

NEW AMERICA HIGH INCOME FUND INC  
Form N-Q  
November 25, 2009

**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 811-5399

The New America High Income Fund, Inc.  
(Exact name of registrant as specified in charter)

33 Broad Street, Boston, MA  
(Address of principal executive offices)

02109  
(Zip code)

Ellen E. Terry, 33 Broad Street, Boston MA 02109  
(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 263-6400

Date of fiscal year end: 12/31

Date of reporting period: 7/1/09 - 9/30/09

---

**Item 1 - Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)**

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

| Principal Amount/Units                         |  | Moody's Rating (Unaudited) | Value (Note 1) |
|--|--|----------------------------|----------------|
| <b>CORPORATE DEBT SECURITIES - 128.01% (d)</b> |  |                            |                |
| <b>Aerospace and Defense - 1.74%</b>           |  |                            |                |
| 650  | BE Aerospace Inc., Senior Notes, 8.50%, 07/01/18                                 | Ba3                        | 665            |
| 1,625  | GenCorp Inc., Senior Subordinated Notes, 9.50%, 08/15/13                         | B1                         | 1,353          |
| 625  | Moog, Inc., Senior Notes, 7.25%, 06/15/18  | Ba3                        | 600            |
| 200  | Spirit Aerosystems, Inc., Senior Notes, 7.50%, 10/01/17 (g)                      | B2                         | 199            |
| 825  | TransDigm Inc., Senior Subordinated Notes, 7.75%, 07/15/14                       | B3                         | 817            |
|  |  |                            | 3,634          |
| <b>Automobile - 3.75%</b>                      |  |                            |                |
| 175  | Affinia Group, Inc., Senior Notes, 10.75%, 08/15/16 (g)                          | B1                         | 188            |
| 150  | Affinia Group, Inc., Senior Subordinated Notes, 9%, 11/30/14                     | B3                         | 142            |
| 1,825  | Allison Transmission, Inc., Senior Notes, 12%, 11/01/15 (g)(i)                   | Caa2                       | 1,684          |
| 675  | ArvinMeritor, Inc., Senior Notes, 8.75%, 03/01/12                                | Caa2                       | 655            |
| 850  | Cooper Standard Automotive Inc., Senior Subordinated Notes, 8.375%, 12/15/14 (a) | (e)                        | 122            |
| 1,725  | Goodyear Tire & Rubber Company, Senior Notes, 10.50%, 05/15/16                   | B1                         | 1,880          |
| 525  | KAR Holdings, Inc., Senior Notes, 4.483%, 05/01/14                               | B3                         | 472            |
| 1,700  | KAR Holdings, Inc., Senior Subordinated Notes, 10%, 05/01/15                     | Caa1                       | 1,708          |
| 400  | Tenneco Automotive, Inc., Senior Subordinated Notes, 8.125%, 11/15/15            | B3                         | 384            |
| 275  | Tenneco Automotive, Inc., Senior Subordinated Notes, 8.625%, 11/15/14            | Caa2                       | 257            |
| 150  | TRW Automotive, inc., Senior Notes, 7%, 03/15/14 (g)                             | Caa2                       | 138            |
| 275  | United Components, Inc., Senior Subordinated Notes, 9.375%, 06/15/13             | Caa2                       | 221            |
|  |  |                            | 7,851          |
| <b>Banking - .45%</b>                          |  |                            |                |
| 825  | Discover Financial Services, 10.25%, 07/15/19                                    | Ba1                        | 951            |
| <b>Beverage, Food and Tobacco - 1.75%</b>      |  |                            |                |
| 375  | Alliance One International, Inc., Senior Notes, 10%, 07/15/16 (g)                | B2                         | 382            |
| 100  | Alliance One International, Inc., Senior Notes, 10%, 07/15/16 (g)                | B2                         | 102            |
| 75   | Constellation Brands, Inc., Senior Notes, 8.375%, 12/15/14                       | Ba3                        | 78             |
| 475  | Dole Food Company, Inc., Senior Notes,   |                            |                |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|     |   |      |     |
|-----|---|------|-----|
| 100 | 13.875%, 03/15/14 (g)<br>JBS S.A., Senior Notes,                          | Caa1 | 561 |
| 400 | 9.375%, 02/07/11<br>JBS USA, LLC Senior Notes,                            | B1   | 102 |
| 200 | 11.625%, 05/01/14 (g)<br>Pinnacle Foods Finance LLC, Senior Notes,        | B1   | 430 |
| 100 | 9.25%, 04/01/15<br>Pinnacle Foods Finance LLC, Senior Subordinated Notes, | Caa2 | 203 |
|     | 10.625%, 04/01/17   | Caa2 | 102 |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|  |   |      |       |
|--|---|------|-------|
| 650                                    | Tyson Foods, Inc., Senior Notes,<br>8.25%, 10/01/11                               | B2   | 686   |
| 900                                    | Tyson Foods, Inc., Senior Notes,<br>10.50%, 03/01/14                              | Ba3  | 1,019 |
|  |   |      | 3,665 |
| Broadcasting and Entertainment - 8.14% |   |      |       |
| 650                                    | AMC Entertainment, Inc., Senior Notes,<br>8.75%, 06/01/19                         | B1   | 671   |
| 450                                    | Cinemark, USA, Inc., Senior Notes,<br>8.625%, 06/15/19 (g)                        | B3   | 466   |
| 550                                    | CSC Holdings, Inc., Senior Notes,<br>7.625%, 07/15/18                             | Ba3  | 559   |
| 250                                    | CSC Holdings, Inc., Senior Notes,<br>8.50%, 04/15/14 (g)                          | Ba3  | 263   |
| 625                                    | CSC Holdings, Inc., Senior Notes,<br>8.625%, 02/15/19 (g)                         | Ba3  | 663   |
| 775                                    | DIRECTV Holdings LLC, Senior Notes,<br>6.375%, 06/15/15                           | Ba2  | 786   |
| 325                                    | DIRECTV Holdings LLC, Senior Notes,<br>7.625%, 05/15/16                           | Ba2  | 348   |
| 1,178                                  | EchoStar DBS Corporation, Senior Notes,<br>6.625%, 10/01/14                       | Ba3  | 1,151 |
| 375                                    | EchoStar DBS Corporation, Senior Notes,<br>7.75%, 05/31/15                        | Ba3  | 383   |
| 1,100                                  | Gaylord Entertainment Company, Senior Notes,<br>6.75%, 11/15/14                   | Caa2 | 1,012 |
| 575                                    | Gaylord Entertainment Company, Senior Notes,<br>8%, 11/15/13                      | Caa2 | 587   |
| 700                                    | HSN, Inc., Senior Notes,<br>11.25%, 08/01/16                                      | Ba3  | 758   |
| 475                                    | Kabel Deutschland GmbH, Senior Notes,<br>10.625%, 07/01/14                        | B2   | 501   |
| 825                                    | Lamar Media Corporation, Senior Subordinated Notes,<br>6.625%, 08/15/15           | B2   | 767   |
| 125                                    | Lamar Media Corporation, Senior Subordinated Notes,<br>Series B, 6.625%, 08/15/15 | B2   | 114   |
| 100                                    | Lamar Media Corporation, Senior Subordinated Notes,<br>Series C, 6.625%, 08/15/15 | B2   | 92    |
| 400                                    | Lamar Media Corporation, Senior Subordinated Notes,<br>9.75%, 04/01/14            | Ba3  | 433   |
| 400                                    | Mediacom Broadband LLC, Senior Notes,<br>8.50%, 10/15/15                          | B3   | 404   |
| 500                                    | Regal Cinemas Corporation, Senior Notes,<br>8.625%, 07/15/19 (g)                  | B1   | 518   |
| 850                                    | Sirius Satellite Radio, Inc., Senior Notes,<br>9.625%, 08/01/13                   | Ca   | 771   |
| 250                                    | Sirius XM Radio, Inc., Senior Notes,<br>9.75%, 09/01/15 (g)                       | Caa2 | 254   |
| 2,394                                  | Univision Communications, Inc., Senior Notes,<br>10.50%, 03/15/15 (g)(i)          | Caa2 | 1,856 |
| 700                                    | Univision Communications, Inc., Senior Notes,<br>12%, 07/01/14 (g)                | B2   | 758   |
| 250                                    | Videotron Ltee., Senior Notes,<br>6.375%, 12/15/15                                | Ba2  | 239   |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |   |      |        |
|-------|---|------|--------|
| 1,000 | Videotron Ltee., Senior Notes,<br>6.875%, 01/15/14              | Ba2  | 987    |
| 25    | Videotron Ltee., Senior Notes,<br>9.125%, 04/15/18 (g)          | Ba2  | 27     |
| 50    | Videotron Ltee., Senior Notes,<br>9.125%, 04/15/18              | Ba2  | 54     |
| 275   | XM Satellite Radio, Inc., Senior Notes,<br>11.25%, 06/15/13 (g) | Caa2 | 285    |
| 1,350 | XM Satellite Radio, Inc., Senior Notes,<br>13%, 08/01/13 (g)    | Ca   | 1,323  |
|       |   |      | 17,030 |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|  |  |      |       |  |
|--|--|------|-------|--|
| <b>Building and Real Estate - 2.93%</b>        |  |      |       |  |
| 825  | Host Marriott, L.P., Senior Notes,<br>6.75%, 06/01/16                          | Ba1  | 794   |  |
| 1,125  | Icahn partners, Senior Notes,<br>7.125%, 02/15/13                              | Ba3  | 1,083 |  |
| 700  | K. Hovnanian Enterprises, Senior Notes,<br>11.50%, 05/01/13                    | B2   | 738   |  |
| 950  | Texas Industries, Inc., Senior Notes,<br>7.25%, 07/15/13                       | B2   | 917   |  |
| 200  | Texas Industries, Inc., Senior Notes,<br>7.25%, 07/15/13                       | B2   | 193   |  |
| 800  | United Rentals (North America), Inc., Senior Notes,<br>10.875%, 06/15/16 (g)   | B2   | 854   |  |
| 25   | U.S. Concrete, Inc., Senior Subordinated Notes,<br>8.375%, 04/01/14            | B3   | 16    |  |
| 475  | USG Corporation, Senior Notes,<br>9.75%, 08/01/14 (g)                          | B1   | 496   |  |
| 800  | Ventas Realty, Limited Partnership, Senior Notes,<br>6.50%, 06/01/16           | Ba1  | 776   |  |
| 275  | Ventas Realty, Limited Partnership, Senior Notes,<br>6.50%, 06/01/16           | Ba1  | 267   |  |
|  |  |      | 6,134 |  |
| <b>Cargo Transport - .59%</b>                  |  |      |       |  |
| 650  | American Railcar Industries, Inc., Senior<br>Notes, 7.50%, 03/01/14            | Caa1 | 608   |  |
| 200  | Kansas City Southern Railway Company, Senior Notes,<br>13%, 12/15/13           | B2   | 230   |  |
| 400  | TFM, S.A. de C.V., Senior Notes,<br>9.375%, 05/01/12                           | B2   | 403   |  |
|  |  |      | 1,241 |  |
| <b>Chemicals, Plastics and Rubber - 3.63%</b>  |  |      |       |  |
| 425  | Ashland, Inc., Senior Notes,<br>9.125%, 06/01/17 (g)                           | Ba3  | 457   |  |
| 600  | Cognis Deutschland<br>9.50%, 05/15/14 (g)                                      | (e)  | 858   |  |
| 750  | Hexion Specialty Chemicals, Inc., Senior Notes,<br>9.75%, 11/15/14             | Caa1 | 647   |  |
| 425  | Huntsman International LLC, Senior Notes,<br>7.875%, 11/15/14                  | B3   | 395   |  |
| 675  | Huntsman International LLC, Senior Subordinated Notes,<br>6.875%, 11/15/13 (g) | B3   | 879   |  |
| 1,000  | INVISTA S.A.R.L., Senior Notes<br>9.25%, 05/01/12 (g)                          | Ba3  | 1,005 |  |
| 1,300  | Koppers Holdings Inc., Senior Notes,<br>9.875%, 11/15/14 (b)                   | B2   | 1,307 |  |
| 500  | Koppers Inc., Senior Secured Notes,<br>9.875%, 10/15/13                        | Ba3  | 516   |  |
| 875  | Nalco Company, Senior Notes,<br>8.25%, 05/15/17(g)                             | Ba2  | 925   |  |
| 600  | PolyOne Corporation, Senior Notes,<br>8.875%, 05/01/12                         | B1   | 608   |  |
|  |  |      | 7,597 |  |
| <b>Containers, Packaging and Glass - 7.26%</b> |  |      |       |  |
| 675  | Ball Corporation, Senior Notes,  |      |       |  |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|     |   |      |     |
|-----|---|------|-----|
|     | 7.125%, 09/01/16  | Ba1  | 692 |
| 425 | Ball Corporation, Senior Notes,<br>7.375%, 09/01/19                       | Ba1  | 437 |
| 917 | Boise Cascade, LLC, Senior Subordinated Notes,<br>Notes, 7.125%, 10/15/14 | Caa1 | 722 |
| 900 | BWAY Corporation, Senior Subordinated Notes,<br>10%, 04/15/14 (g)         | B3   | 952 |
| 450 | Cellu Tissue Holdings, Inc., Senior Secured Notes,<br>11.50%, 06/01/14    | B2   | 480 |

---



Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|  |  |      |        |
|--|--|------|--------|
| 300  | Clearwater Paper Corporation, Senior Notes,<br>10.625%, 06/15/16 (g)           | Ba3  | 324    |
| 800  | Clondalkin Acquisition BV, Senior Notes,<br>2.299%, 12/15/13 (g)               | B1   | 656    |
| 500  | Crown Americas, L.L.C., Senior Notes,<br>7.75%, 11/15/15                       | B1   | 510    |
| 275  | Domtar Inc., Senior Notes,<br>5.375%, 12/01/13                                 | Ba3  | 264    |
| 950  | Domtar Inc., Senior Notes,<br>7.125%, 08/15/15                                 | Ba3  | 932    |
| 100  | Domtar Inc., Senior Notes,<br>9.50%, 08/01/16                                  | Ba3  | 105    |
| 450  | Georgia-Pacific Corporation, Senior Notes,<br>7%, 01/15/15 (g)                 | Ba3  | 442    |
| 150  | Georgia-Pacific Corporation, Senior Notes,<br>7.70%, 06/15/15                  | B2   | 153    |
| 275  | Georgia-Pacific LLC, Senior Notes,<br>8.25%, 05/01/16 (g)                      | Ba3  | 285    |
| 1,075  | Graham Packaging Company, L.P., Senior Subordinated<br>Notes, 9.875%, 10/15/14 | Caa1 | 1,107  |
| 100  | Graphic Packaging International, Inc., Senior Notes,<br>9.50%, 8/15/13         | B3   | 103    |
| 275  | Graphic Packaging International, Inc., Senior Notes,<br>9.50%, 06/15/17 (g)    | B3   | 292    |
| 325  | Graphic Packaging International, Inc., Senior Notes,<br>9.50%, 06/15/17 (g)    | B3   | 344    |
| 350  | Greif Inc., Senior Notes,<br>7.75%, 08/01/19 (g)                               | Ba2  | 352    |
| 300  | International Paper Company, Senior Notes,<br>9.375%, 05/15/19                 | Baa3 | 350    |
| 1,050  | NewPage Corporation, Senior Secured Notes,<br>11.375%, 12/31/14 (g)            | B2   | 1,024  |
| 625  | Owens-Brockway Glass Container, Inc., Senior Notes,<br>7.375%, 05/15/16        | Ba3  | 637    |
| 850  | Plastipak Holdings, Inc., Senior Notes,<br>8.50% 12/15/15 (g)                  | B3   | 850    |
| 275  | Plastipak Holdings, Inc., Senior Notes,<br>10.625%, 08/15/19 (g)               | B3   | 294    |
| 475  | Rock-Tenn Company, Senior Notes,<br>8.20%, 08/15/11                            | Ba3  | 493    |
| 450  | Rock-Tenn Company, Senior Notes,<br>9.25%, 03/15/16                            | Ba3  | 481    |
| 475  | Silgan Holdings, Inc., Senior Notes,<br>7.25%, 08/15/16 (g)                    | Ba3  | 476    |
| 425  | Smurfit Kappa Funding plc, Subordinated Notes,<br>7.75%, 04/01/15              | B2   | 364    |
| 700  | Solo Cup Company, Senior Subordinated Notes,<br>8.50%, 02/15/14                | Caa2 | 665    |
| 375  | Solo Cup Company, Senior Notes,<br>10.50%, 11/01/13 (g)                        | B2   | 398    |
|  |  |      | 15,184 |
| Diversified/Conglomerate Manufacturing - 1.03% |  |      |        |
| 725  | Bombardier Inc., Senior Notes,<br>6.30%, 05/01/14 (g)                          | Ba2  | 710    |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|  |   |      |       |
|--|---|------|-------|
| 225                                      | Bombardier Inc., Senior Notes,<br>8%, 11/15/14 (g)                | Ba2  | 231   |
| 750                                      | H & E Equipment Services, Inc., Senior Notes,<br>8.375%, 07/15/16 | B3   | 701   |
| 500                                      | Hawk Corporation, Senior Notes,<br>8.75%, 11/01/14                | B3   | 503   |
|  |   |      | 2,145 |
| Diversified/Conglomerate Service - 2.69% |   |      |       |
| 875                                      | First Data Corporation, Senior Notes,<br>9.875%, 09/24/15         | Caa1 | 805   |
| 1,239                                    | First Data Corporation, Senior Notes,<br>10.55%, 09/24/15 (i)     | Caa1 | 1,066 |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|                                      |   |      |       |
|--------------------------------------|---|------|-------|
| 725                                  | First Data Corporation, Senior Subordinated Notes,<br>11.25%, 03/31/16                | Caa2 | 623   |
| 550                                  | Hertz Corporation, Senior Notes,<br>8.875%, 01/01/14                                  | B2   | 553   |
| 725                                  | Hertz Corporation, Senior Subordinated Notes,<br>10.50%, 01/01/16                     | B3   | 752   |
| 1,100                                | Mobile Services Group, Inc. Senior Notes,<br>9.75%, 08/01/14                          | B2   | 1,119 |
| 925                                  | Sunstate Equipment Co, LLC, Senior Secured Notes,<br>10.50%, 04/01/13 (g)             | Caa3 | 703   |
|                                      |   |      | 5,621 |
| Diversified Natural Resources - .35% |   |      |       |
| 725                                  | Reliance Intermediate Holdings, L.P., Senior Notes,<br>9.50%, 12/15/19 (g)            | Ba2  | 737   |
| Ecological - .92%                    |   |      |       |
| 1,225                                | Casella Waste Systems, Inc., Senior Subordinated<br>Notes, 9.75%, 02/01/13            | Caa1 | 1,142 |
| 800                                  | WCA Waste Corporation, Senior Notes,<br>9.25%, 06/15/14                               | B3   | 784   |
|                                      |   |      | 1,926 |
| Electronics - 4.14%                  |   |      |       |
| 475                                  | Anixter Inc., Senior Notes,<br>10%, 03/15/14  | Ba2  | 503   |
| 800                                  | Avago Technologies Finance Pte. Ltd., Senior Notes,<br>10.125%, 12/01/13              | Ba3  | 847   |
| 300                                  | Avago Technologies Finance Pte. Ltd., Senior Subordinated<br>Notes, 11.875%, 12/01/15 | B2   | 327   |
| 675                                  | Dycom Investments, Inc., Senior Subordinated Notes,<br>8.125%, 10/15/15               | Ba3  | 601   |
| 825                                  | iPayment Inc., Senior Subordinated Notes,<br>9.75%, 05/15/14                          | Caa1 | 553   |
| 943                                  | iPayment Inc., Senior Subordinated Notes,<br>12.75%, 07/15/14 (g)(i)                  | (e)  | 622   |
| 575                                  | Jabil Circuit, Inc., Senior Notes,<br>7.75%, 07/15/16                                 | Ba1  | 582   |
| 250                                  | Seagate Technology HDD Holdings, Inc., Senior Notes,<br>6.375%, 10/01/11              | Ba3  | 251   |
| 275                                  | Seagate Technology HDD Holdings, Inc., Senior Notes,<br>6.80%, 10/01/16               | Ba3  | 252   |
| 725                                  | Seagate Technology International, Inc., Senior Notes,<br>10%, 05/01/14 (g)            | Ba1  | 805   |
| 300                                  | SS&C Technologies, Inc., Senior Subordinated Notes,<br>11.75%, 12/01/13               | Caa1 | 315   |
| 350                                  | STATS ChipPAC Ltd., Senior Notes,<br>6.75%, 11/15/11                                  | Ba1  | 351   |
| 325                                  | STATS ChipPAC Ltd., Senior Notes,<br>7.50%, 07/19/10                                  | Ba1  | 330   |
| 1,950                                | Sungard Data Systems Inc., Senior Notes,<br>9.125%, 08/15/13                          | Caa1 | 1,979 |
| 325                                  | Sungard Data Systems Inc., Senior Notes,<br>10.625%, 05/15/15 (g)                     | Caa1 | 347   |
|                                      |   |      | 8,665 |
| Finance - 9.25%                      |   |      |       |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |  |      |       |
|-------|--|------|-------|
| 900   | E*Trade Financial Corporation, Senior Notes,<br>7.375%, 09/15/13     | B3   | 817   |
| 475   | E*Trade Financial Corporation, Senior Notes,<br>7.875%%, 12/01/15    | B3   | 420   |
| 2,069 | E*Trade Financial Corporation, Senior Notes,<br>12.50%, 11/30/17 (i) | (e)  | 2,297 |
| 2,475 | Ford Motor Credit Company LLC, Senior Notes,<br>7.50%, 08/01/12      | Caa1 | 2,382 |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|   |   |      |        |
|---|---|------|--------|
| 1,225                                       | Ford Motor Credit Company LLC, Senior Notes,<br>8.70%, 10/01/14                         | Caa1 | 1,194  |
| 900   | Ford Motor Credit Company LLC, Senior Notes,<br>12%, 05/15/15                           | Caa1 | 995    |
| 650   | Fresenius US Financial II Inc., Senior Notes,<br>9%, 07/15/15 (g)                       | Ba1  | 715    |
| 650   | GMAC LLC, Senior Notes,<br>6.875%, 09/15/11 (g)   | Ca   | 618    |
| 600   | GMAC LLC, Senior Notes,<br>6.875%, 09/15/11   | Ca   | 567    |
| 250   | GMAC LLC, Senior Notes,<br>7.75%, 01/19/10 (g)  | Ca   | 250    |
| 1,600                                       | GMAC LLC, Senior Notes,<br>8%, 11/01/31(g)  | Ca   | 1,312  |
| 1,000                                       | Janus Capital Group, Inc., Senior Notes,<br>6.95%, 06/15/17                             | Baa3 | 948    |
| 975   | Mobile Mini, Inc. Senior Notes,<br>6.875%, 05/01/15                                     | B2   | 885    |
| 425   | Nuveen Investments, Inc., Senior Notes,<br>5%, 09/15/10                                 | Caa3 | 410    |
| 1,725                                       | Nuveen Investments, Inc., Senior Notes,<br>5.50%, 09/15/15                              | Caa3 | 1,156  |
| 1,000                                       | Nuveen Investments, Inc., Senior Notes,<br>10.50%, 11/15/15 (g)                         | Caa3 | 855    |
| 500   | Raymond James Financial Inc., Senior Notes,<br>8.60%, 08/15/19                          | Baa2 | 552    |
| 1,025                                       | Sears Roebuck Acceptance<br>6.75%, 08/15/11   | Ba3  | 995    |
| 400   | SLM Corporation, Senior Medium Term Notes,<br>5.375%, 05/15/14                          | Ba1  | 308    |
| 975   | SLM Corporation, Senior Medium Term Notes,<br>5.45%, 04/25/11                           | Ba1  | 922    |
| 925   | SLM Corporation, Senior Medium Term Notes,<br>8.45%, 06/15/18                           | Ba1  | 737    |
|   |   |      | 19,335 |
| Groceries - .68%                            |   |      |        |
| 500   | Great Atlantic and Pacific Tea Company, Inc., Senior Notes,<br>11.375%, 08/01/15 (g)    | B3   | 504    |
| 600   | Ingles Markets, Inc., Senior Notes,<br>8.875%, 05/15/17                                 | B1   | 615    |
| 300   | SuperValue Inc., Senior Notes,<br>8%, 05/01/16  | Ba3  | 310    |
|   |   |      | 1,429  |
| Healthcare, Education and Childcare - 8.34% |   |      |        |
| 1,500                                       | Biomet, Inc., Senior Notes,<br>10.375%, 10/15/17  | B3   | 1,594  |
| 475   | Biomet, Inc., Senior Subordinated Notes,<br>11.625%, 10/15/17                           | Caa1 | 518    |
| 425   | Bio-Rad Laboratories, Inc., Senior Subordinated Notes,<br>8%, 09/15/16 (g)              | Ba3  | 441    |
| 275   | Cengage Learning Acquisitions, Inc., Senior Notes,<br>10.50%, 01/15/15 (g)              | Caa2 | 263    |
| 725   | Cengage Learning Acquisitions, Inc., Senior Subordinated<br>Notes, 13.25%, 07/15/15 (g) | Caa2 | 674    |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|     |  |     |     |
|-----|--|-----|-----|
| 500 | CHS/Community Health Systems, Inc., Senior Notes,<br>8.875%, 07/15/15    | B3  | 512 |
| 300 | DaVita, Inc., Senior Notes,<br>6.625%, 03/15/13                          | B1  | 297 |
| 250 | DaVita, Inc., Senior Subordinated Notes,<br>7.25%, 03/15/15              | B2  | 247 |
| 525 | Education Management LLC, Senior Notes,<br>8.75%, 06/01/14               | B2  | 558 |
| 550 | Education Management LLC, Senior Subordinated Notes,<br>10.25%, 06/01/16 | B3  | 610 |
| 250 | FMC Financie III S.A., Senior Notes,<br>6.875%, 07/15/17                 | Ba2 | 244 |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|   |  |      |        |
|---|--|------|--------|
| 550                                     | HCA, Inc., Senior Notes,<br>8.50%, 04/15/19 (g)  | Ba3  | 572    |
| 1,450                                   | HCA, Inc., Senior Secured Notes,<br>9.25%, 11/15/16  | B2   | 1,490  |
| 2,095                                   | HCA, Inc., Senior Secured Notes,<br>9.625%, 11/15/16   | B2   | 2,163  |
| 150                                     | HCA, Inc., Senior Secured Notes,<br>9.875%, 02/15/17 (g)                                     | B2   | 160    |
| 875                                     | Health Management Associates, Inc., Senior Notes,<br>6.125%, 04/15/16                        | (e)  | 805    |
| 355                                     | Healthsouth Corporation, Senior Notes,<br>10.75%, 06/15/16                                   | Caa1 | 385    |
| 200                                     | Omnicare, Inc., Senior Subordinated Notes,<br>6.75%, 12/15/13                                | B1   | 193    |
| 575                                     | Omnicare, Inc., Senior Subordinated Notes,<br>6.875%, 12/15/15                               | B1   | 549    |
| 250                                     | Psychiatric Solutions, Inc., Senior Subordinated Notes,<br>7.75%, 07/15/15 (g)               | B3   | 241    |
| 725                                     | Symbion, Inc., Senior Notes,<br>11%, 08/23/15 (i)  | Caa1 | 537    |
| 875                                     | United Surgical Partners International, Inc., Senior<br>Subordinated Notes, 8.875%, 05/01/17 | Caa1 | 879    |
| 450                                     | Universal Hospital Services, Inc., Senior Secured<br>Notes, 4.635%, 06/01/15                 | B3   | 383    |
| 200                                     | Universal Hospital Services, Inc., Senior Secured<br>Notes, 8.50%, 06/01/15                  | B3   | 197    |
| 275                                     | US Oncology, Inc., Senior Notes,<br>9.125%, 08/15/17 (g)                                     | Ba3  | 289    |
| 786                                     | US Oncology, Inc., Senior Subordinated<br>6.428%, 03/15/12 (i)                               | Caa1 | 686    |
| 375                                     | US Oncology, Inc., Senior Subordinated<br>Notes, 10.75%, 08/15/14                            | B3   | 393    |
| 375                                     | Valeant Pharmaceuticals, International, Senior Notes,<br>8.375%, 06/15/16 (g)                | Ba3  | 382    |
| 500                                     | Vanguard Health Holding Company I, LLC,<br>Senior Notes, 11.25%, 10/01/15 (b)                | Caa1 | 511    |
| 650                                     | Vanguard Health Holding Company II, LLC, Senior<br>Subordinated Notes, 9%, 10/01/14          | Caa1 | 665    |
|   |  |      | 17,438 |
| Hotels, Motels, Inns and Gaming - 6.58% |  |      |        |
| 925                                     | Ameristar Casinos, Inc., Senior Notes,<br>9.25%, 06/01/14 (g)                                | B2   | 955    |
| 450                                     | Harrah s Operating Company, Senior Notes,<br>5.50%, 07/01/10                                 | Ca   | 442    |
| 500                                     | Harrah s Operating Company, Senior Notes,<br>10%, 12/15/18 (g)                               | Caa1 | 389    |
| 950                                     | Harrah s Escrow Corporation, Senior Notes,<br>11.25%, 06/01/17 (g)                           | Caa1 | 955    |
| 425                                     | Harrah s Operating Company, Senior Notes,<br>11.25%, 06/01/17 (g)                            | Caa1 | 427    |
| 750                                     | Isle of Capri Casinos, Inc., Senior Notes<br>7%, 03/01/14                                    | Caa1 | 664    |
| 175                                     | Little Traverse Bay Bands of Odawa Indians, Senior<br>Notes, 10.25%, 02/15/14 (a)(g)         | Ca   | 40     |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |  |      |       |
|-------|--|------|-------|
| 450   | MGM Mirage, Senior Notes,<br>6.75%, 09/01/12               | Caa2 | 385   |
| 375   | MGM Mirage, Senior Notes,<br>10.375%, 05/15/14 (g)         | B1   | 402   |
| 725   | MGM Mirage, Senior Notes,<br>11.125%, 11/15/17(g)          | B1   | 799   |
| 1,075 | MGM Mirage, Senior Notes,<br>11.375%, 03/01/18 (g)         | Caa2 | 1,013 |
| 125   | MGM Mirage, Senior Notes,<br>13%, 11/15/13 (g)             | B1   | 144   |
| 200   | MGM Mirage, Senior Subordinated Notes,<br>8.375%, 02/01/11 | Ca   | 184   |

---



Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|   |  |      |        |
|---|--|------|--------|
| 750   | Penn National Gaming, Inc., Senior Notes,<br>6.75%, 03/01/15                           | B1   | 720    |
| 300   | Penn National Gaming, Inc., Senior Subordinated Notes,<br>8.75%, 08/15/19 (g)          | B1   | 302    |
| 975   | Pinnacle Entertainment, Inc., Senior Subordinated<br>Notes, 7.50%, 06/15/15            | Caa1 | 878    |
| 291   | Pinnacle Entertainment, Inc., Senior Subordinated<br>Notes, 8.25%, 03/15/12            | Caa1 | 291    |
| 700   | Pinnacle Entertainment, Inc., Senior Subordinated<br>8.625%, 08/01/17 (g)              | B2   | 704    |
| 1,300   | Pokagon Gaming Authority, Senior Notes,<br>10.375%, 06/15/14 (g)                       | B2   | 1,339  |
| 1,000   | Shingle Springs Tribal Gaming Authority, Senior<br>Secured Notes, 9.375%, 06/15/15 (g) | Caa1 | 710    |
| 750   | Starwood Hotels and Resorts Worldwide, Inc., Senior Notes,<br>7.875%, 10/15/14         | Ba1  | 779    |
| 1,300   | Wynn Las Vegas LLC, Senior Notes,<br>6.625%, 12/01/14                                  | Ba2  | 1,235  |
|   |  |      | 13,757 |
| Insurance - 1.69%                                   |  |      |        |
| 575   | Centene Corporation, Senior Notes,<br>7.25%, 04/01/14                                  | Ba3  | 561    |
| 975   | Hub International Limited, Senior Notes,<br>9%, 12/15/14 (g)                           | B3   | 933    |
| 1,775   | Hub International Limited, Senior Subordinated Notes,<br>10.25%, 06/15/15 (g)          | Caa1 | 1,653  |
| 425   | USI Holdings Corporation, Senior Subordinated Notes,<br>9.75%, 05/15/15 (g)            | Caa1 | 377    |
|   |  |      | 3,524  |
| Leisure - .46%                                      |  |      |        |
| 450   | Speedway Motorsports, Inc., Senior Notes,<br>8.75%, 06/01/16 (g)                       | Ba1  | 476    |
| 475   | Ticketmaster, Senior Notes,<br>10.75%, 08/01/16  | Ba3  | 488    |
|   |  |      | 964    |
| Machinery - 1.10%                                   |  |      |        |
| 1,125   | Columbus McKinnon Corporation, Senior<br>Subordinated Notes, 8.875%, 11/01/13          | B1   | 1,136  |
| 200   | CPM Holdings, Inc., Senior Notes,<br>10.625%, 09/01/14 (g)                             | B2   | 207    |
| 350   | Manitowoc Company, Inc., Senior Notes,<br>7.125%, 11/01/13                             | Caa1 | 304    |
| 50  | RBS Global, Inc., Senior Notes,<br>9.50%, 08/01/14                                     | Caa2 | 49     |
| 550   | RSC Equipment Rental, Inc., Senior Notes<br>10%, 07/15/17 (g)                          | B1   | 593    |
|   |  |      | 2,289  |
| Mining, Steel, Iron and Non-Precious Metals - 7.28% |  |      |        |
| 500   | Arch Coal, Inc., Senior Notes,<br>8.75%, 08/01/16 (g)                                  | B1   | 516    |
| 225   | Compass Minerals International, Inc., Senior Notes,<br>8%, 06/01/19 (g)                | B1   | 229    |
| 350   | ESCO Corporation, Senior Notes,<br>4.174%, 12/15/13 (g)                                | B2   | 316    |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |  |     |       |
|-------|--|-----|-------|
| 1,225 | ESCO Corporation, Senior Notes,<br>8.625%, 12/15/13 (g)                | B2  | 1,200 |
| 1,125 | Foundation PA Coal Company, Senior Notes,<br>7.25%, 08/01/14           | Ba3 | 1,119 |
| 1,000 | Freeport-McMoRan Copper & Gold Inc., Senior Notes,<br>8.375%, 04/01/17 | Ba2 | 1,063 |
| 1,750 | Gibraltar Industries, Inc., Senior Subordinated Notes,<br>8%, 12/01/15 | B3  | 1,588 |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|                      |   |      |        |
|----------------------|---|------|--------|
| 850                  | International Coal Group, Inc., Senior Notes,<br>10.25%, 07/15/14           | Caa3 | 774    |
| 107                  | Metals USA, Inc., Senior Notes,<br>7.847%, 07/01/12 (i)                     | Caa2 | 78     |
| 550                  | Metals USA, Inc., Senior Secured Notes,<br>11.125%, 12/01/15                | Caa1 | 527    |
| 850                  | Novelis, Inc., Senior Notes,<br>7.25%, 02/15/15                             | Caa1 | 731    |
| 575                  | Novelis, Inc., Senior Notes,<br>11.50%, 02/15/15 (g)                        | Caa1 | 587    |
| 675                  | Reliance Steel and Aluminum Company, Senior Notes,<br>6.20%, 11/15/16       | Baa3 | 668    |
| 925                  | Ryerson, Inc., Senior Notes,<br>12%, 11/01/15                               | Caa1 | 879    |
| 575                  | Steel Dynamics, Inc., Senior Notes,<br>6.75%, 04/01/15                      | Ba2  | 549    |
| 700                  | Steel Dynamics, Inc., Senior Notes,<br>7.375%, 11/01/12                     | Ba2  | 704    |
| 850                  | Teck Resources Limited, Senior Notes,<br>9.75%, 05/15/14                    | Ba2  | 937    |
| 150                  | Teck Resources Limited, Senior Notes,<br>10.25%, 05/15/16                   | Ba2  | 170    |
| 800                  | Teck Resources Limited, Senior Notes,<br>10.75%, 05/15/19                   | Ba2  | 929    |
| 1,125                | Tube City IMS Corporation., Senior Subordinated Notes,<br>9.75%, 02/01/15   | Caa1 | 911    |
| 800                  | United States Steel Corporation, Senior Notes,<br>6.05%, 06/01/17           | Ba3  | 747    |
|                      |   |      | 15,222 |
| Oil and Gas - 13.27% |   |      |        |
| 75                   | AmeriGas Partners, L.P., Senior Notes,<br>7.125%, 05/20/16                  | Ba3  | 72     |
| 150                  | AmeriGas Partners, L.P., Senior Notes,<br>7.25%, 05/20/15                   | Ba3  | 146    |
| 450                  | Berry Petroleum Company, Senior Notes,<br>10.25%, 06/01/14                  | B2   | 480    |
| 525                  | Bill Barrett Corporation, Senior Notes,<br>9.875%, 07/15/16                 | B1   | 554    |
| 250                  | Bristow Group, Inc. Senior Notes,<br>6.125%, 06/15/13                       | Ba2  | 239    |
| 1,050                | Bristow Group, Inc. Senior Notes,<br>7.50%, 09/15/17                        | Ba2  | 1,000  |
| 25                   | Chesapeake Energy Corp., Senior Notes,<br>6.375%, 06/15/15                  | Ba3  | 23     |
| 975                  | Chesapeake Energy Corp., Senior Notes,<br>9.50%, 02/15/15                   | Ba3  | 1,026  |
| 200                  | Compagnie Generale De Geophysique-Veritas, Senior<br>Notes, 7.50%, 05/15/15 | Ba3  | 199    |
| 1,575                | Compagnie Generale De Geophysique-Veritas, Senior<br>Notes, 7.75%, 05/15/17 | Ba3  | 1,567  |
| 1,700                | Complete Production Services, Inc., Senior<br>Notes, 8%, 12/15/16           | B1   | 1,538  |
| 1,075                | Compton Petroleum Finance Corporation, Senior<br>Notes, 7.625%, 12/01/13    | Caa2 | 812    |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |   |      |       |
|-------|---|------|-------|
| 450   | Concho Resources, Inc., Senior Notes,<br>8.625%, 10/01/17             | B3   | 461   |
| 1,550 | Connacher Oil and Gas Limited, Senior Notes,<br>10.25%, 12/15/15 (g)  | Caa2 | 1,263 |
| 225   | Continental Resources, Inc., Senior Notes,<br>8.25%, 10/01/19 (g)     | B2   | 231   |
| 1,175 | Copano Energy, LLC, Senior Notes,<br>8.125%, 03/01/16                 | B1   | 1,137 |
| 575   | Denbury Resources Inc., Senior Subordinated Notes,<br>9.75%, 03/01/16 | B1   | 610   |
| 350   | El Paso Corporation, Senior Notes,<br>8.25%, 02/15/16                 | Ba3  | 359   |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|   |  |      |        |
|---|--|------|--------|
| 1,425   | El Paso Corporation, Senior Notes,<br>12%, 12/12/13                        | Ba3  | 1,628  |
| 575   | Encore Acquisition Company, Senior Subordinated<br>Notes, 6.25%, 04/15/14  | B1   | 535    |
| 825   | Encore Acquisition Company, Senior Subordinated<br>Notes, 7.25%, 12/01/17  | B1   | 771    |
| 125   | Encore Acquisition Company, Senior Subordinated<br>Notes, 9.50%, 05/01/16  | B1   | 132    |
| 525   | Ferrellgas, L.P., Senior Notes,<br>6.75%, 05/01/14                         | Ba3  | 501    |
| 1,575   | Ferrellgas Partners L.P., Senior Notes,<br>8.75%, 06/15/12                 | B2   | 1,587  |
| 1,225   | Forest Oil Corp., Senior Notes,<br>7.25%, 06/15/19                         | B1   | 1,148  |
| 325   | Forest Oil Corp., Senior Notes,<br>8.50%, 02/15/14 (g)                     | B1   | 328    |
| 1,575   | Hilcorp Energy I, L.P., Senior Notes,<br>7.75%, 11/01/15 (g)               | B3   | 1,488  |
| 475   | Inergy, L.p., Senior Notes,<br>8.75%, 03/01/15 (g)                         | B1   | 489    |
| 525   | Mariner Energy, Inc., Senior Notes,<br>11.75%, 06/30/16                    | B3   | 564    |
| 875   | OPTI Canada Inc., Senior Secured Notes,<br>7.875%, 12/15/14                | Caa1 | 672    |
| 800   | OPTI Canada Inc., Senior Secured Notes,<br>8.25%, 12/15/14                 | Caa1 | 626    |
| 300   | Penn Virginia Corporation, Senior Notes,<br>10.375%, 06/15/16              | B2   | 323    |
| 1,275   | PetroHawk Energy Corporation, Senior Notes,<br>9.125%, 07/15/13            | B3   | 1,310  |
| 400   | PetroHawk Energy Corporation, Senior Notes,<br>10.50%, 08/01/14 (g)        | B3   | 432    |
| 650   | Quicksilver Resources, Inc., Senior Notes,<br>11.75%, 01/01/16             | B2   | 714    |
| 525   | Range Resources Corporation, Senior Subordinated<br>Notes, 7.50%, 05/15/16 | Ba3  | 528    |
| 750   | SandRidge Energy, Inc., Senior Notes,<br>3.915%, 04/01/14                  | B3   | 664    |
| 75  | SandRidge Energy, Inc., Senior Notes,<br>8%, 06/01/18 (g)                  | B3   | 73     |
| 1,525   | SandRidge Energy, Inc., Senior Notes,<br>8.625%, 04/01/15                  | B3   | 1,514  |
|   |  |      | 27,744 |
| Personal, Food and Miscellaneous Services - 3.00% |  |      |        |
| 400   | ARAMARK Corporation, Senior Notes,<br>5%, 06/01/12                         | B3   | 378    |
| 650   | Brinker International, Inc., Senior Notes,<br>5.75%, 06/01/14              | Ba2  | 622    |
| 800   | FTI Consulting, Inc., Senior Notes,<br>7.625%, 06/15/13                    | Ba2  | 798    |
| 750   | FTI Consulting, Inc., Senior Notes,<br>7.75%, 10/01/16                     | Ba2  | 746    |
| 1,100   | Mac-Gray Corporation, Senior Notes,<br>7.625%, 08/15/15                    | B3   | 1,083  |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|   |   |      |       |
|---|---|------|-------|
| 850   | O Charleys, Inc., Senior Subordinated Notes,<br>9%, 11/01/13            | Caa1 | 818   |
| 400   | OSI Restaurant Partners, Inc., Senior Notes,<br>10%, 06/15/15           | Caa3 | 353   |
| 550   | Wendy's International Holdings, LLC, Senior Notes,<br>10%, 07/15/16 (g) | B2   | 583   |
| 900   | West Corporation, Senior Subordinated Notes,<br>9.50%, 10/15/14         | Caa1 | 882   |
|   |   |      | 6,263 |
| Personal Non-Durable Consumer Products - .65% |   |      |       |
| 200   | Acco Brands Corporation, Senior Notes,<br>10.625%, 03/15/15 (g)         | B2   | 209   |

---

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|                                 |   |      |       |
|---------------------------------|---|------|-------|
| 675                             | Bausch & Lomb, Incorporated, Senior Notes,<br>9.875%, 11/01/15                    | Caa1 | 709   |
| 375                             | Jarden Corporation, Senior Notes,<br>8%, 05/01/16                                 | B2   | 384   |
| 50                              | Visant Holding Corp., Senior Notes,<br>10.25%, 12/01/13                           | B3   | 52    |
|                                 |   |      | 1,354 |
| Personal Transportation - 1.68% |   |      |       |
| 850                             | American Airlines, Inc., Senior Notes,<br>7.858%, 10/01/11                        | Ba1  | 848   |
| 825                             | Delta Airlines, Inc., Senior Notes,<br>7.57%, 11/18/10                            | (e)  | 818   |
| 650                             | Delta Airlines, Inc., Senior Notes,<br>9.50%, 09/15/14 (g)                        | Ba2  | 656   |
| 1,075                           | Delta Airlines, Inc., Senior Notes,<br>11.75%, 03/15/15 (g)                       | B2   | 1,016 |
| 216                             | Northwest Airlines<br>7.575%, 09/01/20  | (e)  | 185   |
|                                 |   |      | 3,523 |
| Printing and Publishing - 2.64% |   |      |       |
| 151                             | Affinity Group Holding, Inc., Senior Notes,<br>10.875%, 02/15/12 (a)              | Ca   | 60    |
| 850                             | Affinity Group Inc., Senior Subordinated Notes,<br>9%, 02/15/12                   | Caa2 | 593   |
| 1,100                           | Deluxe Corporation, Senior Notes,<br>7.375%, 06/01/15                             | Ba2  | 1052  |
| 475                             | Interpublic Group of Companies, Inc., Senior Notes,<br>10%, 07/15/17 (g)          | Ba3  | 513   |
| 450                             | Local Insight Regatta Holdings, Inc., Senior Subordinated<br>Notes, 11%, 12/01/17 | Caa3 | 225   |
| 425                             | Nielsen Finance LLC, Senior Notes,<br>10%, 08/01/14                               | Caa1 | 427   |
| 350                             | Nielsen Finance LLC, Senior Notes,<br>11.50%, 05/01/16                            | Caa1 | 372   |
| 675                             | Nielsen Finance LLC, Senior Subordinated Notes,<br>12.50%, 08/01/16 (b)           | Caa1 | 537   |
| 950                             | Nielsen Finance LLC, Senior Notes,<br>11.625%, 02/01/14                           | Caa1 | 1,019 |
| 800                             | Valassis Communications, Inc., Senior Notes,<br>8.25%, 03/01/15                   | B3   | 716   |
|                                 |   |      | 5,514 |
| Retail Stores - 6.40%           |   |      |       |
| 1,675                           | Ace Hardware Corporation, Senior Notes,<br>9.125%, 06/01/16 (g)                   | Ba2  | 1,755 |
| 650                             | Brown Shoe Company, Inc., Senior Notes,<br>8.75%, 05/01/12                        | B3   | 639   |
| 750                             | Burlington Coat Factory Warehouse, Corp, Senior Notes,<br>11.125%, 04/15/14       | Caa1 | 735   |
| 300                             | Dollarama Group, L.P., Senior Subordinated Notes,<br>8.875%, 08/15/12             | B2   | 311   |
| 1,075                           | Dollar General Corporation, Senior Subordinated Debentures,<br>11.875%, 07/15/17  | Caa1 | 1,204 |
| 500                             | GameStop Corp., Senior Notes,<br>8%, 10/01/12                                     | Ba1  | 516   |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |   |      |       |
|-------|---|------|-------|
| 1,150 | Leslie's Poolmart, Inc., Senior Notes,<br>7.75%, 02/01/13                   | B2   | 1,147 |
| 75    | Limited Brands, Inc., Senior Notes,<br>6.90%, 07/15/17                      | Ba3  | 70    |
| 425   | Limited Brands, Inc., Senior Notes,<br>8.50%, 06/15/19 (g)                  | Ba2  | 442   |
| 1,100 | Nebraska Book Company, Inc., Senior Subordinated<br>Notes, 8.625%, 03/15/12 | Caa1 | 965   |

---



Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|                             |   |      |        |
|-----------------------------|---|------|--------|
| 1,154                       | Neiman Marcus Group, Inc., Senior Notes,<br>9.75%, 10/15/15 (i)               | Caa2 | 981    |
| 600                         | Neiman Marcus Group, Inc., Senior Subordinated<br>Notes, 10.375%, 10/15/15    | Caa3 | 515    |
| 1,000                       | Pantry, Inc., Senior Subordinated Notes,<br>7.75%, 02/15/14                   | Caa1 | 930    |
| 1,050                       | QVC, Inc., Senior Notes,<br>7.50%, 10/01/19 (g)                               | Ba2  | 1,053  |
| 225                         | Rite Aid Corporation, Senior Notes,<br>9.75%, 06/12/16 (g)                    | B3   | 242    |
| 250                         | Rite Aid Corporation, Senior Notes,<br>10.375%, 07/15/16                      | Caa2 | 247    |
| 800                         | Sally Holdings, LLC, Senior Notes,<br>9.25%, 11/15/14 .                       | B3   | 830    |
| 150                         | Sally Holdings, LLC, Senior Notes,<br>10.50%, 11/15/16                        | Caa1 | 157    |
| 675                         | Yankee Candle Company, Inc., Senior Notes,<br>8.50%, 02/15/15                 | B3   | 643    |
|                             |   |      | 13,382 |
| Telecommunications - 19.27% |   |      |        |
| 1,325                       | American Tower Corporation, Senior Notes,<br>7.25%, 05/15/19 (g)              | Ba1  | 1,351  |
| 875                         | Broadview Networks Holdings, Inc., Senior Secured<br>Notes, 11.375%, 09/01/12 | B3   | 801    |
| 675                         | CC Holdings GS V LLC, Senior Notes,<br>7.75%, 05/01/17(g)                     | Ba1  | 702    |
| 650                         | Cincinnati Bell Inc., Senior Notes,<br>7%, 02/15/15                           | Ba3  | 617    |
| 100                         | Cricket Communications, Inc., Senior Notes,<br>7.75%, 05/15/16 (g)            | Ba2  | 102    |
| 1,600                       | Cricket Communications, Inc., Senior Notes,<br>9.375%, 11/01/14               | B3   | 1,624  |
| 575                         | Cricket Communications, Inc., Senior Notes,<br>10%, 07/15/15                  | B3   | 595    |
| 1,275                       | Crown Castle International Corporation, Senior Notes,<br>9%, 01/15/15         | B2   | 1,345  |
| 1,850                       | Digicel Group Limited, Senior Notes,<br>8.875%, 01/15/15 (g)                  | Caa1 | 1,720  |
| 1,475                       | Digicel Limited, Senior Notes,<br>9.25%, 09/01/12 (g)                         | B1   | 1,475  |
| 325                         | Frontier Communications Corporation, Senior Notes,<br>6.25%, 01/15/13         | Ba2  | 322    |
| 650                         | Frontier Communications Corporation, Senior Notes,<br>8.25%, 05/01/14         | Ba2  | 669    |
| 900                         | GCI, Inc., Senior Notes,<br>7.25%, 02/15/14                                   | B3   | 846    |
| 225                         | Geoeeye, Inc., Senior Notes,<br>9.625%, 10/01/15 (g)                          | B1   | 228    |
| 425                         | Hughes Network Systems, LLC, Senior Notes,<br>9.50%, 04/15/14                 | B1   | 428    |
| 505                         | Intelsat (Bermuda), Ltd., Senior Notes,<br>11.50%, 02/04/17 (g)(i)            | Caa2 | 472    |
| 500                         | Intelsat Corporation, Senior Notes,<br>9.25%, 06/15/16                        | B3   | 512    |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|       |  |      |       |
|-------|--|------|-------|
| 500   | Intelsat Ltd., Senior Notes,<br>11.25%, 06/15/16                                 | Caa2 | 535   |
| 375   | Intelsat Subsidiary Holding Company, Ltd., Senior<br>Notes, 8.875%, 01/15/15 (g) | B3   | 384   |
| 1,050 | Intelsat Subsidiary Holding Company, Ltd., Senior Notes,<br>12.50%, 02/04/17 (g) | Caa2 | 1,045 |
| 1,337 | iPCS, Inc., Senior Secured Notes,<br>3.733%, 05/01/14 (i)                        | Caa1 | 1,023 |
| 725   | Level 3 Financing, Inc., Senior Notes,<br>9.25%, 11/01/14.                       | Caa1 | 640   |
| 425   | Level 3 Financing, Inc., Senior Notes,<br>12.25%, 03/15/13                       | Caa1 | 431   |
| 1,350 | MetroPCS Wireless, Inc., Senior Notes,<br>9.25%, 11/01/14                        | B3   | 1,380 |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|       |   |      |       |
|-------|---|------|-------|
| 50    | MetroPCS Wireless, Inc., Senior Notes,<br>9.25%, 11/01/14                     | B3   | 51    |
| 75    | Millicom International Cellular S.A., Senior Notes,<br>10%, 12/01/13          | B1   | 78    |
| 950   | Nextel Communications, Senior Notes,<br>6.875%, 10/31/13                      | Ba2  | 879   |
| 350   | Nextel Communications, Senior Notes,<br>7.375%, 08/01/15                      | Ba2  | 314   |
| 1,300 | NII Capital Corporation, Senior Notes,<br>10%, 08/15/16 (g)                   | B1   | 1,365 |
| 1,650 | Nordic Telephone Company Holdings ApS., Senior<br>Notes, 8.875%, 05/01/16 (g) | B1   | 1,710 |
| 300   | Orascom Telecom Finance S.C.A., Senior Notes,<br>7.875%, 02/08/14 (g)         | B3   | 286   |
| 700   | Paetec Holding Corporation, Senior Notes,<br>8.875%, 06/30/17 (g)             | B1   | 669   |
| 525   | Paetec Holding Corporation, Senior Notes,<br>9.50%, 07/15/15                  | Caa1 | 479   |
| 550   | Qwest Corporation, Senior Notes,<br>8.375%, 05/01/16 (g)                      | Ba1  | 565   |
| 450   | Qwest Communications International, Inc., Senior Notes,<br>7.50%, 02/15/14    | Ba3  | 443   |
| 725   | Qwest Communications International, Inc., Senior Notes,<br>8%, 10/01/15 (g)   | Ba3  | 721   |
| 675   | SBA Telecommunications, Inc., Senior Notes,<br>8%, 08/15/16 (g)               | Ba2  | 692   |
| 525   | SBA Telecommunications, Inc., Senior Notes,<br>8.25%, 08/15/19 (g)            | Ba2  | 541   |
| 550   | Sprint Capital Corporation, Senior Notes,<br>6.875%, 11/15/28                 | Ba2  | 462   |
| 700   | Sprint Capital Corporation, Senior Notes,<br>8.375%, 03/15/12                 | Ba2  | 725   |
| 1,475 | Sprint Capital Corporation, Senior Notes,<br>8.75%, 03/15/32                  | Ba2  | 1,394 |
| 350   | Sprint Nextel Corporation, Senior Notes,<br>6%, 12/01/16                      | Ba2  | 308   |
| 2,925 | Sprint Nextel Corporation, Senior Notes,<br>8.375%, 08/15/17                  | Ba2  | 2,910 |
| 1,250 | Telesat Canada, Senior Notes,<br>11%, 11/01/15                                | Caa1 | 1,325 |
| 475   | Telesat Canada, Senior Subordinated Notes,<br>12.50%, 11/01/17                | Caa1 | 506   |
| 400   | Terremark Worldwide, Inc., Senior Notes,<br>12%, 06/15/17 (g)                 | B2   | 440   |
| 500   | Valor Telecommunications Enterprise, LLC, Senior<br>Notes, 7.75%, 02/15/15    | Baa3 | 512   |
| 1,550 | Wind Acquisition Finance S.A., Senior Notes,<br>10.75%, 12/01/15 (g)          | B2   | 1,707 |
| 1,200 | Wind Acquisition Finance S.A., Senior Notes,<br>11.75%, 07/15/17 (g)          | B2   | 1,362 |
| 500   | Windstream Corporation, Senior Notes,<br>8.125%, 08/01/13                     | Ba3  | 516   |
| 100   | Windstream Corporation, Senior Notes,<br>8.625%, 08/01/16                     | Ba3  | 102   |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

|                             |   |  |    |        |
|-----------------------------|---|--|----|--------|
|                             |   |  |    | 40,309 |
| Textiles and Leather - .19% |   |  |    |        |
| 500                         | AGY Holding Corp., Senior Secured Notes,<br>11%, 11/15/14 |  | B3 | 403    |
| Utilities - 6.16%           |   |  |    |        |
| 50                          | AES Corporation, Senior Notes,<br>7.75%, 03/01/14         |  | B1 | 50     |
| 1,300                       | AES Corporation, Senior Notes,<br>9.75%, 04/15/16 (g)     |  | B1 | 1,417  |
| 850                         | Dynegy Holdings Inc., Senior Notes<br>7.50%. 06/01/15     |  | B3 | 782    |

## Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|  |  |      |         |
|--|--|------|---------|
| 1,750  | Dynergy Holdings Inc., Senior Notes<br>7.75%, 06/01/19                               | B3   | 1,496   |
| 975  | Energy Future Holding Corporation, Senior Notes,<br>10.875%, 11/01/17                | Caa2 | 739     |
| 2,243  | Energy Future Holding Corporation, Senior Notes,<br>12%, 11/01/17 (i).               | Caa2 | 1,491   |
| 925  | Mirant Americas Generation, LLC, Senior Notes,<br>8.30%, 05/01/11                    | B3   | 939     |
| 400  | North American Energy Alliance, LLC, Senior Notes,<br>10.875%, 06/01/16 (g)          | Ba3  | 410     |
| 750  | NRG Energy, Inc., Senior Notes,<br>7.375%, 02/01/16                                  | B1   | 728     |
| 950  | NRG Energy, Inc., Senior Notes,<br>7.375%, 01/15/17                                  | B1   | 921     |
| 975  | PNM Resources, Inc., Senior Notes,<br>9.25%, 05/15/15                                | Ba2  | 985     |
| 600  | RRI Energy, Inc., Senior Notes,<br>7.625%, 06/15/14                                  | B2   | 590     |
| 450  | RRI Energy, Inc., Senior Notes,<br>7.875%, 06/15/17                                  | B2   | 439     |
| 473  | RRI Energy, Inc., Senior Secured Notes,<br>6.75%, 12/15/14                           | B1   | 485     |
| 225  | Sierra Pacific Resources, Senior Notes,<br>7.803%, 06/15/12                          | Ba3  | 228     |
| 500  | Sierra Pacific Resources, Senior Notes,<br>8.625%, 03/15/14                          | Ba3  | 514     |
| 713  | Texas Competitive Electric Holdings, Senior Notes,<br>11.25%, 11/01/16 (i)           | Caa2 | 488     |
| 175  | Williams Companies, Inc., Senior Notes,<br>7.625%, 07/15/19                          | Baa3 | 189     |
|  |  |      | 12,891  |
|  | <b>Total Corporate Debt Securities</b><br>(Total cost of \$259,674)                  |      | 267,722 |
| <b>CONVERTIBLE DEBT SECURITIES - 4.55% (d)</b> |  |      |         |
| <b>Broadcasting and Entertainment - .38%</b>   |  |      |         |
| 252  | Lions Gate Entertainment Corporation, Senior Subordinated<br>Notes, 2.938%, 10/15/24 | (e)  | 227     |
| 775  | XM Satellite Radio, Inc., Senior Notes,<br>7%, 12/01/14 (g)                          | (e)  | 566     |
|  |  |      | 793     |
| <b>Building and Real Estate - .93%</b>         |  |      |         |
| 685  | American Real Estate Partners, Senior Notes,<br>4%, 08/15/13 (g)                     | (e)  | 564     |
| 337  | D.R. Horton, Inc., Senior Notes,<br>2%, 05/15/14                                     | Ba3  | 383     |
| 750  | Host Hotels and Resorts L.P., Senior Debentures,<br>2.625%, 04/15/27 (g)             | (e)  | 675     |
| 363  | Kilroy Realty L.P.,<br>3.25%, 04/15/12 (g)   | (e)  | 323     |
|  |  |      | 1,945   |
| <b>Chemicals, Plastic and Rubber - .06%</b>    |  |      |         |
| 195  | Hercules Offshore, Inc., Senior Notes,<br>3.375%, 06/01/38 (g)                       | (e)  | 133     |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

| Electronics - .73% |   |     |  |       |
|--------------------|---|-----|--|-------|
| 750                | Advanced Micro Devices, Inc., Senior Notes,   |     |  |       |
|                    | 5.75%, 08/15/12                               | (e) |  | 637   |
| 333                | Advanced Micro Devices, Inc., Senior Notes,   |     |  |       |
|                    | 6%, 05/01/15                                  | (e) |  | 248   |
| 750                | Lucent Technologies, Inc., Senior Debentures, |     |  |       |
|                    | 2.875%, 06/15/25                              | B1  |  | 635   |
|                    |   |     |  | 1,520 |

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|   |  |      |  |       |
|---|--|------|--|-------|
| <b>Finance - .52%</b>                                     |  |      |  |       |
| 445   | E*Trade Financial Corporation, Senior Notes,<br>08/31/19 (f)                   | (e)  |  | 754   |
| 384   | NASDAQ OMX Group, Inc., Senior Notes,<br>2.50%, 08/15/13                       | Ba2  |  | 333   |
|   |  |      |  | 1,087 |
| <b>Mining, Steel, Iron and Non-Precious Metals - .42%</b> |  |      |  |       |
| 380   | Massey Energy Company, Senior Notes,<br>3.25%, 08/01/15                        | (e)  |  | 301   |
| 350   | Peabody Energy Corporation, Junior<br>Subordinated Debentures, 4.75%, 12/15/66 | Ba3  |  | 309   |
| 230   | Steel Dynamics, Inc., Senior Notes,<br>5.125%, 06/15/14                        | (e)  |  | 271   |
|   |  |      |  | 881   |
| <b>Oil and Gas - .39%</b>                                 |  |      |  |       |
| 352   | Bill Barrett Corporation, Senior Notes,<br>5%, 03/15/28                        | (e)  |  | 330   |
| 81  | Helix Energy Corp., Senior Notes,<br>3.25%, 12/15/25                           | (e)  |  | 71    |
| 450   | Pennsylvania Virginia Corporation, Senior Notes,<br>4.50%, 11/15/12            | (e)  |  | 406   |
|   |  |      |  | 807   |
| <b>Personal Transportation - .62%</b>                     |  |      |  |       |
| 593   | AirTran Holdings, Inc., Senior Notes,<br>7%, 07/01/23                          | Ca   |  | 583   |
| 309   | AMR Corporation, Senior Notes,<br>6.25%, 10/15/14                              | (e)  |  | 329   |
| 400   | JetBlue Airways Corporation, Senior<br>Debentures, 3.75%, 03/15/35             | Ca   |  | 394   |
|   |  |      |  | 1,306 |
| <b>Telecommunications - .50%</b>                          |  |      |  |       |
| 575   | Leap Wireless International, Inc., Senior Notes,<br>4.50%, 07/15/14            | Caa1 |  | 472   |
| 511   | SBA Communication, Senior Notes,<br>4%, 10/01/14 (g)                           | (e)  |  | 567   |
|   |  |      |  | 1,039 |
|   | <b>Total Convertible Debt Securities</b><br>(Total cost of \$7,716)            |      |  | 9,511 |
| <b>BANK DEBT SECURITIES - 2.63% (d)</b>                   |  |      |  |       |
| <b>Electronics - 1.27%</b>                                |  |      |  |       |
| 729   | Information Global Solutions Holdings, Ltd.,<br>4.00%, 07/28/12 (h)            | B1   |  | 658   |
| 500   | Infor Global Solutions, Holdings, Ltd.,<br>6.496%, 03/02/14 (h)                | Caa2 |  | 329   |
| 1,965   | Palm Inc.<br>3.77%, 04/24/14 (h)   | B3   |  | 1,660 |
|   |  |      |  | 2,647 |
| <b>Hotels, Motels, Inns and Gaming - .46%</b>             |  |      |  |       |
| 1,000   | Pokagon Gaming,<br>9% 08/15/12 (h)   | (e)  |  | 955   |
| <b>Leisure, Amusement and Entertainment - .42%</b>        |  |      |  |       |
| 980   | Town Sports International LLC,   |      |  |       |





Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)

|                                       |  |     |    |         |
|---------------------------------------|--|-----|----|---------|
| Oil and Gas - .21%                    |  |     |    |         |
| 500                                   | Dresser, Inc.,                               |     |    |         |
|                                       | 5.994%, 05/04/15 (h)                         | B3  |    | 433     |
| Telecommunications - .27%             |  |     |    |         |
| 750                                   | Trilogy International Partners LLC,          |     |    |         |
|                                       | 3.783%, 06/29/12 (h)                         | B2  |    | 570     |
|                                       | <b>Total Bank Debt Securities</b>            |     |    |         |
|                                       | (Total cost of \$6,559)                      |     |    | 5,492   |
| <b>Shares</b>                         |  |     |    |         |
| PREFERRED STOCK - 1.64% (d)           |  |     |    |         |
| Broadcasting and Entertainment - .06% |  |     |    |         |
| 495                                   | Spanish Broadcasting System, Inc., Series B, |     |    |         |
|                                       | Preferred Stock, 10.75% (c)(f)               | C   |    | 124     |
| Electronics - 1.23%                   |  |     |    |         |
| 3,400                                 | Lucent Technologies Capital Trust I,         |     |    |         |
|                                       | Convertible Preferred Stock, 7.75%           | B3  |    | 2,566   |
| Finance - .22%                        |  |     |    |         |
| 925                                   | SLM Corporation, Series C,                   |     |    |         |
|                                       | Convertible Preferred Stock, 7.25%           | Ba3 |    | 467     |
| Telecommunications - .13%             |  |     |    |         |
| 5,200                                 | Crown Castle International Corporation,      |     |    |         |
|                                       | Convertible Preferred Stock, 6.25%           | (e) |    | 280     |
|                                       | <b>Total Preferred Stock</b>                 |     |    |         |
|                                       | (Total cost of \$3,303)                      |     |    | 3,437   |
| COMMON STOCK and WARRANTS - 1.17% (d) |  |     |    |         |
| 40,543                                | Bank of America Corporation                  |     |    | 686     |
| 44,075                                | B&G Foods, Inc., Enhanced Income Securities  |     |    | 717     |
| 585                                   | Commercial Vehicle Group, Inc. Units (g)     |     |    | 504     |
| 53,800                                | Huntsman Corporation                         |     |    | 490     |
| 10,052                                | WKI Holding Company, Inc., (c)(f)(h)         |     |    | 50      |
|                                       | <b>Total Common Stock and Warrants</b>       |     |    |         |
|                                       | (Total cost of \$4,384)                      |     |    | 2,447   |
|                                       | <b>TOTAL INVESTMENTS</b>                     |     |    |         |
|                                       | (Total cost of \$281,636)                    |     | \$ | 288,609 |

(a) Denotes income is not being accrued and/or issuer is in bankruptcy proceedings.

(b) Securities are step interest bonds. Interest on these bonds accrues based on the effective interest method which results in a constant rate of interest being recognized.

Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

(c) Security is valued at fair value using methods determined by the Board of Directors. The total value of these securities at September 30, 2009 was \$ 174.

(d) Percentages indicated are based on total net assets to common shareholders of \$ 209,145.

(e) Not rated.

(f) Non-income producing.

(g) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be resold, normally to qualified institutional buyers in transactions exempt from registration. Unless otherwise noted, 144A Securities are deemed to be liquid. See Note 1 of the Note to Schedule of Investments for valuation policy. Total market value

---

**Schedule of Investments - September 30, 2009 (Unaudited) (Dollar Amounts in Thousands)**

of Rule 144A securities amounted to \$82,426 as of September 30, 2009.

(h) Restricted as to public resale. At the date of acquisition, these securities were valued at cost. The total value of restricted securities owned at September 30, 2009 was \$5,542 or 2.65% of total net assets to common shareholders.

(i) Pay-In-Kind Security

---

The New America High Income Fund, Inc.

**Note 1 to Schedule of Investments**  
**September 30, 2009 (Unaudited)**

**(1) Significant Accounting and Other Policies**

The New America High Income Fund, Inc. (the Fund) was organized as a corporation in the state of Maryland on November 19, 1987 and is registered with the Securities and Exchange Commission as a diversified, closed-end investment company under the Investment Company Act of 1940. The Fund commenced operations on February 26, 1988. The investment objective of the Fund is to provide high current income while seeking to preserve stockholders' capital through investment in a professionally managed, diversified portfolio of high yield fixed-income securities.

The Fund invests primarily in fixed maturity corporate debt securities that are rated less than investment grade. Risk of loss upon default by the issuer is significantly greater with respect to such securities compared to investment grade securities because these securities are generally unsecured and are often subordinated to other creditors of the issuer and because these issuers usually have high levels of indebtedness and are more sensitive to adverse economic conditions, such as a recession, than are investment grade issuers. In some cases, the collection of principal and timely receipt of interest is dependent upon the issuer attaining improved operating results, selling assets or obtaining additional financing.

The Fund may focus its investments in certain industries, subjecting it to greater risk than a Fund that is more diversified. See the schedule of investments for information on individual securities as well as industry diversification and credit quality ratings.

The Fund's financial statements have been prepared in conformity with accounting principles generally accepted in the United States for investment companies that require the management of the Fund to, among other things, make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The following is a summary of significant accounting policies consistently followed by the Fund, which are in conformity with those generally accepted in the investment company industry.

(a) *Valuation of Investments* Investments for which market quotations are readily available are stated at market value, which is determined by using the most recently quoted bid price provided by an independent pricing service or principal market maker. Independent pricing services provide market quotations based primarily on quotations from dealers and brokers, market transactions, accessing data from quotations services, offering sheets obtained from dealers and various relationships between securities. Investments whose primary market is on an exchange are valued at the last sale price on the day of valuation. Short-term investments with original maturities of 60 days or less are stated at amortized cost, which approximates market value. Following procedures approved by the Board of Directors, investments for which market quotations are not readily available (primarily fixed-income corporate bonds and notes) are stated at fair value on the basis of subjective valuations furnished by securities dealers and brokers. Other investments, for which market quotations are not readily available with a cost of approximately \$2,826,000 and a value of \$174,000, are valued in good faith at fair market value using methods determined by the Board of Directors.

(b) *Securities Transactions and Net Investment Income* Securities transactions are recorded on trade date. Realized gains or losses on sales of securities are calculated on the identified cost basis. Interest income is accrued on a daily basis. Discount on short-term investments is amortized to investment income. Premiums or discounts on corporate debt securities are amortized based on the interest method for financial reporting purposes. All income on original issue

---

The New America High Income Fund, Inc.

**Note 1 to Schedule of Investments    Continued**  
**September 30, 2009 (Unaudited)**

discount and step interest bonds is accrued based on the effective interest method. The Fund does not amortize market premiums or discounts for tax purposes. Dividend payments received in the form of additional securities are recorded on the ex-dividend date in an amount equal to the value of the security on such date.

(c) *Fair Value Measurement* In September 2006, the Financial Accounting Standards Board issued Statement on Financial Accounting Standards No. 157, Fair Value Measurements ( FAS 157 ). This standard establishes the definition of fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. FAS 157 was effective for the Fund's fiscal year beginning January 1, 2008.

The three levels of the fair value hierarchy under FAS 157 are described below:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

## Edgar Filing: NEW AMERICA HIGH INCOME FUND INC - Form N-Q

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

A description of the valuation techniques applied to the Fund's major asset categories is as follows.

Debt securities (corporate, convertible & bank debt). The fair value of debt securities is provided by independent pricing services using quotations from dealers and brokers, market transactions, data from quotations services, offering sheets and various relationships between securities. While most corporate bonds are categorized in level 2 of the fair value hierarchy, there may be instances where less observable inputs necessitate a level 3 categorization.

Equity securities (preferred and common stock). Equity securities for which the primary market is on an exchange will be valued at the last sale price on the day of valuation and are categorized in level 1 of the fair value hierarchy. Other equity securities traded in inactive markets or valued by independent pricing services using methods similar to debt securities are categorized in level 2. The fair value of equity securities in which observable inputs are unavailable are categorized in level 3.

Short-term investments. Short-term investments are valued using amortized cost, which approximates fair value. To the extent the inputs are observable and timely the values would be categorized in level 2 of the fair value hierarchy.

The following is a summary of the inputs used as of September 30, 2009 in valuing the Fund's investments:

| Valuation Inputs                            | Debt Securities       | Equity Securities   | Short-term Investments | Interest Rate Swap  |
|---|-----------------------|---------------------|------------------------|---------------------|
| Level 1 Quoted Prices                       | \$                    | \$ 1,893,000        | \$                     | \$                  |
| Level 2 Other Significant Observable Inputs | 283,229,000           | 3,313,000           |                        | (293,000)           |
| Level 3 Significant Unobservable Inputs     |                       | 174,000             |                        |                     |
| <b>Total</b>                                | <b>\$ 283,229,000</b> | <b>\$ 5,380,000</b> | <b>\$</b>              | <b>\$ (293,000)</b> |

The following is a reconciliation of Fund investments using Level 3 inputs for the period:

|  | Equity Securities |
|--|-------------------|
| Balance, December 31, 2008                       | \$ 50,000         |
| Net purchases (sales)                            |                   |
| Change in unrealized appreciation (depreciation) |                   |
| Realized gain (loss)                             |                   |
| Transfers in and/or out of Level 3               | 124,000           |
| Balance, September 30, 2009                      | \$ 174,000        |

Item 2.

(a) The registrant's President and Treasurer have concluded that the registrant's disclosure controls and procedures (as defined in rule 30a-3(c) under the Investment Company Act of 1940 (the Act)) are effective, based on their evaluation of these disclosure controls and procedures required by Rule 30a-3(b) as of a date within 90 days of the filing date of this report.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in rule 30a-3(d) under the Act) 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.

Certifications as required by Rule 30a-2(a) under the Act are attached hereto.

---



