

WESTERN ASSET GLOBAL HIGH INCOME FUND INC.
Form N-CSRS
February 08, 2007

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

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21337

Western Asset Global High Income Fund Inc.

(Exact name of registrant as specified in charter)

125 Broad Street, New York, NY
(Address of principal executive offices)

10004
(Zip code)

Robert I. Frenkel, Esq.
Legg Mason & Co., LLC
300 First Stamford Place
Stamford, CT 06902

(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 451-2010

Date of fiscal year end: May 31

Date of reporting period: November 30, 2006

ITEM 1. REPORT TO STOCKHOLDERS.

The **Semi-Annual** Report to Stockholders is filed herewith.

SEMI-ANNUAL REPORT

NOVEMBER 30, 2006

Western Asset
Global High Income
Fund Inc.

INVESTMENT PRODUCTS: NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

Western Asset Global High Income Fund Inc.

Semi-Annual Report November 30, 2006

What's Inside

The Fund's primary investment objective is high current income and the secondary investment objective is total return.

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Letter from the Chairman

R. JAY GERKEN, CFA

Chairman, President and Chief Executive Officer

Dear Shareholder,

The U.S. economy took a step backwards and growth slowed during the six-month reporting period. After gross domestic product (GDP) increased a modest 1.7% in the last three months of 2005, the economy rebounded sharply in the first quarter of 2006. During this time, GDP rose 5.6%, its highest reading since the third quarter of 2003. In the second quarter of 2006, GDP growth was 2.6% according to the U.S. Commerce Department, and the final estimate for the third quarter GDP was 2.0%. Overseas, economic growth in the developed countries was also positive, albeit more modest than in the U.S. In particular, there were positive economic trends in the Eurozone and Japan. Growth rates were much stronger in the emerging market countries. For example, growth in China and India remained exceptionally strong.ⁱⁱ This, in turn, boosted the economies of commodity rich emerging market countries, such as Russia, Brazil and Venezuela.

In terms of interest rates, after increasing the federal funds rateⁱⁱⁱ to 5.25% in June its 1st consecutive rate hike the Federal Reserve Board (Fed) paused from raising rates at its next three meetings during the reporting period, as well as in December. This was largely due to the cooling of the housing market and moderating oil prices tempering inflationary pressures. The Fed s next meeting is at the end of January, and we believe any further rate movements will likely be data dependent. Internationally, the European Central Bank increased rates a total of three times during the period and again in December. Elsewhere, signs of more sustained growth caused Japan to institute its first interest rate hike in six years.

After exhibiting weakness in the early part of the year, the global bond markets rebounded and generated solid results. Looking at the six-month reporting period as a whole, the global bond markets, as measured by the JPMorgan Global Government Bond Market Index^v (hedged), gained 4.80%.

Western Asset Global High Income Fund Inc. |

Over the same period, the U.S. bond market, as measured by the Lehman Brothers U.S. Aggregate Index^{vi}, returned 5.93%. The turnaround in the global bond markets was largely triggered by the Fed's pauses and positive developments in terms of inflation.

Riskier fixed-income asset classes, such as emerging market debt, generated superior results during the reporting period. Continued improvements in emerging market fundamentals and high commodity prices aided the asset class as a whole. In addition, given relatively low global interest rates, demand for higher yielding emerging market debt was strong throughout much of the period. During the six-month reporting period, the JPMorgan Emerging Markets Bond Index Global (EMBI Globalⁱⁱ) returned 9.90%.

Performance Review

For the six months ended November 30, 2006, Western Asset Global High Income Fund Inc. returned 7.47% based on its net asset value (NAV^{viii}) and 12.28% based on its New York Stock Exchange (NYSE) market price per share. In comparison, the Fund's unmanaged benchmark, the Lehman Brothers U.S. Aggregate Index, returned 5.93% for the same time frame. The Lipper Global Income Closed-End Funds Category Average^{ix} increased 5.88%. Please note that Lipper performance returns are based on each fund's NAV per share.

During the six-month period, the Fund made distributions to shareholders totaling \$0.51 per share, (which may have included a return of capital). The performance table shows the Fund's six-month total return based on its NAV and market price as of November 30, 2006. **Past performance is no guarantee of future results.**

Performance Snapshot as of November 30, 2006 (unaudited)

Price Per Share	Six-Month Total Return
\$14.61 (NAV)	7.47%
\$13.41 (Market Price)	12.28%

All figures represent past performance and are not a guarantee of future results.

Total returns are based on changes in NAV or market price, respectively. Total returns assume the reinvestment of all distributions, including returns of capital, if any, in additional shares.

ii Western Asset Global High Income Fund Inc.

Special Shareholder Notices

Effective August 1, 2006, Legg Mason Partners Fund Advisor, LLC (LMPFA) became the investment manager of the Fund. Western Asset Management Company (Western Asset) became subadviser for the Fund, under a new sub-advisory agreement between LMPFA and Western Asset. Western Asset Management Company Limited (Western Asset Limited) also became a subadviser for the Fund, under an additional sub-advisory agreement between Western Asset and Western Asset Limited. LMPFA, Western Asset and Western Asset Limited are wholly-owned subsidiaries of Legg Mason, Inc. The portfolio managers who are responsible for the day-to-day management of the Fund remained the same immediately prior to and immediately after the date of these changes. LMPFA provides administrative and certain oversight services to the Fund. LMPFA has delegated to the subadvisers the day-to-day portfolio management of the Fund. The management fee for the Fund remains unchanged.

Prior to October 9, 2006, the Fund was known as Salomon Brothers Global High Income Fund Inc.

Information About Your Fund

As you may be aware, several issues in the mutual fund industry (not directly affecting closed-end investment companies, such as this Fund) have come under the scrutiny of federal and state regulators. Affiliates of the Fund's manager have, in recent years, received requests for information from various government regulators regarding market timing, late trading, fees, and other mutual fund issues in connection with various investigations. The regulators appear to be examining, among other things, the open-end funds' response to market timing and shareholder exchange activity, including compliance with prospectus disclosure related to these subjects. The Fund is not in a position to predict the outcome of these requests and investigations, or whether these may affect the Fund.

Important information with regard to recent regulatory developments that may affect the Fund is contained in the Notes to Financial Statements included in this report.

Looking for Additional Information?

The Fund is traded under the symbol EHI and its closing market price is available in most newspapers under the NYSE listings. The daily NAV is available on-line under symbol XEHIX on most financial websites. *Barron's* and *The Wall Street Journal's* Monday edition both carry closed-end fund tables that provide additional information. In addition, the Fund issues a quarterly press release that can be found on most major financial websites as well as www.leggmason.com/InvestorServices.

In a continuing effort to provide information concerning the Fund, shareholders may call 1-888-777-0102 (toll free), Monday through Friday from 8:00 a.m. to 6:00 p.m. Eastern Time, for the Fund's current NAV, market price and other information.

As always, thank you for your confidence in our stewardship of your assets. We look forward to helping you meet your financial goals.

Sincerely,

R. Jay Gerken, CFA

Chairman, President and Chief Executive Officer

December 22, 2006

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The information provided is not intended to be a forecast of future events, a guarantee of future results or investment advice. Views expressed may differ from those of the firm as a whole.

RISKS: An investment in the Fund is subject to investment risk, including the possible loss of the entire principal amount that you invest. The Fund may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance. Investing in foreign securities is subject to certain risks not associated with domestic investing, such as currency fluctuations, and changes in political and economic conditions. These risks are magnified in emerging or developing markets. High yield bonds involve greater credit and liquidity risks than investment grade bonds. Leverage may magnify gains and increase losses in the Fund's portfolio. Please see the Fund's prospectus for more information on these and other risks.

All index performance reflects no deduction for fees, expenses or taxes. Please note that an investor cannot invest directly in an index.

- i Gross domestic product is a market value of goods and services produced by labor and property in a given country.
- ii Source: *Bloomberg*, 12/06.
- iii The federal funds rate is the interest rate that banks with excess reserves at a Federal Reserve district bank charge other banks that need overnight loans.
- iv The Federal Reserve Board is responsible for the formulation of a policy designed to promote economic growth, full employment, stable prices, and a sustainable pattern of international trade and payments.
- v The JPMorgan Global Government Bond Market Index is a daily, market capitalization-weighted, international fixed-income index consisting of 13 countries.
- vi The Lehman Brothers U.S. Aggregate Index is a broad-based bond index comprised of government, corporate, mortgage and asset-backed issues, rated investment grade or higher, and having at least one year to maturity.
- vii JPMorgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for U.S. dollar denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds, and local market instruments. Countries covered are Algeria, Argentina, Brazil, Bulgaria, Chile, China, Colombia, Cote d'Ivoire, Croatia, Ecuador, Greece, Hungary, Lebanon, Malaysia, Mexico, Morocco, Nigeria, Panama, Peru, the Philippines, Poland, Russia, South Africa, South Korea, Thailand, Turkey and Venezuela.
- viii NAV is calculated by subtracting total liabilities from the closing value of all securities held by the Fund (plus all other assets) and dividing the result (total net assets) by the total number of the common shares outstanding. The NAV fluctuates with changes in the market prices of securities in which the Fund has invested. However, the price at which an investor may buy or sell shares of the Fund is at the Fund's market price as determined by supply of and demand for the Fund's shares.
- ix Lipper, Inc. is a major independent mutual-fund tracking organization. Returns are based on the six-month period ended November 30, 2006, including the reinvestment of all distributions, including returns of capital, if any, calculated among the 12 funds in the Fund's Lipper category.

Fund at a Glance (unaudited)

Western Asset Global High Income Fund Inc. 2006 Semi-Annual Report 1

Schedule of Investments (November 30, 2006) (unaudited)

WESTERN ASSET GLOBAL HIGH INCOME FUND INC.

Face Amount	Security(a)	Value
CORPORATE BONDS & NOTES 35.2%		
Aerospace & Defense 0.3%		
410,000	Alliant Techsystems Inc., Senior Subordinated Notes, 6.750% due 4/1/16	\$ 406,925
1,150,000	DRS Technologies Inc., Senior Subordinated Notes, 6.875% due 11/1/13	1,164,375
845,000	L-3 Communications Corp., Senior Subordinated Notes, 7.625% due 6/15/12	879,856
Total Aerospace & Defense		2,451,156
Airlines 0.1%		
130,000	Continental Airlines Inc.: Notes, 8.750% due 12/1/11	131,462
190,167	Pass-Through Certificates: Series 0974C, 6.800% due 7/2/07	189,335
107,627	Series 1998-1, Class C, 6.541% due 9/15/08	107,828
475,000	Series 2001-2, Class D, 7.568% due 12/1/06	475,297
Total Airlines		903,922
Auto Components 0.4%		
750,000	Keystone Automotive Operations Inc., Senior Subordinated Notes, 9.750% due 11/1/13	742,500
347,000	TRW Automotive Inc., Senior Notes, 9.375% due 2/15/13	373,893
815,000	Visteon Corp., Senior Notes: 8.250% due 8/1/10	796,662
785,000	7.000% due 3/10/14	690,800
Total Auto Components		2,603,855
Automobiles 1.3%		
545,000	Ford Motor Co.: Debentures: 8.875% due 1/15/22	478,238
275,000	8.900% due 1/15/32	251,625
7,205,000	Notes, 7.450% due 7/16/31	5,736,981
570,000	General Motors Corp.: Notes, 7.200% due 1/15/11	545,062
300,000	Senior Debentures: 8.250% due 7/15/23	274,875
2,540,000	8.375% due 7/15/33	2,327,275
135,000	United Auto Group Inc., Senior Subordinated Bonds, 7.750% due 12/15/16 (b)	135,000
Total Automobiles		9,749,056
Biotechnology 0.0%		
285,000	Angiotech Pharmaceuticals Inc., Senior Notes, 9.110% due 12/1/13 (b)(c)	285,000
Building Products 0.5%		
270,000	Associated Materials Inc.: Senior Discount Notes, step bond to yield 16.177% due 3/1/14	174,150
1,095,000	Senior Subordinated Notes, 9.750% due 4/15/12	1,125,112
510,000	Jacuzzi Brands Inc., Senior Secured Notes, 9.625% due 7/1/10	546,975
600,000	Nortek Inc., Senior Subordinated Notes, 8.500% due 9/1/14	582,000
2,080,000	NTK Holdings Inc., Senior Discount Notes, step bond to yield 11.336% due 3/1/14	1,445,600

Total Building Products

3,873,837

See Notes to Financial Statements.

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Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Capital Markets 0.2%		
815,000	BCP Crystal U.S. Holdings Corp., Senior Subordinated Notes, 9.625% due 6/15/14	\$ 898,537
730,000	E*TRADE Financial Corp., Senior Notes, 7.375% due 9/15/13	753,725
Total Capital Markets		1,652,262
Chemicals 0.8%		
125,000	Chemtura Corp., Senior Notes, 6.875% due 6/1/16	123,438
750,000	Equistar Chemicals LP, Senior Notes, 10.625% due 5/1/11	804,375
930,000	Georgia Gulf Corp., Senior Notes, 9.500% due 10/15/14 (b)	911,400
	Huntsman International LLC, Senior Subordinated Notes:	
762,000	10.125% due 7/1/09	777,240
275,000	7.875% due 11/15/14 (b)	277,750
175,000	IMC Global Inc., Senior Notes, 10.875% due 8/1/13	200,156
	Lyondell Chemical Co., Senior Notes:	
310,000	8.000% due 9/15/14	321,237
260,000	8.250% due 9/15/16	271,700
100,000	Millennium America Inc., Senior Notes, 9.250% due 6/15/08	104,000
1,190,000	Montell Finance Co. BV, Debentures, 8.100% due 3/15/27 (b)	1,136,450
410,000	Rhodia SA, Senior Notes, 10.250% due 6/1/10	468,425
260,000	Westlake Chemical Corp., Senior Notes, 6.625% due 1/15/16	254,800
Total Chemicals		5,650,971
Commercial Banks 0.5%		
1,050,000	Banco Mercantil del Norte SA, Bonds, 6.135% due 10/13/16 (b)(c)	1,069,404
2,710,000	Russian Agricultural Bank, Notes, 7.175% due 5/16/13 (b)	2,875,987
Total Commercial Banks		3,945,391
Commercial Services & Supplies 0.9%		
225,000	Allied Security Escrow Corp., Senior Subordinated Notes, 11.375% due 7/15/11	231,750
	Allied Waste North America Inc., Senior Notes, Series B:	
1,083,000	9.250% due 9/1/12	1,161,517
900,000	7.375% due 4/15/14	905,625
400,000	7.250% due 3/15/15	402,000
600,000	Corrections Corporation of America, Senior Subordinated Notes,	
	6.250% due 3/15/13	594,000
1,118,000	DynCorp International LLC/DIV Capital Corporation, Senior Subordinated Notes, Series B, 9.500% due 2/15/13	1,179,490
50,000	Quebecor World Capital Corp., Senior Notes, 8.750% due 3/15/16 (b)	48,750
525,000	Rental Services Corp., Senior Notes, 9.500% due 12/1/14 (b)	534,188
1,225,000	Windstream Corp., Senior Notes, 8.625% due 8/1/16 (b)	1,339,844
Total Commercial Services & Supplies		6,397,164
Consumer Finance 1.4%		
	Ford Motor Credit Co.:	
	Notes:	
50,000	7.875% due 6/15/10	50,265
1,300,000	7.000% due 10/1/13	1,248,554

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Consumer Finance 1.4% (continued)		
	Senior Notes:	
1,650,000	10.640% due 6/15/11 (b)(c)	\$ 1,761,947
115,000	9.875% due 8/10/11	123,149
	General Motors Acceptance Corp., Notes:	
2,040,000	6.875% due 8/28/12	2,104,756
4,820,000	8.000% due 11/1/31	5,417,979
	Total Consumer Finance	10,706,650
Containers & Packaging 1.0%		
505,000	Berry Plastics Holding Corp., Senior Secured Notes, 8.875% due 9/15/14 (b)	511,944
1,100,000	Graham Packaging Co. Inc., Senior Subordinated Notes, 9.875% due 10/15/14	1,094,500
	Graphic Packaging International Corp.:	
590,000	Senior Notes, 8.500% due 8/15/11	610,650
535,000	Senior Subordinated Notes, 9.500% due 8/15/13	553,725
1,250,000	JSG Funding PLC, Senior Notes, 9.625% due 10/1/12	1,328,125
1,575,000	Owens-Illinois Inc., Senior Notes, 7.350% due 5/15/08	1,582,875
390,000	Plastipak Holdings Inc., Senior Notes, 8.500% due 12/15/15 (b)	401,700
575,000	Radnor Holdings Corp., Senior Notes, 11.000% due 3/15/10 (d)	66,125
	Smurfit-Stone Container Enterprises Inc., Senior Notes:	
559,000	9.750% due 2/1/11	579,264
745,000	8.375% due 7/1/12	724,512
	Total Containers & Packaging	7,453,420
Diversified Consumer Services 0.5%		
515,000	Education Management LLC/Education Management Corp., Senior Notes, 8.750% due 6/1/14 (b)	533,025
	Hertz Corp.:	
750,000	Senior Notes, 8.875% due 1/1/14 (b)	781,875
1,660,000	Senior Subordinated Notes, 10.500% due 1/1/16 (b)	1,817,700
	Service Corp. International:	
140,000	Debentures, 7.875% due 2/1/13	146,475
185,000	Senior Notes, 7.625% due 10/1/18	194,250
	Total Diversified Consumer Services	3,473,325
Diversified Financial Services 1.5%		
755,000	Basell AF SCA, Senior Secured Subordinated Second Priority Notes, 8.375% due 8/15/15 (b)	776,706
550,000	CCM Merger Inc., Notes, 8.000% due 8/1/13 (b)	533,500
	CitiSteel USA Inc., Senior Secured Notes:	
335,000	12.949% due 9/1/10 (c)	348,400
225,000	15.000% due 10/1/10 (b)(e)	247,500
2,950,000	Dow Jones CDX HY, Series 7-T3, 8.000% due 12/29/11 (b)	3,006,935
290,000	El Paso Performance-Linked Trust Certificates, Notes, 7.750% due 7/15/11 (b)	301,600
487,000	Global Cash Access LLC/Global Cash Finance Corp., Senior Subordinated Notes, 8.750% due 3/15/12	516,829
570,000	Hexion U.S. Finance Corp./Hexion Nova Scotia Finance ULC, Senior Secured Notes, 9.750% due 11/15/14 (b)	581,400

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Diversified Financial Services 1.5% (continued)		
530,000	Idearc Inc., Senior Notes, 8.000% due 11/15/16 (b)	\$ 541,263
150,000	Milacron Escrow Corp., Senior Secured Notes, 11.500% due 5/15/11	142,500
340,000	Sally Holdings LLC, Senior Subordinated Notes, 10.500% due 11/15/16 (b)	350,625
1,750,000	TNK-BP Finance SA, 7.500% due 7/18/16 (b)	1,852,359
360,000	UCAR Finance Inc., Senior Notes, 10.250% due 2/15/12	381,600
430,000	UGS Corp., Senior Subordinated Notes, 10.000% due 6/1/12	470,850
890,000	Vanguard Health Holdings Co. I LLC, Senior Discount Notes, step bond to yield 9.952% due 10/1/15	680,850
555,000	Vanguard Health Holdings Co. II LLC, Senior Subordinated Notes, 9.000% due 10/1/14	557,775
	Total Diversified Financial Services	11,290,692
Diversified Telecommunication Services 2.2%		
	Cincinnati Bell Inc.:	
865,000	Senior Notes, 7.000% due 2/15/15	858,512
185,000	Senior Subordinated Notes, 8.375% due 1/15/14	190,088
120,000	Cincinnati Bell Telephone Co., Senior Debentures, 6.300% due 12/1/28	108,600
660,000	Citizens Communications Co., Senior Notes, 9.000% due 8/15/31	722,700
30,000	Hawaiian Telcom Communications Inc., Senior Notes, Series B, 10.889% due 5/1/13 (c)	30,150
990,000	Hawaiian Telcom Communications Inc., Senior Subordinated Notes, Series B, 12.500% due 5/1/15 10.889% due 5/1/13 (c)	1,037,025
455,000	Inmarsat Finance PLC, Senior Notes, 7.625% due 6/30/12	472,631
	Intelsat Bermuda Ltd., Senior Notes:	
755,000	9.250% due 6/15/16 (b)	811,625
1,505,000	11.250% due 6/15/16 (b)	1,657,381
195,000	Intelsat Ltd., Notes, 7.625% due 4/15/12	179,888
110,000	Level 3 Communications Inc., Senior Notes, 11.500% due 3/1/10	115,088
	Level 3 Financing Inc., Senior Notes:	
225,000	11.800% due 3/15/11 (c)	239,063
370,000	9.250% due 11/1/14 (b)	376,012
500,000	Nordic Telephone Co. Holdings, Senior Notes, 8.875% due 5/1/16 (b)	531,250
1,200,000	NTL Cable PLC, Senior Notes, 8.750% due 4/15/14	1,260,000
	Qwest Communications International Inc., Senior Notes:	
590,000	7.500% due 2/15/14	610,650
1,520,000	Series B, 7.500% due 2/15/14	1,573,200
2,155,000	Qwest Corp., Debentures, 6.875% due 9/15/33	2,095,737
1,760,000	Southwestern Bell Telephone Co., Debentures, 7.000% due 11/15/27	1,809,773
1,255,000	Telcordia Technologies Inc., Senior Subordinated Notes, 10.000% due 3/15/13 (b)	1,085,575
8,000,000 ^{MXN}	Telefonos de Mexico SA de CV, Senior Notes, 8.799% due 1/31/16 (c)	738,017
155,000	Wind Acquisition Finance SA, Senior Bond, 10.750% due 12/1/15 (b)	175,538
	Total Diversified Telecommunication Services	16,678,503

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Electric Utilities 0.3%		
	Enerjis SA, Notes:	
962,000	7.375% due 1/15/14	\$ 1,047,431
364,000	7.400% due 12/1/16	404,476
550,000	Orion Power Holdings Inc., Senior Notes, 12.000% due 5/1/10	625,625
Total Electric Utilities		2,077,532
Electronic Equipment & Instruments 0.1%		
	NXP BV/NXP Funding LLC:	
170,000	Senior Notes, 9.500% due 10/15/15 (b)	175,313
530,000	Senior Secured Bond, 7.875% due 10/15/14 (b)	547,225
Total Electronic Equipment & Instruments		722,538
Energy Equipment & Services 0.3%		
435,000	Complete Production Services Inc., Senior Notes, 8.000% due 12/15/16 (b)	441,525
969,000	Dresser-Rand Group Inc., Senior Subordinated Notes, 7.375% due 11/1/14	978,690
160,000	GulfMark Offshore Inc., Senior Subordinated Notes, 7.750% due 7/15/14	164,400
270,000	Pride International Inc., Senior Notes, 7.375% due 7/15/14	281,475
Total Energy Equipment & Services		1,866,090
Food & Staples Retailing 0.1%		
630,000	CVS Lease Pass Through Trust, 6.036% due 12/10/28 (b)	642,848
Food Products 0.1%		
	Dole Food Co. Inc., Senior Notes:	
610,000	7.250% due 6/15/10	577,213
432,000	8.875% due 3/15/11	420,660
Total Food Products		997,873
Gas Utilities 0.1%		
785,000	Suburban Propane Partners LP/Suburban Energy Finance Corp., Senior Notes, 6.875% due 12/15/13	765,375
Health Care Providers & Services 2.0%		
1,100,000	AmeriPath Inc., Senior Subordinated Notes, 10.500% due 4/1/13	1,193,500
775,000	Community Health Systems Inc., Senior Subordinated Notes, 6.500% due 12/15/12	749,813
1,300,000	DaVita Inc., Senior Subordinated Notes, 7.250% due 3/15/15	1,316,250
1,075,000	Genesis HealthCare Corp., Senior Subordinated Notes, 8.000% due 10/15/13 HCA Inc.:	1,126,062
2,220,000	Debentures, 7.500% due 11/15/95	1,672,006
1,360,000	Notes, 6.375% due 1/15/15	1,135,600
400,000	Senior Notes, 6.500% due 2/15/16	333,000
	Senior Secured Notes:	
540,000	9.250% due 11/15/16 (b)	566,325
420,000	9.625% due 11/15/16 (b)	442,050
1,675,000	IASIS Healthcare LLC/IASIS Capital Corp., Senior Subordinated Notes, 8.750% due 6/15/14	1,675,000

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Health Care Providers & Services 2.0% (continued)		
667,000	Psychiatric Solutions Inc., Senior Subordinated Notes, 10.625% due 6/15/13	\$ 735,368
	Tenet Healthcare Corp., Senior Notes:	
125,000	7.375% due 2/1/13	114,688
2,890,000	9.875% due 7/1/14	2,911,675
1,275,000	Triad Hospitals Inc., Senior Subordinated Notes, 7.000% due 11/15/13	1,284,562
	Total Health Care Providers & Services	15,255,899
Hotels, Restaurants & Leisure 2.8%		
675,000	Boyd Gaming Corp., Senior Subordinated Notes, 6.750% due 4/15/14	672,469
	Caesars Entertainment Inc.:	
465,000	Senior Notes, 7.000% due 4/15/13	480,996
650,000	Senior Subordinated Notes, 8.875% due 9/15/08	683,313
557,000	Choctaw Resort Development Enterprise, Senior Notes, 7.250% due 11/15/19 (b)	558,393
875,000	Denny's Holdings Inc., Senior Notes, 10.000% due 10/1/12	922,031
255,000	El Pollo Loco Inc., Senior Notes, 11.750% due 11/15/13	272,850
1,360,000	Harrah's Operating Co. Inc., 6.500% due 6/1/16	1,216,558
825,000	Herbst Gaming Inc., Senior Subordinated Notes, 7.000% due 11/15/14	796,125
950,000	Hilton Hotels Corp., Notes, 7.625% due 12/1/12	1,007,000
1,000,000	Inn of the Mountain Gods Resort & Casino, Senior Notes, 12.000% due 11/15/10	1,070,000
1,150,000	Isle of Capri Casinos Inc., Senior Subordinated Notes, 7.000% due 3/1/14	1,131,312
975,000	Las Vegas Sands Corp., Senior Notes, 6.375% due 2/15/15	944,531
	MGM MIRAGE Inc., Senior Notes:	
1,050,000	6.750% due 9/1/12	1,042,125
675,000	5.875% due 2/27/14	634,500
400,000	6.625% due 7/15/15	386,500
	Mohegan Tribal Gaming Authority, Senior Subordinated Notes:	
675,000	7.125% due 8/15/14	683,438
625,000	6.875% due 2/15/15	623,438
1,150,000	Penn National Gaming Inc., Senior Subordinated Notes, 6.750% due 3/1/15	1,135,625
	Pinnacle Entertainment Inc., Senior Subordinated Notes:	
450,000	8.250% due 3/15/12	461,250
675,000	8.750% due 10/1/13	717,187
940,000	Pokagon Gaming Authority, Senior Notes, 10.375% due 6/15/14 (b)	1,024,600
95,000	River Rock Entertainment Authority, Senior Notes, 9.750% due 11/1/11	101,413
1,150,000	Seneca Gaming Corp., Senior Notes, 7.250% due 5/1/12	1,155,750
	Station Casinos Inc.:	
110,000	Senior Notes, 7.750% due 8/15/16	106,150
1,015,000	Senior Subordinated Notes, 6.875% due 3/1/16	951,562
2,000,000	Turning Stone Casino Resort Enterprise, Senior Notes, 9.125% due 12/15/10 (b)	2,065,000
	Total Hotels, Restaurants & Leisure	20,844,116
Household Durables 0.7%		
80,000	American Greetings Corp., Senior Notes, 7.375% due 6/1/16	82,200
	Beazer Homes USA Inc., Senior Notes:	
75,000	6.875% due 7/15/15	72,750
460,000	8.125% due 6/15/16	479,550
1,100,000	Interface Inc., Senior Subordinated Notes, 9.500% due 2/1/14	1,149,500

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Household Durables 0.7% (continued)		
780,000	K Hovnanian Enterprises Inc., Senior Notes: 7.500% due 5/15/16	\$ 781,950
840,000	8.625% due 1/15/17	886,200
1,340,000	Norcraft Cos. LP/Norcraft Finance Corp., Senior Subordinated Notes, 9.000% due 11/1/11	1,373,500
80,000	Norcraft Holdings LP/Norcraft Capital Corp., Senior Discount Notes, step bond to yield 9.245% due 9/1/12	66,400
525,000	Sealy Mattress Co., Senior Subordinated Notes, 8.250% due 6/15/14	547,969
Total Household Durables		5,440,019
Household Products 0.2%		
115,000	Nutro Products Inc.: Senior Notes, 9.400% due 10/15/13 (b)(c)	119,025
320,000	Senior Subordinated Notes, 10.750% due 4/15/14 (b)	348,800
337,000	Spectrum Brands Inc., Senior Subordinated Notes, 7.562% due 2/1/15	285,608
490,000	Visant Holding Corp., Senior Notes, 8.750% due 12/1/13	505,312
Total Household Products		1,258,745
Independent Power Producers & Energy Traders 1.4%		
695,000	AES China Generating Co., Ltd., Class A, 8.250% due 6/26/10	695,512
AES Corp.:		
Senior Notes:		
525,000	9.375% due 9/15/10	573,563
670,000	8.875% due 2/15/11	726,112
1,940,000	7.750% due 3/1/14	2,066,100
190,000	Senior Secured Notes, 9.000% due 5/15/15 (b)	204,963
625,000	Calpine Generating Co. LLC, Senior Secured Notes, 14.370% due 4/1/11 (c)(d)	671,875
1,115,000	Dynegy Holdings Inc., Senior Notes, 8.375% due 5/1/16	1,165,175
Edison Mission Energy, Senior Notes:		
75,000	7.500% due 6/15/13	78,188
690,000	7.750% due 6/15/16	724,500
100,000	Mirant Americas Generation LLC, Senior Notes, 9.125% due 5/1/31	105,250
845,000	Mirant North America LLC, Senior Notes, 7.375% due 12/31/13	859,787
NRG Energy Inc., Senior Notes:		
450,000	7.250% due 2/1/14	451,125
2,135,000	7.375% due 2/1/16	2,140,337
Total Independent Power Producers & Energy Traders		10,462,487
Industrial Conglomerates 0.1%		
523,000	Koppers Inc., Senior Notes, 9.875% due 10/15/13	570,070
205,000	Sequa Corp., Senior Notes, 9.000% due 8/1/09	219,094
Total Industrial Conglomerates		789,164
Insurance 0.2%		
1,185,000	Crum & Forster Holdings Corp., Senior Notes, 10.375% due 6/15/13	1,276,838

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Internet & Catalog Retail 0.1%		
205,000	Brookstone Co. Inc., Senior Secured Notes, 12.000% due 10/15/12	\$ 199,619
520,000	FTD Inc., Senior Subordinated Notes, 7.750% due 2/15/14	523,250
Total Internet & Catalog Retail		722,869
IT Services 0.3%		
325,000	Sungard Data Systems Inc.: Senior Notes, 9.125% due 8/15/13	342,469
1,415,000	Senior Subordinated Notes, 10.250% due 8/15/15	1,506,975
Total IT Services		1,849,444
Leisure Equipment & Products 0.1%		
620,000	WMG Acquisition Corp., Senior Subordinated Notes, 7.375% due 4/15/14	616,900
Machinery 0.2%		
360,000	Commercial Vehicle Group Inc., Senior Notes, 8.000% due 7/1/13	350,100
179,000	Mueller Group Inc., Senior Subordinated Notes, 10.000% due 5/1/12	195,557
931,000	Mueller Holdings Inc., Senior Discount Notes, step bond to yield 11.320% due 4/15/14	823,935
Total Machinery		1,369,592
Media 4.0%		
1,015,000	Affinion Group Inc.: Senior Notes, 10.125% due 10/15/13	1,078,437
120,000	Senior Subordinated Notes, 11.500% due 10/15/15	127,200
105,000	AMC Entertainment Inc.: Senior Notes, Series B, 8.625% due 8/15/12	108,938
1,265,000	Senior Subordinated Notes, 11.000% due 2/1/16	1,402,569
840,000	CCH I Holdings LLC/CCH I Holdings Capital Corp.: Senior Notes, 11.750% due 5/15/14	735,000
37,000	Senior Secured Notes, 11.000% due 10/1/15 (b)	36,260
1,210,000	CCH I LLC/CCH Capital Corp., Senior Secured Notes, 11.000% due 10/1/15	1,191,850
1,050,000	CCH II LLC/CCH II Capital Corp., Senior Notes: 10.250% due 9/15/10	1,102,500
749,000	10.250% due 10/1/13 (b)	786,450
185,000	Charter Communications Holdings LLC, Senior Discount Notes, step bond to yield 11.750% due 5/15/14	169,275
55,000	Charter Communications Holdings LLC/Charter Communications Holdings Capital Corp., Senior Discount Notes: 9.920% due 4/1/11 (c)	49,500
265,000	11.750% due 5/15/11	246,450
1,650,000	Charter Communications Operating LLC, Second Lien Senior Notes, 8.375% due 4/30/14 (b)	1,722,187
400,000	Chukchansi Economic Development Authority, Senior Notes, 8.000% due 11/15/13 (b)	415,000
475,000	CMP Susquehanna Corp., Senior Subordinated Notes, 9.875% due 5/15/14 (b)	469,062
425,000	CSC Holdings Inc.: Senior Debentures, Series B, 8.125% due 8/15/09	441,469

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
Media 4.0% (continued)		
575,000	Senior Notes: 6.750% due 4/15/12 (b)	\$ 567,812
	Series B:	
550,000	8.125% due 7/15/09	571,312
250,000	7.625% due 4/1/11	255,938
1,367,000	Dex Media West LLC/Dex Media Finance Co., Senior Subordinated Notes, Series B, 9.875% due 8/15/13	1,496,865
1,365,000	DIRECTV Holdings LLC/DIRECTV Financing Co. Inc., Senior Notes, 8.375% due 3/15/13	1,424,719
	EchoStar DBS Corp., Senior Notes:	
375,000	7.000% due 10/1/13 (b)	375,938
1,775,000	6.625% due 10/1/14	1,726,187
865,000	7.125% due 2/1/16	862,837
1,300,000	Houghton Mifflin Co., Senior Discount Notes, step bond to yield 20.129% due 10/15/13	1,244,750
475,000	Interep National Radio Sales Inc., Senior Subordinated Notes, Series B, 10.000% due 7/1/08	410,875
160,000	ION Media Networks Inc., Secured Notes, 11.624% due 1/15/13 (b)(c)	161,600
1,290,000	Kabel Deutschland GmbH, Senior Notes, 10.625% due 7/1/14	1,428,675
1,175,000	Lamar Media Corp., Senior Subordinated Notes, 6.625% due 8/15/15	1,147,094
1,000,000	LodgeNet Entertainment Corp., Senior Subordinated Notes, 9.500% due 6/15/13	1,075,000
700,000	Primedia Inc., Senior Notes, 8.875% due 5/15/11	693,000
270,000	Quebecor Media Inc., Senior Notes, 7.750% due 3/15/16	274,725
550,000	R.H. Donnelley Corp., Senior Notes, Series A-3, 8.875% due 1/15/16	580,250
1,000,000	R.H. Donnelley Inc., Senior Subordinated Notes, 10.875% due 12/15/12	1,095,000
1,310,000	Rainbow National Services LLC, Senior Notes, 8.750% due 9/1/12 (b)	1,382,050
	Rogers Cable Inc.:	
1,100,000	Senior Secured Notes, 7.875% due 5/1/12	1,188,000
45,000	Senior Secured Second Priority Notes, 6.250% due 6/15/13	45,000
560,000	Sinclair Broadcast Group Inc., Senior Subordinated Notes, 8.000% due 3/15/12	579,600
225,000	Videotron Ltee., Senior Notes, 6.375% due 12/15/15	218,813
	XM Satellite Radio Inc., Senior Notes:	
230,000	9.871% due 5/1/13 (c)	223,100
520,000	9.750% due 5/1/14	517,400
	Total Media	29,628,687
Metals & Mining 1.0%		
80,000	Chaparral Steel Co., Senior Notes, 10.000% due 7/15/13	89,400
1,050,000	Corporacion Nacional del Cobre-Codelco, Notes, 5.500% due 10/15/13 (b)	1,064,227
1,235,000	Metals USA Inc., Senior Secured Notes, 11.125% due 12/1/15	1,373,937
620,000	RathGibson Inc., Senior Notes, 11.250% due 2/15/14 (b)	654,100
	Vale Overseas Ltd., Notes:	
475,000	6.250% due 1/11/16	482,589
1,448,000	8.250% due 1/17/34	1,725,505
1,920,000	6.875% due 11/21/36	1,970,171
	Total Metals & Mining	7,359,929

See Notes to Financial Statements.

Schedule of Investments (November 30, 2006) (unaudited) (continued)

Face Amount	Security(a)	Value
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