEC at publicinfo@sec.gov, or from the Fund.

Purchase Shares at an Attractive Discount

The Fund's current net asset value per share is $2.69. With a recent closing on the American Stock Exchange of $2.27 per share, we believe this represents an important opportunity to purchase additional shares at an attractive discount from their underlying value. An affiliate of the investment manager owns 125,100 shares of the Fund, reflecting management's optimism about the Fund going forward. If you have a question, please call toll-free 1-800-278-4353 and an Investor Service Representative will be happy to assist you, as always, without any obligation on your part. We appreciate your support and look forward to serving your investment needs in the years ahead.

Sincerely,

Thomas B. Winmill
President

Schedule of Portfolio Investments – June 30, 2003 (Unaudited)

Shares		Market Value
	Common Stocks (53.57%)	
	Cable & Other Pay Television Services (2.68%)	
3,461	Comcast Corp.[2]	$ 104,453
5,800	Insight Communications Company, Inc.[2]	76,444
		180,897
	Computer & Office Equipment (4.31%)	
9,800	Hewlett-Packard Company	208,740
1,900	International Business Machines Corp	82,500
		291,240
	Computer Communications Equipment (3.27%)	
13,300	Cisco Systems, Inc.[2]	220,647
	Electronic Computers (3.98%)	
5,000	Dell Computer Corp.[2]	159,800
23,700	Sun Microsystems, Inc.[2]	109,020
		268,820
	Miscellaneous Business Services (3.14%)	
75,000	Safety Intelligence Systems Corp.[1][2]	212,145
	Printed Circuit Boards (2.14%)	
38,700	Solectron Corp.[2]	144,738
	Radio & TV Broadcasting & Communications Equipment (8.23%)	
13,100	Motorola, Inc.	123,533
8,500	Nokia Oyj ADR	139,655
6,800	NTT DoCoMo, Inc.	149,464
4,000	QUALCOMM Inc.	143,000
		555,652
	Security Brokers, Dealers & Flotation Companies (5.03%)	
30,000	E*TRADE GROUP, INC.[2]	255,000
5,000	Interactive Data Corp.[2]	84,500
		339,500
	Semiconductors & Related Devices (3.08%)	
10,000	Intel Corp.	207,840
	Services-Computer Integrated Systems Design (0.11%)	
24,400	Digital Fusion, Inc.[2]	7,320

Schedule of Portfolio Investments – June 30, 2003 (Unaudited)

Shares		Market Value
	Common Stocks (continued)	
	Services-Computer Processing & Data Preparation (1.34%)	
3,500	SunGard Data Systems Inc.[2]	$ 90,685
	Services-Educational Services (1.65%)	
1,800	Apollo Group, Inc.[2]	111,168
	Services-Prepackaged Software (5.78%)	
1,300	Intuit Inc.[2]	57,889
5,000	Microsoft Corp	128,050
5,200	Sybase, Inc.[2]	72,332
4,600	VERITAS Software Corp.[2]	131,882
		390,153
	Telephone & Telegraph Apparatus (3.36%)	
14,300	Level 3 Communications, Inc.[2]	94,952
3,700	UTStarcom, Inc.[2]	131,609
		226,561
	Telephone Communications (5.47%)	
4,100	IDT Corp.[2]	73,390
5,700	SBC Communications Inc.	145,635
3,800	Verizon Communications Inc.	149,910
		368,935
	Total Common Stocks (cost: $3,054,701)	3,616,301
Par Value	**Short Term Investments (46.43%)**	
$3,134,030	Repurchase Agreement with State Street Bank & Trust, 0.10%, due 7/01/03 (collateralized by U.S. Treasury Notes)	3,134,030
	Total Short Term Investments (cost: $3,134,030)	3,134,030
	Total Investments (cost: $6,188,731) (100.00%)	**$6,750,331**

[1] Security is not publicly traded.
[2] Non-income producing security.

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2003 (Unaudited)

ASSETS:	
Investments at market value (cost: $6,188,731) (Note 2)	$ 6,750,331
Interest and dividend receivable	1,317
Total assets	6,751,648
LIABILITIES:	
Accrued expenses	19,504
Accrued management fees (Note 4)	5,610
Total liabilities	25,114
NET ASSETS: (applicable to 2,602,847 shares outstanding: 500,000,000 shares of $.01 par value authorized)	$ 6,726,534
NET ASSET VALUE PER SHARE	
($6,726,534 ÷ 2,602,847 shares outstanding)	$2.58

At June 30, 2003, net assets consisted of:

Paid-in capital	$23,716,950
Net unrealized appreciation on investments	561,600
Accumulated net realized loss on investments and futures	(17,552,016)
	$ 6,726,534

STATEMENT OF OPERATIONS

Six Months Ended June 30, 2003 (Unaudited), Nine Months Ended December 31, 2002 and Year Ended March 31, 2002

	Six Months Ended June 30, 2003 (Unaudited)	Nine Months Ended 12/31/02	Year Ended 3/31/02
INVESTMENT INCOME:			
Interest	$ 1,969	$ 36,931	$ 67,131
Dividends	12,196	11,659	3,274
Total investment income	14,165	48,590	70,405
EXPENSES:			
Investment management (Note 4)	33,240	52,778	92,218
Professional (Note 4)	36,006	38,793	36,135
Transfer agent	4,222	26,693	54,020
Directors	12,525	13,936	25,040
Administration	—	13,052	35,040
Registration (Note 4)	22,548	6,280	5,165
Printing	7,360	4,041	14,310
Custodian	1,810	2,506	8,290
Other	4,830	5,030	22,120
Total expenses	122,541	163,109	292,338
Net investment loss	(108,376)	(114,519)	(221,933)
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS AND FOREIGN CURRENCIES:			
Net realized loss on investments	(633,358)	(4,280,645)	(1,452,103)
Unrealized appreciation on investments and futures during the period	736,952	2,623,576	1,023,187
Net realized and unrealized gain (loss) on investments	103,594	(1,657,069)	(428,916)
Net decrease in net assets resulting from operations	$ (4,782)	$(1,771,588)	$ (650,849)

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

Six Months Ended June 30, 2003 (Unaudited), Nine Months Ended December 31, 2002 and Year Ended March 31, 2002

	Six Months Ended 6/30/03 (Unaudited)	Nine Months Ended 12/31/02	Year Ended 3/31/02
OPERATIONS:			
Net investment loss	$ (108,376)	$ (114,519)	$ (221,933)
Net realized gain (loss) on:			
Long transactions	391,061	(4,465,721)	(1,624,953)
Short transactions	(1,024,419)	—	—
Options contracts expired or closed	—	185,076	172,850
Change in unrealized appreciation on investments and options	736,952	2,623,576	1,023,187
Net decrease in net assets resulting from operations	(4,782)	(1,771,588)	(650,849)
DISTRIBUTIONS TO SHAREHOLDERS:			
Net realized gains ($0.00, $0.00 and $0.26 per share, respectively)	—	—	(663,137)
CAPITAL SHARE TRANSACTIONS:			
Increase in net assets resulting from reinvestment of distribution (23,964 shares)	—	—	81,842
Total change in net assets	(4,782)	(1,771,588)	(1,232,144)
NET ASSETS:			
Beginning of period	$6,731,316	$8,502,904	$9,735,048
End of period	$6,726,534	$6,731,316	$8,502,904

Notes to Financial Statements (Unaudited)

(1) Internet Growth Fund, Inc. (the "Fund") was incorporated under the laws of the state of Maryland on August 24, 1998 and is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The Fund commenced operations on October 29, 1999. On December 11, 2002, the Board of Directors of the Fund approved a change in the fiscal year end to December 31. Under normal market conditions, the Fund will invest at least 65% of its total assets in the equity securities of companies that engage in Internet and Internet-related activities and, so long as the word "internet" is included in its name, the Fund will under normal market conditions seek to achieve its investment objective by investing at least 80% of its total assets in companies that directly or indirectly support, utilize, deal or market over, connect through, benefit by, or are otherwise involved in the Internet.

(2) The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. With respect to security valuation, securities traded on a national securities exchange or the Nasdaq National Market System ("NMS") are valued at the last reported sales price on the day the valuations are made. Such securities that are not traded on a particular day and securities traded in the over-the-counter market that are not on NMS are valued at the mean between the current bid and asked prices. Certain of the securities in which the Fund invests are priced through pricing services which may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features and ratings on comparable securities. Bonds may be valued according to prices quoted by a dealer in bonds which offers pricing services. Debt obligations with remaining maturities of 60 days or less are valued at cost adjusted for amortization of premiums and accretion of discounts. Securities of foreign issuers denominated in foreign currencies are translated into U.S. dollars at prevailing exchange rates. Forward contracts are marked to market and the change in market value is recorded by the Fund as an unrealized gain or loss. When a contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed. The Fund could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably. Investment transactions are accounted for on the trade date (the date the order to buy or sell is executed). Interest income is recorded on the accrual basis. Discounts and premiums on securities purchased are amortized over the life of the respective securities. Dividends and distributions to shareholders are recorded on the ex-dividend date. In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts.

(3) It is the Fund's current intention to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable net income to its shareholders. In addition, the Fund intends to pay distributions as required to avoid imposition of excise tax. Therefore, no federal income tax provision is required. At December 31, 2002, the Fund had a capital loss carryforward of approximately $17,267,300 of which $10,509,500 expires in 2009 and $6,757,800 expires in 2010. The tax character of distributions paid in the year ended March 31, 2002 was $663,137 as distributions paid from ordinary income.

As of December 31, 2002, the components of distributable earnings on a tax basis were as follows:

Capital loss carryforward	$(17,267,336)
Unrealized depreciation	(175,352)
	$(17,442,688)

(4) Effective July 12, 2002, the Fund retained CEF Advisers, Inc. as its Investment Manager. Previously, LCM Capital Management, Inc. ("LCM") was the manager. Under the terms of the Investment Management Agreement, the Fund pays the Investment Manager a fee for its services at the annual rate of 1.00% of the Fund's average daily net assets. The fee is accrued each calendar day and the sum of the daily fee accruals is paid monthly. The daily fee accrual is computed by multiplying 1/365 by the annual rate and multiplying the product by the net asset value of the Fund as of the close of business on the previous day. LCM's fee was substantially similar. Certain officers and directors of the Fund are officers and directors of the Investment Manager. The Fund reimbursed the Investment Manager $24,526 for providing certain administrative and accounting service at cost during the six months ended June 30, 2003.

(5) The Fund has an arrangement with its custodian and transfer agent whereby interest earned on uninvested cash balances was used to offset a portion of the Fund's expenses. Purchases and sales of investment securities (excluding short-term investments, options and short positions) aggregated $383,380 and $3,529,466, respectively, for the six months ended June 30, 2003. At December 31, 2002, gross unrealized appreciation and depreciation of investments for tax purposes were as follows:

Appreciation	$ 613,726
Depreciation	(440,401)
Net appreciation on investments	$ 173,325

At December 31, 2002, the cost of investments for federal income tax purposes was $6,564,937.

(6) The Fund may engage in transactions in futures contracts. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuation of the value of the contract. The daily change in the contract is included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed. Futures transactions sometimes may reduce returns or increase volatility. In addition, futures can be illiquid and highly sensitive to changes in their underlying security, interest rate or index, and as a result can be highly volatile. A small investment in certain futures could have a potentially large impact on a Fund's performance. At June 30, 2003 the Fund had no open future contracts.

(7) There are 500,000,000 shares of $.01 par value common stock authorized. Of the 2,602,847 shares of common stock outstanding at June 30, 2003, Investor Service Center, Inc. ("ISC") owned 125,300 shares. Certain officers and directors of ISC are also officers and directors of the Fund and the Investment Manager.

FINANCIAL HIGHLIGHTS

PER SHARE DATA	Six Months Ended June 30, 2003 (Unaudited)	Nine Months Ended 12/31/02	Year Ended 3/31/02	Year Ended 3/31/01	Period Ended 3/31/00*
Net asset value at beginning of period	$2.59	$3.27	$3.77	$14.81	$9.35
Income from investment operations:					
Net investment income (loss)	(.16)	(0.04)	(0.08)	(0.09)	(0.05)
Net realized and unrealized gain (loss) on investments	.15	(0.64)	(0.16)	(10.45)[c]	5.51
Total from investment operations	(.01)	(0.68)	(0.24)	(10.54)	5.46
Less distributions:					
Distributions to shareholders.	–	–	(0.26)	(0.50)	–
Net asset value at end of period	$2.58	$2.59	$3.27	$3.77	$14.81
TOTAL RETURN ON NET ASSET VALUE BASIS(a)	(0.39)%	(20.80)%	(6.65)%	(73.46)%	58.40%
TOTAL RETURN ON MARKET VALUE BASIS (a)	4.35%	(31.00)%	(2.06)%	(71.89)%	24.38%
RATIOS/SUPPLEMENTAL DATA					
Net assets at end of period (000's omitted)	$6,727	$6,731	$8,503	$9,735	$39,105
Ratio of expenses to average net assets	1.83%[b]	4.70%[b]	3.17%	2.19%	1.78%[b]
Ratio of net investment income (loss) to average net assets	(1.62)%[b]	(3.30)%[b]	(2.41)%	(0.93)%	(0.94)%[b]
Portfolio turnover rate	6%	267.87%	89.31%	550.56%	168.62%

* From commencement of operations on October 29, 1999.

(a) Total return on market value basis is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total return on net asset value basis will be higher than total return on market value basis in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total return on net asset value basis will be lower than total return on market value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. Total return calculated for a period of less than one year is not annualized. The calculation does not reflect brokerage commissions, if any.

(b) Annualized.

(c) Includes $0.06 of gains resulting from the buy back of treasury shares at a discount to net asset value.

DIVIDEND REINVESTMENT PLAN

The Fund has adopted a Dividend Reinvestment Plan (the "Plan"). Under the Plan, each dividend and capital gain distribution, if any, declared by the Fund on outstanding shares will, unless elected otherwise by each shareholder by notifying the Fund in writing at any time prior to the record date for a particular dividend or distribution, be paid on the payment date fixed by the Board of Directors or a committee thereof in additional shares. If the Market Price (as defined below) per share is equal to or exceeds the net asset value per share at the time shares are valued for the purpose of determining the number of shares equivalent to the cash dividend or capital gain distribution (the "Valuation Date"), participants will be issued additional shares equal to the amount of such dividend divided by the Fund's net asset value per share. If the Market Price per share is less than such net asset value on the Valuation Date, participants will be issued additional shares equal to the amount of such dividend divided by the Market Price. The Valuation Date is the day before the dividend or distribution payment date or, if that day is not an American Stock Exchange trading day, the next trading day. For all purposes of the Plan: (a) the Market Price of the shares on a particular date shall be the average closing market price on the five trading days the shares traded ex-dividend on the Exchange prior to such date or, if no sale occurred on any of these days, then the mean between the closing bid and asked quotations, for the shares on the Exchange on such day, and (b) net asset value per share on a particular date shall be as determined by or on behalf of the Fund.

PRIVACY POLICY

The Fund recognizes the importance of protecting the personal and financial information of its shareholders. We consider each shareholder's personal information to be private and confidential. This describes the practices followed by us to protect our shareholders' privacy. We may obtain information about you from the following sources: (1) information we receive from you on forms and other information you provide to us whether in writing, by telephone, electronically or by any other means; (2) information regarding your transactions with us, our corporate affiliates, or others. We do not sell shareholder personal information to third parties. We will collect and use shareholder personal information only to service shareholder accounts. This information may be used by us in connection with providing services or financial products requested by shareholders. We will not disclose shareholder personal information to any nonaffiliated third party except as permitted by law. We take steps to safeguard shareholder information. We restrict access to nonpublic personal information about you to those employees and service providers who need to know that information to provide products or services to you. With our service providers we maintain physical, electronic, and procedural safeguards to guard your nonpublic personal information. Even if you are no longer a shareholder, our Privacy Policy will continue to apply to you. We reserve the right to modify, remove or add portions of this Privacy Policy at any time.

DIRECTORS AND OFFICERS

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GEORGE B. LANGA [1]

DAVID R. STACK [1]

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[1]Member, Audit Committee

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