Aberdeen Global Income Fund, Inc.

Annual Report
October 31, 2012

2012

Managed Distribution Policy (unaudited)

The Board of Directors of the Fund has authorized a managed distribution policy ("MDP") of paying monthly distributions at an annual rate of $0.07 per share set once a year. With each distribution, the Fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other information required by the Fund's MDP exemptive order. The Fund's Board of Directors may amend or terminate the MDP at any time without prior notice to shareholders; however, at this time, there are no reasonably foreseeable circumstances that might cause the termination of the MDP. You should not draw any conclusions about the Fund's investment performance from the amount of distributions or from the terms of the Fund's MDP.

Distribution Disclosure Classification (unaudited)

The Fund's policy is to provide investors with a stable monthly distribution out of current income, supplemented by realized capital gains and, to the extent necessary, paid-in capital.

The Fund is subject to U.S. corporate, tax and securities laws. Under U.S. tax accounting rules, the amount of distributable income for each fiscal period depends on the actual exchange rates during the entire year between the U.S. Dollar and the currencies in which Fund assets are denominated and on the aggregate gains and losses realized by the Fund during the entire year.

Therefore, the exact amount of distributable income for each fiscal year can only be determined as of the end of the Fund's fiscal year, October 31. Under the Investment Company Act of 1940, as amended (the "1940 Act"), the Fund is required to indicate the sources of certain distributions to shareholders. The estimated distribution composition may vary from month to month because it may be materially impacted by future realized gains and losses on securities and fluctuations in the value of the currencies in which the Fund's assets are denominated.

The distributions for the fiscal year ended October 31, 2012, consisted of 100% net investment income.

In January 2013, a Form 1099-DIV will be sent to shareholders, which will state the amount and composition of distributions and provide information with respect to their appropriate tax treatment for the 2012 calendar year.

Dividend Reinvestment and Direct Stock Purchase Plan (unaudited)

Computershare Trust Company, N.A., the Fund's transfer agent, sponsors and administers a Dividend Reinvestment and Direct Stock Purchase Plan (the "Plan"), which is available to shareholders.

The Plan allows registered stockholders and first time investors to buy and sell shares and automatically reinvest dividends and capital gains through the transfer agent. This is a cost-effective way to invest in the Fund.

Please note that for both purchases and reinvestment purposes, shares will be purchased in the open market at the current share price and cannot be issued directly by the Fund.

For more information about the Plan and a brochure that includes the terms and conditions of the Plan, please call Computershare at 1-800-647-0584 or visit www.computershare.com/buyaberdeen.

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Letter to Shareholders (unaudited)

December 5, 2012

Dear Shareholder,

We present this Annual Report which covers the activities of Aberdeen Global Income Fund, Inc. (the "Fund") for the year ended October 31, 2012. The Fund's principal investment objective is to provide high current income by investing primarily in fixed income securities. As a secondary investment objective, the Fund seeks capital appreciation, but only when consistent with its principal investment objective.

Total Return Performance

The Fund's total return, based on net asset value ("NAV"), was 10.0% for the year ended October 31, 2012 and 8.6% per annum since inception, assuming the reinvestment of dividends and distributions. The Fund's annual total return is based on the reported NAV on October 31, 2012.

Share Price and NAV

The Fund's share price increased by 7.2% over the year, from $13.11 on October 31, 2011 to $14.06 on October 31, 2012. The Fund's share price on October 31, 2012 represented a premium of 1.3% to the NAV per share of $13.88 on that date, compared with a discount of 2.5% to the NAV per share of $13.45 on October 31, 2011.

Credit Quality

As of October 31, 2012, 68.7% of the Fund's portfolio was invested in securities where either the issue or the issuer was rated A or better by Standard & Poor's or Moody's Investors Services, Inc., or, if unrated, judged by Aberdeen Asset Management Asia Limited (the "Investment Manager") to be of equivalent quality.

Managed Distribution Policy

Distributions to common shareholders for the twelve months ended October 31, 2012 totaled $0.92 per share, which includes a special distribution of $0.08 per share declared on December 22, 2011 as well as the monthly managed distribution of $0.07 per share. Based on the share price of $14.06 on October 31, 2012, the distribution rate over the 12-month period ended October 31, 2012 was 6.5%. Since all distributions are paid after deducting applicable withholding taxes, the effective distribution rate may be higher for those U.S. investors who are able to claim a tax credit.

On November 9, 2012 and December 11, 2012, the Fund announced that it will pay on December 14, 2012 and January 11, 2013, a distribution of US $0.07 per share to all shareholders of record as of November 30, 2012 and December 31, 2012, respectively.

The Fund's policy is to provide investors with a stable monthly distribution out of current income, supplemented by realized capital gains and, to the extent necessary, paid-in capital, which is a non-taxable return of capital. It is the Board's intention that a monthly distribution of $0.07 per share be maintained for twelve months, beginning with the July 13, 2012 distribution payment. This policy is subject to regular review at the Board's quarterly meetings, unless market conditions require an earlier evaluation. The next annual review is scheduled to take place in June 2013.

Open Market Repurchase Program

The Fund's policy is generally to buy back Fund shares on the open market when the Fund trades at certain discounts to NAV. During the fiscal year ended October 31, 2012 and fiscal year ended October 31, 2011, the Fund did not repurchase any shares.

Revolving Credit Facility and Leverage

The Fund's revolving credit loan facility with The Bank of Nova Scotia was renewed for a 365-day term on March 1, 2012. The outstanding balance on the loan as of October 31, 2012 was $40,000,000. Under the terms of the loan facility and applicable regulations, the Fund is required to maintain certain asset coverage ratios for the amount of its outstanding borrowings. The Board regularly reviews the use of leverage by the Fund. The Fund is also authorized to use reverse repurchase agreements as another form of leverage.

Portfolio Holdings Disclosure

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q filings are available on the SEC's website at http://www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information about the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Fund makes the information on Form N-Q available to shareholders on the Fund's website or upon request and without charge by calling Investor Relations toll-free at 1-866-839-5233.

Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities, and information regarding how the Fund voted proxies relating to portfolio securities during the most recent twelve months ended June 30 is available by August 30 of the relevant year: (i) upon request and without charge by calling Investor Relations toll-free at 1-866-839-5233; and (ii) on the SEC's website at http://www.sec.gov.

Investor Relations Information

As part of our ongoing commitment to provide additional, timely information to investors, including Fund performance and investment strategy, we would like to highlight the monthly fact sheets including fund manager commentary, which are posted to the Fund's website at www.aberdeenfco.com. Also, there are daily updates of share price, NAV and details of distributions. If you have any questions in relation to this information or suggestions on how to improve it further, we would be delighted to hear from you.

Please contact Aberdeen Asset Management Inc. by:

- Calling toll free at 1-866-839-5233 in the United States;
- Emailing InvestorRelations@aberdeen-asset.com;
- Visiting Aberdeen Closed-End Fund Center at http://www.aberdeen-asset.us/aam.nsf/usClosed/home;
- Visiting www.aberdeenfco.com.

For additional information on Aberdeen's family of closed-end funds, we invite you to visit our Closed-End Investor Center at www.aberdeen-asset.us/cef.

From the site you will also be able to review Fund performance, download literature and sign up for email services. The site houses topical information about the funds, including fact sheets from Morningstar® that are updated daily, tools that permit you to conduct performance charting and timely information from our fund managers, among other data. When you enroll in our online email services, we can ensure that you are among the first to know about Aberdeen's latest closed-end fund news and receive alerts regarding upcoming fund manager web casts, films and other information.

Included within this report is a reply card with postage paid envelope. Please complete and mail the card if you would like to be added to our enhanced email service and receive future communication from Aberdeen.

Yours sincerely,

Christian Pittard
President

All amounts are U.S. Dollars unless otherwise stated.

Report of the Investment Manager (unaudited)

Economic Review

The twelve months ended October 31, 2012, were volatile for bond markets and saw investor confidence filled with uncertainty and fear. The future of the Eurozone and the ability of peripheral nations to service their debt coupled with weaker global growth and mixed economic data has driven markets.

The European crisis weighed heavily on investor confidence and capital flows. Investors were driven by the desire to ensure a "return of capital" rather than a "return on capital". This led to some price insensitive purchases of what became referred to as "safe haven" U.S., UK and German government bond markets; driving the yields of these bonds to new all-time lows.

Further central bank easing in the U.S., UK and Japan coupled with non-standard measures carried out by the European Central Bank sparked a rally in global risk assets and a selloff in core sovereign bond markets. These actions were carried out in a co-ordinated attempt to quell the Eurozone crisis but much to do remains. Both the Greek government and the Spanish banking systems received bailouts and markets expect Spain to request some form of aid in the near future. Structural issues remain deeply rooted within Europe, and countries from the periphery are likely to test markets over the coming months. Nevertheless, we continue to believe that the Euro currency will remain in place, while the current conditions are not ideal, we believe they are more beneficial than the Euro broken up.

The Fund uses currency forwards as part of the currency overlay process, in order to position the currency exposure according to the Fund's ongoing strategy. The Fund can also use interest rate swaps to hedge interest rate or otherwise obtain exposure to a particular interest rate market, but is not deploying this strategy currently.

During the period the Fund used derivatives in the form of exchange-traded bond futures, traded on the Sydney Futures Exchange. Bond futures were used to control overall duration positioning, for example, to manage cash inflows and outflows without having to trade physical bonds. They were also used as an efficient means to hedge the duration impact of trades in physical bonds and finally, to implement active duration positions versus underlying benchmarks.

Looking forward, we expect markets to remain volatile but we believe this will create opportunities for active managers with a broad opportunity set to identify investments that can add value to client portfolios. While we believe the safe haven markets remain overvalued, we continue to find that there are plenty of opportunities to exploit the value in non-government and emerging debt markets. The likely volatility will also generate return opportunities for us to exploit in the direction of core markets, the shape of yield curves and from currencies over the year ahead.

Loan Facility and the Use of Leverage

The Fund utilizes leverage to seek to increase the yield for its shareholders. The amounts borrowed from the loan facility may be invested to return higher rates than the rates in the Fund's portfolio. However, the cost of leverage could exceed the income earned by the Fund on the proceeds of such leverage. To the extent that the Fund is unable to invest the proceeds from the use of leverage in assets which pay interest at a rate which exceeds the rate paid on the leverage, the yield on the Fund's common stock will decrease. In addition, in the event of a general market decline in the value of assets in which the Fund invests, the effect of that decline will be magnified in the Fund because of the additional assets purchased with the proceeds of the leverage. Non-recurring expenses in connection with the implementation of the loan facility will reduce the Fund's performance.

The Fund's leveraged capital structure creates special risks not associated with unleveraged funds having similar investment objectives and policies. The funds borrowed pursuant to the loan facility may constitute a substantial lien and burden by reason of their prior claim against the income of the Fund and against the net assets of the Fund in liquidation. The Fund is not permitted to declare dividends or other distributions in the event of default under the loan facility. In the event of default under the credit agreement, the lenders have the right to cause a liquidation of the collateral (i.e., sell portfolio securities and other assets of the Fund) and, if any such default is not cured, the lenders may be able to control the liquidation as well. The loan facility has a term of 365 days and is not a perpetual form of leverage; there can be no assurance that the loan facility will be available for renewal on acceptable terms, if at all.

The credit agreement governing the loan facility includes usual and customary covenants for this type of transaction. These covenants impose on the Fund asset coverage requirements, fund composition requirements and limits on certain investments, such as illiquid investments, which are more stringent than those imposed on the Fund by the 1940 Act. The covenants or guidelines could impede the Investment Manager, Aberdeen Asset Management Limited (the "Investment Adviser") or Aberdeen Asset Managers Limited (the "Sub-Adviser") from fully managing the Fund's portfolio in accordance with the Fund's investment objective and policies. Furthermore, non-compliance with such covenants or the occurrence of other events could lead to the cancellation of the loan facility. The covenants also include a requirement that the Fund maintain a NAV of no less than $75,000,000.

Prices and availability of leverage are extremely volatile in the current market environment. The Board regularly reviews the use of leverage by the Fund and may explore other forms of leverage. The Fund is also authorized to use reverse repurchase agreements as another form of leverage. A reverse repurchase agreement involves the sale of a security, with an agreement to repurchase the same or substantially similar securities at an agreed upon price and date. Whether such a transaction produces a gain for the Fund depends upon the costs of the agreements and the income and gains of the securities purchased with the proceeds received from the sale of the security. If the income and gains on the securities purchased fail to exceed the costs, the Fund's NAV will decline faster than otherwise would be the case. Reverse repurchase agreements, as with any leveraging techniques, may increase the Fund's return; however, such transactions also increase the Fund's risks in down markets.

Interest Rate Swaps

The Fund may enter into interest rate swaps to efficiently gain or hedge interest rate or currency risk. On October 30, 2012, the Fund exited three interest rate swap agreement with notional amounts of $4,000,000, $16,000,000, and $20,000,000 with maturity dates of August 19, 2016, October 31, 2014, and October 31, 2014, respectively. Also on that date, the Fund entered into two new interest rate swaps each with notional amounts of $20,000,000 and maturity dates of November 1, 2013 and November 1, 2017, respectively. As of October 31, 2012, the Fund held interest rate swap agreements with an aggregate notional amount of $40,000,000, which represented 100% of the Fund's total borrowings. Under the terms of the agreements currently in effect, the Fund receives a floating rate of interest (three month USD-LIBOR BBA rate) and pays fixed rates of interest for the terms and based upon the notional amounts set forth below:

Remaining Term as of October 31, 2012	Amount (in $ millions)	Fixed Rate Payable (%)
60 months	20.0	0.84
12 months	20.0	0.34

A significant risk associated with interest rate swaps is the risk that the counterparty may default or file for bankruptcy, in which case the Fund would bear the risk of loss of the amount expected to be received under the swap agreements. There can be no assurance that the Fund will have an interest rate swap in place at any given time nor can there be any assurance that, if an interest rate swap is in place, it will be successful in hedging the Fund's interest rate risk with respect to the loan facility. The implementation of this strategy is at the discretion of the Leverage Committee of the Board.

Aberdeen Asset Management Asia Limited

Average Annual Returns (unaudited)

October 31, 2012

The following table summarizes Fund performance compared to the Fund's blended benchmark consisting of 20% of the B of A ML Australian Gov Bonds Index, 20% of the B of A ML UK Gov Bonds Index, 15% of the B of A ML Canadian Gov Bonds Index, 15% of the B of A ML New Zealand Gov Bonds Index and 30% of the B of A ML Global Emerging Markets Index for the 1-year, 3-year, 5-year and 10-year periods as of October 31, 2012.

	1 Year	3 Years	5 Years	10 Years
Net Asset Value (NAV)	10.0%	13.1%	9.0%	11.0%
Market Value	14.5%	13.6%	11.3%	12.5%
Benchmark	9.6%	11.1%	8.0%	10.6%

Returns represent past performance. Total investment return at net asset value is based on changes in the net asset value of Fund shares and assumes reinvestment of dividends and distributions, if any, at market prices pursuant to the Fund's dividend reinvestment program. Total investment return at market value is based on changes in the market price at which the Fund's shares traded on the NYSE MKT during the period and assumes reinvestment of dividends and distributions, if any, at market prices pursuant to the Fund's dividend reinvestment program. The Fund's annual total return is based on the reported NAV on October 31, 2012. Because the Fund's shares trade in the stock market based on investor demand, the Fund may trade at a price higher or lower than its NAV. Therefore, returns are calculated based on both market price and NAV. ***Past performance is no guarantee of future results.*** *The performance information provided does not reflect the deduction of taxes that a shareholder would pay on distributions received from the Fund. The current performance of the Fund may be lower or higher than the figures shown. The Fund's yield, return, market price and NAV will fluctuate. Performance information current to the most recent month-end is available by calling 866-839-5233.*

The net operating expense ratio is 2.07%. The net operating expense ratio, excluding interest expense, is 1.68%.

Portfolio Composition (unaudited)

Quality of Investments

As of October 31, 2012, 68.7% of the Fund's total investments were invested in securities where either the issue or the issuer was rated "A" or better by Standard & Poor's or Moody's Investors Service, Inc., or, if unrated, judged to be of equivalent quality by the Investment Manager. The table below shows the asset quality of the Fund's portfolio as of October 31, 2012, compared with the previous six and twelve months:

Date	AAA/Aaa %	AA/Aa %	A %	BBB/Baa %	BB/Ba* %	B* %	CCC* %
October 31, 2012	43.3	18.8	6.6	16.2	8.2	6.6	0.3
April 30, 2012	40.0	22.3	7.9	13.5	9.7	6.6	0.0
October 31, 2011	42.7	23.2	6.9	12.4	8.2	6.6	0.0

* Below investment grade

Geographic Composition

The Fund's investments are divided into three categories: Developed Markets, Investment Grade Developing Markets and Sub-Investment Grade Developing Markets. The table below shows the geographical composition (with U.S. Dollar-denominated bonds issued by foreign issuers allocated into country of issuance) of the Fund's total investments as of October 31, 2012, compared with the previous six and twelve months:

Date	Developed Markets %	Investment Grade Developing Markets %	Sub-Investment Grade Developing Markets %
October 31, 2012	73.6	13.0	13.4
April 30, 2012	74.5	12.3	13.2
October 31, 2011	76.0	11.5	12.5

Currency Composition

The table below shows the currency composition of the Fund's total investments as of October 31, 2012, compared with the previous six and twelve months:

Date	Developed Markets %	Investment Grade Developing Markets %	Sub-Investment Grade Developing Markets %
October 31, 2012	92.5	4.4	3.1
April 30, 2012	94.4	3.9	1.7
October 31, 2011	96.1	2.1	1.8

Maturity Composition

As of October 31, 2012, the average maturity of the Fund's total investments was 9.9 years, compared with 10.3 years at April 30, 2012 and 10.2 years at October 31, 2011. The table below shows the maturity composition of the Fund's investments as of October 31, 2012, compared with the previous six and twelve months:

Date	Under 3 Years %	3 to 5 Years %	5 to 10 Years %	10 Years & Over %
October 31, 2012	18.9	17.2	36.2	27.7
April 30, 2012	21.8	13.4	29.8	35.0
October 31, 2011	24.8	11.6	28.4	35.2

Summary of Key Rates (unaudited)

The following table summarizes the movements of key interest rates and currencies from October 31, 2012 and the previous six and twelve month periods.

	October 31, 2012	April 30, 2012	October 31, 2011
Australia			
90 day bank bills	3.14%	4.05%	4.71%
10 yr bond	3.13%	3.67%	4.51%
Australian Dollar	$1.04	$1.04	$1.06
Canada			
90 day bank bills	1.00%	1.10%	0.97%
10 yr bond	1.79%	2.04%	2.28%
Canadian Dollar	$1.00	$1.01	$1.01
Malaysia			
3-month T-Bills	3.05%	3.06%	2.98%
10 yr bond	3.46%	3.57%	3.75%
Malaysian Ringgit*	R3.05	R3.06	R3.07
New Zealand			
90 day bank bills	2.69%	2.71%	2.71%
10 yr bond	3.48%	3.99%	4.50%
New Zealand Dollar	$0.82	$0.82	$0.81
Philippines			
90 day T-bills	0.73%	2.47%	1.41%
10 yr bond	5.11%	5.79%	5.92%
Philippines Peso*	₱41.20	₱42.94	₱42.64
Singapore			
3-month T-bills	0.24%	0.25%	0.29%
10 yr bond	1.34%	1.55%	1.75%
Singapore Dollar*	S$1.22	S$1.26	S$1.25
South Korea			
90 day commercial paper	2.85%	3.40%	3.43%
10 yr bond	3.02%	3.81%	3.87%
South Korean Won*	₩1,090.60	₩1,133.05	₩1,108.20
Thailand			
90 day deposits	1.88%	2.00%	2.00%
10 yr bonds	3.30%	3.82%	3.39%
Thai Baht*	฿30.65	฿30.85	฿30.75
United Kingdom			
90 day bank bills	0.53%	1.01%	0.99%
10 yr bond	1.85%	2.11%	2.44%
British Pound	£1.61	£1.62	£1.61
U.S.$ Bonds**			
South Korea	1.11%	2.34%	2.77%
Malaysia	2.74%	3.37%	3.61%
Philippines	2.10%	3.04%	3.84%
Hong Kong	1.16%	1.40%	1.72%

* These currencies are quoted Asian currency per U.S. Dollar. The Australian, Canadian and New Zealand Dollars and British Pound are quoted U.S. Dollars per currency.

** Sovereign issues.

Portfolio of Investments

As of October 31, 2012

Principal Amount (000)		Description	Value (US$)
CORPORATE BONDS—22.5%			
AUSTRALIA—3.4%			
AUD	500	CFS Retail Property Trust, 6.25%, 12/22/2014	$ 540,113
AUD	500	DnB NOR Boligkreditt, 6.25%, 6/08/2016	550,971
AUD	600	Kommunalbanken AS, 6.00%, 10/21/2014	652,657
AUD	500	National Capital Trust III, 4.24%, 9/30/2016 (a)(b)(c)	482,138
AUD	1,500	St. George Bank Ltd., 10.00%, 5/09/2013 (a)(b)	1,606,948
AUD	500	Wesfarmers Ltd., 8.25%, 9/11/2014	559,363
			4,392,190
BRAZIL—1.2%			
USD	200	Banco do Estado do Rio Grande do Sul, 7.38%, 2/02/2022 (d)	227,000
USD	220	Odebrecht Finance Ltd., 7.50%, 9/14/2015 (b)(c)(d)	235,400
USD	400	OGX Petroleo e Gas Participacoes SA, 8.50%, 6/01/2015 (b)(d)	349,000
USD	223	QGOG Atlantic, 5.25%, 11/30/2016 (b)(d)	233,782
USD	220	Vale Overseas Ltd., 4.38%, 1/11/2022 (b)	234,179
USD	200	Virgolino de Oliveira Finance Ltd., 11.75%, 2/09/2017 (b)(d)	195,000
			1,474,361
CHINA—0.9%			
USD	300	China Overseas Finance Cayman Island II Ltd., 5.50%, 11/10/2020 (b)(d)	335,312
USD	350	MCC Holding Hong Kong Corp. Ltd., 4.88%, 7/29/2016 (d)	363,117
USD	200	Texhong Textile Group Ltd., 7.63%, 1/19/2016 (d)	199,000
USD	200	Yancoal International Resources Development Co. Ltd., 5.73%, 5/16/2022 (d)	205,823
			1,103,252
DOMINICAN REPUBLIC—0.2%			
USD	250	AES Andres Dominicana Ltd., 9.50%, 11/12/2015 (b)(d)	**274,375**
EGYPT—0.4%			
USD	500	African Export-Import Bank, 5.75%, 7/27/2016	**537,500**
EL SALVADOR—0.2%			
USD	300	Telemovil Finance Co. Ltd., 8.00%, 10/01/2014 (b)(d)	**316,500**
GEORGIA—0.2%			
USD	250	Georgian Oil and Gas Corp., 6.88%, 5/16/2017 (d)	**258,125**
GUATEMALA—0.3%			
USD	300	Industrial Subordinated Trust, 8.25%, 7/27/2021 (d)	**334,500**
INDONESIA—0.6%			
USD	100	Adaro Indonesia PT, 7.63%, 10/22/2014 (b)(d)	110,500
USD	200	Indosat Palapa Co. BV, 7.38%, 7/29/2015 (b)(d)	227,000
USD	330	Majapahit Holding BV, 7.75%, 10/17/2016 (d)	392,700
			730,200
KAZAKHSTAN—0.6%			
USD	250	Halyk Savings Bank of Kazakhstan JSC, 7.25%, 1/28/2021 (d)	260,550
USD	200	Kazakhstan Temir Zholy Finance BV, 6.95%, 7/10/2042 (d)	244,108
USD	250	KazMunayGas National Co., 6.38%, 4/09/2021 (d)	294,688
			799,346

See Notes to Financial Statements.

Principal Amount (000)		Description	Value (US$)
CORPORATE BONDS (continued)			
MALAYSIA—0.1%			
USD	110	PETRONAS Capital Ltd., 7.88%, 5/22/2022 (d)	**$ 158,591**
MEXICO—2.4%			
USD	442	Bank of New York Mellon SA Institucion de Banca Multiple, 9.63%, 5/02/2018 (b)(d)	415,069
USD	250	BBVA Bancomer SA, 6.75%, 9/30/2022 (b)(d)	283,125
USD	200	Cemex Finance LLC, 9.38%, 10/12/2017 (b)(d)	209,000
USD	200	Desarrolladora Homex SAB de CV, 9.75%, 3/25/2016 (b)(d)	202,000
USD	230	Pemex Project Funding Master Trust, 5.75%, 3/01/2018 (b)	267,950
USD	350	Pemex Project Funding Master Trust, 6.63%, 6/15/2035 (b)	436,625
USD	240	Pemex Project Funding Master Trust, 6.63%, 6/15/2038 (b)	300,000
USD	460	Petroleos Mexicanos, 6.50%, 6/02/2041 (b)	570,975
USD	400	Servicios Corporativos Javer SAPI de CV, 9.88%, 4/06/2016 (b)(d)	408,000
			3,092,744
NETHERLANDS—0.2%			
USD	250	GTB Finance BV, 7.50%, 5/19/2016 (d)	**270,625**
NEW ZEALAND—4.5%			
NZD	2,000	Deutsche Bank AG, 3.58%, 12/16/2012 (a)(b)	1,594,848
NZD	1,000	General Electric Capital Corp., 6.75%, 9/26/2016	898,308
NZD	3,800	International Finance Corp., 4.63%, 5/25/2016	3,281,095
			5,774,251
NIGERIA—0.2%			
USD	250	Access Finance BV, 7.25%, 7/25/2017 (d)	**260,575**
PERU—0.4%			
USD	330	Banco de Credito del Peru, 4.75%, 3/16/2016 (b)(d)	352,275
USD	150	Corp. Azucarera del Peru SA, 6.38%, 8/02/2017 (b)(d)	162,750
			515,025
RUSSIA—3.4%			
USD	200	Alfa Bank OJSC Via Alfa Bond Issuance PLC, 7.75%, 4/28/2021 (d)	217,760
USD	350	Alfa Bank OJSC Via Alfa Bond Issuance PLC, 7.88%, 9/25/2017 (d)	381,500
USD	200	Gazprom Neft OAO Via GPN Capital SA, 4.38%, 9/19/2022 (d)	200,500
USD	380	Home Credit & Finance Bank OOO Via Eurasia Capital SA, 9.38%, 4/24/2018 (b)(d)	388,215
USD	200	OJSC Novolipetsk Steel via Steel Funding Ltd., 4.95%, 9/26/2019 (d)	200,294
RUB	8,600	Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.50%, 3/25/2013 (d)	275,215
USD	300	Russian Agricultural Bank OJSC Via RSHB Capital SA, 7.75%, 5/29/2018 (d)	357,689
RUB	8,300	Russian Agricultural Bank OJSC Via RSHB Capital SA, 8.63%, 2/17/2017 (d)	271,899
USD	107	RZD Capital Ltd., 5.74%, 4/03/2017	118,770
RUB	30,000	RZD Capital Ltd., 8.30%, 4/02/2019 (d)	973,203
USD	300	Sberbank of Russia Via SB Capital SA, 6.13%, 2/07/2022 (d)	335,709
USD	250	VimpelCom Holdings BV, 7.50%, 3/01/2022 (d)	270,000
USD	180	VTB Bank OJSC Via VTB Capital SA, 6.55%, 10/13/2020 (d)	189,540
USD	200	VTB Bank OJSC Via VTB Capital SA, 6.88%, 5/28/2013 (b)(d)	215,772
			4,396,066
SUPRANATIONAL—1.0%			
NZD	1,500	International Bank for Reconstruction & Development, 7.50%, 7/30/2014	**1,330,475**

See Notes to Financial Statements.

Principal Amount (000)		Description	Value (US$)
CORPORATE BONDS (continued)			
THAILAND—0.2%			
USD	200	PTT Global Chemical PCL, 4.25%, 9/19/2022 (b)(d)	**$ 205,768**
TURKEY—0.6%			
USD	200	Turkiye Is Bankasi, 6.00%, 10/24/2022 (d)	204,000
USD	200	Turkiye Vakiflar Bankasi Tao, 5.75%, 4/24/2017 (d)	211,500
USD	300	Yasar Holdings SA Via Willow No. 2, 9.63%, 10/07/2013 (b)(d)	312,600
			728,100
UKRAINE—0.2%			
USD	270	Metinvest BV, 10.25%, 5/20/2015 (d)	**275,643**
UNITED ARAB EMIRATES—0.9%			
USD	970	Dubai Electricity & Water Authority, 7.38%, 10/21/2020 (d)	**1,149,450**
VENEZUELA—0.4%			
USD	540	Petroleos de Venezuela SA, 8.50%, 11/02/2017 (b)(d)	**484,650**
		Total Corporate Bonds—22.5% (cost $26,593,718)	**28,862,312**
GOVERNMENT BONDS—102.5%			
ARGENTINA—0.8%			
USD	580	Argentine Republic Government International Bond, 8.75%, 6/02/2017	493,000
USD	590	Republic of Argentina, 7.00%, 9/12/2013	543,193
			1,036,193
AUSTRALIA—24.6%			
AUD	700	Australia Government Bond, 4.75%, 4/21/2027	835,558
AUD	2,400	Australia Government Bond, 5.50%, 1/21/2018	2,826,302
AUD	2,910	Australia Government Bond, 5.50%, 4/21/2023	3,654,261
AUD	4,600	Australia Government Bond, 5.75%, 5/15/2021	5,765,847
AUD	7,170	Australia Government Bond, 5.75%, 7/15/2022	9,109,338
AUD	2,000	New South Wales Treasury Corp., 6.00%, 4/01/2015 (e)	2,218,279
AUD	1,600	Queensland Treasury Corp., 6.00%, 6/14/2021 (e)	1,945,554
AUD	3,400	Treasury Corp. of Victoria, 5.75%, 11/15/2016 (e)	3,872,812
AUD	1,115	Treasury Corp. of Victoria, 6.00%, 6/15/2020 (e)	1,343,007
			31,570,958
BRAZIL—2.0%			
BRL	429	Brazil Notas do Tesouro Nacional Serie F, 10.00%, 1/01/2015	221,551
BRL	2,135	Brazil Notas do Tesouro Nacional Serie F, 10.00%, 1/01/2017	1,112,384
BRL	1,950	Brazil Notas do Tesouro Nacional Serie F, 10.00%, 1/01/2021	1,017,762
USD	150	Brazilian Government International Bond, 5.63%, 1/07/2041 (b)	192,000
			2,543,697
CANADA—14.5%			
CAD	2,000	Canadian Government Bond, 8.00%, 6/01/2023	3,178,533
CAD	2,000	Canadian Government Bond, 9.00%, 6/01/2025	3,558,869
CAD	3,000	Canadian Government Bond, 10.25%, 3/15/2014	3,377,482
CAD	2,000	Hydro Quebec, 9.63%, 7/15/2022 (e)	3,116,796
CAD	500	Ontario Electricity Financial Corp., 8.50%, 5/26/2025 (e)	777,872
CAD	2,200	Province of British Columbia Canada, 8.50%, 8/23/2013	2,331,614
CAD	2,000	Province of New Brunswick, 7.75%, 1/13/2014	2,144,481
			18,485,647

See Notes to Financial Statements.

Portfolio of Investments (continued)

As of October 31, 2012

Principal Amount (000)		Description	Value (US$)
GOVERNMENT BONDS (continued)			
COLOMBIA—0.3%			
USD	240	Colombia Government International Bond, 7.38%, 3/18/2019	**$ 316,800**
CROATIA—0.8%			
USD	500	Croatia Government International Bond, 6.25%, 4/27/2017 (d)	549,500
USD	320	Croatia Government International Bond, 6.63%, 7/14/2020 (d)	365,974
USD	100	Croatia Government International Bond, 6.75%, 11/05/2019 (d)	114,750
			1,030,224
DOMINICAN REPUBLIC—0.5%			
USD	160	Dominican Republic International Bond, 7.50%, 5/06/2021 (d)	188,000
USD	400	Dominican Republic International Bond, 8.63%, 4/20/2027 (d)	480,000
			668,000
EGYPT—0.5%			
USD	200	Egypt Government International Bond, 6.88%, 4/30/2040 (d)	199,500
USD	400	Egypt Government International Bond, 6.88%, 4/30/2040 (d)	399,000
			598,500
EL SALVADOR—0.2%			
USD	200	El Salvador Government International Bond, 8.25%, 4/10/2032 (d)	**245,000**
HUNGARY—1.3%			
HUF	132,000	Hungary Government Bond, 7.00%, 6/24/2022	605,473
HUF	115,000	Hungary Government Bond, 8.00%, 2/12/2015	546,351
EUR	400	Hungary Government International Bond, 4.50%, 1/29/2014	522,597
			1,674,421
LITHUANIA—0.5%			
USD	620	Lithuania Government International Bond, 6.75%, 1/15/2015 (d)	**680,512**
MALAYSIA—1.2%			
MYR	850	Malaysia Government Bond, 3.21%, 5/31/2013	279,309
MYR	3,600	Malaysia Government Bond, 4.01%, 9/15/2017	1,222,940
			1,502,249
MEXICO—2.9%			
MXN	3,000	Mexico Fixed Rate Bonds, 7.25%, 12/15/2016	247,147
MXN	9,000	Mexico Fixed Rate Bonds, 7.50%, 6/03/2027	786,529
MXN	3,350	Mexico Fixed Rate Bonds, 8.00%, 12/07/2023	306,028
USD	1,780	Mexico Government International Bond, 6.05%, 1/11/2040 (b)	2,362,950
			3,702,654
NEW ZEALAND—20.4%			
NZD	900	New Zealand Government Bond, 5.00%, 3/15/2019	823,835
NZD	8,460	New Zealand Government Bond, 5.50%, 4/15/2023	8,160,389
NZD	7,150	New Zealand Government Bond, 6.00%, 4/15/2015	6,373,213
NZD	1,700	New Zealand Government Bond, 6.00%, 12/15/2017	1,608,366
NZD	8,305	New Zealand Government Bond, 6.00%, 5/15/2021	8,184,293
NZD	1,000	Province of Manitoba, 6.38%, 9/01/2015	887,828
			26,037,924

See Notes to Financial Statements.

Principal Amount (000)		Description	Value (US$)
GOVERNMENT BONDS (continued)			
NIGERIA—0.8%			
NGN	186,000	Nigeria Treasury Bill, Zero Coupon, 6/27/2013 (f)	**$ 1,086,275**
PAKISTAN—0.4%			
USD	600	Pakistan Government International Bond, 6.88%, 6/01/2017 (d)	**540,000**
PERU—1.2%			
PEN	1,850	Peru Government Bond, 7.84%, 8/12/2020	883,417
USD	530	Peruvian Government International Bond, 5.63%, 11/18/2050	686,350
			1,569,767
PHILIPPINES—1.0%			
USD	850	Philippine Government International Bond, 6.38%, 10/23/2034	1,181,500
USD	40	Philippine Government International Bond, 8.38%, 6/17/2019	55,200
			1,236,700
POLAND—0.1%			
PLN	450	Poland Government Bond, 5.75%, 9/23/2022	**154,381**
QATAR—0.6%			
USD	520	Qatar Government International Bond, 5.25%, 1/20/2020 (b)(d)	620,620
USD	130	Qatar Government International Bond, 6.40%, 1/20/2040 (b)(d)	181,155
			801,775
ROMANIA—0.6%			
USD	600	Romanian Government International Bond, 6.75%, 2/07/2022 (d)	**693,000**
RUSSIA—0.6%			
USD	500	Russian Foreign Bond – Eurobond, 5.00%, 4/29/2020 (d)	578,750
USD	100	Vnesheconombank Via VEB Finance PLC, 6.80%, 11/22/2025 (d)	118,376
USD	100	Vnesheconombank Via VEB Finance PLC, 6.90%, 7/09/2020 (d)	118,648
			815,774
SERBIA—1.0%			
USD	550	Republic of Serbia, 7.25%, 9/28/2021 (d)	585,750
USD	600	Republic of Serbia, 7.25%, 9/28/2021 (d)	639,000
			1,224,750
SOUTH AFRICA—2.3%			
USD	920	Eskom Holdings Ltd., 5.75%, 1/26/2021 (b)(d)	1,016,600
ZAR	3,900	South Africa Government Bond, 7.00%, 2/28/2031	394,745
ZAR	5,090	South Africa Government Bond, 10.50%, 12/21/2026	725,490
ZAR	3,800	South Africa Government Bond, 13.50%, 9/15/2015	530,491
USD	160	South Africa Government International Bond, 5.50%, 3/09/2020	186,928
USD	100	South Africa Government International Bond, 6.25%, 3/08/2041	128,250
			2,982,504
TURKEY—4.2%			
TRY	5,200	Turkey Government Bond, 9.00%, 1/27/2016	3,046,025
TRY	1,200	Turkey Government Bond, 10.50%, 1/15/2020	769,205
USD	200	Turkey Government International Bond, 5.63%, 3/30/2021	232,500
USD	560	Turkey Government International Bond, 6.25%, 9/26/2022	678,440

See Notes to Financial Statements.

As of October 31, 2012

Principal Amount (000)		Description	Value (US$)
GOVERNMENT BONDS (continued)			
TURKEY (continued)			
USD	230	Turkey Government International Bond, 7.25%, 3/15/2015	$ 256,795
USD	300	Turkey Government International Bond, 7.50%, 11/07/2019	380,850
			5,363,815
UKRAINE—0.5%			
USD	700	Ukraine Government International Bond, 6.58%, 11/21/2016 (d)	**692,692**
UNITED KINGDOM—15.9%			
GBP	1,180	United Kingdom Gilt, 8.00%, 9/27/2013	2,036,891
GBP	3,000	United Kingdom Gilt, 8.00%, 12/07/2015	5,984,556
GBP	6,205	United Kingdom Treasury Gilt, 4.25%, 12/07/2049	12,270,715
			20,292,162
URUGUAY—0.9%			
UYU	10,912	Uruguay Government International Bond, 4.25%, 4/05/2027 (g)	641,470
UYU	9,555	Uruguay Government International Bond, 5.00%, 9/14/2018 (g)	553,219
			1,194,689
VENEZUELA—1.8%			
USD	1,080	Venezuela Government International Bond, 5.75%, 2/26/2016 (d)	996,300
USD	650	Venezuela Government International Bond, 7.65%, 4/21/2025	511,875
USD	500	Venezuela Government International Bond, 11.95%, 8/05/2031 (d)	511,250
USD	240	Venezuela Government International Bond, 12.75%, 8/23/2022 (d)	257,400
			2,276,825
VIETNAM—0.2%			
USD	220	Vietnam Government International Bond, 6.88%, 1/15/2016 (d)	**243,100**
		Total Government Bonds—102.5% (cost $111,699,660)	**131,260,988**
SHORT-TERM INVESTMENT—0.7%			
UNITED STATES—0.7%			
USD	958	Repurchase Agreement, State Street Bank & Trust Co., 0.15% dated 10/31/2012, due 11/01/2012 in the amount of $958,004, (collateralized by $945,000 U.S. Treasury Notes, 1.50%-2.38% maturing 5/31/2018-8/31/2018; value of $981,750)	958,000
		Total Short-Term Investment—0.7% (cost $958,000)	**958,000**
		Total Investments—125.7% (cost $139,251,378)	**161,081,300**
		Liabilities in Excess of Other Assets—(25.7)%	(32,969,555)
		Net Assets—100.0%	**$128,111,745**

AUD—Australian Dollar
BRL—Brazilian Real
CAD—Canadian Dollar
EUR—Euro currency
GBP—British Pound Sterling
HUF—Hungarian Forint
MXN—Mexican Peso
MYR—Malaysian Ringgit
NGN—Nigerian Naira
NZD—New Zealand Dollar
PEN—Peruvian Nuevo Sol
PLN—Polish Zloty
RUB—New Russian Ruble
TRY—Turkish Lira
USD—U.S. Dollar
UYU—Uruguayan Peso
ZAR—South African Rand

See Notes to Financial Statements.

Portfolio of Investments (concluded)

As of October 31, 2012

(a) Indicates a variable rate security. The maturity date presented for these instruments is the later of the next date on which the security can be redeemed at par or the next date on which the rate of interest is adjusted. The interest rate shown reflects the rate in effect at October 31, 2012.
(b) The maturity date presented for these instruments represents the next call/put date.
(c) Perpetual bond. This is a bond that has no maturity date, is redeemable and pays a steady stream of interest indefinitely.
(d) Denotes a restricted security, see Note 2(c).
(e) This security is government guaranteed.
(f) Issued with a zero coupon.
(g) Inflation linked security.

At October 31, 2012, the Fund's open forward foreign currency exchange contracts were as follows:

Purchase Contracts Settlement Date*	Counterparty	Amount Purchased	Amount Sold	Fair Value	Unrealized Appreciation
British Pound/United States Dollar					
1/24/2013	JPMorgan Chase	GBP56,000	USD90,037	$ 90,346	$ 309
				$90,346	**$309**

Sale Contracts Settlement Date*	Counterparty	Amount Purchased	Amount Sold	Fair Value	Unrealized Appreciation/ (Depreciation)
United States Dollar/British Pound					
11/01/2012	JPMorgan Chase	USD89,883	GBP55,891	$ 90,194	$ (311)
1/24/2013	Goldman Sachs	USD4,718,598	GBP2,923,000	4,715,712	2,886
United States Dollar/Canadian Dollar					
11/01/2012	JPMorgan Chase	USD388,004	CAD387,924	388,410	(406)
United States Dollar/Euro Currency					
1/24/2013	JPMorgan Chase	USD472,041	EUR360,000	467,000	5,041
United States Dollar/Hungarian Forint					
1/24/2013	JPMorgan Chase	USD531,310	HUF114,161,000	517,296	14,014
United States Dollar/New Zealand Dollar					
1/24/2013	Goldman Sachs	USD8,518,090	NZD10,435,000	8,535,300	(17,210)
United States Dollar/Turkish Lira					
1/24/2013	JPMorgan Chase	USD1,088,755	TRY1,983,000	1,094,534	(5,779)
				$15,808,446	**$ (1,765)**

* Certain contracts with different trade dates and like characteristics have been shown net.

At October 31, 2012, the Fund's interest rate swaps were as follows:

Currency	Notional Amount	Expiration Date	Counterparty	Receive (Pay) Floating Rate	Floating Rate Index	Fixed Rate	Unrealized Depreciation
USD	20,000,000	11/01/2013	Barclays Capital	Receive	3-month LIBOR Index	0.34%	$ (1,460)
USD	20,000,000	11/01/2017	Barclays Capital	Receive	3-month LIBOR Index	0.84%	(7,220)
							$(8,680)

See Notes to Financial Statements.

Statement of Assets and Liabilities

As of October 31, 2012

Assets	
Investments, at value (cost $138,293,378)	$ 160,123,300
Repurchase agreement, at value (cost $958,000)	958,000
Foreign currency, at value (cost $4,779,316)	4,817,507
Cash at broker for interest rate swaps	940,000
Cash	15,924
Cash at broker for futures contracts	445
Interest receivable	2,520,792
Receivable for investments sold	419,554
Unrealized appreciation on forward foreign currency exchange contracts	22,250
Prepaid expenses in connection with the at-the-market stock offering	268,711
Prepaid expenses	34,113
Total assets	**170,120,596**
Liabilities	
Bank loan payable (Note 6)	40,000,000
Payable for interest rate swaps closed	881,360
Dividends payable to common shareholders	646,017
Payable for investments purchased	200,000
Investment management fees payable (Note 3)	98,603
Unrealized depreciation on forward foreign currency exchange contracts	23,706
Administration fees payable (Note 3)	18,962
Investor relations fees payable (Note 3)	10,404
Unrealized depreciation on interest rate swaps	8,680
Interest payable on closed interest rate swaps	6,790
Director fees payable	3,786
Interest payable on bank loan	3,633
Unrealized depreciation on spot foreign currency exchange contracts	59
Accrued expenses	106,851
Total liabilities	**42,008,851**
Net Assets	**$128,111,745**
Composition of Net Assets:	
Common stock (par value $.001 per share)	$ 9,229
Paid-in capital in excess of par	107,006,982
Distributions in excess of net investment income	(2,512,632)
Accumulated net realized loss from investments, interest rate swaps and futures contracts	(9,585,807)
Net unrealized appreciation on investments, futures contracts and interest rate swaps	14,202,753
Accumulated net realized foreign exchange gains	11,319,381
Net unrealized foreign exchange and forward foreign currency contract gains	7,671,839
Net Assets	**$128,111,745**
Net asset value per common share based on 9,228,816 shares issued and outstanding	$ 13.88[(a)]

(a) The NAV shown differs from the reported NAV on October 31, 2012 due to financial statement adjustments.

See Notes to Financial Statements.

Statement of Operations

For the Year Ended October 31, 2012

Net Investment Income	
Income	
Interest and amortization of discount and premium (net of foreign withholding taxes of $15,292)	$ 8,129,082
Other income	2,487
	8,131,569
Expenses	
Investment management fee (Note 3)	1,064,570
Administration fee (Note 3)	204,725
Directors' fees and expenses	223,161
Investor relations fees and expenses (Note 3)	116,623
Independent auditors' fees and expenses	89,901
Reports to shareholders and proxy solicitation	83,812
Legal fees and expenses	82,253
Insurance expense	75,826
Custodian's fees and expenses	45,437
Bank loan fees and expenses	32,163
Transfer agent's fees and expenses	27,663
Miscellaneous	35,073
Total operating expenses, excluding interest expense	2,081,207
Interest expense (Note 6)	480,363
Total operating expenses	2,561,570
Net Investment Income	**5,569,999**
Realized and Unrealized Gains/(Losses) on Investments, Interest Rate Swaps, Futures Contracts and Foreign Currencies	
Net realized gain/(loss) from:	
Investment transactions	1,850,725
Interest rate swaps	(1,136,815)
Futures contracts	(58,461)
Forward and spot foreign currency exchange contracts	(238,740)
Foreign currency transactions	785,465
	1,202,174
Net change in unrealized appreciation/(depreciation) on:	
Investments	6,881,466
Interest rate swaps	163,331
Futures contracts	49,108
Forward and spot foreign currency exchange contracts	112,218
Foreign currency translation	(1,630,069)
	5,576,054
Net gain from investments, interest rate swaps, futures contracts and foreign currencies	6,778,228
Net Increase in Net Assets Resulting from Operations	**$12,348,227**

See Notes to Financial Statements.

Statements of Changes in Net Assets

	For the Year Ended October 31, 2012	For the Year Ended October 31, 2011
Increase/(Decrease) in Net Assets		
Operations:		
Net investment income	$ 5,569,999	$ 6,483,862
Net realized gain from investments, interest rate swaps and futures contracts	655,449	1,605,684
Net realized gain from foreign currency transactions	546,725	6,546,703
Net change in unrealized appreciation/depreciation on investments, interest rate swaps and futures contracts	7,093,905	392,942
Net change in unrealized appreciation/depreciation on foreign currency translation	(1,517,851)	(2,596,826)
Net increase in net assets resulting from operations	**12,348,227**	**12,432,365**
Distributions to Shareholders from:		
Net investment income	(8,406,823)	(7,597,123)
Net decrease in net assets from distributions	(8,406,823)	(7,597,123)
Common Stock Transactions:		
Proceeds from the at-the-market stock offering (Note 5)	2,555,698	—
Expenses in connection with the at-the-market stock offering (Note 5)	(37,715)	—
Change in net assets from common stock transactions	2,517,983	—
Change in net assets resulting from operations	6,459,387	4,835,242
Net Assets:		
Beginning of year	121,652,358	116,817,116
End of year (including distributions in excess of net investment income of $(2,512,632) and accumulated net investment income of $4,286,243, respectively)	**$128,111,745**	**$121,652,358**

See Notes to Financial Statements.

Amounts listed as "—" are $0 or round to $0.

Statement of Cash Flows

For the Year Ended October 31, 2012

Increase/(Decrease) in Cash (Including Foreign Currency)	
Cash flows provided from (used for) operating activities:	
Interest received (excluding discount and premium amortization of $1,002,354)	$ 9,059,791
Operating expenses paid	(2,663,452)
Payments paid to broker for collateral on interest rate swaps	(390,000)
Purchases and sales of short-term portfolio investments, net	2,646,000
Purchases of long-term portfolio investments	(61,193,365)
Proceeds from sales of long-term portfolio investments	52,836,206
Realized losses on forward foreign currency exchange contracts closed	(242,915)
Realized losses on interest rate swap transactions	(248,665)
Payments received from broker for futures contracts	1,023,331
Increase in prepaid expenses and other assets	(4,068)
Net cash provided from operating activities	822,863
Cash flows provided from (used for) financing activities	
Issuance of common stock	2,249,272
Dividends paid to common shareholders	(8,393,899)
Net cash used for financing activities	(6,144,627)
Effect of exchange rate on cash	260,096
Net decrease in cash	(5,061,668)
Cash at beginning of year	9,895,099
Cash at end of year	$ 4,833,431
Reconciliation of Net Increase in Net Assets from Operations to Net Cash (Including Foreign Currency) Provided from (Used for) Operating Activities	
Net increase in total net assets resulting from operations	$ 12,348,227
Increase in investments	(4,387,365)
Net realized gain on investment transactions	(1,850,725)
Net realized loss on interest rate swap transactions	1,136,815
Net realized loss on futures contracts	58,461
Net realized foreign exchange gains	(546,725)
Net change in unrealized appreciation/depreciation on investments, futures contracts and interest rate swaps	(7,093,905)
Net change in unrealized foreign exchange gains/losses	1,517,851
Increase in interest receivable	(74,132)
Decrease in receivable for investments sold	531,000
Decrease in interest payable on bank loan	(36,234)
Net change in margin variation on future contracts	(49,108)
Net increase in other assets	(4,068)
Decrease in payable for investments purchased	(1,402,481)
Payments made to broker for interest rate swaps	(390,000)
Decrease in payable to broker	(501,487)
Payments received from broker for futures contracts	1,632,387
Decrease in accrued expenses and other liabilities	(65,648)
Total adjustments	(11,525,364)
Net cash provided from operating activities	$ 822,863

See Notes to Financial Statements.

Financial Highlights

	For the Year Ended October 31,				
	2012	2011	2010	2009	2008
Per Share Operating Performance[a]:					
Net asset value per common share, beginning of year	$13.45	$12.92	$11.67	$9.61	$14.19
Net investment income	0.61	0.72	0.72	0.62	0.81
Net realized and unrealized gains/(losses) on investments, interest rate swaps, futures contracts and foreign currency transactions	0.73	0.65	1.37	3.02	(4.35)
Dividends to preferred shareholders from net investment income	–	–	–	–	(0.07)
Total from investment operations applicable to common shareholders	1.34	1.37	2.09	3.64	(3.61)
Distributions to common shareholders from:					
Net investment income	(0.92)	(0.84)	(0.84)	(0.92)	(1.02)
Tax return of capital	–	–	–	(0.67)	–
Total distributions	(0.92)	(0.84)	(0.84)	(1.59)	(1.02)
Offering cost on common stock	–	–	–	–	–
Impact of shelf offering	0.01	–	–	–	–
Effect of Fund shares repurchased	–	–	–	0.01	0.05
Net asset value per common share, end of year	$13.88	$13.45	$12.92	$11.67	$9.61
Market value, end of year	$14.06	$13.11	$12.53	$11.70	$8.20
Total Investment Return Based on[b]:					
Market value	14.54%	11.48%	14.84%	68.04%	(30.80%)
Net asset value	10.21%[g]	11.00%	18.72%	43.04%	(25.87%)
Ratio to Average Net Assets Applicable to Common Shareholders/Supplementary Data[c]:					
Net assets applicable to common shareholders, end of year (000 omitted)	$128,112	$121,652	$116,817	$105,075	$86,743
Average net assets applicable to common shareholders (000 omitted)	$123,780	$118,560	$108,068	$92,052	$120,990
Net operating expenses	2.07%	2.13%	2.49%	3.30%	2.47%[d]
Net operating expenses without reimbursement	2.07%	2.13%	2.49%	3.33%[e]	2.47%[d]
Net operating expenses, excluding interest expense	1.68%	1.68%	1.88%	2.52%	1.91%
Net investment income	4.50%	5.47%	6.02%	6.02%	5.63%
Portfolio turnover	34%	76%	44%	63%	42%
Senior securities (loan facility) outstanding (000 omitted)	$40,000	$40,000	$40,000	$30,000	$30,000
Asset coverage ratio on revolving credit facility at year end	420%	404%	392%	450%	389%
Asset coverage per $1,000 on revolving credit facility at year end[f]	$4,196	$4,041	$3,920	$4,502	$3,891

(a) Based on average shares outstanding.
(b) Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed, for purposes of this calculation, to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Total investment return does not reflect brokerage commissions.
(c) Ratios calculated on the basis of income, expenses and preferred share dividends applicable to both the common and preferred shares relative to the average net assets of common shareholders. For each of the years ended October 31, 2012, 2011, 2010, 2009 and 2008 their ratio of net investment income before preferred stock dividends to average net assets of common shareholders were 4.50%, 5.47%, 6.02%, 6.02% and 6.13%, respectively.
(d) Includes expenses of both preferred and common stock.
(e) In 2009, the Fund filed a non-routine proxy to consider approval of a new sub-advisory agreement among the Fund, Investment Manager, and Sub-Adviser. The Fund and the Investment Manager agreed to each bear equal responsibility with respect to the costs of soliciting proxies associated with the non-routine item.
(f) Asset coverage ratio is calculated by dividing net assets plus the amount of any borrowings, including Auction Market Preferred Stock, for investment purposes by the amount of any borrowings.
(g) The total return shown above includes the impact of financial statement adjustments of the NAV per share.

See Notes to Financial Statements.

Amounts listed as "–" are $0 or round to $0.

1. Organization

Aberdeen Global Income Fund, Inc. (the "Fund") was incorporated in Maryland on June 28, 1991, as a closed-end, non-diversified management investment company. The Fund's principal investment objective is to provide high current income by investing primarily in fixed income securities. As a secondary investment objective, the Fund seeks capital appreciation, but only when consistent with its principal investment objective. As a non-fundamental policy, under normal market conditions, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in debt securities. This 80% investment policy is a non-fundamental policy of the Fund and may be changed by the Fund's Board of Directors (the "Board") upon 60 days' prior written notice to shareholders. The Fund's investments are divided into three categories: Developed Markets, Investment Grade Developing Markets and Sub-Investment Grade Developing Markets. "Developed Markets" are those countries contained in the Citigroup World Government Bond Index, New Zealand, Luxembourg and Hong Kong Special Administrative Region. As of October 31, 2012, securities of the following countries comprised the Citigroup World Government Bond Index: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, Netherlands, Norway, Poland, Singapore, Spain, Sweden, Switzerland, United Kingdom, and the United States. "Investment Grade Developing Markets" are those countries whose sovereign debt is rated not less than Baa3 by Moody's Investors Services Inc. ("Moody's") or BBB- by Standard & Poor's ("S&P"). "Sub-Investment Grade Developing Markets" are those countries that are not Developed Markets or Investment Grade Developing Markets. Under normal circumstances, at least 60% of the Fund's total assets are invested in fixed income securities of issuers in Developed Markets or Investment Grade Developing Markets, whether or not denominated in the currency of such country; provided, however, that the Fund will invest at least 40% of its total assets in fixed income securities of issuers in Developed Markets. The Fund may invest up to 40% of its total assets in fixed income securities of issuers in Sub-Investment Grade Developing Markets, whether or not denominated in the currency of such country. There can be no assurance that the Fund will achieve its investment objectives. The ability of issuers of debt securities held by the Fund to meet their obligations may be affected by economic developments in a specific industry, country or region.

2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses for the period. Actual results could differ from those estimates. The accounting records of the Fund are maintained in U.S. Dollars and the U.S. Dollar is used as both the functional and reporting currency. However, the Australian Dollar, Canadian Dollar and British Pound are the functional currencies for U.S. federal tax purposes.

(a) Security Valuation:

The Fund is required to value its securities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Equity securities that are traded on an exchange are valued at the last quoted sale price on the principal exchange on which the security is traded at the "Valuation Time." The Valuation Time is as of the close of regular trading on the New York Stock Exchange (usually 4:00 p.m. Eastern Time). In the absence of a sale price, the security is valued at the mean of the bid/ask quoted at the close on the principal exchange on which the security is traded. Securities traded on NASDAQ are valued at the NASDAQ official closing price. A security using any of these pricing methodologies is determined as a Level 1 investment.

Foreign equity securities that are traded on foreign exchanges that close prior to the Valuation Time are valued by applying fair valuation factors to the last sale price. Fair valuation factors are provided by an independent pricing service provider. If the pricing service is unable to provide a valuation factor, or if the valuation factor falls below a predetermined threshold, the security is valued at the last sale price and classified as a Level 1 investment. A security that applies a fair valuation factor is generally a Level 2 investment.

Long-term debt and other fixed-income securities are valued at the last quoted or evaluated bid price on the valuation date provided by an independent pricing service provider. If there are no current day bids, the security is valued at the previously applied bid. Short-term debt securities (such as commercial paper, and US treasury bills) having a remaining maturity of 60 days or less are valued at amortized cost, which approximates fair value. Debt and other fixed-income securities are determined as Level 2 investments.

Exchange traded derivatives are generally Level 1 investments and over-the-counter derivatives are generally Level 2 investments.

In the event that a security's market quotations are not readily available or are deemed unreliable, the fair value of a security is determined by the Fund's Pricing Committee, taking into account the relevant factors and surrounding circumstances. A security that has been fair valued by the Pricing Committee may be classified as Level 2 or 3 depending on the nature of the inputs.

In accordance with the authoritative guidance on fair value measurements and disclosures under GAAP, the Fund discloses the fair value of its investments using a three-level hierarchy that classifies the inputs to valuation techniques used to measure the fair value. The hierarchy assigns Level 1 measurements to valuations based upon unadjusted quoted prices in active markets for identical assets and Level 3 measurements to valuations based upon unobservable inputs that are significant to the valuation. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability, which are based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized below:

Level 1 – quoted prices in active markets for identical investments;

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, and credit risk); or

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

A financial instrument's level within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement.

A summary of standard inputs is listed below:

Security Type	Standard Inputs
Foreign equities utilizing a fair valuation factor	Fair value of market and/or sector indices, futures, depositary receipts, ETFs, exchange rates, and historical opening and closing prices of each security
Debt and other fixed-income securities	Reported trade data, broker-dealer price quotations, benchmark yields, issuer spreads on comparable securities, credit quality, yield, and maturity
Bank loans	Reported trade data and broker-dealer price quotations
Forward foreign currency contracts	Forward exchange rate quotations
Swap agreements	Market information pertaining to the underlying reference assets, i.e., credit spreads, credit event probabilities, fair values, forward rates, and volatility measures

The following is a summary of the inputs used as of October 31, 2012 in valuing the Fund's investments carried at fair value. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. Please refer to the Portfolio of Investments for a detailed breakout of the security types:

Assets	Level 1	Level 2	Level 3
Fixed Income Investments			
Corporate Bonds	$–	$ 28,862,312	$–
Government Bonds	–	131,260,988	–
Total Fixed Income Investments	–	160,123,300	–
Short-Term Investment	–	958,000	–
Total Investments	$–	$ 161,081,300	$–
Other Financial Instruments			
Forward Foreign Currency Exchange Contracts	$–	$ 22,250	$–
Total Other Financial Instruments	$–	$ 22,250	$–
Total Assets	**$–**	**$161,103,550**	**$–**

Assets	Level 1	Level 2	Level 3
Liabilities			
Other Financial Instruments			
Forward Foreign Currency Exchange Contracts	$–	$ (23,706)	$–
Interest Rate Swap Agreements	–	(8,680)	–
Total Liabilities – Other Financial Instruments	**$–**	**$(32,386)**	**$–**

Amounts listed as "–" are $0 or round to $0.

For movements between the levels within the fair value hierarchy, the Fund has adopted a policy of recognizing transfers at the end of each period. During the year ended October 31, 2012, there were no transfers between fair value measurement levels. For the year ended October 31, 2012, there have been no significant changes to the fair valuation methodologies.

(b) Repurchase Agreements:

The Fund may enter into repurchase agreements. It is the Fund's policy that its custodian/counterparty segregate the underlying collateral securities, the value of which exceeds the principal amount of the repurchase transaction, including accrued interest. The repurchase price generally equals the price paid by the Fund plus interest negotiated on the basis of current short-term rates. To the extent that any repurchase transaction exceeds one business day, the collateral is valued on a daily basis to determine its adequacy. If the counterparty defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the counterparty of the security, realization of the collateral by the Fund may be delayed or limited. The Fund held a repurchase agreement of $958,000 as of October 31, 2012.

(c) Restricted Securities:

Restricted securities are privately-placed securities whose resale is restricted under U.S. securities laws. The Fund may invest in restricted securities, including unregistered securities eligible for resale without registration pursuant to Rule 144A and privately-placed securities of U.S. and non-U.S. issuers offered outside the U.S. without registration pursuant to Regulation S under the Securities Act of 1933, as amended (the "1933 Act"). Rule 144A securities may be freely traded among certain qualified institutional investors, such as the Fund, but resale of such securities in the U.S. is permitted only in limited circumstances.

(d) Foreign Currency Translation:

Foreign securities, currencies, and other assets and liabilities denominated in foreign currencies are translated into U.S. Dollars at the exchange rate of said currencies against the U.S. Dollar, as of the Valuation Time, as provided by an independent pricing service approved by the Board.

Foreign currency amounts are translated into U.S. Dollars on the following basis:

(i) market value of investment securities, other assets and liabilities – at the exchange rates at the current daily rates of exchange; and

(ii) purchases and sales of investment securities, income and expenses – at the rate of exchange prevailing on the respective dates of such transactions.

The Fund isolates that portion of the results of operations arising from changes in the foreign exchange rates due to the fluctuations in the market prices of the securities held at the end of the reporting period. Similarly, the Fund isolates the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of portfolio securities sold during the reporting period.

Net exchange gain/(loss) is realized from sales and maturities of portfolio securities, sales of foreign currencies, settlement of securities transactions, dividends, interest and foreign withholding taxes recorded on the Fund's books. Net unrealized foreign exchange appreciation/(depreciation) includes changes in the value of portfolio securities and other assets and liabilities arising as a result of changes in the exchange rate. The net realized and unrealized foreign exchange gain/(loss) shown in the composition of net assets represents foreign exchange gain/(loss) for book purposes that may not have been recognized for tax purposes.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of domestic origin, including unanticipated movements in the value of the foreign currency relative to the U.S. Dollar. Generally, when the U.S. Dollar rises in value against foreign currency, the Fund's investments denominated in that currency will lose value because its currency is worth fewer U.S. Dollars; the opposite effect occurs if the U.S. Dollar falls in relative value.

(e) Derivative Financial Instruments:

The Fund is authorized to use derivatives to manage currency risk, credit risk and interest rate risk and to replicate or as a substitute for physical securities. Losses may arise due to changes in the value of the contract or if the counterparty does not perform under the contract. The use of derivative instruments involves, to varying degrees, elements of market risk in excess of the amount recognized in the Statement of Assets and Liabilities.

Forward Foreign Currency Exchange Contracts:

A forward foreign currency exchange contract ("forward contract") involves an obligation to purchase and sell a specific currency at a future date at a price set at the time of the contract. Forward contracts are used to manage the Fund's currency exposure in an efficient manner. They are used to sell unwanted currency exposure that comes with holding securities in a market, or to buy currency exposure where the exposure from holding securities is insufficient to give the desired currency exposure either in absolute terms or relative to the benchmark. The use of forward contracts allows the separation of decision-making between markets and their currencies. The forward contract is marked-to-market daily and the change in market value is recorded by the Fund as unrealized appreciation or depreciation. Forward contracts' prices are received daily from an independent pricing provider. When the forward contract is closed, the Fund records a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. These realized and unrealized gains and losses are reported on the Statement of Operations. The Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts and from unanticipated movements in exchange rates. During the year ended October 31, 2012, forward contracts were used in order to position the currency exposure according to the Fund's ongoing strategy.

Futures Contracts:

The Fund may invest in financial futures contracts ("futures contracts") for the purpose of hedging its existing portfolio securities or securities that the Fund intends to purchase against fluctuations in value caused by changes in prevailing market interest rates or prices. Futures contracts may also be entered into for non-hedging purposes; however, in those instances, the aggregate initial margin and premiums required to establish the Fund's positions may not exceed 5% of the Fund's net asset value after taking into account unrealized profits and unrealized losses on any such contract it has entered into.

Upon entering into a futures contract, the Fund is required to pledge to the broker an amount of cash and/or other assets equal to a certain percentage of the contract amount. Subsequent payments, known as "variation margin," are calculated each day, depending on the daily fluctuations in the fair value/market value of the underlying assets. An unrealized gain/(loss) equal to the variation margin is recognized on a daily basis. When the contract expires or is closed, the gain/(loss) is realized and is presented in the Statement of Operations as a net realized gain/(loss) on futures contracts. Futures contracts are valued daily at their last quoted sale price on the exchange on which they are traded.

A "sale" of a futures contract means a contractual obligation to deliver the securities or foreign currency called for by the contract at a fixed price at a specified time in the future. A "purchase" of a futures contract means a contractual obligation to acquire the securities or foreign currency at a fixed price at a specified time in the future.

Should market conditions change unexpectedly, the Fund may not achieve the anticipated benefits of the futures contracts and may realize a loss. The use of futures transactions for hedging purposes involves the risk of imperfect correlation in movements in the price of futures contracts, interest rates and the value/market value of the underlying hedged assets. During the period the Fund used bond futures to control the duration of the Fund. As of October 31, 2012 the fund did not hold any future contracts.

Swaps:

A swap is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified amount of an underlying asset or notional principal amount. The Fund will enter into swaps only on a net basis, which means that the two payment streams are netted out, with the Fund receiving or paying, as the case may be, only the net amount of the difference between the two payments. Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the net interest payment to be received by the Fund, and/or the termination value at the end of the contract. Therefore, the Fund considers the creditworthiness of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in interest rates or in the value of the underlying reference asset or index. The Fund records unrealized gains/(losses) on a daily basis representing the value and the current net receivable or payable relating to open swap contracts. Net amounts received or paid on the swap contract are recorded as realized gains/(losses). Fluctuations in the value of swap contracts are recorded for financial statement purposes as unrealized appreciation or depreciation of swap contracts. Realized gains/(losses) from terminated swaps are included in net realized gains/(losses) on swap contracts transactions. During the year ended October 31, 2012, the Fund used interest rate swaps as a tool to hedge the leverage of the Fund.

Notes to Financial Statements (continued)

October 31, 2012

The Fund is a party to International Swap Dealers Association, Inc. Master Agreements ("ISDA Master Agreements"). These agreements are with select counterparties and they govern transactions, including certain over-the-counter derivative and foreign exchange contracts, entered into by the Fund and the counterparty. The ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral, and events of default or termination. The occurrence of a specified event of termination may give a counterparty the right to terminate all of its contracts and affect settlement of all outstanding transactions under the applicable ISDA Master Agreement.

Summary of Derivative Instruments:

The Fund may use derivatives for various purposes as noted above. The following is a summary of the fair value of Derivative Instruments, not accounted for as hedging instruments, as of October 31, 2012:

	Asset Derivatives		**Liability Derivatives**	
	Year Ended October 31, 2012		**Year Ended October 31, 2012**	
	Statement of Assets and Liabilities Location	**Fair Value**	**Statement of Assets and Liabilities Location**	**Fair Value**
Derivatives not accounted for as hedging instruments and risk exposure				
Interest rate swaps (interest rate risk)	Unrealized appreciation on interest rate swaps	$ –	Unrealized depreciation on interest rate swaps	$ 8,680
Forward foreign exchange contracts (foreign exchange risk)	Unrealized appreciation on forward currency exchange contracts	22,250	Unrealized depreciation on forward currency exchange contracts	23,706
Total		**$22,250**		**$32,386**

Amounts listed as "–" are $0 or round to $0.

The Effect of Derivative Instruments on the Statement of Operations for the Year Ended October 31, 2012

Derivatives not accounted for as Hedging Instruments Under Statement 133 (a)	**Location of Gain or (Loss) on Derivatives**	**Realized Gain or (Loss) on Derivatives**	**Change in Unrealized Appreciation/ (Depreciation) on Derivatives**
	Realized/Unrealized Gain/(Loss) from Investments, Interest Rate Swaps, Futures Contracts and Foreign Currencies		
Interest rate swaps (interest rate risk)		$ (1,136,815)	$ 163,331
Forward foreign exchange contracts (foreign exchange risk)		(242,915)	112,277
Futures contracts (interest rate risk)		(58,461)	49,108
Total		**$(1,438,191)**	**$324,716**

Information about futures contracts reflected as of the date of this report is generally indicative of the type of activity for the year ended October 31, 2012. During the first six months of the year, the Fund held positions in 3-yr and 10-yr Australian TBond Futures. The Fund sold out of all futures positions in May 2012. The quarterly weighted average of contracts and notional values for the Fund's future positions were as follows:

Quarter	**Weighted Average Contracts**	**Weighted Average Notional Value**
1st Quarter	87	$8,972,710
2nd Quarter	53	$5,540,470

Information about forward currency contracts reflected as of the date of this report is generally indicative of the type of activity for the year ended October 31, 2012. In prior months the Fund also held positions in Brazilian Real, and South African Rand forward contracts. During October 2012, the Fund began to hold positions in Canadian Dollar forward contracts. The quarterly average notional values for the Fund's forward contracts were as follows:

Quarter	Average Notional Value
1st Quarter	$26,613,728
2nd Quarter	$20,246,980
3rd Quarter	$17,565,502
4th Quarter	$15,928,154

Information about interest rate swaps reflected as of the date of this report is generally indicative of the type and volume of activity for the year ended October, 31, 2012. At the end of October 2012, the Fund sold off three interest rate swaps with notional amounts of 4,000,000, 16,000,000 and 20,000,000 and bought two interest rate swaps with notional amounts of 20,000,000 each. The total overall notional value and volume of interest rate swap positions was unvaried for the period.

The Fund values derivatives at fair value, as described in this note, and recognizes changes in fair value currently in the results of operations. Accordingly, the Fund does not follow hedge accounting even for derivatives employed as economic hedges.

(f) Security Transactions, Investment Income and Expenses:

Securities transactions are recorded on the trade date. Realized and unrealized gains/(losses) from security and currency transactions are calculated on the identified cost basis. Interest income is recorded on an accrual basis. Discounts and premiums on securities purchased are accreted or amortized on an effective yield basis over the estimated lives of the respective securities. Expenses are accrued on a daily basis.

(g) Distributions:

The Fund has a managed distribution policy to pay distributions from net investment income supplemented by net realized foreign exchange gains, net realized short-term capital gains and return of capital distributions, if necessary, on a monthly basis. The managed distribution policy is subject to regular review by the Board. The Fund will also declare and pay distributions at least annually from net realized gains on investment transactions and net realized foreign exchange gains, if any. Dividends and distributions to shareholders are recorded on the ex-dividend date.

Dividends and distributions to shareholders are determined in accordance with federal income tax regulations, which may differ from GAAP. These differences are primarily due to differing treatments for foreign currencies, loss deferrals and recognition of market discount and premium.

(h) Federal Income Taxes:

For federal income and excise tax purposes, substantially all of the Fund's transactions are accounted for using the functional currencies (Australian Dollar, Canadian Dollar or British Pound). Accordingly, only realized currency gains/(losses) resulting from the repatriation of any of the functional currencies into U.S. Dollars or another functional currency and realized currency gains and losses on non-functional currencies are recognized for U.S. federal tax purposes.

The Fund intends to qualify or continue to qualify as a "regulated investment company" by complying with the provisions available to certain investment companies, as defined in Subchapter M of the Internal Revenue Code, and to make distributions of net investment income and net realized capital gains sufficient to relieve the Fund from all, or substantially all, federal income taxes. Therefore, no federal income tax provision is required. Since tax authorities can examine previously filed tax returns, the Fund's U.S. federal and state tax returns for each of the four fiscal years up to the most recent fiscal year ended October 31 are subject to such review.

(i) Earnings Credits:

The Fund's custodial arrangements include a provision to reduce its custodial fees by the amount of earnings credits recognized on cash deposits in demand deposit accounts.

(j) Cash Flow Information:

The Fund invests in securities and distributes dividends from net investment income and net realized gains on investment and currency transactions which are paid in cash or are reinvested at the discretion of shareholders. These activities are reported in the Statements of Changes in Net Assets and additional information on cash receipts and cash payments is presented in the Statement of Cash Flows. Cash includes domestic and foreign currency but does not include cash at brokers in segregated accounts for financial futures contracts because it is designated as collateral.

3. Agreements and Transactions with Affiliates

(a) Investment Manager, Investment Adviser, and Investment Sub-Adviser:

Aberdeen Asset Management Asia Limited (the "Investment Manager") serves as investment manager to the Fund, pursuant to a management agreement. Aberdeen Asset Management Limited (the "Investment Adviser") serves as the investment adviser and Aberdeen Asset Managers Limited ("AAML" or the "Sub-Adviser") serves as the sub-adviser, pursuant to an advisory agreement and a sub-advisory agreement, respectively. On March 1, 2012, Aberdeen Asset Management Investment Services Limited ("AAMISL"), the previous sub-adviser to the Fund merged into AAML. AAML assumed the sub-adviser responsibilities of the Fund for which AAMISL was sub-adviser. There was no change to the portfolio management team or the level or nature of the services provided to the Fund for which AAMISL served as sub-adviser as a result of the merger and the same resources available to AAMISL for the management and compliance oversight of the Fund are available to AAML. The Investment Manager, the Investment Adviser and the Sub-Adviser are wholly-owned subsidiaries of Aberdeen Asset Management PLC.

The Investment Manager makes investment decisions on behalf of the Fund on the basis of recommendations and information furnished to it by the Investment Adviser, including the selection of and the placement of orders with brokers and dealers to execute portfolio transactions on behalf of the Fund. The Sub-Adviser manages the portion of the Fund's assets that the Investment Manager allocates to it.

The management agreement provides the Investment Manager with a fee, payable monthly, at the following annual rates: 0.65% of the Fund's average weekly Managed Assets up to $200 million, 0.60% of Managed Assets between $200 million and $500 million, and 0.55% of Managed Assets in excess of $500 million. Managed Assets is defined in the management agreement as net assets plus the amount of any borrowings for investment purposes.

The Investment Manager pays fees to the Investment Adviser for its services rendered. The Fund's Investment Manager informed the Fund that it paid $319,634 to the Investment Adviser, with respect to the Fund, during the year ended October 31, 2012. As compensation for its services under the Sub-Advisory Agreement, the Sub-Adviser received $152,380 in sub-advisory fees, with respect to the Fund, during the year ended October 31, 2012.

(b) Fund Administration:

Aberdeen Asset Management Inc. ("AAMI"), an affiliate of the Investment Manager, Investment Adviser and Sub-Adviser, is the Fund's Administrator, pursuant to an agreement under which AAMI receives a fee, at an annual fee rate of 0.125% of the Fund's average weekly Managed Assets up to $1 billion, 0.10% of the Fund's average weekly Managed Assets between $1 billion and $2 billion, and 0.075% of the Fund's average weekly Managed Assets in excess of $2 billion.

(c) Investor Relations:

Under the terms of an Investor Relations Services Agreement, AAMI serves as the Fund's investor relations services provider.

Pursuant to the terms of the Investor Relations Services Agreement, AAMI provides, among other things, objective and timely information to shareholders based on publicly-available information; provides information efficiently through the use of technology while offering shareholders immediate access to knowledgeable investor relations representatives; develops and maintains effective communications with investment professionals from a wide variety of firms; creates and maintains investor relations communication materials such as fund manager interviews, films and webcasts, published white papers, magazine and articles and other relevant materials discussing the Fund's investment results, portfolio positioning and outlook; develops and maintains effective communications with large institutional shareholders; responds to specific shareholder questions; and reports activities and results to the Board and management detailing insight into general shareholder sentiment.

For the fiscal year ended October 31, 2012, the Fund paid fees of approximately $110,422 for investor relations services. Investor relations fees and expenses in the Statement of Operations include certain out-of-pocket expenses.

4. Investment Transactions

Purchases and sales of investment securities (excluding short-term securities) for the fiscal year ended October 31, 2012, were $59,790,884 and $51,543,556, respectively.

5. Capital

There are 300 million shares of $0.001 par value common stock authorized. At October 31, 2012, there were 9,228,816 shares of common stock issued and outstanding.

The Fund has filed a "shelf" registration statement with the SEC, which would permit the Fund to issue up to $60,000,000 in shares of common stock through one or more public offerings. In accordance with the terms of a sales agreement, the Fund may offer and sell up to 1,500,000 of its shares, par value $0.001 per share, from time to time through JonesTrading Institutional LLC as its agent for the offer and sale of the shares. Under the shelf registration statement, the Fund may sell the Fund's common shares in one or more at-the-market offerings (the "ATM" offerings) when market conditions are considered favorable. Such shares would only be issued when the premium to net asset value is greater than the costs associated with the transaction. Any proceeds raised would be used for investment purposes. Through October 31, 2012, there were 184,622 shares sold through the ATM offering. Offering costs are capitalized as a prepaid expense. When shares are sold, a portion of the cost attributable to those shares will be charged to paid-in capital. For the year ended October 31, 2012, these costs were

$37,715. These costs are noted on the Statements of Changes in Net Assets.

On March 1, 2001, the Board approved a stock repurchase program. The Board amended the program on December 12, 2007. The stock repurchase program allows the Fund to repurchase up to 10% of its outstanding common stock in the open market during any 12-month period, if and when the discount to NAV is at least 8%. For the fiscal year ended October 31, 2012 and fiscal year ended October 31, 2011, the Fund did not repurchase any shares through this program.

6. Revolving Credit Facility

The Fund's revolving credit loan facility with The Bank of Nova Scotia was renewed for another 365-day term on March 1, 2012. For the fiscal year ended October 31, 2012, the balance of the loan outstanding was $40,000,000, and the average interest rate on the loan facility was 1.18%. The average balance for the fiscal year was $40,000,000 million. The interest expense is accrued on a daily basis and is payable to The Bank of Nova Scotia on a monthly basis.

The amounts borrowed from the loan facility may be invested to return higher rates than the rates in the Fund's portfolio. However, the cost of leverage could exceed the income earned by the Fund on the proceeds of such leverage. To the extent that the Fund is unable to invest the proceeds from the use of leverage in assets which pay interest at a rate which exceeds the rate paid on the leverage, the yield on the Fund's common stock will decrease. In addition, in the event of a general market decline in the value of assets in which the Fund invests, the effect of that decline will be magnified in the Fund because of the additional assets purchased with the proceeds of the leverage. Non-recurring expenses in connection with the implementation of the loan facility will reduce the Fund's performance.

The Fund's leveraged capital structure creates special risks not associated with unleveraged funds having similar investment objectives and policies. The funds borrowed pursuant to the loan facility may constitute a substantial lien and burden by reason of their prior claim against the income of the Fund and against the net assets of the Fund in liquidation. The Fund is not permitted to declare dividends or other distributions in the event of default under the loan facility. In the event of a default under the credit agreement, the lenders have the right to cause a liquidation of the collateral (i.e., sell portfolio securities and other assets of the Fund) and, if any such default is not cured, the lenders may be able to control the liquidation as well. The loan facility has a term of 365 days and is not a perpetual form of leverage; there can be no assurance that the loan facility will be available for renewal on acceptable terms, if at all. Bank loan fees and expenses included in the Statement of Operations include fees for the renewal of the loan facility as well as commitment fees for any portion of the loan facility not drawn upon at any time during the period. During the year ended October 31, 2012, the Fund incurred fees of approximately $32,163.

The credit agreement governing the loan facility includes usual and customary covenants for this type of transaction. These covenants impose on the Fund asset coverage requirements, Fund composition requirements and limits on certain investments, such as illiquid investments, which are more stringent than those imposed on the Fund by the 1940 Act. The covenants or guidelines could impede the Investment Manager, Investment Adviser or Sub-Adviser from fully managing the Fund's portfolio in accordance with the Fund's investment objective and policies. Furthermore, non-compliance with such covenants or the occurrence of other events could lead to the cancellation of the loan facility. The covenants also include a requirement that the Fund maintain a net asset value of no less than $75,000,000.

7. Portfolio Investment Risks

(a) Credit and Market Risk:

Funds that invest in high yield and emerging market instruments are subject to certain additional credit and market risks. The yields of high yield and emerging market debt obligations reflect, among other things, perceived credit risk. The Fund's investments in securities rated below investment grade typically involve risks not associated with higher rated securities including, among others, greater risk of not receiving timely and/or ultimate payment of interest and principal, greater market price volatility, and less liquid secondary market trading. The consequences of political, social, economic, or diplomatic changes may have disruptive effects on the market prices of emerging markets investments held by the Fund.

(b) Interest Rate Risk:

The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to perceptions about the creditworthiness of individual issuers, including governments. Generally, the Fund's fixed income securities will decrease in value if interest rates rise and vice versa, and the volatility of lower-rated securities is even greater than that of higher-rated securities. Also, longer-term securities are generally more volatile, so the average maturity or duration of these securities affects risk.

(c) Risks Associated with Foreign Securities and Currencies:

Investments in securities of foreign issuers carry certain risks not ordinarily associated with investments in securities of U.S. issuers.

These risks include future political and economic developments, and the possible imposition of exchange controls or other foreign governmental laws and restrictions. In addition, with respect to certain countries, there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments, which could adversely affect investments in those countries.

Certain countries also may impose substantial restrictions on investments in their capital markets by foreign entities, including restrictions on investments in issuers of industries deemed sensitive to relevant national interests. These factors may limit the investment opportunities available and result in a lack of liquidity and high price volatility with respect to securities of issuers from developing countries.

(d) Concentration Risk:

The Fund may have elements of risk not typically associated with investments in the United States of America due to concentrated investments in a limited number of countries or regions subject to foreign securities or currencies risks. Such concentrations may subject the Fund to additional risks resulting from political or economic conditions in such countries or regions and the possible imposition of adverse governmental laws or currency exchange restrictions could cause the securities and their markets to be less liquid and their prices to be more volatile than those of comparable U.S. securities.

(e) Risks Associated with European Markets:

A number of countries in Europe have experienced severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe and elsewhere have experienced extreme volatility and declines in asset values and liquidity. These difficulties may continue, worsen or spread within and outside of Europe. Whether or not the Fund invests in securities of issuers located in Europe or with significant exposure to European issuers or countries, these events could negatively affect the value and liquidity of the Fund's investments.

8. Contingencies

In the normal course of business, the Fund may provide general indemnifications pursuant to certain contracts and organizational documents. The Fund's maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, the risk of loss from such claims is considered remote.

9. Tax Information

The U.S. federal income tax basis of the Fund's investments and the net unrealized appreciation as of October 31, 2012 were as follows:

Tax Basis of Investments	Appreciation	Depreciation	Net Unrealized Appreciation
$150,077,596	$12,997,700	$(1,993,996)	$11,003,704

The tax character of distributions paid during the fiscal years ended October 31, 2012 and October 31, 2011 was as follows:

	October 31, 2012	October 31, 2011
Distributions paid from:		
Ordinary Income	$ 8,406,823	$ 7,597,123
Net long-term capital gains	–	–
Total tax character of distributions	**$8,406,823**	**$7,597,123**

As of October 31, 2012, the components of accumulated earnings on a tax basis were as follows:

Undistributed ordinary income – net	$ 1,399,495
Undistributed long-term capital gains – net	–
Total undistributed earnings	$ 1,399,495
Capital loss carryforward	(9,156,783)*
Other currency gains	11,319,381
Other Temporary Differences	(1,088,753)
Unrealized appreciation/(depreciation) – securities	11,003,704**
Unrealized appreciation/(depreciation) – currency	7,618,490**
Total accumulated earnings/(losses) – net	**$21,095,534**

* On October 31, 2012, the Fund had a net capital loss carryforward of $9,156,783 which will be available to offset like amounts of any future taxable gains. Under the Regulated Investment Company Modernization Act of 2010, the Fund will be permitted to carry forward capital losses incurred in taxable years beginning after December 22, 2010 for an unlimited period. However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term as under previous law. Capital loss carryforwards expire as follows:

2015	2016	2017	Unlimited (Short-Term)	Unlimited (Long-Term)
$1,404,810	$2,330,488	$4,448,923	$–	$972,562

** The difference between book-basis and tax-basis unrealized appreciation/(depreciation) is attributable to the difference between book and tax amortization methods for premiums and discounts on fixed income securities, differing treatments for foreign currencies, the tax deferral of wash sales and straddles, the realization for tax purposes of unrealized gains/(losses) on certain foreign currency contracts, and other timing differences.

GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. Accordingly, during the current year, $3,962,051 has been reclassified from distributions in excess of net investment income to accumulated net realized gain from investments, interest rate swaps and futures contracts. $1,179,864 has been reclassified from accumulated net realized foreign exchange gain to accumulated net realized loss from investments, interest rate swaps and futures contracts. These reclassifications have no effect on net assets or net asset values per share.

Additionally included in the amounts above, in order to segregate accumulated realized foreign currency gains/losses, the Fund reclassified certain prior and current year amounts between the components of net assets from a GAAP to tax basis as of October 31, 2012. Accumulated net realized foreign exchange gains/losses will be recognized for Federal income tax purposes upon repatriation of the functional currencies (Australian Dollar, Canadian Dollar, or British Pound) to U.S. Dollars.

10. Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU"), *Disclosures about Offsetting Assets and Liabilities*. The amendments in this update require an entity to disclose both gross and net information for derivatives and other financial instruments that are either offset in the statement of assets and liabilities or subject to an enforceable master netting arrangement or similar agreement. The ASU is effective during interim or annual reporting periods beginning on or after January 1, 2013. Management is currently evaluating the implications of this ASU and its impact on the financial statements has not been determined.

11. Subsequent Events

Management has evaluated the need for disclosures and/or adjustments resulting from subsequent events through the date the Financial Statements were issued. Based on this evaluation, no disclosures or adjustments were required to the Financial Statements as of October 31, 2012.

On November 9, 2012 and December 11, 2012, the Fund announced that it will pay on December 14, 2012 and January 11, 2013, a distribution of US $0.07 per share to all shareholders of record as of November 30, 2012 and December 31, 2012, respectively.

Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders of
Aberdeen Global Income Fund, Inc.

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of the Aberdeen Global Income Fund, Inc. (the "Fund"), as of October 31, 2012, and the related statements of operations and cash flows for the year then ended, and the statements of changes in net assets for each of the years in the two-year period then ended and the financial highlights for each of the years in the four-year period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit. The financial highlights for the year ended October 31, 2008, were audited by other auditors. Those auditors expressed an unqualified opinion on the statement of changes in net assets and financial highlights in their report dated December 23, 2008.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of October 31, 2012, by correspondence with custodians and brokers or by other appropriate auditing procedures. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights of the Aberdeen Global Income Fund, Inc. present fairly, in all material respects, the financial position of the Fund as of October 31, 2012, and the results of its operations and cash flows for the year then ended, and its changes in net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the four-year period then ended, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

Philadelphia, Pennsylvania
December 21, 2012

Federal Tax Information: Dividends and Distributions (unaudited)

The following information is provided with respect to the distributions paid by the Aberdeen Global Income Fund, Inc. during the fiscal year ended October 31, 2012:

Common Shareholders

Payable Date	Foreign Taxes Paid†*	Foreign Source Income**
November 14, 2011-October 12, 2012	0.110%	90.26%

† Expressed as a percentage of the distributions paid.

* The foreign taxes paid represent taxes incurred by the Fund on interest received from foreign sources. Foreign taxes paid may be included in taxable income with an offsetting deduction from gross income or may be taken as a credit for taxes paid to foreign governments. You should consult your tax advisor regarding the appropriate treatment of foreign taxes paid.

** Expressed as a percentage of ordinary distributions paid grossed-up for foreign taxes paid.

Supplemental Information (unaudited)

Considerations in Approving Renewal of Management Agreement, Investment Advisory Agreement, and Investment Sub-Advisory Agreement (FCO)

At an in-person meeting of the Board of Directors (the "Board") of the Aberdeen Global Income Fund, Inc. (the "Fund") held on September 4, 2012, the Board, including all of the Directors who are not considered to be "interested persons" as such term is defined under the Investment Company Act of 1940, as amended, of the Fund (the "Independent Directors"), considered and approved for an additional twelve-month term the continuation of the Fund's management agreement with Aberdeen Asset Management Asia Limited (the "Investment Manager"), the investment advisory agreement among the Fund, the Investment Manager and Aberdeen Asset Management Limited (the "Investment Adviser"), and the investment sub-advisory agreement among the Fund, the Investment Manager and Aberdeen Asset Managers Limited (the "Investment Sub-Adviser") (collectively, the "Agreements"). The Investment Adviser and Investment Sub-Adviser are affiliates of the Investment Manager. The Investment Manager, Investment Adviser, and Investment Sub-Adviser are sometimes each referred to as an "Adviser" and, collectively, as the "Advisers."

The Independent Directors were advised by separate independent legal counsel throughout the process. In advance of the meeting, the Independent Directors received a memorandum from their independent legal counsel discussing the legal standards for their consideration of the proposed continuation of the Agreements. At the meeting, the Directors reviewed a report prepared by the Advisers in response to a request submitted by the Independent Directors' independent legal counsel on behalf of such Directors, and discussed this report with representatives of the Advisers. The Independent Directors also consulted in executive sessions with counsel to the Independent Directors regarding the renewal of the Agreements. The Directors also considered the recommendation of the Contract Review Committee of the Board (the "Committee"), consisting solely of Independent Directors, that the Agreements be renewed, noting that the Committee also had discussed, with representatives of management and separately in executive sessions with independent counsel at which no representatives of management were present, among other factors, the nature, extent and quality of the management, advisory and sub-advisory services provided to the Fund by the Advisers, the level of the management, advisory and sub-advisory fees, the costs of the services provided and the profits realized by the Advisers and their affiliates, the Fund's expense ratio, Fund performance, the Fund's and the Advisers' compliance programs, any economies of scale with respect to the management of the Fund, and any ancillary benefits received by the Advisers and their affiliates as a result of their relationship with the Fund, and various other matters included within the report of the Advisers.

In considering whether to approve the renewal of the Agreements, the Directors received and considered a variety of information provided by the Advisers relating to the Fund, the Agreements and the Advisers, including comparative performance, fee and expense information of a peer group of funds selected by an independent third-party provider of investment company data, performance information for relevant benchmark indices and other information regarding the nature, extent and quality of services provided by the Advisers under their respective Agreements. The Board's materials also contained information as to the profitability of the Advisers and their affiliates from their relationship with the Fund. The Committee and the Board of Directors, including the Independent Directors, also considered other matters such as (i) the Advisers' financial results and financial condition, (ii) the Fund's investment objective and strategies, (iii) the Advisers' investment personnel and operations, (iv) the procedures employed to determine the value of the Fund's assets, (v) the allocation of the Fund's brokerage, if any, including, if applicable, allocations to brokers affiliated with the Advisers and the use, if any, of "soft" commission dollars to pay Fund expenses and to pay for research and other similar services, (vi) the resources devoted to, and the record of compliance with, the Fund's investment policies and restrictions, policies on personal securities transactions and other compliance policies, and (vii) possible conflicts of interest. Throughout the process, the Directors were afforded the opportunity to ask questions of and request additional information from management.

In addition to the materials requested by the Directors in connection with their consideration of the renewal of the Agreements, the Directors receive materials in advance of each regular quarterly meeting that provide information relating to the services provided by the Advisers. In this regard, the Board reviews reports of the Advisers which include, among other things, a portfolio review and Fund performance reports.

In approving (or, in the case of the Committee, recommending) the renewal of the Agreements, the Committee and the Board of Directors reached, among others, the following conclusions:

- *Nature, Extent and Quality of Services*. The Committee and the Board were satisfied with the nature, quality and extent of services provided by the Advisers. In reaching this conclusion, the Committee and the Board reviewed, among other things, the Advisers' investment experience, including the growth and development of their Far East operations as well as the Aberdeen Group's global investment management activities, including in emerging markets, and the Aberdeen Group's growth in Australia. The Board (and the Committee) received information regarding the Advisers' compliance with applicable laws and SEC and other regulatory inquiries or audits of the Fund and the Advisers. The Committee and the Board also considered the background and experience of the Advisers' senior management personnel and the qualifications, background and responsibilities of the portfolio managers primarily responsible for the day-to-day portfolio management services for the Fund. The Committee and the Board also considered the allocation of responsibilities among the Advisers. In addition, the Committee and the Board considered the financial condition of the Advisers and whether they had the financial wherewithal to provide a high level and quality of service to the Fund. The Committee and the Board also considered information received from the Fund's Chief Compliance Officer regarding the Advisers' compliance policies and procedures. The Committee and the Board also took into account the Advisers' risk management processes. The Committee and the Board also considered the Advisers' brokerage polices and practices. Management also reported to the Committee and the Board on, among other things, its business plans and organizational changes. The Committee and the Board also noted that the Board reviewed and assessed the quality of the services the Fund receives from the Advisers throughout the year, and received detailed portfolio review and performance reports on a regular basis. The Committee and the Board determined that the advisory services provided were extensive in nature and of high quality.

- *Fees and Expenses*. The effective annual management fee rate paid by the Fund to the Investment Manager for investment management services was within a reasonable range relative to the effective advisory fee rates of a peer group consisting of closed-end funds in the World Bond and Emerging Markets Bond Morningstar categories as compiled by Strategic Insight ("SI"), an independent third-party provider of mutual fund data (the "Peer Group"), including Aberdeen Asia-Pacific Income Fund, Inc., another U.S. registered closed-end fund managed by the Investment Manager and First Trust/Aberdeen Global Opportunity Income Fund, a U.S. registered closed-end fund sub-advised by Aberdeen Asset Management Inc., an affiliate of the Advisers and administrator to the Fund ("AAMI"). The SI data indicated that the Fund's effective management fee rate (computed based on average managed assets for the six months ended April 30, 2012, and which reflects both the advisory fee and the administration fee) was below the Peer Group's median and average fee rates, respectively. The Committee and the Board noted that, among other information, the SI data also indicated that the Fund's annualized expense ratio based on average managed assets, which includes the Fund's assets attributable to its common stock plus borrowings for investment purposes, including leverage, for the six months ended April 30, 2012 was above the average and equal to the median expense ratios, respectively, of the Peer Group. The data also indicated that the Fund's annualized expense ratio based on average net assets, excluding the principal amount of borrowings, for the six months ended April 30, 2012 was above the average and median expense ratios of its Peer Group. The Committee and the Board took into account the impact of leverage on Fund expenses. The Committee and the Board also took into account the management fee structure, including that management fees for the Fund were based on the Fund's total Managed Assets, whether attributable to common stock, preferred stock or bank borrowings, if any. The Committee and the Board also considered that the compensation paid to the Investment Adviser and Investment Sub-Adviser is paid by the Investment Manager and not the Fund, and, accordingly that the retention of the Investment Adviser and Investment Sub-Adviser does not increase the fees or expenses otherwise incurred by the Fund's shareholders. The Board also considered information about the Investment Adviser's and Investment Sub-Adviser's fees, including the amount of the management fees retained by the Investment Manager after payment of the advisory and sub-advisory fees. The Committee and the Board also took into account the size of the Fund and its effect on the Fund's expense ratio, as well as steps taken to increase Fund assets. The Committee and the Board also took into account management's discussion of the Fund's expenses, including the factors that impacted the Fund's expenses, as well as certain actions previously taken to reduce the Fund's operating expenses. The Committee and the Board also received information from management regarding the fees charged by the Advisers to other U.S. and non-U.S. clients investing primarily in an asset class similar to that of the Fund, including, two segregated accounts with global bond mandates. The Committee and the Board considered the fee comparisons in light of differences required to manage the different types of accounts. The Committee and the Board also noted that the SI report indicated that the Fund's effective management fee rate was above the effective management fee rate paid by one Aberdeen-managed fund in its Peer Group, and below the effective management fee rate paid by another Aberdeen-managed fund in its Peer Group. The Committee and the Board concluded that the fee paid by the Fund was reasonable, given the differences in the funds' sizes, investment objectives and restrictions, and diversification requirements.

- *Performance*. The Committee and the Board received and reviewed, among other performance data, information compiled by SI as to the Fund's total return, as compared to the funds in the Fund's Morningstar category (the "Morningstar Group"). The SI report indicated that the Fund's performance was in the 1st quintile for the one-year period ended April 30, 2012, was in the 2nd quintile for the three-year period ended April 30, 2012, and was in the 4th quintile for the five-year period ended April 30, 2012. The Committee and the Board also received performance information from management that compared the Fund's return to comparable non-U.S. investment companies in its Lipper category.

  The Committee and the Board received and considered information for each of the last five fiscal years regarding the Fund's total return on a gross and net basis and relative to the Fund's benchmark, the Fund's share performance and premium/discount information and the impact of foreign currency movements on the Fund's performance. The Committee and the Board also received and reviewed information as to the Fund's total return for each of the last five fiscal years as compared with the total returns of the Morningstar Group average, and other Aberdeen-managed funds and two segregated accounts with global bond mandates. The Committee and the Board considered management's discussion of the factors contributing to differences in performance, including differences in the investment strategies of each of these other funds and accounts. The Committee and the Board also reviewed information as to the Fund's discount/premium ranking relative to the Morningstar Group. The Committee and the Board also noted that on a gross basis, the Fund underperformed its composite benchmark for the one- year period ended April 30, 2012, and outperformed its composite benchmark before expenses and fees for the three- and and five- year periods ended April 30, 2012. In considering the Fund's performance relative to its Peer Group and other comparable funds, the Committee and the Board took into account the peer group in which the Fund was placed and the differences in investment strategies among the funds. Taking into account the investment style and processes of the Advisers, as well as the peer group in which the Fund was placed for comparative purposes, the Committee and the Board concluded that overall performance results were satisfactory and supported renewal of the Agreements.

- *Economies of Scale*. The Board took into account management's discussion of the Fund's management fee structure. The Board determined that the management fee structure was reasonable and reflects economies of scale being shared between the Fund and the Advisers. This determination was based on various factors including that the Fund's management fee schedule provides breakpoints at higher asset levels and how the Fund's management fee compared relative to its Peer Group at higher asset levels.

- *Profitability; Ancillary Benefits*. The Committee and the Board reviewed information indicating the costs and profitability of the Advisers and their affiliates in providing services to the Fund, as well as any ancillary benefits. In addition, the Committee and the

Board received information with respect to management's allocation methodologies used in preparing this profitability data. The Board noted that AAMI, an affiliate of the Advisers, provides administrative and investor relations services to the Fund, for which it receives fees. The Committee and the Board determined that in light of the nature, extent and quality of services provided to the Fund, the profitability of the Advisers and its affiliates from their relationship with the Fund was reasonable, and any ancillary benefits received by the Advisers and their affiliates as a result of their relationship with the Fund were reasonable.

In considering the Agreements, the Committee and the Board considered a variety of factors, including those factors discussed above. The Board did not identify any factor as all-important or all-controlling and instead considered these factors collectively in light of the Fund's surrounding circumstances, and each Director may have attributed different weight to the various factors. Based on their deliberations and their evaluation of the information provided to them, the Committee and the Board, including a majority of the Independent Directors, concluded that approval of the renewal of the Agreements was in the best interests of the Fund and its shareholders. Accordingly, the Board, and the Independent Directors voting separately, approved the renewal of the Agreements.

Management of the Fund (unaudited)

The names of the Directors and Officers of the Fund, their addresses, ages, and principal occupations during the past five years are provided in the tables below. Directors that are deemed "interested persons" (as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended) of the Fund, the Investment Manager or Investment Adviser are included in the table below under the heading "Interested Directors." Directors who are not interested persons, as described above, are referred to in the table below under the heading "Independent Directors."

As of October 31, 2012

Name, Address and Year of Birth	Position(s) Held With the Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Funds in Fund Complex* Overseen by Director	Other Directorships Held by Director
Interested Director					
Martin J. Gilbert** Aberdeen Asset Management PLC 10 Queen's Terrace Aberdeen, Scotland AB10 1YG Year of Birth: 1955	Class III Director; Vice President	Term as Director expires 2013; Director since 2001	Mr. Gilbert is a founding director and shareholder, and Chief Executive of Aberdeen Asset Management PLC, the holding company of the fund management group that was established in 1983. He was President of the Fund, of Aberdeen Asia-Pacific Income Fund, Inc. and Aberdeen Australia Equity Fund, Inc. from February 2004 to March 2008. He was Chairman of the Board of the Fund and of Aberdeen Asia-Pacific Income Fund, Inc. from 2001 to September 2005. He has been a Director of Aberdeen Asset Management Asia Limited, the Fund's Investment Manager, since 1991, a Director of Aberdeen Asset Management Limited, the Fund's Investment Adviser, since 2000, and a Director of Aberdeen Asset Managers (C.I.) Limited, the Fund's former investment manager, from 2000 to 2005. He has been a Director since 1995, and has been President since September 2006 of Aberdeen Asset Management Inc., the Fund's Administrator. Mr. Gilbert also serves as officer and/or director of various Aberdeen group subsidiary companies, Aberdeen-managed investment trusts and funds' boards.	29	None
Independent Directors					
P. Gerald Malone 48 Barmouth Road London SW18 2DP United Kingdom Year of Birth: 1950	Chairman of the Board; Class I Director	Term expires 2014; Director since 2005	Mr. Malone is, by profession, a solicitor of some 38 years standing. He has served as a Minister of State in the United Kingdom Government. Mr. Malone currently serves as Independent Chairman of one London AIM-listed company (healthcare software) in addition to a privately owned pharmaceutical company. He is Chairman of the Board of Trustees of Aberdeen Funds and Chairman of the Board of Directors of Aberdeen Asia-Pacific Income Fund, Inc.	28	None
Neville J. Miles 142 Martins Lane Knockrow NSW 2479 Australia Year of Birth: 1946	Class III Director	Term expires 2013; Director since 1999	Mr. Miles is, and has been for a period in excess of ten years, Chairman of Ballyshaw Pty. Ltd. (share trading, real estate development and investment). He is Chairman of the Board of Aberdeen Australia Equity Fund, Inc. He also is a non-executive director of a number of Australian companies.	28	None
William J. Potter c/o Aberdeen Asset Management Asia Limited 21 Church Street #01-01 Capital Square Two Singapore 049480 Year of Birth: 1948	Class II Director	Term expires 2015; Director since 1992	Mr. Potter has been Chairman of Meredith Financial Group (investment management) since 2004, a Director of Alexandria Bancorp (international banking and trustee services) since 1989, and a Director of National Foreign Trade Council (international trade) since 1983.	3	None

Management of the Fund (unaudited) (continued)

Name, Address and Year of Birth	Position(s) Held With the Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past Five Years	Number of Funds in Fund Complex* Overseen by Director	Other Directorships Held by Director
Peter D. Sacks c/o Aberdeen Asset Management Inc. 1735 Market St, 32nd Floor Philadelphia, Pa 19103 Year of Birth: 1945	Class II Director	Term expires 2015; Director since 1992	Mr. Sacks has been Founding Partner of Toron Capital Markets, Inc. (investment management) since 1988. He is also a Director and Investment Advisory Committee member of several private and public sector funds in Canada.	28	None
John T. Sheehy B.V. Murray and Company 666 Goodwin Avenue Suite 300 Midland Park, NJ 07432 Year of Birth: 1942	Class I Director	Term expires 2014; Director since 1992	Mr. Sheehy has been a Senior Managing Director of B.V. Murray and Company (investment banking) since 2001 and Director of Macquarie AIR-serv Holding, Inc. (automotive services) since 2006. He was a Managing Member of Pristina Capital Partners, LLC (water purification technology development) from 2007 to 2011, a Director of Smarte Carte, Inc. (airport services) from 2007 until 2010, and Managing Member of The Value Group LLC (venture capital) from 1997 to 2009.	28	None

* Aberdeen Australia Equity Fund, Inc., Aberdeen Asia-Pacific Income Fund, Inc., Aberdeen Chile Fund, Inc., Aberdeen Israel Fund, Inc., Aberdeen Indonesia Fund, Inc., Aberdeen Latin America Equity Fund, Inc., Aberdeen Emerging Markets Telecommunications and Infrastructure Fund, Inc., the Aberdeen Funds, The Singapore Fund, Inc., The Asia-Tigers Fund, Inc. and The India Fund, Inc. have the same Investment Manager and Investment Adviser as the Fund, or an investment adviser that is affiliated with the Investment Manager and Investment Adviser and may thus be deemed to be part of the same "Fund Complex" as the Fund.

** Mr. Gilbert is deemed to be an interested person because of his affiliation with the Fund's Investment Manager, Investment Adviser and Investment Sub-Adviser. Mr. Gilbert serves as a Director of The India Fund, Inc. and The Asia Tigers Fund, Inc. and as a Vice President with Aberdeen Asia-Pacific Income Fund, Inc. and Aberdeen Australia Equity Fund, Inc., both of which may be deemed to be part of the same "Fund Complex" as the Fund.

– Further information about the Fund's Directors is available in the Fund's Statement of Additional Information, which can be obtained without charge by calling 1-866-839-5233.

Management of the Fund (unaudited) (continued)

Information Regarding Officers who are not Directors

Name, Address and Year of Birth	Position(s) Held With the Fund	Term of Office* and Length of Time Served	Principal Occupation(s) During Past Five Years
Jeffrey Cotton** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1977	Chief Compliance Officer; Vice President, Compliance	Since 2011	Currently, Vice President and Head of Compliance - U.S. for Aberdeen Asset Management Inc. Mr. Cotton joined Aberdeen in 2010. Prior to joining Aberdeen, Mr. Cotton was a Senior Compliance Officer at Old Mutual Asset Management (2009-2010) supporting its affiliated investment advisers and mutual fund platform. Mr. Cotton was also a VP, Senior Compliance Manager at Bank of America/Columbia Management (2006-2009).
Kevin Daly Aberdeen Asset Managers Limited Bow Bells House, 1 Bread Street London United Kingdom Year of Birth: 1960	Vice President	Since 2008	Currently, Portfolio Manager on Aberdeen's Emerging Fixed Income Team (since 2007); previously, Credit Market Analyst for Standard & Poor's London (1997-2007).
Sharon Ferrari** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1977	Assistant Treasurer	Since 2009	Currently, Fund Accounting Manager for Aberdeen Asset Management Inc. Ms. Ferrari joined Aberdeen Asset Management Inc. as a Senior Fund Administrator in 2008. Prior to joining Aberdeen Asset Management Inc., Ms. Ferrari was an Accounting Analyst at Delaware Investments.
Alan Goodson** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1974	Vice President	Since 2009	Currently, Head of Product-US, overseeing both Product Management and Product Development for Aberdeen's registered and unregistered investment companies in the US and Canada. Mr. Goodson is Vice President of Aberdeen Asset Management Inc. and joined Aberdeen in 2000.
Paul Griffiths*** Aberdeen Asset Managers Limited Bow Bells House, 1 Bread Street London United Kingdom Year of Birth: 1967	Vice President	Since 2010	Currently, Global Head of Fixed Income for Aberdeen Asset Management PLC. Mr. Griffiths joined Aberdeen Asset Management PLC following the acquisition of the Credit Suisse Asset Management business in July 2009. Mr. Griffiths was formerly Chief Investment Officer and Head of Fixed Income at Credit Suisse Asset Management.
Matthew Keener** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1976	Assistant Secretary	Since 2008	Currently, Senior Product Manager for Aberdeen Asset Management Inc. Mr. Keener joined Aberdeen Asset Management Inc. in 2006 as a Fund Administrator. Prior to joining Aberdeen Asset Management Inc., Mr. Keener was a Private Equity Supervisor with SEI Investments (2004-2006).
Megan Kennedy** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1974	Vice President and Secretary	Since 2008	Currently, Head of Product Management for Aberdeen Asset Management Inc. Ms. Kennedy joined Aberdeen Asset Management Inc. in 2005 as a Senior Fund Administrator. Ms. Kennedy was promoted to Assistant Treasurer Collective Funds/North American Mutual Funds in February 2008 and promoted to Treasurer Collective Funds/North American Mutual Funds in July 2008.
Adam McCabe*** Aberdeen Asset Management Asia Limited 21 Church Street #01-01 Capital Square Two Singapore 049480 Year of Birth: 1979	Vice President	Since 2011	Currently, Senior Portfolio Manager on the Aberdeen fixed income – Asia Pacific desk, responsible for currency and interest rate strategies in Aberdeen's Asian fixed income portfolios. Mr. McCabe joined Aberdeen in 2009 following the acquisition of certain asset management businesses from Credit Suisse. Mr. McCabe worked for Credit Suisse since 2001, where he was an investment manager responsible for the development and implementation of its Asian currency and interest rate strategies.

Management of the Fund (unaudited) (concluded)

Name, Address and Year of Birth	Position(s) Held With the Fund	Term of Office* and Length of Time Served	Principal Occupation(s) During Past Five Years
Andrea Melia** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1969	Treasurer and Principal Accounting Officer	Since 2009	Currently, Head of Fund Accounting for Aberdeen Asset Management Inc. Ms. Melia joined Aberdeen Asset Management Inc. in September 2009. Prior to joining Aberdeen, Ms. Melia was Director of fund administration and accounting oversight for Princeton Administrators LLC, a division of BlackRock Inc. and had worked with Princeton Administrators since 1992.
Anthony Michael*** Aberdeen Asset Management Asia Limited 21 Church Street #01-01 Capital Square Two Singapore 049480 Year of Birth: 1963	Vice President	Since 2008	Currently, Head of Fixed Income – Asia for Aberdeen Asset Management Asia Limited. Mr. Michael joined Aberdeen through the acquisition of Deutsche Asset Management's Australian Fixed Income business in June 2007. Previously, Mr. Michael was Director and Senior Portfolio Manager at Deutsche (2002-2007).
John Murphy Aberdeen Asset Management PLC. Bow Bells House, 1 Bread Street London Year of Birth: 1963	Vice President	Since 2008	Currently, Portfolio Manager of Aberdeen Asset Management PLC since December 2005. Prior to that, Mr. Murphy was a Portfolio Manager at Deutsche Asset Management (1984-2005)
Jennifer Nichols** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1978	Vice President	Since 2008	Currently, Global Head of Legal and Vice President and Director for Aberdeen Asset Management Inc. Ms. Nichols joined Aberdeen Asset Management Inc. in October 2006. Prior to that, Ms. Nichols was an associate attorney in the Financial Services Group of Pepper Hamilton LLP (law firm) (2003-2006).
Christian Pittard** Aberdeen Asset Managers Limited Bow Bells House, 1 Bread Street London United Kingdom Year of Birth: 1973	President	Since 2009	Currently, Group Head of Product Development for Aberdeen Asset Managers Limited. Previously, Director and Vice President (2006-2008), Chief Executive Officer (from October 2005 to September 2006) and employee (since June 2005).
Victor Rodriguez*** Aberdeen Asset Management Asia Limited 21 Church Street #01-01 Capital Square Two Singapore 049480 Year of Birth: 1971	Vice President	Since 2009	Currently, Head of Fixed Income – Australia for Aberdeen Asset Management Limited. Mr. Rodriguez joined Aberdeen Asset Management Limited in 2009 following the acquisition of Credit Suisse Asset Management (Australia) Limited. Mr. Rodriguez was formerly a member of the fixed income team at Credit Suisse Asset Management since 1995.
Lucia Sitar** Aberdeen Asset Management Inc. 1735 Market St. 32nd Floor Philadelphia, PA 19103 Year of Birth: 1971	Vice President	Since 2008	Currently, U.S. Counsel for Aberdeen Asset Management Inc. Ms. Sitar joined Aberdeen Asset Management Inc. in July 2007. Prior to that, Ms. Sitar was an associate attorney in the Investment Management Group of Stradley Ronon Stevens & Young LLP (law firm) (2000-2007).

* Officers hold their positions with the Fund until a successor has been duly elected and qualifies. Officers are generally elected annually at the meeting of the Board of Directors next following the annual meeting of shareholders. The officers were last elected on March 7, 2012.

** Messrs. Cotton, Goodson, Keener and Pittard and Mses. Ferrari, Kennedy, Melia, Nichols and Sitar hold the same position with Aberdeen Australia Equity Fund, Inc. and Aberdeen Asia-Pacific Income Fund, Inc., both of which may be deemed to be part of the same "Fund Complex" as the Fund. Messrs. Cotton, Goodson and Pittard and Mses. Kennedy, Melia, Nichols and Sitar hold officer positions with Aberdeen Funds, Aberdeen Indonesia Fund, Inc., Aberdeen Israel Fund, Inc., Aberdeen Latin America Equity Fund, Inc., Aberdeen Chile Fund, Inc., and Aberdeen Emerging Markets Telecommunications and Infrastructure Fund, Inc., which may be deemed to be part of the same "Fund Complex" as the Fund. Messrs. Goodson and Pittard and Mses. Kennedy, Melia and Nichols hold officer position with The Singapore Fund, Inc., The Asia-Tigers Fund, Inc., and The India Fund, Inc. which may be deemed to be part of the same "Fund Complex" as the Fund.

*** Messrs. Griffiths, McCabe, Michael and Rodriguez hold the same position with Aberdeen Asia-Pacific Income Fund, Inc. which may be deemed to be part of the same "Fund Complex" as the Fund.

Corporate Information

Directors
P. Gerald Malone, *Chairman*
Martin J. Gilbert
Neville J. Miles
William J. Potter
Peter D. Sacks
John T. Sheehy

Officers
Christian Pittard, *President*
Jeffrey Cotton, *Chief Compliance Officer and Vice President, Compliance*
Megan Kennedy, *Vice President and Secretary*
Andrea Melia, *Treasurer and Principal Accounting Officer*
Kevin Daly, *Vice President*
Martin J. Gilbert, *Vice President*
Alan Goodson, *Vice President*
Paul Griffiths, *Vice President*
Adam McCabe, *Vice President*
Anthony Michael, *Vice President*
John Murphy, *Vice President*
Jennifer Nichols, *Vice President*
Victor Rodriguez, *Vice President*
Lucia Sitar, *Vice President*
Sharon Ferrari, *Assistant Treasurer*
Matthew Keener, *Assistant Secretary*

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Aberdeen
Aberdeen Asset Management Asia Limited

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may purchase, from time to time, shares of its common stock in the open market.

Shares of Aberdeen Global Income Fund, Inc. are traded on the NYSE MKT Equities Exchange under the symbol "FCO". Information about the Fund's net asset value and market price is available at www.aberdeenfco.com.

This report, including the financial information herein, is transmitted to the shareholders of Aberdeen Global Income Fund, Inc. for their general information only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person. Past performance is no guarantee of future returns.

Aberdeen